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Soaring home values help keep personal debt rising

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By John Gallagher

Worried yet about all the debt you're carrying? If not, perhaps you should be.

The amount of debt carried by U.S. households -- both mortgage debt and consumer debt from credit cards and such -- has been rising for decades.

In 1949, that debt burden stood at 33.2% of disposable income. By 2005, the burden had soared to 131.8% of disposable income, according to research cited by the Economic Mobility Project, an initiative of the nonprofit Pew Charitable Trusts.

The flood of credit cards into consumers' hands accounts for some of that increase. And, of course, easy mortgage money accounts for more. But rising home values since 1960 perhaps accounts for most of it. As home values rose, so did the need for ever-bigger mortgage loans.