

2008 Home Ownership Rates by Age

- 60-64 years: 80.9%
- 55-59 years: 79.4%
- 50-54 years: 76.4%

Source: Homeownership Rates By Age, (U.S. Census Bureau, Mar. 5, 2009).

Characteristics about what the 50+ Homeowner wants in a Community

The factors that 50+ Homeowners desire and consider important features include:

- design and look of the community
- a sense of community - closeness to family and friends
- location convenient to work, shopping, medical offices and activity such as dining or recreation with a suburban feel
- limited –sized home with a max of 3 bedrooms, and a first-floor master, preferably one-level living
- smaller home, more amenities
- low maintenance housing
- activities designed to meet their needs

50+ Housing Facts

- Most homeowners age 55+, like their parents, are choosing to “age in place,” but a large and growing number—more than 1.2 million households—are choosing to move to communities designed to meet their needs.
- The main reasons for moving to a 55+ owner-occupied community were family or personal reasons, financial or employment reasons, and the desire to have a higher quality home. In multi-family communities, family was the number one reason, but reducing costs and increasing quality were also top priorities.
- Home and community location relative to work location are important for a growing number of 55+ households.
- Active adult communities are attracting more buyers who are age 60 and under.
- The share of home buyers in age-qualified communities with some college education or more increased from 50% in 2001 to 73% in 2007.
- The share of minorities has trended upward in age-qualified and other 55+ owner-occupied communities, and is likely to continue. The 55+ housing market is likely to become more racially and ethnically diverse.

- **Prefer Suburban Life** - The majority of respondents prefer a home in a suburb, with 32% wanting to live in close-in suburbs and 31% in outlying suburbs. In comparison, 28% prefer a rural community, while only 9% want to live in a central city.
- **One-Level Living** - Respondents overwhelmingly prefer a single-story home (79%) over a two-story home (15%) or a split-level home (7%).
- **“Same-Sizing” the New Home:** The median size of the respondents’ present home is 1,886 square feet, compared to the median 1,903 square feet they want in a new home. More than half of respondents (51%) prefer three bedrooms, while 18% want four or more bedrooms. About three-quarters prefer the master bedroom on the first floor.
- **Downsize on the Price:** The median price respondents expect to pay for their next home is \$189,426, which is less than the median price of \$198,119 paid by those respondents who bought a home within the last three years. This compares to their current home, which has an average market value of \$267,401.
- **Top Five Inside Features:** The five features rated most important were: washer and dryer in the home/unit, storage space, windows that open easily, master bedroom on the first floor in a two-story home, and easily usable climate control (thermostat).
- **Green Is Good, but Not Key:** About one-quarter of 55+ respondents do not care about the impact building a home has on the environment. While another 23% said they are concerned about the environment, it does not drive their decision to purchase. Only 12% said they would pay more for an environmentally friendly home. Respondents are willing to pay an average amount of \$6,732 (median \$4,000) if it would save \$1,000 annually in utility costs.
- **Top Five Green Features:** Respondents cited energy-efficient appliances (79%), followed by solar heating (63%), water filtering systems (58%), allergen-free/chemical-free building materials (42%), and open space (37%).
- **What’s Close By?** Most respondents listed proximity to a shopping center as influencing their choice of a new community (57% noted it as Somewhat to Very Important), followed by proximity to a hospital/doctor’s office (55% rated it as Somewhat to Very Important).

- **Online Is a Must:** Technology features are important to 55+ consumers, with 83% of respondents rating high-speed Internet access as Somewhat to Very Important. Also earning high ratings were home security systems and structured wiring (a system of low-voltage wires designed to carry electronic signals throughout a home).
- **How Buyers Are Paying for Home:** Nearly half of the 55+ respondents (41%) prefer a 30-year fixed loan when purchasing a new home, followed by a 15-year fixed loan (38%). A small number (5%) preferred a reverse mortgage, some type of adjustable rate loan (5%), or an interest-only loan (3%).
- **Less Maintenance, More Family Are Top Motivators:** Builders were asked to indicate their 55+ customers' motivations for relocating. Sixty-three percent of builders reported a desire for a maintenance-free lifestyle from their customers, 46% a desire to move closer to children/family, and 32% a desire for lower living costs.

Source of statistics above: National Association of Home Builders (NAHB) and the MetLife Mature Market Institute (MMI) joint two part research, entitled, Housing for the 55+ Market: Trends and Insights on Boomers and Beyond, and 55+ Housing: Builders, Buyers, AND Beyond.
<http://www.metlife.com/mmi/research/55-housing-market.html#findings>