

Determinants of Family Supports for Young Renter Households

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Abstract

This study explored determinants of family support that young renter households received to afford their housing costs. Microdata set of the 2014 Korea Housing Survey was used as secondary data for the study. Total 1,752,899 households headed by persons between 20 and 34 years of age and whose rental type was either *Jeon-se* or monthly rental with deposit in private rental units were selected as study subjects. For the data analysis, a series of discriminant analysis was conducted using IBM SPSS 21.0. Major findings were as follows. (1) Among the subjects, 28.2% were found to receive financial support from parents or other relatives. (2) To see the discriminant analysis results, a linear combination of seven household and housing characteristics (householder's gender, whether or not the householder worked in the previous week, whether or not the householders have a spouse, tenure type, structure type, location and deposit amount) could explain 44.6% of variance in young renter households' receipt of family support with a prediction accuracy of 77.2%. (3) To summarize the final discriminant model, *Jeon-se* renter households in location other than Incheon or Gyeonggi Province living in a unit in structure other than multifamily structure headed by younger householders that did not worked previous week or without spouse; with a greater deposit had the maximum tendency to receive family support to pay rental costs.

Keywords

Young renter households, Family supports, Financial dependency, Housing costs, Discriminant Analysis

Background

Young households tend to have lower income and less savings than do households headed by older persons. Young households tended to have a greater housing cost burdens to spend too much of their income on housing. In the Korean rental market system that requires a large deposit, it is very difficult for young households without enough savings to pay the full cost of their housing. Thus, many young households have to obtain financial support from someone outside the household, usually parents, or obtain bank loans, which could negatively affect their parents' finance, quality of life and preparation for later life (Baek, 2008; Kang & Hong, 2013). Some researchers insist that young households' housing affordability problems limit social productivity (Kwon & Lee, 2013). Some young renters

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have to live in indecent residential environment where rents are affordable.

There were several studies that have explored young households' financial dependence including the studies of Han et al. (2014), Lee (2015a) and Lee et al. (2014) which are described later in this paper. There are few studies of the determinants of young households' financial dependence on parents. Therefore, this study explores the family support that young renter households received to afford their rental costs using microdata of the 2014 Korea Housing Survey (KHS) in order to suggest development and implementation of housing welfare policies and programs for young households.

Literature Review

Young Households and Family Support

Rental is the most popular type of housing among young people who cannot afford to buy a home or who want more residential mobility because of possible changes in their job and family status. Among the rental choices in Korea, *Jeon-se* rental is the most preferred because it does not require any monthly cash rent and the renter save for a future home purchase. Monthly rental with deposit is the second most preferred as monthly rental without deposit is usually associated with a low-quality residential environment.

To be *Jeon-se* renters or monthly renters with deposit requires a hefty deposit which is beyond the means of most young renters (Choi & Lee, 2014; Goss et al., 2014; Han et al., 2014; Lee, 2015a). For these reasons, many young renters receive financial support from family or financial institutions (Baek, 2008; Lee, 2015a, 2015b). Some live in substandard housing units or unsafe neighborhoods where rents are low (Kwon & Lee, 2013).

There are several studies of young renters' financial dependence on family even after finding employment. Based on surveys of young workers, SaramIn (2009, 2010) found that more than one fifth received parental support. Lee (2015a) administered an online survey to young professionals and reported that 55.3% of young renter households in Seoul capital region had parents who paid their rental costs. Using microdata of the 2012 KHS, Lee (2015b) reported that 31.4% of the young renter households received family support for housing costs.

Lee et al. (2014) administered an online survey to 1,040 early-stage professionals in Korea and the United States. They explored a significant difference in sources of housing costs in the two countries. Young professionals in Korea were more dependent on parental support to pay their housing costs; while those in the United States tended to split housing costs by having roommates. Furthermore, young professionals were more likely to receive parental support for one-time expenses such as deposit, down payment and closing costs than for monthly mortgage or rent payments.

Some studies explored college students' expectations of family support for their post-college housing costs. Lee (2013) administered an on-site survey to students in a non-capital region college and found that 67% of the respondents expected family to help them with their housing costs after graduation. Based on results from a nationwide online survey to college juniors and seniors nationwide, Lee (2014a) reported that 82.9% of the respondents who expected to live away from home after college graduation expected their parents to pay their post-college housing costs.

In many studies, financial support from family was specified as support from parents (Han et al. 2014; Lee, 2014a, 2015a; SaramIn, 2010) as parental support is the most frequent type of family support. In the 2012 and 2014 KHS, however, parental support was not separated from support from other relatives. Thus, the term 'family support' which could come from parents or other relatives as defined in the 2014 KHS was used in this study.

Influences on Receipt of Family Support

There are studies of influences on receipt or expectation of family support to afford housing costs of young renters. In a study by Lee (2015a), family support for early-stage career renter households in Seoul was found to depend on tenure types: *Jeon-se* renters were most likely to receive parental support, followed by monthly renters with deposit.

Based on the 2012 KHS microdata, Lee (2015b) indicated that young renters' receipt of family support varied by tenure types, location and housing cost. Monthly renters without deposit or renters in Seoul capital region tended to receive more family support. Especially, 46.9% of the young renters with housing cost

burdens who were paying 30% or more of their income for housing costs received family support; only 18.3% of the households without housing cost burdens received such support.

Lee (2014a) found that college students' expectation of parental support for their post-college housing costs were influenced by gender, age and parents' income based on one-on-one analysis of each characteristic's influence on the expectation. In the study, females, younger respondents or respondents with a higher parental income were found to have a stronger tendency to expect parental support.

Another study that used multi-variate analysis concluded that the college students' perception of financial independence, dependence on their parents or bank loans and considerations in choosing post-college housing were more influential on expectation of family support than demographic characteristics such as gender, age, marital status and parents' income (Lee, 2014b).

Methodology

Data and Subject Selection

This study utilized microdata of the 2014 KHS obtained from the KHS website (<http://hnuri.go.kr>). The 2014 KHS was administered to 20,205 households nationwide by researchers at the Korea Research Institute for Human Settlements from July 7 to September 28, 2014 (Ministry of Land, Infrastructure and Transport, 2014). As the households were sampled through a series of stratified sample procedures, each response has its own statistical weight that was officially given by the KHS researchers. When these official weights were applied, the 20,205 households were found to represent 17,999,283 households. From this point forward, the counts reported in this paper are weighted counts.

In this study, young households were defined as those headed by someone between 20 and 34 years of age, based on the definition of young households in previous studies (Bae, 2013; Baek, 2008; Kwon & Lee, 2013). In the data, data on housing cost sources of monthly renters without deposit were totally missing. As data on housing cost sources were critical to identify whether or not the household received family support, only *Jeon-se* renters and monthly renters with deposit were selected for data analysis. In addition, households in public rental units were excluded as

their housing costs and sources of housing costs were presumably different from those in private rental units. Finally, 1,752,899 *Jeon-se* renter households and monthly renter households with deposit headed by someone between 20 and 34 years of age in private rental units were selected as subject of this study.

Variables and Data Analysis

To explore influences of household and housing characteristics on receipt of family support to pay rental costs of current home, this study utilized household and housing characteristics that previous studies found to have significant influences on young households' receipt or expectation of family support for rental costs (gender, age, marital status, parents' income, tenure type, residential location, housing cost burden status). The researchers added some basic characteristics that were considered to have possible relationships with young renter households' receipt of family support (e.g., educational attainments, household size, household income, employment status, residential experience, structure type, housing costs). Finally, the independent variables used in this study were seven household characteristics (householder's gender, age, educational attainment; household size, marital status, household income, whether or not worked previous week either paid or not paid) and eight housing characteristics (whether or not a first-time householder, tenure type, structure type, location, deposit, housing costs, housing costs-to-income ratio, whether or not borrowed from financial institutions to pay current rental costs).

In the 2014 KHS, householders' marital status was not included. Thus, by combining variables of each of household members' relationship to the householder, a new variable of 'whether or not having a spouse in the household' was generated and used in place of householder's marital status. For the reason, whether or not the householder has a spouse is not the same as the householder's marital status.

A variable of 'whether or not being a first-time householder' was generated from original variable of whether or not having any previous residential moves. Households that have not experienced any previous residential move were coded as first-time householders. To measure housing costs, two variables were used. The first variable was 'deposit' directly from original data. The second variable was 'monthly housing costs' which was generated

by the researchers by combining converted rent and maintenance costs.

As for data analysis, discriminant analysis was adopted to explore influences of household and housing characteristics on receipt of family support. For data analysis, IBM SPSS 21.0 was used.

Findings

Overview of Subjects

Among the 1,752,899 young renter households selected, 70.5% were headed by males, 63.6% were headed by college graduates or people with higher educational attainments. In addition, 35.4% of householders had spouses, and 82.9% of householders had worked in the previous week either paid or not paid. Average age of householders was 28.6 years. To see housing characteristics,

46.4% were first-time householders who had not experienced any residential move before, 56.1% were monthly renters with deposit, 43.1% lived in multifamily structure, and 30.1% lived in Seoul. Average household size was 1.7 persons. Table 1 and Table 2 offer household and housing characteristics of the study subjects.

There were 41,673 subjects (2.4%) with zero income. Thus household income statistics were presented in two ways in Table 2: including and excluding the households with zero income. With exclusion of households with zero income, average monthly household income was 2.64 million Korean Won (KRW). Approximately 12.0% of the households borrowed from financial institutions to pay rental costs.

Jeon-se renters only pay deposit and do not pay monthly rent. Monthly renters with deposit pay both deposit and monthly cash rent. Descriptive statistics of deposit and monthly cash rent by each rental type are presented in Table 3.

Table 1. Household and Housing Characteristics: Frequencies

Characteristic	n	%	Characteristic	n	%
Gender			Tenure type		
Male	1,235,975	70.5	<i>Jeon-se</i> rental	768,741	43.9
Female	516,924	29.5	Monthly rental with deposit	984,159	56.1
TOTAL	1,752,899	100.0	TOTAL	1,752,899	100.0
Educational attainment			Structure type		
High school diploma or lower	637,681	36.4	Single-unit detached structure	67,771	3.9
College graduate or higher	1,115,219	63.6	<i>Dagagu</i> or mixed-use structure	743,261	42.4
TOTAL	1,752,899	100.0	Multifamily structure	755,943	43.1
Worked previous week (paid or non-paid)			Officetel		
Worked	1,453,476	82.9	Other	10,113	.6
Did not work	299,424	17.1	TOTAL	1,752,899	100.0
TOTAL	1,752,899	100.0	Location		
Having a spouse			Seoul	527,891	30.1
Have	620,821	35.4	Incheon/Gyeonggi Province	475,428	27.1
Do not have	1,132,078	64.6	Other metropolitan cities ^B	318,171	18.2
TOTAL	1,752,899	100.0	Other	431,409	24.6
First-time householder ^A			TOTAL	1,752,899	100.0
Yes	938,871	53.6	Loans from financial institutions ^C		
No	814,028	46.4	Borrowed	209,595	12.0
TOTAL	1,752,899	100.0	Did not borrow	1,543,304	88.0
			TOTAL	1,752,899	100.0

^A First-time householders are those who have not experienced any residential move previously.

^B Five metropolitan cities excluding Incheon: Busan, Daejeon, Daegu, Gwangju, Ulsan.

^C Whether or not borrowed loans from financial institutions to pay current rental costs.

Table 2. Householder's Age, Household Size and Income

Characteristic	n	Mean	SD	Range	
				Min.	Max.
Householder's age (years)	1,752,899	28.6	3.95	20	34
Household size (persons)	1,752,899	1.7	.97	1	6
Monthly household income (10,000 KRW) ^A					
Including zero-income households	1,743,431	258.1	246.60	0	5,000
Excluding zero-income households	1,701,758	264.4	246.23	9	5,000

^AThere were 41,673 subjects with zero income.

Table 3. Deposit and Monthly Cash Rent by Tenure Types

Housing cost (10,000 KRW)	n	Mean	SD	Range	
				Min.	Max.
<i>Jeon-se</i> renter					
Deposit	765,983	9,525.2	6836.09	300	50,000
Monthly renter with deposit					
Deposit	980,887	1,129.6	1827.53	20	20,000
Monthly cash rent	980,887	36.7	18.09	5	200

Table 4. Monthly Rent Conversion Rates by Regions in 2014

Region	Rate	Region	Rate
Seoul	7.1	Other	
Incheon	8.9	Sejong	8.2
Gyeonggi Province	8.2	Gyeongnam Province	8.8
Other metropolitan cities ^A		Gyeongbuk Province	11.0
Busan	8.0	Choongnam Province	9.5
Daejeon	8.5	Choongbuk Province	10.6
Daegu ^A	9.0	Jeonnam Province	9.5
Gwangju	8.8	Jeonbuk Province	9.6
Ulsan	9.0	Gangwon Province	10.0
		Jeju Province	7.9

Note. Rent conversion rates presented are average monthly rent conversion rates in each of the regions from January to December 2014. Original monthly rates were obtained from Website of the Korea Appraisal Board (<http://www.kab.co.kr/>) and average conversion rates were calculated by researchers of this study.

^AFive metropolitan cities excluding Incheon: Busan, Daejeon, Daegu, Gwangju, Ulsan.

For easier comparisons of housing cost burden across those two rental types, rental costs were converted using rent conversion rates in each city or province in 2014 obtained from the Korea Appraisal Board (Table 4).

To calculate converted rent, deposit was converted to monthly rent by multiplying original deposit amount by regional rent conversion rate according the locations and dividing it by 12. Then,

the converted deposit was added with monthly cash rent. *Jeon-se* renters' monthly cash rent was zero. As results, average converted monthly rent of *Jeon-se* renters was 642,000 KRW, and that of monthly renters with deposit was 443,000 KRW.

Monthly housing costs were calculated by adding the converted monthly rent and monthly maintenance costs. Average monthly housing costs of subjects were 692,000 KRW. Housing costs-

Table 5. Converted Housing Costs and Housing Cost-to-Income Ratio

Housing cost (10,000 KRW)	n	Mean	SD	Range	
				Min.	Max.
<i>Jeon-se</i> renter					
Converted monthly rent [R] ^A	765,983	64.2	43.6	2	296
Monthly maintenance costs [M]	767,114	19.2	12.2	0	100
Monthly housing costs (R + M)	764,357	83.5	47.3	7	331
Housing costs-to-income ratio (%) ^B	748,797	32.5	28.51	2.0	407.1
Monthly renter with deposit					
Converted monthly rent [R] ^A	980,887	44.3	23.6	9	290
Monthly maintenance costs [M]	981,843	13.7	12.7	1	130
Monthly housing costs (R + M)	978,571	57.9	30.6	16	360
Housing costs-to-income ratio (%) ^B	946,932	37.2	35.87	1.2	644.0
TOTAL					
Converted monthly rent [R] ^A	1,746,870	53.0	35.3	2	296
Monthly maintenance costs [M]	1,748,957	16.1	12.8	0	130
Monthly housing costs (R + M)	1,74,2928	69.2	40.8	7	360
Housing costs-to-income ratio (%) ^B	1,695,729	35.1	32.91	1.2	644.0

^A Converted monthly rent = $\{(Deposit \times Regional \text{ rent conversion rate}) / 12\} + \text{Monthly cash rent}$. Different rent conversion rates were applied to each of the households based on their location. Refer to Table 4 for regional rent conversion rates in 2014.

^B Housing costs-to-income ratio = $(\text{Monthly housing costs} / \text{Monthly household income}) \times 100 (\%)$

Table 6. Variables Used in Discriminant Analysis of Family Supports to Pay Rental Costs

Variable	Type	Description
Dependent variable		
FSUPPORT	Categorical (Dichotomous)	Whether or not received family supports to pay rental costs (received, not received)
Independent variable		
D _{FEMALE}	Dummy	Householder's gender (1 = Female)
AGE	Continuous	Householder's age (years)
D _{EDUCATION}	Dummy	Householder's educational achievement (1 = High school diploma or lower)
D _{WORK}	Dummy	Worked previous week (1 = Worked)
HHSIZE	Continuous	Household size (persons)
D _{SPOUSE}	Dummy	Having a spouse (1 = Have)
INCOME	Continuous	Average monthly household income within last 12 months (10,000 KRW)
D _{FIRST}	Dummy	First-time householder (1 = Yes)
D _{TENURE}	Dummy	Tenure type (1 = <i>Jeon-se</i> rental)
D _{STRUCT1}	Dummy	Structure type (1 = Single-unit detached structure)
D _{STRUCT2}	Dummy	Structure type (1 = Multifamily structure)
D _{LOC1}	Dummy	Location (1 = Seoul)
D _{LOC2}	Dummy	Location (1 = Incheon/Gyeonggi Province)
D _{LOC3}	Dummy	Location (1 = Non-capital region metropolitan cities)
DEPOSIT	Continuous	Deposit amount (10,000 KRW)
HCOST	Continuous	Monthly housing costs (10,000 KRW) (= Converted monthly rent + Monthly maintenance costs)
BURDEN	Continuous	Housing costs-to-income ratio (%)
D _{LOAN}	Dummy	Borrowed loans from financial institutions to pay rental costs (1 = Borrowed)

to-income ratio is one of the popular indicators of housing affordability. Housing costs-to-income ratio was calculated as percentage of monthly housing costs out of monthly household income. Average housing costs-to-income ratio was 35.1%. Refer to Table 5 for housing costs and housing costs-to-income ratio by tenure types.

Receipt of Family Supports to Pay Current Rental Costs

It was found that 28.2% of the subjects (487,989 households) received financial support from parents or other relatives to pay their rental costs. The average amount of family support among the households that received family support for rental costs was 35.8 million KRW, ranging from 0.2 million to 390 million KRW.

Determinants of Receipt of Family Support

A discriminant analysis was conducted to identify the best linear model to predict whether or not young renter households receive family support for rental costs. The dependent variable was receipt of family support which was a dichotomous variable: received or not received. Eighteen independent variables measured 15 household and housing characteristics. Refer to Table 6 for description of dependent and independent variables.

The discriminant analysis adopted a stepwise method. Through

Table 7. Summary of Discriminant Model of Family Supports to Pay Rental Costs

Item	Value
Eigenvalue	.280
Canonical correlation	.468
Function test	
Wilk's lambda	.781
Chi-square	419,105.7***
Group centroid	
Received	-.861
Not received	.326
Prediction accuracy (%) ^A	
Received	40.8
Not received	92.0
TOTAL	77.9

Note. Summary of the final stage stepwise model is presented. Refer to Table 6 for description of variables used in the model.

*** $p < .001$

^A Cross-validated results are presented.

the stepwise model, HCOST, an independent variable of housing costs calculated by adding converted rent and maintenance costs, was excluded. So, the final stepwise model only included 17 independent variables. Table 7 and Table 8 show summary of the final stepwise discriminant model.

To see canonical correlation (Table 7), the final stepwise discriminant model with a linear combination of the 17 independent variables could explain 46.8% of variance in young renter households' receipt of family support. Also, the model was found to predict 77.9% of the cases. However, when prediction accuracies were compared across households that did and did not receive family support, the model was found more useful in predicting households that did not receive family support (92.0% accuracy) than in predicting households that received family support (40.8% accuracy).

Table 8. Canonical Discriminant Function Coefficients of Final Stepwise Model

Independent variable	Canonical discriminant function coefficients	
	Unstandardized	Standardized
D _{FEMALE}	.339	.154
AGE	.154	.570
D _{EDUCATION}	-.137	-.065
D _{WORK}	.988	.338
HHSIZE	.093	.090
D _{SPOUSE}	.498	.235
INCOME	.001	.133
D _{FIRST}	-.394	-.195
D _{TENURE}	-.597	-.296
D _{STRUCT1}	.433	.085
D _{STRUCT2}	.585	.288
D _{LOC1}	.101	.046
D _{LOC2}	.679	.299
D _{LOC3}	.459	.177
DEPOSIT	.000 ^A	-.519
BURDEN	-.003	-.093
D _{LOAN}	.456	.147
(Constant)	-5.450	.

Note. Dependent variable is whether or not received family supports to pay rental costs (received, not received). Coefficients of the final stage stepwise model are presented. Refer to Table 6 for description of independent variables used in the model and Table 7 for group centroids.

^A Value was -.000082 but shown .000 due to rounding.

To interpret coefficients of each variable in relation with a group centroid of households with family support (-.861), the household and housing characteristics that were found to contribute to increase in chance for a young renter household to receive family support are as follows:

- Householder’s gender: Male
- Householder’s age: Younger householders
- Householder’s educational attainment: High school diploma or lower
- Whether or not householder worked previous week: Did not work
- Household size: Smaller households
- Having a spouse: Do not have
- Household income: Lower income
- Whether or not being a first-time householder: First-time householder
- Tenure type: *Jeon-se* renters
- Structure type: Structures other than single-unit detached or multifamily structures
- Location: Locations other than Seoul capital region or metropolitan cities
- Deposit: Greater deposit
- Housing costs-to-income ratio: Paying a greater proportion of household income for housing costs
- Loans from financial institutions: Did not borrowed any loans to pay rental costs

There were connections between findings of this study and those of previous studies that explored influences on receipt or expectation of family support. Characteristics that showed influences on family support that were consistent with findings from previous studies were householder’s age (Lee, 2014a), tenure type (Lee, 2015a) and housing costs-to-income ratio (Lee, 2015b): Younger householders, *Jeon-se* renters and households with a greater housing costs-to-income ratio had a stronger tendency to receive family support.

However, characteristics that showed the influences opposite to findings from previous studies were gender and location. Male householders were found to have a stronger tendency to receive family support in this study, while a previous study of influences on expectation of family support for post-college housing reported

that females had a stronger expectation of family support (Lee, 2014a). In terms of location, households living in Seoul capital region (Seoul, Incheon, Gyeonggi Province) or metropolitan cities had a weaker tendency to receive family support in this study; Lee (2015b) reached the opposite conclusion. The differences could be attributed to differences in subjects (young household’s actual status vs. college students’ expectation) and analytical methods (univariate vs. multi-variate).

To see absolute values of the standardized coefficients, householder’s age and deposit amount had the greatest influences on prediction of family support, followed by whether or not householders worked previous week, lived in Incheon or Gyeonggi Province (capital region other than Seoul), were *Jeon-se* renters, lived in multifamily structure, and whether or not have a spouse, in that order.

As parsimony is important for a scientific research study, an additional discriminant analysis was run with only seven independent variables with standardized coefficients greater than .200 in initial discriminant model. The new discriminant model was found to explain 44.6% of variance in young renter households’ receipt of family support with 77.2% of prediction accuracy. That is, the simpler model with seven independent variables could be more efficient because it has similar prediction power with a

Table 9. Summary of Simplified Discriminant Model of Family Supports to Pay Rental Costs

Item	Value
Eigenvalue	.248
Canonical correlation	.446
Function test	
Wilk’s lambda	.801
Chi-square	387,609.4***
Group centroid	
Received	-.801
Not received	.310
Prediction accuracy (%) ^A	
Received	39.3
Not received	91.9
TOTAL	77.2

Note. Refer to Table 6 for description of variables used in the model.

*** $p < .001$

^A Cross-validated results are presented.

Table 10. Canonical Discriminant Function Coefficients of Simplified Model

Independent variable	Canonical discriminant function coefficients	
	Unstandardized	Standardized
AGE	.181	.674
D _{WORK}	1.080	.390
D _{SPOUSE}	.509	.239
D _{TENURE}	-.521	-.258
D _{STRUCT2}	.634	.311
D _{LOC2}	.640	.280
DEPOSIT	.000 ^A	-.510
(Constant)	-6.066	.

Note. Dependent variable is whether or not received family supports to pay rental costs (received, not received). Refer to Table 6 for description of independent variables used in the model and Table 9 for group centroids.

^A Value was -.000081 but shown .000 due to rounding.

smaller number of variables compared to an initial model with 17 variables.

The new simplified discriminant model with the seven variables is summarized in Table 9 and Table 10. Coefficient of each independent variable shows the same relationship to receipt of family support as the initial discriminant model with 17 independent variables.

Conclusions

Implications

This study explored influences of young households' household and housing characteristics on their receipt of family support to pay current rental costs by analyzing the 2014 KHS microdata. It is concluded that more than 28% of the young renter households received financial support from their parents to pay their rental costs, and influences of households and housing characteristics on young renter households' receipt of family support were confirmed.

Through discriminant analysis, an efficient model with seven independent variables to predict young renter households' receipt of family support was derived. In summary, *Jeon-se* renter households outside of Incheon or Gyeonggi Province, living in a unit in something that is not a multifamily structure headed by younger householders who had not worked previous week or

without spouse; with a greater deposit were most likely to receive family support for their rental costs.

Among the seven variables included in the final discriminant model, deposit amount had the second strongest influence on predicting receipt of family support. In general, deposit substitutes for monthly cash rent by making the leaseholders earn benefits of the bank interests from the lump sum deposit. For the last several years, however, bank interest rates were dramatically decreased and that resulted in a rapid hiking of rent deposit. According to the Bank of Korea (n.d.), the basemoney interest rate dropped from 5.25% in August 2008 to 1.50% in June 2015. Sometimes, the leaseholders reduce deposit amount and increase monthly cash rent to secure enough cash income. Either situation would be a financial strain for young households. Larger deposits make it more difficult for young households to achieve and maintain their rental status without outside support, while an increase in monthly cash rent makes their housing cost burden problem even heavier by giving them less chance to save for homeownership or a rent increase. That is, it would not be possible to solve young householders' problems with finding affordable housing and becoming financially independent in Korea's housing market system without aggressive policy support.

Fortunately, young renters' financial dependence on family seems to decrease as they get older, get jobs and/or get married. In addition, to see the initial discriminant model, their financial dependence would lessen as their income grows and their housing costs-to-income ratio decrease. Thus, young households require shorter-term assistance to achieve their housing stability than other low-income households.

To support young households' ability to afford housing, extended provision of inexpensive rental units with low or no deposit would be the best solution. Public rental housing giving priority for young people such as Happy Housing projects in diverse locations would be one example. A subsidy or tax deduction for homeowners who lease their private units for young households or securing more acquired public rental units would accelerate provision of the supportive housing in dispersed locations in neighborhoods with lower costs than new rental housing constructions.

Limitations and Suggestions for Further Study

This study utilized microdata of the 2014 KHS, which is the most comprehensive national survey on housing. The greatest advantage of using microdata of a national survey is the size and credibility of samples that individual researchers cannot achieve with limited research funds and manpower. Of course, there also are some limitations to national survey data. One of these limitations is that the variables surveyed may not perfectly meet researchers' expectations.

This study also has limitation in variables used as the KHS was not tailored to the researchers' study purpose. In previous studies, parents' income was shown to have a significant influence on college students' expectation on family support to pay their housing costs after graduation (Lee, 2014a). In another study, values and opinions of young persons were found more influential on such expectation than their demographic characteristics (Lee, 2014b). In a related study, lifestyle was proven to have a significant influence on housing choices (Beamish et al., 2001; Lee et al., 2007; Kim & Kim, 2013; Kwon & Lee, 2015). In the 2012 KHS, there were several questions about the householder's views and opinions on housing and housing markets such as tenure and structure preferences and market prospect. However, the 2014 KHS analyzed in this study does not include such variables. The only variable close to housing value is whether or not the household members think achievement of homeownership critical which was measured dichotomously: yes or no.

Thus, in future studies of family support and their determinants of any age or lifestyle groups, it would be beneficial to include the financial situation of parents or other relatives as well as housing values or lifestyle measurements.

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