
2022 HOME EQUITY SURVEY

June 2022

Prepared for Sloane & Company



Research Method

Survey Details



Online
15 min survey



Fielded
June 2-9, 2022

Notes on Reading the Report

Percentages may not add up to 100% due to weighting, computer rounding, and/or the acceptance of multiple responses.

Results based on small samples (n<100) should be interpreted as directional only.

Qualification Criteria (n=2000)

United States residents

Homeowner

Age 18+

Weighting

Results for adults age 18+ were weighted separately for each generation using age within gender, region, race/ethnicity, marital status, size of household, employment status, generation, income, and education where necessary to align them with their actual proportions in the population. Propensity score weighting was also used to adjust for respondents' propensity to be online.

Methodology

(to be included in all materials for public release)

The Harris Poll conducted the survey online on behalf of Sloane & Company, from June 2nd - 9th, 2022, among n=2000 US homeowners 18+ who live in the United States. Figures for age by sex, education, income, race/ethnicity, household size, marital status, and region were weighted where necessary to bring them into line with their actual proportions in the population.

Executive Summary

Key Findings

- Interest is strong to *retire & age in place, retire early and home renovations/remodeling*
- Top 2 financial priorities include: saving for the future and saving for retirement
- However, anxiety levels about the Economy and Inflation are extremely high
- Two-thirds believe a reverse mortgage is risky, this compares to 56% for a HELOC
- Overwhelming majority acknowledge the value of their home has increased
 - With access to 20-50% of their home's value, most would allocate the proceeds to: home improvements/remodeling (33%), increasing retirement savings (30%) or paying off debt (26%)
- Just over one-third (37%) have taken out a home equity loan before, most through a HELOC
 - 6 in 10 used their loan for home improvements/remodeling or paying off debt
- Three in ten are likely to take out a home equity loan
- Knowledge about the mortgage payment benefits of home equity loans is low
- 4 in 10 have a financial advisor and 9 in 10 trust them
 - However, only 29% have ever spoke to them about a home equity loan
 - Half indicate that home equity is a factor in their holistic approach to financial planning

Implications

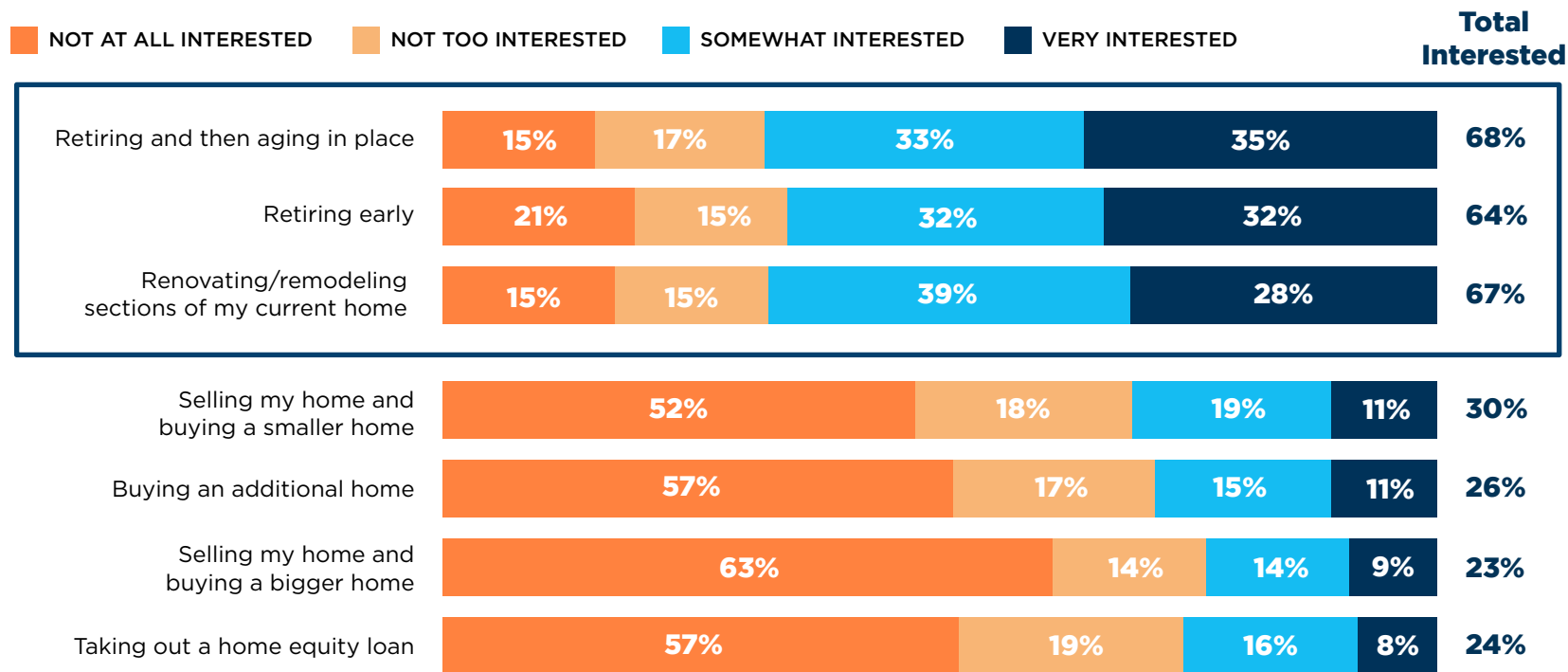
- Additional education around the benefits of home equity loans is needed to elevate home equity loans into the overall financial planning consideration set
 - Need to de-mystify/mitigate risk perceptions.
 - Opportunity to highlight benefits in terms of home renovation & debt relief.
- Younger generations are more receptive
- Financial Advisors represent a trusted resource around financial planning – opportunity to highlight benefits through FA's

Detailed Findings

Current Context: Establishing the Opportunity

Roughly two-thirds are interested in: *retiring & aging in place, retiring early or home renovations/remodeling*

- 1 in 4 Boomers are interested in selling their home and buying a smaller one
- Half of Boomer homeowners are interested in remodeling/renovating sections of their current home



Gen Z/ Millennials (D) N=374	Gen X (E) N=463	Boomers (F) N=997	Silent Gen (G) N=166
68% <small>EFG</small>	65% <small>FG</small>	72%	76%
82% <small>FG</small>	73% <small>FG</small>	61% <small>G</small>	46%
70% <small>FG</small>	67% <small>FG</small>	54% <small>G</small>	13%
38% <small>EFG</small>	35% <small>FG</small>	24%	18%
56% <small>EFG</small>	33% <small>FG</small>	12% <small>G</small>	4%
48% <small>EFG</small>	32% <small>FG</small>	11%	4%
55% <small>EFG</small>	27% <small>FG</small>	9% <small>G</small>	2%

BASE: ALL QUALIFIED RESPONDENTS (N=2000)

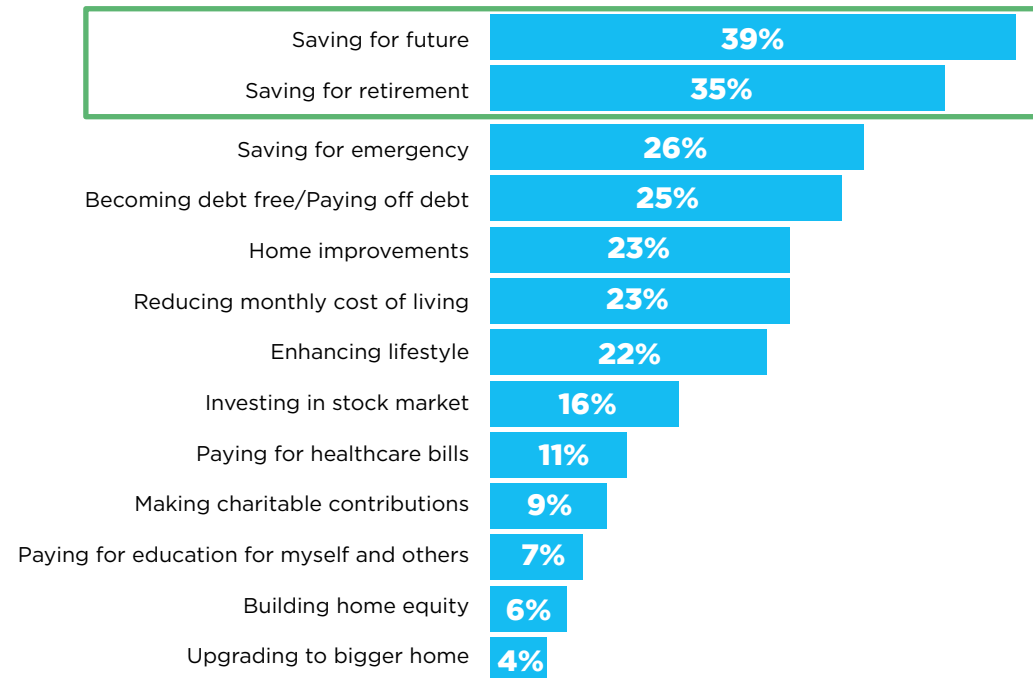
Q105. Moving on, how interested are you in...?

Red letters indicate significant difference between generations labeled (from table header)

Top financial priorities revolve around *saving for the future* & retirement. 3 in 4 would retire early if able.

- Reducing monthly cost of living is top priority for Silent Gen (34%). This compares to roughly 1/4 of Boomers (27%) and 1 in 5 for Gen X (20%).
- Enhancing lifestyle is a top financial priority for 1/4 of Boomers (26%).

Top Financial Priorities



BASE: ALL QUALIFIED RESPONDENTS (N=2000)

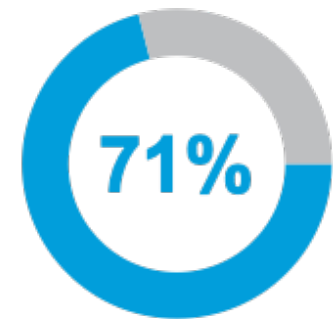
Q100. To begin, which of the following are your current top financial priorities? You may select up to three.

BASE: NON-RETIREES (N=1272)

Q205. If you were financially able, would you like to retire early?

Gen Z/ Millennials (D) N=374	Gen X (E) N=463	Boomers (F) N=997	Silent Gen (G) N=166
49% ^{FG}	45% ^{FG}	32%	30%
33% ^G	51% ^{DFG}	31% ^G	11%
26%	23%	28%	25%
21%	28%	26%	22%
23%	22%	24%	25%
13%	20% ^D	27% ^{DE}	34% ^{DE}
21%	15%	26% ^E	23%
17%	15%	15%	22%
14% ^E	8%	11%	15% ^E
8%	4%	12% ^E	18% ^{DE}
12% ^F	10%	2%	5%
9% ^{EG}	4%	7%	2%
10% ^{EFG}	4%	2%	0%

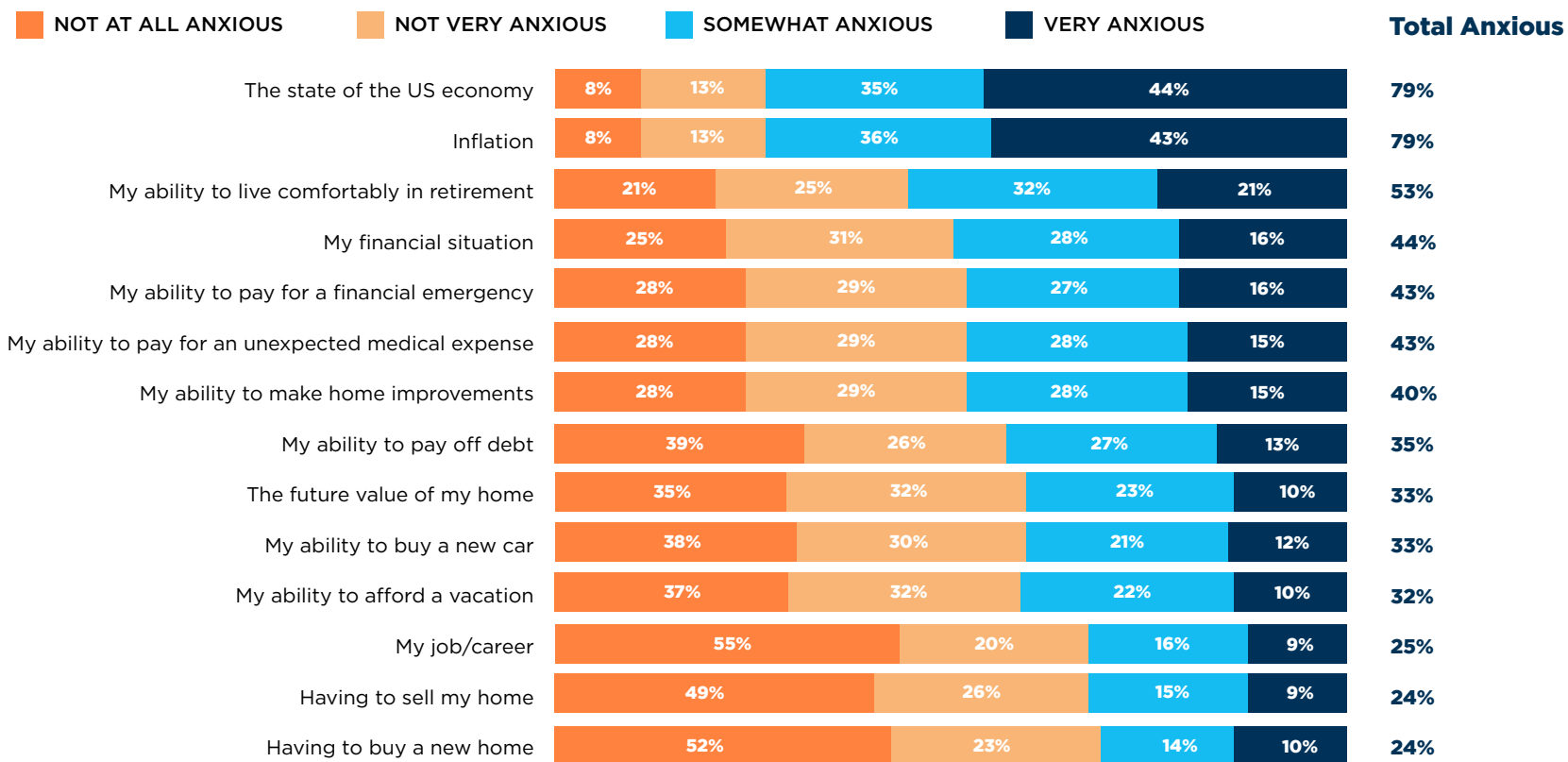
Of the boomers not yet retired yet, 1 in 7 would like to still retire early.



Red letters indicate significant difference between generations labeled (from table header)

Overwhelming majority feel anxious about the *Economy and Inflation*, half are anxious about *their ability to live comfortably in retirement*.

- 1 in 4 Boomers are anxious about their ability to pay off debt
- Gen Z/Millennials and Gen X significantly more anxious about everything aside from the Economy and Inflation



Gen Z/ Millennials (D) N=374	Gen X (E) N=463	Boomers (F) N=997	Silent Gen (G) N=166
71%	82% ^D	82% ^D	74%
73%	82% ^D	80% ^D	75%
62% ^{FG}	68% ^{FG}	45% ^G	26%
49% ^{FG}	54% ^{FG}	40% ^G	24%
56% ^{FG}	57% ^{FG}	34% ^G	20%
54% ^{FG}	52% ^{FG}	36% ^G	19%
53% ^{FG}	48% ^{FG}	32%	23%
54% ^{FG}	46% ^{FG}	25% ^G	11%
46% ^{EFG}	37% ^{FG}	26%	24%
45% ^{FG}	38% ^{FG}	25%	18%
47% ^{EFG}	39% ^{FG}	24% ^G	13%
47% ^{EFG}	35% ^{FG}	13% ^G	4%
41% ^{EFG}	29% ^{FG}	17%	13%
44% ^{EFG}	29% ^{FG}	16% ^G	6%

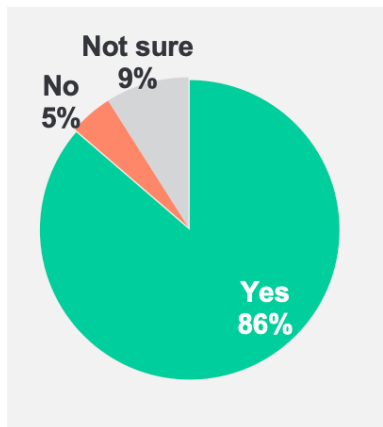
BASE: ALL QUALIFIED RESPONDENTS (N=2000)

Q101. How anxious do you feel about each of the following?

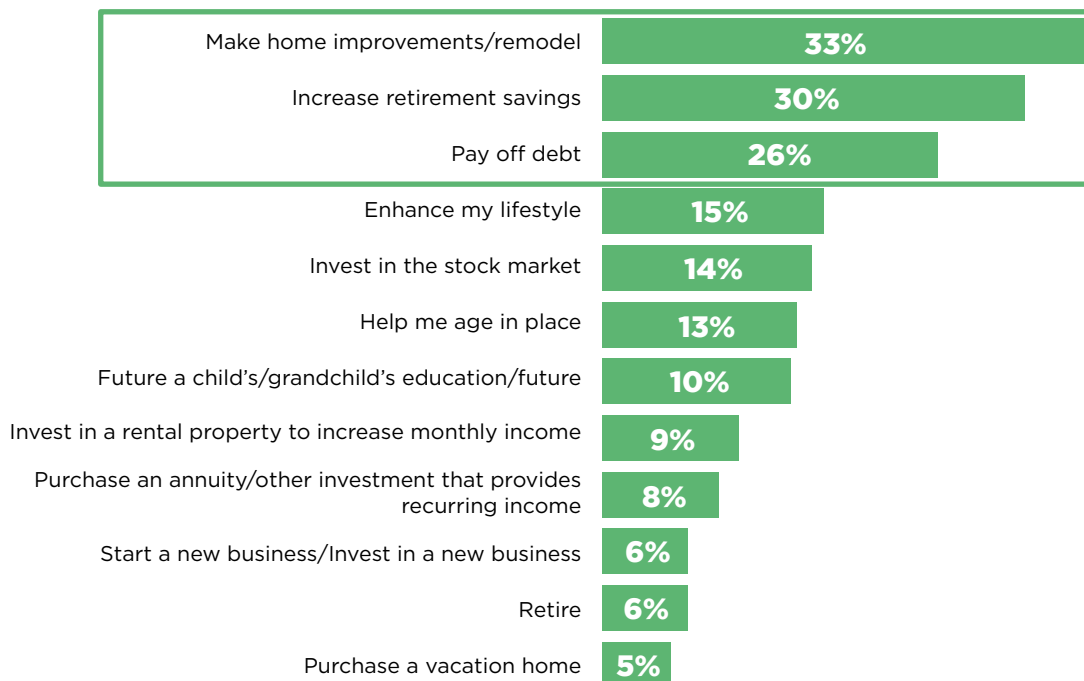
Red letters indicate significant difference between generations labeled (from table header)

For most, home values have increased. With an opportunity to access 20-50% of their home value, *remodeling, retirement savings & paying off debt lead.*

Has your home increased in value since you bought it?



If you had the opportunity to access 20-50% of your home's current market value, what would you do with the proceeds?



Gen Z/ Millennials (D) N=374	Gen X (E) N=463	Boomers (F) N=997	Silent Gen (G) N=166
38% ^F	34%	31%	29%
23%	35% ^D	30%	27%
30% ^{FG}	34% ^{FG}	21%	17%
25% ^{EFG}	9%	16% ^E	8%
27% ^{EFG}	14% ^F	9%	11%
12%	10%	14%	19% ^E
20% ^{EF}	10% ^F	5%	14% ^F
17% ^{EFG}	11% ^{FG}	4%	4%
9%	7%	9%	9%
18% ^{EFG}	6% ^{FG}	1%	0%
6%	7%	5%	3%
9% ^F	6%	4%	3%

BASE: ALL QUALIFIED RESPONDENTS (N=2000)

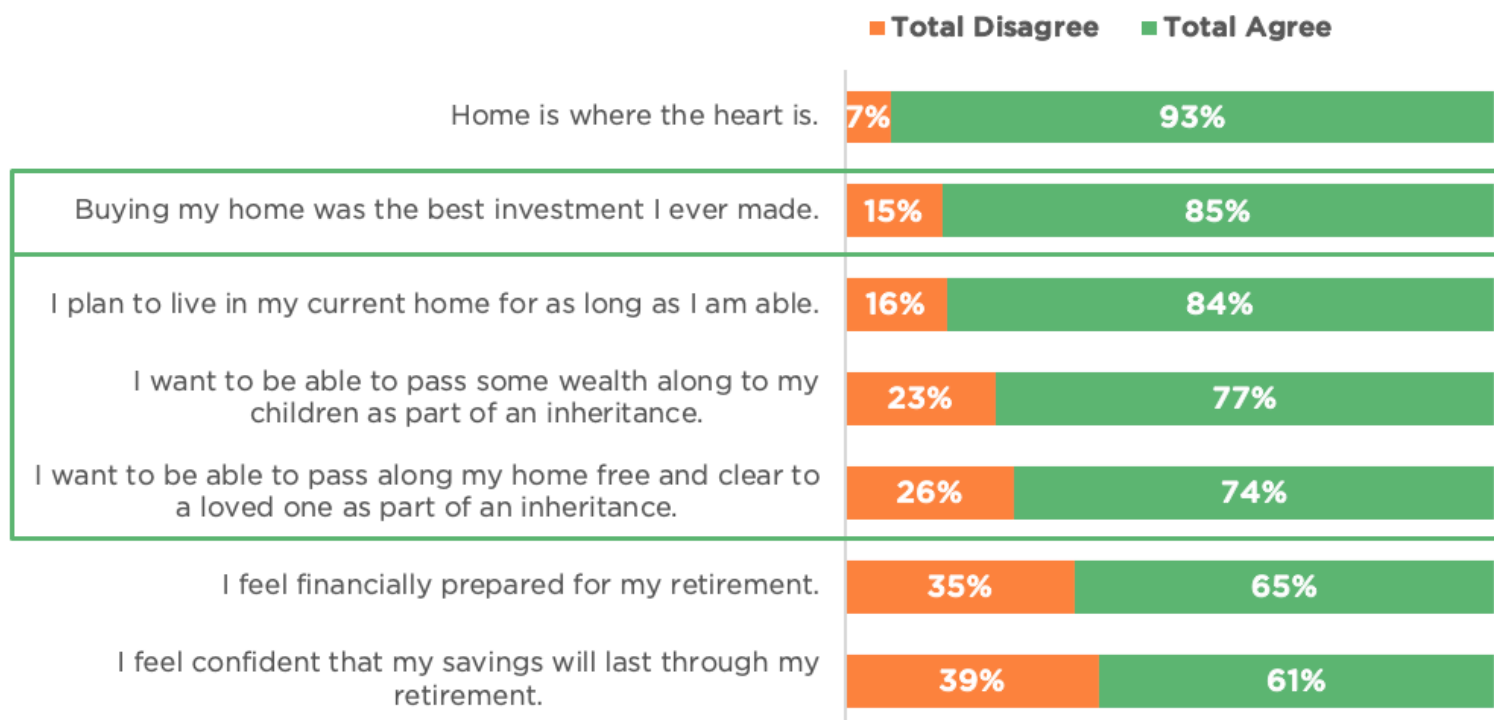
Q103. Has your current home (primary residence) increased in value since you bought it?

Q109A. If you had the opportunity to access 20-50% of your home's current market value, what would you do with the proceeds?

Red letters indicate significant difference between generations labeled (from table header)

For most, buying a home is their best investment and the plan to live in their home as long as able. Three in four want to pass on their home/wealth.

- Nearly 9 in 10 of the Silent Generation (86%) want to pass some wealth along to their children. This compares to 70% of Boomers
- 3 in 4 of the Silent Generation (75%) feel confident their savings will last through retirement. This compares to 63% of Boomers



Gen Z/ Millennials (D) N=374	Gen X (E) N=463	Boomers (F) N=997	Silent Gen (G) N=166
88%	94% D	94% D	96% D
87%	82%	85%	91% E
82%	81%	87% E	87%
87% EF	78% F	70%	84% F
83% EF	74%	69%	76%
65% E	47%	71% E	86% DEF
65% E	49%	63% E	75% EF

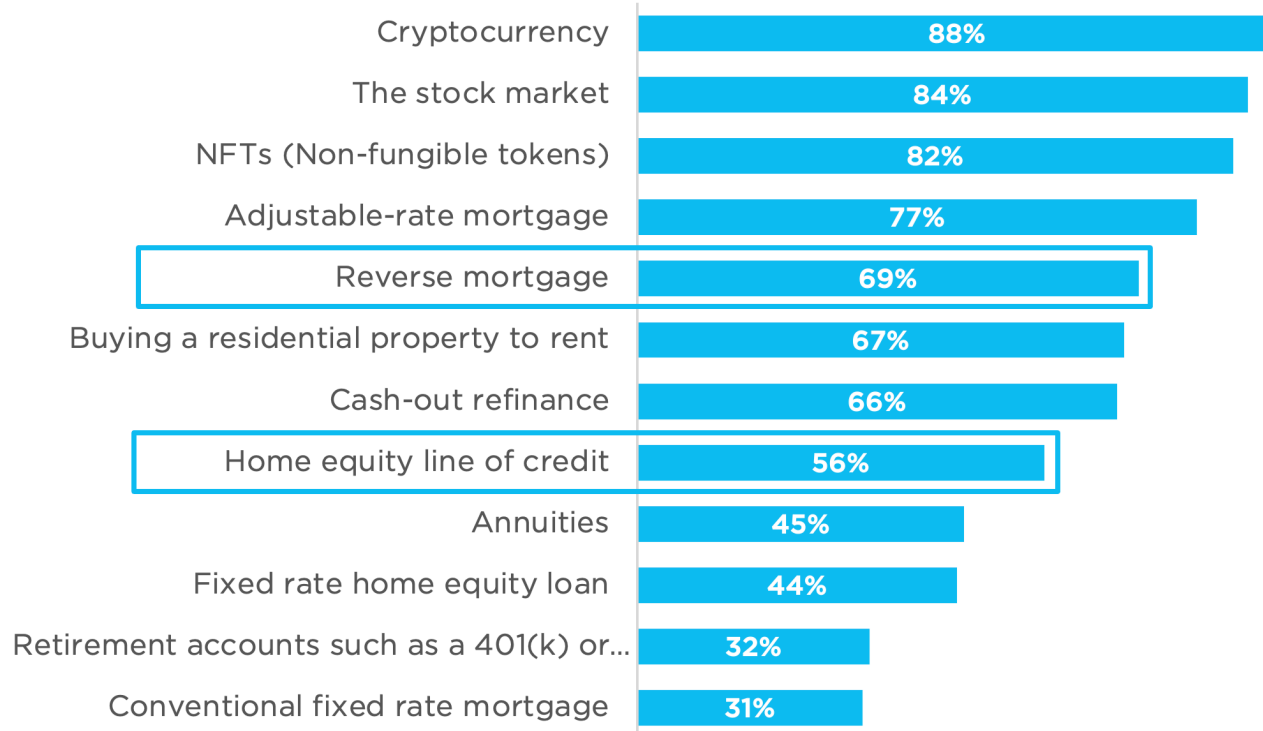
BASE: ALL QUALIFIED RESPONDENTS (N=2000)

Q111. How much do you agree with each of the following statements?

Red letters indicate significant difference between generations labeled (from table header)

More than 8 in 10 find cryptocurrency, the stock market, and NFTs as risky

Very or Somewhat Risky



Gen Z/ Millennials (D) N=374	Gen X (E) N=463	Boomers (F) N=997	Silent Gen (G) N=166
73%	85% D	95% DE	96% DE
71%	86% D	88% D	83% D
66%	83% D	89% DE	86% D
65%	75% D	85% DE	78% D
61%	70% D	72% D	68%
58%	68% D	71% D	67%
58%	68% D	69% D	65%
53%	55%	59%	51%
53% FG	47%	41%	37%
51% FG	44%	42%	39%
43% EFG	34% G	29% G	17%
47% EFG	36% FG	23%	17%

BASE: ALL QUALIFIED RESPONDENTS (N=2000)

Q209. How risky do you view each of the following financial tools/investments?

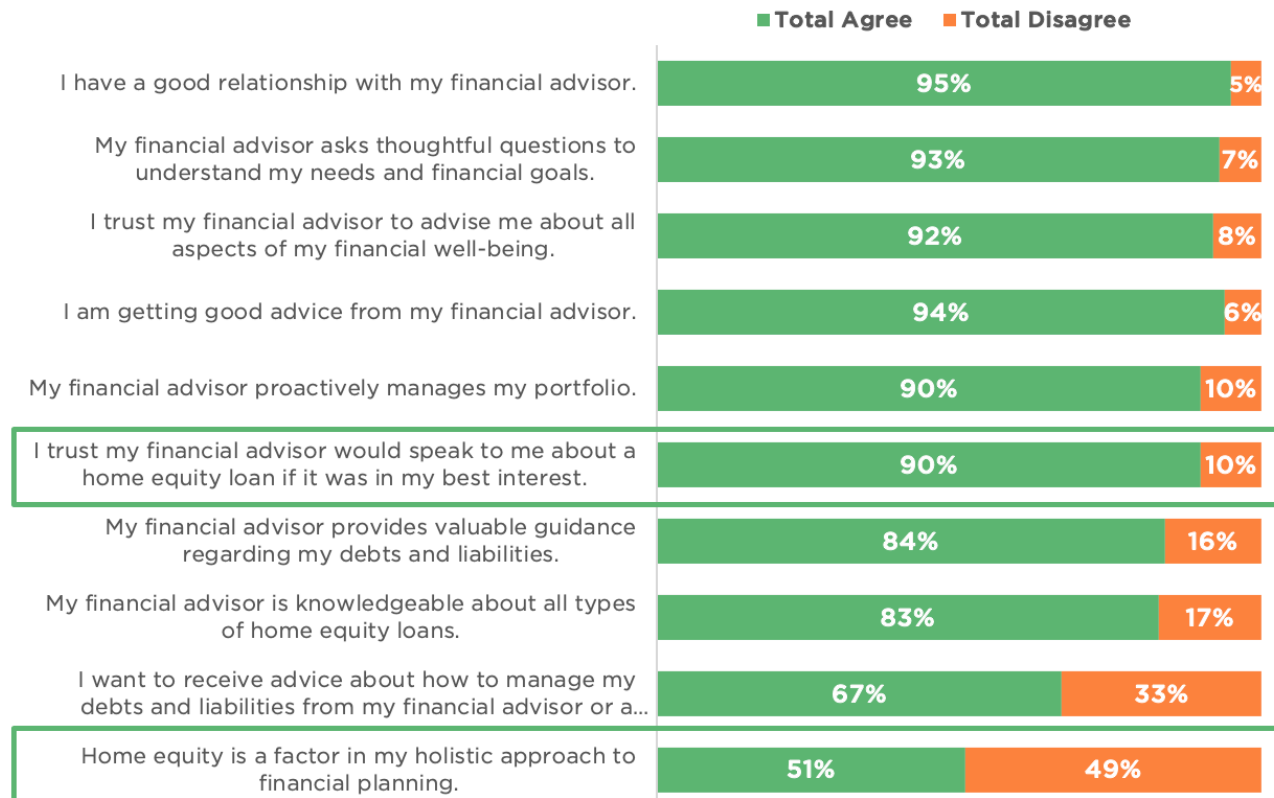
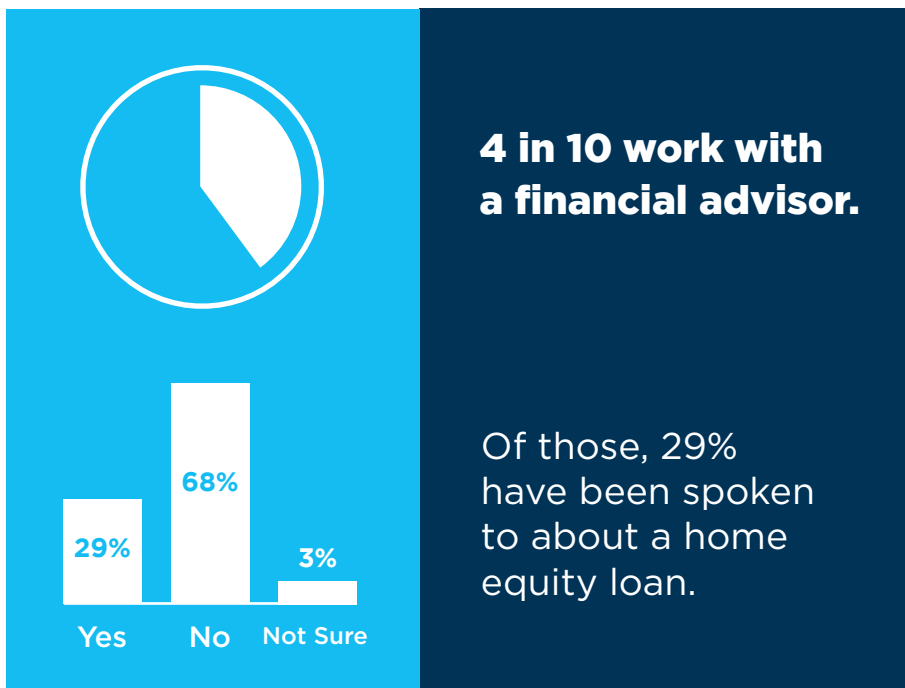
Q200. Do you currently own cryptocurrency?

Q201. Do you plan to start, or invest more in cryptocurrency in the next 12 months?

Red letters indicate significant difference between generations labeled (from table header)

Only 3 in 10 of those with a FA have spoken with them about a home equity loan. 9 in 10 trust their FA would talk about home equity loan if in best interest.

- Half of those with a FA believe home equity is a factor in their approach to financial planning.



*NOTE: Home equity products (including HELOCs, home equity loans, and reverse mortgages) can only be offered by licensed loan originators. Financial advisors are not licensed to sell home equity products.

BASE: ALL QUALIFIED RESPONDENTS (N=2000)

Q202. Do you currently work with a financial advisor?

BASE: ALL RESPONDENTS WITH A FINANCIAL ADVISOR (Q202/1) (N=798)

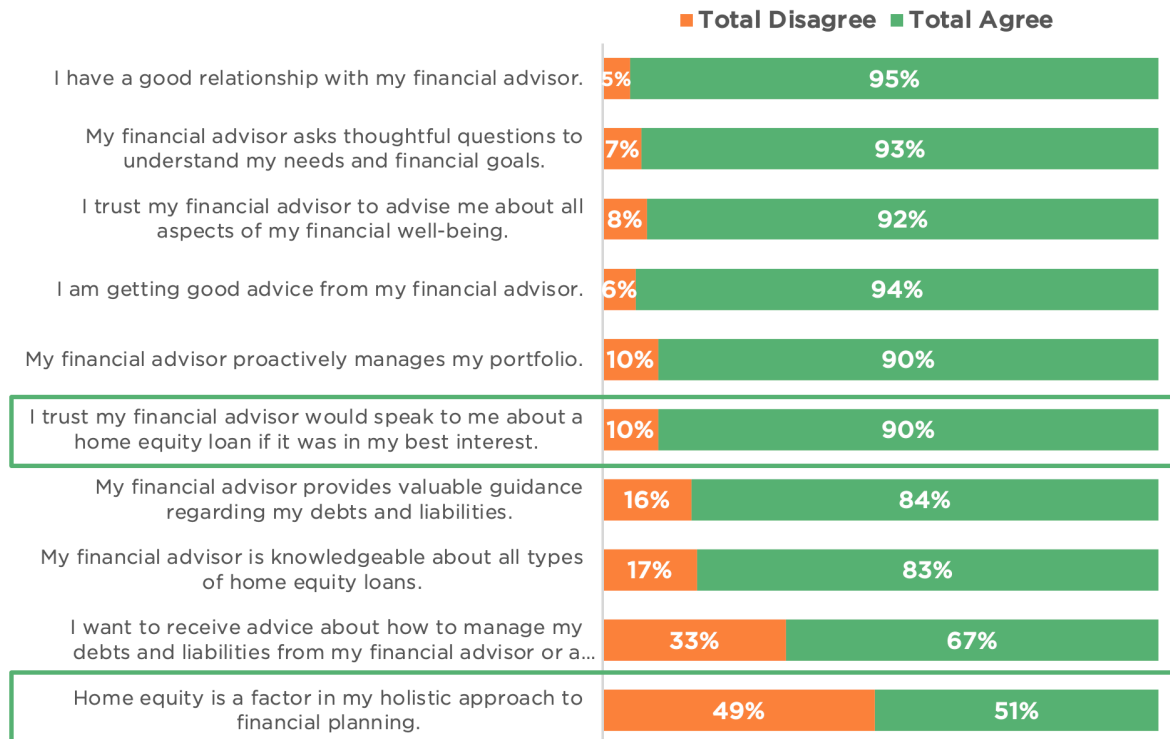
Q203. Had your financial advisor ever spoken to you about a home equity loan?

Q204. Please indicate how much you agree or disagree with the following statements about your financial advisor.

Red letters indicate significant difference between generations labeled (from table header)

9 in 10 trust their FA would talk about home equity loan if in best interest.

- Half of those with a FA believe home equity is a factor in their approach to financial planning
- Overwhelming majority of Boomers+ (98%) have a good relationship with their FA



Gen Z/ Millennials (D) N=159	Gen X (E) N=146	Boomers + * (F) N=416
92%	94%	98% D
89%	95%	96% D
91%	93%	94%
90%	90%	94%
90%	93%	88%
90%	91%	89%
89% F	89%	80%
90% F	88%	78%
89% EF	77% F	54%
83% F	74% F	47%

***NOTE**

Home equity products (including HELOCs, home equity loans, and reverse mortgages) can only be offered by licensed loan originators. Financial advisors are not licensed to sell home equity products.

BASE: ALL RESPONDENTS WITH A FINANCIAL ADVISOR (Q202/1) (N=798)

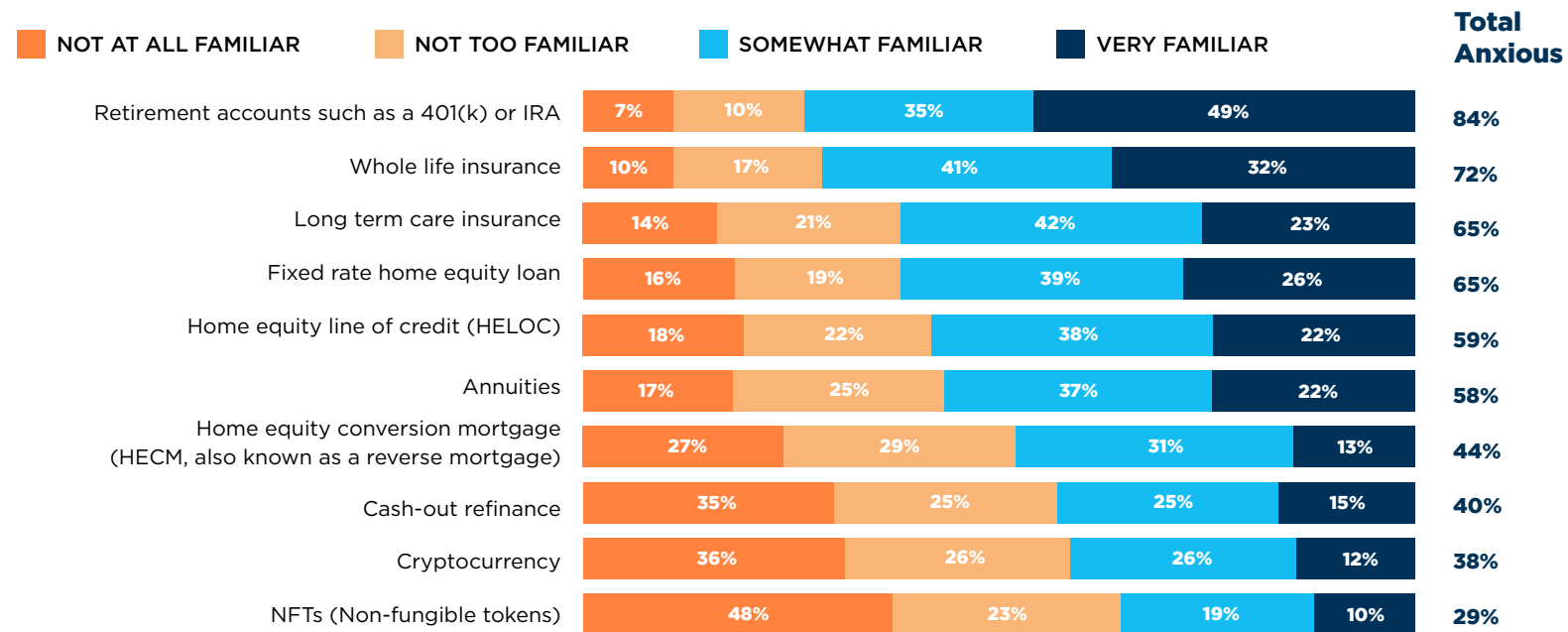
Q204. Please indicate how much you agree or disagree with the following statements about your financial advisor.

Red letters indicate significant difference between generations labeled (from table header)

Home Equity Loans: Familiarity, History, Knowledge & Perceptions

While 6 in 10 are familiar with a HELOC, less than half are familiar with a HECM.

- Familiarity with HECMs, Cash-out refinance, Cryptocurrency and NFTs are much lower among older generations
- Around 1 in 3 Boomers (35%) with previous home equity loan experience are familiar with a HECM



Gen Z/ Millennials (D) N=374	Gen X (E) N=463	Boomers (F) N=997	Silent Gen (G) N=166
83%	81%	86%	83%
72%	70%	72%	81% ^E
70% ^F	65%	63%	62%
70% ^E	49%	66%	70%
63%	60%	48%	57%
63% ^E	50%	61% ^E	64% ^E
59% ^{EFG}	46% ^F	37%	37%
56% ^{EFG}	43% ^F	31%	34%
67% ^{EFG}	49% ^{FG}	24% ^G	10%
57% ^{EFG}	36% ^{FG}	16%	9%

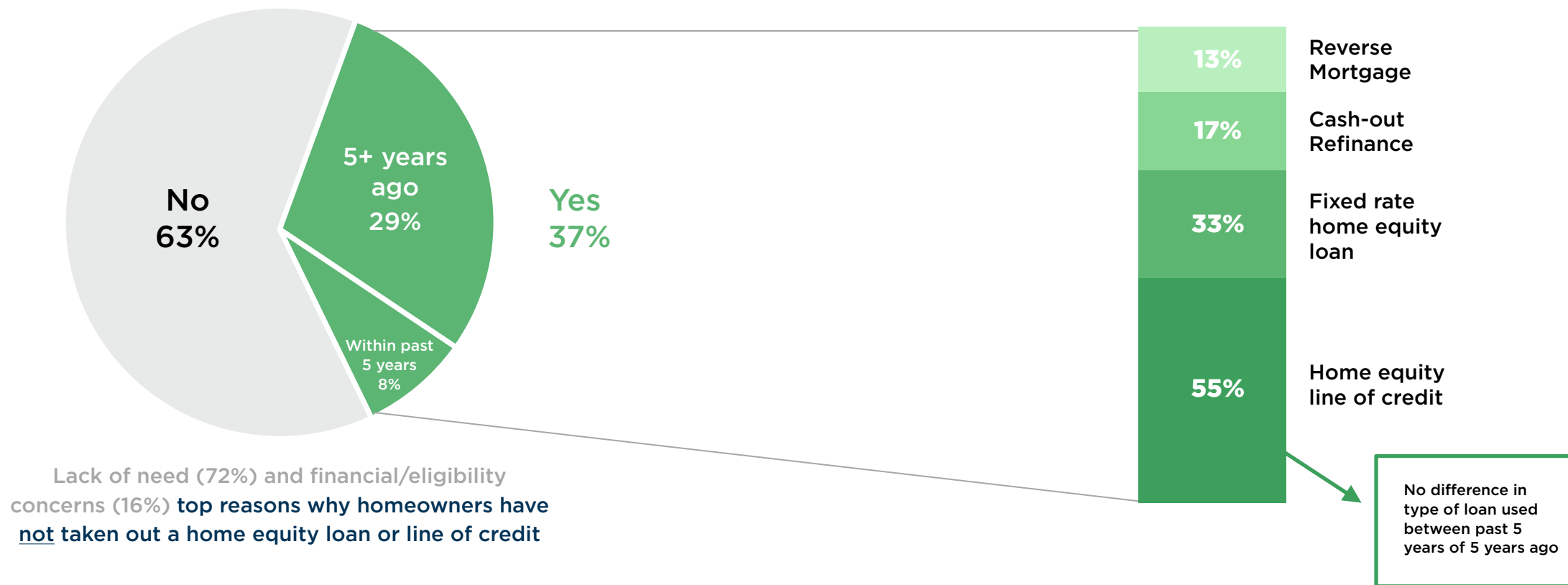
BASE: ALL QUALIFIED RESPONDENTS (N=2000)

Q110. How familiar are you with the following?

Red letters indicate significant difference between generations labeled (from table header)

37% have taken out a home equity loan or line of credit. More than half used a HELOC. Most used the proceeds toward *home improvements or debt*.

- 36% of Boomers that have taken out a home equity loan or line of credit, most have done so more than 5 years ago (82%)



BASE: ACCESSED HOME'S EQUITY (Q106/1-2) (N=721)

Q106. Have you ever taken out a home equity loan or home equity line of credit, either on your current primary residence or a home that you may have purchased in the past?

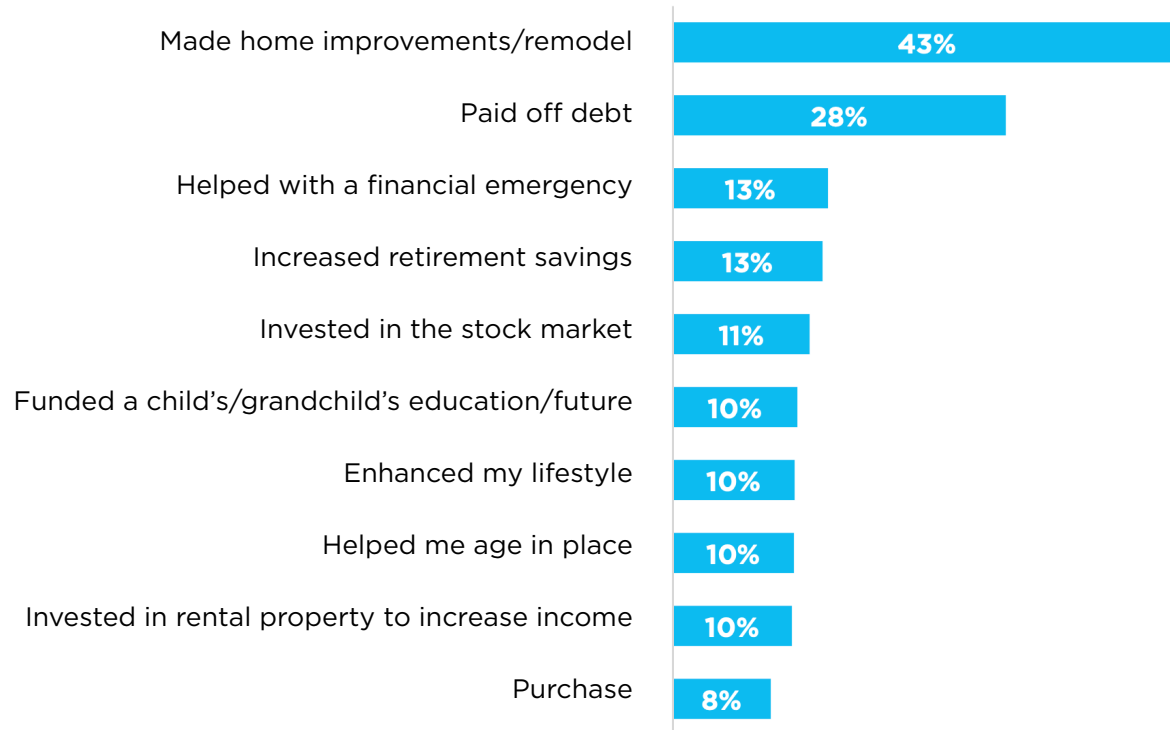
BASE: HAVE NOT TAKEN OUT A HOME EQUITY LOAN (Q106/3) (N=1279)

Q115. Being as specific as you can, please let us know why you have not taken out a home equity line of credit?

BASE: ACCESSED HOME'S EQUITY (Q106/1-2) (N=721)

Q106A. What type of home equity loan did you use? Please select all that apply.
Q106B. What did you do with the proceeds from your home equity loan? Please select all that apply.

Younger generations more likely to have used their home equity loan or line of credit proceeds on things other than home improvements and paying of debt than Boomers+



Gen Z/ Millennials (D) N=159	Gen X (E) N=146	Boomers+* (F) N=416
35%	45%	45%
23%	31%	28%
27% EF	15% F	5%
27% EF	12% F	6%
30% EF	11% F	3%
19% F	10%	6%
23% EF	8%	5%
22% EF	8%	5%
22% F	13% F	3%
17% EF	7%	4%

*Boomers and Silent Generation for sample size

Significantly higher than Boomers+

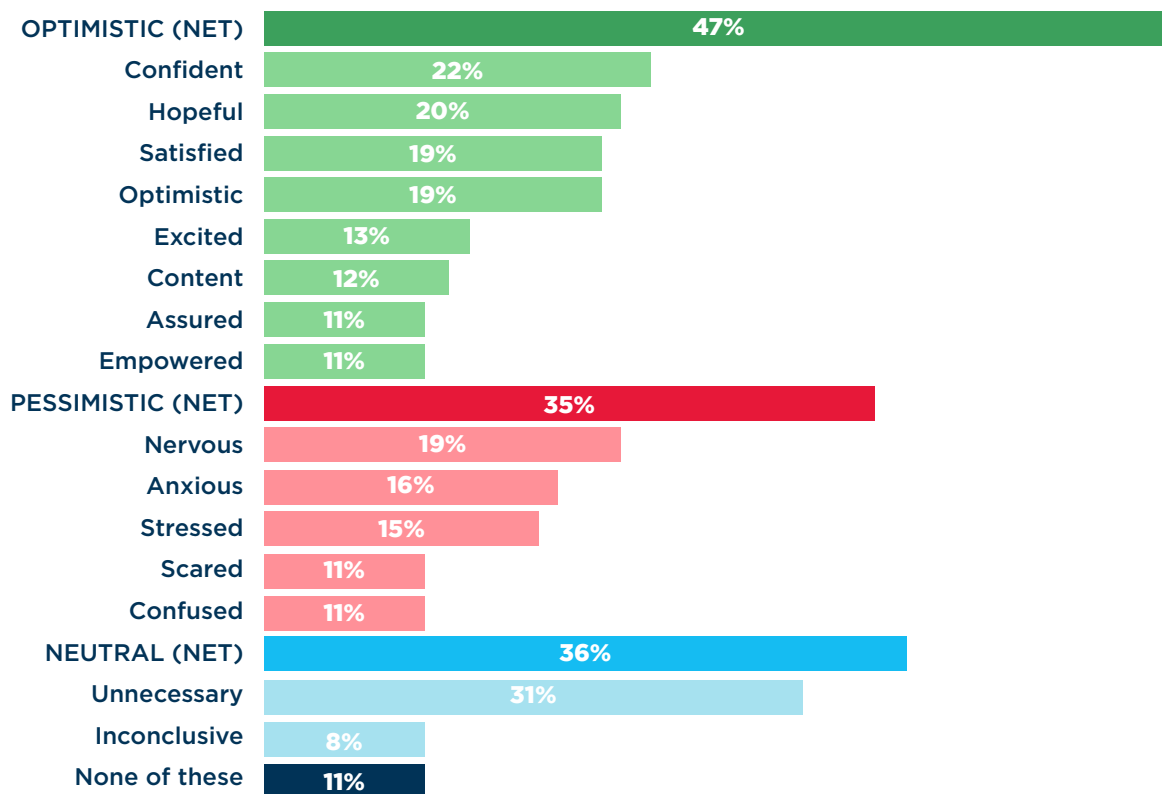
Red letters indicate significant difference between generations labeled (from table header)

BASE: ACCESSED HOME'S EQUITY (Q106/1-2) (N=721)

Q106B. What did you do with the proceeds from your home equity loan? Please select all that apply.

Emotions are mixed about home equity loans. Boomers (42%) and Silent Generation (60%) more likely to feel neutral about home equity loans.

- Feels about home equity loans vary by gender.



Gen Z/ Millennials (D) N=374	Gen X (E) N=463	Boomers (F) N=997	Silent Gen (G) N=166
71% EFG	52% FG	33%	40%
36% EFG	21% F	16%	17%
36% EFG	27% FG	11%	4%
32% EFG	18%	14%	18%
32% EFG	20% F	13%	15%
31% EFG	15% FG	5%	3%
15%	14%	10%	15%
13%	10%	11%	5%
15%	11%	10%	10%
38%	38%	32%	32%
18%	21%	19%	17%
19% G	19% G	15%	9%
15%	17%	15%	14%
10%	14%	11%	10%
16% F	12% F	6%	13% F
23%	26%	42% DE	60% DEF
17%	20%	40% DE	56% DEF
8%	8%	5%	15% F
5%	10% D	15% D	11%

BASE: ALL QUALIFIED RESPONDENTS (N=2000)

Q114. When you think about the equity you have in your home, which of the following best describes how you feel about a home equity loan? Please select all that apply.

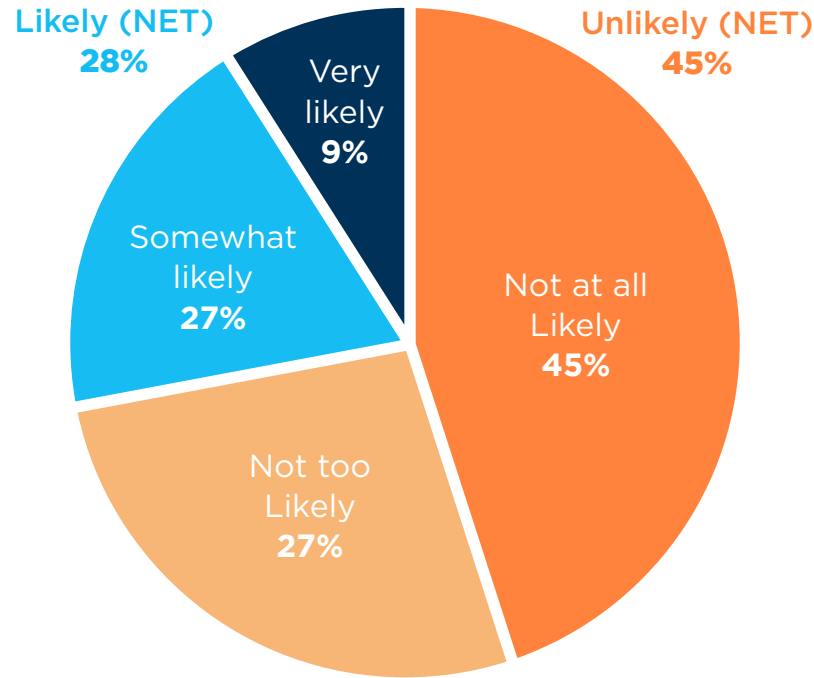
Red letters indicate significant difference between generations labeled (from table header)

Despite increases in home values, 7 in 10 are unlikely to take out a home equity loan.

- Those 55+ that indicated they were anxious about their ability to live comfortably in retirement are more unlikely to take out a home equity loan (82%)

Gen Z/Millennials	61%
Gen X	39%
Boomers	11%
Silent	6%
Home Equity Experience	43%
No Home Equity Experience	20%
Less than 20 yr. Homeowner	36%
More than 20 yr. Homeowner	13%

Significantly higher than the total



Lack of interest/need (31%) and debt concerns (14%) are the leading reasons why homeowners are unlikely to take out a home equity loan

"I don't want to be responsible for an additional loan on the inflated price of my home."

"Do not like to have the debt. Reverse mortgage would be the only thing I would do."

"Worry it will increase my monthly payments."

"Would not be able to afford repayment after retirement."

"Because I don't want to add another bill or increase my mortgage payment, considering how unstable the economy is right."

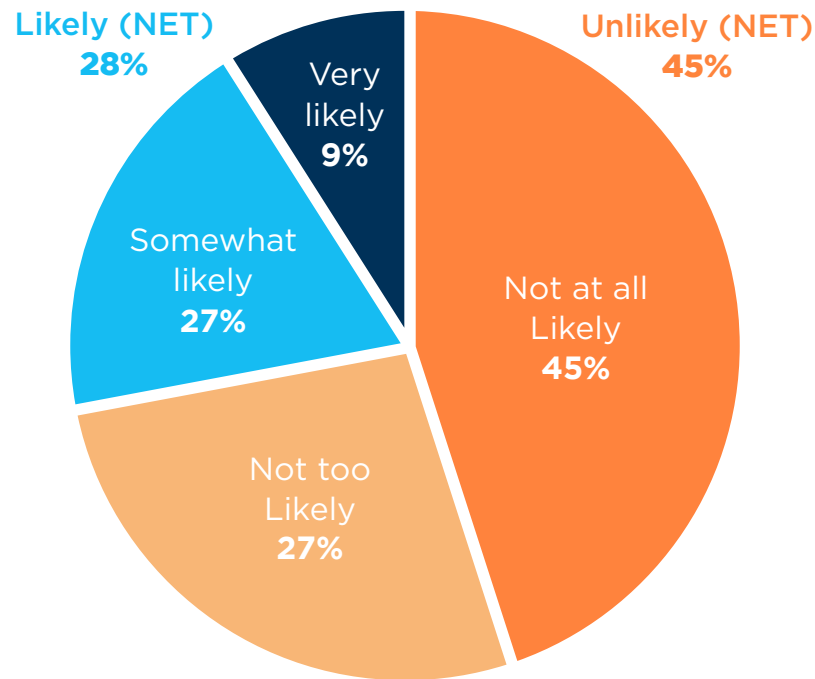
BASE: ALL QUALIFIED RESPONDENTS (N=2000)

Q108. For the majority of homeowners in the U.S., the value of their property has increased over the past several years. How likely are you to take out a home equity loan to take advantage of the increased value of your current home?

Q108A. Being as specific as you can, why are you [INSERT RESPONSE FROM Q108 IN LOWERCASE] to take out a home equity loan to take advantage of the increased value of your current home?

Despite increases in home values, 7 in 10 are unlikely to take out a home equity loan.

- Those 55+ that indicated they were anxious about their ability to live comfortably in retirement are more unlikely to take out a home equity loan (82%)
- Majority of Boomers (89%) and Silent Generation (94%) unlikely to take out a home equity loan.



Gen Z/ Millennials (D) N=374		Gen X (E) N=463	
Likely	Unlikely	Likely	Unlikely
61% <small>EFG</small>	39%	39% <small>FG</small>	61% <small>D</small>

Boomers (F) N=997		Silent Gen (G) N=166	
Likely	Unlikely	Likely	Unlikely
11%	89% <small>D</small>	6%	94% <small>DE</small>

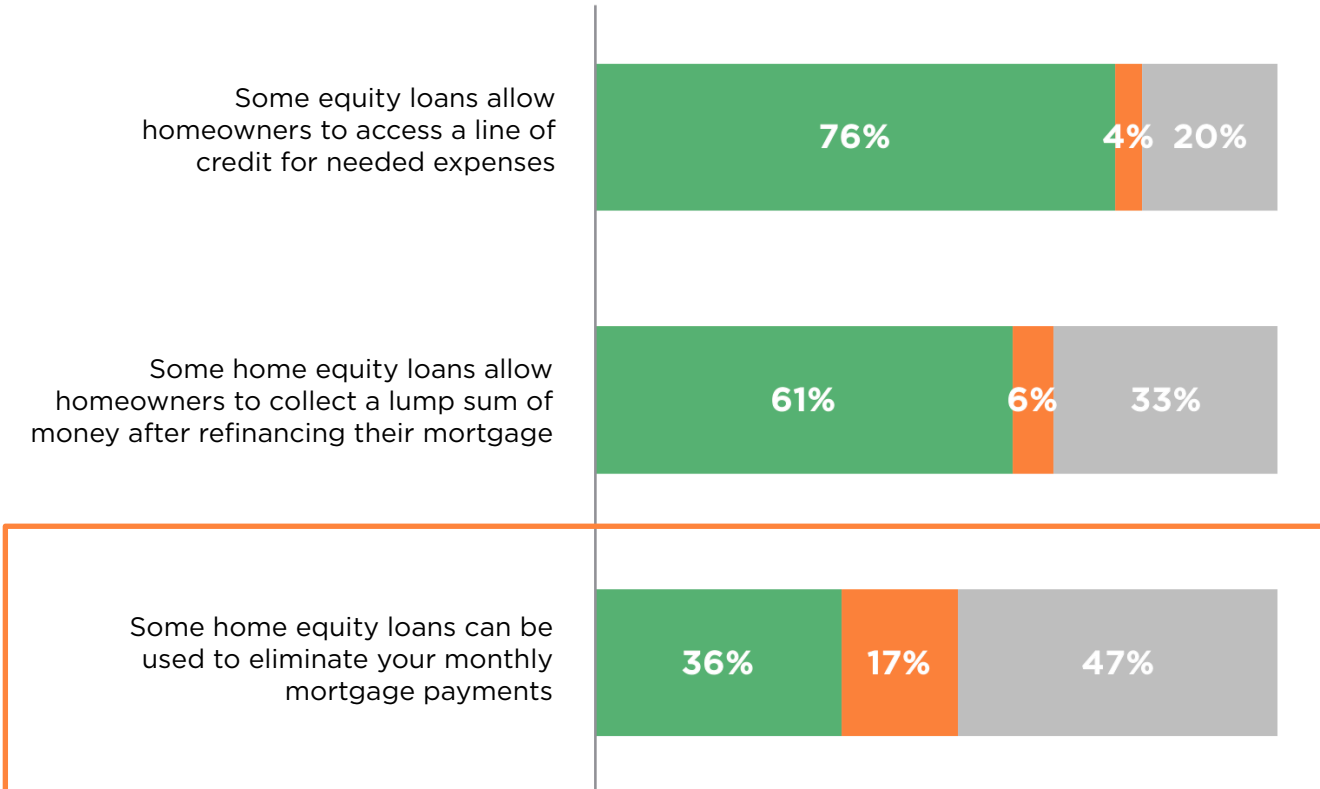
BASE: ALL QUALIFIED RESPONDENTS (N=2000)

Q108. For the majority of homeowners in the U.S., the value of their property has increased over the past several years. How likely are you to take out a home equity loan to take advantage of the increased value of your current home?

Q108A. Being as specific as you can, why are you [INSERT RESPONSE FROM Q108 IN LOWERCASE] to take out a home equity loan to take advantage of the increased value of your current home?

Red letters indicate significant difference between generations labeled (from table header)

Knowledge about home equity loans and their potential impact on mortgage payments is weak.



Gen Z/ Millennials (D) N=374	Gen X (E) N=463	Boomers (F) N=997	Silent Gen (G) N=166
% True	% True	% True	% True
68%	74%	80% DE	83% DE
62%	61%	61%	57%
42% E	33%	36%	38%

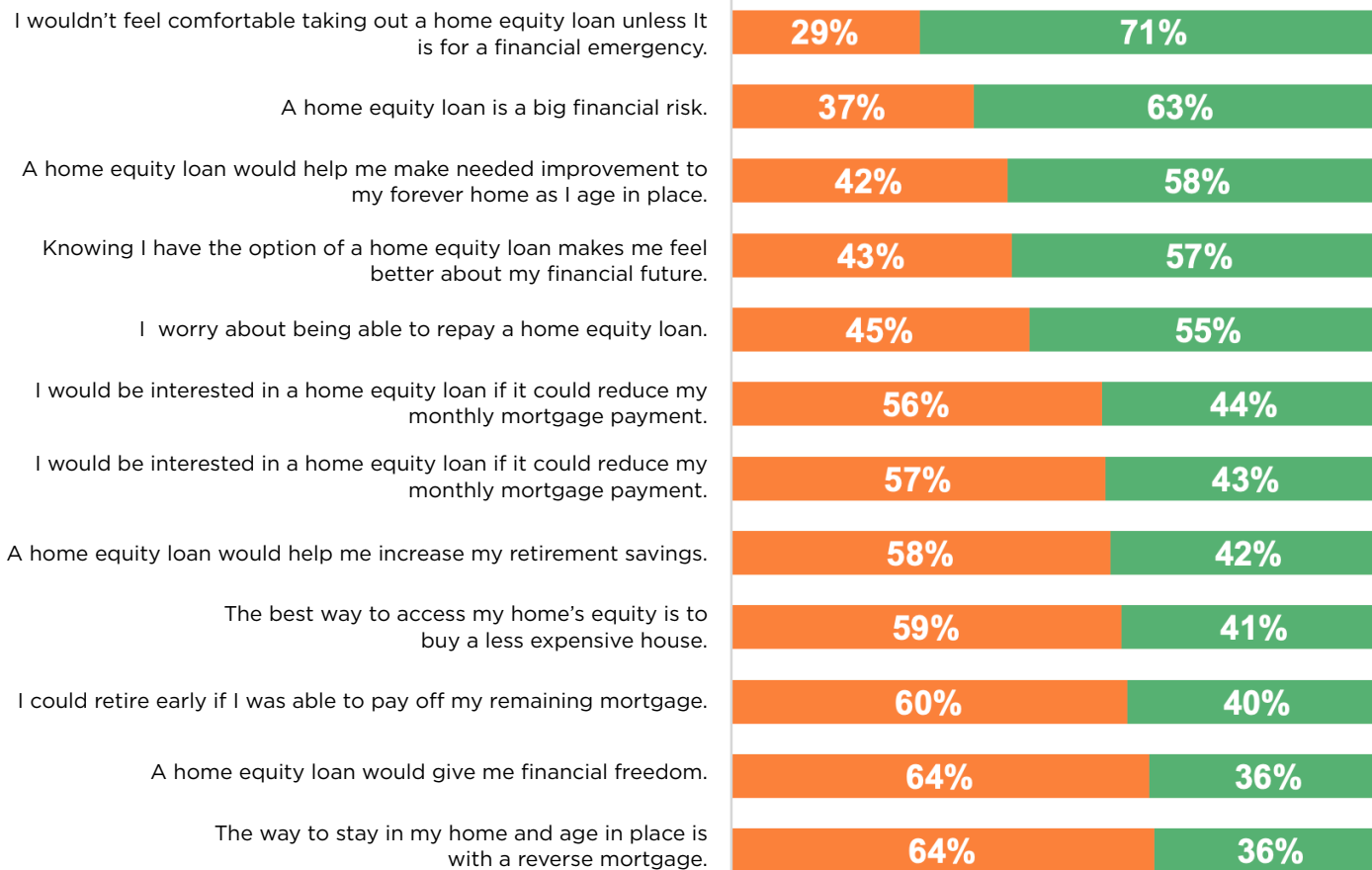
BASE: ALL QUALIFIED RESPONDENTS (N=2000)

Q113. As far as you know, are the following statements about home equity loans true or false?

Red letters indicate significant difference between generations labeled (from table header)

While a majority express some anxiety about home equity loans, most also see the benefits.

■ TOTAL DISAGREE ■ TOTAL AGREE



Gen Z/ Millennials (D) N=374	Gen X (E) N=463	Boomers (F) N=997	Silent Gen (G) N=166
71%	71%	71%	74%
67%	62%	61%	66%
72% FG	69% FG	48%	41%
70% FG	65% FG	48%	47%
64% FG	62% FG	49% G	37%
74% EFG	55% FG	27%	20%
69% EFG	57% FG	28% G	14%
67% EFG	49% FG	30%	24%
58% EFG	40%	34%	33%
61% EFG	51% FG	27%	18%
63% EFG	47% FG	23% G	10%
56% EFG	41% FG	24%	25%

BASE: ALL QUALIFIED RESPONDENTS (N=2000)

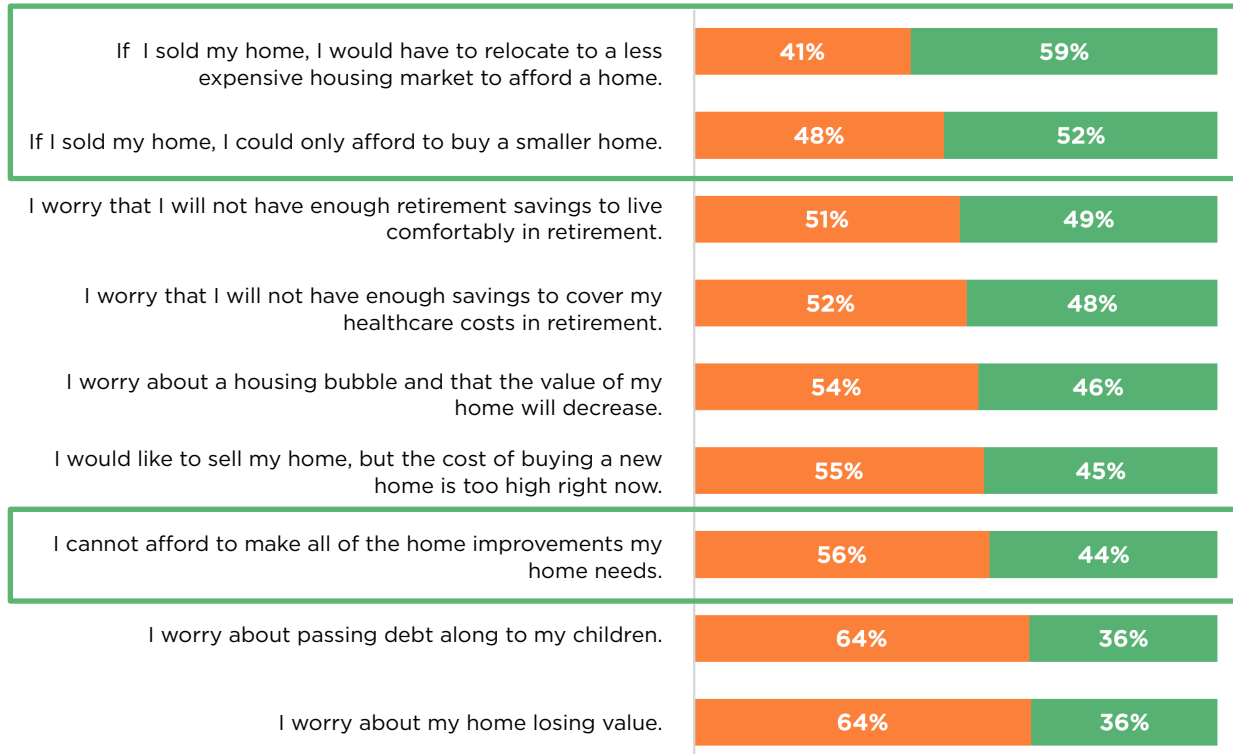
Q12. How much do you agree with each of the following statements about home equity loans?

Red letters indicate significant difference between generations labeled (from table header)

For most, selling their home would mean downsizing. Nearly half indicate they cannot afford to make all their needed home improvements.

- Anxiety levels about their home and financial future is significantly higher among Gen Z/Millennials
- 1/3 of Boomers (35%) cannot afford to make all of their home improvements

■ TOTAL DISAGREE
 ■ TOTAL AGREE



Gen Z/ Millennials (D) N=374	Gen X (E) N=463	Boomers (F) N=997	Silent Gen (G) N=166
64% G	61%	57%	51%
60% FG	58% FG	47%	45%
63% FG	65% FG	39% G	19%
58% FG	62% FG	39% G	22%
60% EFG	49% FG	41% G	28%
55% FG	48% F	39%	37%
58% FG	53% FG	35% G	23%
55% EFG	46% FG	23%	25%
54% EFG	41% FG	28% G	16%

BASE: ALL QUALIFIED RESPONDENTS (N=2000)

Q111. How much do you agree with each of the following statements?

Red letters indicate significant difference between generations labeled (from table header)

Thank You



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Demographics

Gender	
Male	49%
Female	51%
Generation	
	<i>Mean age</i> 56.6
Gen Z (18-25)	3%
Millennials (26-41)	18%
Gen X (42-57)	28%
Boomers (58-76)	41%
Silent Generation+ (77+)	10%
Region	
Northeast	17%
Midwest	23%
South	38%
West	22%
Race	
White	78%
Black/African American	7%
Hispanic	8%
Asian	6%
Education	
Less than High School	5%
High School to Less Than College Degree	50%
4-Year College Degree or More	46%
Annual Income	
Less than \$35K	14%
\$35K - <\$75K	26%
\$75K or more	61%
Marital Status	
Never married	7%
Married/Living with partner	77%
Divorced/Separated/Widowed	16%
Paying off student loan debt	
Yes (my own or dependents)	13%
No	86%
Average current market value of home	\$470,397

Employment Status	
Employed (FT, PT, or self)	52%
Unemployed, student, homemaker	12%
Retired	36%
	<ul style="list-style-type: none"> • Fully retired 97% • Still working 3%
Retired earlier/later than planned	
Earlier	58%
Later	8%
When planned	33%
Main income source in retirement	
Social Security	28%
401(k) savings and/or IRA savings	26%
Pension	18%
Investment portfolio(s)	11%
Other (inheritance/cash/annuity/home equity)	9%
Amount saved for retirement	
\$0	34%
\$1-\$199,999	23%
\$200K – <\$1M	27%
More than \$1M	16%
Total assets	
Less than \$100K	31%
\$100K – <\$500K	31%
More than \$500K	29%
Prefer not to answer	8%
Years owned current home	
0-5 years	21%
6-10 years	21%
11-20 years	26%
21 or more years	32%
Currently paying off mortgage	
Yes	47%
No	53%
Average amount still owed on home	\$84,895