Real Estate Still Americans’ Preferred Long-term Investment

Stock market a close second despite bear market, with volatility cited as the main deterrent

NEW YORK – July 20, 2022 -- Real estate still tops the list of Americans’ preferred way to invest money not needed for 10 or more years, coming out on top for the third time in the past 4 years, according to a new survey from Bankrate.com. The 29% pointing to real estate is second only to the 31% in 2019 in the 10 years of polling. Click here for more information:


The preference for the stock market surged from year ago levels, to 26% from 16%, despite the stock market being down more than 20% year-to-date at the time of polling. This year’s 26% trails only 2020 (28%) and 2018 (32%) in the 10 years of polling results.

“Despite a housing market that is coming off the boil, preference for real estate remains high,” said Greg McBride, CFA, Chief Financial Analyst for Bankrate. “For the 3rd time in the past 4 years and 6th time in the past 10 years, real estate is Americans’ preferred way to invest money not needed for more than 10 years. Despite a brutal bear market in 2022, the stock market was a close second.”

Coming in third was cash, which slipped from 25% last year to 17% this year, even as interest rates are rising.

McBride added, “Preference for cash moderated notably, cited by just 17% of respondents, the lowest seen in a decade’s worth of polls. Nothing like the highest inflation in more than 40 years to remind investors of the need to earn higher returns to grow the buying power of a nest egg.”

In the worst year for bonds in memory, they were cited by 9% of respondents, the highest in the 10 years of polling and up from 4% last year. An inflation-indexed savings bond (I-bond) earning 9.62% at the time of polling could explain a good bit of that.

Gold and other precious metals were also cited by 9% of respondents, down from 13% last year and along with 9% in 2018, the lowest level seen over the decade of polling.

Cryptocurrency was cited by 6%, down from what has thus far been a peak of 9% last year. Finally, 3% said none of these would be the best place to put money for the next decade or more.

Among those that didn’t select the stock market as their preferred investment for the next 10 or more years, when asked for the single biggest reason why, the top answer by a wide margin is ‘too much volatility’ (36%). Other less common responses included being ‘intimidated by the stock market’ (16%), feeling that returns won’t keep pace with other investment options (15%), the belief that ‘the stock market is rigged against individual investors’ (14%), a focus on preserving money already invested rather than growing it (10%), or ‘some other reason’ (9%).
Comfort level with investing in cryptocurrency has fallen, right along with the prices. Just 21% of Americans are comfortable investing in cryptocurrencies such as Bitcoin - including 16% that are somewhat comfortable and 5% that are very comfortable - down from 35% that felt that way last year.

Three-in-four (75%) are uncomfortable investing in cryptocurrencies, up sharply from 61% last year. This includes 29% that are ‘somewhat uncomfortable’ (little changed from 28% last year) and a notable increase to 47% from 33% last year that say they are ‘not at all comfortable.’

Of all generations, millennials have the highest preference for real estate for money not needed for 10 or more years, consistent with findings in previous years. Millennials, Gen Z, and Gen Xers preferred real estate above other options. Baby boomers were the exception, preferring the stock market (33%) over real estate (25%). Baby boomers’ preference for the stock market also exceeded that of all other generations.

As for those not preferring the stock market for long-term investment, volatility resonated more with baby boomers (44%) and Gen X (40%) than with millennials (29%). Being intimidated by the stock market was cited by 22% of older millennials, 18% of younger millennials, and 15% of Gen Xers.

Comfort level with investing in cryptocurrencies such as Bitcoin is highest among younger investors, with 34% of Gen Z and 29% of millennials saying they are somewhat or very comfortable. The comfort level declines consistently with age, from 21% among Gen Xers to 15% among younger baby boomers (age 58-67) and just 4% for older baby boomers (age 68-76). It is worth noting that even among the youngest investors, 66% of Gen Zers say they are either not too comfortable (37%) or not at all comfortable (29%) with investing in cryptocurrencies.

Methodology: This study was conducted by SSRS on its Opinion Panel Omnibus platform. The SSRS Opinion Panel Omnibus is a national, twice-per-month, probability-based survey. Data collection was conducted from June 17 – June 20, 2022, among a sample of 1,025 respondents. The survey was conducted via web (n=995) and telephone (n=30) and administered in English (n=1,000) and Spanish (n=25). The margin of error for total respondents is +/-3.5 percentage points at the 95% confidence level. All SSRS Opinion Panel Omnibus data are weighted to represent the target population of U.S. adults ages 18 or older.

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