



**Keep**  
by Framework

FRAMEWORK HOMEOWNERSHIP  
NATIONAL SURVEY:

# FIRST TIME HOMEBUYER THE 2019 'CHECK IN'



# For anyone who is on the journey toward homeownership, Keep offers the knowledge, tools and support to help aspiring homeowners pursue their goals with confidence.

In 2019, we checked in with recent first time homebuyers and prospective buyers to see where they are feeling optimistic, what keeps them up at night and where they could use more guidance and support. On the following pages, you'll discover their responses and more...



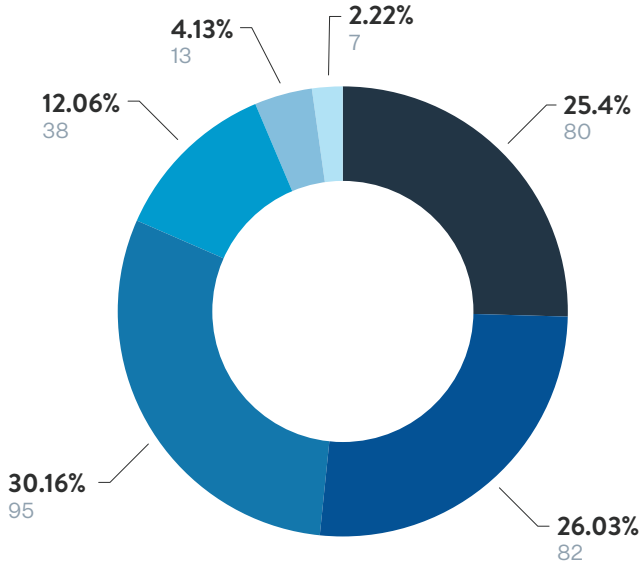
The two national surveys presented in the following slides were conducted by Brodeur Partners for Framework. One survey was of those who have purchased their first home in the past three years (n=300). A second survey was of those who said they are looking to purchase their first home in the next twelve months (n=300). The survey was conducted via Qualtrics Panel research based on available sample and weighted based on the U.S. Census Data.



## HOMEOWNERSHIP APPEARS TO BE WORKING OUT FOR RECENT FIRST TIME HOMEBUYERS.

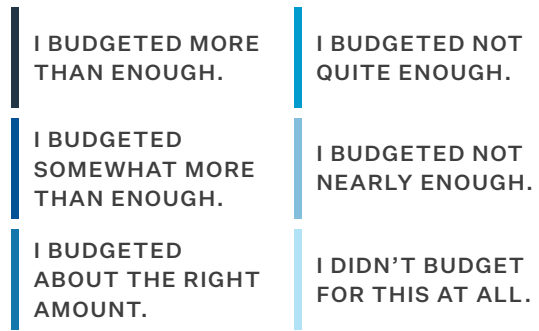
Most feel they budgeted the right amount of money and that they'll get a good ROI on their property.

# The good news



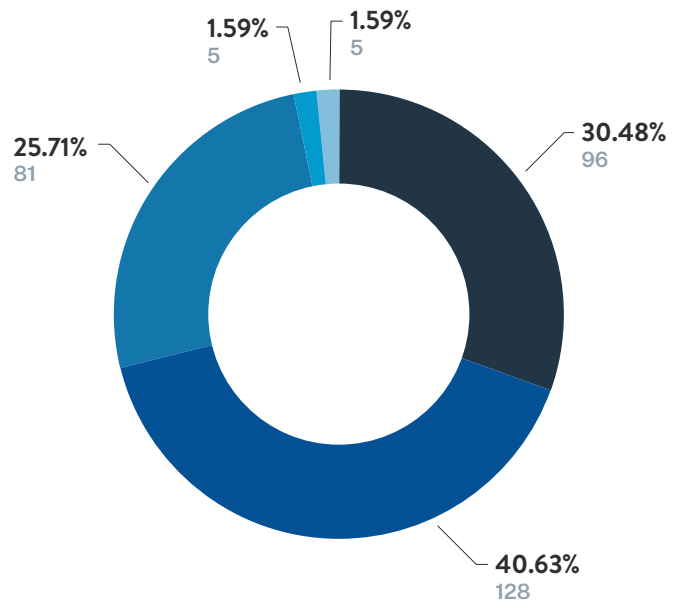
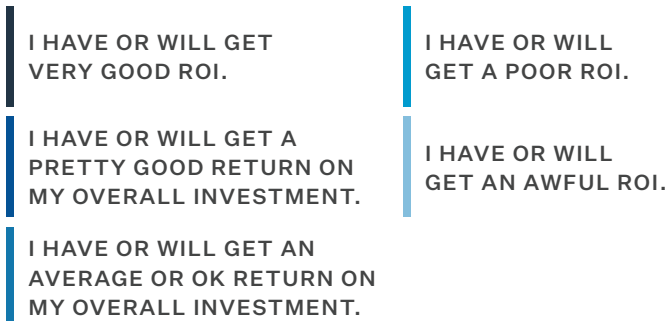
## Recent first time homebuyers

Knowing what you know now, would you say you budgeted more or less than what you now need to maintain your home?



## Recent first time homebuyers

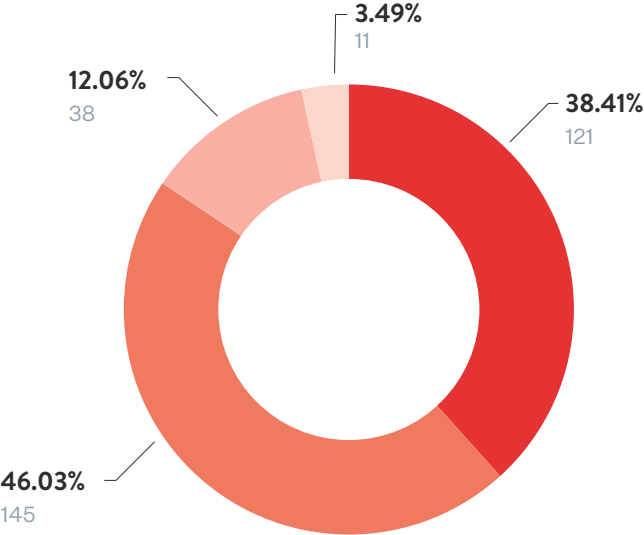
How would you assess the longer-term return on investment or ROI of your first home?





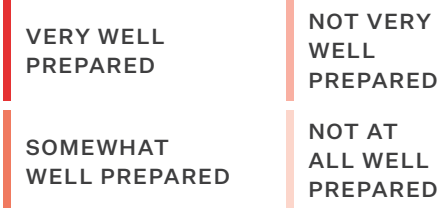
ONLY 38% OF RECENT  
FIRST TIME HOMEBUYERS  
+ 41% OF PROSPECTIVE  
FIRST TIME HOMEBUYERS  
say they were very well prepared  
for homeownership.

# Lack of preparedness



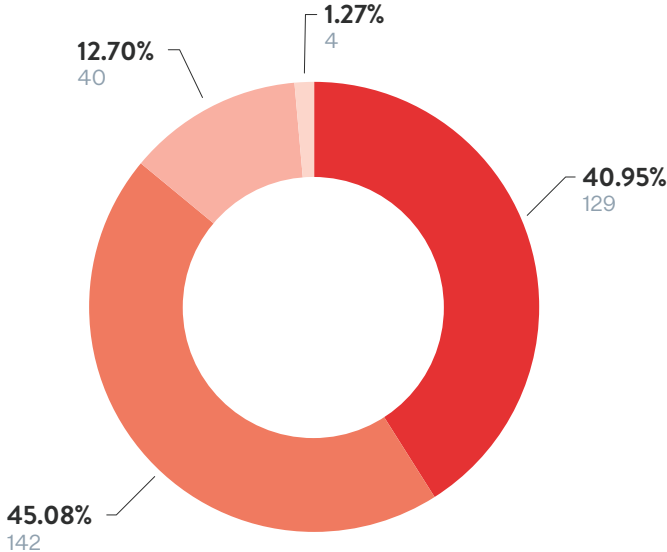
## Recent first time homebuyers

Q3.1 - Looking back, when you first started looking to purchase your first home, how well prepared were you for the home buying process?



## Prospective first time homebuyers

Q3.1 - How well prepared do you feel you are for the home-buying process?

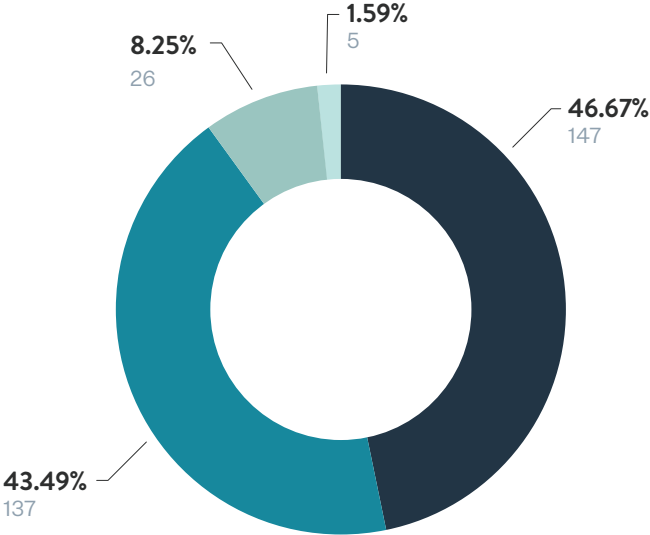




LESS THAN ½ OF RECENT FIRST  
TIME HOMEBUYERS (47%) FELT  
THE PROCESS WAS “VERY FAIR.”

That “very fair” rating falls to 36% among  
prospective first time homebuyers.

# Lack of fairness



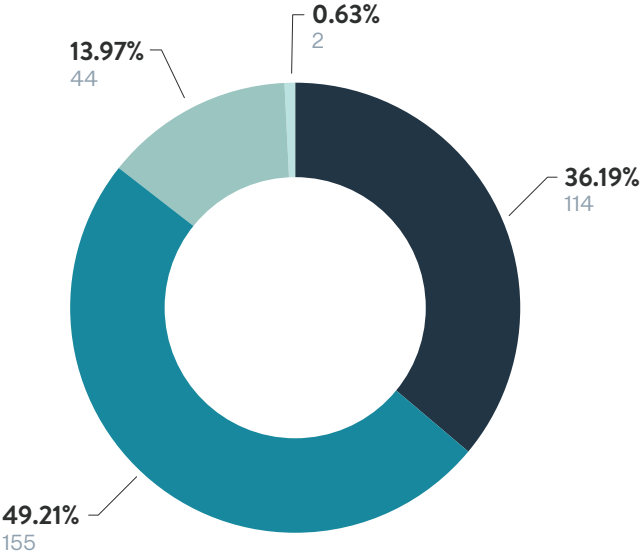
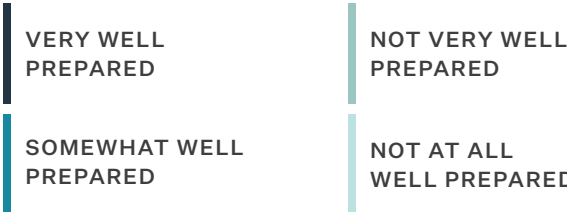
## Recent first time homebuyers

Q3.3 - Thinking about the process that you went through to select and purchase a home, would you describe it as fair or unfair process for you, the buyer?



## Prospective first time homebuyers

Q3.3 - Thinking about the process that a person goes through to select and purchase a home, would you describe it as fair or unfair process for you, the buyer?



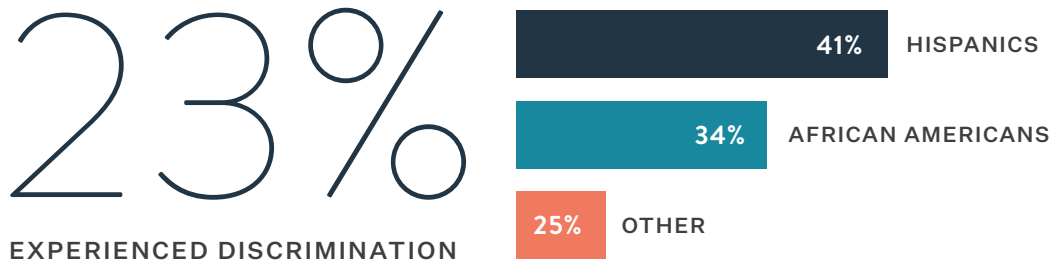


# Presence of discrimination

## Recent first time homebuyers

Q3.10 - Which of the following apply to you?

In the process of buying a home, I experienced some form of discrimination (e.g., gender, racial, other).



## Prospective first time homebuyers

Q3.10 - Which of the following apply to you?

In the process of buying a home I experienced some form of discrimination (e.g., gender, racial, other).



APPROXIMATELY  
ONE QUARTER OF RECENT  
FIRST TIME HOMEBUYERS  
(23%) said they experienced some form  
of discrimination during the process. That number  
jumps to 43% among prospective first time homebuyers.  
Those numbers are higher amongst people of color.

# Issues of credit

## Recent first time homebuyers

Q3.10 - Which of the following apply to you?

In the process of looking to buy a home I learned that my credit rating was poor.

23%

HAD ISSUES WITH CREDIT

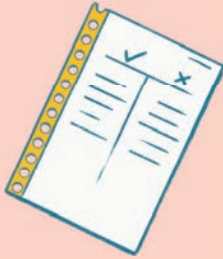
## Prospective first time homebuyers

Q3.10 - Which of the following apply to you?

In the process of looking to buy a home I learned that my credit rating was poor.

55%

HAD ISSUES WITH CREDIT



AS DEBT INCREASES,  
potential homebuyers are realizing  
a lot about their creditworthiness.

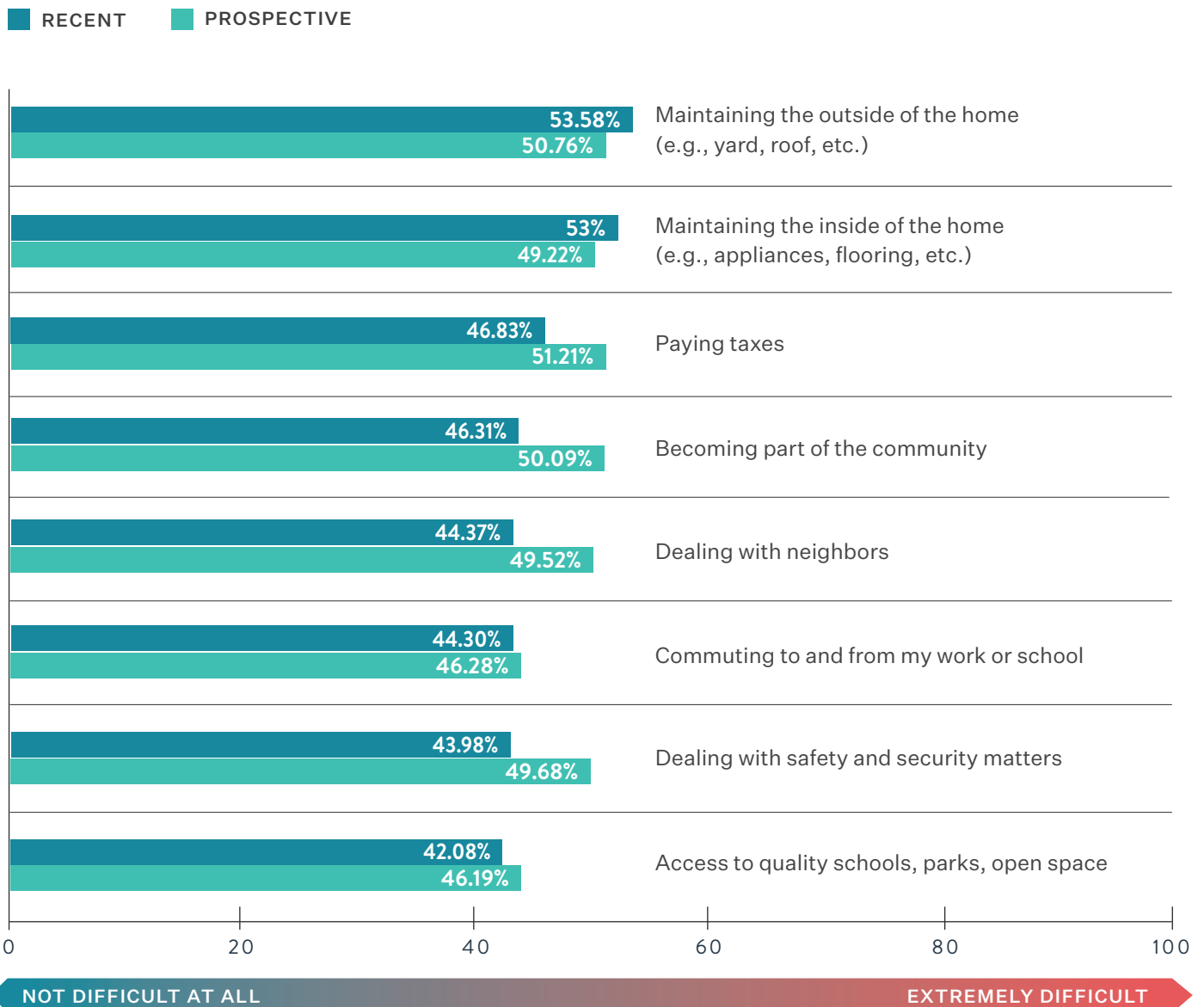
# Underestimating the difficulty of maintenance

## Recent first time homebuyers

On a scale of 0 to 100, with 0 being “not difficult at all” and 100 being “extremely difficult” - in your first years of home ownership, how difficult was it to manage each one of these areas of home ownership?

## Prospective first time homebuyers

On a scale of 0 to 100, with 0 being “not difficult at all” and 100 being “extremely difficult” - in your first years of home ownership, how difficult do you think it will be to manage each one of these areas of home ownership?





## FINALLY THERE'S THE ISSUE OF OVERALL MANAGEMENT OF HOME OWNERSHIP.

Maintenance of both the outside and inside of the home is, by far, the two most difficult things to manage for a first time homebuyer. Our data suggests that prospective first time homebuyers may be underestimating the difficulty they likely will face when it comes to home maintenance.

# Continued optimism over the goal of homeownership

Homeownership is the most important factor in building generational wealth.

59%

RECENT FIRST TIME HOMEBUYERS

60%

PROSPECTIVE FIRST TIME HOMEBUYERS

I wish I had started looking to purchase a home earlier.

54%

RECENT FIRST TIME HOMEBUYERS

62%

PROSPECTIVE FIRST TIME HOMEBUYERS



## THERE IS A CONTINUED, STRONG UNDERSTANDING

that homeownership is a key factor in building long term financial security. Strong majorities of recent and future first time homebuyers say that they should have started this process earlier.

# Tempered by unease over the homebuying process

	RECENT FIRST TIME HOMEBUYERS (% AGREE)	PROSPECTIVE FIRST TIME HOMEBUYERS (% AGREE)
I often worry about my being financially able to maintain home ownership.	44%*	57% ↑
I made [I will likely make] costly mistakes in the process of buying my first home.	36%	44% ↑
In general, the home buying process is rigged against the buyer.	35%	47% ↑
Buying a home is more difficult than it should be.	53%	58% ↑

\* This was 63% among Hispanic/Latino first time homebuyers



## BUT THERE ARE TROUBLING SIGNS.

Many worry about their future financial ability to sustain homeownership. And many feel that the homeownership process is too difficult and “rigged against the buyer.” These negative sentiments are even stronger among prospective homebuyers than they are among recent first time homebuyers.

# Support for an independent advocate

In buying my first home, I could use / could have used an independent advocate to coach me through the process of home buying and owning.

46%

OF RECENT FIRST TIME HOMEBUYERS AGREE

55%

OF PROSPECTIVE FIRST TIME HOMEBUYERS AGREE



All of this suggests the need for an **INDEPENDENT ADVOCATE** in the homebuying process.

# Regrets

While most people said they had no regrets in their homebuying, those with regrets fell into one of the following categories:

## I picked the wrong house.



My regret is not selling it right away.

My regret is not finding exactly what I want.

My regret is that I should have found a house with a deck with all amenities included with it.

My regret is the house I chose.

My regret is picking this house.

## I didn't have sufficient time.



My regret is that I didn't check out too many houses before I picked the one that I own.

My regret is waiting for the house to get inspected.

My regret is that we didn't have a lot of time to find a house, so we had to rush.

My regret is not taking my time and finding the right home.

My regret is just starting and stopping.

## I needed more money.



My regret is I didn't save enough money up front.

My regret is the level of repayment.

My regret is the price.

My regret is not negotiating more.

My regret is getting an FHA loan with the PMI insurance.

My regret is spending so much.

## I needed more information.



My regret is not doing more research.

My regret is not getting the right inspection.

My regret is not doing more research on the home and the HOA.

My regret is not knowing what questions to ask.

My regret is not getting the right realtor.

My regret is having outsized expectations.