



# NAHB National Survey



Key findings from a nationwide survey of N=1,500 likely voters, conducted January 2-5, 2012.

**Neil Newhouse | Alex Bratty**



**Celinda Lake  
Jonathan Voss**



#12005

# METHODOLOGY

On behalf of the National Association of Home Builders, Public Opinion Strategies and Lake Research Partners conducted a nationwide survey of N=1,500 likely 2012 voters.

The survey was conducted January 2-5, 2012 and has a margin of error of  $\pm 2.5\%$ .



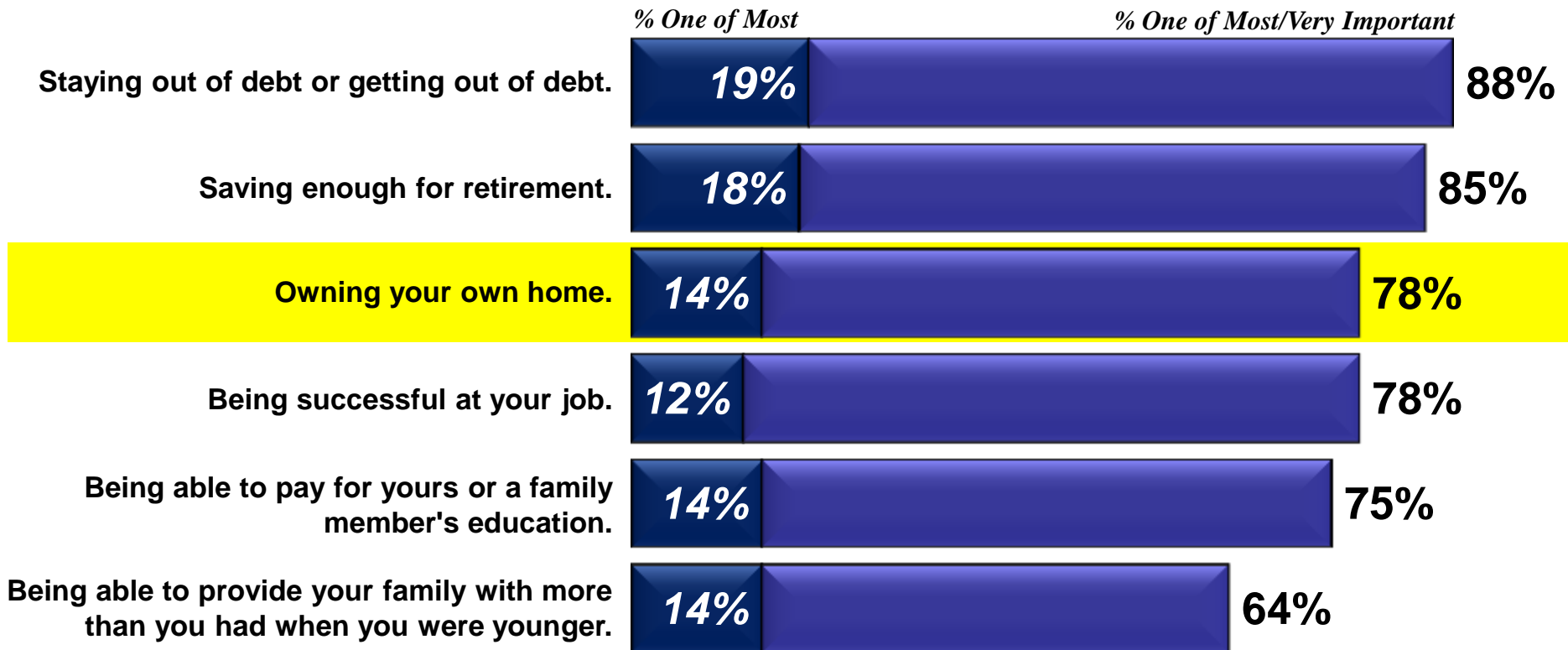
# The Value of Home Ownership



- ✓ Despite the housing crisis, owning a home is still very much a part of the American dream.
- ✓ Even in this continuing weak housing market, voters who do not currently own a home overwhelmingly say they want to buy a home.
- ✓ A vast majority say owning a home is the best investment they can make and worth the ups and downs of the market.
- ✓ Americans perceive home ownership as providing numerous benefits to them, their communities and the economy.

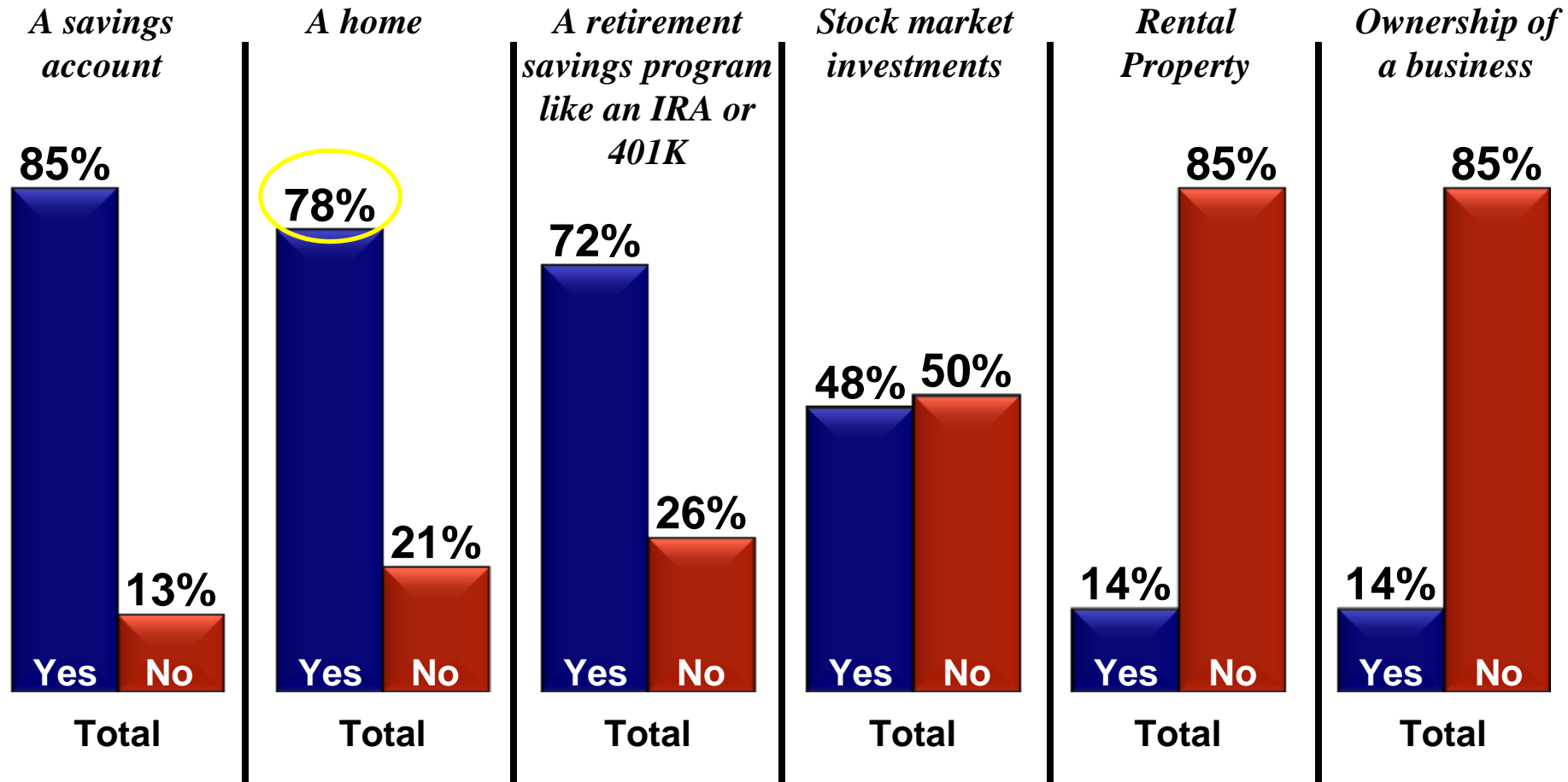
# More than three-quarters of voters believe that owning a home is very important to them – just as important as being successful at their job or being able to pay for an education.

*Now, I'd like to read you a list of things that people may value in their lives. Some people say these things are important to them, others say they are not so important. How important is each of following for you personally? Is it one of the most important things in your life, very important but not the most, somewhat important, or not all that important?*



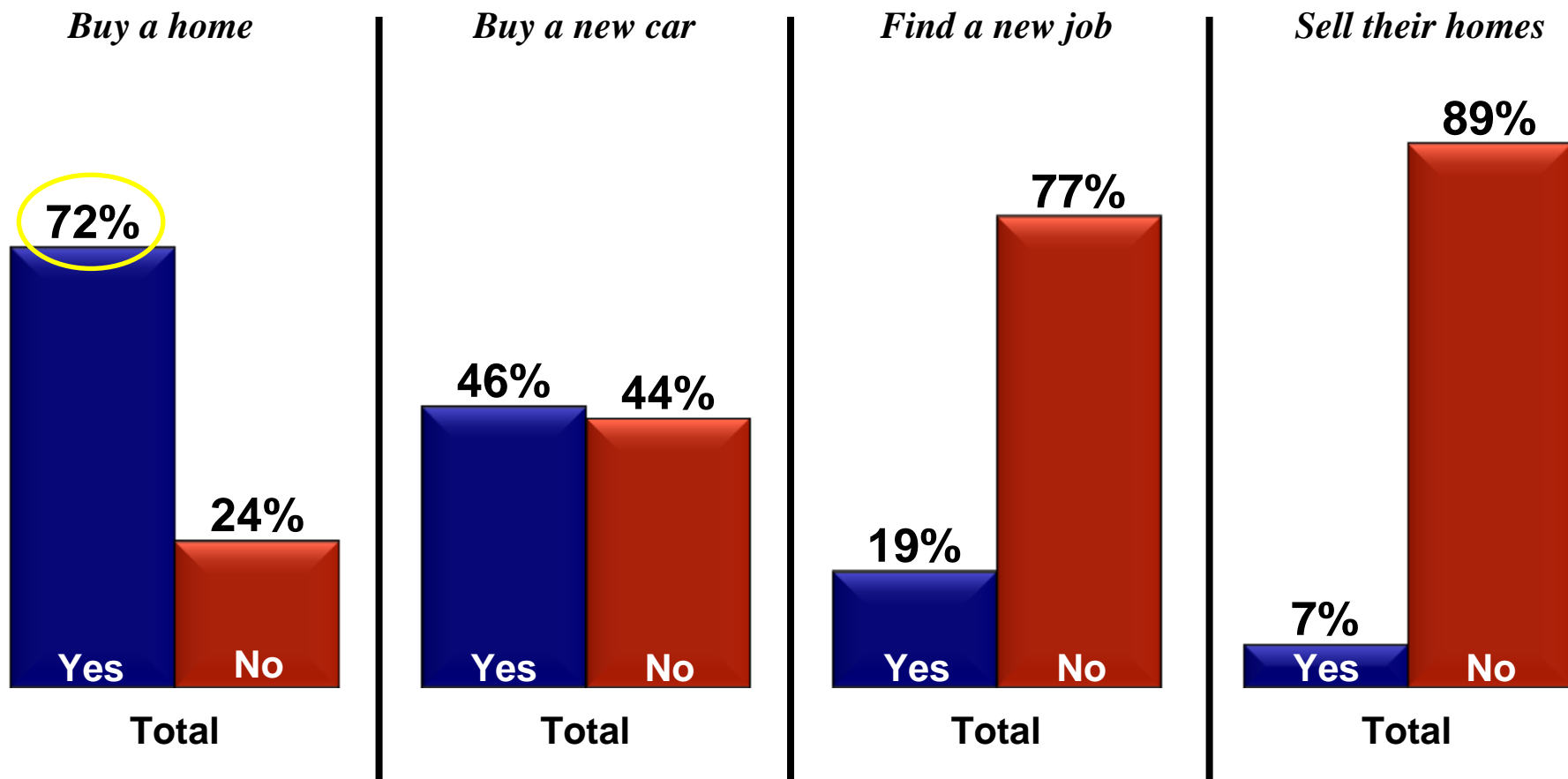
# Over three-quarter of voters say they own a home, more than have a retirement account or stock investments.

*Now, thinking about your own financial security, please tell me which of the following investments you currently have. And, do you have...*



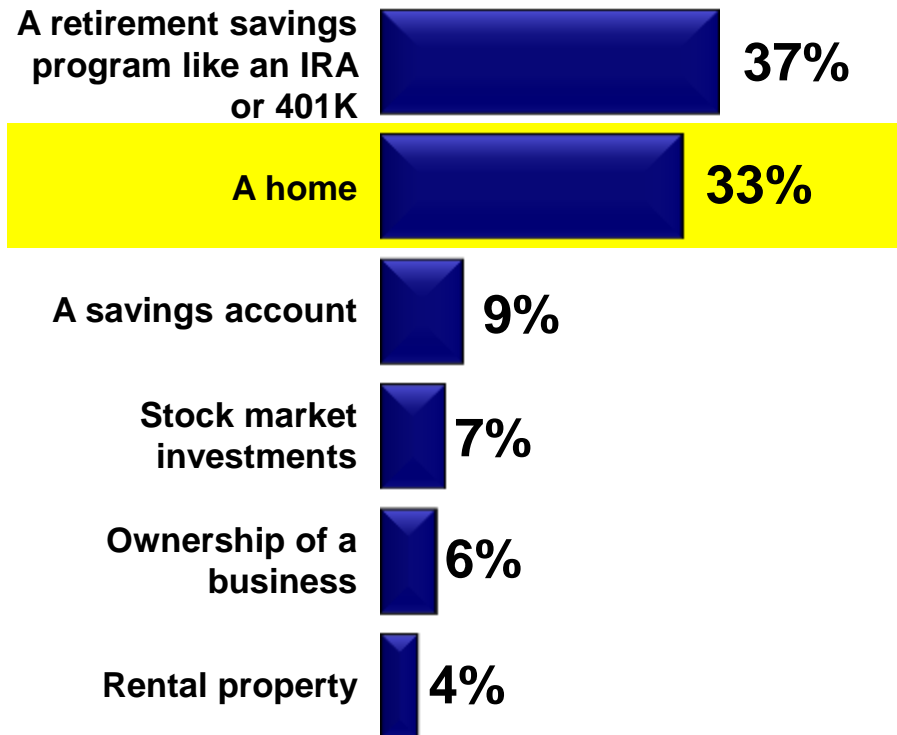
# About seven-in-ten voters believe it is a good time to buy a home.

*And, thinking some more about the national economy overall, do you think it is a good time or bad time for Americans to...*

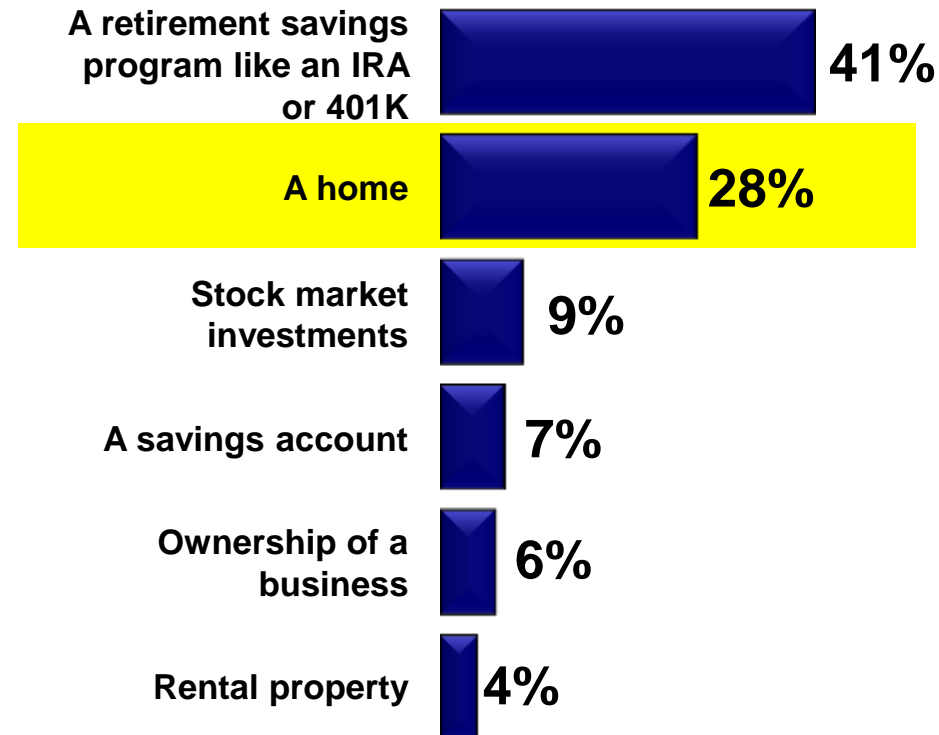


# Voters consider home ownership and retirement savings to be their best investments and those most likely to pay off the most for them and their families.

*Which ONE of these would you say is your best investment?*

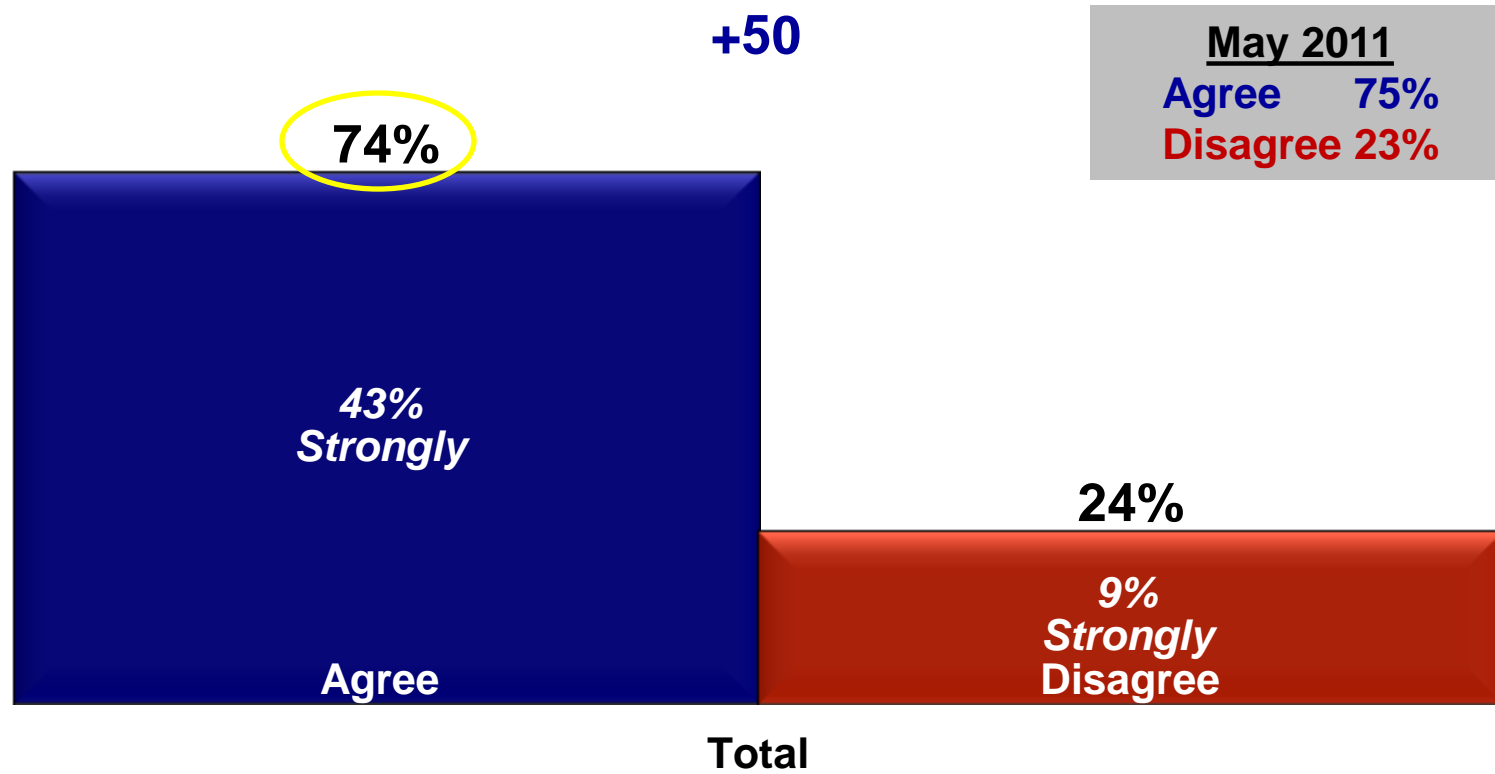


*And, over the long-term, which ONE of these investments do you believe will pay off the most for you and your family?*



# About three-in-four voters say owning a home is worth the ups and downs of the housing market.

*Some people say that owning a home is the best long-term investment they can make and is worth the risk of ups and downs in the housing market. Do you agree or disagree with this statement?*

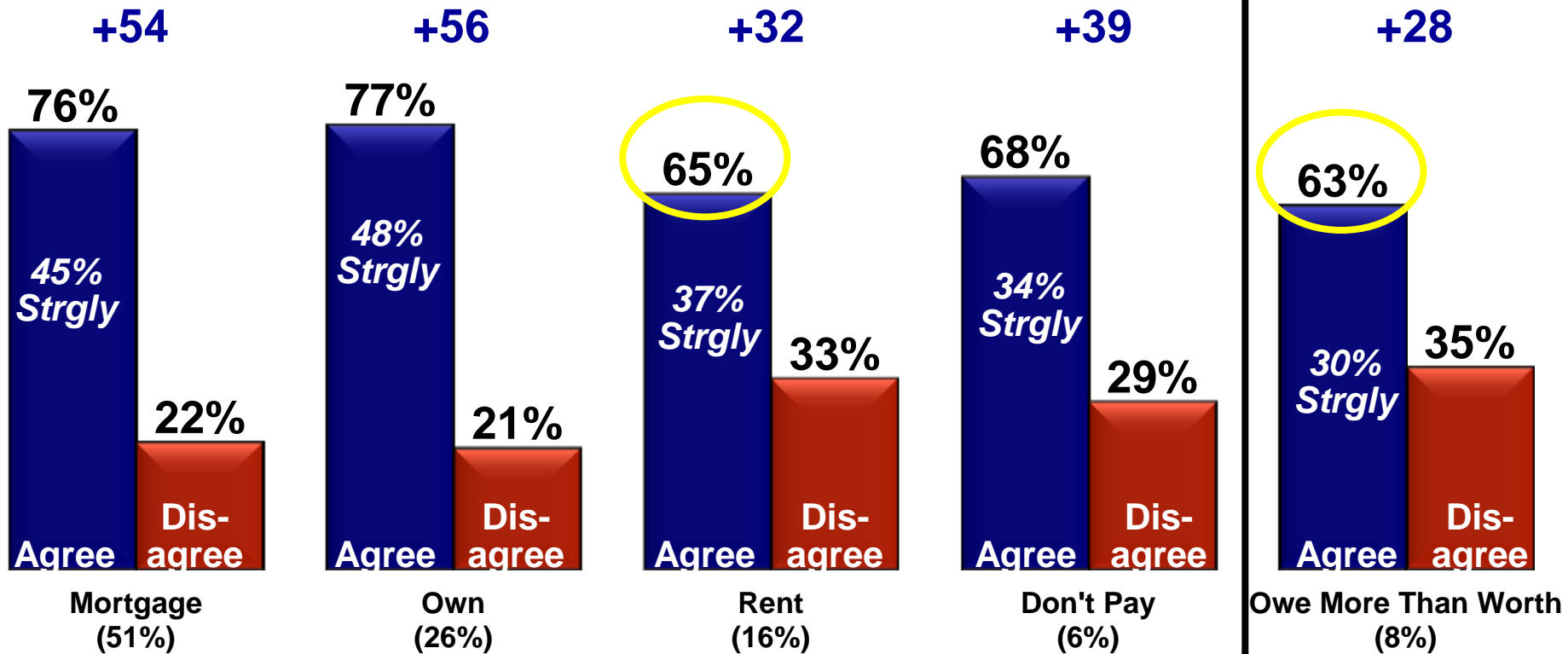


# And, that sentiment is still strong among renters and those who currently owe more than their home is worth.

*Some people say that owning a home is the best long-term investment they can make and is worth the risk of ups and downs in the housing market. Do you agree or disagree with this statement?*

*By Residence Type*

*Among Those Who Owe More On Their Home Than It Is Worth*

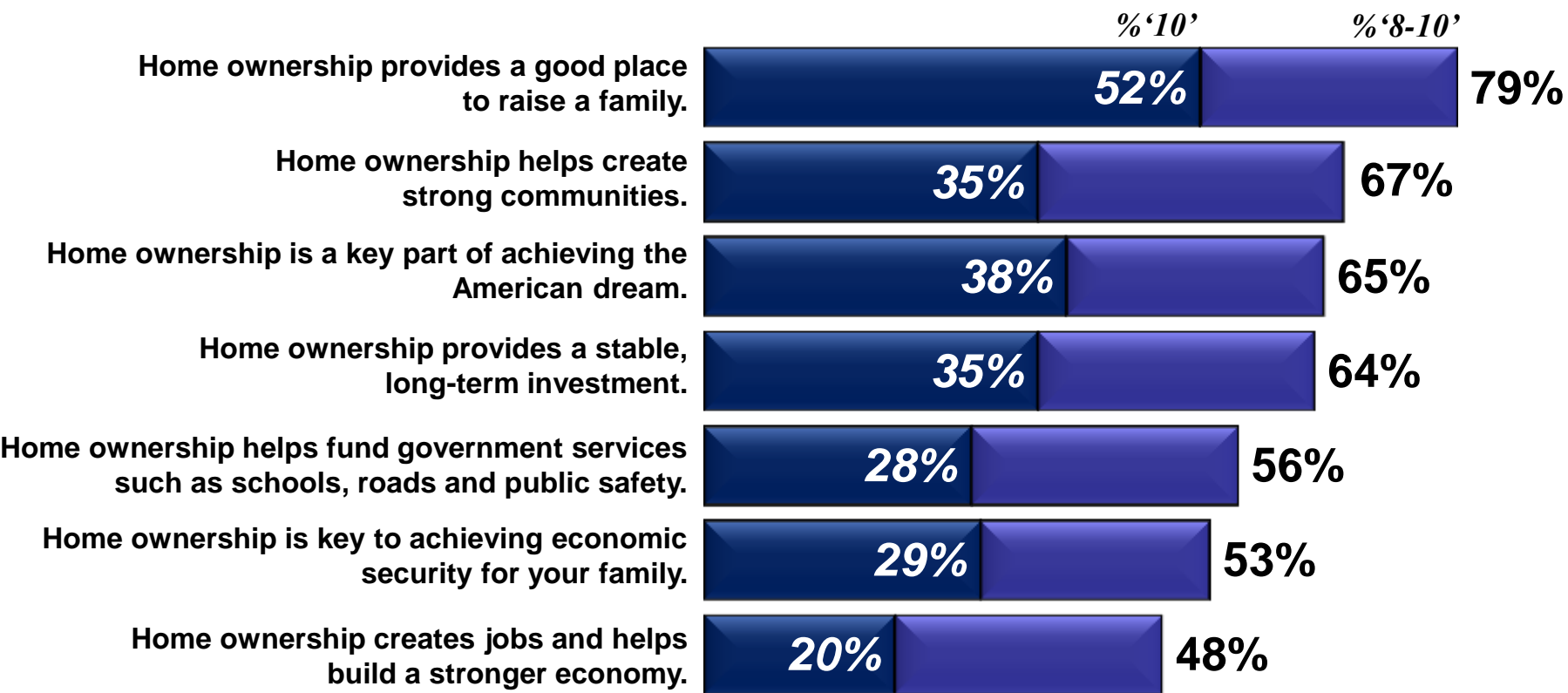




# Attitudes Towards Home Ownership

# Voters see homeownership as fundamental to the American dream. It provides stability for families and communities, and creates jobs and a stronger economy.

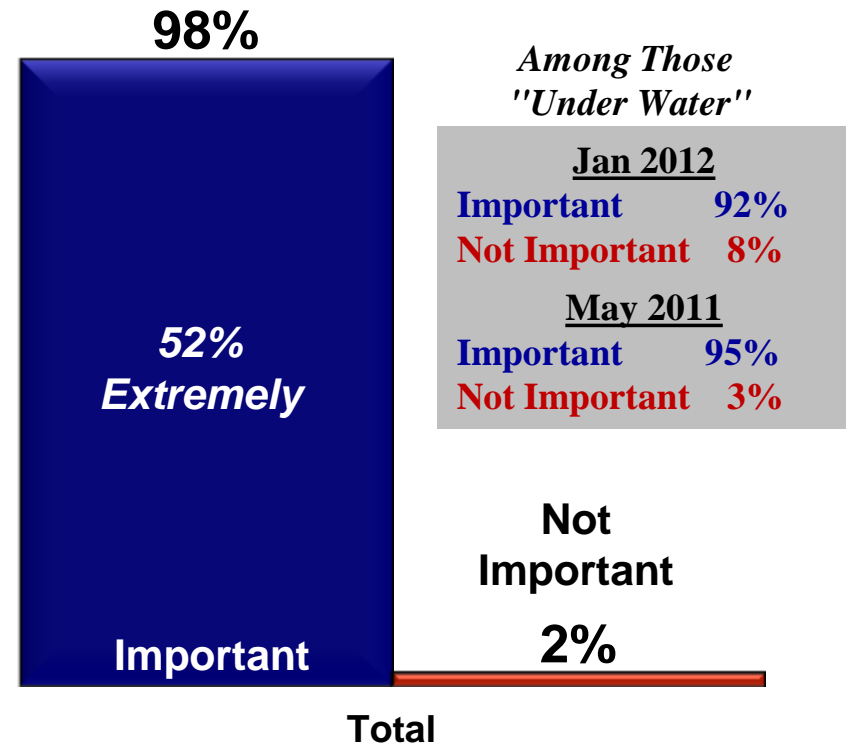
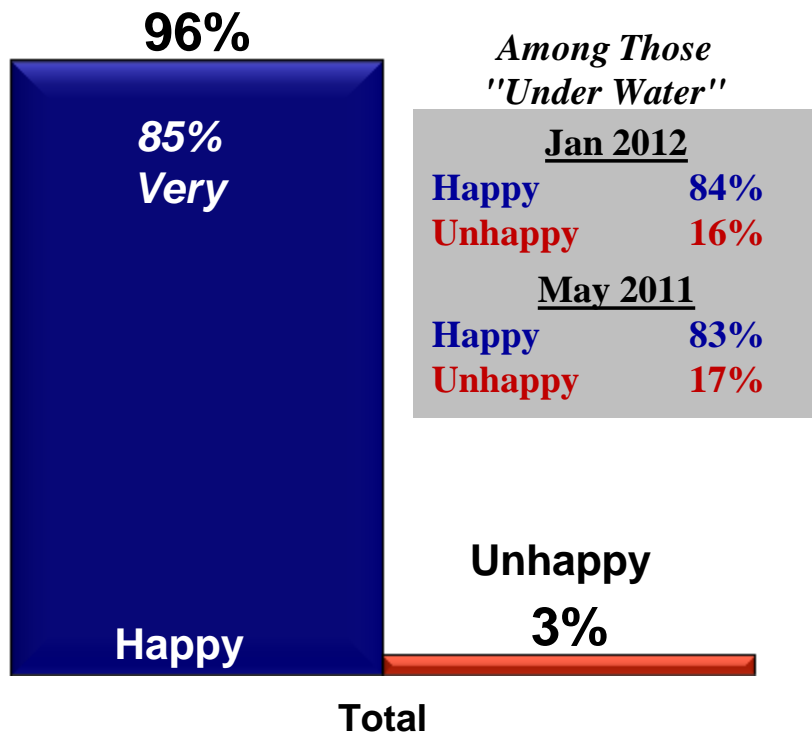
*I am going to read you statements that some people have made about home ownership. Please rate each one on a scale where zero means you strongly disagree with the statement and ten means you strongly agree with the statement. Five is neutral and of course you can choose any number from zero to ten.*



# Virtually all homeowners are happy with their decision to own a home and say that owning their own home is important to them.

*How happy would you say you are with your decision to own a home? (N=1,152)*

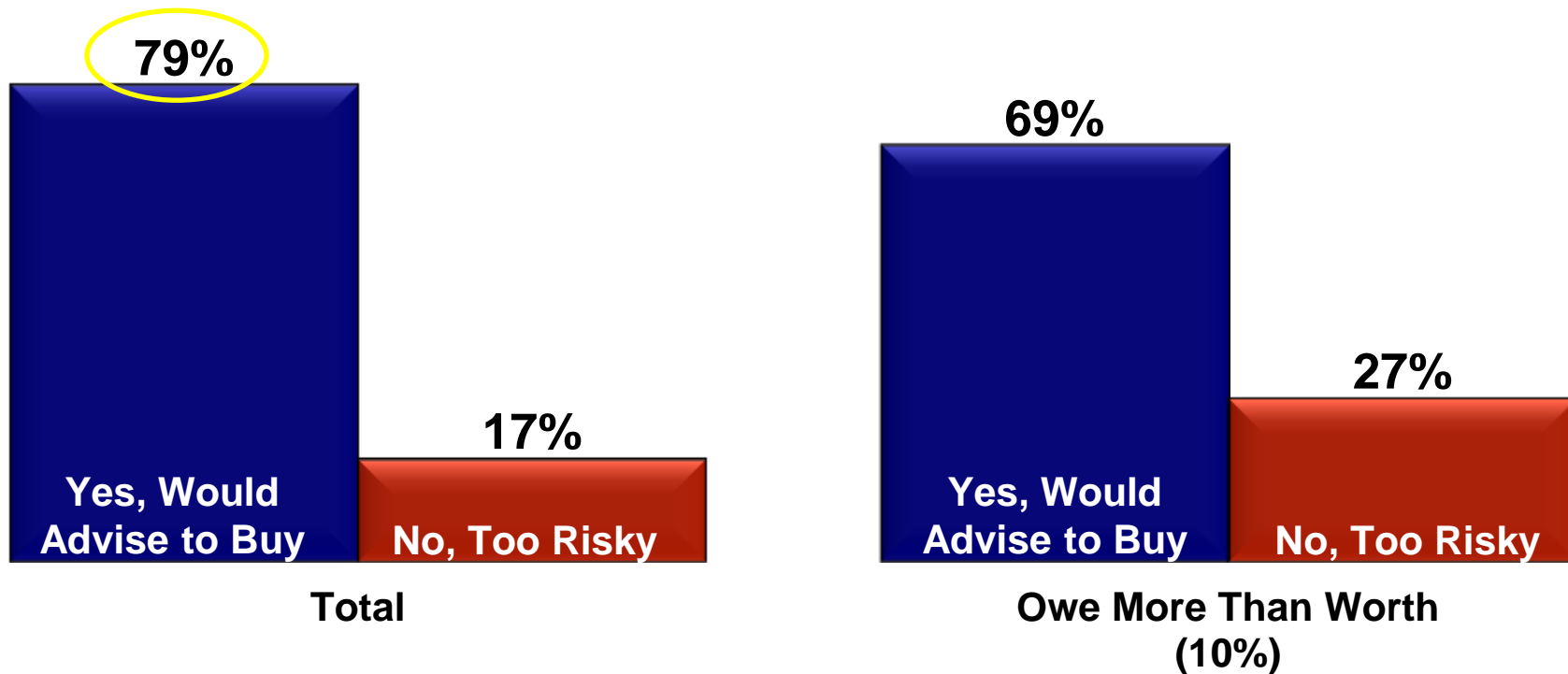
*And, how important is it to you that you own your own home? (N=1,152)*



# Roughly eight-in-ten homeowners would advise a close friend or family member just starting out to buy a home. (That's true even among those homeowners "under water" on their mortgage.)

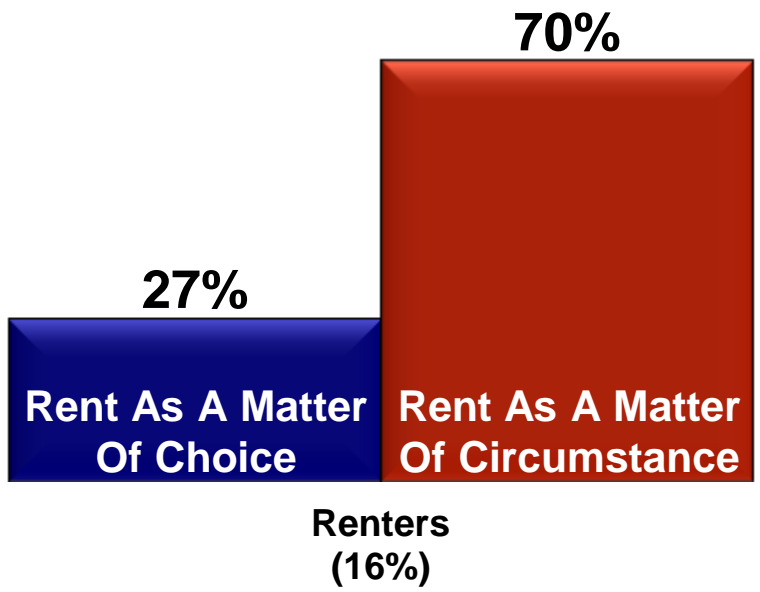
*And, would you advise a member of your family or a close personal friend just starting out to buy a home in order to build long-term assets, or do you think owning a home is too risky of an investment? (N=1,152)*

*Total and Among Those Who Owe More On Their Home Than It Is Worth*

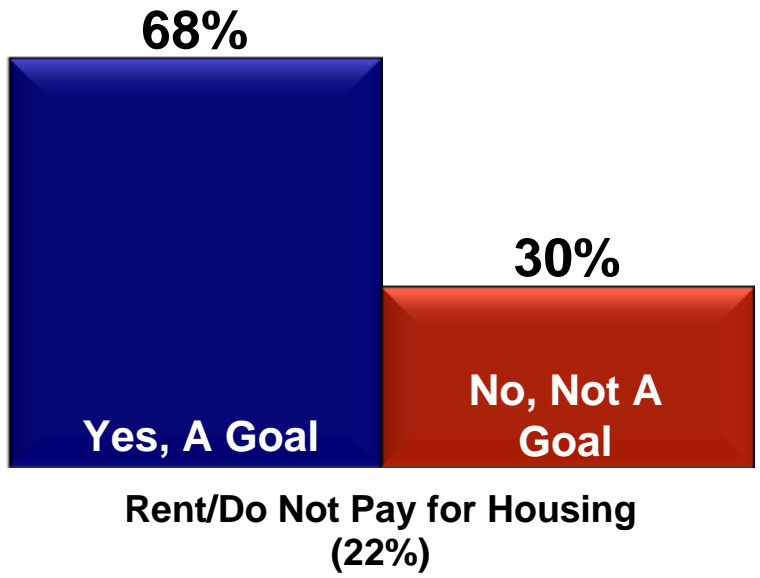


# More than two-thirds of those who do not currently own a home say it is their goal to be a home owner one day.

*Do you rent your residence more as a matter of choice, that is, you could buy a home but CHOOSE to rent instead, or do you rent more as a result of circumstance, that is, you cannot afford to own a home right now? (Among N=246 Renters)*

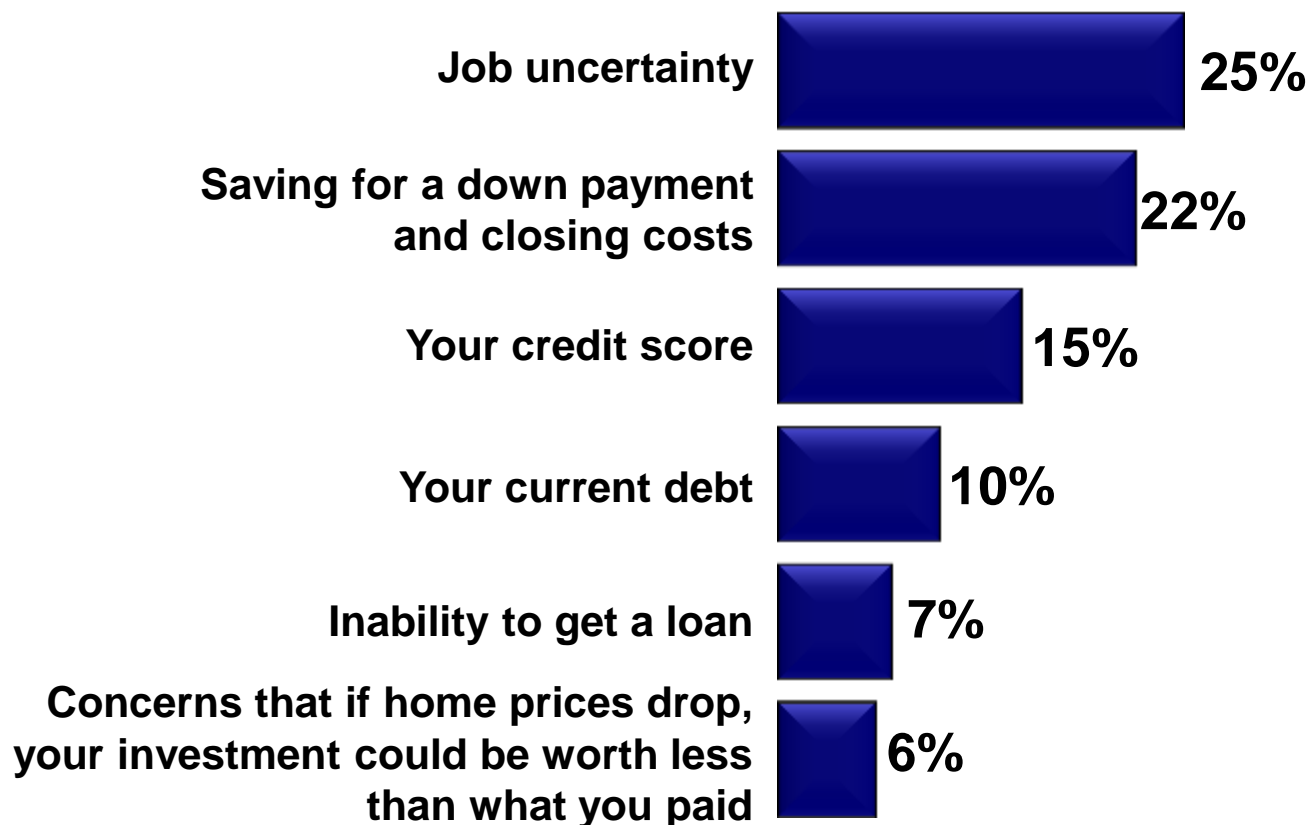


*Is one of your goals to eventually buy a home, or is that not a goal of yours? (Among N=336 Renters/ Do Not Pay for Housing)*



# Uncertainty about job security and saving for a down payment and closing costs are the biggest barriers for those who want to own a home.

*And, which one of the following would you say is your biggest barrier to buying a home? Is it...*  
(N=230)





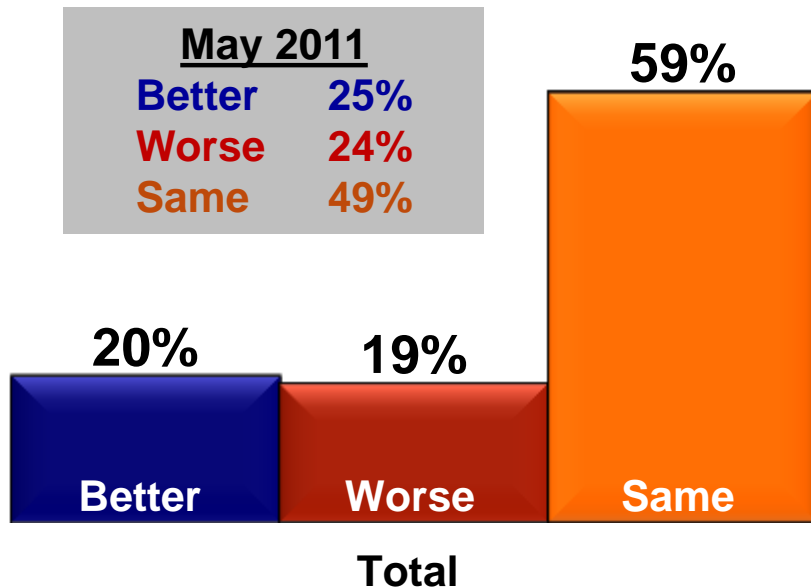
# The Housing Market



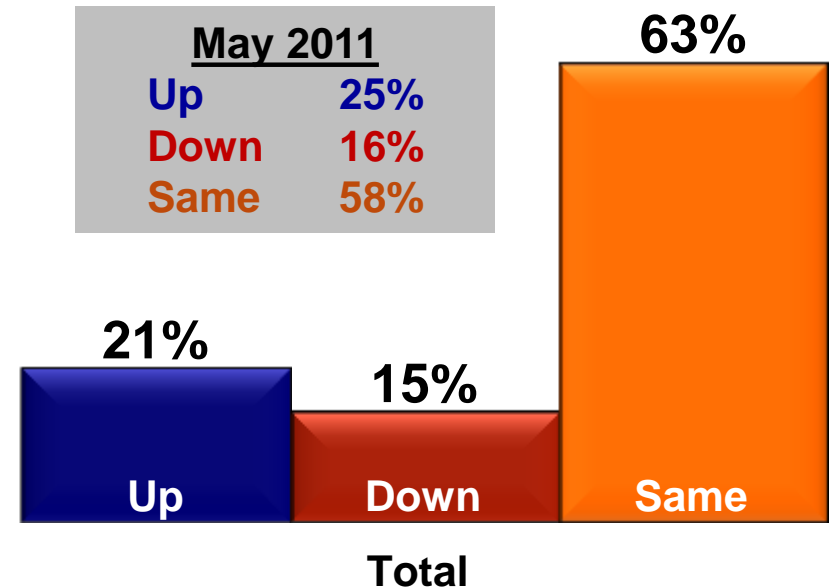
- ✓ **Voters see little change in the condition of the housing market.**
- ✓ **But, most agree that dealing with the mortgage and foreclosure situation is key to stabilizing the economy.**
- ✓ **As such, voters believe stabilizing and restoring the nation's housing market should be a priority for the federal government to address.**

# Most voters believe the nation's housing market is about the same as it was a year ago; and almost two-thirds believe home prices in their local area will stay the same over the coming year.

*Compared to a year or so ago, do you believe the nation's housing market is... getting better, getting worse ...or... staying about the same?*

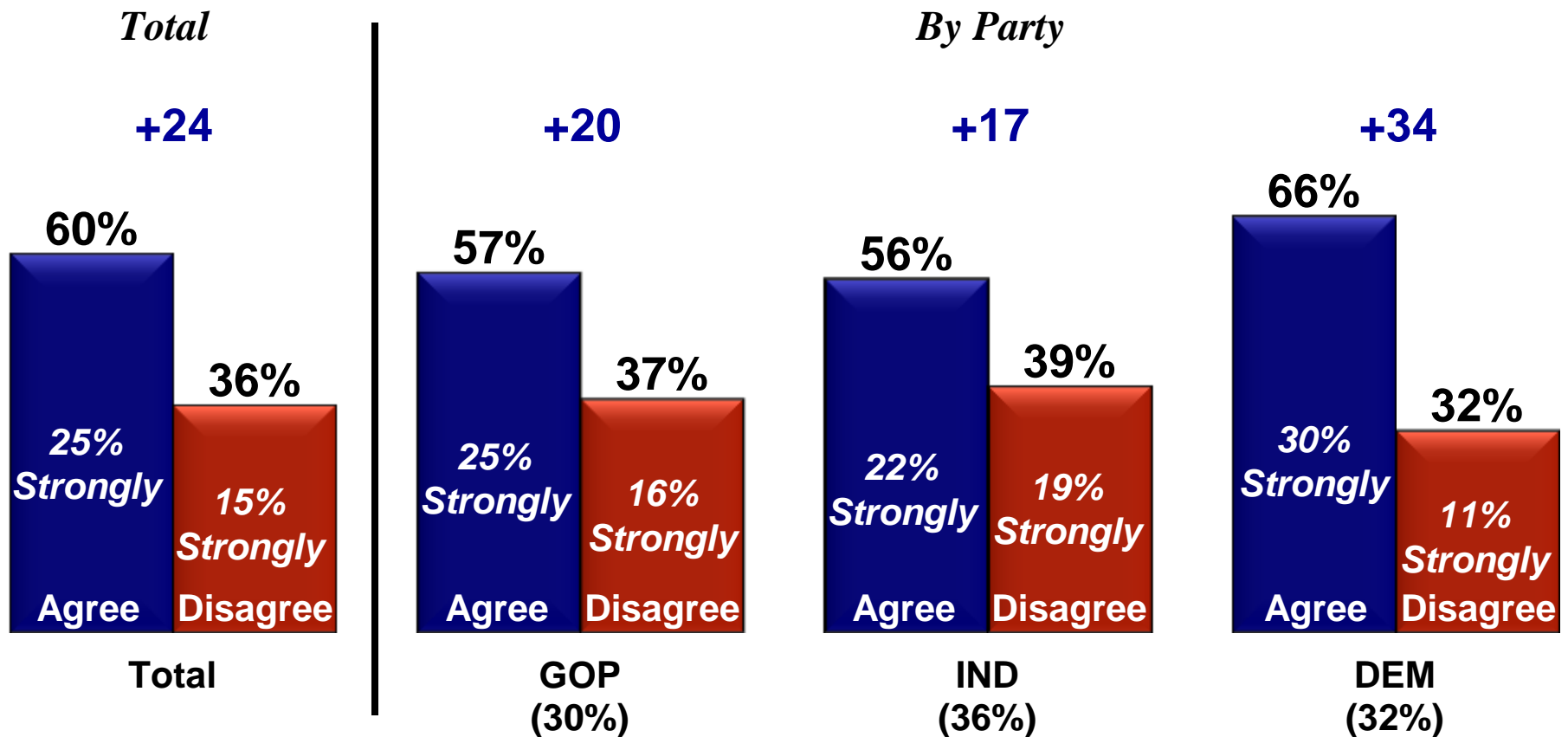


*In the next year, do you think home prices in your local area will... go up, go down ...or... stay about the same?*



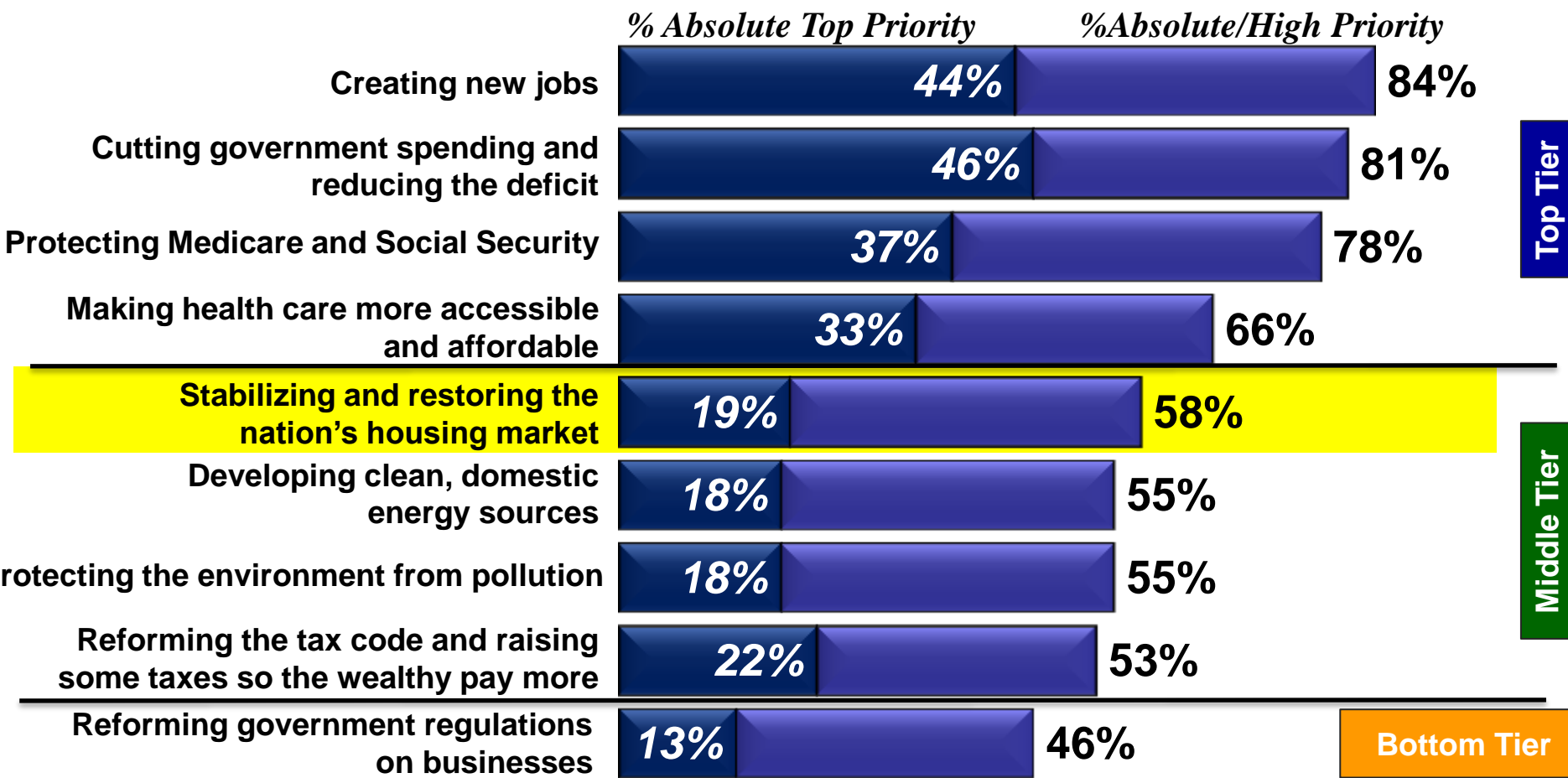
# Majorities across parties agree that dealing with the mortgage and foreclosure crisis is key to stabilizing the economy.

*Some people say that dealing with the mortgage and foreclosure crisis is key to stabilizing the economy. Do you agree or disagree with that statement?*



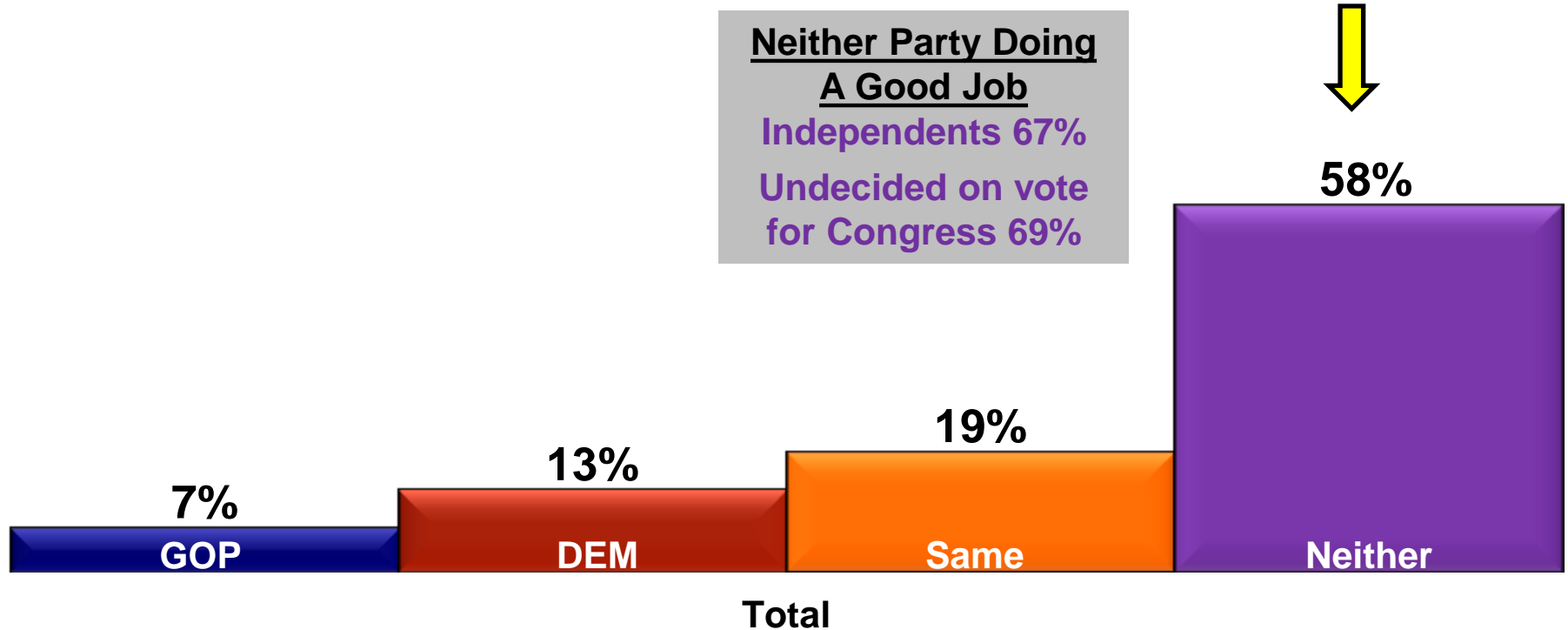
# Almost six-in-ten voters say stabilizing and restoring the nation's housing market is a high priority for the federal government.

*I am going to list some issues that have been proposed for the federal government to address. For each one, please tell me whether you think this issue should be an absolute top priority for the federal government to address, a high but not top priority, a medium priority, a lower priority or do you think this should not be a priority for the federal government to address.*



# The majority of voters believe neither party is doing a good job of stabilizing and restoring the nation's housing market.

*When it comes to stabilizing and restoring the nation's housing market, which party do you think is doing a better job – the Democratic Party, the Republican Party – or both about the same? If you think that neither is doing a good job, please just say so.*





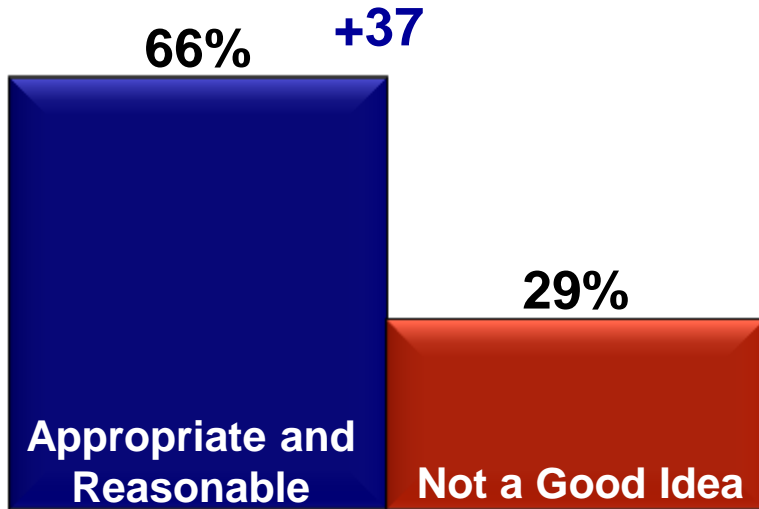
# Home Ownership Policies/Proposals



- ✓ **There is broad support for government policies that encourage home ownership.**
- ✓ **Most voters oppose a reduction or elimination of federal support for making sure home loans remain readily available and affordable.**
- ✓ **And, the majority of voters oppose a series of proposals that would affect home mortgage interest deductions.**

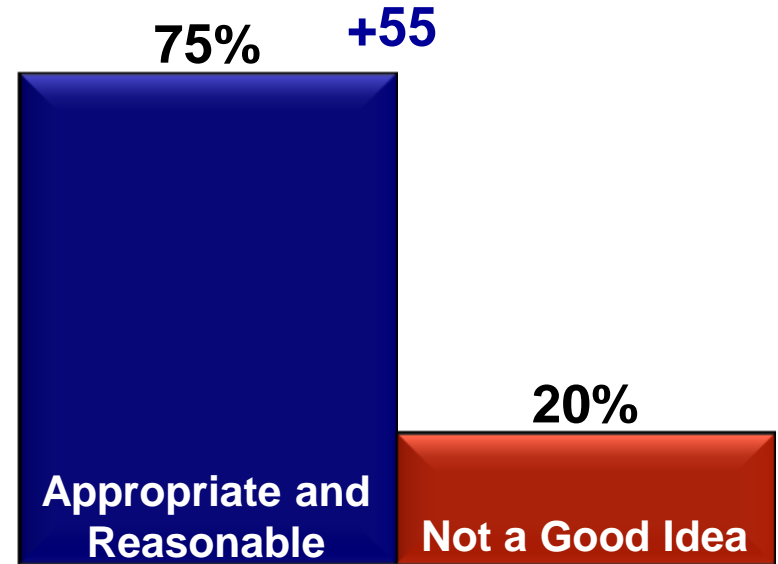
# Voters believe it is appropriate and reasonable for the federal government to help home buyers afford long-term mortgages and to provide tax incentives that promote home ownership.

*In today's housing finance market, the federal government plays a role to ensure that 30-year, fixed rate home loans remain readily available and affordable. In general, do you think it is appropriate and reasonable for the federal government to help home buyers afford a long-term or 30-year fixed rate mortgage, or do you think that is not a good idea?*



Total

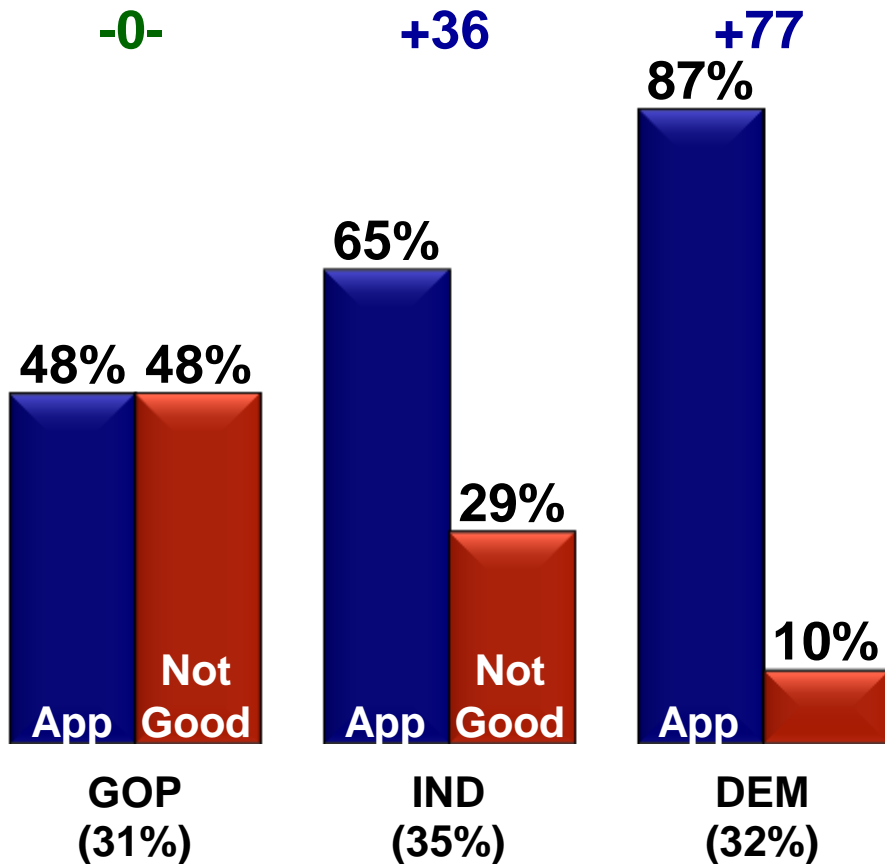
*Now, as you may know, since the federal income tax was introduced in 1913, the federal government has used the tax code to encourage home ownership. In general, do you think it is appropriate and reasonable for the federal government to provide tax incentives to promote home ownership or do you think that is not a good idea?*



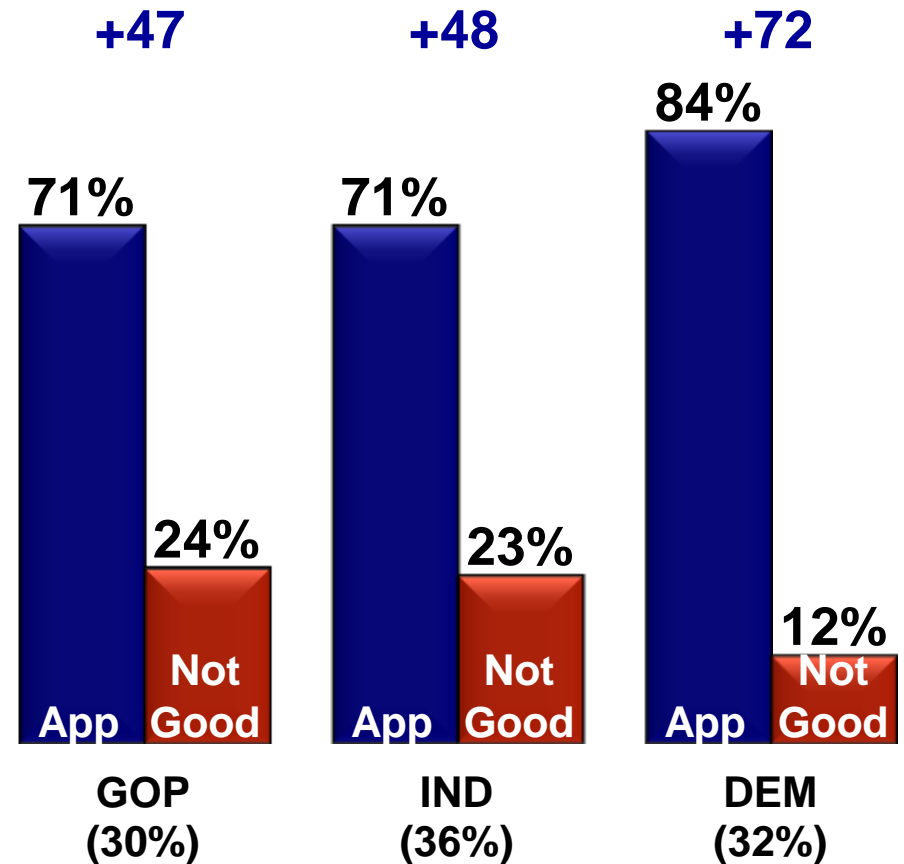
Total

# Voters of all political stripes agree that tax incentives to promote home ownership are appropriate and reasonable.

*Government Helping with Mortgage:  
By Party*

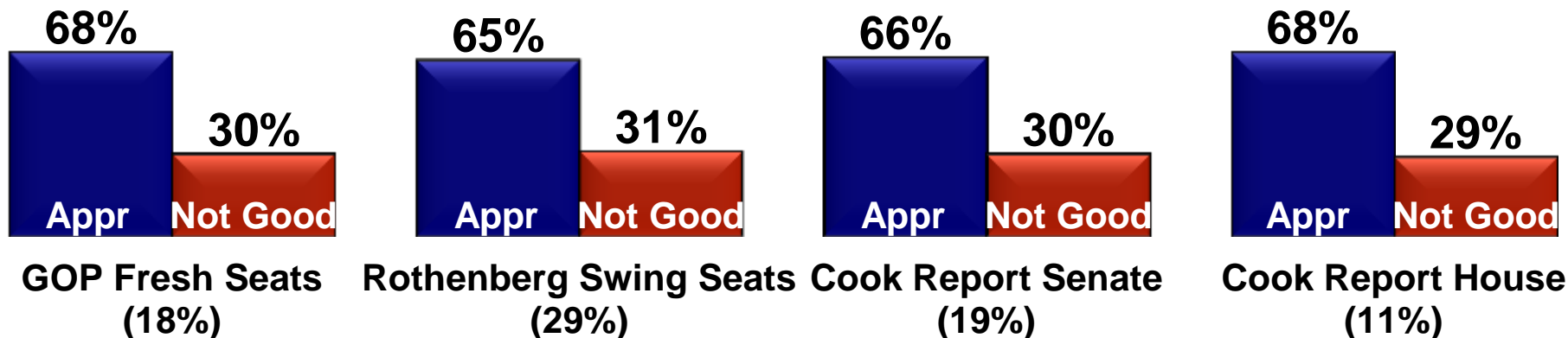


*Tax Incentives to Promote Home Ownership:  
By Party*

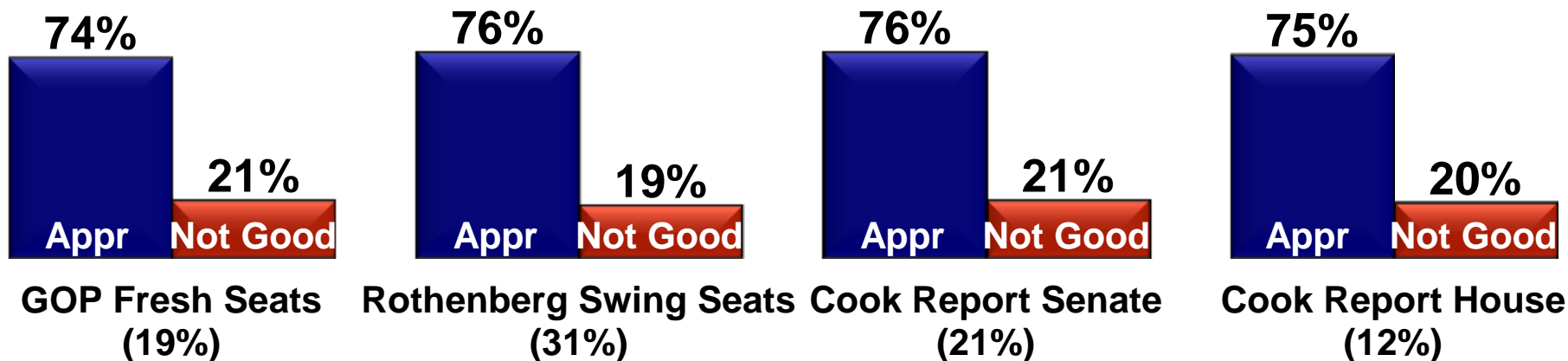


# Voters in key "swing areas" perceive government assistance as appropriate and reasonable.

## *Government Helping with Mortgage: By Swing Areas*

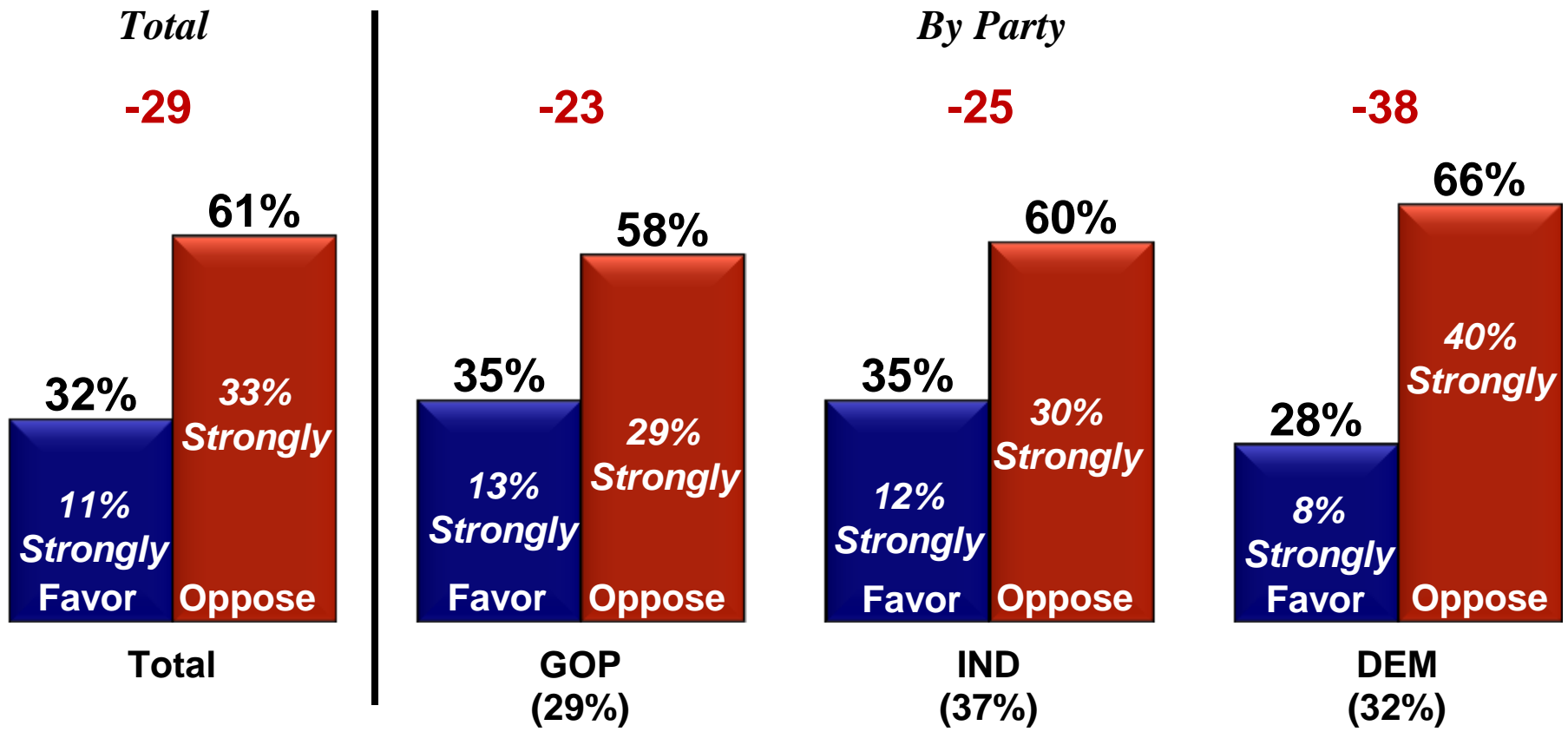


## *Tax Incentives to Promote Home Ownership: By Swing Areas*

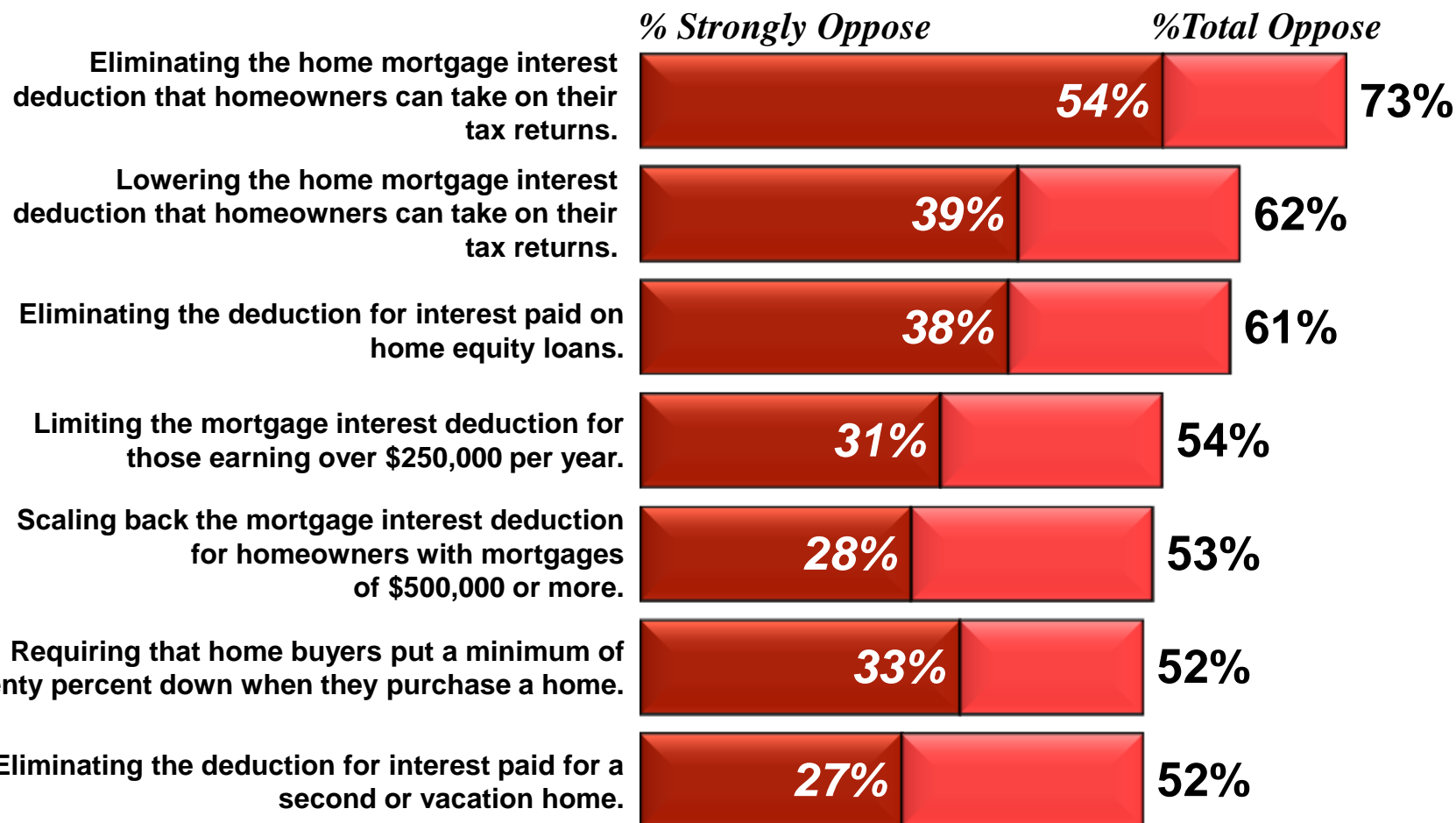


# There is solid opposition to the reduction or elimination of federal support that ensures home loans remain readily available and affordable if it means it would raise interest rates.



*In today's housing finance market, the federal government plays a role to ensure that home loans remain readily available and affordable. Would you favor or oppose reducing or eliminating this federal support if it means consumers will have to pay higher interest rates for mortgages? (N=750)*



# And, most voters are opposed to a series of proposals that would affect the mortgage interest deduction or home purchasing requirements.



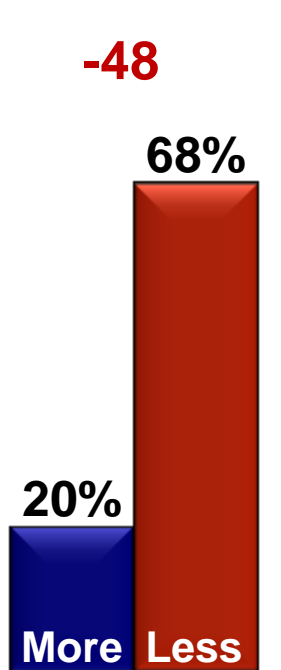
# Voters across party lines oppose the proposals.

<b>% Total Oppose To Proposals By Party</b>	 <b>(30%)</b>	<b>Independent (36%)</b>	 <b>(32%)</b>
Eliminating the home mortgage interest deduction that homeowners can take on their tax returns.	<b>77%</b>	<b>71%</b>	<b>71%</b>
Lowering the home mortgage interest deduction that homeowners can take on their tax returns.	<b>67%</b>	<b>63%</b>	<b>58%</b>
Eliminating the deduction for interest paid on home equity loans.	<b>64%</b>	<b>60%</b>	<b>58%</b>
Limiting the mortgage interest deduction for those earning over \$250,000 per year.	<b>64%</b>	<b>54%</b>	<b>45%</b>
Scaling back the mortgage interest deduction for homeowners with mortgages of \$500,000 or more.	<b>58%</b>	<b>52%</b>	<b>49%</b>
Requiring that home buyers put a minimum of twenty percent down when they purchase a home.	<b>52%</b>	<b>50%</b>	<b>56%</b>
Eliminating the deduction for interest paid for a second or vacation home.	<b>53%</b>	<b>49%</b>	<b>55%</b>

# A majority across party lines say they would be less likely to vote for a Congressional candidate who proposed to eliminate the home mortgage interest deduction.

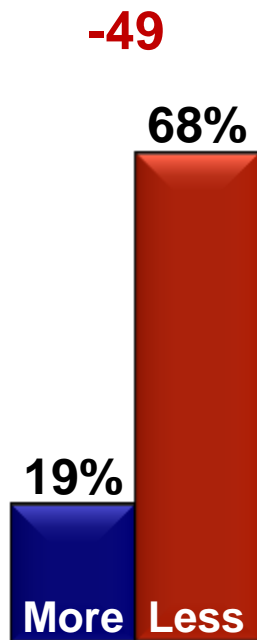
*Would you be more likely or less likely to vote for a candidate for Congress who proposed to eliminate the home mortgage interest deduction?*

*Total*

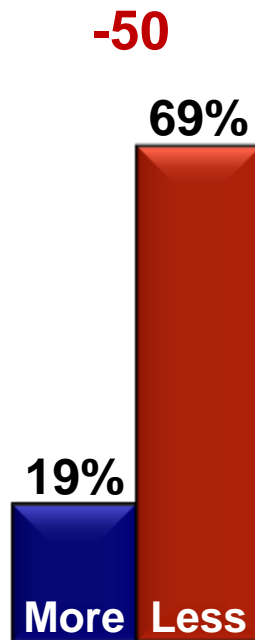


Total

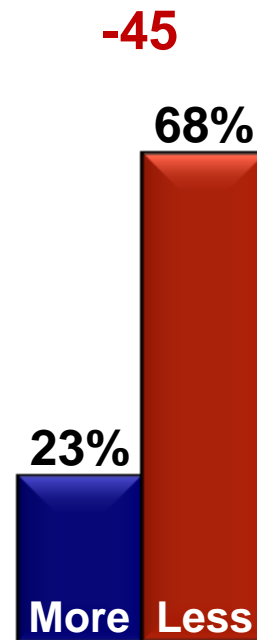
*By Party*



GOP  
(30%)

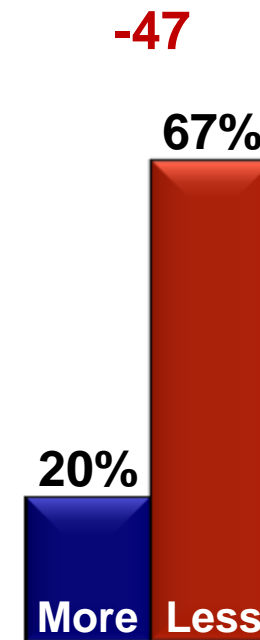


IND  
(36%)

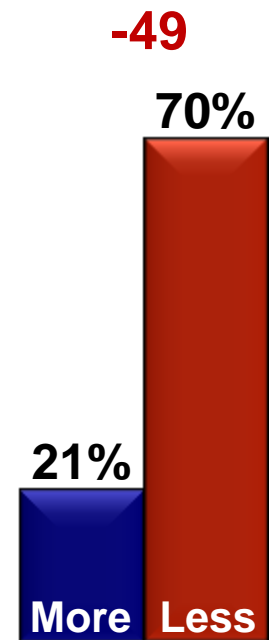


DEM  
(32%)

*By Tea Party Support*



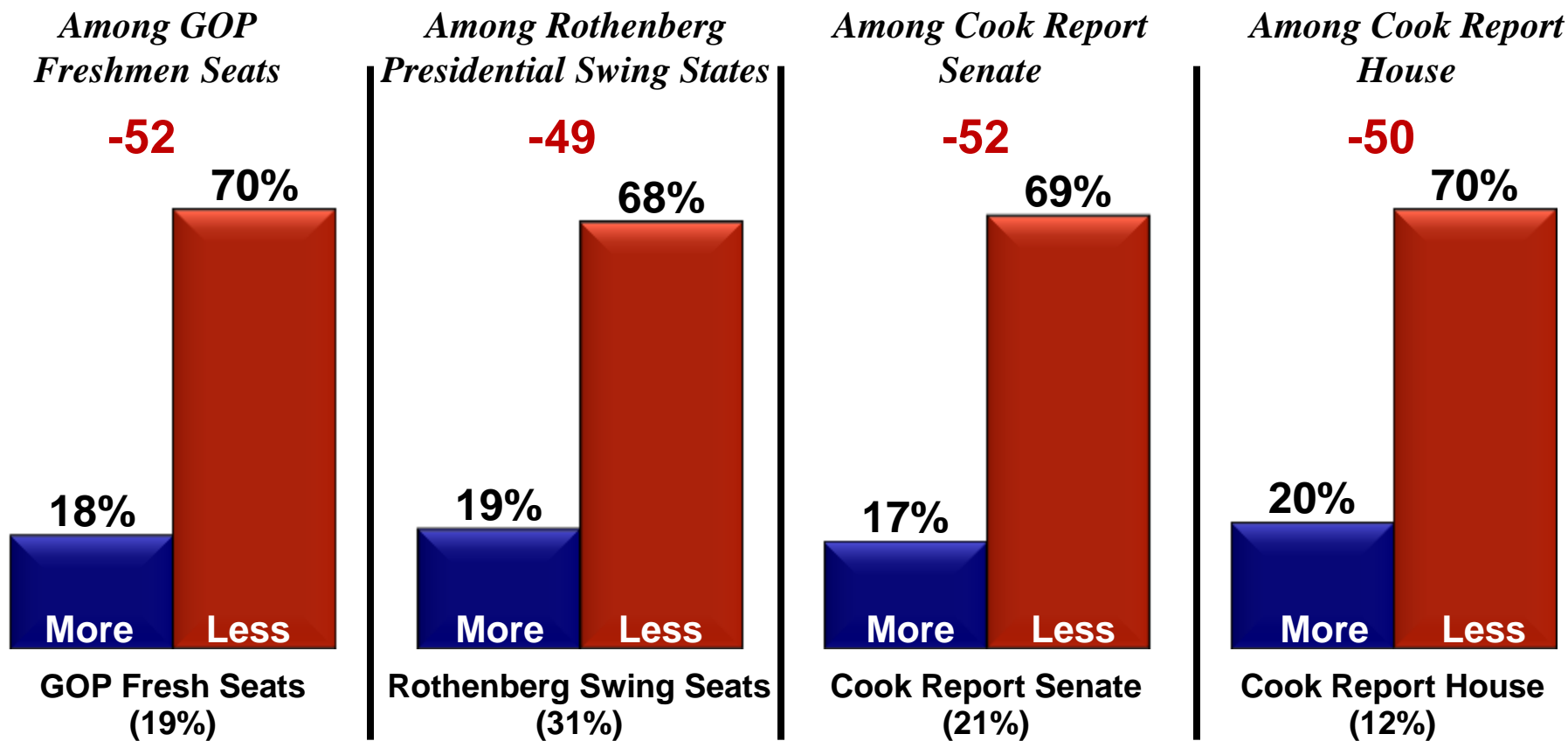
Support Tea Party  
(38%)



Oppose Tea Party  
(47%)

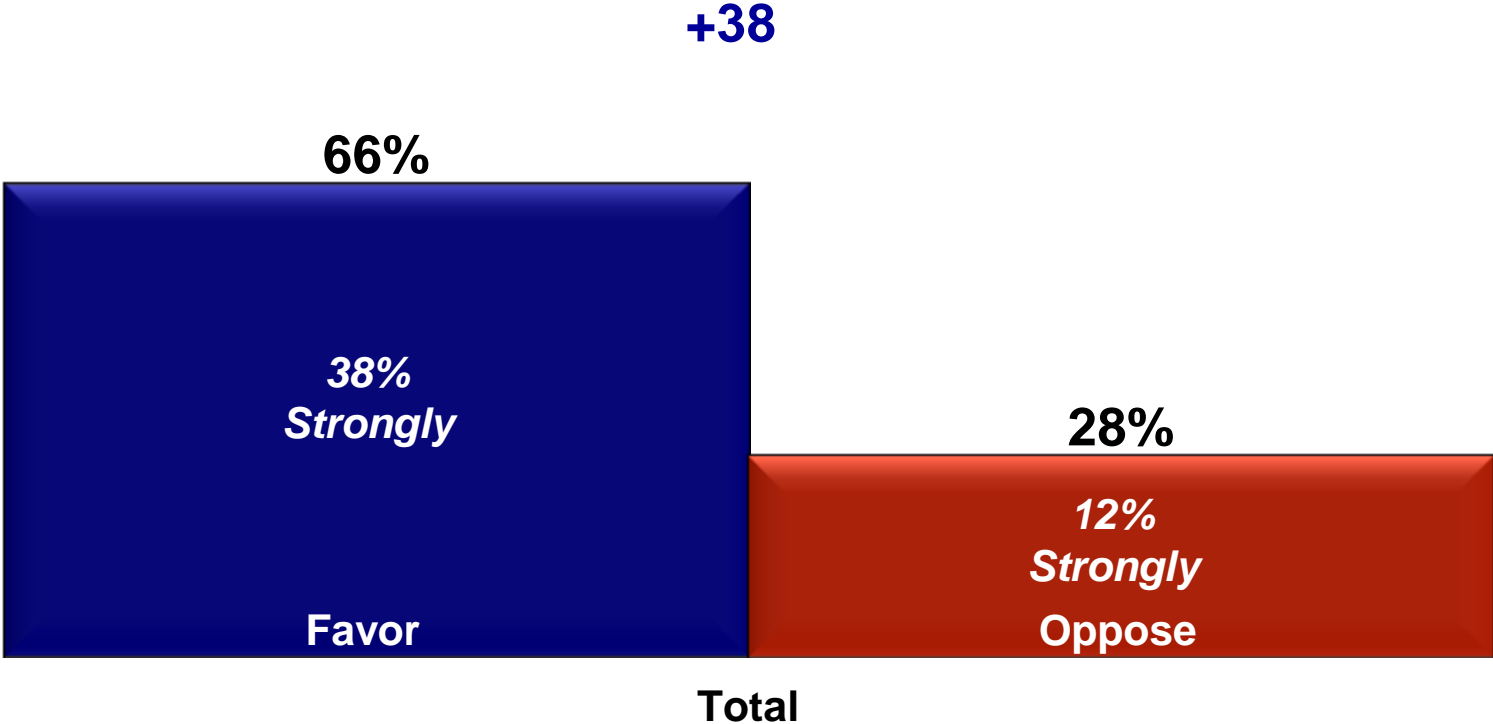
# Voters in America's "swing areas" would also be less likely to support a candidate who wanted to eliminate the mortgage interest deduction.

*Would you be more likely or less likely to vote for a candidate for Congress who proposed to eliminate the home mortgage interest deduction?*



# While two-thirds of voters start out favoring the idea of lowering federal income tax rates for individuals...

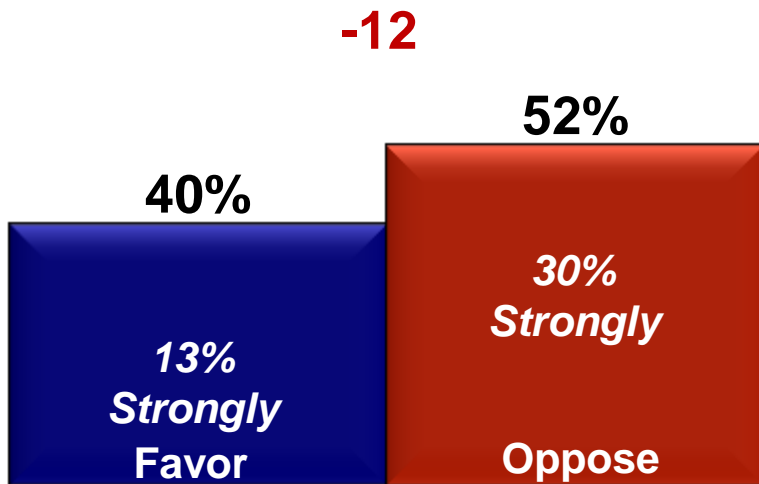
*Would you favor or oppose lowering federal income tax rates for individuals?*



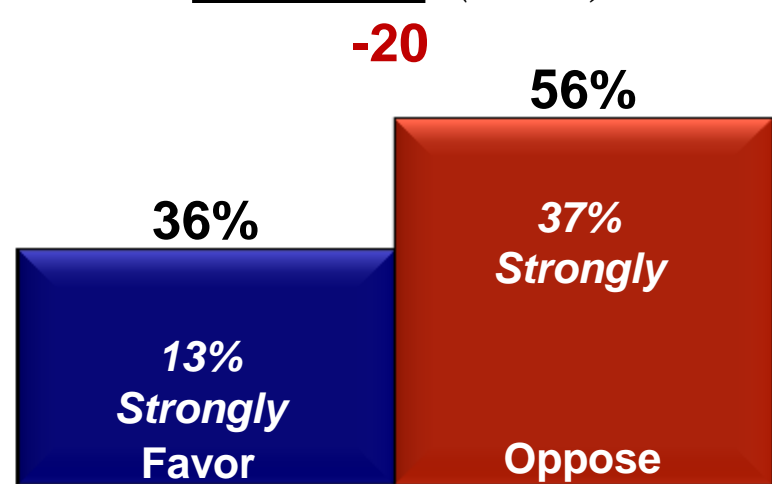
# ...they quickly reconsider the idea when they learn that lower income tax rates may mean reducing or eliminating tax deductions.

*Now, in order to lower federal income tax rates for individuals some people have proposed reducing or eliminating various tax deductions. Knowing this, would you favor or oppose lowering federal income tax rates for individuals if it meant that deductions, including the home mortgage interest deduction, would be reduced or eliminated? (N=750)*

*Now, in order to lower federal income tax rates for individuals some people have proposed reducing or eliminating various tax deductions. Knowing this, would you favor or oppose lowering federal income tax rates for individuals if it meant that the home mortgage interest deduction, the charitable giving deduction and the local income tax deduction would be reduced or eliminated? (N=750)*



Total



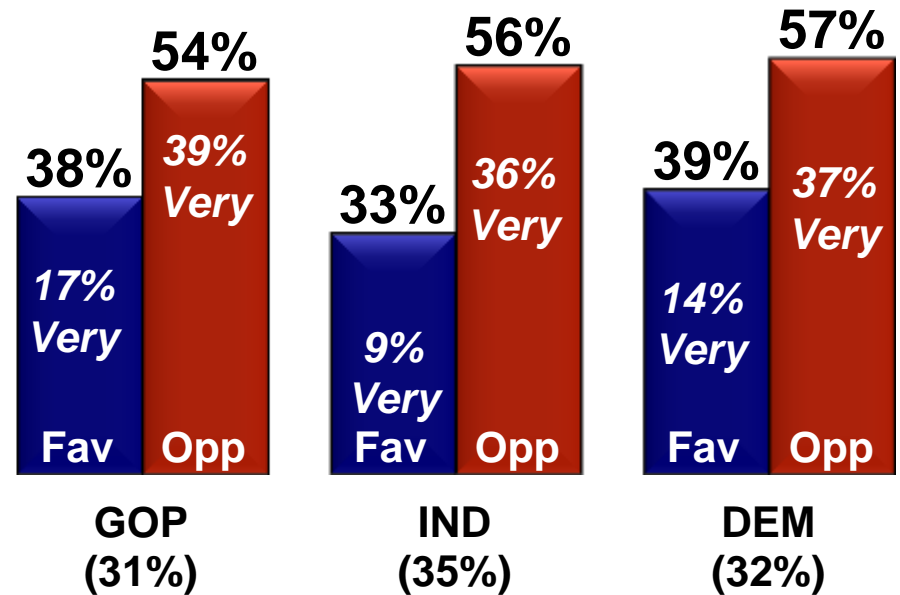
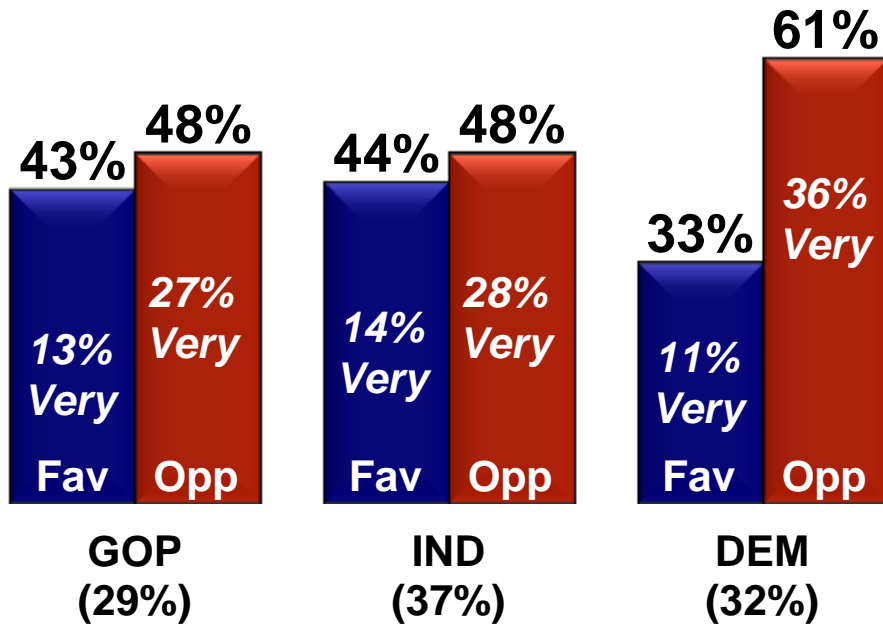
Total

# Voters of all political stripes rethink the idea of lowering income tax rates if deductions are reduced or eliminated.

*By Party*

*Now, in order to lower federal income tax rates for individuals some people have proposed reducing or eliminating various tax deductions. Knowing this, would you favor or oppose lowering federal income tax rates for individuals if it meant that deductions, including the home mortgage interest deduction, would be reduced or eliminated? (N=750)*

*Now, in order to lower federal income tax rates for individuals some people have proposed reducing or eliminating various tax deductions. Knowing this, would you favor or oppose lowering federal income tax rates for individuals if it meant that the home mortgage interest deduction, the charitable giving deduction and the local income tax deduction would be reduced or eliminated? (N=750)*





# Bottom Line

# BOTTOM LINE

- ✓ **Owning a home is still very much an integral part of achieving the American dream.**
- ✓ **Voters place great importance on home ownership and value the government's role to encourage it.**
- ✓ **There is little appetite for change to policies related to mortgage interest deductions.**



# Appendix

America's "Swing Areas" Defined



# House GOP Freshmen Seats:

Alabama, 2nd
Alabama, 5th
Arizona, 1st
Arizona, 3rd
Arizona, 5th
Arkansas, 1st
Arkansas, 2nd
Arkansas, 3rd
California, 19th
Colorado, 3rd
Colorado, 4th
Florida, 12th
Florida, 22nd
Florida, 24th
Florida, 25th
Florida, 2nd
Florida, 5th
Florida, 8th
Georgia, 7th
Georgia, 8th
Idaho, 1st
Illinois, 10th
Illinois, 11th
Illinois, 14th
Illinois, 17th
Illinois, 8th
Indiana, 4th
Indiana, 8th
Indiana, 9th

Kansas, 1st
Kansas, 3rd
Kansas, 4th
Louisiana, 3rd
Maryland, 1st
Michigan, 1st
Michigan, 2nd
Michigan, 3rd
Michigan, 7th
Minnesota, 8th
Mississippi, 1st
Mississippi, 4th
Missouri, 4th
Missouri, 7th
Nevada, 2nd
Nevada, 3rd
New Hampshire, 1st
New Hampshire, 2nd
New Jersey, 3rd
New Mexico, 2nd
New York, 13th
New York, 19th
New York, 20th
New York, 24th
New York, 25th
North Carolina, 2nd
North Dakota, At-Large
Ohio, 15th
Ohio, 16th

Ohio, 18th
Ohio, 1st
Ohio, 6th
Oklahoma, 5th
Pennsylvania, 10th
Pennsylvania, 11th
Pennsylvania, 3rd
Pennsylvania, 7th
Pennsylvania, 8th
South Carolina, 1st
South Carolina, 3rd
South Carolina, 4th
South Carolina, 5th
South Dakota, At-Large
Tennessee, 3rd
Tennessee, 4th
Tennessee, 6th
Tennessee, 8th
Texas, 17th
Texas, 23rd
Texas, 27th
Virginia, 2nd
Virginia, 5th
Virginia, 9th
Washington, 3rd
West Virginia, 1st
Wisconsin, 7th
Wisconsin, 8th



# Cook Report Swing Seats:

## *U.S. House*

CA-9
CA-24
CA-47
CT-5
IL-10
IL-17
KY-6
MD-6
NV-4
NM-1
NY-23
NY-26
TX-35
CA-26
CA-41
IL-12
IA-3
NJ-9

AZ-1
CA-7
CA-21
CA-31
CA-52
FL-22
IL-11
IL-13
NH-2
NJ-5
NY-9
NY-25
OH-16
TX-23
AR-4
CA-10
CO-6
FL-8
FL-25

NC-11
PA-12
UT-4
OH-6
OH-7
OK-2
PA-8
WA-8
WI-7
GA-12
IN-2
IA-4
MN-8
MO-2
NV-3
NH-1
NC-8
NC-7

## *U.S. Senate*

New Mexico
North Dakota
Wisconsin
Missouri
Nebraska
Montana
Virginia
Massachusetts
Nevada
Ohio
Florida
Hawaii

# Rothenberg's Swing States:

## *Presidential Swing States*

Colorado
Florida
Indiana
Iowa
Minnesota
Nevada
New Hampshire
New Mexico
North Carolina
Ohio
Pennsylvania
Wisconsin
Michigan
Virginia



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