



63% of Millennial Homeowners Have Buyer's Remorse

Underestimating the cost of maintenance or hidden costs is the most common regret

New York, NY - February 28, 2019 – Nearly two-thirds (63%) of millennial homeowners (ages 23-38) have regrets when it comes to their current home purchase, according to a new study by Bankrate.com. Millennials are more inclined to feel remorse over their home purchase than any other age group and almost double that of Baby Boomers, ages 55-73 (35%). For more information, go to:

<https://www.bankrate.com/mortgages/homebuyers-survey-february-2019/>

Many important factors get overlooked when buying a home – only to be pain points in the future. Overall, 44% of American homeowners have regrets about their home purchase. The most common regret from all respondents is not factoring in unexpected maintenance or hidden costs (18%). One quarter of millennials note this as their greatest regret.

“Buyer’s remorse can easily be avoided with adequate research and planning,” said Bankrate analyst, Deborah Kearns. “Repairs and maintenance costs are something all homeowners face. Consumers should expect to set aside 1% of their home’s purchase price each year to keep in a savings account to cover these expenses. Budgeting early on can prevent dipping into emergency savings or going into debt to handle these added expenses.”

House size and location are also common areas of regret for homeowners. Many say they bought a house too small (12%), too big (5%) or in a bad area (8%). Others lament making a poor investment (7%), having high monthly mortgage payments or not getting the best mortgage rate available (7% and 6%, respectively) <http://bankrate.com/mortgage.aspx>.

“Taking on a larger mortgage payment than you can comfortably handle is a recipe for disaster,” Kearns added. “Spend a few minutes using a mortgage calculator (<https://www.bankrate.com/https://calculators.bankrate.com/calculators/mortgages/mortgage-calculator.aspx>) to determine what you can afford, and shop around with at least three different lenders to ensure you’re getting the best rates and terms. The up-front legwork could potentially save you thousands of dollars over the life of the loan. This is likely the largest financial transaction of your life so you want to be confident about your investment.”

Regrets aside, 79% of Americans still consider homeownership to be a part of the “American Dream,” the most popular response, ahead of other top choices like being able to retire (68%), having a successful career (63%) and owning an automobile (58%).

For those that don’t own a home, cost is the primary barrier. About half of respondents (51%) say they don’t have enough income, while 4 in 10 (41%) cannot afford a down payment/closing costs, and 34% say that home prices are too high. Millennials are more than three times as likely

as those who are older to say that student loan debt is holding them back from homeownership (19% vs. 6%).

Bankrate.com commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,668 adults, including 1,493 homeowners. Fieldwork was undertaken on January 30 – February 1, 2019. The survey was carried out online. The figures have been weighted and are representative of all U.S. adults (aged 18+).

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