

Why a Stronger Housing Sector Isn't Boosting the U.S. Economy That Much

By Kris Hudson and Nick Timiraos

The U.S. housing market dragged the economy into a deep recession nearly eight years ago. Could it now insulate the domestic expansion during a fragile period of global growth?

Recent numbers look promising, but several obstacles—including shifts in where young households want to live, their capacity to take on debt and rising costs for home builders—suggest the sector won't soon offer breakout growth.

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