State of Real Estate Survey

December 2022 • The Harris Poll Thought Leadership Practice
This survey was conducted online within the U.S. by The Harris Poll from November 11th to 13th, 2022, among a nationally representative sample of 1,980 U.S. adults.

This research includes 1,296 homeowners and 615 renters, as well as 194 Gen Z (ages 18-24), 613 Millennials (ages 25-40), 485 Gen X (ages 41-56), and 688 Boomers (ages 57 and older).
Top Highlights

- 63% of Americans report that their housing costs have increased since the pandemic started, with 28% saying that it increased significantly.
- Renters want to become homeowners, but a majority worry if they will be able to ever own (59%), believing the dream of owning a home is dead (56%).
- Millennials are feeling priced out of the current real estate market (69%).
- Americans are worried about Wall Street investors contributing to rising houses costs (62%), especially those living in the urban areas (70%).
- A fifth of Americans moved since the beginning of the pandemic (20%), looking for more space (65%), to find more affordable housing (64%) and be in the area with a lower cost of living (63%).
- A fifth of Gen Z-ers (19%) and 13% of Millennials were able to purchase their first home during the pandemic.
- 71% of Americans are waiting to move due to economic uncertainty and interest rates.
- Despite of today’s challenges, four in 10 Americans (39%) plan to move to a new home in the next three years.
- Americans’ preferences for a place they call home change, as 77% of those who plan to move in the next three years say that working remotely encourages them to broaden their living options, and 64% say it’s scary to live in a major or densely populated city, due to a pandemic or a potential war, etc.
- Saving money, safety, and space are the most important factors for those planning to move in the near future.
- Americans are reexamining their relationship with cities and looking to the suburbs and rural areas as their top options of where to move next, with younger generations likely leading the exodus from the cities.
The Cost Of Shelter Is Breaking Americans
Six in 10 Americans report that their housing costs have soared since the pandemic started, regardless of their homeownership status.

<table>
<thead>
<tr>
<th></th>
<th>Increased</th>
<th>Stayed the same</th>
<th>Decreased</th>
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<tbody>
<tr>
<td>Homeowners</td>
<td>65%</td>
<td>29%</td>
<td>7%</td>
</tr>
<tr>
<td>Renters</td>
<td>61%</td>
<td>31%</td>
<td>9%</td>
</tr>
<tr>
<td>Total</td>
<td>63%</td>
<td>29%</td>
<td>7%</td>
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28% say that their housing costs increased by a lot.

Q: Did the overall cost of your housing (e.g., rent, interest rates, insurance, utilities, etc.) increase or decrease since the pandemic started (i.e., March 2020)? (Top 2; n=1,980 total)
Renters want to become owners, but a majority believe the dream of owning a home is dead.

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Group</th>
<th>Statement</th>
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</thead>
<tbody>
<tr>
<td>76%</td>
<td>Renters</td>
<td>“I would like to own a residence someday (e.g., house, condo, etc.)”</td>
</tr>
<tr>
<td>59%</td>
<td>Renters</td>
<td>“I am worried that I will never be able to own a home.”</td>
</tr>
<tr>
<td>56%</td>
<td>Renters</td>
<td>“The American Dream of owning a home is dead.”</td>
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</table>

66% Gen Z
88% Millennials
54% Gen Z
67% Millennials
55% Gen Z
56% Millennials
50% All Americans

Q: How much do you agree or disagree with the following statements? (Top 2; n=1,980 total)
Lack of affordable housing options is why renters continue to rent, while nearly a quarter say the market is too competitive.

Barriers from owning a home:

- Not enough affordable housing available: 44%
- Not enough capital for a down payment and/or closing costs: 40%
- Lack of access to credit and/or poor credit history: 35%
- The market is too competitive: 23%
- Lack of information/knowledge about the home buying process: 20%
- Housing discrimination: 9%
- Something else: 9%
- N/A - I don't have any barriers to owning: 20%

Q: Which of the following barriers do you feel prevent you from owning a home? (n=615 renters)
Millennials are feeling priced out of the market and all Americans are worried about Wall Street investors contributing to rising houses costs.

- **61% Americans**
  “I feel priced out of the current real estate market.”
  - 69% Millennials
  - 69% Renters
  - 69% LGBTQIA+
  - 67% Income <$50K

- **47% Americans**
  “My area has become so unaffordable it’s barely livable.”
  - 58% Millennials
  - 56% Urban

- **62% Americans**
  “I am concerned about big Wall Street investors or companies buying up properties, making housing more unaffordable.”
  - 70% Urban
  - 67% Gen X

Q: How much do you agree or disagree with the following statements? (Top 2; n=1,980 total)
(Some) Americans Regret Moving
Six in 10 of those who moved since the pandemic started said it was unplanned and 44% regret relocating to their new home.

20% Americans
Have moved since the beginning of the pandemic or in the last 2.5 years.

59% Americans who moved in the last 2.5 years
“My move was unplanned or unexpected.”

44% Americans who moved in the last 2.5 years
“I regret moving to my current place of residence.”

Q: Have you done any of the following? Please select all that apply. (n=1,980 total); Q: How much do you agree or disagree with the following statements? (Top 2; n=1,980 total)
Americans moved for space, to save money and to feel safer, while a third were able to take advantage of the market’s turmoil during the pandemic.

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>More space</td>
<td>65%</td>
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<tr>
<td>To find more affordable housing</td>
<td>64%</td>
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<tr>
<td>To be in an area with a lower cost of living</td>
<td>63%</td>
</tr>
<tr>
<td>To be in a safer area</td>
<td>56%</td>
</tr>
<tr>
<td>To be closer to my family</td>
<td>50%</td>
</tr>
<tr>
<td>To be in a more remote area for health reasons</td>
<td>44%</td>
</tr>
<tr>
<td>Warmer weather</td>
<td>43%</td>
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<tr>
<td>To move for tax implications</td>
<td>42%</td>
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<tr>
<td>To avoid environmental crises</td>
<td>42%</td>
</tr>
<tr>
<td>Or needed to move for a job</td>
<td>41%</td>
</tr>
<tr>
<td>To be in a more exciting area</td>
<td>40%</td>
</tr>
<tr>
<td>To move for political reasons</td>
<td>35%</td>
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I took advantage of the COVID-19-related market turmoil (e.g., received a good deal when renting, took advantage of low-interest rates, etc.).

- 76% Millennials
- Americans
- 50% Millennials
- 48% Gen Z
A fifth of Gen Z-ers were able to purchase their first home during the pandemic.

19% Gen Z
13% Millennials

Bought their first residence since the start of the pandemic, compared to 4% of Gen X and 2% of Boomers.
Americans Are Seeking Broader Pastures (Away From Cities)
Americans are waiting to move due to economic uncertainty and interest rates, while some are going to leverage their homes for additional income.

71% Americans

“The current economic environment (i.e., inflation, potential recession, etc.) makes me hesitant about making a real estate move.”

53% Americans

“I am waiting for the interest rates to decrease before I make a real estate move.”

67% Moving within 3 years
59% Renters

28% Homeowners

“I have considered using a rental service to temporarily rent out my residence to generate extra income (e.g., Airbnb, etc.).”

53% Those who plan to move in the next 3 years
50% Gen Z
49% Millennials
47% Black
45% Urban
Despite of today’s challenges, nearly four in 10 Americans plan to move to a new home in the next three years.

39% Americans

Plan to move in the next **three years**.

- 64% of Gen Z
- 55% of Millennials
- 55% LGBTQ
- 51% People of Color

Q: Do you plan to move in the next three years? (n=1,980 total)
Remote work and city tradeoffs are opening Americans’ real estate aperture and shifting perceptions around safety

Q: How much do you agree or disagree with the following statements? (Top 2; n=1,980 total)

77% Americans who plan to move in the next 3 years

“Working remotely encourages me to broaden my living options (e.g., live wherever, travel more, etc.)”

64% Americans who plan to move in the next 3 years

“It is scary to live in a major/densely populated city these days (i.e., pandemic, potential war, etc.).”

84% Black
Saving money, safety, and space are the most important factors for those planning to move in the near future.

How much of an impact will the following have on your decision to move in the next three years? (n=783 those who plan to move in the next 3 years)

- Want to find more affordable housing: 72% (83% Millennials)
- Want to be in an area with a lower cost of living: 67% (77% Millennials)
- Want to be in a safer area: 66% (83% Millennials)
- Want more space: 66% (83% Millennials)
- Want to be closer to my family: 53% (78% Millennials)
- Want warmer weather: 52% (78% Millennials)
- Want to move for tax implications: 51% (78% Millennials)
- Want to avoid environmental crises: 50% (78% Millennials)
- Want to be in a more exciting area: 50% (78% Millennials)
- Want or need to move for a job: 46% (78% Millennials)
- Want to be in a more remote area for health reasons: 45% (78% Millennials)
- Want to move for political reasons: 34% (78% Millennials)
Americans are reexamining their relationship with cities and looking to the suburbs and rural areas as their top options of where to move next.

As you think of the next few years, how much would you consider the following?

- Moving in the next 3 years: 64%
- Moving to a suburban area: 45%
- Moving to another state: 60%
- Moving to a rural area: 57%
- Moving to a non-major city with a population of less than 500,000: 55%
- Moving to a major city with a population of more than 500,000: 44%
- Moving to another country: 39%

69% of Americans disagree with the statement: “You have to live in the city in order to be successful in life.”
Gen Z and Millennials may be leading exodus from the cities, as they’re more open to moving to the suburbs and rural areas than others.

As you think of the next few years, how much would you consider the following?

- Moving to a suburban area
- Moving to another state
- Moving to a rural area
- Moving to a non-major city with a population of less than 500,000
- Moving to a major city with a population of more than 500,000
- Moving to another country

Q: As you think of the next few years, how much would you consider the following? (Top 2; n=1,980 total)
Seven in 10 Americans own a house, while three in 10 rent their residence.

Which of the following best describes your current primary residence?

- **Own**: 56% House, 8% Apartment, 4% Other type of home
- **Rent**: 13% House, 14% Apartment, 2% Other type of home

According to the survey, Millennials are more likely to rent (29% vs. 68% for Boomers).
Over half of Americans (54%) emphasize that they’re just able to afford their current home by living with someone, as only 19% reside on their own.

81% Americans
Live with someone.
- 49% live with a partner,
- 33% with family, and
- 7% with roommates.

55% Americans
“I can only afford my current place by living with someone.”

- 88% $100K+ income
- 66% Low-income women
- 64% Renters
- 59% People of Color
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