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For those who not have heard of the phrase "car poor," it refers to people who buy vehicles on credit and can barely afford the rubber on the road, let alone a higher cost of living or eating out for lunch.

In San Antonio, many are folks leveraging considerable debt-to-income to own a vehicle for getting to work — sometimes for the most economical wheels. And to a large extent, they are millennials.

The city was ranked as having the highest debt burden in the nation among its millennial population — people roughly 18 to 33 years old — with the largest contributor to their debt being vehicles loans. The average millennial in San Antonio owes \$27,122, according to LendingTree LLC, which analyzed data about debt — not including home mortgages — collected anonymously from 9 million users. That debt burden is more than \$4,000 greater than millennials in 49 other cities.

LendingTree examined data on individual debt from June, and its report suggests that many of Texas' growing cities, including San Antonio, are home to next-generation leaders who owe more on vehicles than student loans. Overall, local millennials' balances on vehicle loans account for 43 percent of their total debt, while student loans account for 30 percent, with about 14 percent and 9 percent attributed to credit cards and personal loans, respectively.

These days, some entrepreneurial residents drive for ride-hailing apps to pay for those cars, or they deliver groceries through various mobile apps. I've met dozens of those people since I've lived in San Antonio.

Meanwhile, many are feeling the weight of student debt above all.



CARLOS SANCHEZ  
Kristen Mosbrucker is the technology, finance and the defense industry reporter at the San Antonio Business Journal.

One local millennial — I'm calling him Charles — is indicative of this trend. Charles, who's lived in San Antonio since the mid-1990s, asked not to use his real name out of concern for the stigma associated with having financial issues and because he works in a tight-knit industry.

Charles has more than \$20,000 in student loans, and it could have been more had he not attended community college for two years before finishing his liberal arts degree at a local university. He expects to be debt-free in 2021, but for now, paying bills is a challenge. At the end of each month, he frequently finds himself eating dinner at family members' tables, and he relies on the catered lunches provided by the tech company he works at.

"I have a car and a cellphone, and I occasionally struggle to pay them thanks to my student loans," Charles said.

At times, the weight of his student loan debt seems even more onerous when he sees people without four-year degrees able to follow the same career path he's on.

"Now [tech companies are] telling me that I'm just as qualified as this person [without a degree], but he or she is not \$20,000 in debt," Charles said. "You're not mad at them. You're mad at the system."

He hopes to learn coding and add computer programming to his communication skills, though he's not willing to incur further debt to do so.

"Imagine what I could do if I go take a Python or JavaScript course — who would be willing to snap me up," he said. "To find a [software developer] who knows how to talk to someone is a rare find."

Regardless, Charles seems better off than so many San Antonio millennials who have mostly a vehicle to show for their debt.

Where I grew up in Western Pennsylvania near Pittsburgh, student loans are the biggest contributor to debt among people under 33. That's a much more optimistic scenario, given that — in theory — an education appreciates in value, unlike a hunk of metal whose value depreciates.

As for other major Texas cities, credit card debt is more prevalent among millennials in Austin than in other markets, accounting for about 18 percent of overall debt.

Houston is in a similar situation as San Antonio, with Bayou City millennials on average carrying about \$25,978 in debt and auto loans accounting for about 42 percent of it. Dallas millennials also have comparable debt, averaging \$25,939, with the largest share owed on auto loans.

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