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Special New York Home Ownership Survey

NY'ers Overwhelmingly Support Mortgage Interest Deduction; Call for Cap on Property Tax Increases

84% Say Home Ownership Major Part of Achieving American Dream

1/3 Believe Home Value Down, But 69% Expect Appreciation on the Way; 81% Call Home Ownership a "Comfort"; 97% of Owners Satisfied Overall

Biggest Worries: Property Taxes for Owners; Qualifying and Down Payments for Buyers

Loudonville, NY – Eighty-four percent of New Yorkers support keeping the tax deduction for home mortgage interest and seventy-six percent believe the state should cap the rate at which property taxes can increase according to a new survey sponsored by the New York State Association of Realtors (NYSAR) and conducted and released today by the Siena College Research Institute (SRI). Home ownership, according to 84 percent of all New York residents, continues to be a very significant part of achieving the American Dream. While 34 percent of home owners think that the value of their home has declined over the last year compared with only 21 percent that think their home value has increased, a plurality, 32 percent to 18 percent, expect a rebound this year and 69 percent look to see values increase over the next five years. Despite any recent losses, 81 percent of owners consider their home a comfort and nearly all (97%) are either very satisfied (66%) or somewhat satisfied (31%) with owning their own home. Property taxes, both today's bill and the rate of tax increases, as well as chores and repairs, concern home owners the most, while qualifying for a loan and having a down payment are buyers' biggest worry.

"Despite all the national news about declining home values, in New York, home owners report that only one in three thinks that their home is worth less today than it was a year ago. One in five has seen an increase and forty-one percent believe their home value has remained constant. Hardest hit are the areas around New York City including Long Island and Westchester where a majority thinks they have lost value. But, the cavalry appears to be on the way as a majority of those that have seen declines as well as an overwhelming number of those that have already increased or stayed even, expect values to charge upwards over the next five years", according to Dr. Don Levy, SRI's Director.

“New Yorkers know that the economy has been sliding and the state has its problems, but ask them about their home and the list of what they love about home sweet home goes on and on. Overall satisfaction with home ownership and seeing their home as a comfort not a burden is consistent across every group of home owners in New York” according to Hank W. Fries, NYSAR’s President.

At least 90 percent of New York home owners say that “owning my own home makes me proud, it was always something I wanted” and that “my home is where lasting family memories are made.” Nearly as many, 89 percent, say that their home is perfectly located near everything they need and over 80 percent say that their home is an asset that will increase in value over time, that they feel a sense of connection to their neighborhood and community and that their home is an expression of who they are and that it says something unique about them. Seventy-eight percent look forward to working on home projects.

“When asked to compare home ownership to the stock market as an investment, hands down, home ownership wins out. Eighty-one percent of all New Yorkers, eighty-four percent of owners and seventy-four percent of renters, think home ownership is a better place to put your money than the market”, noted Levy.

Seventy-nine percent of home owners say that paying their real estate taxes is taking a bigger piece of their budget each year while only 36 percent complain that their mortgage takes “too big a bite.” Nearly half, 47 percent, feel that what they pay for real estate taxes is far too high and an additional 28 percent say taxes are “a little too high.” By far, suburbanites voice the greatest concern over taxes with 63 percent describing their taxes as far too high.

“Everyone knows the saying about death and taxes, but by nearly two to one, New Yorkers say that they pay their taxes because they have to and are not convinced the money is well managed or efficiently used as compared to those that say they feel good about contributing financially to the needs of their community. And in a political year it is worth remembering that among homeowners in New York, ninety-one percent support the mortgage deduction and eighty-three percent want a property tax cap” according to Dr. Levy.

Of those that currently do not own a home, 21 percent intend to purchase a home within the next two years. Among all respondents, having a down payment is seen as the biggest obstacle to home ownership. Seventy-four percent of all respondents, 68 percent of renters, agree that today you should have at least 20 percent of the cost of a home as a down payment. But, among those that currently do not own a home, thirty-five

percent say that qualifying for a loan is the largest obstacle to home ownership followed by having a down payment (26%) and finding the right home (16%).

“Location, location, location remain the three most important words in buying a home according to eighty-five percent of New Yorkers. But at that location, large majorities of New Yorkers say it is very important to have ample police and fire protection, well regarded schools and a low tax rate. Now that’s a great location” noted Levy.

In rank order, residents want a home located near ample public safety, good schools, low taxes, followed by public transportation (most important in NYC), a short commute to work, neighbors that tend to know one another, proximity to shopping, parks and the respondent’s preferred house of worship. Inside the home, the top need is ample closets (65% very important), a garage (51%), a newer roof (48%), an updated kitchen (42%), more than two baths (36%), a master bedroom suite (32%) and a well-landscaped home (28%).

Fifty percent of all New Yorkers have at some time worked with a Realtor (71% of owners and 26% of renters). Forty-nine percent of all New Yorkers have used a home buying website to look for real estate information. Large majorities of New Yorkers think that it is either completely or somewhat true that Realtors are trained in how to present a home to prospective buyers in ways that highlight its strengths (90%), will do a good job of attracting potential buyers to a home they have listed for sale (88%), provide guidance for buyers and sellers in working through all the aspects involved in home transactions (82%), will sell a home more quickly than if it is for sale by owner (79%), and can accurately assess the current value of a home (78%). Smaller majorities agree that having a Realtor will result in the seller receiving more money from the sale than if they tried to sell it themselves (57%) and that it would be foolish to try to locate the right home without the assistance of an experienced Realtor (56%).

On three additional current issues, New Yorkers support federal assistance for homeowners having difficulty making their mortgage payments (56%), a state tax incentive to assist buyers to save for and pay real estate closing costs (55%) and government efforts to increase the percentage of Americans that own their own home (52%). SRI found that in New York, two-thirds of suburban and upstate residents own their own home while in New York City that number drops to 32 percent. These measures coincide with recent Census data.

The SRI survey of Home Ownership was conducted April 26 – May 11, 2010 by random telephone calls to 1015 residents of New York State over the age of 18. Data was statistically adjusted by age and gender to ensure representativeness. SRI reports this data at a 95% confidence level with a margin of error of ± 3.1 points for the overall sample and ± 4.3 points for questions pertaining only to those that own their home. This study was sponsored by the New York State Association of Realtors, contact Sal Privera, Director of Communications (518.463.0300). For more information or comments, please call Dr. Don Levy, Director Siena College Research Institute, at 518-783-2901. Survey cross-tabulations and frequencies can be found at www.siena.edu/sri/research