

Home Purchasing and Mortgages - US - 2023

Report Price: £3695 | \$4995 | €4400

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This report looks at the following areas:

- Home types considered in the purchase process
- Mortgage lender sources
- Home purchase timing
- Down payment planning
- Home purchase motivations
- Attitudes toward home purchasing and mortgages

One in three consumers conducted the majority of their home search online, a strong uptick from last year's data, suggesting that digital home search tools are here to stay and not just the product of a post-pandemic temporary need. While such tools have increased the convenience of the home search process, they also have diminished some of the emotional gravitas of the ultimate purchase, with fewer consumers regarding a home as the most important purchase they will ever make.

Inflation has exacerbated affordability concerns for most consumers, as declining personal savings rates have combined with increased mortgage rates to make home purchasing a significant affordability challenge for many consumers.

This diminished affordability has reduced demand for new homes, but prices remain high due to insufficient supply and unfavorable rates. This provides a clear challenge to home sellers and mortgage providers, as many future homebuyers choose to prolong their home purchase timeline rather than assume such a significant financial burden during a less than ideal market context.

However, opportunity exists among new construction homes, which are receiving additional consideration from homebuyers who are increasingly independent in their decision-making and prioritizing similarly individualized considerations such as personal space. Additionally, young low-earning



"Consumers are changing the way they approach home purchasing, leaning more on digital tools to streamline the search process and looking to intrapersonal and digital sources to find their mortgage lenders."

- Patrick Rahlfs, Senior Research Analyst

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consumers are largely dissatisfied with their current living conditions, motivating many to seek a home purchase in the near term despite affordability concerns.



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