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## Homeownership Still Dominates the American Dream, but Affordability Remains the Major Obstacle

*Nearly 7 in 10 Americans are willing to take steps to find more affordable housing*

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NEW YORK - April 24, 2024 - Over 3 in 4 Americans (78%) still consider owning a home to be a part of the American Dream, according to a new Bankrate survey. Homeownership was more commonly cited over being able to retire (65%), having a successful career (65%), owning a car, truck, or other vehicle (54%), having children (45%), and getting a college degree (35%) as components of the American Dream. Click here for more information:

<https://www.bankrate.com/mortgages/home-affordability-report/>

The factors holding back non-homeowners with a desire to own from buying a home largely center around affordability, with the most common responses being insufficient income (56%), home prices being too high (47%), and not being able to afford down payments and closing costs (42%). Overall, nearly 4 in 5 (78%) aspiring homeowners cited at least one of these affordability barriers. Other reasons aspiring homeowners say they do not currently own a home include mortgage rates being too high (28%), credit not being good enough (26%), not being ready yet (25%), and too much debt (18%).

“Owning a home is still the centerpiece of the American Dream but affordability is the main obstacle to making that a reality,” said Bankrate Chief Financial Analyst Greg McBride, CFA. “Aspiring homeowners point to the combination of insufficient income, high home prices, and not having saved enough for the down payment and closing costs as the dominant pain points.”

Older generations are more likely than younger generations to agree that owning a home is part of the American Dream. Specifically, 88% of baby boomers (ages 60-78) and 83% of Gen Xers (ages 44-59) are more likely to agree, compared to 71% of millennials (ages 28-43) and 68% of Gen Zers (ages 18-27).

To cope with the high cost of homeownership, nearly 7 in 10 Americans (69%) say they are willing to take action to find more affordable housing. Among those willing to take at least one step to find more affordable housing, these steps include downsizing living

space (44%), moving out of state (34%), buying a fixer-upper (34%), moving farther from family and friends (26%), taking on roommates and/or living with additional family members (24%), moving to a less desirable area (20%), and moving farther from work (17%).

Younger generations are more likely to take action to find more affordable housing than older generations. Specifically, 81% of Gen Zers and 76% of millennials say they are willing to do so, compared to 67% of Gen Xers and 60% of baby boomers.

“Almost 70% of Americans are willing to take steps to find more affordable housing, with downsizing living space being the most common,” McBride added. “With the cumulative rise in home prices, rents, and insurance costs, downsizing space may not yield a proportionate downsizing of costs.”

### **Methodology:**

Bankrate commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,317 U.S. adults, among whom 1,024 are aspiring homeowners. Fieldwork was undertaken between March 6-8, 2024. The survey was carried out online and meets rigorous quality standards. It employed a non-probability-based sample using both quotas upfront during collection and then a weighting scheme on the back end designed and proven to provide nationally representative results.

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