

Americans Still See Homeownership as a Top Priority

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Americans still consider owning a home essential to the American Dream, and Washington policymakers would be wise to keep this in mind in the coming election season.

Proof of this statement is evident in a May 2011 poll conducted on behalf of the National Association of Home Builders (NAHB) by Public Opinion Strategies of Alexandria, Va., and Lake Research Partners of Washington, D.C. The national poll reached two thousand likely voters and asked them about their attitudes regarding homeownership and housing policy. The results could not be clearer.

Despite the ups and downs of the housing market — and whether or not they currently own a home — voters overwhelmingly indicated that they place a high value on homeownership as a core achievement in their lives.

Of the poll respondents who are current home owners, nearly all of them — 95 percent — said they are happy with their decision to own a home and believe that owning their own home is important. Almost three-quarters of respondents who do not now own a home said it is a goal of theirs to eventually buy one.

Equally telling, voters rated the importance of homeownership just as highly as the importance of being successful at their job or being able to pay for a family member's education.

The bottom line is, even after years of economic turmoil and an unprecedented and prolonged downturn in the housing market, homeownership is still a central goal for most Americans. It's an undeniably deep emotional attachment that can't be ignored by the politicians who are looking to address budget issues by cutting housing incentives in the tax code such as the mortgage interest deduction.

Americans also feel strongly about the financial benefits and challenges of homeownership. Poll respondents said they considered owning a home their best investment, more than their retirement savings program or stock market investments. And 75 percent said that owning a home is worth facing the potential ups and downs of the housing market.

Meanwhile, non-owners identified saving enough money for a down payment and closing costs as the number one barrier keeping them from homeownership, more than job uncertainty or concerns that the value of their home may drop below the purchase price.

Yet exceedingly stringent mortgage lending requirements could make that barrier even tougher for the typical American family to overcome in the future. For example, according to estimates by both NAHB and the Center for Responsible Lending, it would take more than 12 years for a typical family to save enough money for a 20 percent down payment on a median-priced single-family home.

Lawmakers need to put themselves in the shoes of the average American, and see that excessive down payment requirements and a reduction in housing tax incentives will keep homeownership out of reach for most first-time home buyers and many middle-class households. This would be a fatal blow to the American Dream for many, many families.

To learn more about homeownership and housing policy, visit www.nahb.org.