



Majority of 55+ Homeowners Confident of Financially Comfortable Retirement, Finds New Freddie Mac Survey

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55+ers Poised to Have Significant Impact on Housing Market

MCLEAN, VA--(Marketwired - Jun 8, 2016) - Three out of four homeowners born before 1961 are confident they will have a financially comfortable retirement according to the Freddie Mac 55+ Survey, a comprehensive survey of the housing perceptions and preferences of Americans over the age of 55 released today by Freddie Mac (OTCQB: FMCC).

The first Freddie Mac 55+ Survey also found that the majority of homeowners in this age group were very satisfied with their homes, their communities and their quality of life. Consistent majorities also said homeownership makes financial sense at almost every stage of adult life, whether or not a person is married or has children.

"The overwhelming message of the Freddie Mac 55+ Survey is that homeownership works. The American Dream delivered greater financial stability and satisfaction to the homeowners who lived through every recession since the 1970s, including the housing crisis of 2008," said Dave Lowman, executive vice president of Single-Family Business at Freddie Mac.

In addition, while many over the age of 55 would prefer to age in their current home, nearly 40 percent said they would prefer to move at least one more time, and 70 percent of those said they are likely to purchase their next home. According to Lowman, this will create significant opportunities and challenges for the industry for years to come.

"The decisions the nation's Baby Boomers and other older homeowners make will have an enormous impact on the demand for housing and new mortgage credit for the foreseeable future," Lowman said. "Whether they buy new homes or decide to refinance and renovate their current ones, the size of this generation and the fact that they hold close to two-thirds, approximately \$8 trillion, of the nation's home equity makes it very important that we watch what they do."

Conducted by GfK on behalf of Freddie Mac, the Freddie Mac 55+ Survey is based on responses from nearly 6,000 homeowners and renters. The Survey explored other questions related to the housing preferences, retirement plans and financial concerns of Baby Boomers and older homeowners.

Freddie Mac plans to release a separate analysis of 55+ renters once it is complete.

Methodology

GfK conducted an online survey on behalf of Freddie Mac using the GfK KnowledgePanel® from February 10-23, 2016. A total of 5,914 interviews were completed online, including oversamples of African-Americans, Hispanics and Asians, obtained through additional opt-in sample. Interviews were conducted in both English and Spanish. GfK's KnowledgePanel® is the only large-scale online panel based on a representative random sample of the U.S. population. The margin of sampling error was +/- 1.27 percentage points for the full sample. Sampling error is higher for subgroups. See the [report](#) for the full methodology.

Freddie Mac was established by Congress in 1970 to provide liquidity, stability and affordability to the nation's residential mortgage markets. Freddie Mac supports communities across the nation by providing mortgage capital to lenders. Today Freddie Mac is making home possible for one in four homebuyers and is the largest source of financing for multifamily housing. www.FreddieMac.com. Twitter: [@FreddieMac](https://twitter.com/FreddieMac)

The Freddie Mac 55+ Survey Key Findings

Baby Boomer Homeowners Expect a Financially Comfortable Retirement

- Overall, 76 percent of homeowners over the age of 55 are confident they will have a financially comfortable retirement, according to the Freddie Mac 55+ Survey. Majorities in every demographic group surveyed share this confidence to varying degrees: African-Americans (77 percent), Hispanics (64 percent), Asians (80 percent), homeowners who are currently working (74 percent), as well as homeowners earning less than \$30,000 (55 percent).
- The Freddie Mac 55+ Survey also shows consistently strong links between homeownership and a person's satisfaction with their home, community and financial situations. Specifically, 59 percent of homeowners are "very satisfied" with their communities, 64 percent with their current home, and 54 percent with their quality of life.
- A majority also believe homeownership makes financial sense for most Americans. Specifically, 96 percent feel homeownership makes financial sense for people who are either married with children or between 35-49 years of age. Smaller majorities said homeownership makes sense for people over 55 (87 percent), married couples without children (85 percent), single people with children (79 percent), and single people without children (53 percent).

- In terms of helping others become homeowners, nearly 25 percent of the respondents say they have already helped someone financially with a down payment.

Why Baby Boomers Drive the Housing Market for Millennials

- The Freddie Mac 55+ Survey also identified a number of other opportunities and challenges for the housing industry that will stem from the decisions Baby Boomers and other older homeowners make over the next few years.
- For example, 63 percent of the 55+ homeowners surveyed say they prefer to age in place if they had complete control over it. However, nearly 40 percent indicate they would prefer to move at least one more time. This suggests nearly 27 million homeowners over age 55 may move again. When asked when they expect to move next, 13 percent think they will move within four years.
- Of those homeowners who would consider moving, 12 percent believe their next home will be more expensive than their current one, while 37 percent believe it will be in the same price range, and half believe it will be less expensive. At the same time, 23 percent of homeowners say they would have to make major renovations in order to age in place.
- 55+ers cite cost and convenience as the top factors influencing whether to move and where to live: affordability of living in a particular community (46%); having the amenities needed to live there for many years after I retire (44%); less maintenance (41%); having a place where I was no longer responsible for caring for the property (e.g. yard work, snow removal) (30%); proximity to other family members (31%); being in a walkable community (28%); having abundant services for adults my age (25%); access to public transportation (17%); warmer climate (19%); having a place that is smaller than my current home (e.g. downsizing) (19%).

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