

2021 HOMEBUYER INSIGHTS REPORT

First-Generation Homeowner Spotlight





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Our annual Homebuyer Insights Report explores homebuyer and homeowner preferences and behavior, and for the first time, we're taking a closer look at first-generation homeowners. Earlier this year, we found hopeful homebuyers are more eager than ever to swap unpredictable monthly rents for steady monthly mortgage payments. Now, to better understand the challenges and opportunities prospective homebuyers today may face and to provide the best resources, we explore how first-generation homeowners made their dreams of homeownership a reality.

AJ Barkley

Head of Neighborhood and Community Lending



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Families Play a Key Role in First-Generation Homeownership

For first-generation homeowners, family support can play a pivotal role in helping them achieve homeownership – whether they were able to provide financial support, or simply motivation.

Twice as many say they bought a home because they felt their parents expected it



43%

First-generation homeowners



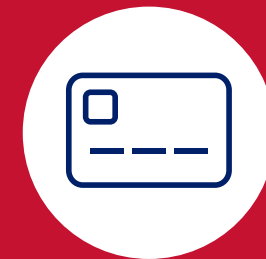
20%

Non-first-generation homeowners



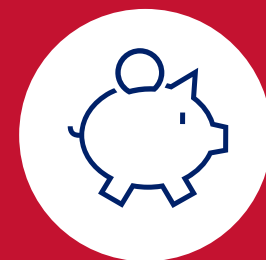


The families of
first-generation homeowners
instilled in them an understanding
of healthy financial habits



75%

Taught the importance of
building good credit



37%

Provided financial assistance
to help buy a home

2

First-Generation Owners Value Unique Benefits of Homeownership

Aside from the advantage of building long-term wealth, owning a home has unique benefits for first-generation owners and their families, and the importance of these benefits has increased recently.

The importance of owning a home
has increased

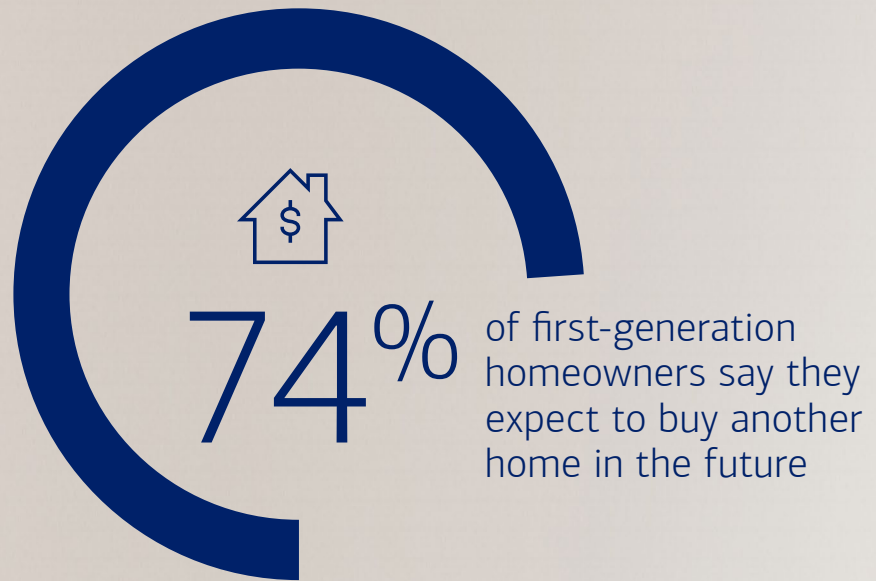
69%

First-generation homeowners

43%

Non-first-generation homeowners





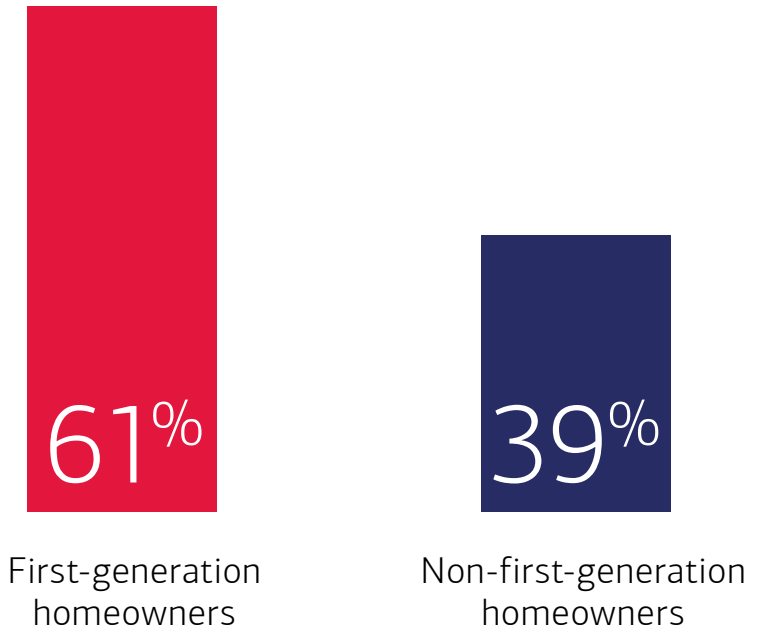
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When I moved to Detroit, I immediately knew I wanted to put down roots in this vibrant community, and Bank of America's [down payment and closing cost grants](#) let me do just that. I view homeownership not only as a way to build generational wealth for me and my young daughter, but to also have a stake in the neighborhood.

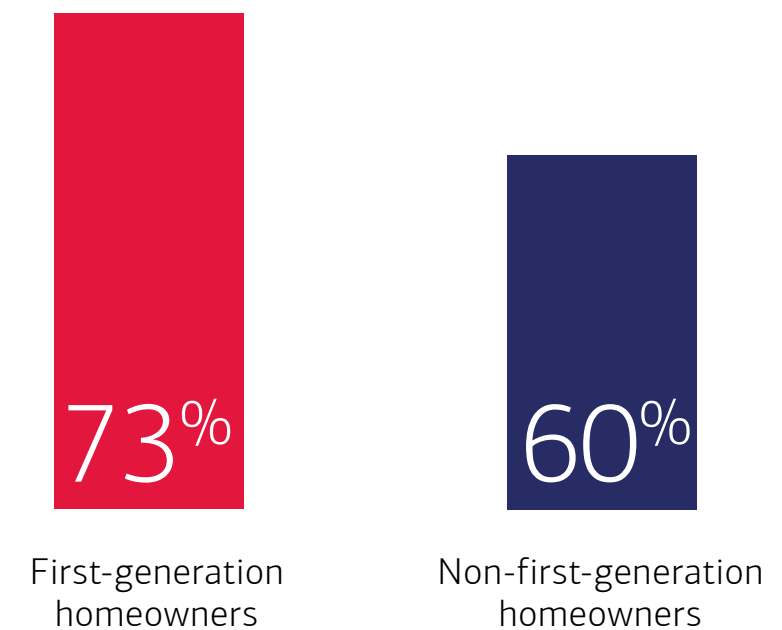
Sheena C.

First-Generation Homeowner

The importance of building equity has increased



The importance of safety and security that homeownership provides has increased



3

Overcoming Barriers to Homeownership

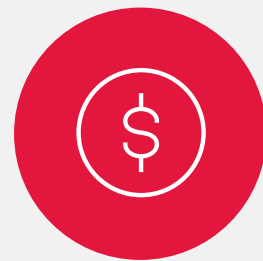
Prospective homebuyers face hurdles on their path to homeownership, but they are still making saving for a home a financial priority and there are tools and resources available.

Prospective buyers say the top barriers to homeownership are:



57%

High rent costs,
making it harder to save
for a down payment



54%

Expensive
housing prices



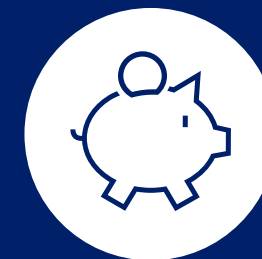


Prospective buyers share the challenges
as they get started on their financial journey



24%

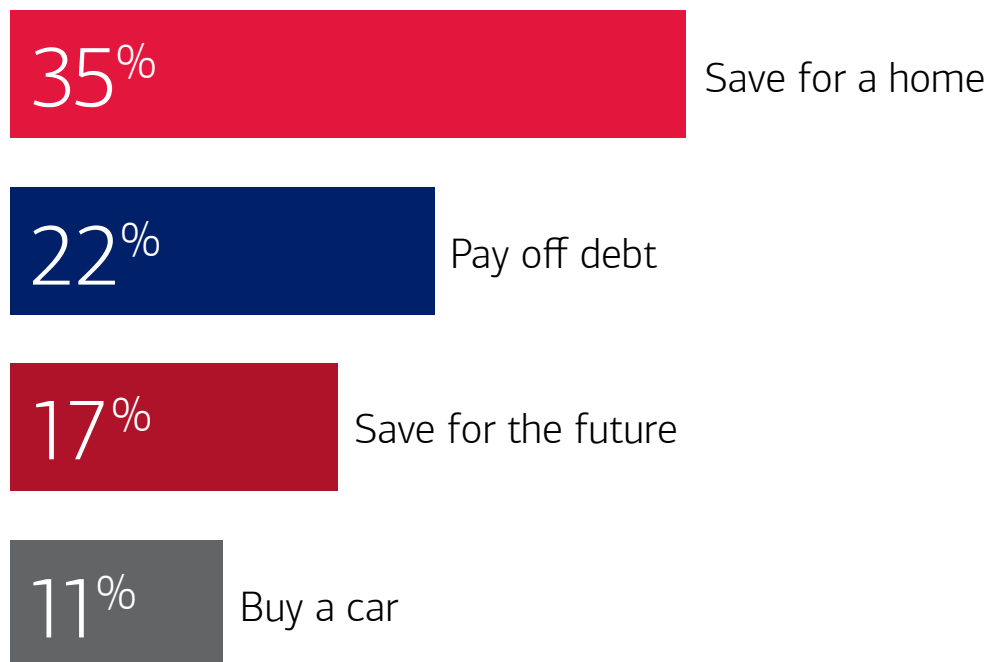
Say they're proud of
their credit score



89%

Say there's more they
could do to save money

If given \$20,000, prospective homebuyers said they would:



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No matter where you are on your financial journey, Bank of America is committed to helping today's hopeful homebuyers get on the right path with a range of solutions – starting with tools that help manage spending and saving patterns while practicing responsible credit behavior. Knowing the stepping stones to achieve stability and control over your finances will put you closer to your savings goal before you know it.

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Defining Generation of Homeowners:

First-generation: Parents and grandparents did not own a home.

Non-first-generation: Parents or grandparents owned a home.

Methodology

Sparks Research conducted a national online survey on behalf of Bank of America between February 18 and March 1, 2021. Sparks surveyed a national sample of 2,000 adults ages 18+ who currently own a home or plan to in the future. In addition, an augment of 185 surveys was conducted to oversample First Generation homeowner populations (363 surveys in total). The margin of error for the national quota is +/- 2.2 percent at the 95 percent confidence level. Select questions allowed respondents to choose more than one answer, resulting in responses that may equate to more than 100 percent.

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