

Americans 55+ Assess Current and Future Housing Options Homeowners Data

Prepared For Freddie Mac
By GfK Public Affairs And Corporate Communications

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Presentation Agenda

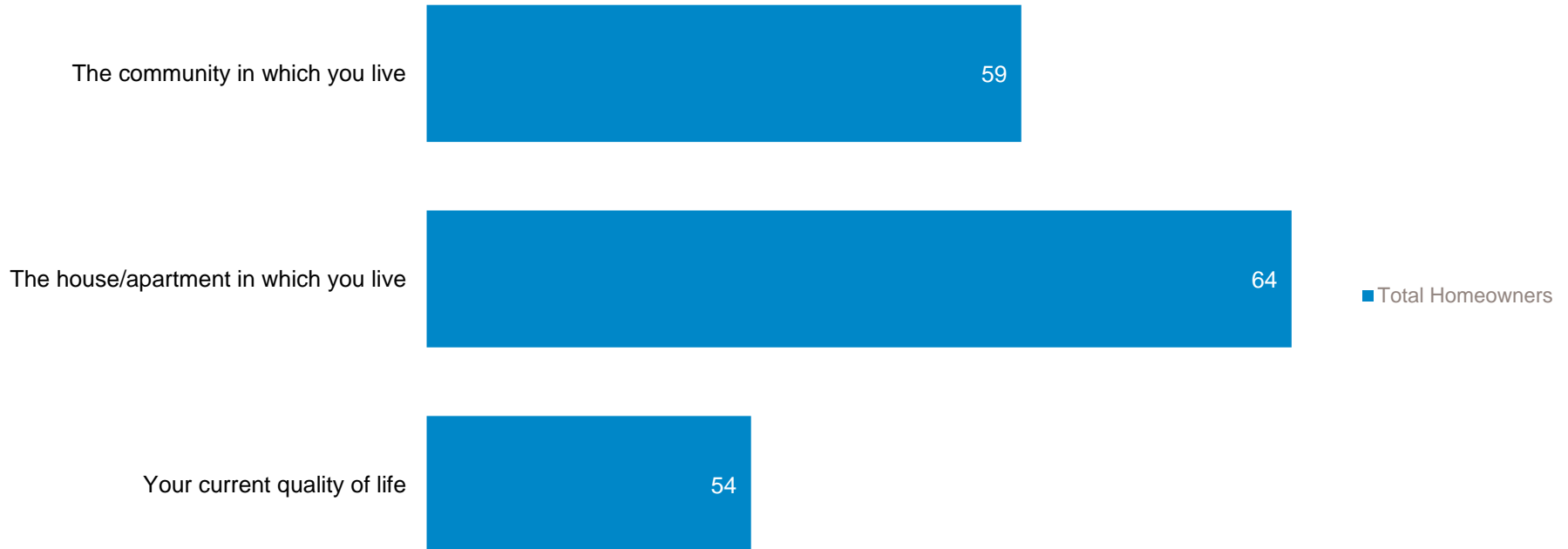
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Satisfaction with Current Housing Situation

Respondents Express Satisfaction with Current Life Situation

A majority of homeowners are very satisfied with their community, their house/apartment, and their quality of life.

% "Very Satisfied"



Total Homeowners (n=4,886)

A01. In general, how satisfied are you with... The community in which you live.

A01. In general, how satisfied are you with... The house/apartment in which you live.

A01. In general, how satisfied are you with... Your current quality of life.

Statistical Differences by Demographic Groups

Differences that emerge among Homeowners in terms of being very satisfied with their current life situation: their community, their home, and the quality of their life.

Age

- The oldest respondents are much more likely to say they are “satisfied” with elements of their current life situation:
 - The community in which they live: Younger Boomers (52%); **Older Boomers (60%); Silent Generation (65%)**
 - Their home: Younger Boomers (57%); **Older Boomers (66%); Silent Generation (71%)**
 - Quality of their life: Younger Boomers (48%); **Older Boomers (55%); Silent Generation (58%)**

Income

- The more the income, the more satisfied one is in these cases:
 - The community in which they live: Less than \$30K (51%); **\$30-59K (57%); \$60-99K (62%); \$100K+ (64%)**
 - Their home: Less than \$30K (56%); **\$30-59K (64%); \$60-99K (66%); \$100K+ (69%)**

Retirement status

- Those who are retired are much more likely than those who are still working to feel satisfied with elements of their life:
 - The community in which they live: Still Working (57%); **Retired (62%)**
 - Their home: Still working (61%); **Retired (69%)**

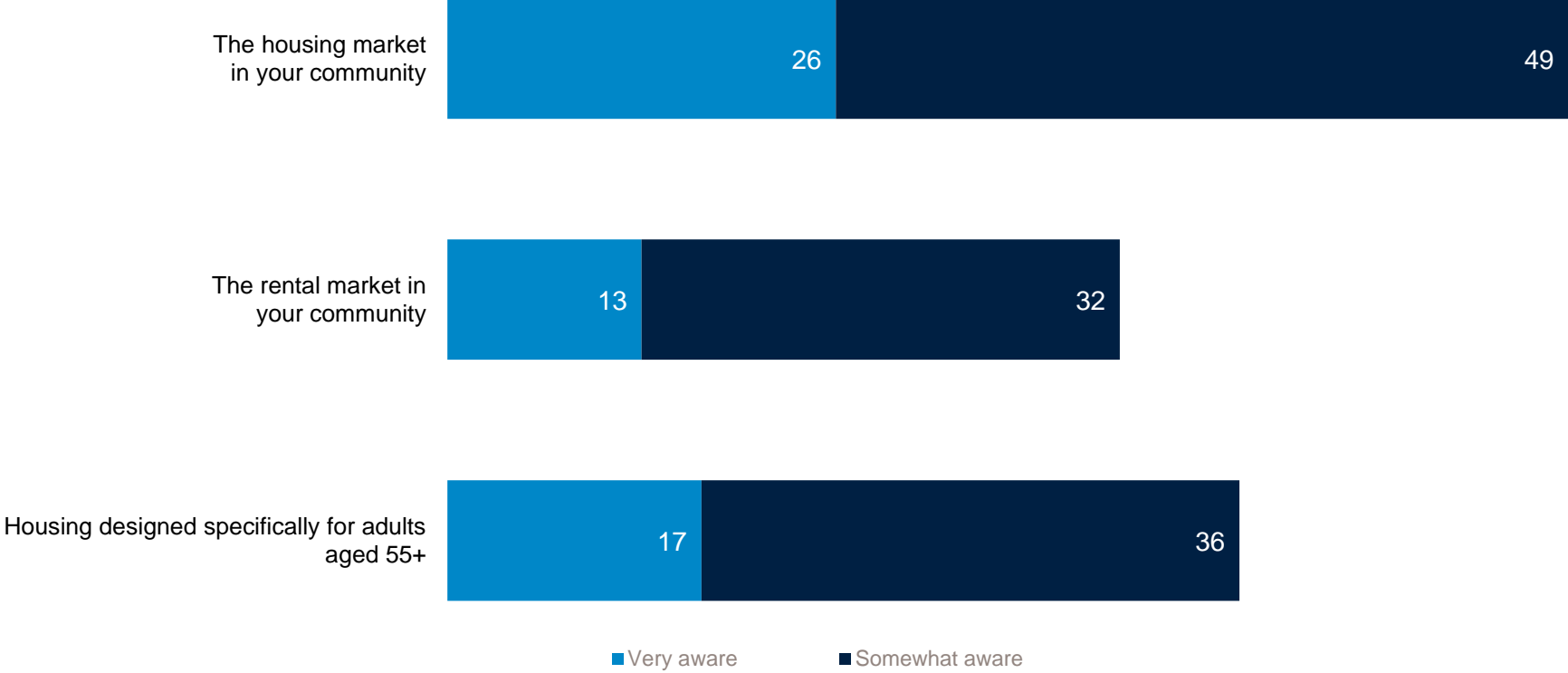
Region of Country

- Those who live in the west and south are much more likely to feel very satisfied with elements of their life:
 - The community in which they live: **West (61%); South (61%);** Midwest (58%); Northeast (54%)
 - Their home: **West (61%); South (61%);** Midwest (58%); Northeast (54%)

Awareness of Housing Properties in Community Varies by Current Housing

Overall, homeowners are much more aware of the housing market than the rental market. Half of homeowners are aware of housing designed for adults aged 55+.

Awareness of Housing Market in Community



Base = Total Homeowners (n=4,886)
C01. Thinking about your community, how would you rate your awareness of the following: The housing market in your community
C01. Thinking about your community, how would you rate your awareness of the following: The rental market in your community
C01. Thinking about your community, how would you rate your awareness of the following: Housing designed specifically for adults aged 55+.



Statistical Differences by Demographic Groups

Differences that emerge among Homeowners in terms of awareness (very + somewhat) with the housing and 55+ communities.

Housing Market

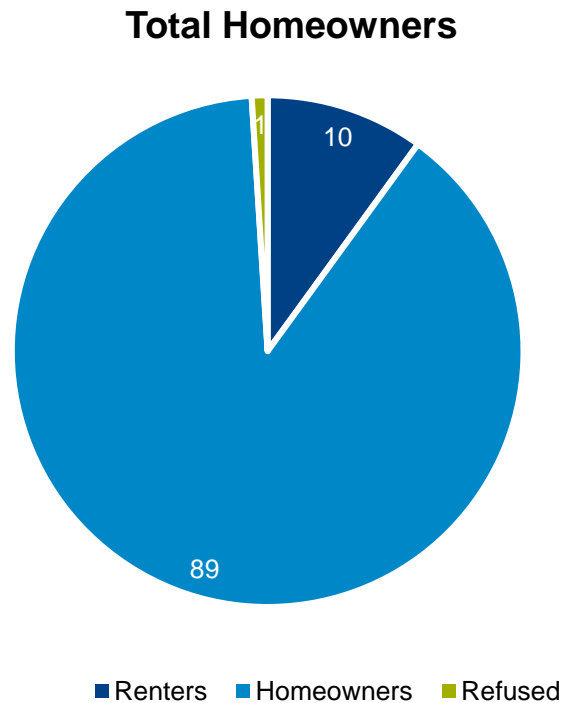
- **Men (76%) slightly more** than Women (73%)
- **Those in the West (78%) and Northeast (77%) more** than those in the South (73%) and Midwest (71%)
- **Those with higher incomes: \$100K+ (85%); \$60-99K (77%); \$30-59K (71%); Less than \$30K (68%)**
- **Caucasians (76%) and African Americans (76%) more** than Hispanic Americans (60%)

55+ Community

- **Women (56%) slightly more** than Men (52%)
- **Those in the Northeast (60%) and Midwest (57%) more** than those in the West (54%) and South (46%)
- **Those with higher incomes: \$100K+ (59%); \$60-99K (54%); \$30-59K (53%); Less than \$30K (48%)**
- **Caucasians (56%) and African Americans (49%) more** than Hispanic Americans (43%)

Local Area Seen as Better Suited for Homeowners

Nearly nine in ten respondent homeowners believe their city/town is better suited for Homeowners rather than renters.



Base = Total Homeowners (n= 4,886)

C04. Thinking about the city or town in which you live, would you say that it is better suited for renters or homeowners?

Statistical Differences by Demographic Groups

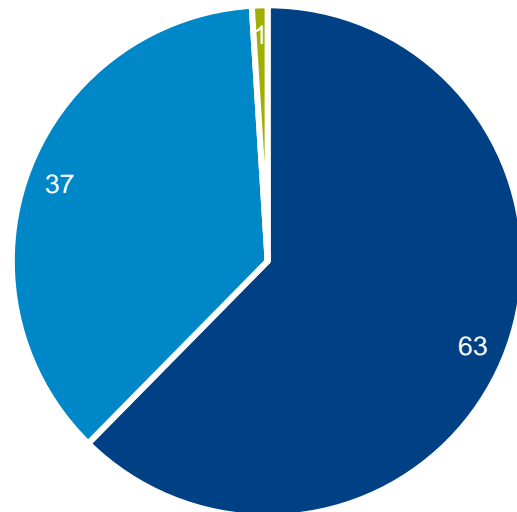
Differences that emerge among Homeowners who feel their town is better suited for homeowners

- **Those who are older:** Younger Boomers (88%); Older Boomers (88%); **Silent Generation (91%)**
- **Those with higher incomes:** less than \$30K (87%) lower than those whose incomes are **\$100K+ (91%)**
- **Caucasians (90%), Hispanics (89%) and Asian Americans (89%) versus African Americans (82%)**

For Many, Ideal Preference for Future Location is Current Residence

When asked to state their preference – if they could choose and had complete control over the decision – nearly two-thirds of homeowners say they would stay in their current residence rather than move one more time.

Total Homeowners



■ Stay in your current residence ■ Move at least one more time ■ Refused

Base = Total Homeowners (n= 4,886)

B07. If you could choose and had complete control over it, would you prefer to stay in your current residence or move at least one more time in your life?

Statistical Differences by Demographic Groups

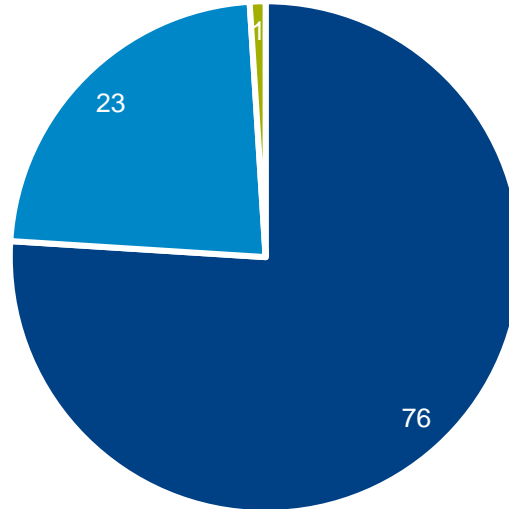
Differences that emerge among Homeowners who expect to stay in their current residence versus moving one more time.

- **Women (64%) slightly more** than Men (61%)
- **Those who are older:** Younger Boomers (50%); Older Boomers (63%); **Silent Generation (75%)**
- **Those with lower incomes:** **less than \$30K (74%); \$30-59K (67%); \$60-99K (58%); \$100K+ (53%)**
- **Those who are retired: Retired (70%) more** than Currently Employed (52%)

Need for Renovations on Current Residences are Limited

Three quarters of homeowners say they could stay in their current residence for the rest of their lives without making major renovations.

Total Homeowners



- I could stay in my current residence for the rest of my life without having to make any major renovations
- In order to stay in my current residence for the rest of my life, I would need to make major renovations
- Refused

Base = Total Homeowners (n= 4,886)
B08. Which of the following statements is most accurate?

Statistical Differences by Demographic Groups

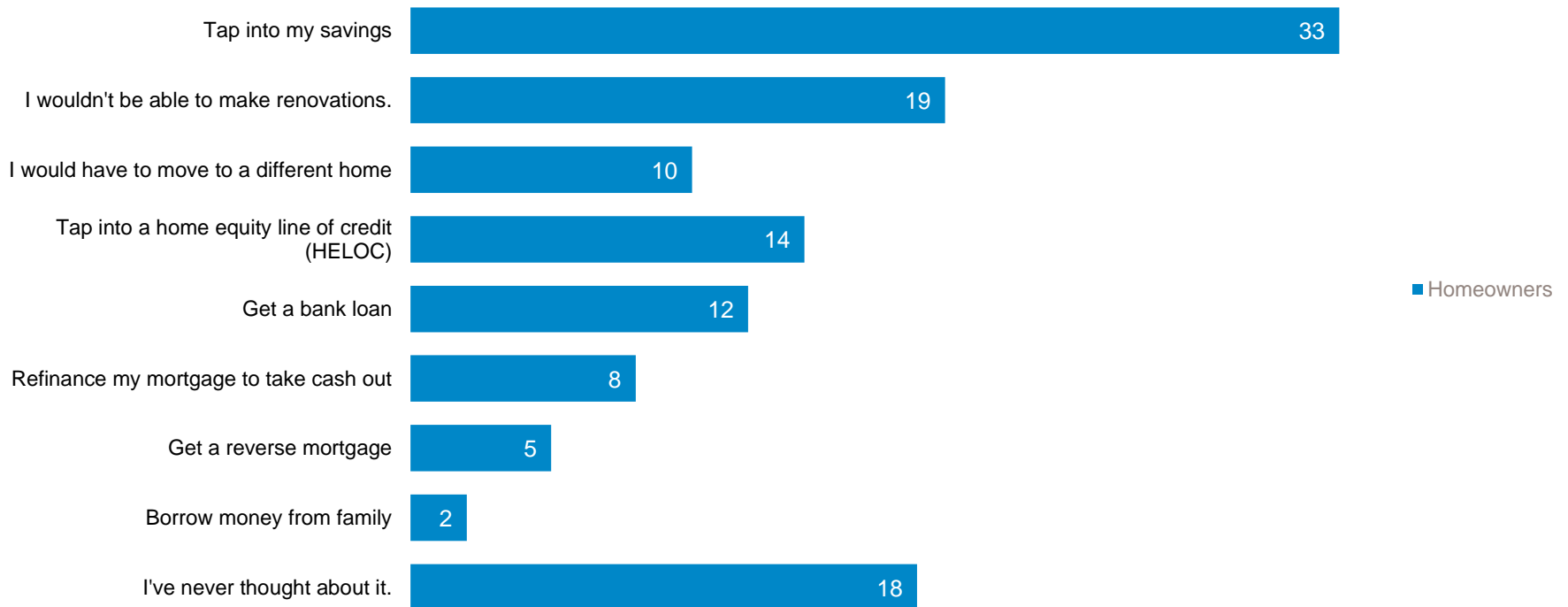
Differences that emerge among Homeowners who would need to make major renovations in their home in order to stay in the home.

- **Women (25%) slightly more** than Men (20%)
- **Those who are younger: Younger Boomers (31%); Older Boomers (22%);** Silent Generation (15%)
- **Those in the Northeast (24%) more than** those in the South (21%)
- **Those who are employed: Retired (17%) less than Currently Employed (27%)**

Many Would Not be Able to Afford Renovations to Age in Place

When those homeowners who say they would need to make renovations to stay in their current home for the rest of their lives were asked how they would pay for the renovations, nearly one-fifth say they would not be able to make the renovations.

How Renovations Would be Paid For



Base = Homeowners who would need to make renovations to stay in home (n= 1,140)

B09. If you had to make major renovations to your home in order to make it easier for you to age in place, how would you pay for the renovations?

Statistical Differences by Demographic Groups

Differences that emerge among Homeowners who could afford to tap into their savings to make major renovations in their home.

- **Men (42%) more** than Women (28%)
- **Those who are older:** Younger Boomers (30%); Older Boomers (37%); **Silent Generation (42%)**
- **Those with the more income:** **\$100K+ (41%); \$60-99K (42%);** Less than \$30K (19%)

Confidence to Pay for Renovations

Half of homeowners are confident that they could pay for major renovations to their home in order to make it easier to age in place.

% “Confident“ (Very + Somewhat)



Those who would need to make major renovations to stay in home; Homeowners (n=1,140)

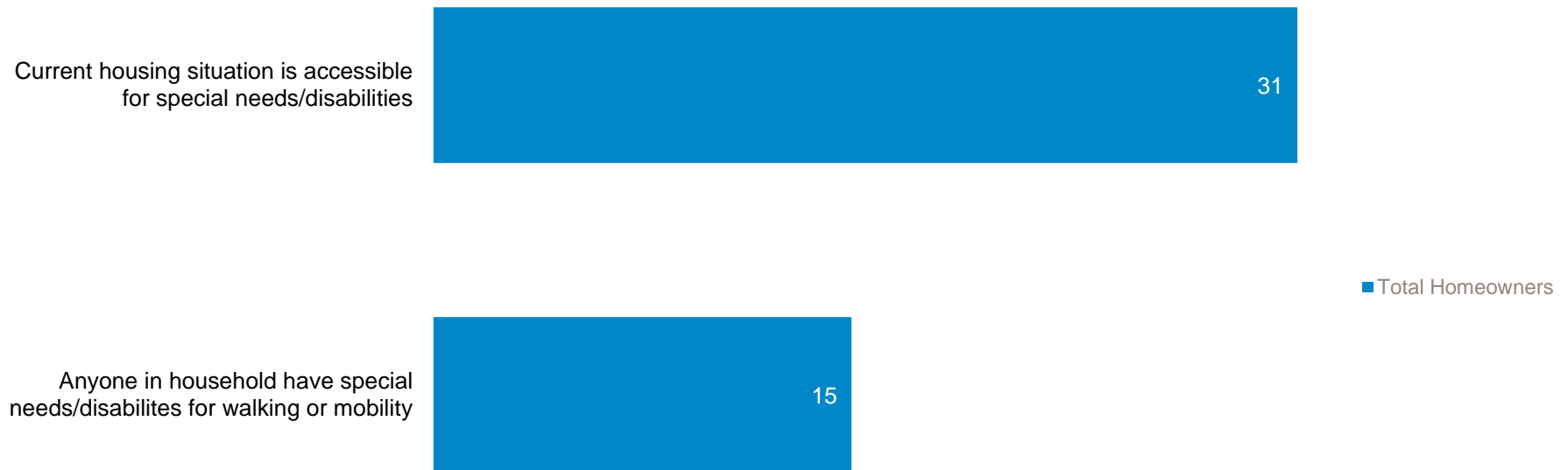
B10. How confident are you that you could afford to pay for major renovations to your home in order to make it easier for you to age in place there?

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Special Needs

Nearly one-third say their current housing situation is accessible for special needs or disabilities. And, one in seven say someone in their household has a walking or mobility disability.

% “Yes”



Base = Total Homeowners (n= 4,886)

B11. Is your current housing situation accessible for those with special needs and disabilities?

B12. Do you or does anyone in your household have any special needs or disabilities regarding walking or other forms of mobility?

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Statistical Differences by Demographic Groups

Differences that emerge among Homeowners who say their current housing is accessible for special needs and disabilities; those who have special needs or a walking or mobility issue

Current Housing situation is accessible for special needs/disabilities

- **Those who are older:** Younger Boomers (23%); **Older Boomers (31%); Silent Generation (39%)**
- **Those who are retired: Retired (35%) versus** those who are Currently Employed (25%)
- **Region of Country: South (34%); West (34%):** Midwest (27%); Northeast (26%)

Someone in household has special needs/disability for walking or mobility

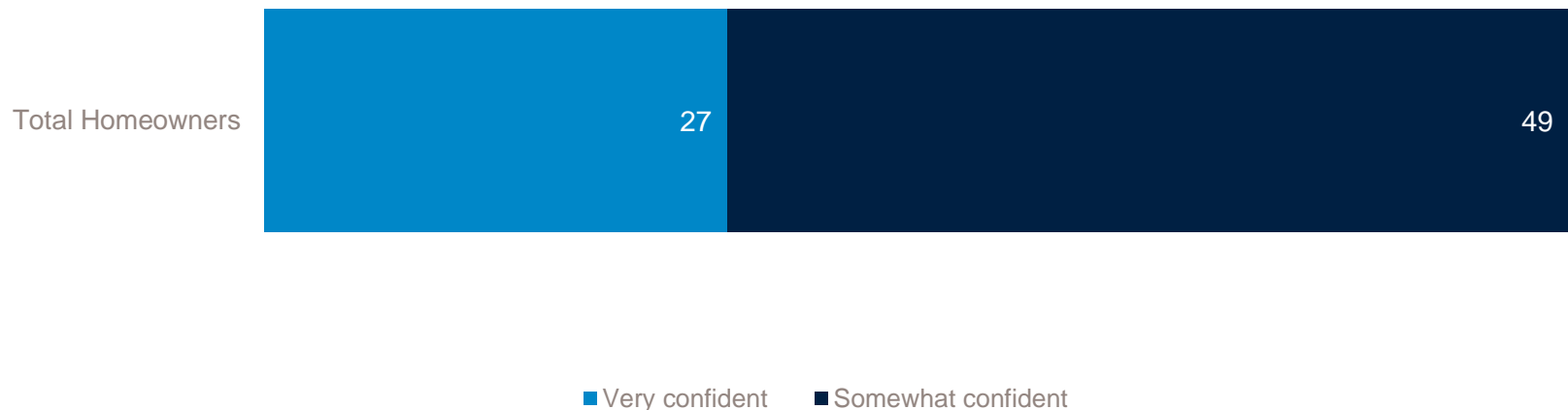
- **Those who are older:** Younger Boomers (13%); Older Boomers (14%); **Silent Generation (18%)**
- **Those who are retired: Retired (15%) versus** those who are Currently Employed (8%)

Views on Retirement

Respondents Foresee a Comfortable Retirement

One-quarter of respondents are very confident they will be financially comfortable during retirement, with nearly another half (49%) feeling somewhat confident.

Confidence in a Financially Comfortable Retirement



Base = Total Homeowners (n=4,886)
A03. How confident are you that you will have a financially comfortable retirement?

Statistical Differences by Demographic Groups

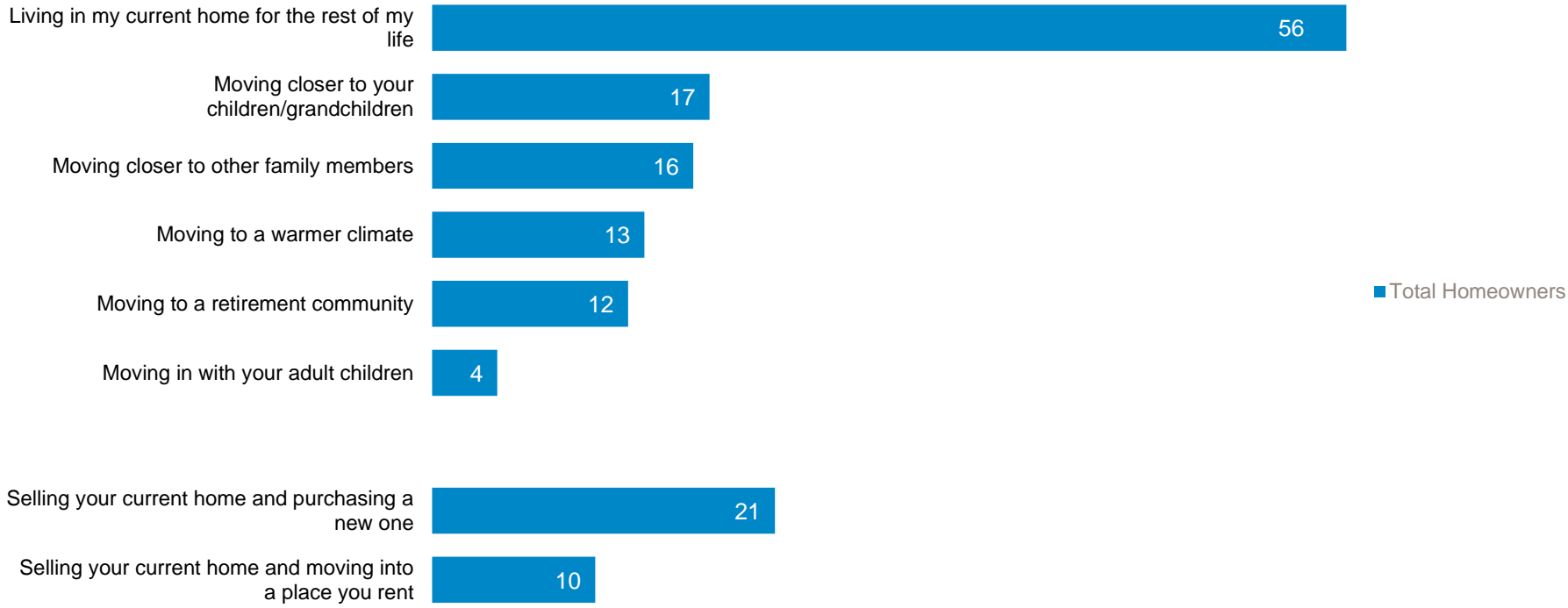
Differences that emerge among Homeowners who say they are confident (very + somewhat) in their finances in retirement

- **Gender: Men (80%) versus Women (73%)**
- **Those who are older: Younger Boomers (70%); Older Boomers (77%); Silent Generation (83%)**
- **Income: Less than \$30K (55%); \$30-59K (73%); \$60-99K (83%); \$100K+ (90%)**
- **Working Status: Retired (84%) versus Currently Working (74%)**

Retirement Plans: Majority Predict Staying in Their Current Residence

The most common housing-related item that homeowners predict will happen in retirement is staying in their current residence for the rest of their lives. Notably, one in five Homeowners say they will sell their current home and purchase a new one, and one in ten say they will sell and rent.

In Retirement: Definitely/Probably Will Happen



Total Homeowners (n=4,886)
A04. Thinking about your retirement, how likely or unlikely are each of the following to happen? - Summary of Will Happen



Statistical Differences by Demographic Groups

Differences that emerge among Homeowners who currently own their home and expect to purchase a new one

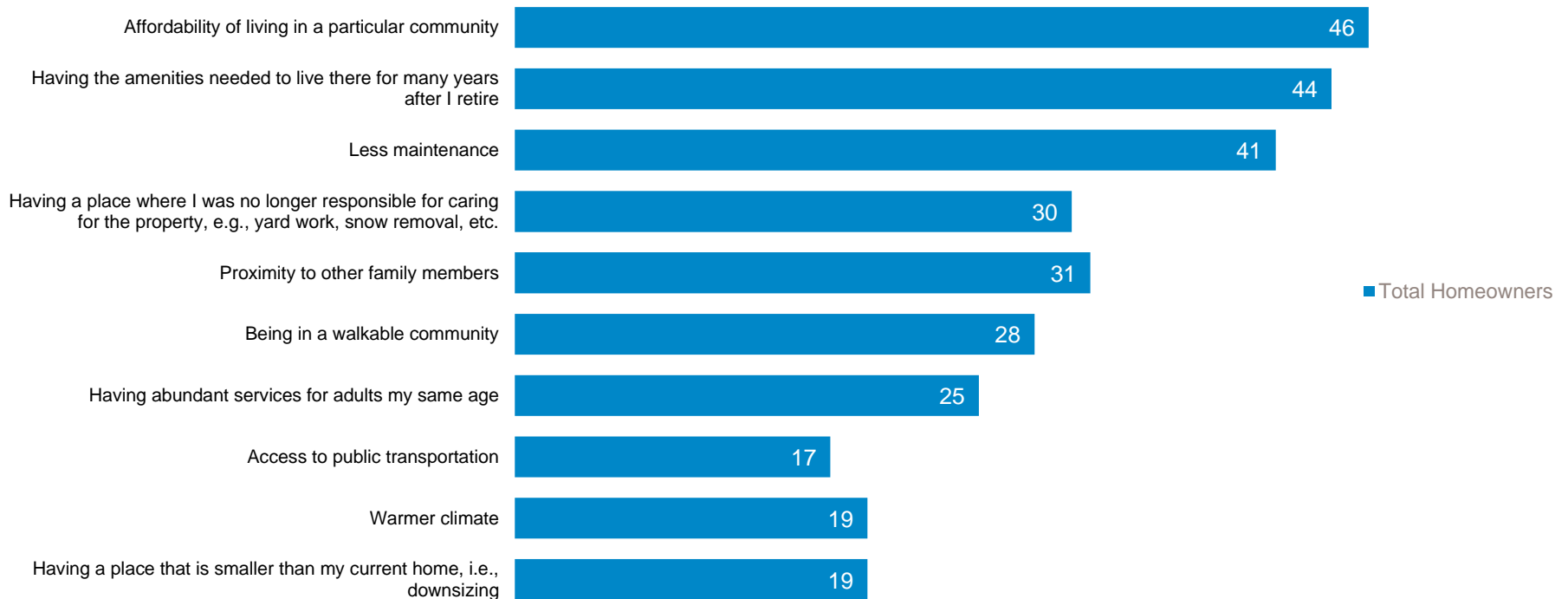
- **Gender: Men (23%) versus Women (20%)**
- **Those who are younger: Younger Boomers (32%); Older Boomers (20%); Silent Generation (11%)**
- **Those who are employed: Retired (14%) versus those who are Currently Employed (31%)**
- **Income: Less than \$30K (11%); \$30-59K (16%); \$60-99K (24%); \$100K+ (32%)**
- **Region of Country: Northeast (27%); West (21%); Midwest (20%); South (19%)**

Future Moving Plans

Cost and Convenience are Top Factors In Deciding Whether to Move and Where to Live

Affordability is the top factor influencing homeowners' decision of where to move next, followed by retirement amenities and less maintenance.

Factors Rated "Very Important" In Deciding Whether to Move/Where to Live



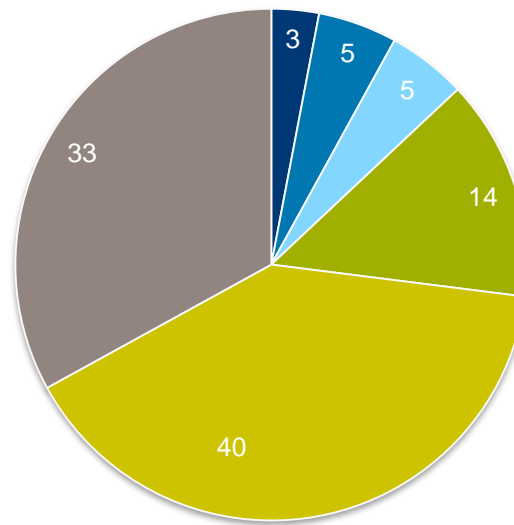
Base = Total Homeowners (n= 4,886)

B01. If you have moved recently or if you were ever to move again, how much of a factor are each of the following in deciding whether to move and where to live? Summary of Very important

Many Don't Know When Next Move Will Be

A plurality of homeowners simply “don't know” when their next move will be. “Never” was cited by nearly one-third of homeowners. Among those who will move, one in five homeowners think it will be in three years or more.

Total Homeowners



■ Less than 1 year from now ■ In 1-2 years ■ In 3-4 years ■ In 5 years or more ■ Don't know ■ Never

Base = Total Homeowners (n= 4,886)
B02. When do you expect to move next?

Statistical Differences by Demographic Groups

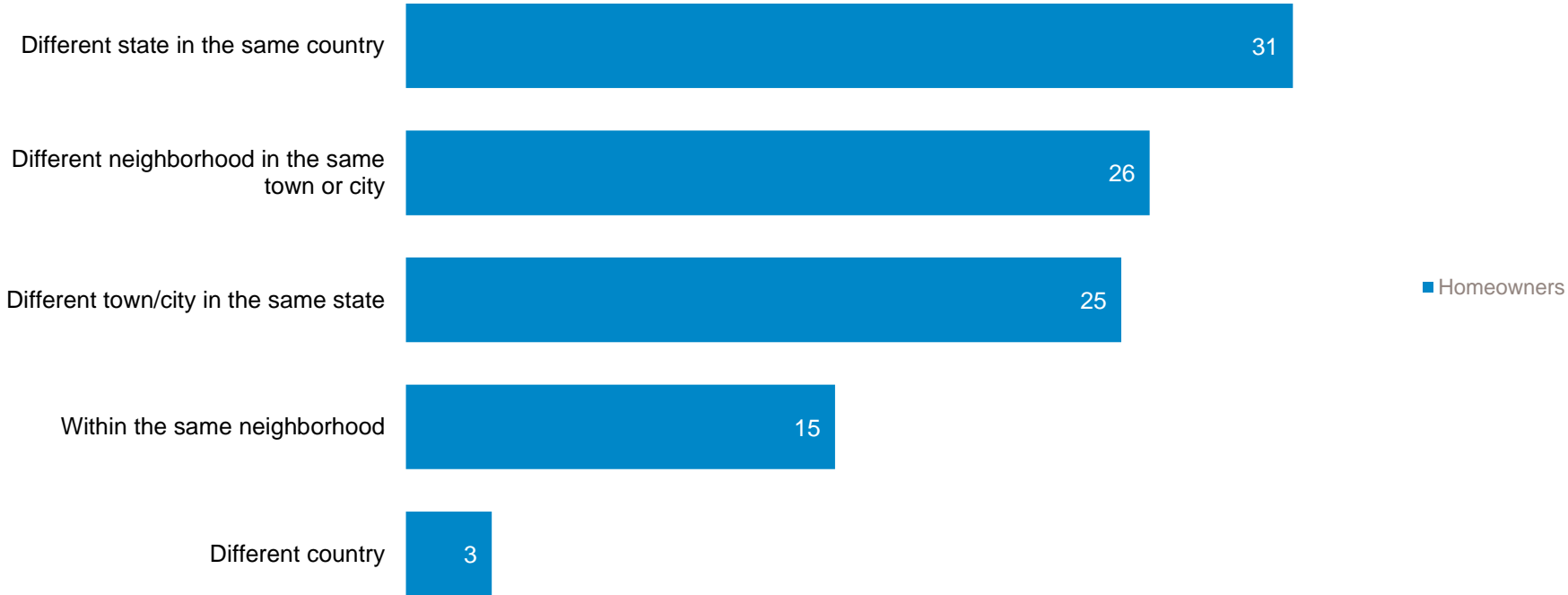
Differences that emerge among Homeowners who plan to move in the next five years

- **Those who are younger: Younger Boomers (23%); Older Boomers (13%);** Silent Generation (6%)
- **Those who are employed: Retired (9%) versus those who are Currently Employed (23%)**
- **Income: Less than \$30K (6%); \$30-59K (8%); \$60-99K (17%); \$100K+ (23%)**
- **Region of Country: Midwest (17%); Northeast (15%); West (14%); South (12%)**

Ideal Move for a Homeowner is Moving Out of Town

Excluding those who say they will “never” move, nearly one-third of homeowners muse that their ideal move would be a different state, followed closely by a different neighborhood in the same city or town and a different town in the same state.

Locations for Next Move



Base = Homeowners who might move again (n=3,413)
B03. To which of the following locations would you most want to move?



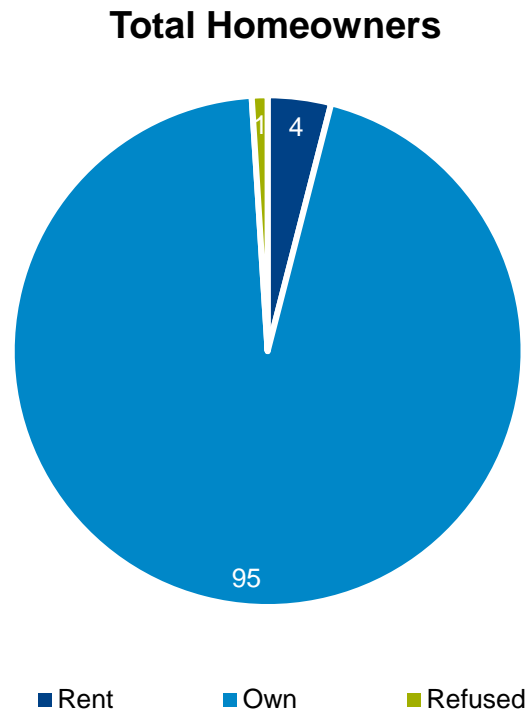
Statistical Differences by Demographic Groups

Differences that emerge among Homeowners who prefer to move to a different state

- **Men (35%) more** than Women (27%)
- **Those who are younger: Younger Boomers (36%); Older Boomers (31%);** Silent Generation (23%)
- **Those who are employed:** Retired (9%) **versus those who are Currently Employed (23%)**
- **Income:** Less than \$30K (20%); **\$30-59K (28%); \$60-99K (36%); \$100K+ (35%)**
- **Region of Country: Northeast (44%); Midwest (35%);** South (26%); West (21%)

Respondents' Preference is to Own

When asked whether they would prefer to own or rent, regardless of what they currently do, nearly all homeowners say they would rather own a place than rent.

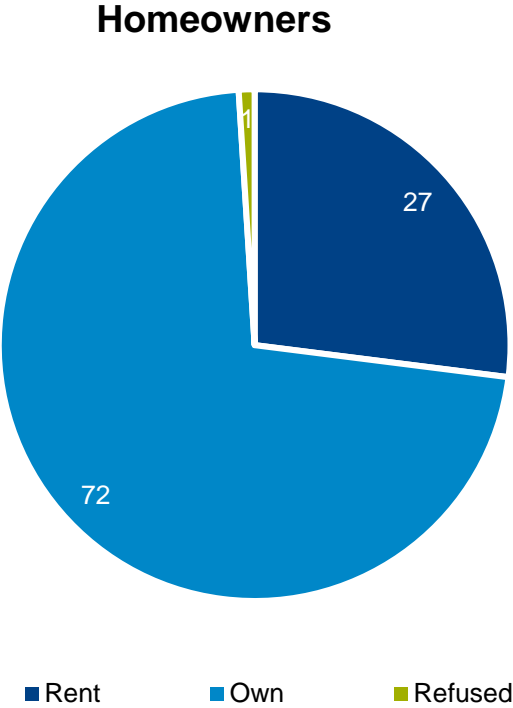


Base = Total Homeowners (n= 4,886)

E13. Regardless of the type of home you currently have, would you say that you would prefer to own or rent?

Next Move: Rent or Buy?

For their next move (among those who would consider moving), seven in ten homeowners plan to buy a home.



Base = Homeowners who might move again (n= 3,413)
B05. For your next residence, which of the following would you be most likely to do?

Statistical Differences by Demographic Groups

Differences that emerge among Homeowners who plan to buy for next home

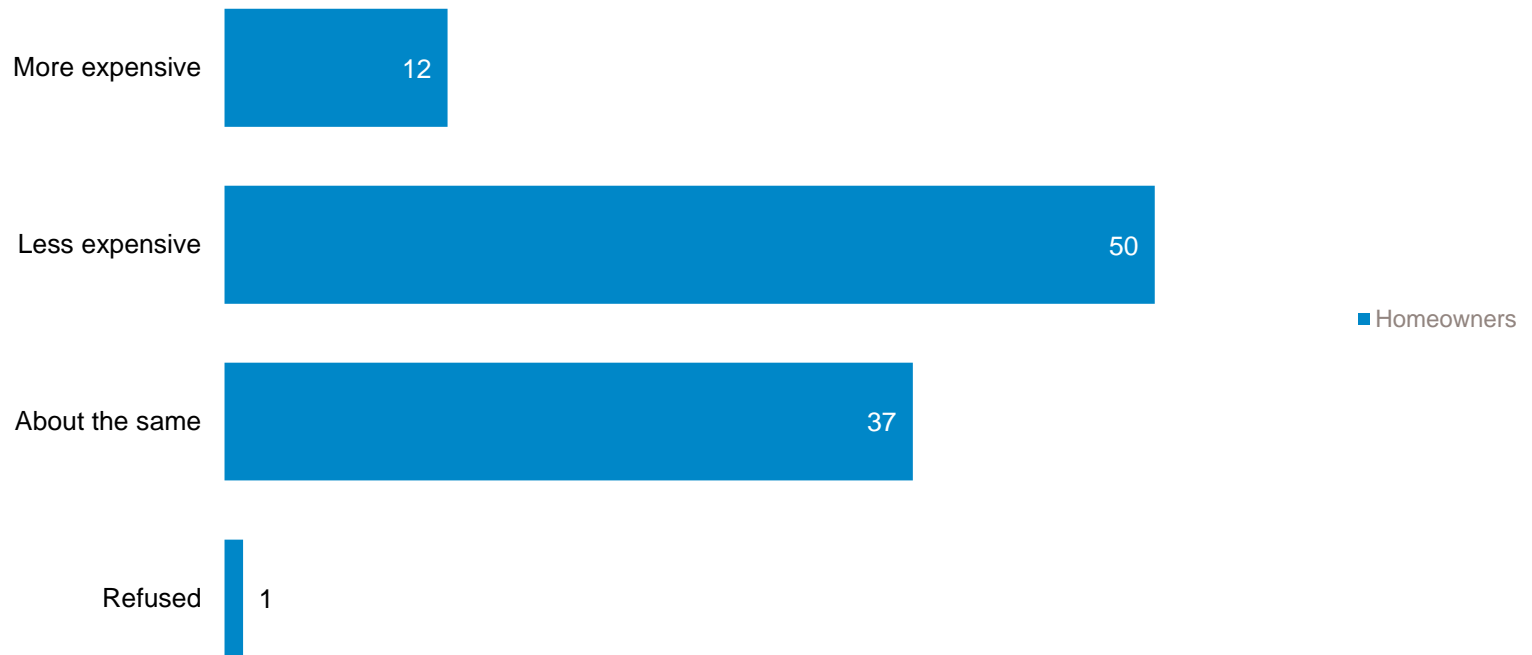
Those who would prefer to own

- **Gender: Men (75%) versus Women (69%)**
- **Those who are younger: Younger Boomers (78%); Older Boomers (71%); Silent Generation (64%)**
- **Those who are employed: Retired (68%) versus those who are Currently Employed (77%)**
- **Income: Less than \$30K (55%); \$30-59K (69%); \$60-99K (75%); \$100K+ (81%)**

Homeowners Projecting Next Property Will Be Less Expensive

Half of homeowners (who would consider moving) predict that their next property will be less expensive than their current one.

Projected Expense of Next Property



Base = Homeowners who might move again (n= 3,413)

B06. Do you believe your next move will be to a property that, in an average month, will be more expensive, less expensive, or about the same in terms of housing expenses compared to your current residence?

Financial Pressures Related to Housing

55+ Financial Situations Sufficient

Most homeowners feel they have enough money to go beyond each payday. However, more than one-quarter of homeowners say they live payday to payday with just enough to get by or worse.

Household's General Financial Situation



- I/We sometimes don't have enough money for basics, like food and housing, until the next payday.
- I/We live payday to payday, with just enough money to get by.
- I/We have enough extra money to go beyond each payday (e.g., spend money on things I/we want, put money in savings).

Base = Total Homeowners (n= 4,886)
D01. Which of the following statements best describes your household's general financial situation?

Statistical Differences by Demographic Groups

Differences that emerge among Homeowners depending on current financial situation

I/We Sometimes don't have enough money for the basics until next payday

- **Younger Boomers (5%); Older Boomers (5%);** versus Silent Generation (2%)
- **Income: Less than \$30K (12%); \$30-59K (4%); \$60-99K (1%); \$100K+ (0%)**

Live Payday to Payday

- **Women (25%)** versus Men (20%)
- **Younger Boomers (28%); Older Boomers (22%);** versus Silent Generation (19%)
- **Income: Less than \$30K (44%); \$30-59K (27%); \$60-99K (17%); \$100K+ (7%)**

I/We have Enough Extra Money to go beyond each payday

- **Men (75%)** versus Women (70%)
- **Silent Generation (77%), Older Boomers (73%),** versus Younger Boomers (66%)
- **Income: Less than \$30K (42%); \$30-59K (68%); \$60-99K (81%); \$100K+ (92%)**

Most Feel It Makes Financial Sense for All to Be Homeowners

A majority of respondents hold the view that it is preferable for most age groups and family configurations to own rather than rent, with current homeowners feeling this more strongly than renters. The exception concerns the Millennial age group, with fewer than half saying they should own. These views hold across all demographic subgroups.

Base:	Total Homeowners (B) (4,886)
Percent saying "own":	
Those aged 18-34	46 ^{AC}
Those aged 35-49	96 ^{AC}
Those aged 50+ but not retired	97 ^{AC}
Those aged 50+ and retired	88 ^{AC}
Those who are single or unmarried without children in the home	53 ^{AC}
Those who are single or unmarried with children in the home	79 ^{AC}
Those who are married without children in the home	85 ^{AC}
Those who are married with children in the home	96 ^{AC}

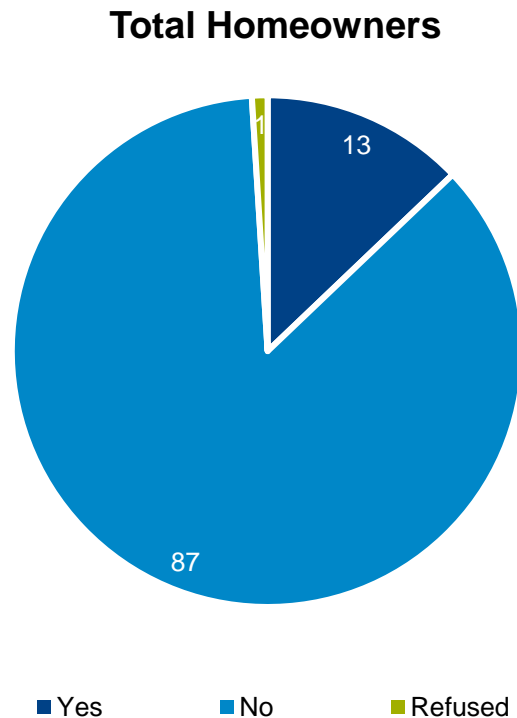
Base = Total Homeowners (n= 4886)

D05. Do you think it is smart from a financial perspective for each of the following to own or rent? - Summary of Own

Support for Other Family Members

Few Provide Financial Support for Others Outside of Their Home

Slightly more than one in ten homeowners say they currently give financial support to others outside of their home.



Base = Total Homeowners (n= 4,886)
E10. Do you currently provide any financial support for someone living outside of your home?

Statistical Differences by Demographic Groups

Differences that emerge among Homeowners who currently provide financial support for someone living outside of their home

Those who would prefer to own

- **Those who are younger: Younger Boomers (16%);** Older Boomers (11%); Silent Generation (10%)
- **Income: Less than \$30K (7%); \$30-59K (11%); \$60-99K (13%); \$100K+ (18%)**

Providing Financial Assistance Has Minimal or No Financial Impact on Homeowners

Of those who have provided financial support, only about one in six say it has had significant impact on their lives.

Impact of Providing Financial Assistance

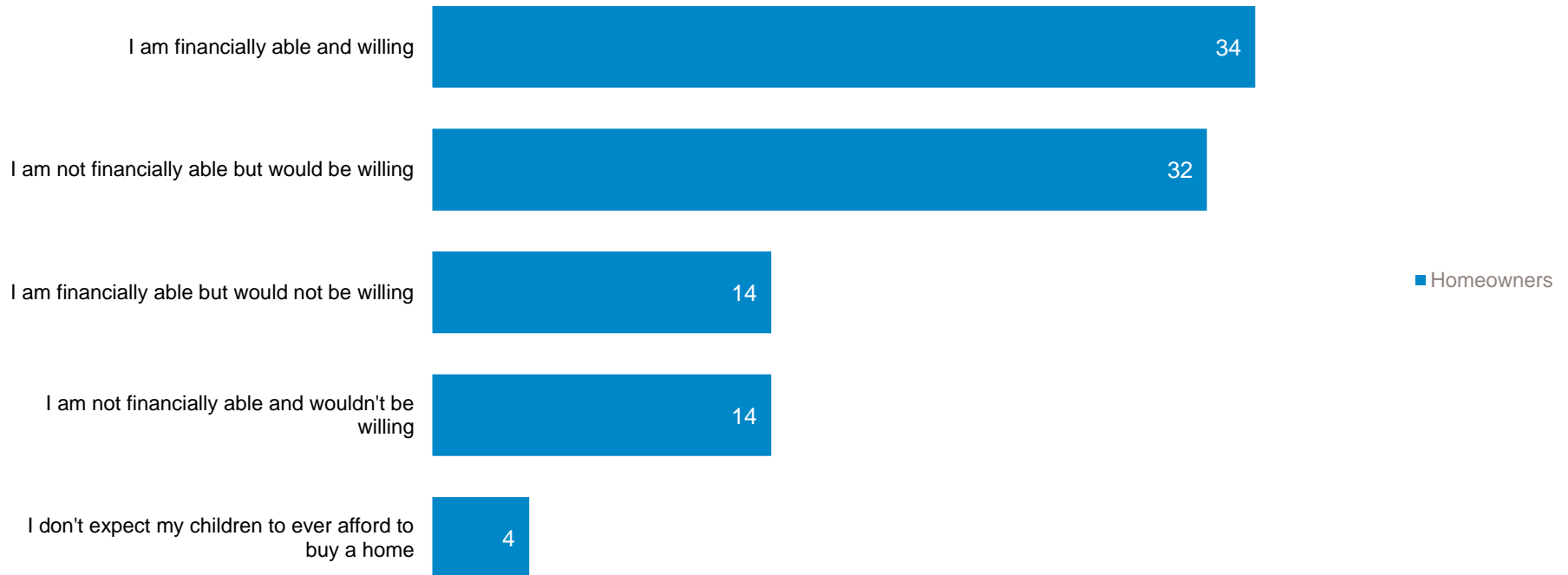


Base = Homeowners who have provided assistance (n= 663)
E10c. How much of an impact does providing this financial assistance have on your quality of life?

Ability and Willingness to Help Child With a Down Payment

About one in three homeowners say they are willing and able to help an adult child with a down payment; more than one third say they would be willing to, but aren't financially able to do so.

Views On Helping Child With a Down Payment



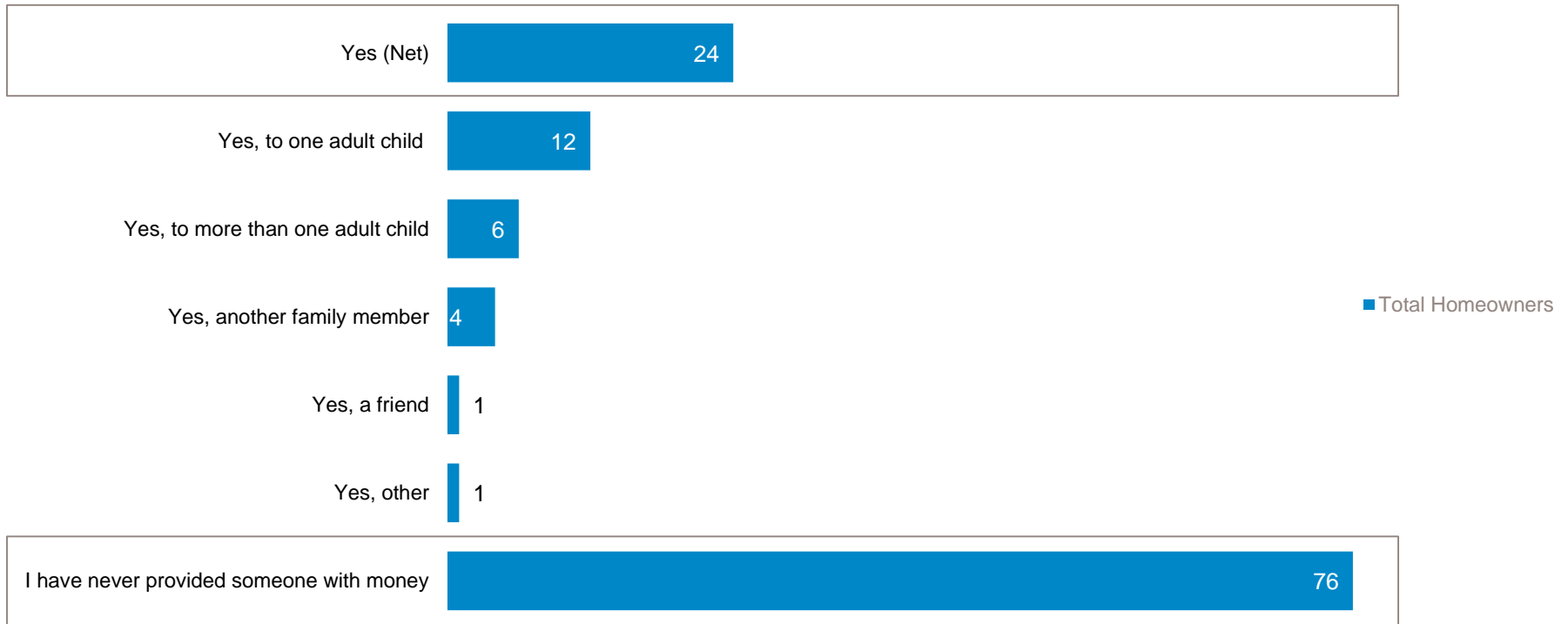
Base = Homeowners who have not provided assistance (n= 3,927)

E12. Which of the following statements come closest to your view on providing an adult child with funds for a down payment on a home.

One in Four Have Helped Others With a Down Payment

Three-quarters of homeowners have not helped someone with a down payment on a house. One-quarter of current homeowners have done so.

Helped Others With a Down Payment



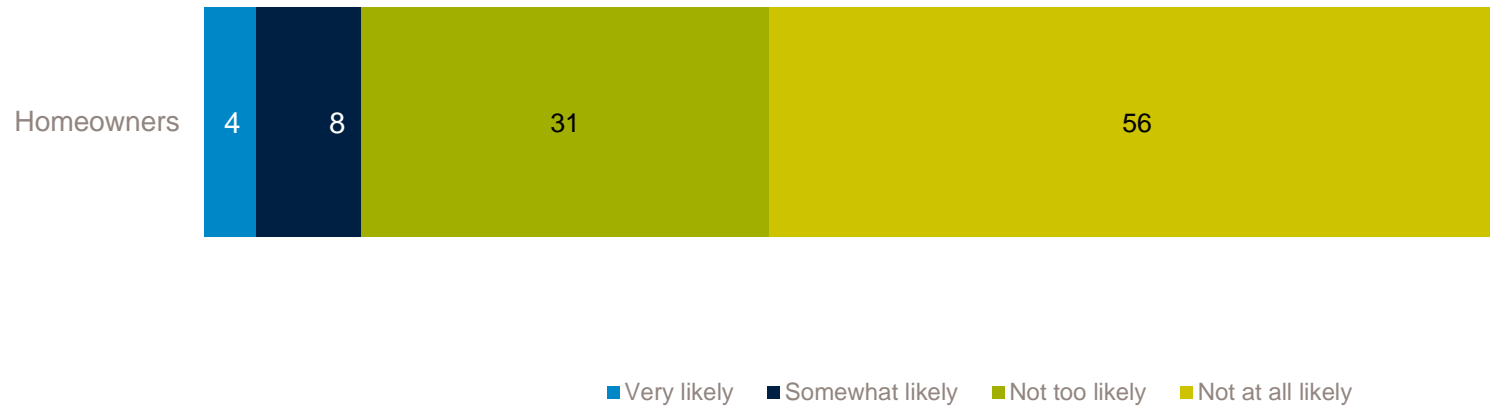
Base = Total Homeowners (n= 4,886)

E11. Have you ever provided someone with money that they used to make a down payment on a home?

Likelihood of Child Moving In

Most homeowners do not expect to have an adult child move in with them in the next five years.

Likelihood of Child Moving In



Base = Homeowners (n=3,927)
F02. What is the likelihood of a child moving in with you in the next 5 years?

Likelihood of Parent Moving In

Very few homeowners expect to have a parent move in with them in the next five years.

Likelihood of Adult Moving In



Base= Total Homeowners (n=4,886)
F03. What is the likelihood of a parent moving in with you in the next 5 years?

Appendix:

- Objectives and Methodology
 - Demographic Profile of 55+ Homeowners
-

Objectives and Methodology

- This report presents the results of an online survey among Americans aged 55 and older, which was conducted by GfK Public Affairs & Corporate Communications for Freddie Mac.
- The objective was to explore older Americans' attitudes toward their current and future housing arrangements and to provide thought leadership on the challenges and housing-related issues facing them as they move through their retirement years.
- To qualify, all respondents had to be aged 55 or over.
- A total of 5,914 interviews were completed online, including oversamples of African Americans (n=300), Hispanics (n=300), and Asians (n=300).
- Sample was provided by the KnowledgePanel™, which is projectable to the population it represents. Additional opt-in sample was also utilized to achieve the augments of African Americans, Hispanics, and Asians.
- Interviewing took place 2/10-23/2016. Interviews were conducted in both English and Spanish.
- The median survey length was 20 minutes.

Objectives and Methodology (cont.)

- Data were weighted to the U.S. population of adults aged 55 and older.
- The margin of sampling error was +/- 1.27 percentage points for the full sample. Sampling error is higher for subgroups.
- The reader will note that each slide shows the percentage of response by total, Homeowners, and renters.
- In addition, analysis was conducted to look for differences among Younger Boomers age 55 to 61 (n=2,116), Older Boomers age 62 to 70 (n=2,295), and the Silent Generation age 71 and older (1,503).

Demographic Profile of 55+ Homeowners

Base:	Total Homeowners (4,886)
Gender	
Male	47
Female	53
Age	
Mean	66.7
Income	
Median (in thousands)	63.1
Race/Ethnicity	
Caucasian	79
Hispanic	8
Asian	4
African American	8
Other	1

Demographic Profile of 55+ Homeowners (cont.)

Base:	Total Homeowners (4,886)
Length of Time at Current Residence	
0-4 Years	9
5-9 Years	10
10-14 Years	14
15+	66
Region:	
Northeast	18
Midwest	23
South	38
West	22

Base = Total Homeowners (n= 4,886)

E01. How long have you lived in your current residence? If you have lived in your current residence for less than a year please enter "0".

Demographic Profile of 55+ Homeowners (cont.)

Base:	Total Homeowners (4,886)
Household Composition:	
By myself	20
Spouse/Significant other	70
Child (Net)	17
Children under the age of 18	4
Children 18 to 24	6
Children 25 years of age or over	10
Parent(s)	2
Other family members (excluding significant other, children or parents)	3
Roommate(s)	1
With someone else	1
Refused	1

Base = Total Homeowners (n= 4,886)
E04. With whom do you currently live?