

Fall 2019 HBIR Letter From D. Steve Boland



We're pleased to share the findings from our latest Homebuyer Insights Report, which explores the attitudes, behaviors and preferences of the modern homebuyer.

Decisively preferring a mortgage to rent payments, most American homeowners say they wouldn't go back to renting. They are happier owning and believe homeownership has changed them for the better. Most credit their happiness to an emotional attachment to their home, as well as the improved lifestyle and variety of hobbies that come with owning.

This is the first time we've asked homeowners how much owning a home means to them, and a majority said that buying a home is the best decision they've ever made. One benefit of homeownership is the satisfaction in the way they spend their time. Homeowners tend to pursue new hobbies and interests, including gardening and landscaping, cooking and baking, and interior design.

Relationships with family and loved ones also change after buying a home, and homeowners experience an improvement in the quality of their social lives. Homeownership gives them a sense of pride and enables them to entertain more often and bring the entire family under one roof.

We're delighted to hear the immense satisfaction homeownership brings to Americans, which is why we're actively assisting with down payment and closing costs to help people buy homes and create their new lifestyle. Whether applying for a mortgage, shopping for a car or sending money to friends, we're here to offer clients convenience and control in managing their finances and living happier lives.

D. Steve Boland,

Head of Consumer Lending, Bank of America

Contents

2

Happy homeowners would never go back to renting

3-4

Owning a home changes you for the better

5

Homeowners value emotional equity over financial investment

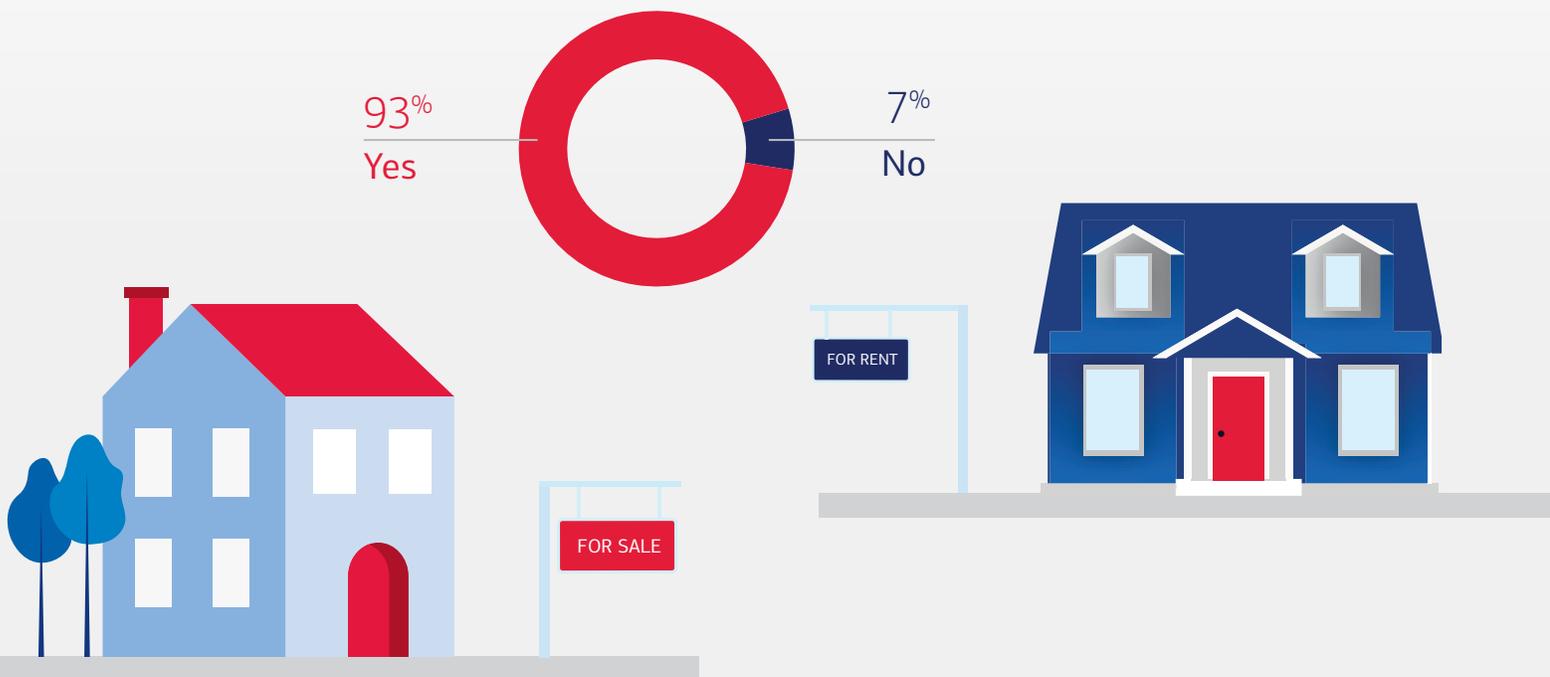
Methodology

Concentrix Analytics conducted an online survey on behalf of Bank of America between January 30 and February 21, 2019. Concentrix surveyed a national sample of 1,919 adults age 18+ who currently own a home or plan to in the future. The national sample was supplemented by another 782 respondents to include the following groups: Generation Z, single females, single males, renters, and homeowners who have paid off their mortgage. The margin of error for the national quota is +/- 2.2 percent, and the margin of error for the oversampled markets is approximately +/- 3.5 percent, with each reported at a 95 percent confidence level.

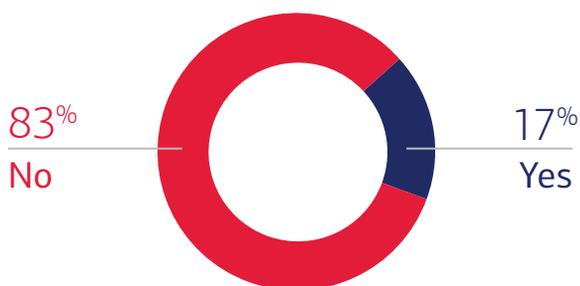
Happy homeowners would never go back to renting

Most Americans prefer a mortgage payment to paying rent monthly and wouldn't go back to having a landlord. Most credit their happiness to an emotional attachment to their home, as well as the improved lifestyle and variety of hobbies that come with owning.

Does owning a home make you happier than renting did?



Could you go back to renting after owning?



Owning a home changes you for the better

Most homeowners agree that buying a home is the best decision they have ever made, contributing to shifts in the way they spend their time and strengthened relationships with family and loved ones.

Has becoming a homeowner made you a better person?



76% of homeowners pursued new hobbies after buying a home, including:



Landscaping/
gardening

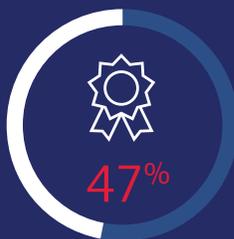


Cooking/
baking/grilling



Interior design/
remodeling

67% of current homeowners say their relationships with family and loved ones have changed since purchasing a home. Among those who feel this way, homeownership has:



Given families
a sense of pride



Allowed homeowners
to entertain more



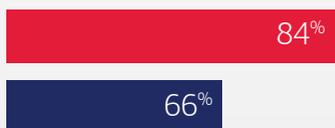
Enabled homeowners
to bring the entire
family under one roof

Compared to prospective homebuyers, current homeowners have higher levels of satisfaction with many aspects of life, including:

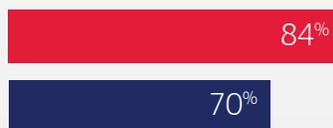
■ Current Homeowners ■ Prospective Homebuyers



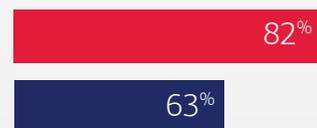
Where they currently live



How happy they are



How much time they spend pursuing their hobbies



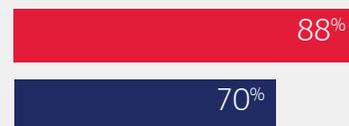
The quality of their social life



Their financial well-being



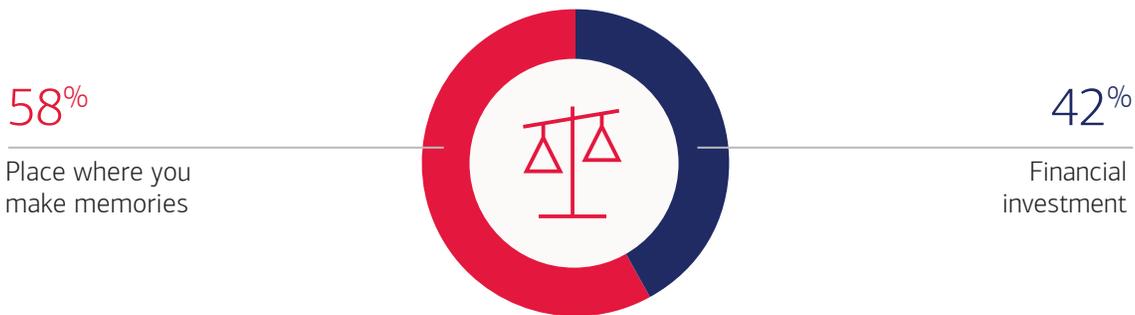
Their life overall



Homeowners value emotional equity over financial investment

American homeowners believe homeownership builds emotional and financial equity, but emotional value seems to hold more weight.

Current homeowners believe that a home is a:



58%

Place where you make memories

42%

Financial investment

No matter how they define a home, most Americans agree that:



Owning a home is a way to build lifelong memories with loved ones

89%



They're more emotionally attached than they anticipated

70%



It would be difficult to move from their home because of the memories made there

69%

The Concentrix survey results conducted on behalf of Bank of America and interpretations in this release are not intended, or implied, to be a substitute for the professional advice received from a qualified accountant, attorney or financial advisor. Always seek the advice of an accountant, attorney or financial advisor with any questions you may have regarding the decisions you undertake as a result of reviewing the information contained herein. Nothing in this report should be construed as either advice or legal opinion. This material is provided for your convenience and information only. Bank of America assumes no liability for loss or damage as a result of your reliance on information in this publication. Our goal is for the content of this publication to be accurate as of the date this issue was printed. However, due to rapid changes occurring in the programs, products, and services offered within the home financing industry, we do not guarantee the accuracy or completeness of the information presented.

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