

HOME Survey

Housing Opportunities and Market Experience

March 2017

National Association of REALTORS® Research Department



Introduction

The Housing Opportunities and Market Experience (HOME) report was created to monitor consumer sentiment about the housing market. This new report covers core topics that will be tracked on a monthly basis such as views on if now is a good time to buy or sell a home, the perception of home price changes, perceived ability to qualify for a mortgage, and the outlook on the U.S. economy.

Additionally, current topical trends are covered in the HOME survey. This quarter, survey respondents were asked how important is their home's access to outdoor features, the importance and satisfaction of communities' outdoor facilities, and the benefits of access to outdoor recreation.

On a monthly basis renters and homeowners are asked about their personal financial outlook which is indexed on a scale of 0 to 100. Data will be reported not only on ownership status, but by age, income, and type of geographic location.

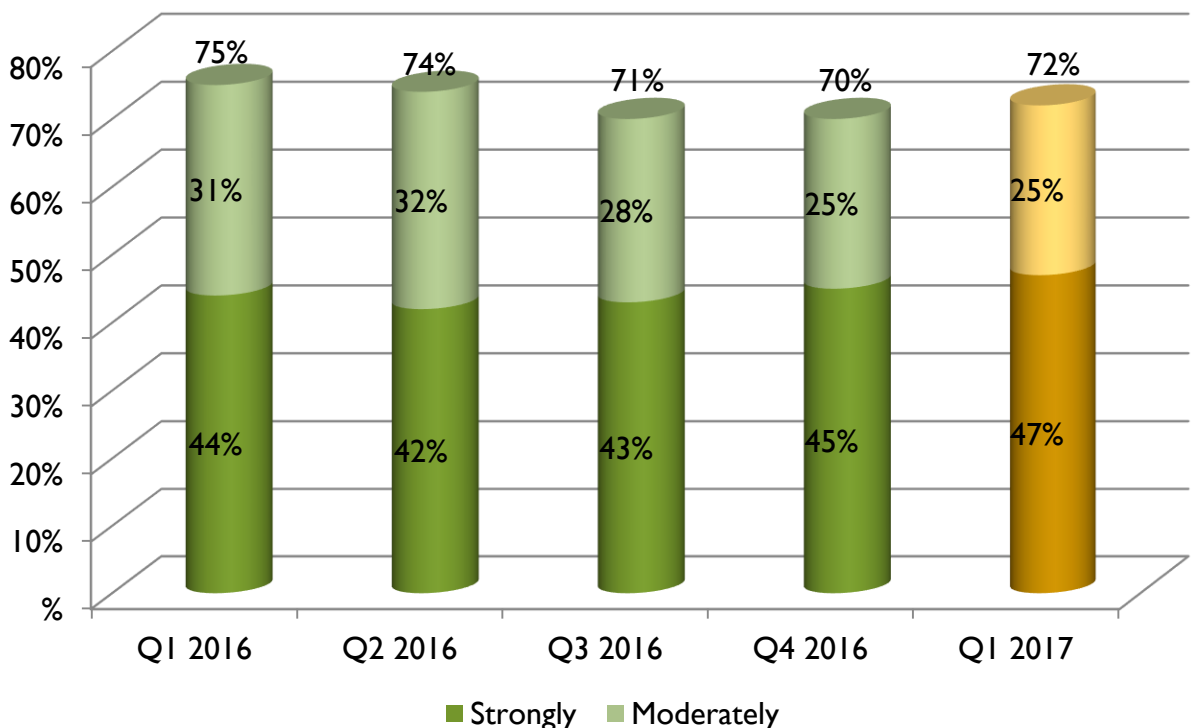
Additional topics will be examined in depth on <http://economistsoutlook.blogs.realtor.org/> including whether housing as a good financial investment, whether homeownership is part of the American Dream, and if renters want to become homeowners.

This HOME survey will be released on a quarterly basis.

Good Time to Buy a Home

- In the first quarter of 2017, 72 percent of people believe that now is a good time to buy a home. Forty-seven percent believe that strongly, up from 45 percent in Q4 2016 and 44 percent one year ago in Q1 2016.
- Only 28 percent of people believe that now is not a good time to buy a home.
- Across all groups surveyed, the majority feel that now is a good time to buy a home. Not surprisingly, with rapid home price acceleration, those who are currently renting or living with someone else, those who are under 34 years of age, and those who live in urban areas are less confident that now is a good time to buy.
- Nearly four in five people who currently own a home, those over 55 years of age, those with incomes over \$50,000, and those in the Midwest and South believe that now is a good time to buy a home, which is a slight increase from Q4 2016.

Good Time to Buy a Home, Strongly or Moderately



Good Time to Buy a Home

Age:	34 or under	35 to 44	45 to 54	55 to 64	65 or over
A Good Time	62%	69%	70%	77%	79%
Not a Good Time	38%	31%	30%	23%	21%

Household Income:	Under \$50,000	\$50,000 to \$100,000	More than \$100,000
A Good Time	64%	74%	78%
Not a Good Time	36%	26%	22%

Region:	Northeast	Midwest	South	West
A Good Time	71%	77%	75%	61%
Not a Good Time	30%	23%	25%	39%

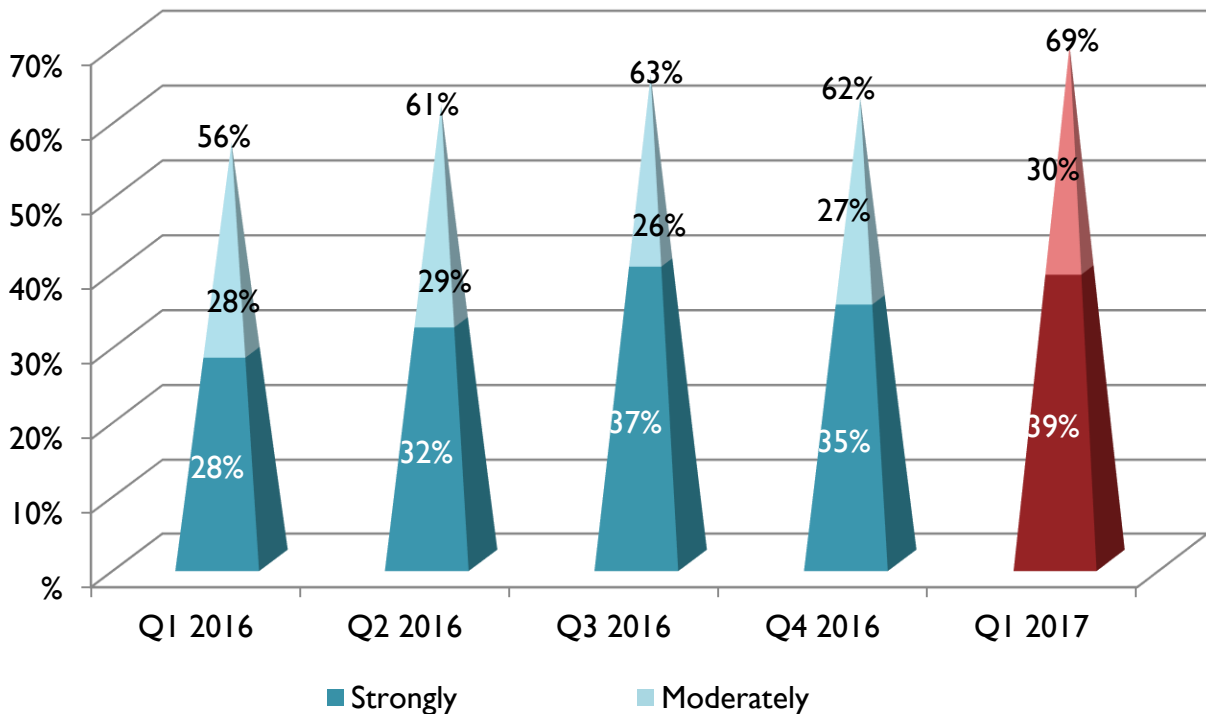
Location:	Rural	Suburban	Urban
A Good Time	74%	72%	69%
Not a Good Time	27%	28%	31%

Tenure:	Own	Rent	Live with someone
A Good Time	80%	56%	62%
Not a Good Time	20%	44%	38%

Good Time to Sell a Home

- Sixty-nine percent of people believe that now is a good time to sell a home, up from 62 percent in Q4 2016 and 56 percent from one year ago in Q1 2016. Thirty-nine percent believe that strongly, up from 35 percent in Q4 2016.
- Thirty-one percent believe that now is not a good time to sell a home, down from 38 percent in Q4 2016.
- Those who are in the West are most likely to think now is a good time to sell a home. They conversely are also the least likely region to think now is a good time to buy a home, which is consistent with all four quarters of 2016.

Now is Good Time To Sell, Strongly or Moderately



Good Time to Sell a Home

Age:	34 or under	35 to 44	45 to 54	55 to 64	65 or over
A Good Time	64%	72%	67%	71%	68%
Not a Good Time	36%	28%	33%	29%	32%

Household Income:	Under \$50,000	\$50,000 to \$100,000	More than \$100,000
A Good Time	62%	70%	74%
Not a Good Time	38%	30%	26%

Region:	Northeast	Midwest	South	West
A Good Time	61%	70%	67%	77%
Not a Good Time	39%	31%	33%	23%

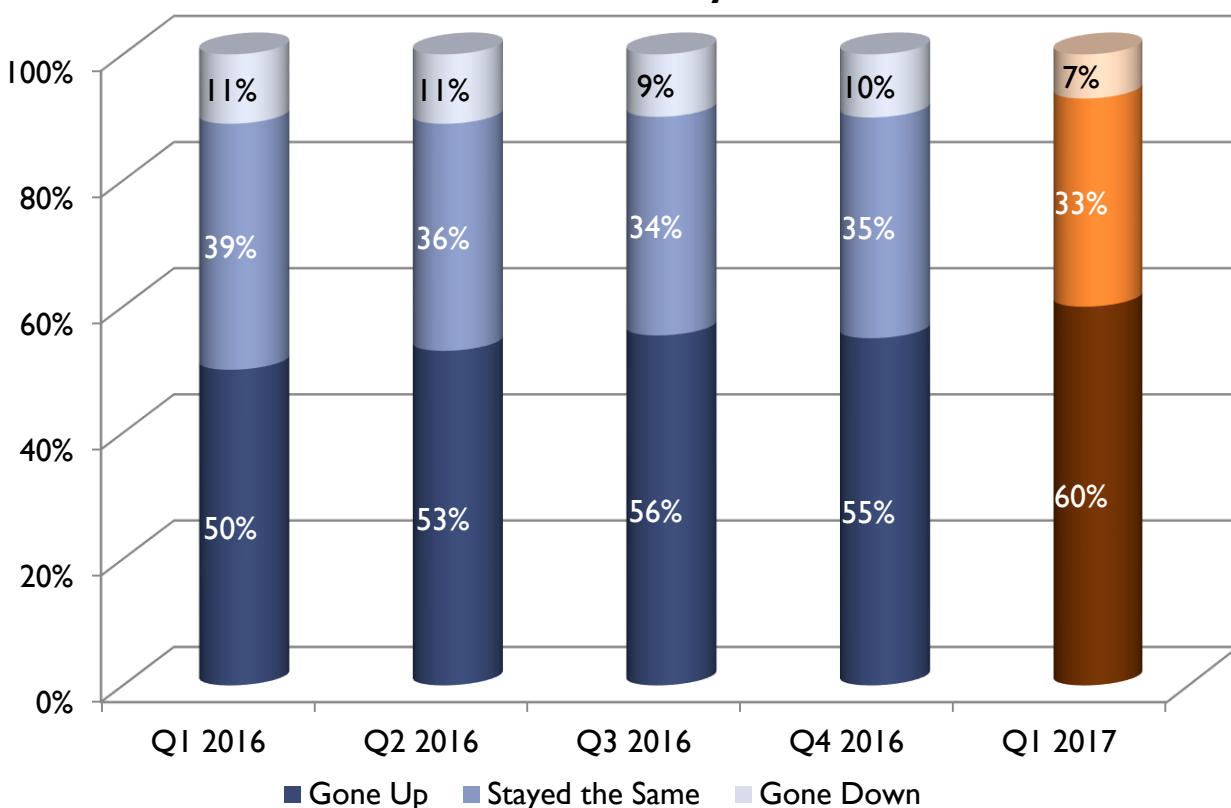
Location:	Rural	Suburban	Urban
A Good Time	64%	71%	68%
Not a Good Time	36%	29%	32%

Tenure:	Own	Rent	Live with someone
A Good Time	70%	67%	66%
Not a Good Time	30%	33%	34%

Home Prices in the Past 12 Months

- Sixty percent of people believe that within their communities prices have gone up in the last 12 months, which increased from 55 percent in Q4 2016 and 50 percent one year ago in Q1 2016. Thirty-three percent believe prices have stayed the same (down from 35 percent in Q4 2016) and seven percent believe prices have gone down.
- Those who are in the West, those with incomes over \$100,000, and those 34 years and under in age are most likely to report that prices have increased in their communities.
- Sixty-seven percent of renters (up from 56 percent in Q4 2016) compared to 59 percent of owners believe prices have increased in the last year.

Home Prices in the Last 12 Months In Local Community



Home Prices in the Past 12 Months

Age:	34 or under	35 to 44	45 to 54	55 to 64	65 or over
Gone Up	63%	57%	61%	61%	56%
Gone Down	8%	6%	8%	7%	6%
Stayed the Same	30%	36%	31%	32%	38%

Household Income:	Under \$50,000	\$50,000 to \$100,000	More than \$100,000
Gone Up	57%	59%	66%
Gone Down	7%	7%	7%
Stayed the Same	36%	35%	27%

Region:	Northeast	Midwest	South	West
Gone Up	53%	53%	58%	74%
Gone Down	9%	9%	6%	5%
Stayed the Same	39%	38%	36%	20%

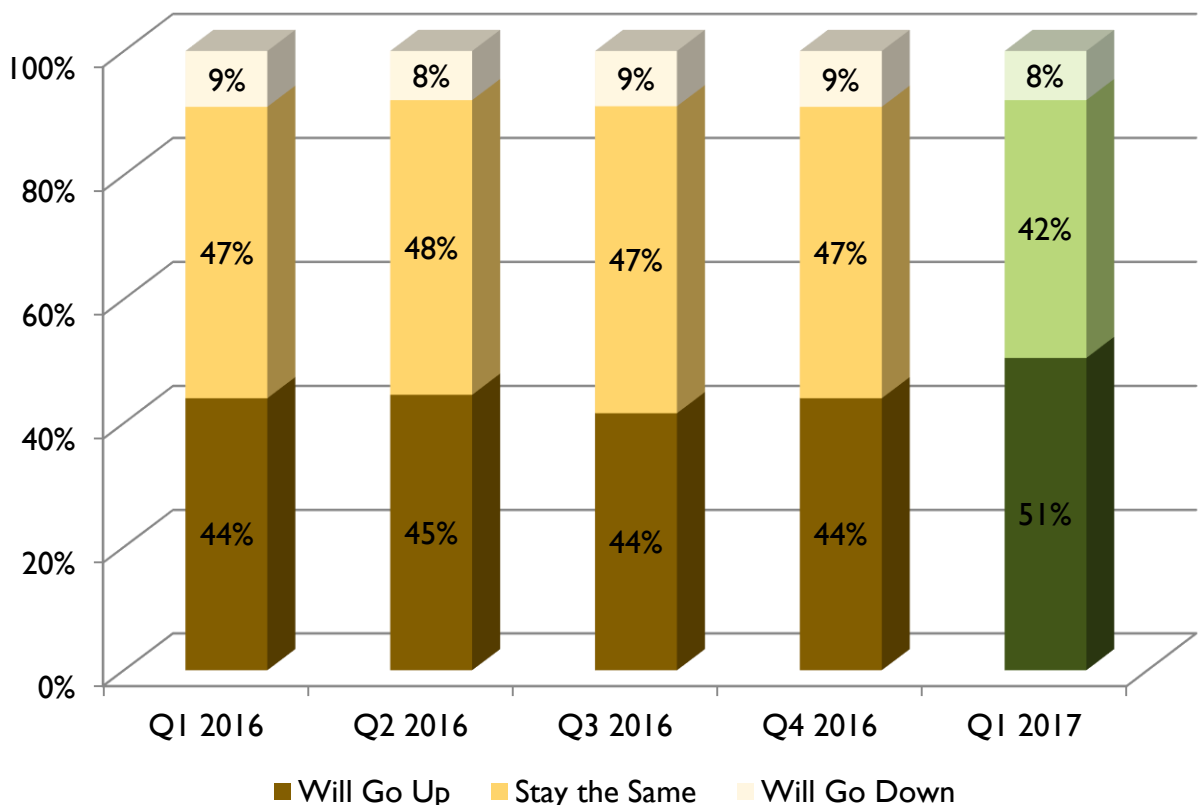
Location:	Rural	Suburban	Urban
Gone Up	48%	62%	66%
Gone Down	12%	5%	6%
Stayed the Same	41%	33%	28%

Tenure:	Own	Rent	Live with someone
Gone Up	59%	67%	43%
Gone Down	8%	5%	10%
Stayed the Same	34%	28%	47%

Home Prices in the Next Six Months

- Four in 10 (42 percent) of people believe that prices will stay the same in their communities in the next six months, which is down from 47 percent Q4 2016 and one year ago in Q1 2016. Fifty-one percent believe prices will increase in the next six months and eight percent believe prices will go down in the next six months.
- Those who are in the West, in suburban areas, and who rent are most likely to believe prices will go up in their communities.
- Fifty-seven percent of renters compared to 49 percent of owners believe prices will increase in their communities in the next six months, which is a slight increase from Q4 2016.

Home Prices in the Next 6 Months In Local Community



Home Prices in the Next Six Months

Age:	34 or under	35 to 44	45 to 54	55 to 64	65 or over
Will Go Up	53%	47%	53%	49%	51%
Will Go Down	9%	12%	5%	7%	5%
Stay the Same	39%	41%	42%	44%	44%

Household Income:	Under \$50,000	\$50,000 to \$100,000	More than \$100,000
Will Go Up	46%	52%	56%
Will Go Down	11%	7%	5%
Stay the Same	43%	41%	40%

Region:	Northeast	Midwest	South	West
Will Go Up	48%	43%	50%	59%
Will Go Down	7%	7%	7%	10%
Stay the Same	46%	50%	43%	31%

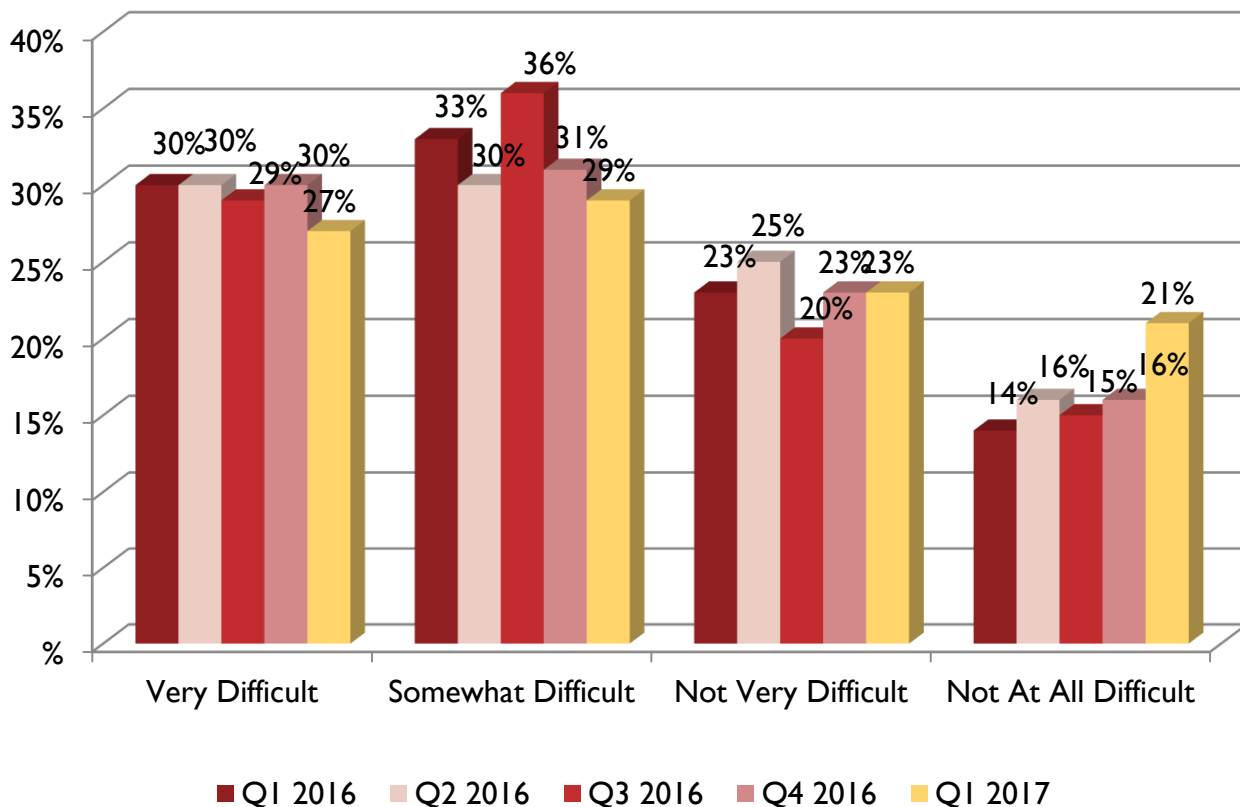
Location:	Rural	Suburban	Urban
Will Go Up	42%	54%	52%
Will Go Down	10%	6%	9%
Stay the Same	48%	40%	53%

Tenure:	Own	Rent	Live with someone
Will Go Up	49%	57%	42%
Will Go Down	7%	9%	7%
Stay the Same	44%	34%	52%

Qualify for a Mortgage

- Among those who currently do not own a home, 27 percent believe it would be very difficult (down from 30 percent in Q4 2016 and one year ago in Q1 2016) and 29 percent believe it would be somewhat difficult (down from 31 percent in Q4 2016) to qualify for a mortgage given their current financial situation.
- Sixty-seven percent (down from 75 percent in Q4 2016) of those who make under \$50,000 believe it would be at least somewhat difficult to qualify for a mortgage compared to 33 percent (up from 10 percent in Q4 2016) of those making over \$100,000.

With Household's Current Financial Situation, Non-Owners' Perceived Difficulty Qualifying for a Mortgage



Qualify for a Mortgage

Age:	34 or under	35 to 44	45 to 54	55 to 64	65 or over
Very Difficult	18%	27%	32%	39%	36%
Somewhat Difficult	35%	25%	37%	19%	20%
Not Very Difficult	27%	30%	11%	20%	13%
Not At All Difficult	20%	19%	19%	22%	32%

Household Income:	Under \$50,000	\$50,000 to \$100,000	More than \$100,000
Very Difficult	37%	12%	9%
Somewhat Difficult	30%	29%	24%
Not Very Difficult	20%	30%	27%
Not At All Difficult	13%	29%	40%

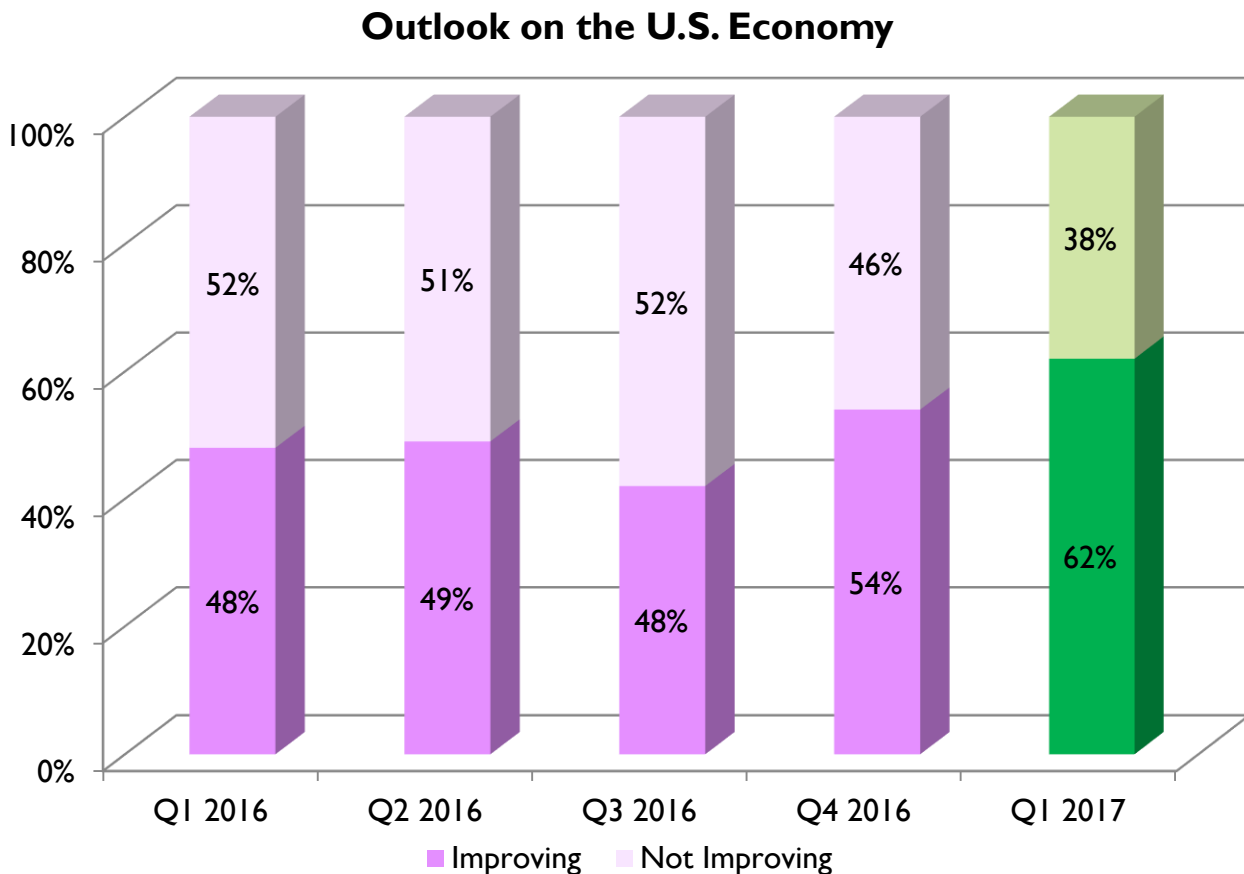
Region:	Northeast	Midwest	South	West
Very Difficult	27%	23%	25%	31%
Somewhat Difficult	29%	30%	25%	34%
Not Very Difficult	26%	22%	27%	16%
Not At All Difficult	18%	24%	24%	19%

Location:	Rural	Suburban	Urban
Very Difficult	33%	28%	24%
Somewhat Difficult	29%	31%	26%
Not Very Difficult	24%	21%	26%
Not At All Difficult	14%	20%	25%

Tenure:	Rent	Live with someone
Very Difficult	23%	41%
Somewhat Difficult	31%	20%
Not Very Difficult	23%	23%
Not At All Difficult	23%	16%

Outlook on U.S. Economy

- Sixty-two percent of people believe the U.S. economy is improving, up from 54 percent in Q4 2016 and 48 percent one year ago in Q1 2016.
- Sixty-four percent of those under 34 years of age believe the economy is improving.
- Sixty-three percent of those in rural and suburban areas believe the economy is improving.



Outlook on U.S. Economy

Age:	34 or under	35 to 44	45 to 54	55 to 64	65 or over
Improving	64%	65%	64%	61%	58%
Not Improving	36%	35%	36%	39%	42%

Household Income:	Under \$50,000	\$50,000 to \$100,000	More than \$100,000
Improving	55%	65%	68%
Not Improving	45%	35%	32%

Region:	Northeast	Midwest	South	West
Improving	59%	67%	60%	64%
Not Improving	42%	33%	41%	36%

Location:	Rural	Suburban	Urban
Improving	63%	63%	61%
Not Improving	37%	37%	40%

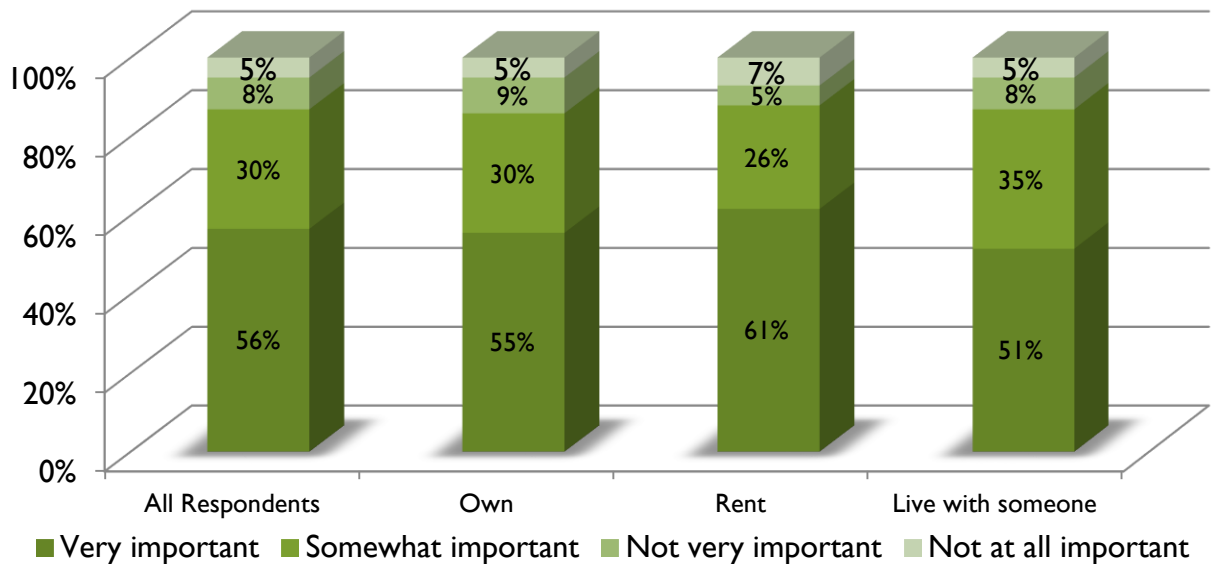
Tenure:	Own	Rent	Live with someone
Improving	65%	57%	61%
Not Improving	35%	43%	40%

Home Access to Outdoor Features

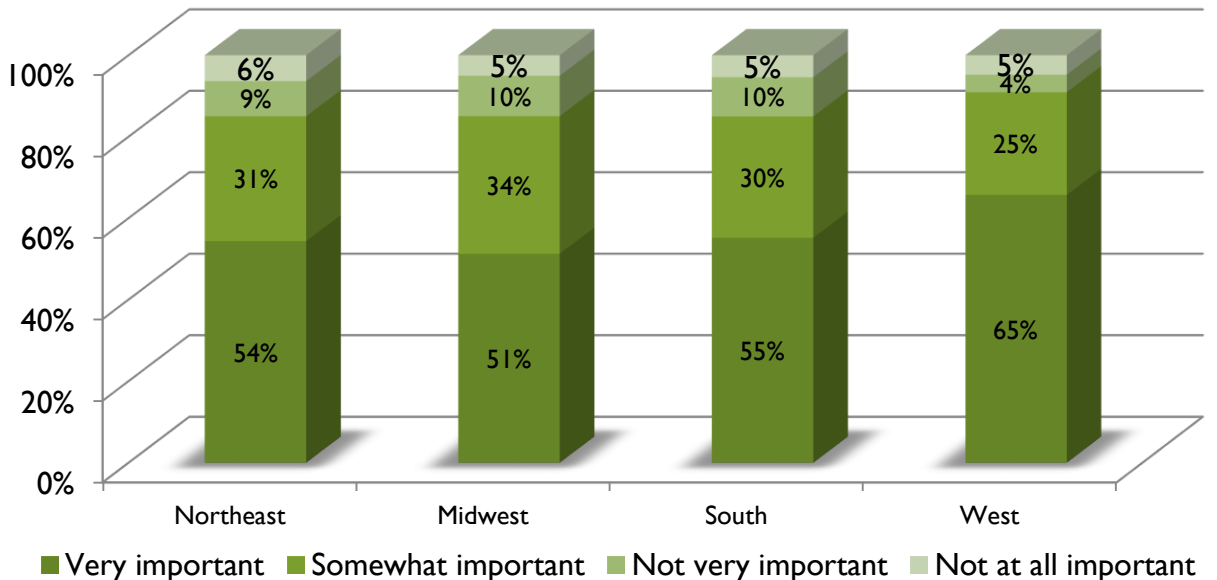
Survey respondents were asked questions related to their home's access to outdoor features, community recreation facilities, and the benefits of outdoor recreation.

- Fifty-six percent of respondents believe that access to outdoor features is very important. Sixty-one percent of renters feel that strongly.
- Those with incomes over \$100,000, at least some education, and that live in rural areas believe that access to outdoor features is very important.

Access to Outdoor Features by Tenure



Access to Outdoor Features by Region



Home Access to Outdoor Features

Household Income:	Under \$50,000	\$50,000 to \$100,000	More than \$100,000
Very important	52%	55%	65%
Somewhat important	32%	31%	25%
Not very important	9%	9%	6%
Not at all important	6%	5%	3%

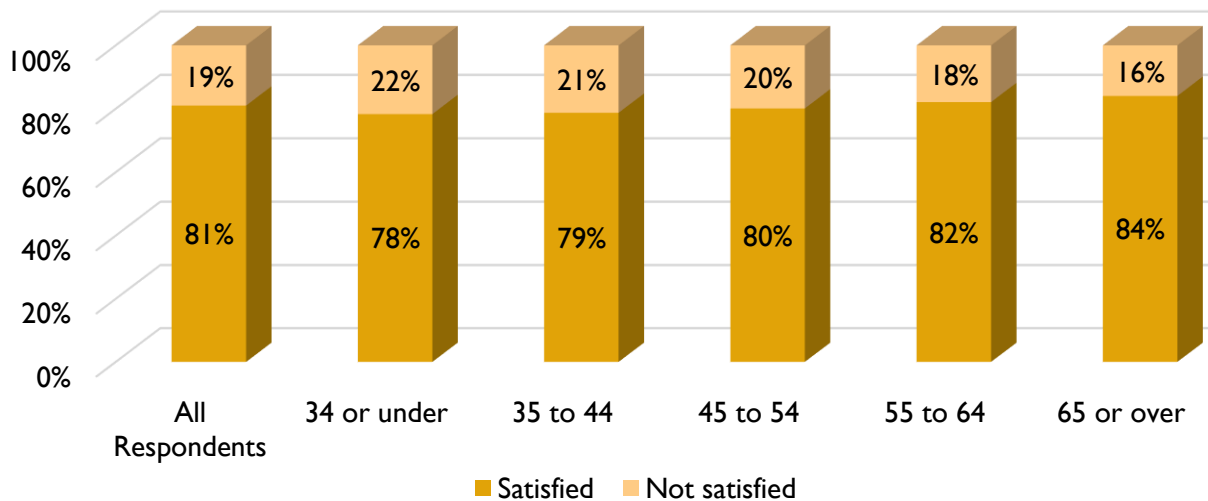
Education Status:	No college education	At least some college education
Very important	49%	59%
Somewhat important	31%	29%
Not very important	13%	7%
Not at all important	6%	5%

Location:	Rural	Suburban	Urban
Very important	58%	56%	57%
Somewhat important	28%	31%	28%
Not very important	9%	7%	9%
Not at all important	6%	5%	6%

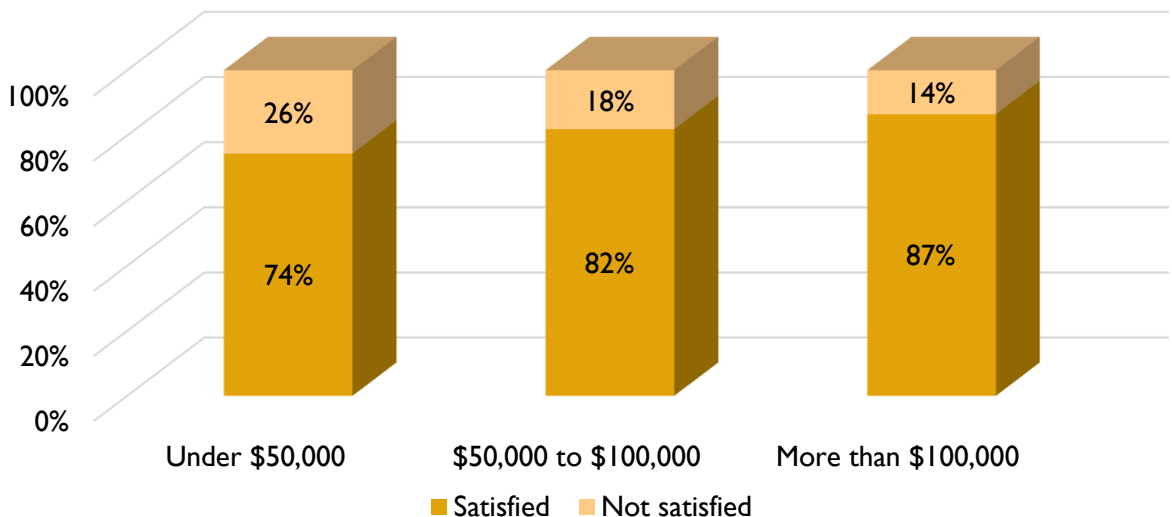
Community Featuring Outdoor Recreation

- Eighty-one percent of all respondents are satisfied with their home's proximity to outdoor recreation facilities. The same is true across all age groups and increase with income.
- Respondents are satisfied with their home's proximity to outdoor recreation facilities fairly equal across all regions, except the Midwest, and satisfaction is higher with owners and those in suburban areas.

Satisfaction of Home's Proximity to Outdoor Recreation by Age



Satisfaction of Home's Proximity to Outdoor Recreation by Income



Community Featuring Outdoor Recreation

Region:	Northeast	Midwest	South	West
Satisfied	81%	78%	86%	81%
Not satisfied	19%	22%	14%	19%

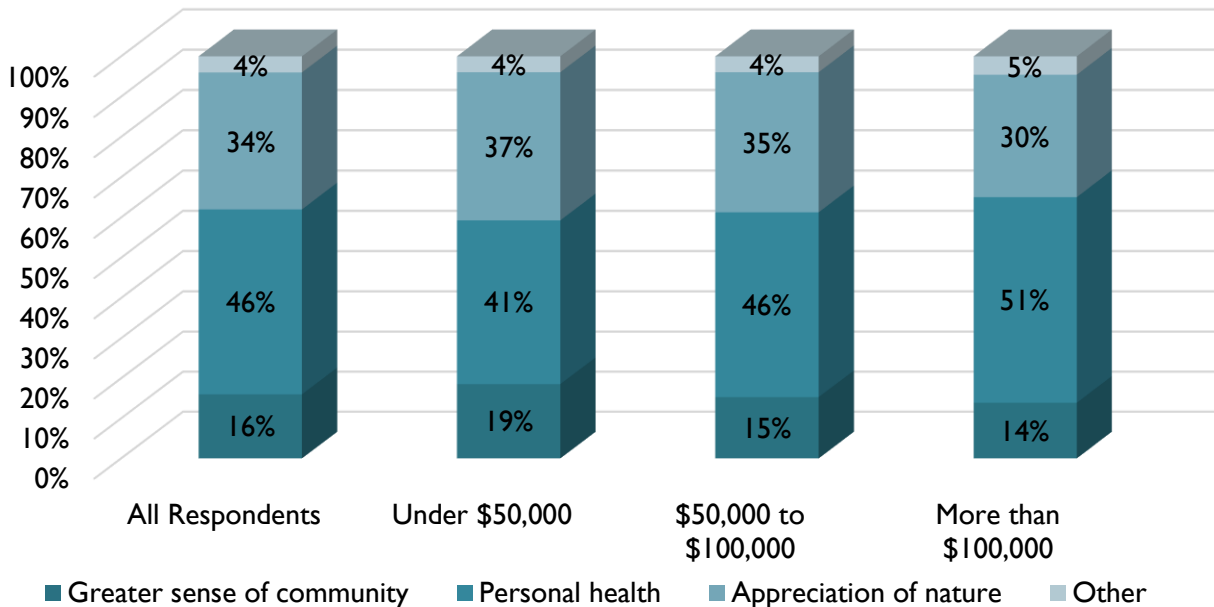
Tenure:	Own	Rent	Live with someone
Satisfied	83%	77%	79%
Not satisfied	17%	23%	21%

Location:	Rural	Suburban	Urban
Satisfied	80%	83%	77%
Not satisfied	20%	17%	23%

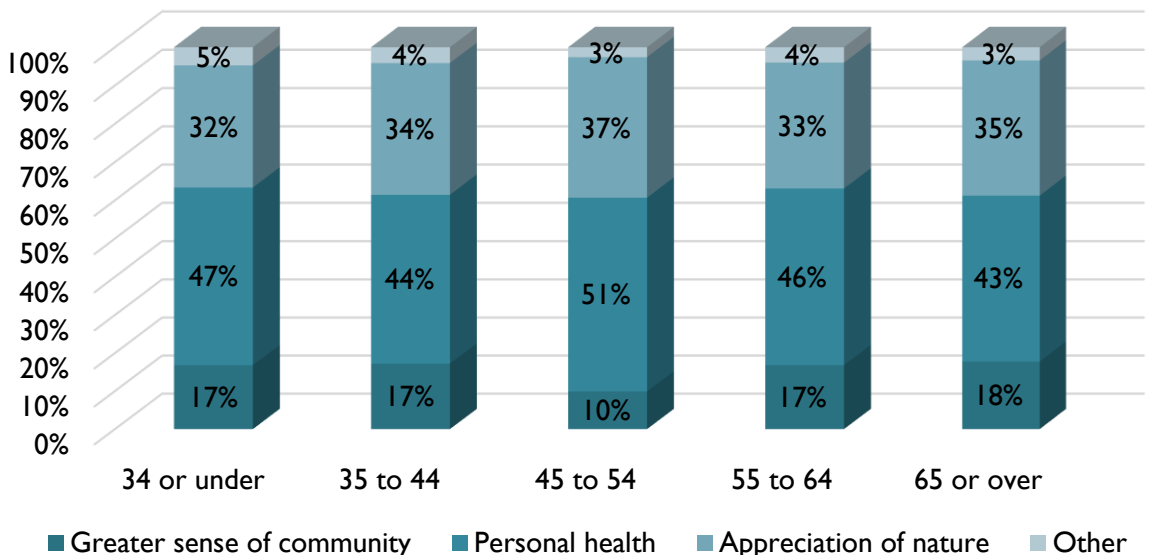
Benefit of Access to Outdoor Recreation

- Respondents believe that outdoor recreation provides a benefit to their personal health (46 percent), appreciation of nature (34 percent), and a greater sense of community (16 percent).
- The benefits are equally shared across age groups, regions, and location of the home.

Benefit of Outdoor Recreation



Benefit of Outdoor Recreation



Benefit of Access to Outdoor Recreation

By Region:	Northeast	Midwest	South	West
Greater sense of community	17%	19%	16%	12%
Personal health	47%	44%	46%	47%
Appreciation of nature	32%	34%	33%	37%
Other	4%	4%	4%	4%

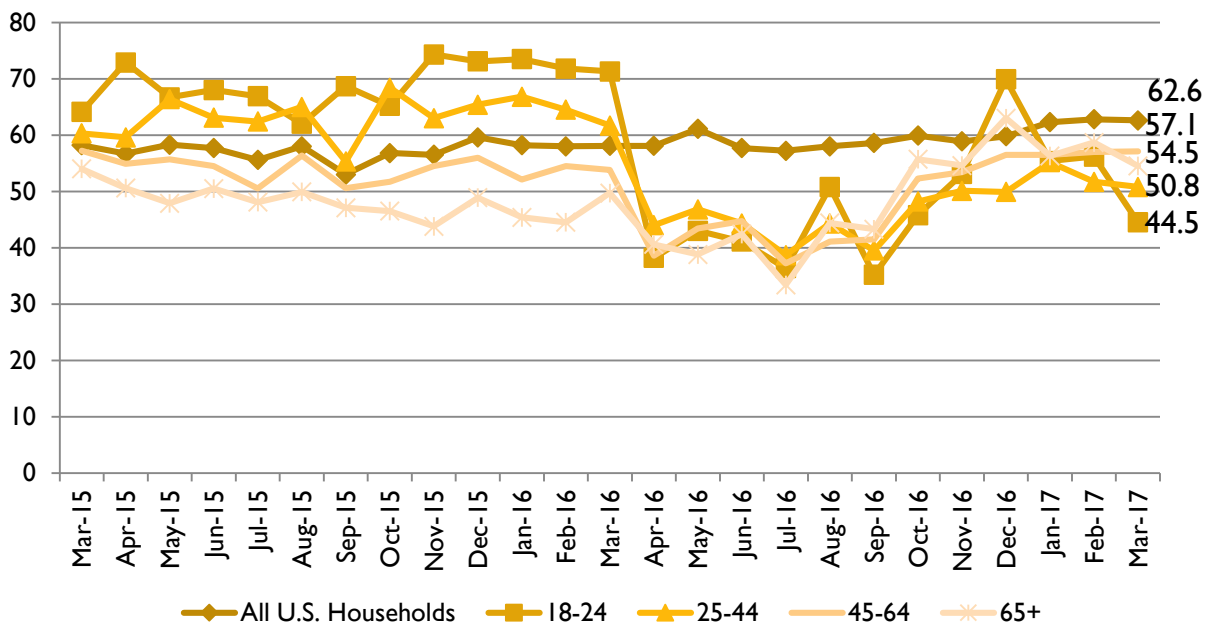
By Location:	Rural	Suburban	Urban
Greater sense of community	13%	17%	18%
Personal health	43%	47%	46%
Appreciation of nature	40%	32%	33%
Other	4%	4%	3%

Tenure:	Own	Rent	Live with someone
Greater sense of community	16%	14%	20%
Personal health	46%	48%	36%
Appreciation of nature	33%	35%	39%
Other	4%	4%	5%

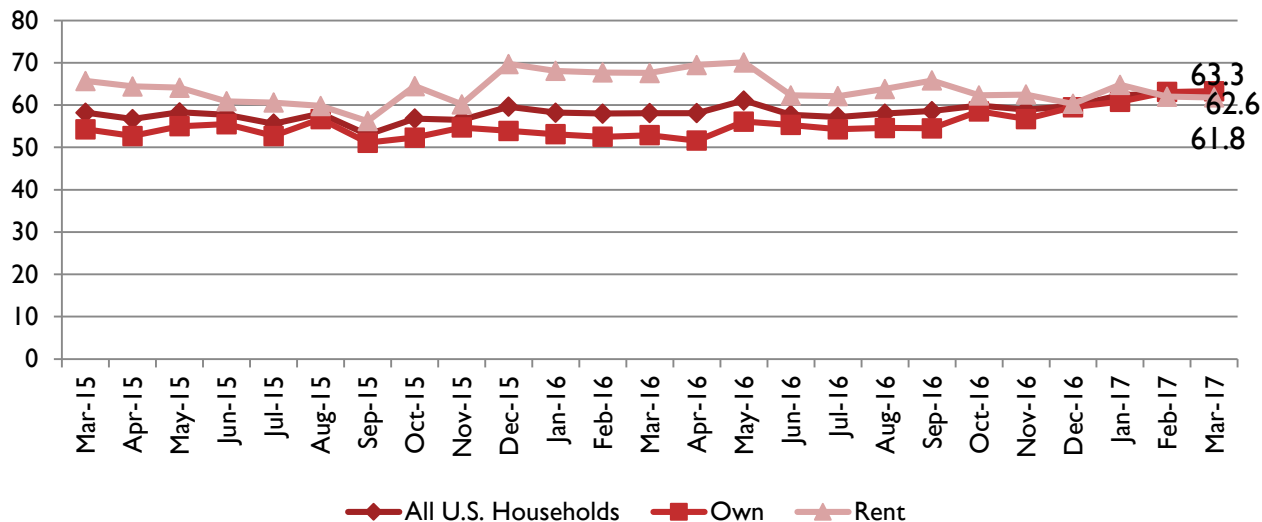
Personal Financial Outlook Index

Index ranges between 0 and 100: 0 = all respondents believe their personal financial situation will be worse in 6 months; 50 = all respondents believe their personal financial situation will be about the same in 6 months; 100 = all respondents believe their personal situation will be better in 6 months.

Personal Financial Outlook by Age of Household Head



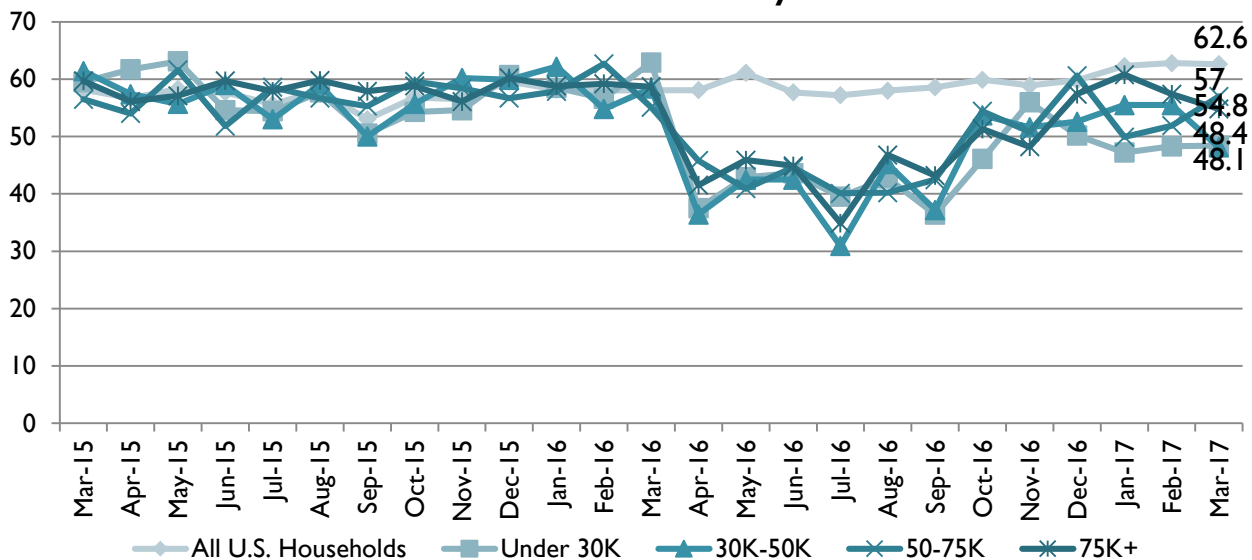
Personal Financial Outlook by Owners or Renters



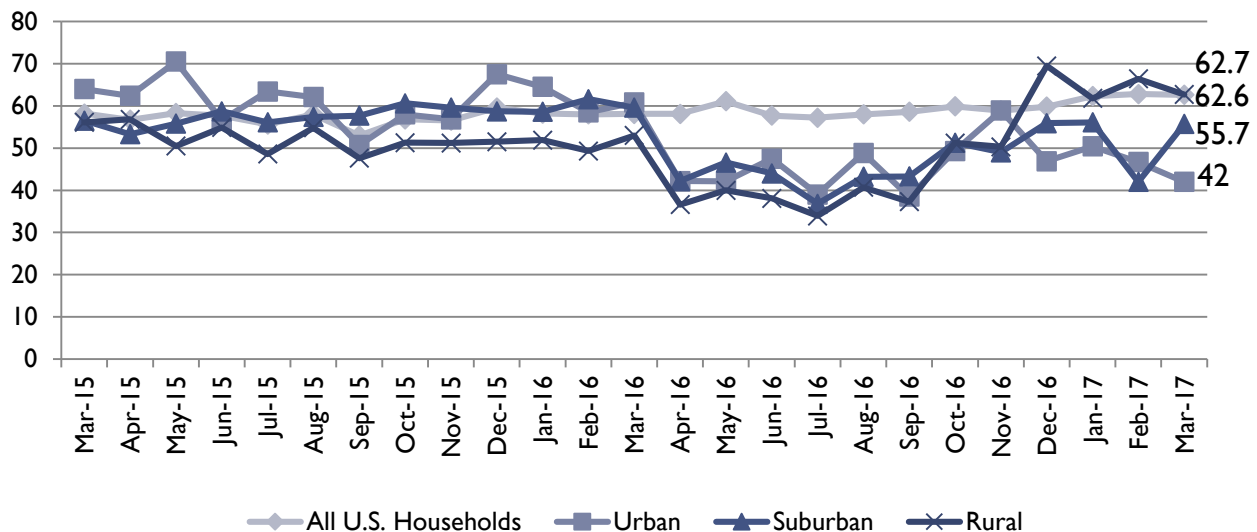
Personal Financial Outlook Index

Index ranges between 0 and 100: 0 = all respondents believe their personal financial situation will be worse in 6 months; 50 = all respondents believe their personal financial situation will be about the same in 6 months; 100 = all respondents believe their personal situation will be better in 6 months.

Personal Financial Outlook by Income



Personal Financial Outlook by Area





Methodology

The survey was conducted by an established survey research firm, TechnoMetrica Market Intelligence. Each month, January through March 2017, a sample of U.S. households was surveyed via random-digit dial, including cell phones and land lines. Using a computer-assisted telephone interviewing (CATI) system, TechnoMetrica conducts interviews from their call center in Ramsey, NJ.

Regional quotas are used, based on four census regions and nine census divisions.

Each month approximately 900 qualified households responded to the survey. The data compiled for this report and is based on 2,698 completed telephone interviews. For monthly results, the margin of error for the survey is +/-3.3 percentage points at the 95% confidence level.

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