

Half of Non-Homeowners Expect to Buy Homes in Five Years

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<http://www.gallup.com/poll/210008/half-non-homeowners-expect-buy-homes-five-years.aspx>



by [Jeffrey M. Jones](#)

WASHINGTON, D.C. -- Roughly half of U.S. adults who currently do not own a home, 49%, say they will buy a home within the next five years, up slightly from recent years. An additional 20% say they plan to purchase a home in the next 10 years, leaving just 28% who expect to remain renters or in other living arrangements for the foreseeable future.

U.S. Non-Homeowners Mostly Intend to Buy Homes in the Future

Based on what you know right now, do you think you will buy a home in the next year, in the next five years, in the next 10 years or are you unlikely to buy a home in the foreseeable future?

	Next year	Next five years	Next 10 years	Not in foreseeable future
	%	%	%	%
2017 Mar 9-29	10	39	20	28
2016 Apr 6-10	9	32	18	38
2015 Apr 9-12	7	36	15	41
2013 Apr 4-14	8	37	22	31
Gallup				

The results are based on interviews with 502 non-homeowners in a March 9-29 Gallup poll. They indicate that a majority of this group plans to buy homes in the near future, including 10% over the next 12 months, 39% in the next five years and 20% within 10 years.

The U.S. housing market has largely recovered from the severe downturn that occurred after the housing bubble burst in the mid-2000s. Gallup recently reported that 61% of Americans expect [housing prices in their area](#) to increase in the coming year, the highest percentage making that prediction since 2005.

One reason prices are rising is that housing supply is not keeping up with demand in many markets. The limited number of properties for sale often receive multiple bids from the large number of families seeking houses. That dynamic is raising concerns that certain markets may become overheated.

The poll results indicate that housing demand will remain strong. Of course, financial realities such as having a stable source of income, having enough money for a down payment and the availability of affordable housing may hinder those intentions from becoming a reality.

Most non-homeowners aged 55 and older do not plan to buy homes in the near future, but most younger adults do. Fifty-eight percent of those aged 35 to 54 expect to buy within the next five years, as do 52% of those aged 18 to 34. An additional 31% of 18- to 34-year-olds plan to buy within the next 10 years, leaving only 14% in this age group not thinking of buying a home in the next decade.

Younger Non-Homeowners Expect to Buy Homes in the Future

Based on what you know right now, do you think you will buy a home in the next year, in the next five years, in the next 10 years or are you unlikely to buy a home in the foreseeable future?

	18 to 34 years old	35 to 54 years old	55+ years old
	%	%	%
Within the next year	8	13	7
Within the next five years	44	45	15
Within the next 10 years	31	8	8
Not in the foreseeable future	14	28	65
Gallup			

Southern residents' buying intentions within the next five years exceed the

national average, while Eastern residents' intent is below average -- although the results are not conclusive because of limited sample sizes.

Homeowners Largely Expect to Stay Put

Most U.S. adults who own their home, 64%, do not think they will sell it for the foreseeable future. On the other hand, 20% expect to sell within the next five years, including 4% in the next year, while 13% plan to sell within the next 10 years. These results are nearly identical to what Gallup found when it previously asked this question in 2013.

Most U.S. Homeowners Do Not Plan to Sell Their Homes for the Foreseeable Future

Based on what you know right now, do you think you will sell your home in the next year, in the next five years, in the next 10 years or are you unlikely to sell your home in the foreseeable future?

	Next year	Next five years	Next 10 years	Not in foreseeable future
	%	%	%	%
2017 Mar 9-29	4	16	13	64
2013 Apr 4-14	5	15	13	66
Gallup				

The data suggest that younger homeowners may be more inclined than older homeowners to sell their home in the next five years.

Homeowners sell their homes for a variety of reasons, most commonly because of a change in life circumstances -- a new job, having children or after grown children move out of the house. About half of U.S. homeowners who plan to sell their home within the next 10 years, 49%, are looking to downsize -- saying they plan to buy a smaller or less expensive home than they have now. Roughly three in 10 say they are looking to buy a bigger or more expensive home. Most of the rest, 13%, indicate they will rent a new place to live.

These results are also similar to what Gallup measured four years ago.

Most Homeowners Planning to Sell Are Looking to Downsize

After you sell your home, do you think you will -- [ROTATED: buy a bigger or more expensive home than you own

now, buy a smaller or less expensive home than you own now, or rent a place to live]?

	2017 Mar 9-29	2013 Apr 4-14
	%	%
Buy a smaller or less expensive home than you own now	49	47
Buy a bigger or more expensive home than you own now	29	32
Rent a place to live	13	13
Buy same size home/same payments (vol.)	2	2
Move to another place I already own (vol.)	1	1
Live in nursing/retirement home (vol.)	1	1
Live with relatives for free (vol.)	--	1
Other	2	1
No opinion	3	1

Based on homeowners who are planning to sell their home within the next 10 years; (vol.) = Volunteered response

Gallup

Consistent with what one might expect, older homeowners planning to sell are more likely to say they will buy a smaller and less expensive house, while younger homeowners are more likely to be looking to purchase a larger home.

Implications

Homeownership remains an aspiration for the vast majority of Americans who do not currently own a home -- about seven in 10 non-homeowners expect to buy a home within the next 10 years. This indicates that the market for real estate sales should remain strong.

However, these results also indicate that demand for homes may not keep up with supply. A higher percentage of non-homeowners plan to buy homes in the next five years than homeowners plan to sell homes. The two percentages do not need to match for supply to equal demand because there are roughly three homeowners for every two non-homeowners. At the same time, most homeowners who sell their home will also need to find a new place to live, further adding to the demand for real estate.

Some of the shortfall in housing supply can be made up by new construction,

which might indicate a construction boom is on the horizon, if not already underway. But if real estate demand continues to outpace real estate supply, home prices will continue to rise and could rise beyond what most Americans can afford. To the extent that happens, many would-be homeowners may not be able to achieve their goal of owning a home.

Historical data are available in [Gallup Analytics](#).

Survey Methods

Results for this Gallup poll are based on telephone interviews conducted March 9-29, 2017, with a random sample of 1,526 adults, aged 18 and older, living in all 50 U.S. states and the District of Columbia. For results based on the total sample of national adults, the margin of sampling error is ± 3 percentage points at the 95% confidence level.

For results based on the total sample of 1,015 homeowners, the margin of sampling error is ± 4 percentage points at the 95% confidence level.

For results based on the total sample of 502 homeowners, the margin of sampling error is ± 5 percentage points at the 95% confidence level.

For results based on the total sample of 352 homeowners who think they will sell their home in the next five years, the margin of sampling error is ± 5 percentage points at the 95% confidence level.

All reported margins of sampling error include computed design effects for weighting.

Each sample of national adults includes a minimum quota of 70% cellphone respondents and 30% landline respondents, with additional minimum quotas by time zone within region. Landline and cellular telephone numbers are selected using random-digit-dial methods.

[View survey methodology, complete question responses and trends.](#)

Learn more about how the [Gallup Poll Social Series](#) works.