

TO: NeighborWorks America
 FR: Morning Consult
 DT: May 2025
 RE: Down Payments and Homeownership Polling

State of Homeownership Overview

The American dream of homeownership remains strong, particularly among younger adults—but for many, that dream feels increasingly out of reach. While financial barriers are the primary obstacle, prospective buyers are actively taking steps to overcome them.

Interest in homeownership remains high—but so do barriers

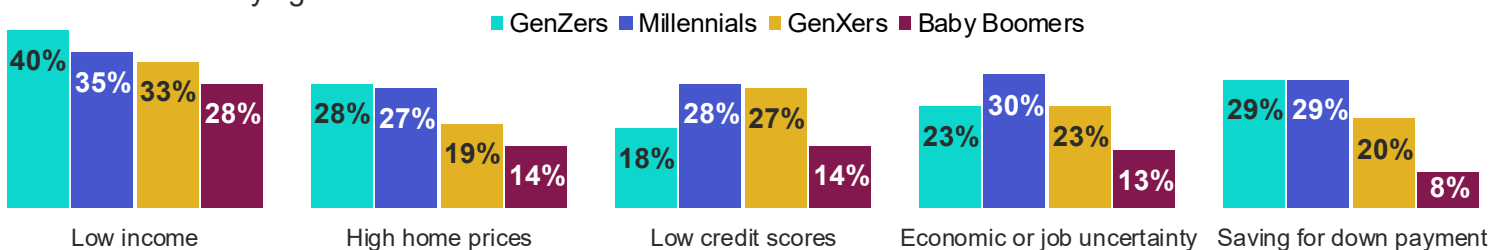
- Homeownership and interest are evenly split. Nearly half of adults (49%) currently own a home, while an equal share (49%) are interested in buying but are waiting for the right time. Over a quarter (27%) are actively looking to purchase within the next 12 months.
- Younger adults are driving demand. GenZers and Millennials are significantly more likely to be in the market—39% of each group are actively searching, compared to 23% of GenXers and 10% Baby Boomers.

| Total Agree | GenZers | Millennials | GenXers | Baby Boomers |
|------------------------|---------|-------------|---------|--------------|
| Currently looking | 39% | 39% | 23% | 10% |
| Interested but waiting | 79% | 64% | 42% | 22% |
| Homeowners | 32% | 44% | 46% | 66% |

- Among those currently searching, 58% are first-time buyers and 42% have purchased before.

Financial hurdles are the top barrier to buying

- Despite high interest, many adults feel priced out of homeownership. 31% believe homeownership is unattainable and 36% say they're not interested in buying a home.
- Among those waiting or uninterested, the most commonly cited financial barriers include:
 - **Low income:** 33%
 - **High home prices:** 22%
 - **Low credit scores:** 22%
 - **Economic or job uncertainty:** 22%
 - **Saving for a down payment:** 21%
- Younger generations report especially high levels of pessimism, with 38% of GenZers and 32% of Millennials seeing homeownership as unattainable. And roughly one in five (22%) in both groups have no interest in buying.



Methodology: This poll was conducted between May 17-18, 2025 among a sample of 2,201 adults aged 18+ in the US. The interviews were conducted online and the data were weighted to approximate a target sample of adults based on age, gender, race, educational attainment, region, gender by age, and race by educational attainment. Results from the full survey have a margin of error of plus or minus 2 percentage points.

Buyers are taking action to prepare

- Among adults actively looking to buy in the next 12 months, 72% are saving for a down payment, 53% have cut back on non-essential spending, 34% have taken on additional work, and 26% have sold personal items to save money.
 - GenZers (43%) are more likely than Millennials (38%) or GenXers (30%) to take on additional work. But Millennials (54%) and GenXers (59%) lead in reducing spending on non-essentials.

| % Selected | GenZers | Millennials | GenXers | Baby Boomers |
|--|----------------|--------------------|----------------|---------------------|
| Reduced spending on non-essentials | 45% | 54% | 59% | 51% |
| Taken on additional work | 43% | 38% | 30% | 11% |
| Sold personal items | 27% | 29% | 23% | 21% |
| Received financial help from family/friends | 24% | 23% | 19% | 1% |
| Moved in with family/friends | 23% | 21% | 18% | 9% |

Awareness of down payment assistance is moderate

- 61% of those currently looking or waiting to buy a home are at least somewhat aware of assistance programs, and 25% have looked into them.
 - Millennials (30%), GenZers (25%), and GenXers (24%) show the most active engagement with grants or assistance programs that help with down payments.
 - Misconceptions of programs persist, with 31% of adults currently looking or waiting believing 10-14% down payment is needed, while 27% think 20% or more is required—potentially deterring buyers unnecessarily.

Home search priorities center around size, condition, and price flexibility

- When searching for a home, more than half of adults prioritize the size (55%) and conditions (56%) of the property. Yet, nearly two-thirds (63%) would consider a fixer-upper for a better price or location.
- While Baby Boomers are most likely to prioritize property taxes (55%) and HOA fees (26%) when searching for a home, younger generations prioritize proximity to work and public transit.

| % Selected | GenZers | Millennials | GenXers | Baby Boomers |
|------------------------------------|----------------|--------------------|----------------|---------------------|
| Size of the home | 50% | 56% | 54% | 63% |
| Condition of the home | 49% | 53% | 56% | 74% |
| Property taxes | 40% | 37% | 44% | 55% |
| Proximity to work | 33% | 28% | 26% | 12% |
| School quality | 26% | 25% | 12% | 3% |
| Homeowners insurance costs | 19% | 17% | 21% | 27% |
| HOA fees | 12% | 14% | 14% | 26% |
| Proximity to public transit | 12% | 11% | 10% | 4% |
| Green space/parks | 12% | 11% | 9% | 7% |

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Flexibility on location and long-term residence

- Adults currently looking or waiting to buy a home are willing to move far distances from their current workplace for a home that meets their needs: 28% are willing to move 11-20 miles, 16% would go 21-30 miles, and only 9% would relocate 30 miles.
 - Millennials (20%) are more willing than GenZers (13%) to move 21-30 miles.
- Half of all buyers expect to stay in their next home for over 10 years; Baby Boomers (73%) are most likely to report this long-term intent.

Recommendations

Overall, the dream of homeownership remains strong, but increased education is needed to address concerns, dispel myths, and overcome barriers. Consider the following focus areas:

- ❖ **Expand homebuyer education:** *Clarify down payment requirements, promote available assistance programs, and correct common misconceptions through targeted messaging.*
- ❖ **Strengthen financial empowerment:** *Offer coaching and counseling to help buyers overcome income, credit, and savings challenges, and share practical savings strategies.*