

Survey of Consumer Expectations

Housing Survey – 2023

Federal Reserve Bank of New York

March 2023

Demographic Breakdown

Demographic Breakdown

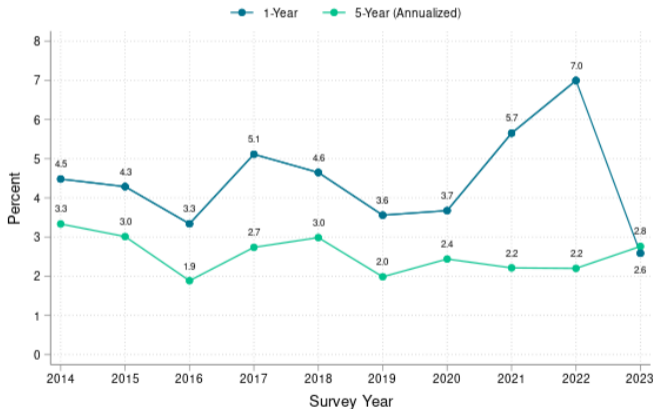
	2022			2023		
	Full Sample	Nonowners	Owners	Full Sample	Nonowners	Owners
Observations	1242	334	908	1013	288	723
Weighted Fraction of Sample (%)		31.2	68.8		29.6	70.4
Male	50.7	38.7	56.2	48.4	42.3	50.9
White	81.6	76.7	83.8	81.2	77.8	82.6
Married or Living with Partner	59.6	36.2	70.1	60.8	39.5	69.8
Retired	25.1	19.1	27.8	24.7	16.7	28.1
Unemployed	2.8	4.8	1.8	3.5	5.2	2.8
Have You Ever Owned a Home?	78.4	30.9	100.0	79.4	30.2	100.0
Income						
Under 60k	48.4	72.5	37.4	47.1	66.9	38.7
Over 60k	51.6	27.5	62.6	52.9	33.1	61.3
Education						
Up to High School	28.6	36.9	24.9	28.2	35.7	25.1
Some College	33.7	33.4	33.9	34.9	35.9	34.4
BA or Higher	37.6	29.7	41.2	36.9	28.4	40.4
Region						
West	22.9	29.2	20.1	22.3	24.4	21.4
Midwest	21.6	16.9	23.7	22.0	20.6	22.5
South	37.5	35.5	38.4	38.3	38.2	38.4
Northeast	18.0	18.4	17.8	17.4	16.8	17.7
Age (in Years)	51.6	47.6	53.5	51.2	46.2	53.4
Tenure in Town/City (in Years)	18.5	13.5	20.8	19.6	14.9	21.5

Note: The values are the weighted percents unless otherwise specified

Home Price Expectations

Average Home Price Expectation

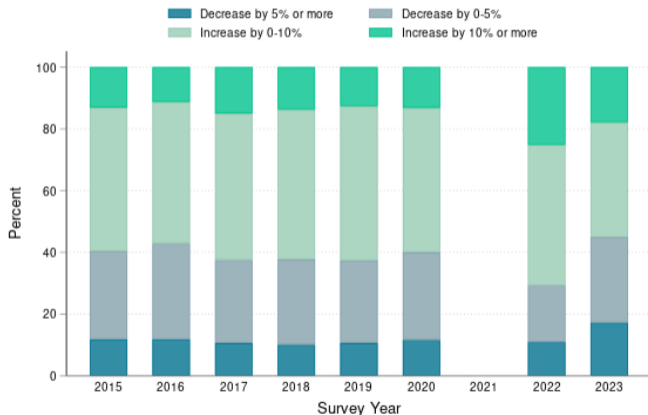
You estimated the current value of a typical home in your zip code to be \$X. What do you think the value of such a home will be:



	1-Year		5-Year	
	2022	2023	2022	2023
Mean	7.0	2.6	2.2	2.8
Median	5.7	2.5	3.1	2.7
Std	12.4	12.5	8.5	4.8
25%	1.7	0.0	1.3	1.1
75%	12.0	7.5	5.4	5.1
Obs	604	1011	604	1007

Home Price 1-Year Expectation Distribution

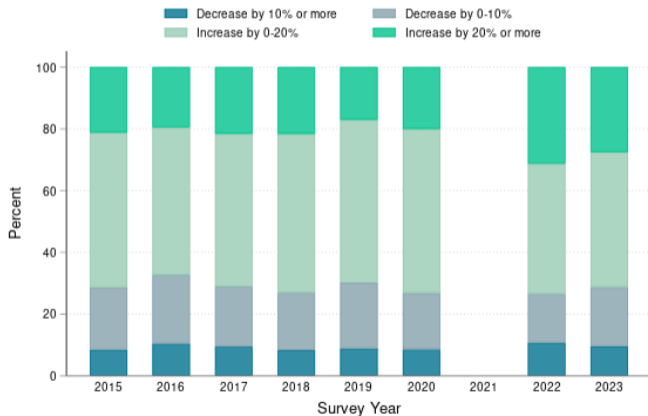
You estimated the current value of a typical home in your zip code to be \$X. What do you think is the percent chance that the value of such a home 12 months from today will be:



	2022	2023
< -5%	10.9	17.3
-5 to 0%	18.3	27.7
0 to 10%	45.6	37.1
> 10%	25.2	17.9
Obs	599	510

Home Price 5-Year Expectation Distribution

You estimated the current value of a typical home in your zip code to be \$X. What do you think is the percent chance that the value of such a home 5 years from today will be:

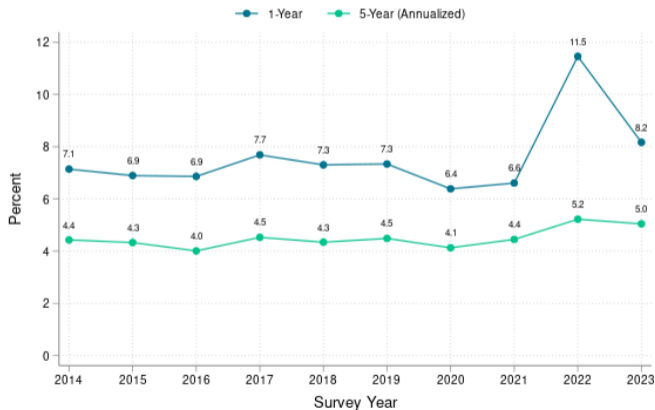


	2022	2023
<-10%	10.8	9.6
-10 to 0%	15.8	19.2
0 to 20%	42.2	43.6
>20%	31.2	27.6
Obs	602	510

Rent Price Expectations

Average Rent Price Expectation

If the typical home in your zip code could be rented, what do you think the average monthly rent of such a home (excluding utilities) would be...

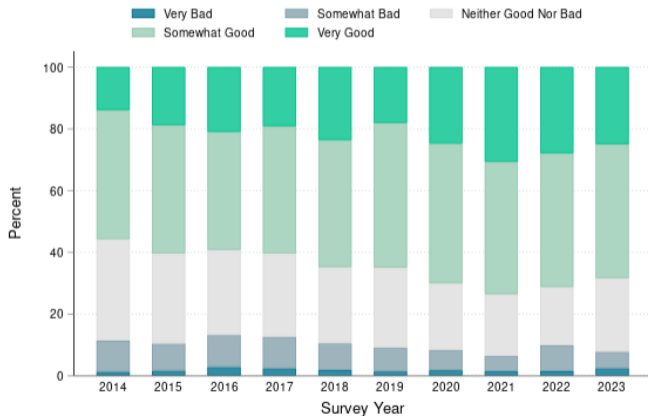


	1-Year		5-Year	
	2022	2023	2022	2023
Mean	11.5	8.2	5.2	5.0
Median	8.3	7.1	4.6	4.6
Std	11.2	11.0	4.6	4.4
25%	5.0	1.2	2.8	2.7
75%	15.4	13.3	7.1	7.0
Obs	1238	1007	1236	1005

Housing Outlook

Housing as an Investment Distribution

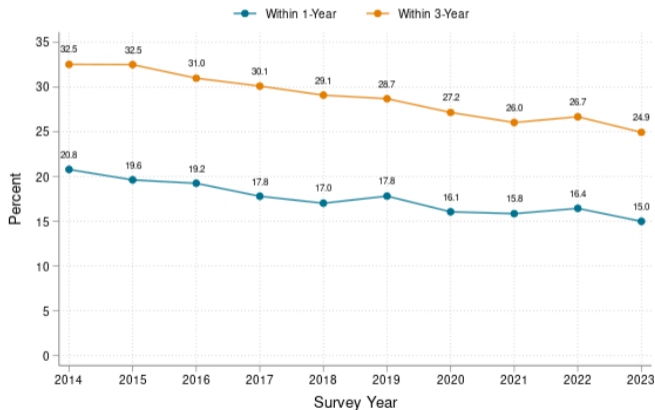
If someone had a large sum of money that they wanted to invest, would you say that relative to other possible financial investments, buying property in your zip code today is:



	2022	2023
Very Bad	1.5	2.5
Somewhat Bad	8.4	5.3
Neither	18.9	23.7
Somewhat Good	43.3	43.4
Very Good	27.9	25.0
Obs	1242	1012

Probability of Moving

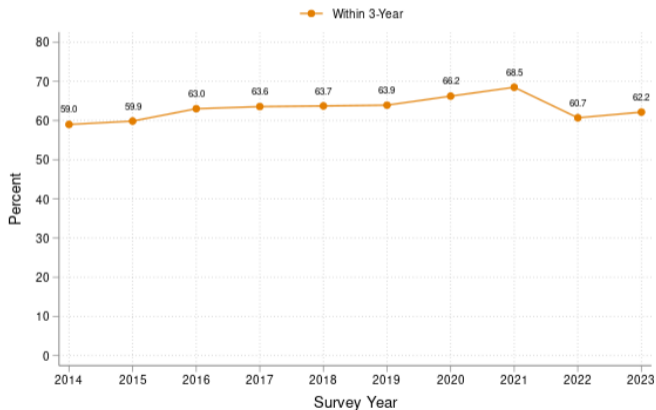
What is the percent chance that [over the next 12 months] [over the next three years] you will move to a different primary residence?



	1-Year		3-Year	
	2022	2023	2022	2023
Mean	16.4	15.0	26.7	24.9
Median	3.0	2.0	10.0	10.0
Std	26.7	26.0	31.8	31.7
25%	0.0	0.0	1.0	0.0
75%	20.0	15.0	48.0	41.0
Obs	1242	1012	1242	1012

Probability of Buying

And if you were to move to a different primary residence over the next three years, what is the percent chance that you would buy (as opposed to rent) your new home?

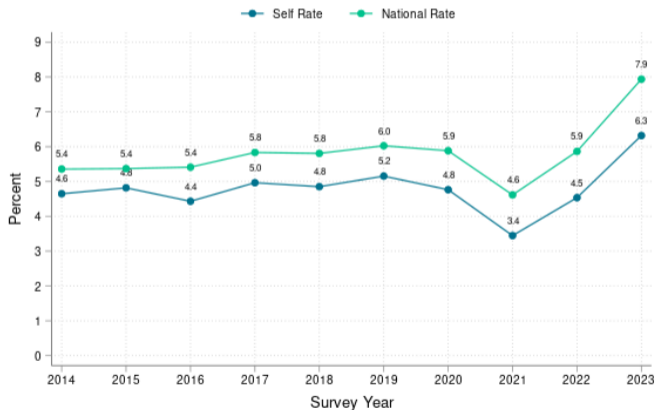


	3-Year	
	2022	2023
Mean	60.2	63.0
Median	61.0	75.0
Std	36.4	35.7
25%	30.0	31.0
75%	99.0	99.0
Obs	1242	1013

Mortgage Rates

30-Year Perceptions Today

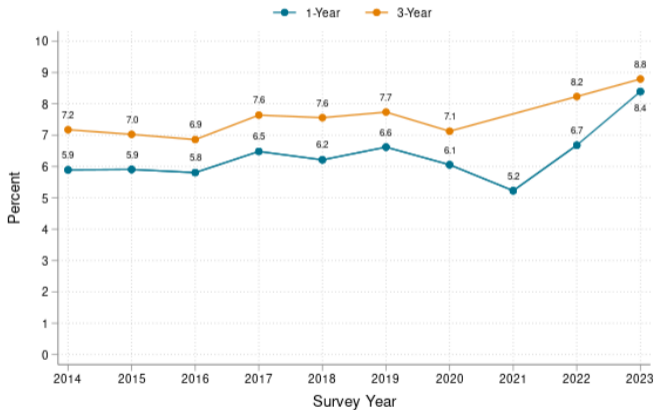
What mortgage interest rate do you think you would qualify for? What do you think is the average interest rate (for all borrowers) on a new 30-year fixed-rate mortgage as of today?



	Self		Nation	
	2022	2023	2022	2023
Mean	4.5	6.3	5.9	7.9
Median	3.2	5.5	4.0	6.2
Std	4.0	3.7	5.4	5.1
25%	3.0	4.5	3.3	5.0
75%	4.0	6.5	5.0	7.5
Obs	1070	863	1235	1004

Average National 30-Year

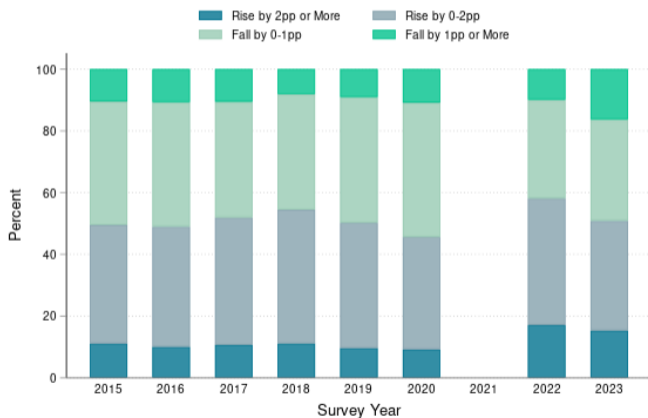
What do you think the average interest rate on a 30-year fixed-rate mortgage will be:



	1-Year		3-Year	
	2022	2023	2022	2023
Mean	6.7	8.4	8.2	8.8
Median	4.8	6.1	5.0	6.0
Std	5.9	6.1	7.7	7.0
25%	4.0	5.0	4.2	4.8
75%	6.0	8.0	8.0	9.0
Obs	1233	1005	1233	1003

Rate Distribution

What do you think is the percent chance that one year from today the average interest rate on a 30-year fixed-rate mortgage will be:

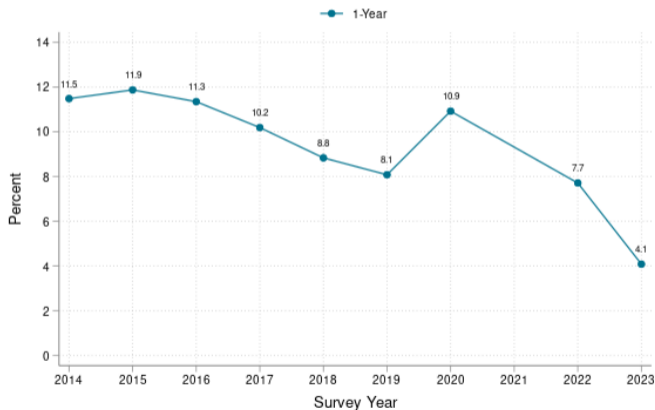


	2022	2023
Rise by 2pp or More	17.1	15.4
Rise by 0-2pp	41.0	35.5
Fall by 0-1pp	31.9	32.8
Fall by 1pp or More	9.9	16.3
Obs	1235	1013

Owners

Probability of Refinancing in 12 months

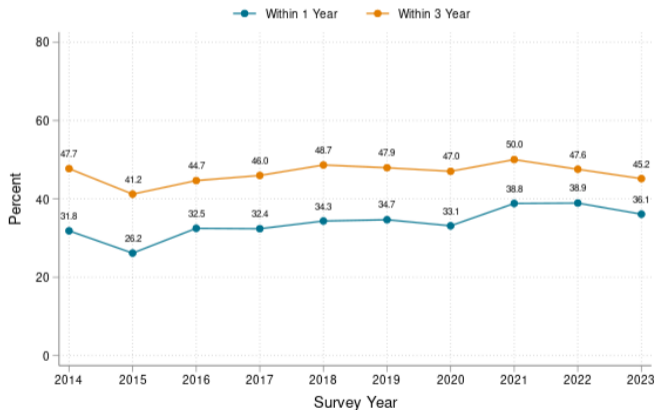
What is the percent chance that over the next 12 months you will refinance the mortgage on your primary residence?



	1-Year	
	2022	2023
Mean	7.7	4.1
Median	0.0	0.0
Std	17.2	10.8
25%	0.0	0.0
75%	5.0	2.0
Obs	908	723

Probability of Home Investments

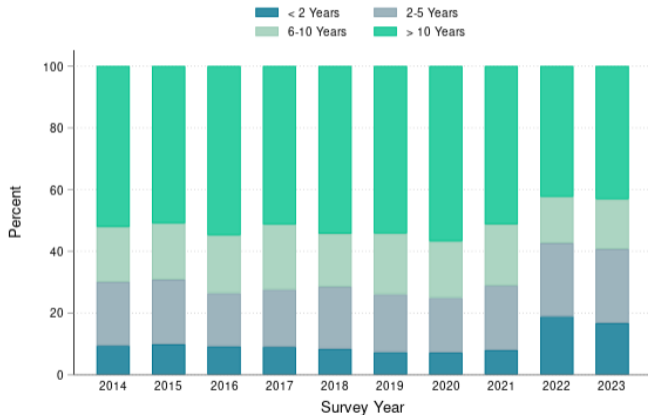
What do you think is the percent chance that you will make any investments in your home (not including regular maintenance and repairs) costing more than \$5,000 total:



	1-Year		3-Year	
	2022	2023	2022	2023
Mean	38.9	36.1	47.6	45.2
Median	30.0	25.0	50.0	42.0
Std	34.7	33.3	33.1	32.8
25%	10.0	6.0	20.0	15.0
75%	70.0	58.0	75.0	75.0
Obs	908	723	907	723

Home Tenure Expectation

How many more years do you expect to stay in this home as of today?

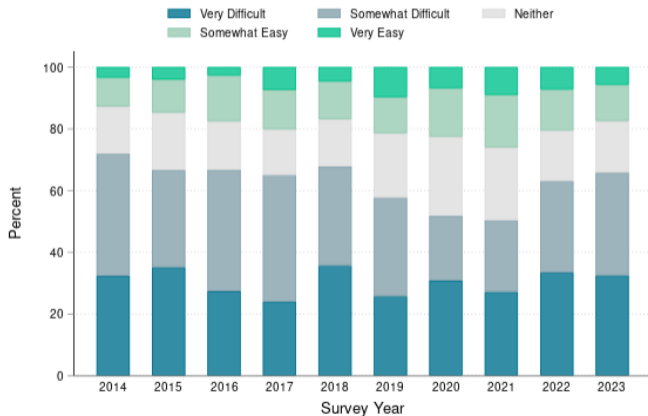


	2022	2023
< 2 Years	18.9	16.8
2-5 Years	23.8	24.0
6-10 Years	15.0	16.1
> 10 Years	42.3	43.1
Obs	1242	1010

Renters

Ease of Obtaining Mortgage Today

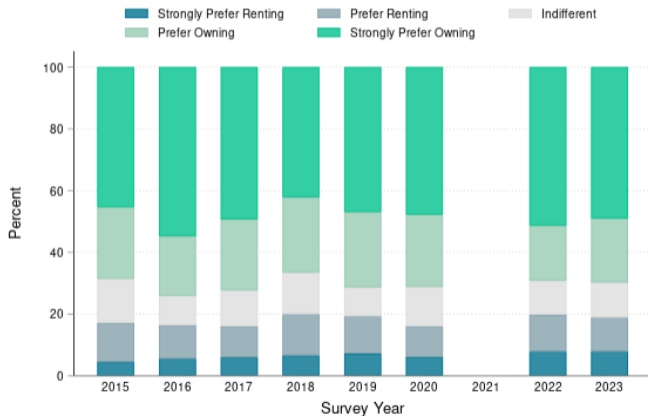
If you [and/or your spouse/partner] wanted to buy a home today, do you think it would be easy or difficult for you to obtain a home mortgage?



	2022	2023
Very Difficult	33.5	32.6
Somewhat Difficult	29.7	33.3
Neither	16.3	16.7
Somewhat Easy	13.3	11.8
Very Easy	7.2	5.7
Obs	334	288

Preference for Owning

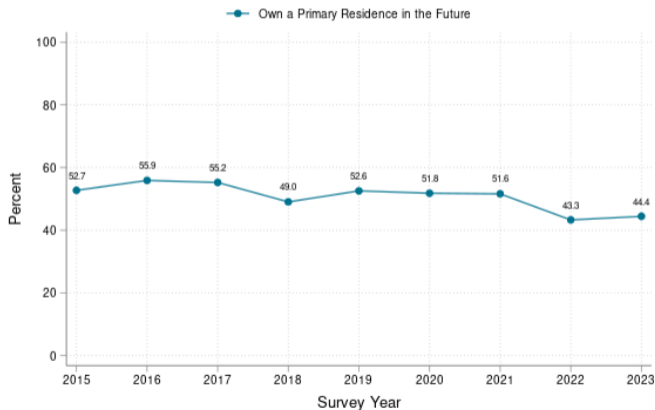
Assuming you had the financial resources to do so, would you like to own instead of rent your primary residence?



	2022	2023
Strongly Prefer Renting	7.9	7.9
Prefer Renting	11.9	11.1
Indifferent	11.0	11.3
Prefer Owning	17.8	20.7
Strongly Prefer Owning	51.4	49.0
Obs	334	288

Probability of Buying Later

What do you think is the percent chance that you will own a primary residence at some point in the future?



	In the Future	
	2022	2023
Mean	43.3	44.4
Median	41.0	41.0
Std	36.0	36.4
25%	9.0	5.0
75%	80.0	80.0
Obs	334	288

Home Price Expectations Questions

Question Q3A Detail

You estimated the current value of a typical home in your zip code to be \$[Q1]. Now, we would like you to think about the future value of such a home. What do you think the value of such a home will be:

- One year from today? _____ dollars (i.e. a Y% increase/decrease)
- Five years from today? _____ dollars (i.e. a Y% increase/decrease)

Autopopulate Y based on dollar response

▶ Average Home Price Expectation

Question Q3B Detail

You estimated the current value of a typical home in your zip code to be $Q1$. What do you think is the percent chance that the value of such a home 12 months from today will be...

- Less than $[0.95 * Q1]$ dollars? _____ percent chance
- Between $[0.95 * Q1]$ and $[Q1]$ dollars? _____ percent chance
- Between $[Q1]$ and $[1.1 * Q1]$ dollars? _____ percent chance
- More than $[1.1 * Q1]$ dollars? _____ percent chance

All dollar values are rounded to the nearest \$100

▶ Home Price 1-Year Expectation Distribution

Question Q3C Detail

You estimated the current value of a typical home in your zip code to be $[\text{Q1}]$. What do you think is the percent chance that the value of such a home 5 years from today will be...

- Less than $[0.9 * \text{Q1}]$ dollars? _____ percent chance
- Between $[0.9 * \text{Q1}]$ and $[\text{Q1}]$ dollars? _____ percent chance
- Between $[\text{Q1}]$ and $[1.2 * \text{Q1}]$ dollars? _____ percent chance
- More than $[1.2 * \text{Q1}]$ dollars? _____ percent chance

All dollar values are rounded to the nearest \$100

▶ [Home Price 5-Year Expectation Distribution](#)

Rent Price Expectations Questions

Question Q3D Detail

If the typical home in your zip code (the house/apartment you have considered so far) could be rented, what do you think the average monthly rent of such a home (excluding utilities) would be...

- Today? _____ dollars
- One year from today? _____ dollars
- Five years from today? _____ dollars

All dollar values are converted into a percent increase from today [▶ Average Rent Price Expectation](#)

Housing Outlook Questions

Question Q7 Detail

If someone had a large sum of money that they wanted to invest, would you say that relative to other possible financial investments, buying property in your zip code today is:

- A very good investment
- A somewhat good investment
- Neither good nor bad as an investment
- A somewhat bad investment
- A very bad investment

▶ [Housing as an Investment Distribution](#)

Question Q6D/A Detail

We would now like you to think about your future moving plans. What is the percent chance that [over the next 12 months] [over the next three years] you will move to a different primary residence?

- CUSTOM SLIDER

▶ Probability of Moving

Question Q6C Detail

And if you were to move to a different primary residence over the next three years, what is the percent chance that you would buy (as opposed to rent) your new home?

- CUSTOM SLIDER

▶ Probability of Buying

Mortgage Rate Questions

Question Q5/B Detail

Assume that you applied for a 30-year fixed-rate mortgage today. What mortgage interest rate do you think you would qualify for? What do you think is the average interest rate (for all borrowers) on a new 30-year fixed-rate mortgage as of today?

- Enter Percent: _____ %
- I would not qualify at any mortgage rate

▶ 30-Year Perceptions Today

Question Q5C Detail

What do you think the average interest rate on a 30-year fixed-rate mortgage will be:

- One year from today? _____ %
- Three years from today? _____ %

▶ Average National 30-Year

Question Q5D Detail

What do you think is the percent chance that one year from today the average interest rate on a 30-year fixed-rate mortgage will be...

- Lower than [Q5b-1]? _____ percent chance
- Between [Q5b-1]% and [Q5b]%? _____ percent chance
- Between [Q5b]% and [Q5b+2]? _____ percent chance
- Higher than [Q5b+2]? _____ percent chance

Q5b is their perception of 30-year mortgage rates today

▶ Rate Distribution

Owners Questions

Question QH6B Detail

What is the percent chance that over the next 12 months you will refinance the mortgage on your primary residence?

- CUSTOM SLIDER

▶ Probability of Refinancing in 12 months

Question QH4Bnew Detail

What do you think is the percent chance that you will make any investments in your home (such as remodeling, additions, upgrades, landscaping, but not including regular maintenance and repairs) costing more than \$5,000 total:

- Over the next 12 months? CUSTOM SLIDER
- Over the next three years? CUSTOM SLIDER

▶ Probability of Home Investments

Question QH1C Detail

How many more years do you expect to stay in this home as of today?

- Less than 2 years
- 2-3 years
- 4-5 years
- 6-7 years
- 8-10 years
- More than 10 years

▶ Home Tenure Expectation

Renters Questions

Question QR5 Detail

If you ['and/or your spouse/partner'] wanted to buy a home today, do you think it would be easy or difficult for you to obtain a home mortgage?

- Very easy
- Somewhat easy
- Neither easy nor difficult
- Somewhat difficult
- Very difficult

▶ Ease of Obtaining Mortgage Today

Question QR8 Detail

Assuming you had the financial resources to do so, would you like to own instead of rent your primary residence?

- Yes, would strongly prefer owning
- Yes, would prefer owning
- Indifferent between owning and renting
- No, would prefer renting
- No, would strongly prefer renting

▶ Preference for Owning

Question QR9 Detail

What do you think is the percent chance that you will own a primary residence at some point in the future?

- CUSTOM SLIDER

▶ Probability of Buying Later