



Highlights of 2016 Survey Results

Homeownership is still part of the American dream, and people think now is a good time to buy.

- 93% agree: Homeownership is an achievement to be proud of.
- 86% agree: Homeownership is a dream come true.
- 74% agree: Right now is a good time to buy a home.
- Proportion of respondents who are considering buying a home in the next two years (answered “Definitely will,” “Probably will,” or “Maybe”):
 - Millennials (Ages 18-34): 58%
 - African Americans: 51%
 - Hispanics: 47%
 - General population: 38%
- “Definitely will” or “probably will” buy a home in the next two years:
 - Millennials (Ages 18-34): 40%
 - Hispanics: 33%
 - African Americans: 30%
 - General population: 22%

Most agree that it should be rigorous to get a mortgage.

- 91% agree: Getting a home loan should be a thorough enough process to ensure the borrower understands what they’re getting into.
- 90% agree: A potential mortgage borrower should have to prove they can afford a loan.

Many people perceive the mortgage process as being difficult or a hassle. Common myths persist about what is required.

- Among respondents who do not currently own a home, the top reasons why include:
 - It's difficult to save enough money for a down payment (23%)
 - I'm not sure where I'll be in a few years so I'm not making a long-term commitment to a home (20%)
 - My existing credit rating isn't good enough to buy a home (17%)
- Respondents who have applied (or started to apply) for a mortgage to purchase a home in the last two years were asked the open-ended question, "What was challenging or surprising (positively or negatively) about the homebuying and mortgage processes?"
 - 36% made positive comments – including 23% who say it was good/they liked the process and 12% who were surprised at how easy/fast/smooth the process was.
 - 34% made negative comments, most commonly referencing paperwork/amount of paperwork (8%), and describing the process as long/slow (7%), or hard /stressful/challenging (5%).
- 40% believe a 20% down payment is required to purchase a home.
 - This misperception is even more prevalent among diverse consumers:
 - 50% among Hispanics,
 - 48% among African Americans.
- 62% rate the statement "I need to have a very good credit score to buy a home" as true.
- What is a good credit score?
 - 43% said "721 -780"
 - 34% said "Over 780"
- 28% are not sure what the minimum credit score to qualify for a mortgage is.
- Most people believe homebuying involves many unanticipated costs (88%).
- 78% agree that "Having to go through the homebuying process is a hassle."



People want the facts about buying a home; they want to know what to expect and what their financial options are when buying a home, and they want personalized guidance.

- Most prevalent topics people say they would need to learn more about if they were looking to buy a home:
 - Fees and other upfront costs of homebuying (41%)
 - What they can buy with a payment they can afford (39%)
 - Down payment options (36%)
- If seeking education about homebuying, people by far prefer individualized guidance over group instruction, whether in person or online. (Respondents were asked to select all preferred methods that applied.)
 - Online resources to use at their own pace: 48%
 - Meeting individually with someone, such as a housing counselor, lender or real estate agent: 44%
 - An in-person group class: 17%
 - A live, guided online course: 15%
- If respondents needed help figuring out how to obtain a mortgage, the preferred method of engagement by far is to meet in person (52%). “Finding information online” trails behind at 19%.
- And when it comes to completing the mortgage process electronically, most people want a combination of online convenience AND human guidance.
 - 88% agree: I want to be able to see each step in the mortgage process so I can understand what’s happening.
 - 81% agree: I prefer to have a personal connection with my lender – knowing that someone is there to answer questions and walk me through things.
 - 77% agree: Completing the mortgage process online would be convenient.
 - 71% agree: I would be comfortable completing the mortgage process online as long as I knew I could speak with someone when needed.

These are some of the findings from an Ipsos Public Affairs poll conducted on behalf of Wells Fargo from May 4-15, 2016. For the survey, a representative sample of more than 3,400 adults living in the United States were interviewed online in English, including a national general population sample of 1,005 adults, and boost samples among African Americans (n=105) and Hispanics (n=105). The precision of Ipsos online polls is measured using a credibility interval. In this case, the poll has a credibility interval of plus or minus 1.9 percentage points for all respondents, 3.5 percentage points for the national sample, and 10.9 percentage points for both boost samples. The credibility interval will be larger within sub-groupings of the survey population. For more information about Ipsos online polling methodology, please visit <http://goo.gl/yJBkuf>. These data were weighted to ensure that the sample's age/sex composition reflects that of the actual U.S. population according to Census information.

