

# THE WALL STREET JOURNAL.

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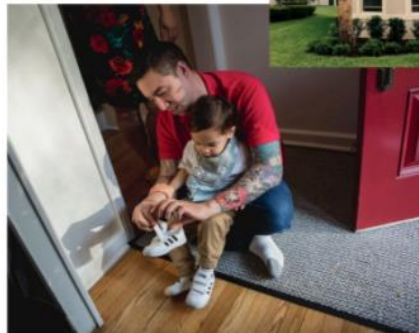
## The Pandemic Changed Where Americans Live

Big cities lost residents, as younger households left for the suburbs and older people accelerated retirement moves, while fewer newcomers came to take their places

By [Arian Campo-Flores](#), [Paul Overberg](#), [Joseph De Avila](#) and [Elizabeth Findell](#)

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Families moved away from big cities to suburbs such as Denton, Texas, Land O' Lakes, Fla., and Waldwick, N.J., over the past year. PHOTOS: NITASHIA JOHNSON, ZACK WITTMAN AND CASSANDRA GIRALDO FOR THE WALL STREET JOURNAL

The pandemic has spurred a burst of mobility that is [accelerating changes](#) in where and how Americans live.

Some young people are leaving cities earlier than is typical, while some older people are [speeding up retirement moves](#). Fewer newcomers are giving cities a try, meaning the people moving out aren't being replaced by fresh residents.

Suburbs are emerging as the winners from these changes, marking the [end of a decadelong growth trend for big cities](#). Companies intent on lowering overhead and retaining talent are opening offices there, and developers are adding amenities to keep entertainment dollars local.

In the largest cities, the changes are helping erase billions of dollars of annual property tax revenue and fueling double-digit decreases in rents. In 2020, higher-income neighborhoods lost more residents to migration than lower-income neighborhoods.

With many companies signaling a new openness to remote work after the pandemic ends, cities are bracing for a future where spending on public transportation, lunches and other drivers of the urban economy don't return to pre-pandemic levels.

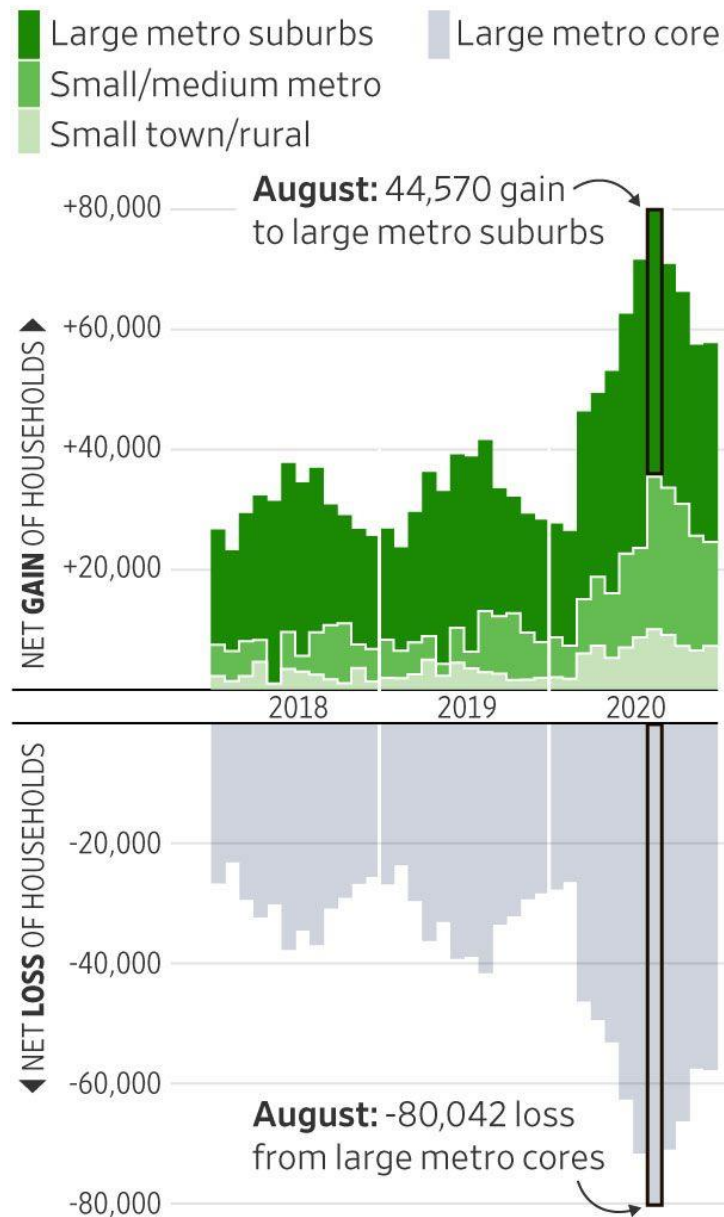
Nationwide, the South, especially Florida and Texas, added households, while the Northeast lost them. Early [results of the 2020 census](#), pegged to April 1, 2020, and released this week, don't reflect most of the coronavirus pandemic's effects. The Census Bureau's American Community Survey will provide a detailed demographic profile covering all of 2020 when it is released this fall.

A Wall Street Journal analysis of U.S. Postal Service permanent change-of-address data through 2020 provides the clearest picture yet of how millions of domestic moves during the pandemic supercharged demographic shifts.

From coast to coast, Americans migrated toward less-dense, more-affordable areas as they sought more space and, in some cases, became untethered by the ability to work from anywhere.

Big cities including New York, Chicago, [San Francisco](#) and Boston saw hundreds of thousands more residents move out than in, in changes they labeled permanent, causing the net loss of households from migration to widen by 71% in 2020 from the previous year. New York City saw more net moves out last year than it did during the two prior years combined.

## Net flow of households by county type, monthly



Source: U.S. Postal Service

Note: In May 2018 small/medium metro counties had a net loss of 1,300 households (not shown)

The suburbs of large metropolitan areas captured much of the outflow. Net new suburban households from migration rose 43% in 2020 from the prior year, helping

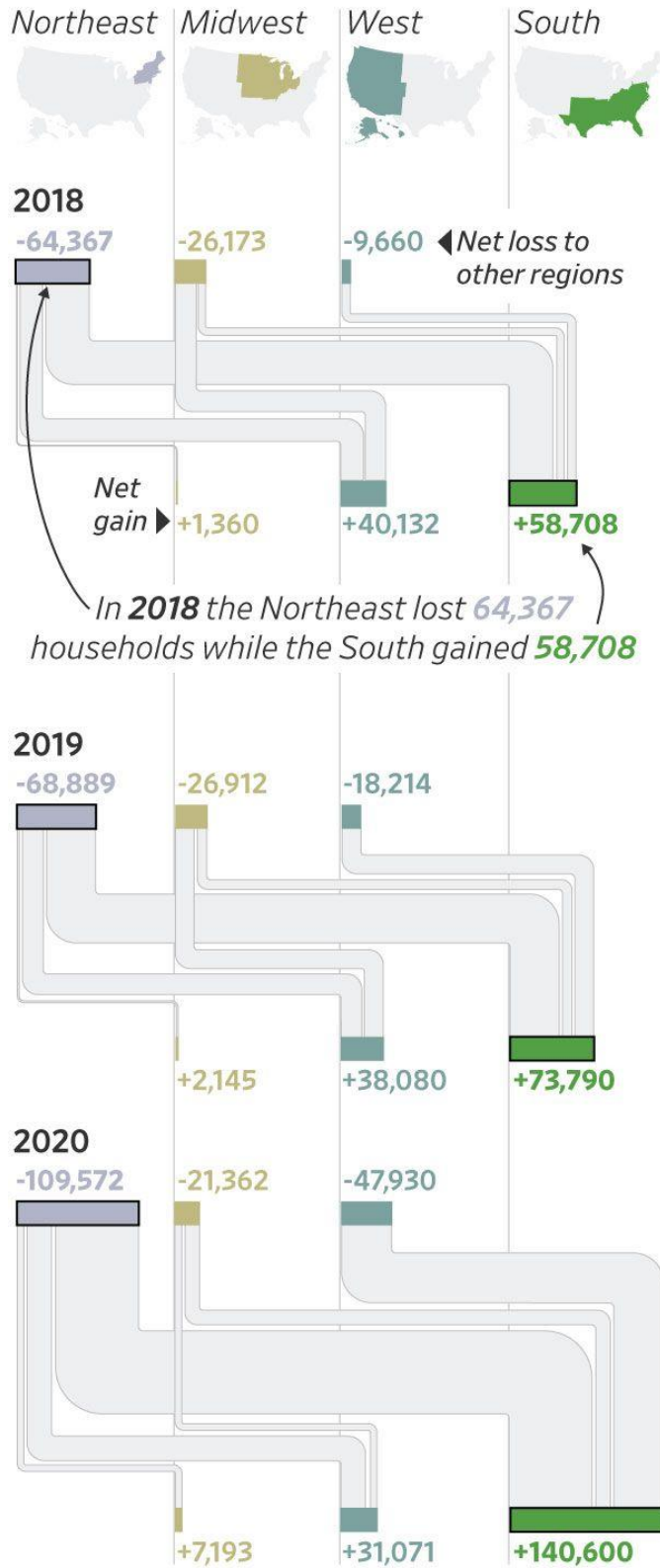
swell the counties surrounding Dallas, Indianapolis, Nashville, Tenn., and Charlotte, N.C., among others.

Smaller metro areas, including Salisbury, Md., Colorado Springs, Colo., Allentown, Pa., and Boise, Idaho, also experienced sharp net increases in newcomers. So did [vacation destinations](#) from the Grand Strand of South Carolina to the red-rock mountains of southwestern Utah.

In big-city suburbs—which added more new households than smaller metros and towns combined—developers are capitalizing on the shift. They are investing in walkable “surban” master-planned communities that feature fresh-air spaces, fitness facilities, local food and other amenities that ease newcomers into suburban living, said Chris Porter, chief demographer at John Burns Real Estate Consulting in Irvine, Calif.

Masha Lavie, a 33-year-old marketing consultant, thought she was years away from trading her one-bedroom Manhattan apartment for a home in the suburbs. But after she and her fiancé hunkered down in her grandparents’ summer house in the Poconos at the start of the pandemic, the couple realized their priorities had shifted. They rented a more-spacious condo in Cliffside Park, N.J., and grew accustomed to having their own space to work from home. Ms. Lavie bought a car to have more freedom.

## Net flow of households between regions



In October, they purchased a three-bedroom unit in that same building with views of the Manhattan skyline. “The city looks prettier from the Jersey side,” Ms. Lavie said.

California’s exodus also gained steam, extending losses in the Pacific West and contributing to increases in the Mountain West. The Midwest saw a modest net loss from migration that was smaller than prior years.

The figures don’t capture the arrival of new immigrants, which was damped by the pandemic, and exclude births and deaths. The Journal included in its analysis only households that indicated their change of address was permanent.

Even before the pandemic, a boom in city living was weakening in the face of soaring real-estate prices and the aging of millennials, who reached peak periods for family formation and home buying. Covid-19 accelerated the trend.

What started to change in the past year is who lives in cities. Stephan Whitaker, a policy economist at the Federal Reserve Bank of Cleveland, used credit-record data to analyze urban mobility patterns. He found that in earlier years, the net migration out of urban neighborhoods involved more people from neighborhoods with below-median income than from neighborhoods with above-median income. That reversed in 2020, with wealthier neighborhoods seeing the biggest losses from migration.

Net population losses in and around large cities were driven, even more than departures, by a decline in the number of people moving in, data from the postal service and Mr. Whitaker’s research show. The outflow was greater among metro areas with more Covid-19 deaths and those with more jobs that allowed for remote work, according to Mr. Whitaker’s analysis.

The postal service data showed a sharp reversal in migration, which had hit a record low before the pandemic, census figures show. Americans logged 7% more permanent moves between counties in 2020 than in 2019, after a drop of 2% from 2018 to 2019. Year-over-year increases topped 10% in each of the last four months of 2020, peaking at 28% in December.

The patterns in 2020 generally followed those in 2019, but were amplified, as losing states gave up more and gaining states received more.

The [exodus from New York City](#) has been a boon for New Jersey. The state more than doubled its new households from migration in 2020 from the prior year. In 12 suburban

New Jersey counties, net growth from relocating New York City residents rose to more than 35,000 households in 2020, up 76% from the prior year.

That, along with low interest rates, set the housing market in Bergen County, N.J., on fire. Located just across the Hudson River from Manhattan, the county drew three times as many net new households from migration in 2020 compared with the prior year as families seeking more space and short commutes poured in.



Children play at a luxury home development in Mahwah, N.J., in Bergen County. Below, a street of restaurants, and Palisades Park, also in the county.

Civic leaders say they are excited about the opportunity to capture more of their dining and entertainment spending, and they are building housing that caters to people who will telework beyond the pandemic.

Bergen County plans to break ground in Hackensack as early as this spring on a nearly 100-unit housing development with income restrictions aimed at attracting young professionals at the start of their careers, said Bergen County Executive James Tedesco.

The apartments will be built with desk spaces attached to the walls and inside closets to appeal to people who need to work from home.

About 1,150 building permits for single-family homes were issued in the county in 2020, a 43% jump from the prior year and the most permits in over a decade.

“We’ve had homes get 50, 60 offers,” said Joseph Tamburo, a branch vice president for a Coldwell Banker office in Fort Lee, N.J.



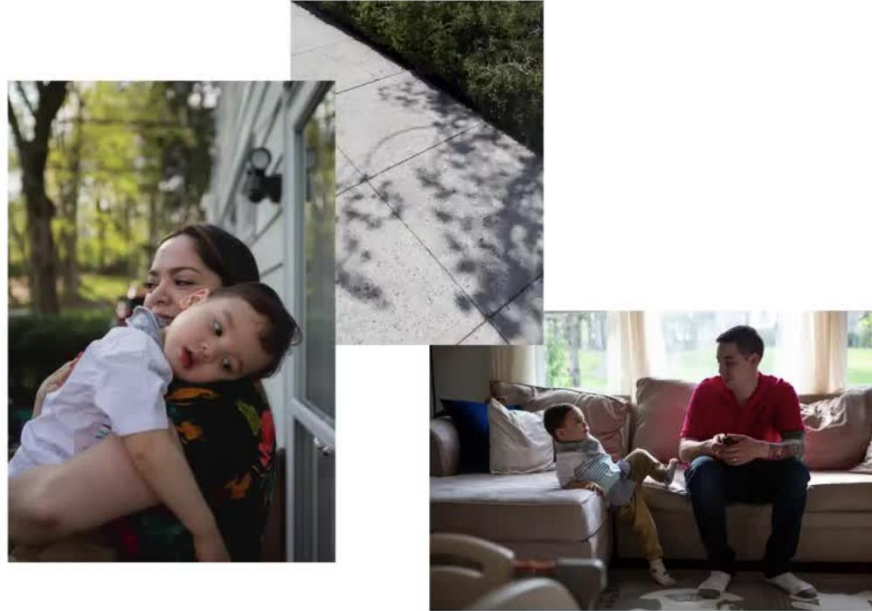
PHOTO: CASSANDRA GIRALDO FOR THE WALL STREET JOURNAL

Maridel and Mitchell Quesada were living in a two-bedroom apartment in Queens with their infant son when the pandemic hit. When playgrounds reopened, they watched their son bask happily in the sunlight. “He needs to be outside,” said Mr. Quesada, a 37-year-old on-site manager for a medical device company that provides technician services to hospitals.

In December, they bought a four-bedroom, side-hall-colonial home with a large deck set above their backyard in the Bergen community of Waldwick, close enough to commute



into Manhattan. “If we have to hunker down and become hermits again, at least we can all have our own space,” Mr. Quesada said.



The Quesada family moved from New York City to Waldwick, N.J. PHOTO AND VIDEO: CASSANDRA GIRALDO FOR THE WALL STREET JOURNAL THE WALL STREET JOURNAL INTERACTIVE EDITION

Such departures, along with more people working from home, have taken a toll on New York City’s economy. The city’s property tax revenues are projected to decline by hundreds of millions of dollars in the coming fiscal year as the values of office buildings and hotels have sunk. Median asking rent for Manhattan apartments fell 21% in March compared with the previous year as demand fell, according to real-estate site StreetEasy. The city has recovered less than half of all the jobs it lost since the start of the pandemic. The state of New York lost a net of about 150,000 households from migration last year, more than any other state and double the amount from the previous year, the postal service figures show. Florida drew more New York transplants than any other state besides New Jersey, capturing a net of 23,000 new households that migrated from the Empire State.

Some younger baby boomers accelerated moves to retirement destinations because they anticipate being able to telework for a few years before fully retiring, said Nadia Evangelou, senior economist and director of forecasting at the National Association of Realtors. For others, the pandemic hastened their retirement and changed their priorities.

Bob Biller, a 70-year-old podiatrist, was living in Oceanside, N.Y., on Long Island and teaching medical staff at a nursing home when the pandemic hit. His wife, Joanne Biller, 73, had long resisted leaving New York and its cultural life. Fearful of his Covid-19 exposure at work, and frustrated with high New York taxes, Mr. Biller decided it was time to retire and head south.



Homes in Land O' Lakes, Fla., where Bob and Joanne Biller moved. Bottom, a new development in Wesley Chapel, Fla.



PHOTO: ZACK WITTMAN FOR THE WALL STREET JOURNAL

He persuaded Ms. Biller to move to Land O' Lakes, Fla., where they bought a home in the Del Webb Bexley retirement community in January. Now he has a big garage to tinker with cars, and she has an art room to paint. "You can have a better quality of life down here," Mr. Biller said.

They are part of an influx of new residents into Pasco County, a fast-growing suburban area north of Tampa. The county drew a net of more than 7,000 new households last year, a 57% increase from the prior year, according to the change-of-address data. Developers are turning swaths of former ranchland into master-planned communities offering recreation centers, artificial lagoons and biking trails. New construction is abundant, with gleaming shopping centers, a growing array of restaurants and signs advertising "New Homes from the \$200s."

Building permits for single-family homes jumped 89% in January, 81% in February and 116% in March, compared with the same months a year earlier, said county administrator Dan Biles. Some big employers recently have built facilities in the county, or announced plans to, including manufacturers, a financial company and a cancer treatment and research center.

County leaders are working to ensure the growth doesn't erode the quality of life. Traffic has become gridlocked along major thoroughfares at times. Road expansions are under way across the county to accommodate the influx.



Bobby Boyer sold his house in Virginia and moved to Wesley Chapel. PHOTO AND VIDEO: ZACK WITTMAN FOR THE WALL STREET JOURNAL THE WALL STREET JOURNAL INTERACTIVE EDITION

Bobby Boyer, 43, had lived in Winchester, Va., for eight years when he was furloughed from his job as a building automation programmer early in the pandemic. He began panicking about making his house and car payments and reached out to a recruiter, who told him about an opening in Tampa.

Mr. Boyer got the job, sold his house in Winchester and in July moved to Wesley Chapel, one of the fastest-growing areas of Pasco County, with sprawling new developments and malls. He bought a four-bedroom house for \$260,000, about \$60,000 less than what he sold the smaller Winchester property for. Although his new job pays about 20% less than his previous one, the lower cost of living, from reduced taxes to cheaper leisure and entertainment costs, made up for that, while his lifestyle gained an upgrade.

“I really wanted to get down here,” said Mr. Boyer. “It’s a change of scenery—the palm trees, lakes everywhere, all the wildlife.”

Nationally, there are signs that employment is rebounding more strongly in suburbs than in cities. After job losses bottomed out in April, the employment growth rate in suburban areas slightly outpaced that of the overall U.S. through September, the most recent month available, while urban areas have recovered at a slower pace, according to an analysis of federal employment data by John Burns Real Estate Consulting.

In Texas, which drew more transplants from migration than any other state last year, the counties surrounding Dallas and Fort Worth are using the influx of residents to lure employers. The outlying counties gained a net of about 43,000 new households from migration last year, a 28% increase from the prior year.

More than a quarter of that growth was in Denton County, where the development is sprawling out along the highways that run north to Amarillo, Colorado and Oklahoma, and down along the southern side of the county, near the Grapevine and Lewisville lakes. The city of Denton, a college town known for its art and music scene, in October approved its first two city grants to technology startup companies, said Jessica Rogers, the city’s director of economic development. A cold storage and a food distributor also opened during the pandemic.

Around the small town of Argyle, north of Fort Worth, where several planned communities are under way, large homes on sprawling acreage cluster around a gun club, and longhorns graze next to a construction site.

“We have two major universities,” said Denton County Judge Andy Eads, the county’s elected executive. “We have an educated workforce. We have three lakes and plenty of open space. We have a diversified housing market, so you can find high rise condos overlooking Lake Grapevine all the way to ranches.”



Gerard Hudspeth, the mayor of Denton, Texas, said the city is working to keep up with all the newcomers.

**PHOTO: NITASHIA JOHNSON FOR THE WALL STREET JOURNAL**

Denton Mayor Gerard Hudspeth said the city met its pre-pandemic projections for sales tax revenue last year, and that parks and schools have scrambled to keep up with newcomers. Many of the new residential developments are outside of city limits, putting them out of range of city services from infrastructure to emergency response. That has

caused some tension when water systems are undersized or the county's first responders try to cover a widespread area.

"You don't think about it until something happens when 'Hey, I've got to call the police' and you think the city police is going to come and it gets rerouted to the sheriff's department," Mr. Hudspeth said.

Some builders have gone to a lottery system to sell their homes, said Chrissy Mallouf, a local real-estate agent. Bloomfield Homes, which has dozens of developments around the Dallas-Fort Worth area, is now using a wait list, and the increased demand, in addition to an unusual winter storm, caused delays and shortages of windows, air conditioning units and lumber, according to company executives.

Melanie Molinaro, a 37-year-old speech pathologist, and her husband wanted a less-hurried lifestyle that didn't include sitting in traffic in Houston, where their daughter was outgrowing the small backyard their townhome shared with a neighbor. They had attended the University of North Texas in Denton and had long wanted to move back there. After her husband lost his job as an arts director when the pandemic hit, they decided it was time to do it.



Melanie Molinaro moved to Denton from Houston with her husband and daughter. PHOTO AND VIDEO: NITASHIA JOHNSON FOR THE WALL STREET JOURNAL THE WALL STREET JOURNAL INTERACTIVE EDITION

The couple set out to buy a house within walking distance of Denton's town square, where bars, cafes and boutiques ring a historic courthouse, and quickly got discouraged. "I would see something I loved and the next day it was under contract," Ms. Molinaro said.

In August, they clinched a 100-year-old farmhouse on a half-acre lot between the university and the square, with a big backyard, screened-in porch and old-growth trees. The family is happy, although Ms. Molinaro laments that Denton feels less like an independent small town and more like part of the big city than when they were in college.

"I'm a little sad because I feel like Denton and Corinth just blend together and that blends to Lewisville and then it's Dallas," she said. "Before, there was differentiation."