

Survey: 69 Percent of Renters Plan to Continue Renting for up to 5 More Years

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ARLINGTON, VA -- A new survey commissioned by the National Apartment Association finds 67 percent of current renters will not make the move to buy their own home in the next year. Apartment occupancy is at an all-time high.

In fact, NAA also reports that occupancy rates in rental housing have seen the largest annual increase (1.5M units) in history dating back to 1965, based on the Commerce Department Data Series. This increase has produced an all-time record high of the number of rental housing units in the country, now totaling 34.7 million units or about 83 million persons.

"The country is deep into the discussion of the economic fallout of sub-prime mortgage lending. However, little attention has been paid to how the crisis is impacting people's choices to stay in rental homes and wait out the storm," said National Apartment Association (NAA) President Douglas Culkin. "The results of this survey reflect what our membership is experiencing across the country. Renters are not eager to take a chance on homeownership this year. If the economy improves, that trend may abate, but, for now, people are generally staying put."

Among the key findings in the National Apartment Association survey:

--Consumer confidence is low - it's going to get worse before it gets better: 80 percent of U.S. adults believe that the current housing market situation will worsen or stay the same over the next six months.

--Renters not eager to take a chance on home ownership anytime soon: 69 percent of renters said they plan to stay renters for up to five more years.

--Renters are staying put: 50 percent of renters plan to continue renting their current residence for the next year and 46 percent of non-homeowners have no plans to buy a residence within the next year.

--Homeowners shy of making any quick changes: 72 percent of homeowners plan to remain in their current home over the next year.

--Renting seen as favorable to owning: 71 percent of adults feel that there are advantages to renting vs. owning in the current real estate market, 48 percent citing financial reasons (e.g. not being impacted by unpredictable housing values and mortgage rates) over more traditional reasons such as amenities packages (18 percent) or the flexibility of a short-term lease (32 percent).

--Economic fallout from the mortgage crisis beginning to affect even non-homeowners:
39 percent of adults feel that the financial security of renters and homeowners is equally
affected by the current stage of the housing market ó illustrating that an economic impact
of the mortgage crisis is also being felt by non-homeowners.