Executive Summary of 2020 National Housing & Financial Capability Survey Findings

Background

NeighborWorks enlisted KRC Research to collect data to better understand Americans’ attitudes toward housing security and homeownership, personal finance goals and challenges, and related topics. NeighborWorks will use the results will be used to develop communications and materials that elevate the issues and establish the organization as a leader in these areas.

Findings: Financial Health

1. A significant share of the American public is vulnerable or underequipped to handle financial challenges, a reality that prevents many from making progress toward longer-term financial and housing goals.
   • Most Americans are focused primarily on immediate financial concerns like everyday expenses and paying down debt, at the expense of saving for the future.
   • A significant share has little to no emergency savings, and many lack basic financial resources like savings accounts or credit cards.

2. As a result, many Americans are concerned or pessimistic about their financial futures.
   • For example, many are concerned that the money they’re saving won’t last, that they won’t remain on track to meet their basic financial goals, or that they won’t be equipped to withstand a financial emergency.

3. Americans need financial guidance, and interest is high for resources that can help.
   • Nearly half of Americans admit to needing at least a little financial guidance on budgeting, acquiring and using credit, or reducing debt.
   • But there are positives: a large share of the public is interested in financial planning resources, whether through classes or non-profit or counseling services.

4. Nearly all these financial challenges are more acute for certain groups.
   • Members of racial and ethnic minority communities, lower-income households, and younger adults are less prepared and require more guidance.
Findings: Homes and Housing Needs

1. **Affordability and security are the factors Americans most value in home, but for many those basic needs are not being met today.**
   - Affordability is the top priority for the largest share of Americans, but less than half say their homes feel affordable.
   - As for security—the next most common priority—just half of the population feels “very secure” today.

2. **More than one in three Americans is looking for a new place to live.**
   - But many aren’t entirely confident in their financial readiness to make a move: half or more who don’t own a home admit to needing at least a little guidance on saving to rent or on saving to own.
   - For young adults in particular, guidance is especially needed.

3. **Homeownership is a particular challenge for many, despite high levels of interest.**
   - Americans believe there are many benefits to homeownership and half of non-owners will seek information about the process in the next few years.
   - However, ownership often feels out of reach—especially for lower-income households.
   - Overall, more than half of non-owners say their financial situations make it unrealistic, and half carry too much debt.
   - Other obstacles are informational; a large share of non-owners say the process is too challenging and only a minority know where to find advice if they wanted it.
   - Although many would seek the guidance of community and non-profit programs, only one in three non-owners are aware of such services.

Methodology

KRC Research conducted this 15-minute online survey of 1,602 American adults from May 8 to May 15, 2020. The survey consists of a demographically representative base sample of adults (1,000) plus three oversamples (200 each) for Asian, Black, and Hispanic or Latino adults. The data are weighted to Census targets for region, gender, age, educational, race or ethnicity, household income, and employment.