



More Renters Put Moving Plans On Hold Even As Financial Optimism Grows, Says New Freddie Mac Survey

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MCLEAN, VA--(Marketwired - Apr 10, 2017) - More renters are optimistic about their financial situations and expect to stay where they are even if their rents increased, according to new research released today by Freddie Mac (OTCQB: FMCC). Meanwhile, a declining number of renters say they are working toward homeownership, expect to buy a home, or move within the next few years.

According to the latest [Freddie Mac renter survey pdf](#), renters today are also saying renting is a good choice for them, expect renting to stay affordable, and would move into a smaller rental unit to be closer to a city. While sentiments differ among urban, suburban and rural households, nationally those saying they expect to rent their next home increased to 59 percent from 55 percent since Freddie Mac's last renter survey in September 2016.

"It would appear from our new survey that renters today feel better about their finances, like where they are living, and view renting favorably. This is consistent with findings from earlier surveys that show a steadily growing number of renters have a positive view of renting," said David Brickman, executive vice president of Freddie Mac Multifamily.

According to the survey released today, renter sentiments about their financial situation have improved since our last survey in September 2016. Specifically, 41 percent of renters now say they have enough money to last beyond each payday, up from 34 percent in September, while those who say they cannot afford essentials fell from 20 percent to 14 percent. Those saying they have enough to cover their expenses from payday to payday is relatively unchanged at about 45 percent.

Financial confidence rose for renters in all age groups no matter where they live. The biggest increases were among rural households, up from 27 percent to 46 percent, and Baby Boomers, up from 38 percent to 48 percent.

Fewer Renters Say They Plan to Move

The increase in personal financial confidence, so far, has not triggered an increase in renter moving plans. Rather, the number of renters who don't know when they expect to move rose to 37 percent from 30 percent while those who expect to move during the next two years fell from 38 percent to 33 percent since September. What's more, 55 percent of all respondents, and 60 percent of 35- to 49-year olds, say they like where they live and don't plan to move if their rents rose.

The number of renters who say renting is a good choice for them now rose to 52 percent from 46 percent since January 2016. Views on rent affordability have remained relatively flat at 68 percent.

The number of renters who say they plan to rent their next home rose from 55 percent to 59 percent since September 2016. The biggest increases were among suburban households, up from 48 percent to 57 percent, and younger Millennials (ages 18-24), which rose from 64 percent to 73 percent.

While homeownership remains on the horizon, the percentage of renters who expect to own fell to 41 percent from 45 percent since September 2016. Similarly, in response to a related question, the number of renters who say they are working toward homeownership fell from 21 percent to 15 over the same period.

The Freddie Mac survey also indicates a preference for living in urban areas even if it means moving into a smaller home. Seventy-five percent of the renters surveyed say they would consider downsizing in order to live in an urban area, with half of those saying they are either very or fairly willing to downsize.

Conducted in March for Freddie Mac by the Harris Poll, the findings are based on responses from 1,282 renters in urban, suburban, and rural markets, including Millennials (aged 18-34), Gen-X'ers (35-49) and Baby Boomers (50-68).

Additional details about the research, including charts, are on the [Freddie Mac website](#).

Survey Methodology

Freddie Mac's custom renter research is based on a survey conducted online March 3 - March 6 among 4,283 adults aged 18 and over, including 1,282 renters, by Harris Poll, on behalf of Freddie Mac, via its QuickQuery omnibus product. The previous survey was conducted online within the U.S. Aug. 31 - Sept. 6 among 4,105 adults aged 18 and older, including 1,362 renters, by Harris Poll on behalf of Freddie Mac via its QuickQuery omnibus product. Figures for age, sex, race/ethnicity, education, region and household income were weighted where necessary to bring them into line with their actual proportions in the population. Propensity score weighting was used to adjust for respondents' propensity to be online.

About Freddie Mac

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MEDIA CONTACT:

Brad German

Freddie Mac

703-903-2645

Brad_German@FreddieMac.com

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