



2024 NATIONAL HOMEOWNERSHIP MARKET SURVEY

*Current state of perceptions of homeownership and
the homebuying market*

October 2024



Methodology



Online National Survey of U.S. Adults

August 12-20, 2024

Interviews: Total of 1,193

- Conducted by ClearPath Strategies
- National Sample n=812 adults (MOE: +/-3.47%)
- Oversamples:
 - n = 109 African Americans (232 All Adults interviews) (MOE: +/-6.43%)
 - n = 108 Hispanics (274 All Adults interviews) (MOE: +/-5.92%)
 - n = 164 Asian Americans (216 All Adults interviews) (MOE: +/-6.67%)

Nationally representative by age, gender, race, region, and education.
Oversampled populations are also weighted by gender, age, and education.

“Future Buyers” in the survey are defined as renters who indicate they want to buy a home in the next few years.

KEY FINDINGS

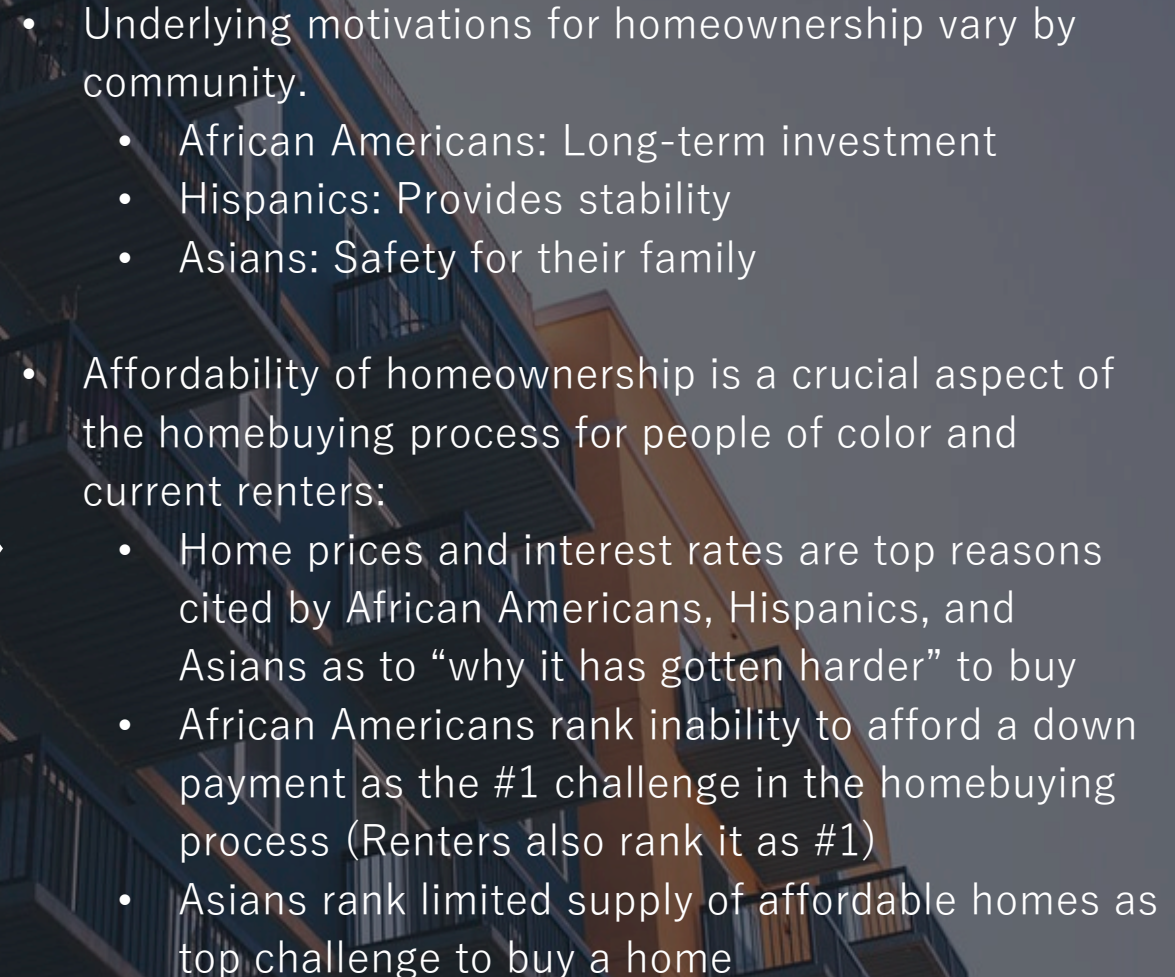
Owning a home is viewed as more important now than a few years ago.

Higher home prices and interest rates are driving a perception that it is getting harder to buy a home (even among those who aren't familiar with current rates).

However, for many, the top challenge to homeownership is the inability to afford a down payment.

Meanwhile, only 1/3 of adults are aware that it is possible to buy with only a 3% or 5% down payment.

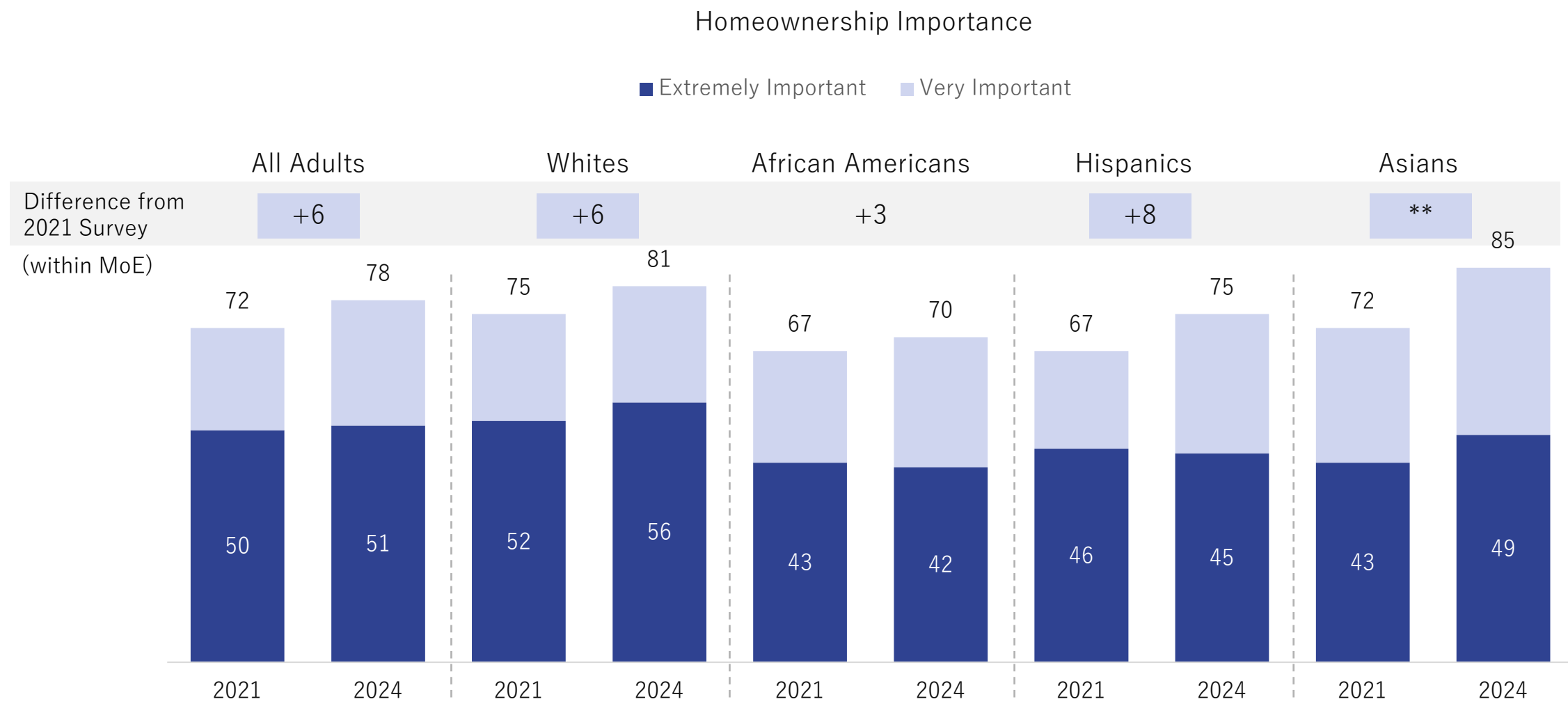
Private MI is perceived as beneficial for making it easier for individuals – including low- and moderate-income households – to become homeowners with low down payments.

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- Underlying motivations for homeownership vary by community.
 - African Americans: Long-term investment
 - Hispanics: Provides stability
 - Asians: Safety for their family
 - Affordability of homeownership is a crucial aspect of the homebuying process for people of color and current renters:
 - Home prices and interest rates are top reasons cited by African Americans, Hispanics, and Asians as to “why it has gotten harder” to buy
 - African Americans rank inability to afford a down payment as the #1 challenge in the homebuying process (Renters also rank it as #1)
 - Asians rank limited supply of affordable homes as top challenge to buy a home



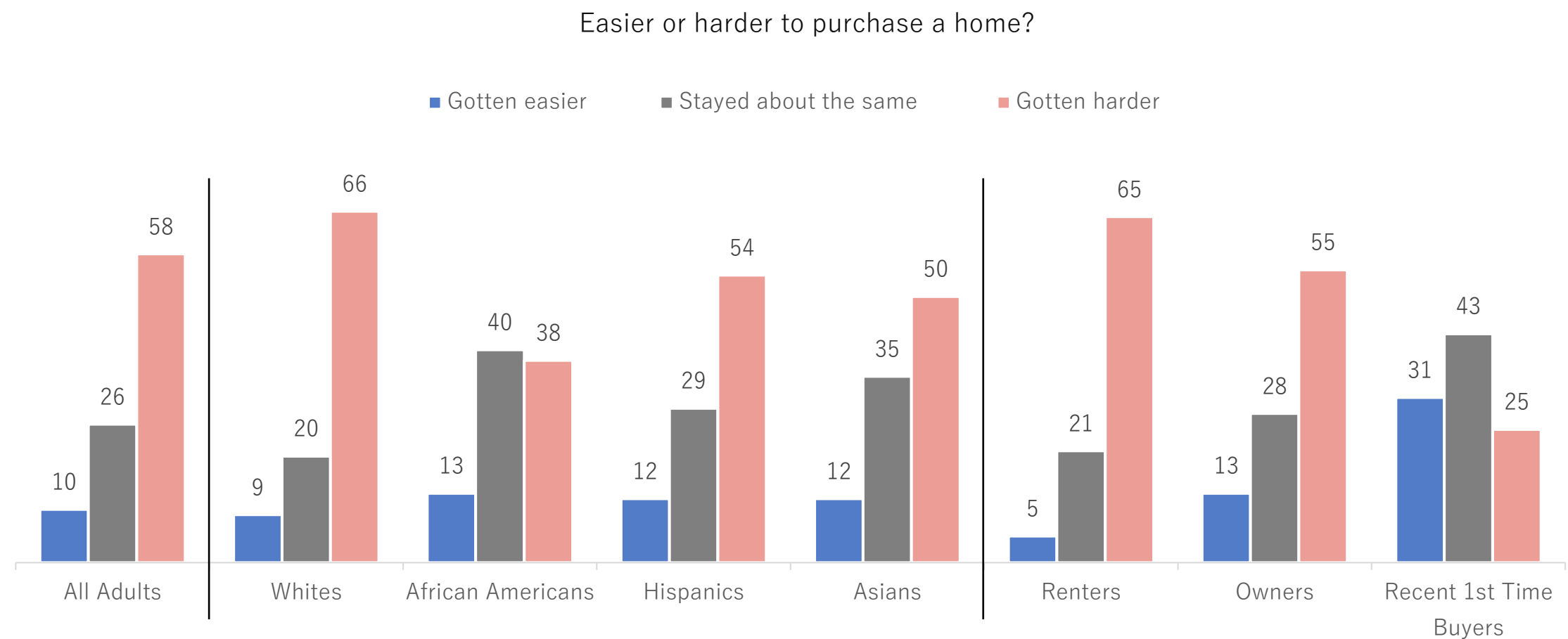
How Americans View Homeownership

Homeownership is viewed as more important than a few years ago



** N size under 50, unable to report for 2021
Q. How important is owning a home to you?

Majority of Americans think a home is getting harder to buy

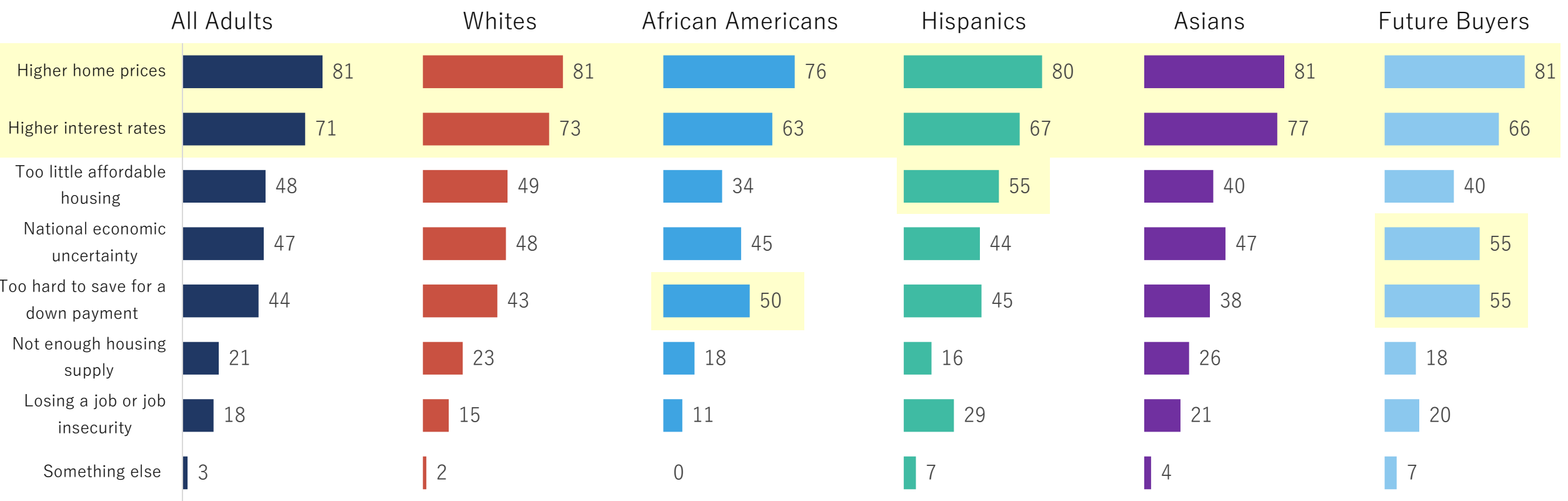


Recent buyers are twice as likely to have household income above \$100K

Q. In the last few years would you say it has gotten easier, harder, or stayed the same to purchase a home?

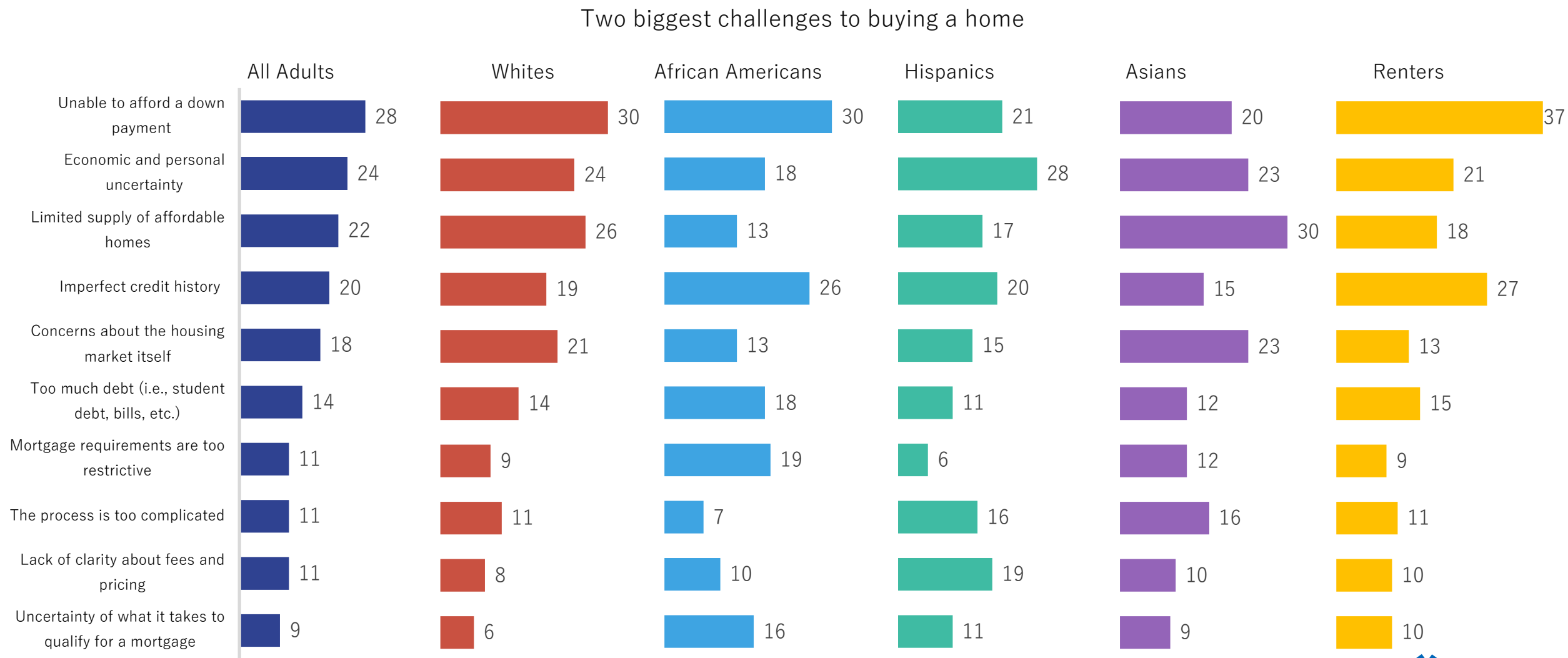
Higher home prices and interest rates driving perception that it's getting harder to buy a home

Why has purchasing a home gotten harder?
(Among people who say it has)



Q. (If said 'gotten harder'): Why has purchasing a home gotten harder in the last few years? Select all that apply.

Among perceived challenges, the ability to afford a down payment ranks as top challenge to buy a home

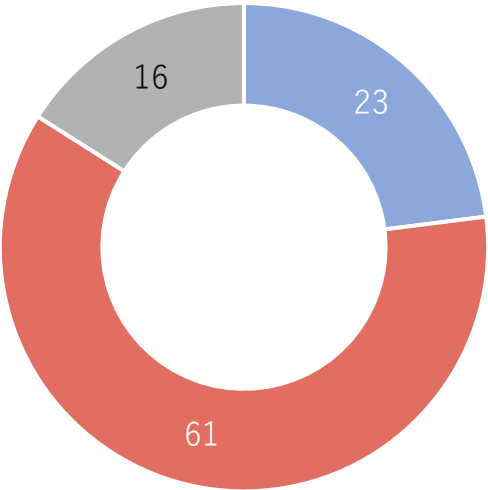


Q. When it comes to buying a home, what are the TWO biggest challenges you might face?

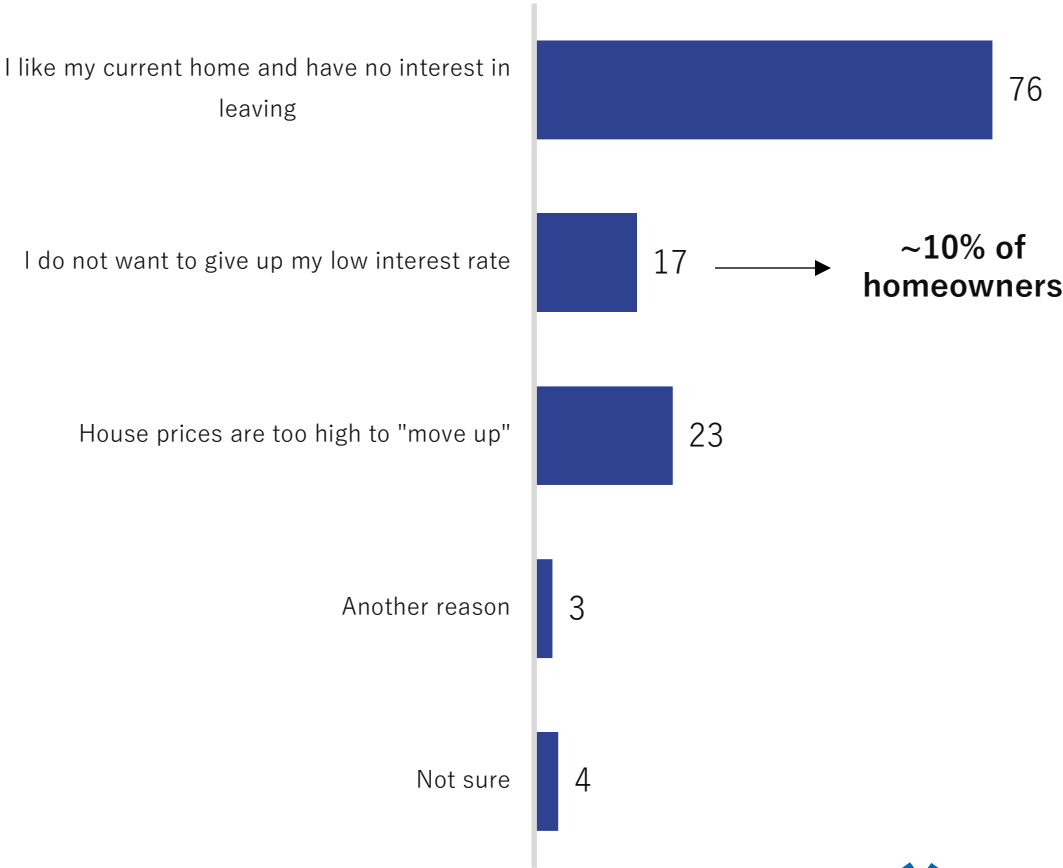
One in five homeowners are considering selling in the next few years, but some are holding back because of interest rates

Are Homeowners Considering Selling their Homes?

■ Yes ■ No ■ Not sure



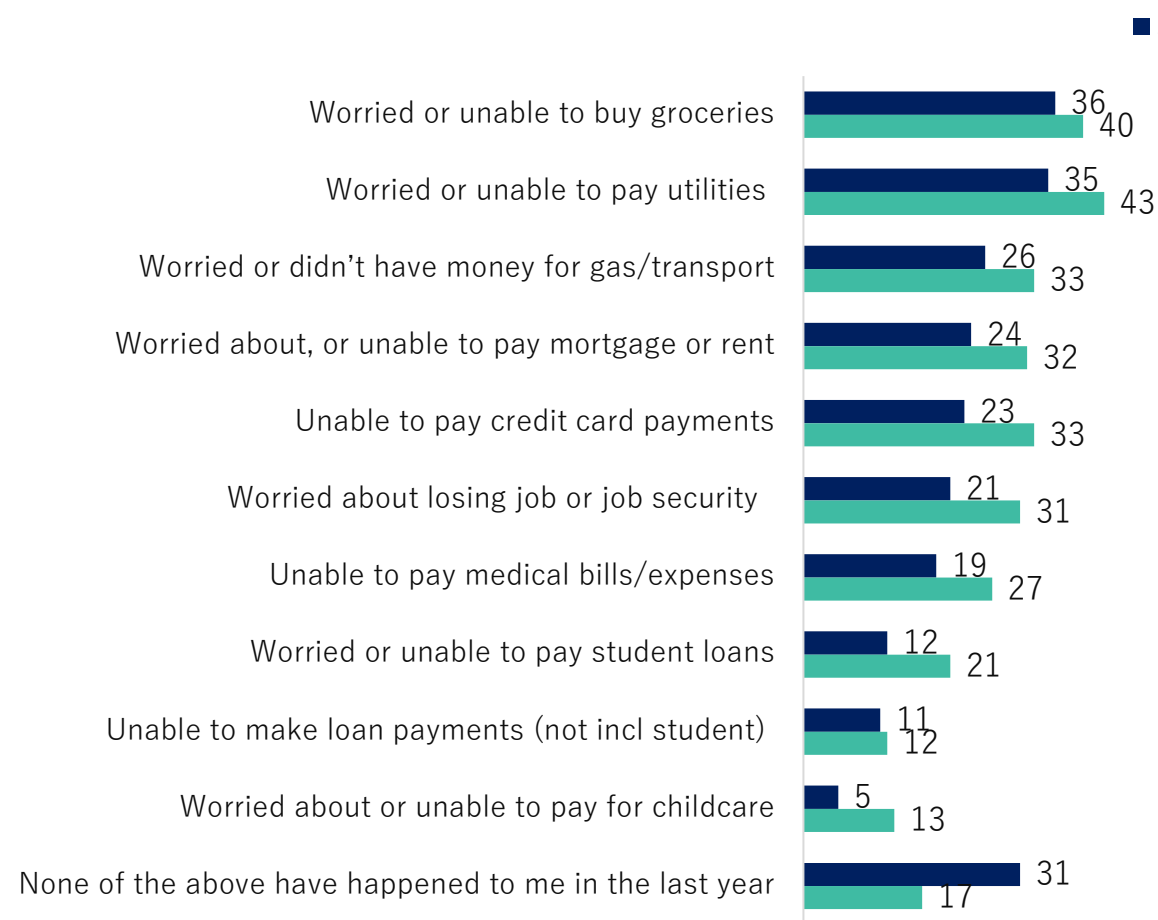
Reasons for Not Selling Home



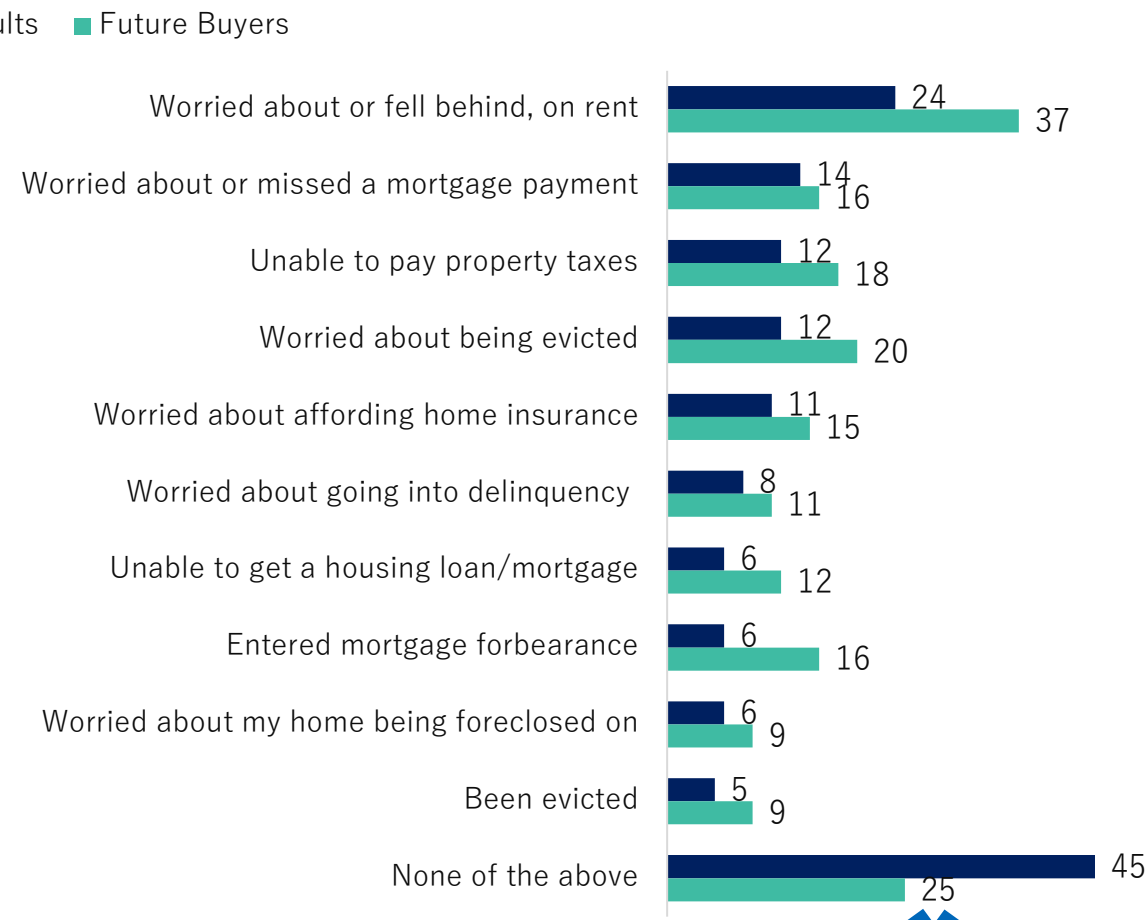
Q. (Left-side) (For Homeowners only) Are you considering selling your home in the next few years?
Q. (Right-side) (Homeowners not selling) Why are you not considering selling your home? Select all that apply.

What may be contributing to perceptions? 1 in 3 people are struggling financially; Less so with maintaining housing

Financial Problems in the Last Year



Housing Problems in the Last Year



(Left-side) Q. Which, if any, of the following have happened to you in the last year?
(Right-side) Q. Which, if any, of the following housing problems have you faced in the last year?



Confusion in the Homebuying Process

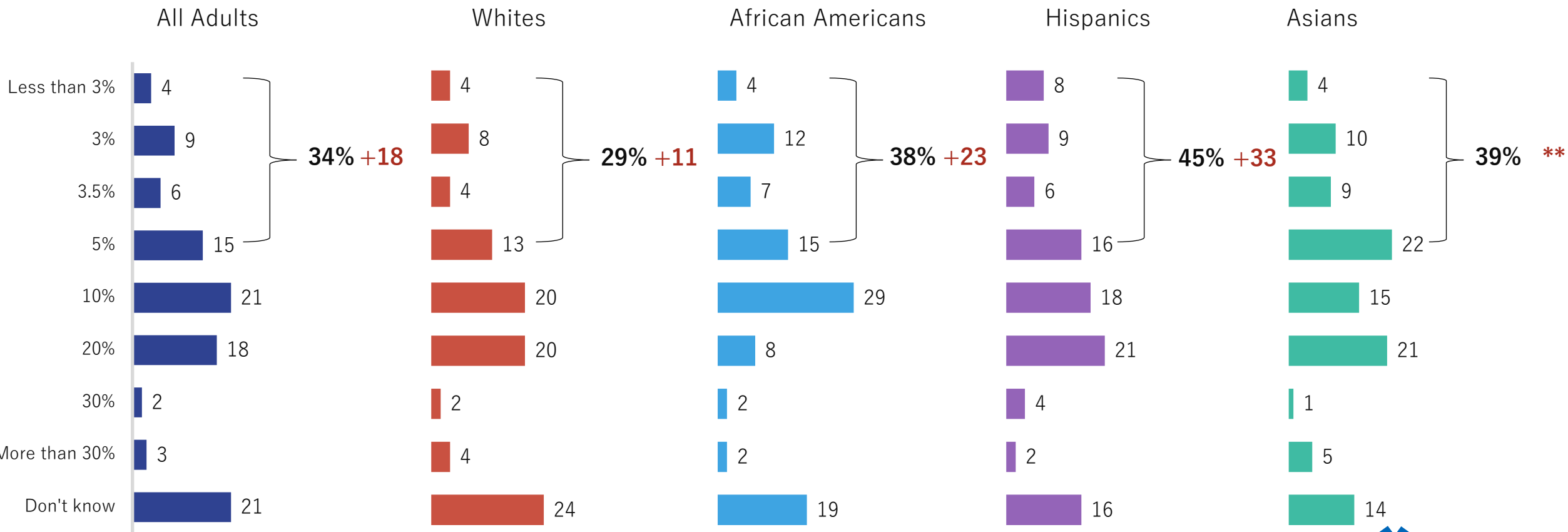
Adults overall don't know much about down payment requirements

People of color are more likely to know they can have smaller down payments

The down payment challenge is most acute among renters who selected the ability to afford a down payment as the top challenge to buying a home (37% picked it as the top).
Only one-third aware that it is possible to qualify for financing with only 3 or 5 percent down.

Δ May 2021.
Number indicates growth % in 2024 over 2021

Minimum down payment

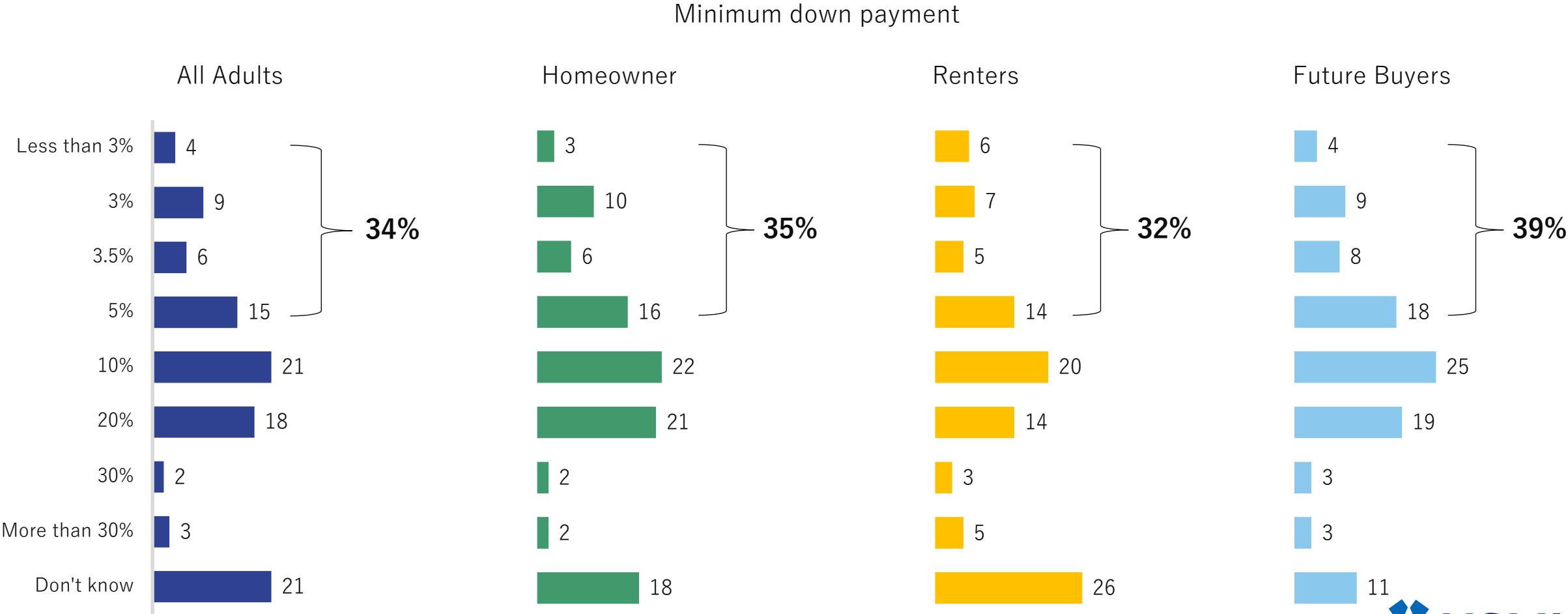


** N size under 50, unable to report for 2021

Q. Based on what you know, what is the minimum down payment required to qualify for a home mortgage?

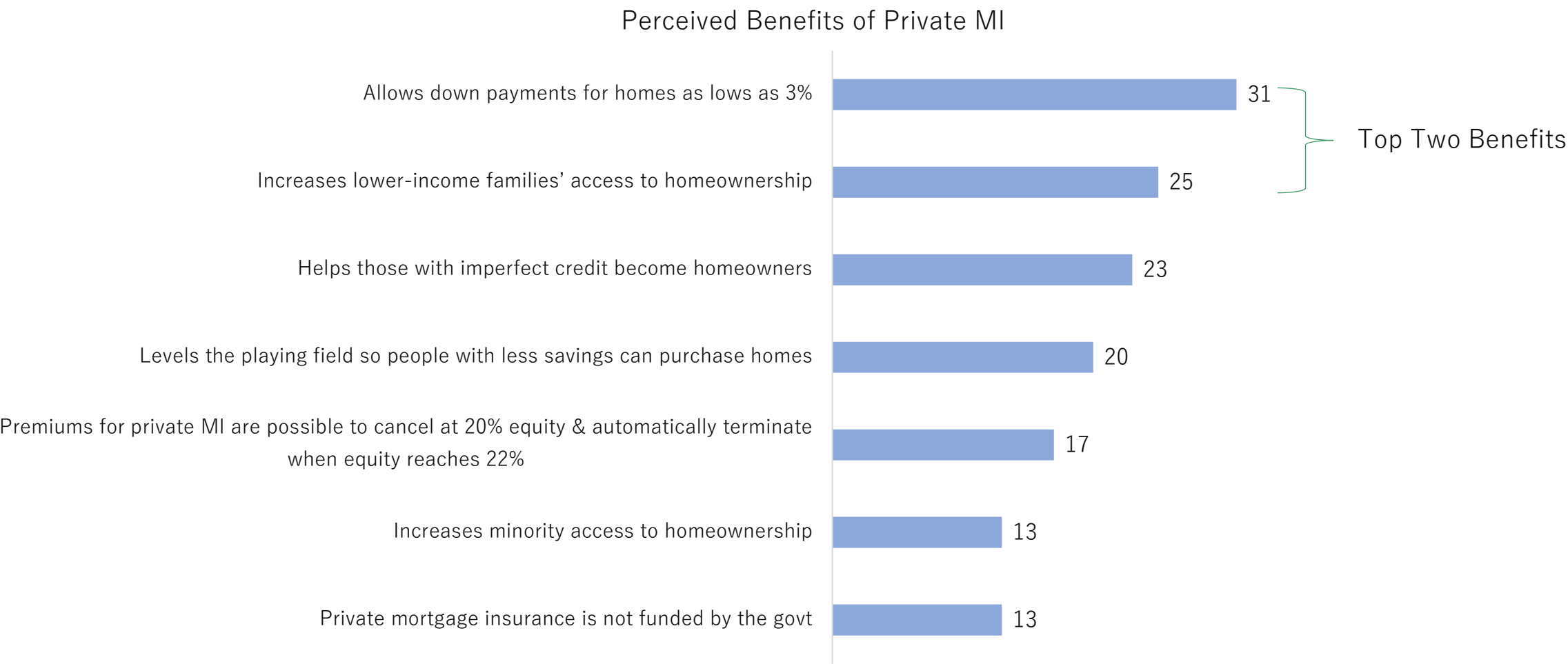
When accounting for ownership status, adults still do not know much about down payment requirements

Homeowners, Future buyers, and Renters have comparable knowledge of down payment requirements



Q. Based on what you know, what is the minimum down payment required to qualify for a home mortgage?

About Private MI specifically, MI is perceived as lowering the down payment threshold and increasing access to homeownership

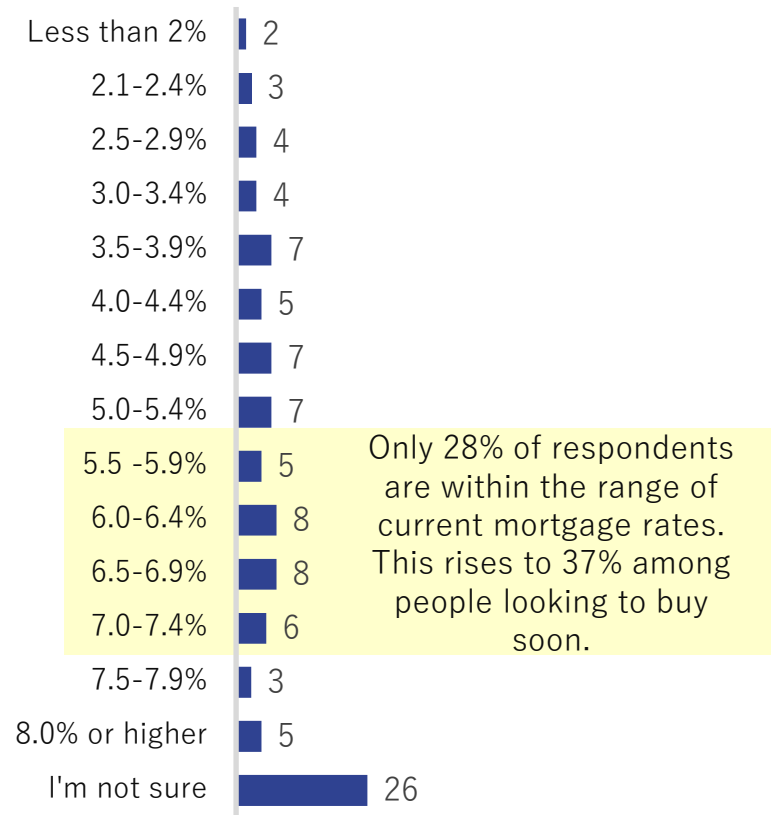


Q. Below are reasons why some people say private mortgage insurance is beneficial. Which TWO do you think are the best reasons for mortgage insurance to be part of the mortgage approval process?

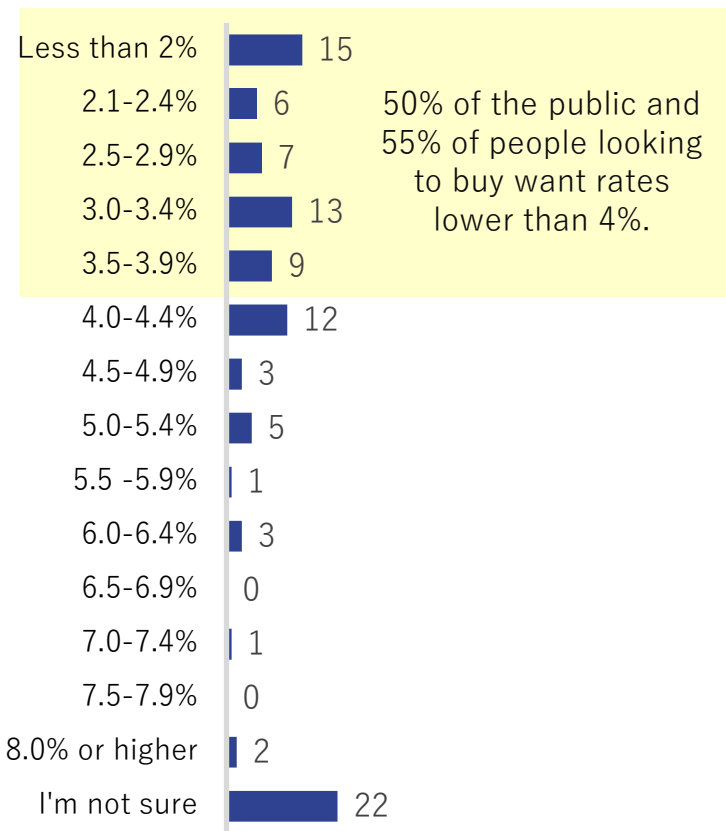
There's a general sense that interest rates are high and make it more expensive to buy

Only 28% of adults knew the range of current interest rates, and more than a quarter (26%) are unsure what they are

Perception of Current Mortgage Rates



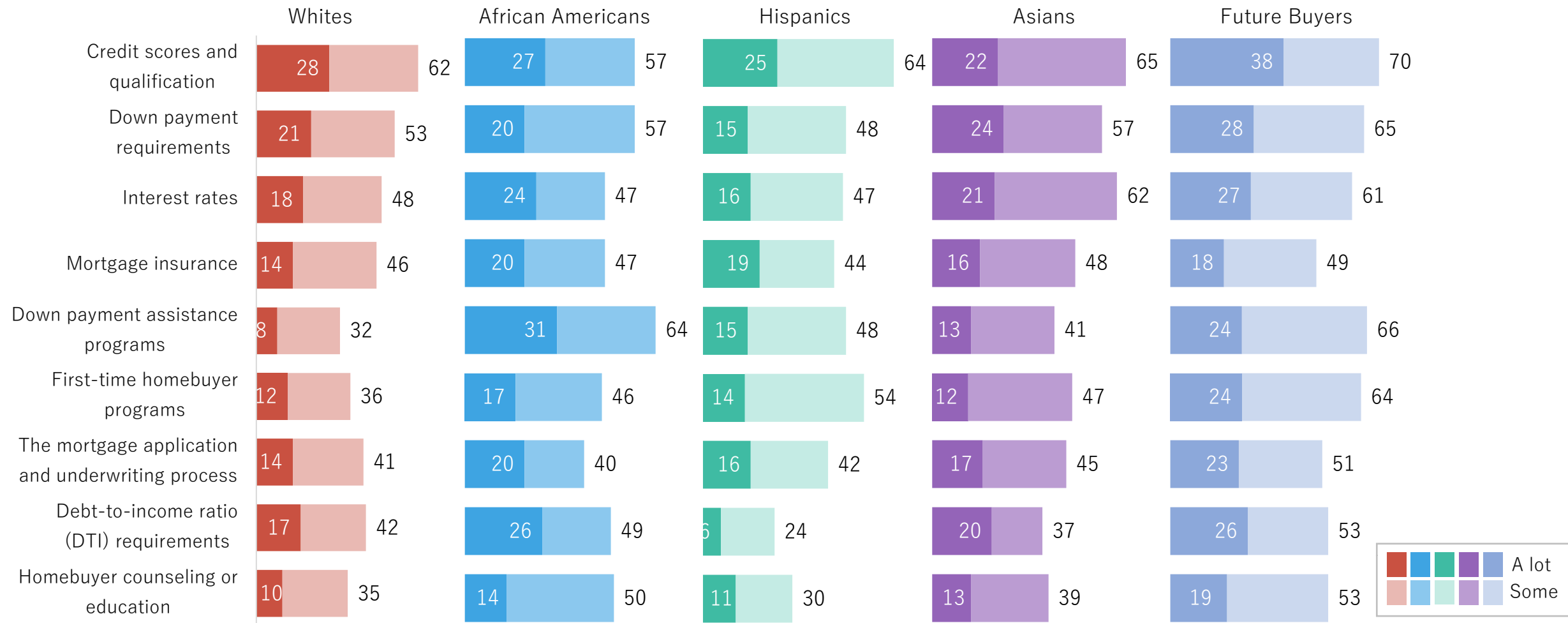
Mortgage Rate Willing to Purchase at



(Left-side) Q. From what you know, what are the current mortgage rates?
(Right-side) Q. What is the highest mortgage rate you would feel comfortable to buy a home at? [Renters only]

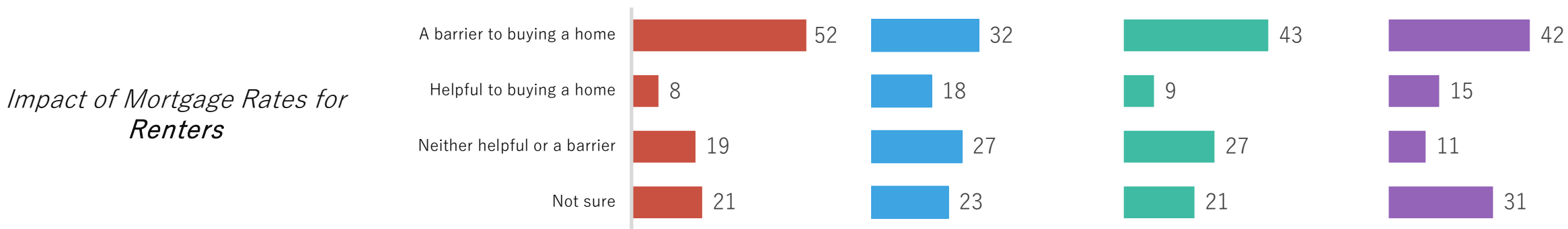
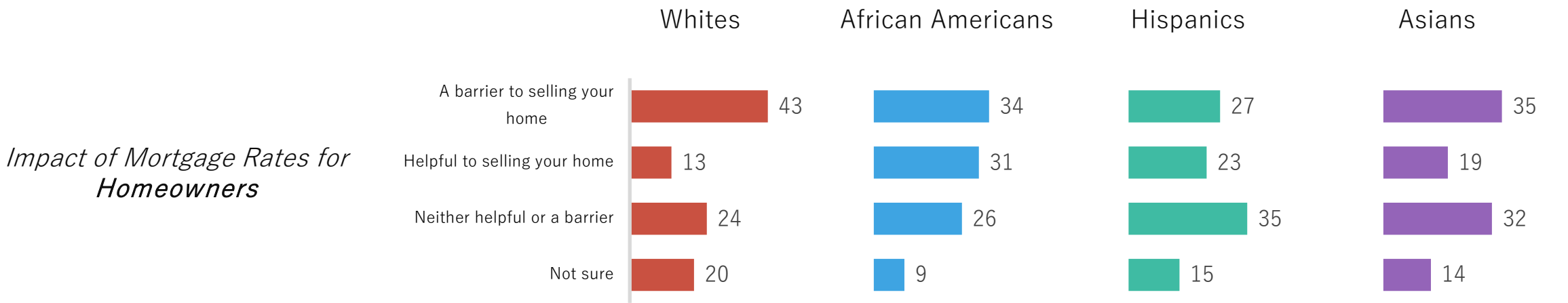
People report being most familiar with credit score and down payment requirements (even though most don't know down payment requirements)

Knowledge on each of the following in the homebuying process



Q. Specifically regarding the following issues relating to purchasing a home, how much knowledge do you have of each of these issues and their impact on being approved by a lender for a mortgage, and/or the impact on the price of the loan (the interest charged or otherwise)? (ranked by averaged total)

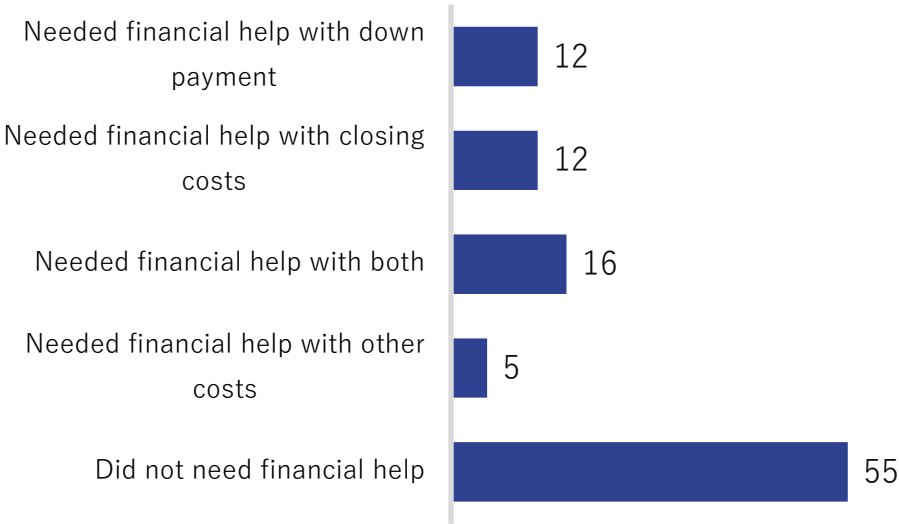
Interest rates are barriers for buyers *and* sellers



Q. (Top) (For Homeowners only) Whether you are considering selling your home or not, do you believe current mortgage rates would be:
Q. (Bottom) (For renters only) Do you believe current mortgage rates are:

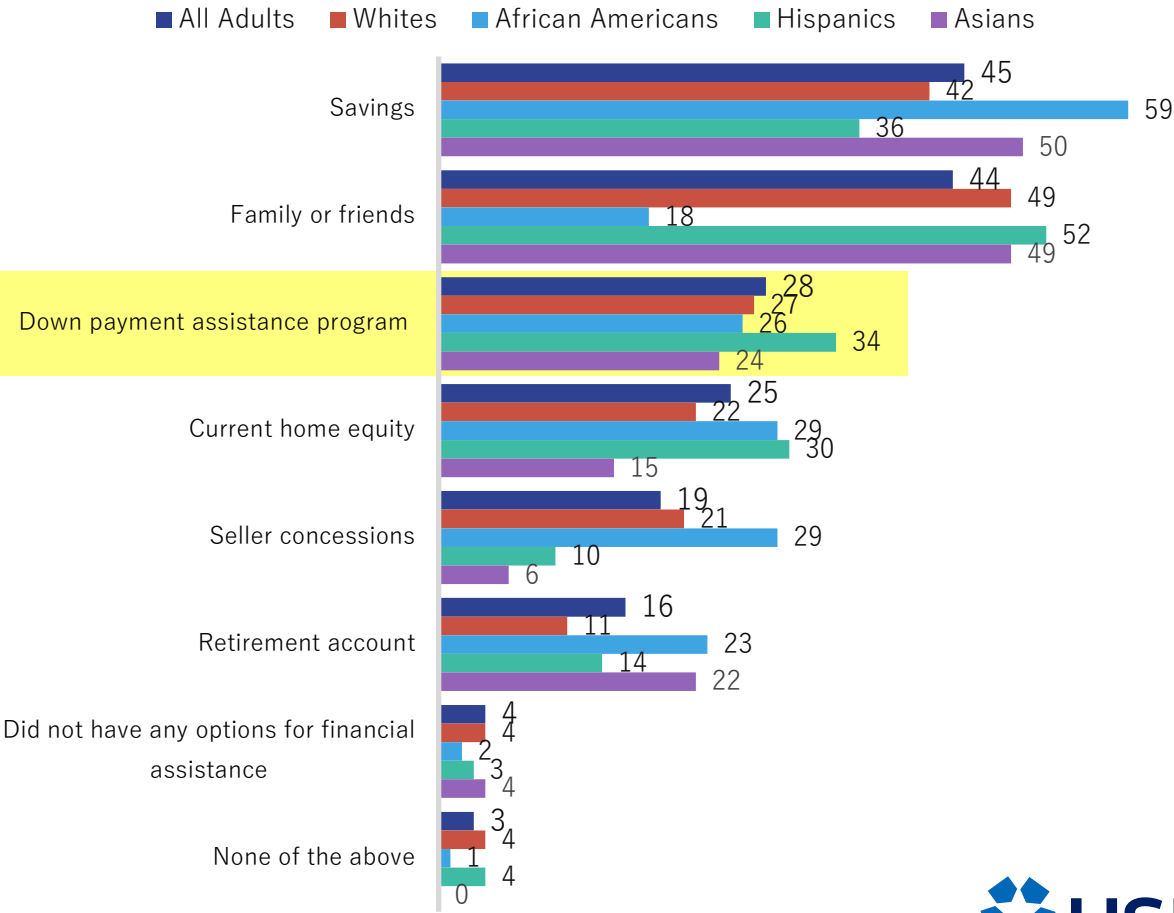
Of those needing financial help when buying a home, most rely on themselves or their networks

Need for Financial Help during Home Purchase



- Minorities are more likely to report they needed help during the home buying process:
 - For those saying both: 29% among African Americans , 35% among Hispanics, and 23% among Asians
 - African Americans (22%) are most likely to need financial help with closing costs

Sources of Financial Help

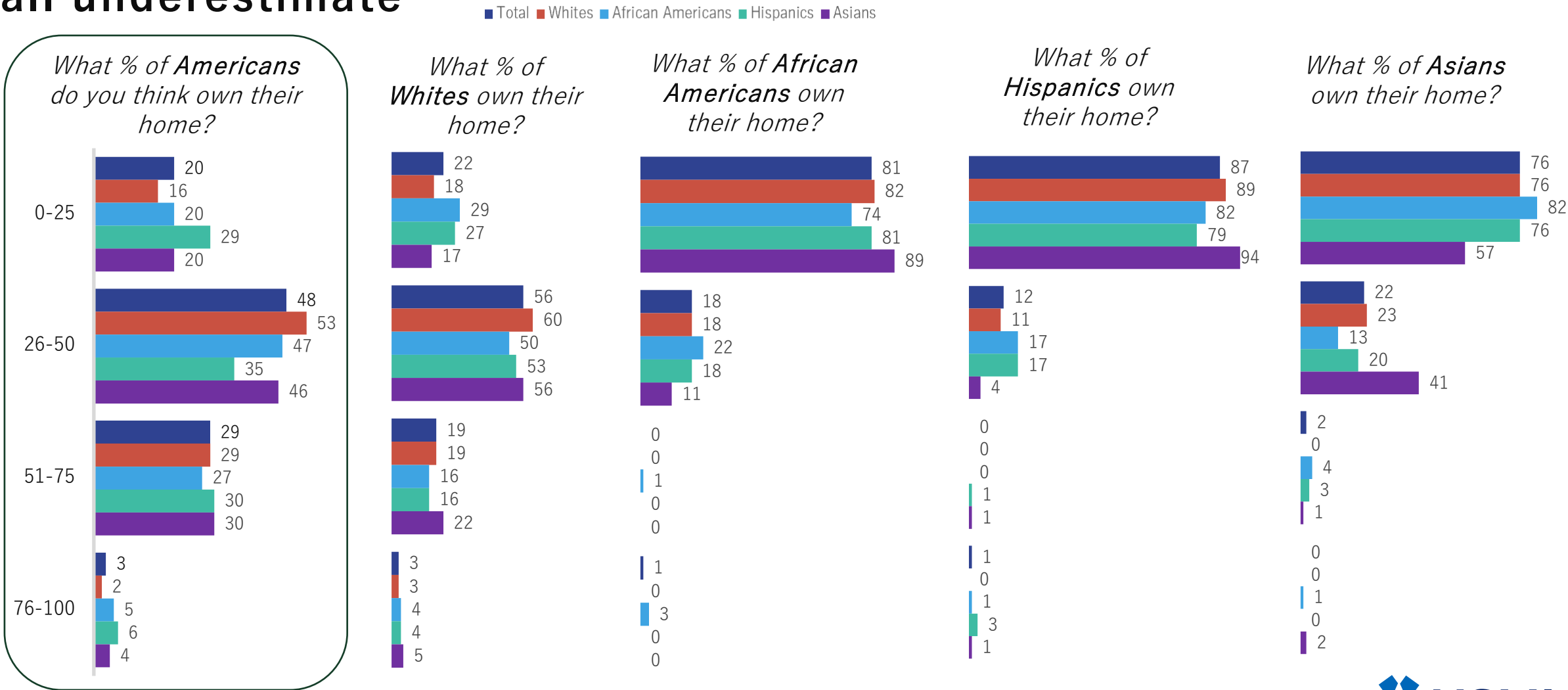


Q. (Left-side) When you purchased your current home, did you need financial help, such as help with a down payment or closing costs?
Q. (Right-side) When purchasing your current home, what were your sources of financial assistance?



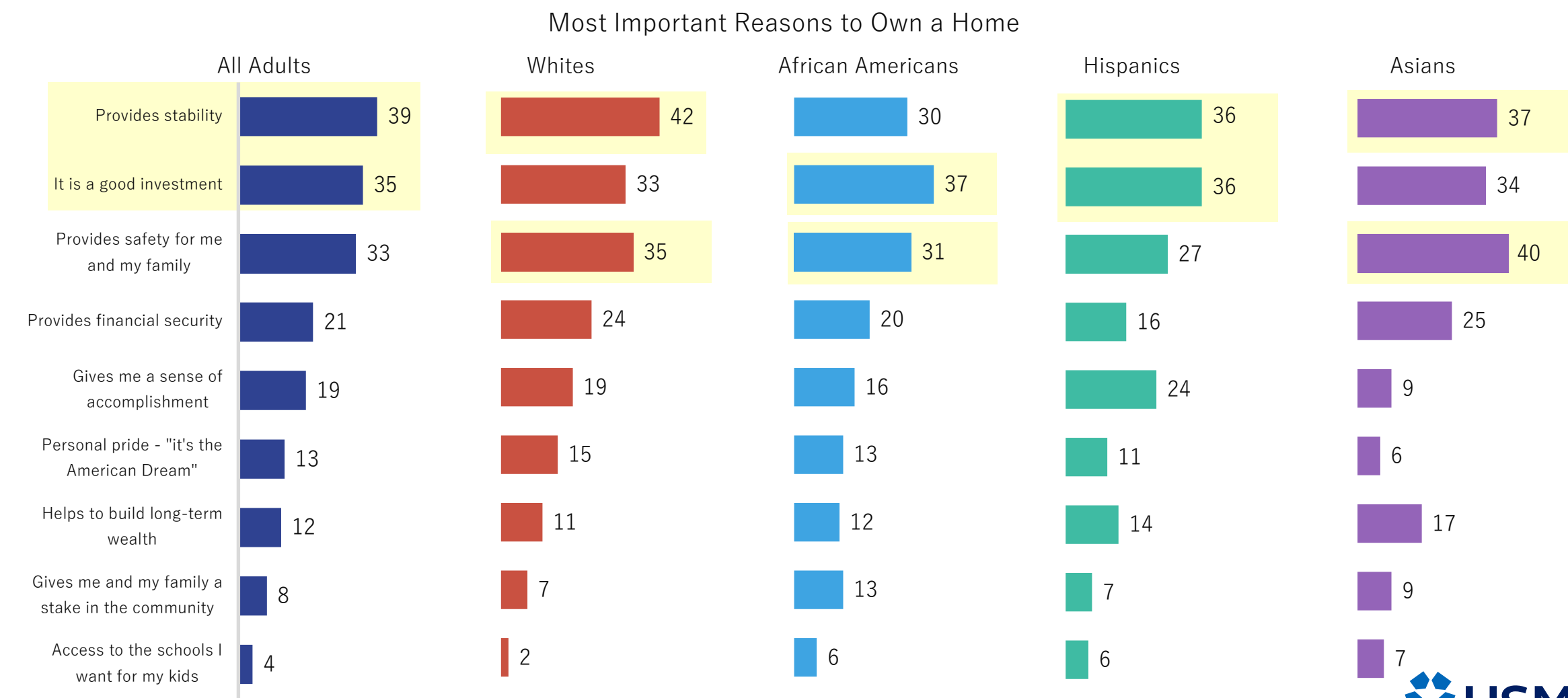
Underlying Homeownership Perceptions

People perceive homeownership in the U.S. as higher than within their own racial groups; African Americans, Hispanics, and Asians all underestimate



(left side) Q. Enter a number from 0-100 – What percentage of Americans do you think own their homes?
(right three) Q. Enter what percentage of the following groups you think own homes today? You can enter any number between 0 to 100 percent.

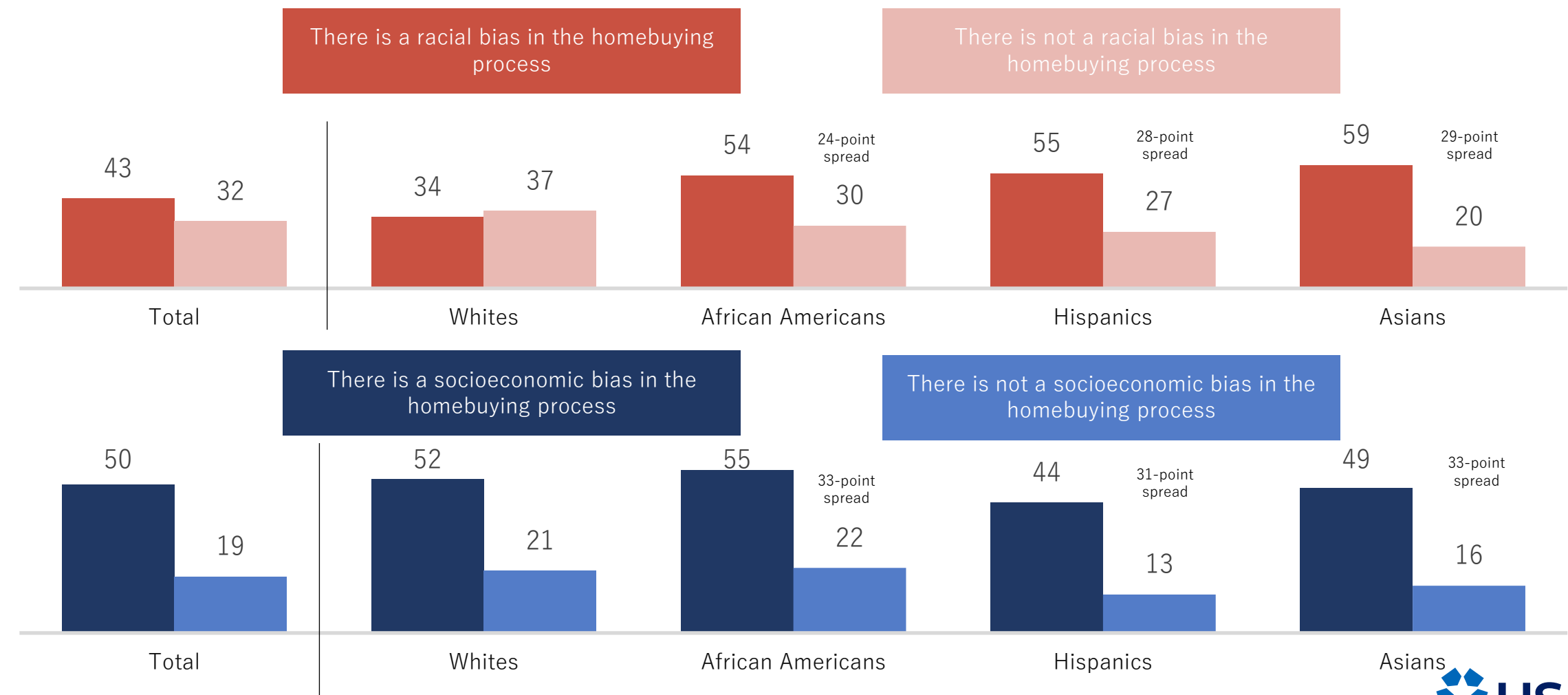
Underlying motivations for homeownership vary by group, though stability and investment are important for all



Q. Which of the following are the TWO most important reasons for owning a home to you?

Minorities perceive greater socioeconomic bias in the homebuying process versus racial bias

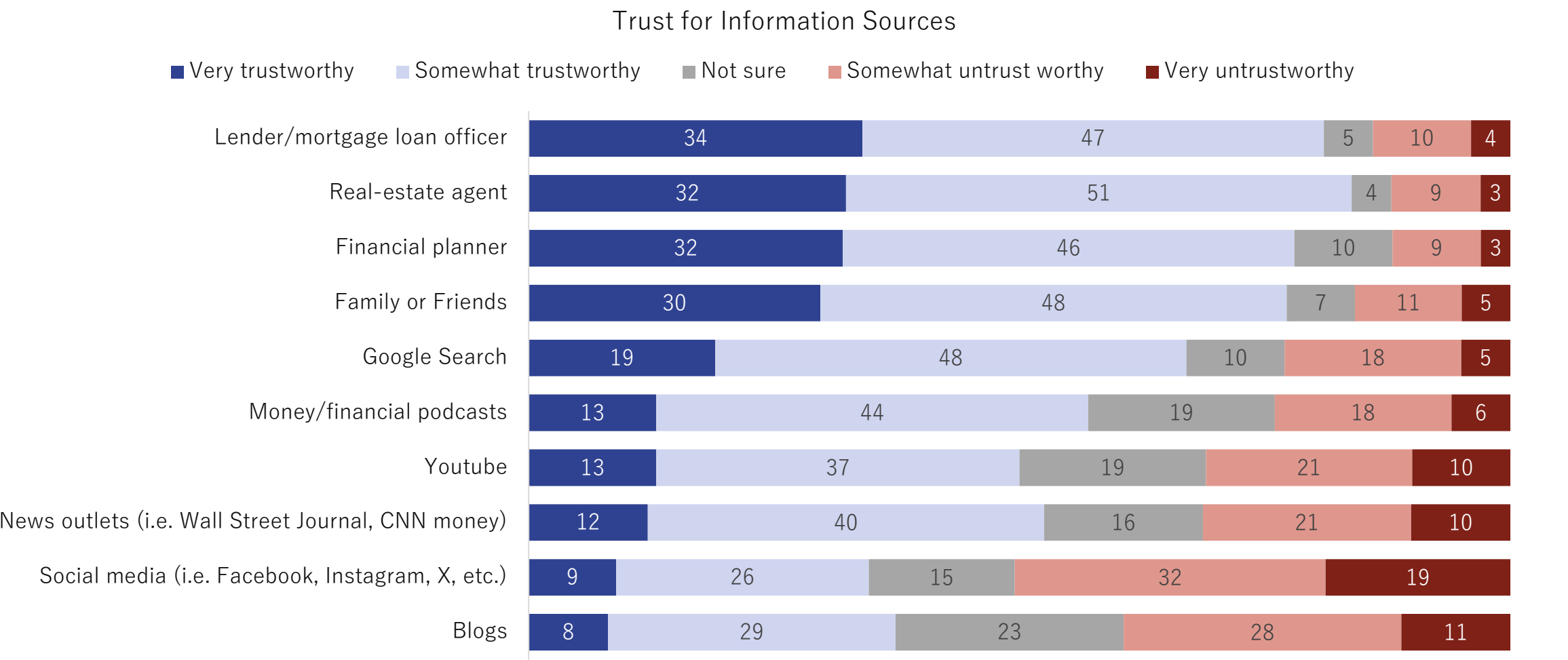
Which statement comes closer to your view:



Q. Below are some pairs of statements. For each pair, select which statement comes closer to your point of view.

Understanding Information Consumption

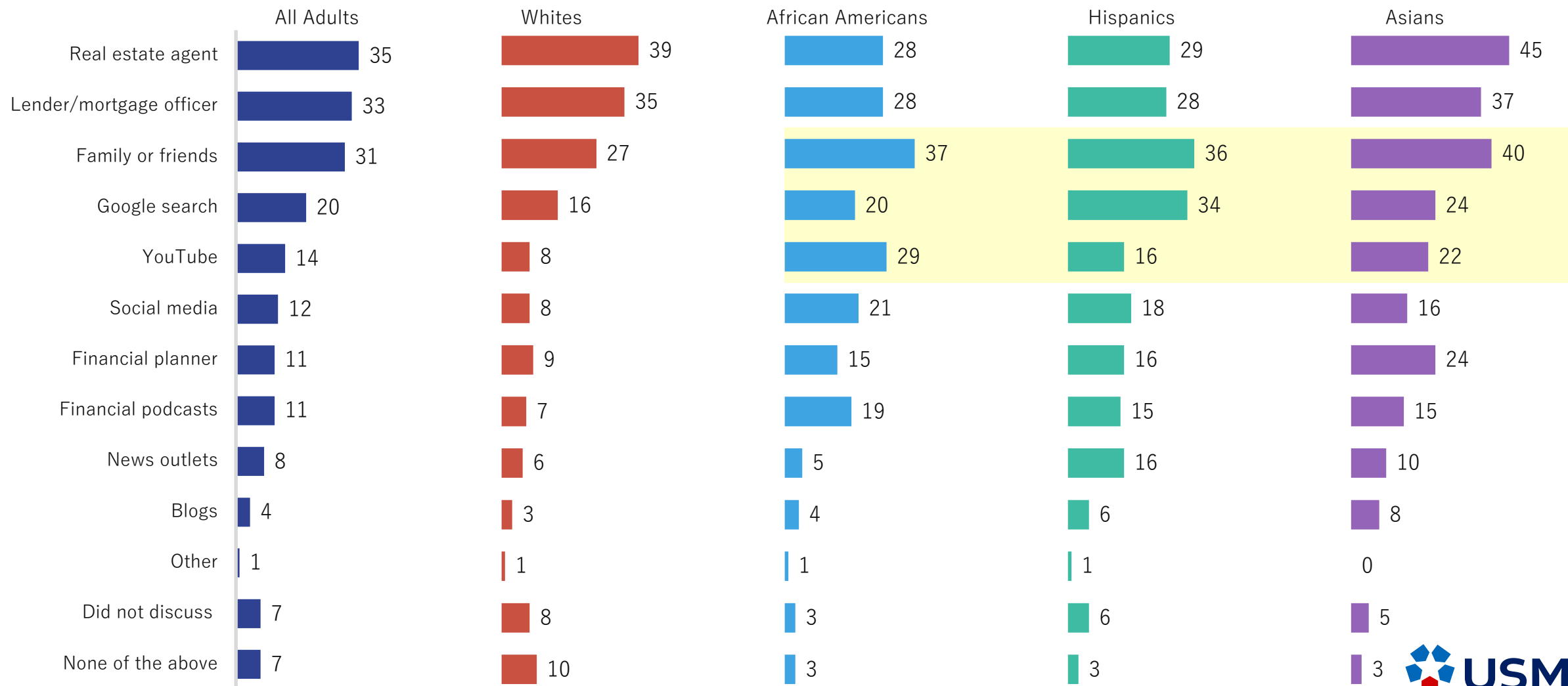
Lenders, real estate agents, and family/friends rise to the top for trusted sources



Q. How trustworthy are the following sources for information about the homebuying or lending process? Please indicate how much you trust each of the following

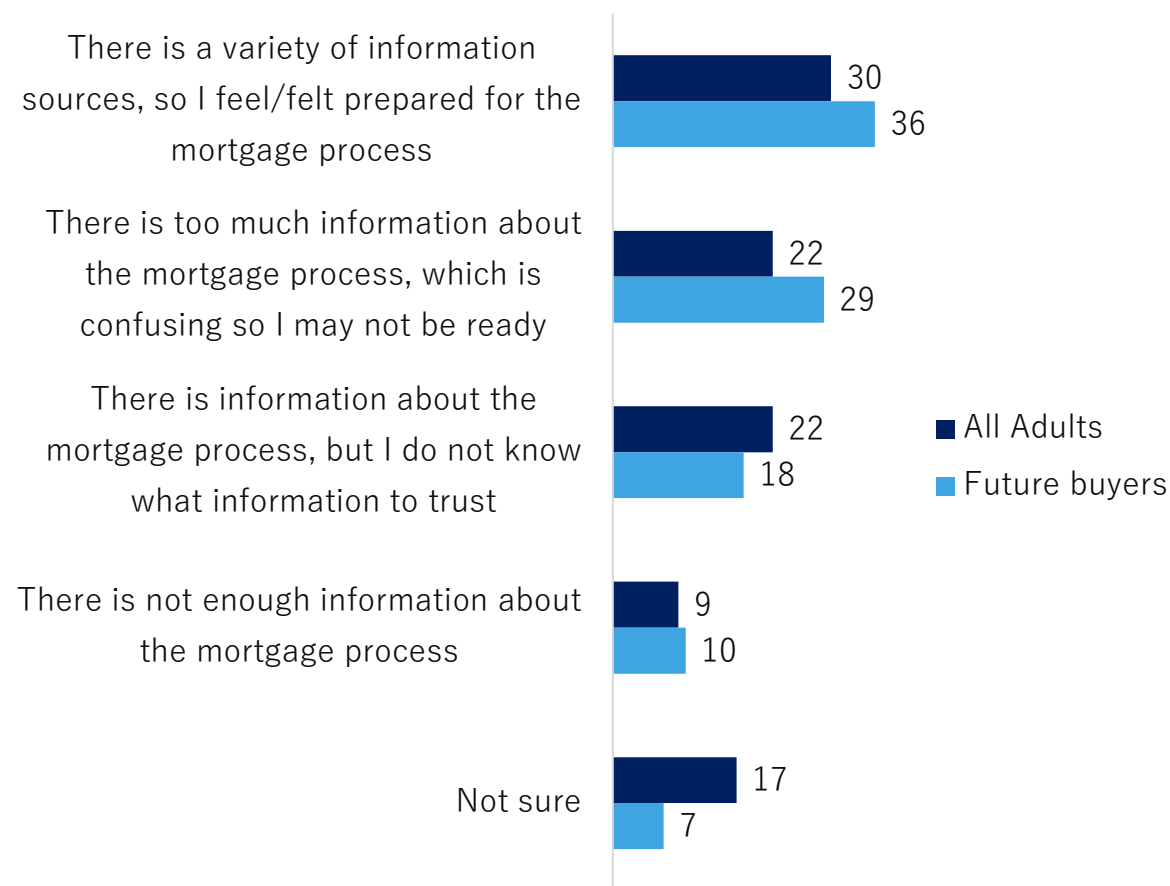
Minorities are more likely than their white counterparts to find information about the homebuying process informally

Who did you turn to for learning about the homebuying process?

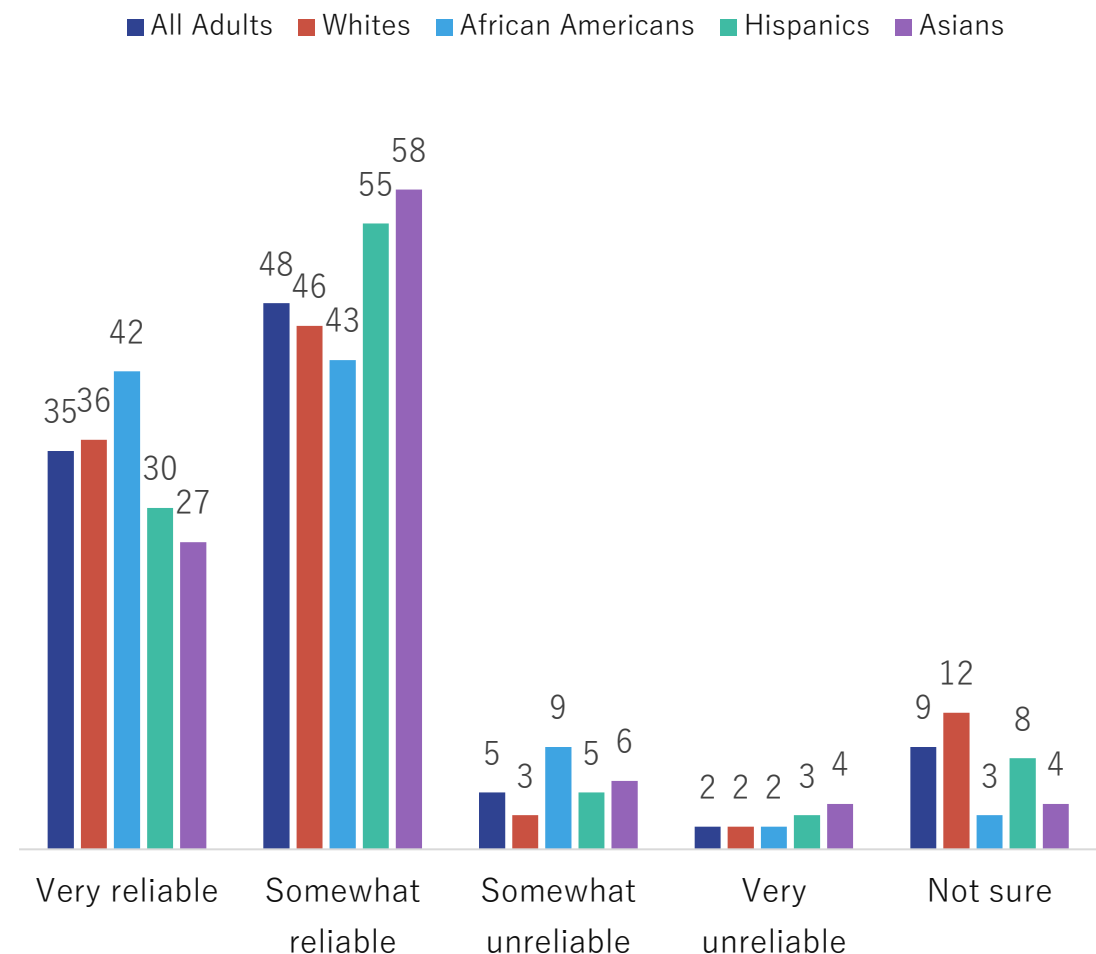


While majority of people express confusion about mortgage information, they believe the sources they use are reliable

Understanding of Mortgage Process Information



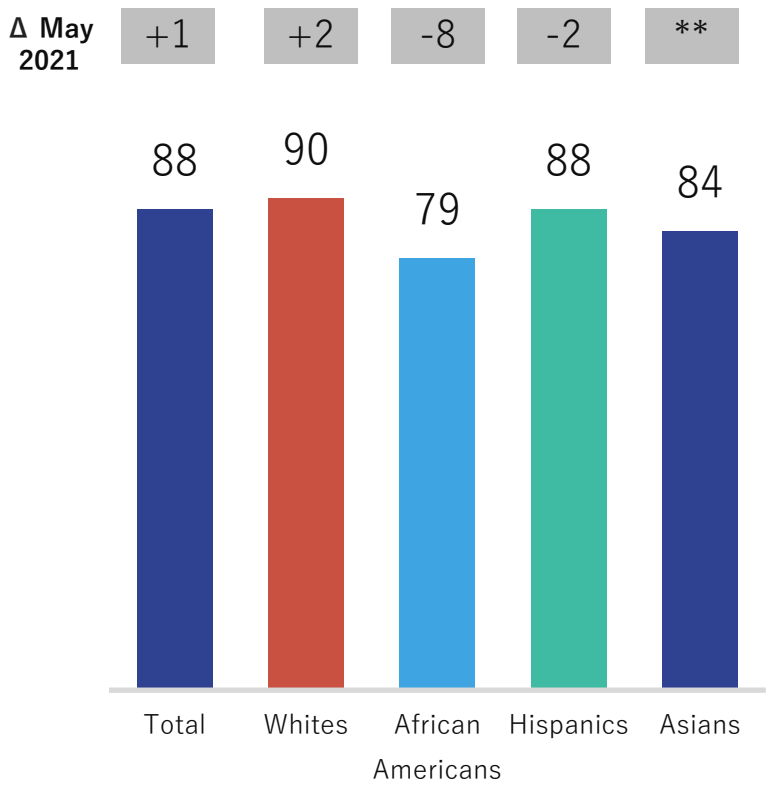
Perceived Information Reliability



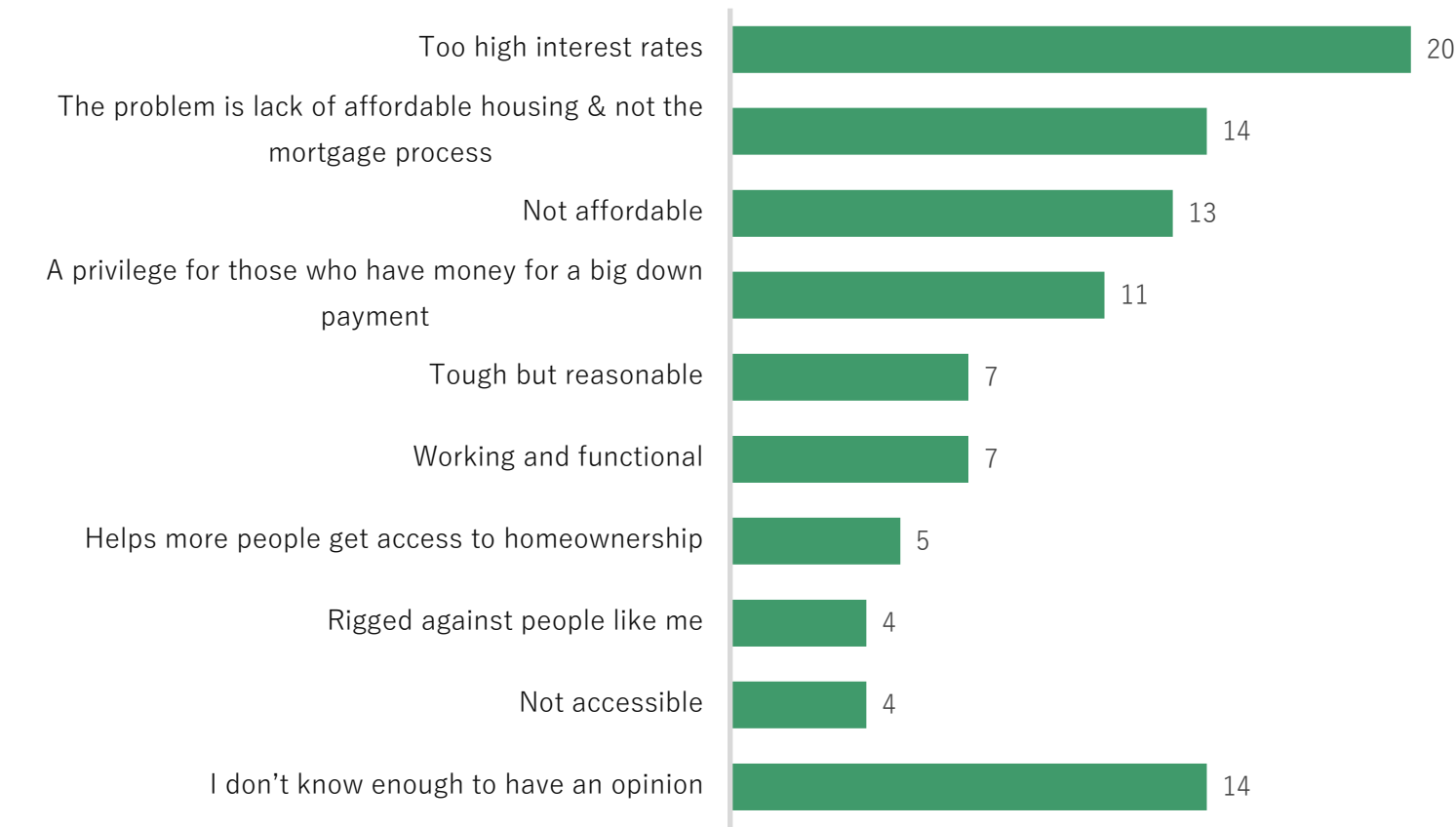
(Left-side) Q. Generally speaking, when it comes to information about the home mortgage process, which of the following applies the most to you?
(Right-side) Q. During the homebuying process, did you find the information that you heard or read reliable or unreliable?

Among homeowners, the mortgage process is widely viewed as fair

Fairly treated



Mortgage approval process



** N size under 50, unable to report for 2021
(left side) Q. (If Homeowner) When it comes to your mortgage, do you feel that you were fairly or unfairly treated during that process?
(right side) Q. (If Homeowner) Which of the following descriptions about the mortgage approval process come closest to your opinion?