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Poll: Sixty Percent "Definitely Will Not Buy" a Home Within Next Two Years

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Brace yourself, move-up builders: American homeowners say they are staying put.

According to an Associated Press-AOL Money & Finance Poll released Monday, an eye-popping 60 percent of respondents say they "definitely will not buy" a house within the next two years. And these are people who have already logged time at their current address; 90 percent of respondents say they have not purchased a home within the past two years. (The quick two-year house flip has definitely become a thing of the past.)

This reluctance to buy applies to both the renters and homeowners interviewed for this survey. Seventy percent of respondents own their homes; 27 percent rent.

Pricing is a factor. Nearly half (47 percent) believe the housing market in their area is overpriced. Almost one-quarter (24 percent) think that housing prices in their area will drop within the next two years.

Ironically, many respondents (59 percent) believe it is a good time to buy a home. The percentage of those who say houses are underpriced in their area more than doubled, from 5 percent in 2006 to 11 percent now.

Finally, despite the subprime crisis, 70 percent of homeownership respondents said they are "not at all worried" about making their mortgage payments during the next six months. Interestingly, the share of respondents with adjustable-rate mortgages (ARM) has dropped significantly since the last time this poll was done; only 11 percent reported having an ARM in the 2008 poll compared to 22 percent in 2006.

This Associated Press-AOL Money & Finance Poll interviewed 1,002 adults in late March and early April 2008. The margin of error is plus/minus 3.1 percentage points.

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