



# Shifting Sentiment:

Housing Affordability as a Key Issue in 2024

By Blake Johnson

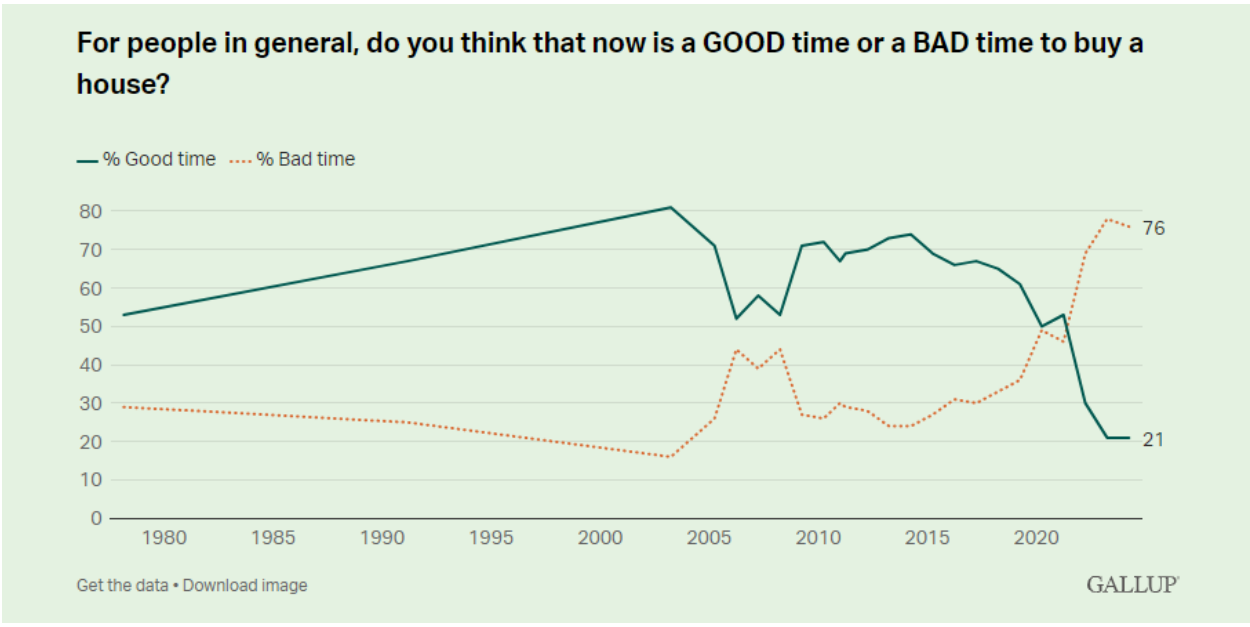
# Introduction

Housing affordability has emerged as a dominant concern for Americans across all demographics heading into the 2024 election. As housing prices and rental costs soar, current public sentiment reflects record high anxiety over the ability to secure affordable housing. This paper provides a snapshot look of current polling and public opinion, highlighting the widespread concern and demographic variations in attitudes toward this issue.

Across geographical regions (including battleground states), urban and rural, age groups, income, race, and political party identity, housing affordability and rent have risen to become a dominant issue in the 2024 election cycle. By understanding the public's perspective, candidates can better understand the significance of the issue heading into the 2024 election and policymakers can better craft solutions that align with the needs and values of American citizens.

## Public Sentiment on Housing Affordability

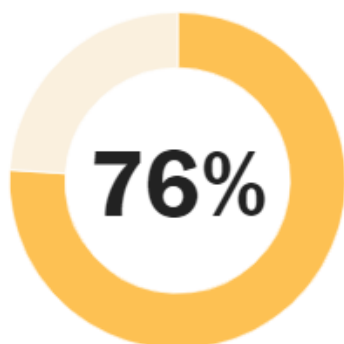
### 1. General Concern



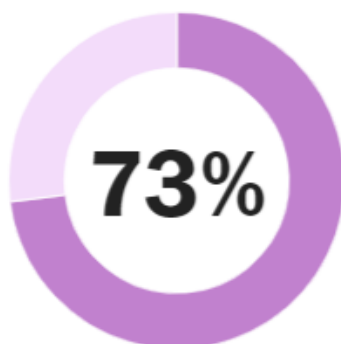
Surveys by organizations such as Pew Research Center and Gallup indicate that a significant portion of the population views the cost of housing as one of the most critical economic issues facing the country. In June 2024, the National Housing Conference and the Bipartisan Policy Center commissioned Morning Consult to conduct a nationally representative [survey](#) measuring U.S. opinions on housing affordability. Two of the key takeaways were that nearly three in four adults feel that the lack of affordable homes is a significant U.S. problem and 80% of Americans said policymakers should factor in housing affordability when considering new laws and regulations.

In April 2024, a [poll](#) commissioned by Michigan Ross/Financial Times found that 27% of Americans consider housing costs as one of their top three economic issues in considering their vote for president. This concern ranked higher than government spending, wages, the national debt, and corporate corruption.

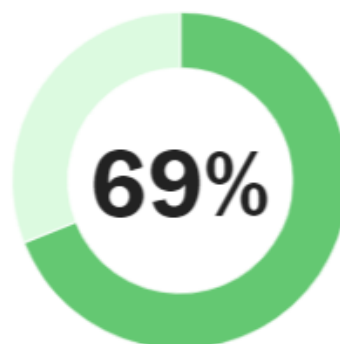
## Americans are concerned about high home prices



Say It's a "bad time" to buy a home



Say "average people" can not afford a home in their area



Are "worried" about children and grandchildren being able to afford a home

Source: "Cato Institute 2022 Housing Affordability Survey," Cato Institute, 2022

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An April 2024 [poll](#) by Gallup highlights this issue even further. According to the poll, 76% of American adults consider now to be a bad time to buy a house and 68% think the average price of houses in their area will increase

over the next year. A 2022 [survey](#) from the Cato Institute tracked with the numbers from Gallup. It seems that the vast majority believe housing affordability is in a bad state - and it is only set to get much worse.

## 2. Regional Differences

Public sentiment varies significantly by region, with residents in high-cost urban areas expressing the greatest concern. States like California, New York, and Massachusetts often report higher levels of anxiety about housing costs compared to more rural areas or regions with lower living expenses. A Pew survey found that 49% of Americans consider the availability of affordable housing a major problem in their community. This sentiment is particularly pronounced among urban residents, with 70% of city dwellers expressing significant concern. [Gallup's analysis](#) shows that residents in the West (58%) and Northeast (52%) are more likely to report dissatisfaction than those in the Midwest (42%) and South (38%).

### Expectations for Higher Local Home Prices, by Region

Over the next year, do you think that the average price of houses in your area will increase, stay the same or decrease?

Figures are the percentage who say home prices will increase

	2022 %	2023 %	2024 %
East	63	62	68
Midwest	65	44	66
South	72	61	68
West	76	55	70

[Get the data](#) • [Download image](#)

GALLUP

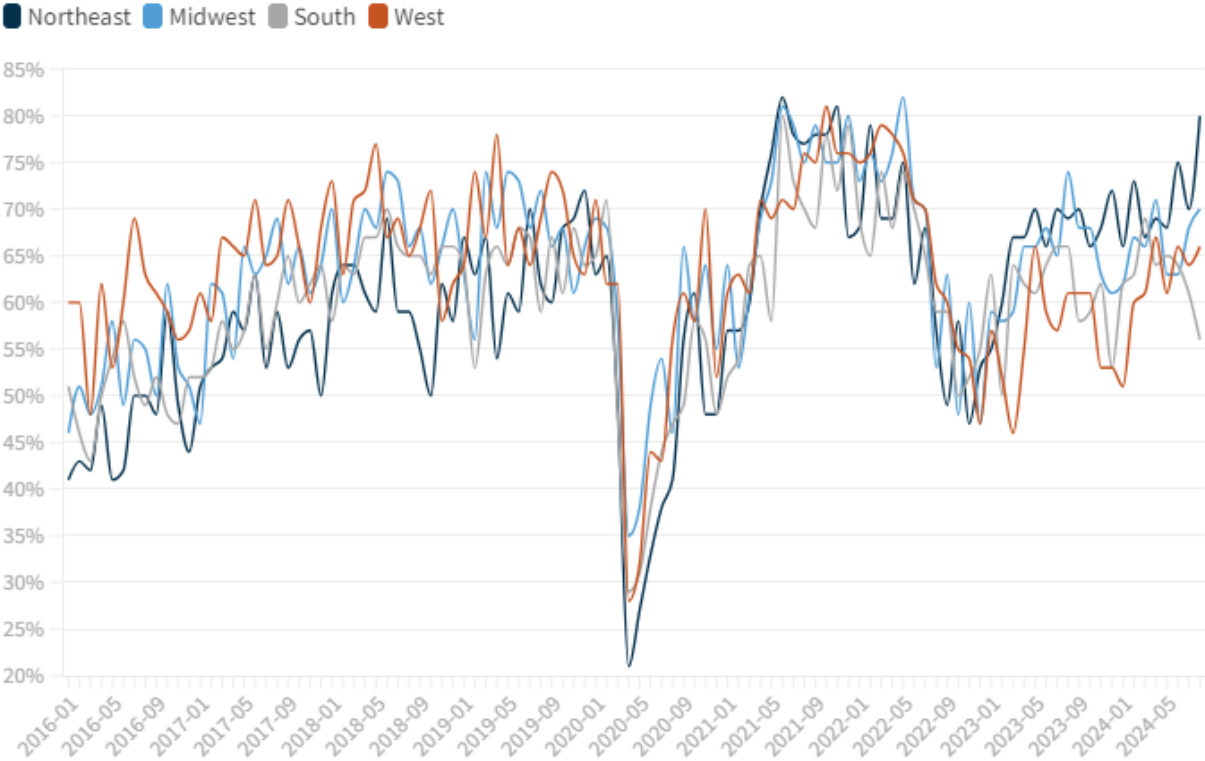
[Morning Consult](#) further added to these findings, with over 60% of adults in all regions, as well as rural and urban, stating that housing prices have become less affordable in the last year. Looking forward, 52% of those surveyed already firmly believe

housing will become increasingly less affordable in the year ahead.

The August 2024 [Fannie Mae Home Purchase Sentiment Index](#) shows a disparity between the South and other regions; 56% of respondents from the South believe it's a good time to sell a home, compared to the Northeast (80%), Midwest (70%), and West (66%). While this represents a 5 percent decrease for the South month over month, all other regions saw an increase.

### Interesting regional variations emerge in home-selling sentiment\*

80% of consumers in the Northeast say it's a good time to sell a home, compared to only 56% in the South



Source: Fannie Mae Home Purchase Sentiment Index® (HPSI)  
\*Percentage of respondents who think it's a "good time to sell a home"

Mark Palim, Fannie Mae Vice President and Deputy Chief Economist believes there is an explanation for this regional disparity. *"This likely reflects in part the wide geographic variation in new home construction activity. In the regions that*

*had a stronger construction response following the pandemic, our latest survey data suggest that sellers may be losing some of their negotiating power due to the increased supply.”* In essence, states such as Texas and Florida seemingly have achieved greater success in new home construction activity. However, overall, the survey found that only 17% of all respondents indicated that it’s a good time to buy a home.

In another [survey](#), conducted in April 2024 solely among registered voters in five battleground states (Arizona, Michigan, Pennsylvania, Nevada, and North Carolina), 52% of voters say they hear politicians talking about the cost of rent and housing “not much” or “not at all.” When asked what would improve their personal situation the most, however, 59% of those battleground state voters said the cost of renting and housing. It was tied with jobs and wages, and only behind healthcare and inflation in voters’ rankings. This makes sense, as according to recent data from [Redfin](#), the median monthly housing payment for homebuyers in these states (along with Wisconsin and Georgia), has risen by 92% since the 2020 election. Home prices have also soared in that timeframe by 40%.

### 3. Demographic Variations

**Age Groups:** While serious concerns about the current state of housing affordability are significant across age groups, younger adults, particularly millennials and Gen Z, are much more likely to express concern about housing affordability. This age demographic faces unique challenges, including greater debt outside of housing, much higher rent, and lower earning potential, which exacerbates their difficulties in entering the housing market. The CATO poll found that 20% of younger Americans are more likely to prefer renting, despite its

significant rise in cost, compared to 8% of senior citizens who share that preference.

A [survey](#) of about 300,000 American adults commissioned by Redfin in February 2024 further highlights the reality of the deep concern amongst young Americans regarding the current state of housing affordability.

Redfin survey Q: Please indicate how important each of the following issues are when considering how you'll vote in the next presidential election. This table displays the share of respondents who chose "very important" or "somewhat important."

	<b>Gen Z</b>	<b>Millennials</b>	<b>Gen Xers</b>	<b>Baby boomers</b>
1	Housing affordability (91%)	Strength of the overall economy (89%)	Strength of the overall economy (94%)	Strength of the overall economy (95%)
2	Strength of the overall economy (82%)	Education (88%)	Preserving democracy (85%)	Preserving democracy (92%)
3	Education (82%)	Housing affordability (87%)	Education (84%)	Immigration (90%)
4	Gun rights (75%)	Immigration (79%)	Housing affordability (83%)	Foreign wars and/or geopolitical conflicts (88%)
5	Abortion rights (75%)	Preserving democracy (78%)	Immigration (82%)	Gun rights (81%)
6	Preserving democracy (73%)	Gun rights (77%)	Foreign wars and/or geopolitical conflicts (81%)	Housing affordability (80%)

Almost all adult Gen Z'ers (91%) say housing affordability is important when considering who they will vote for in the presidential election. This ranked it higher than abortion, preserving democracy, the overall economy, immigration, student debt, and more. For Millennials, it ranked third, only below strength of the overall economy and education, and for Gen Xers it ranked fourth. In total, at least 80% of every

generation said housing affordability is an important factor as they head to the polls this November.

In an April 2024 Pew Research [survey](#), 68% of adults over the age of 65 said attaining the American dream is still possible, and 61% of those aged 50-64 still believe it is possible. For adults under the age of 50, only 42% still believe in their ability to attain the American dream.

In the Michigan Ross/Financial Times poll, 31% of voters 18-44 marked it as a top economic issue, right alongside wages. In the Gallup poll, 75% of Americans under the age of 50 were far more likely to think home prices will rise, compared to 60% of older Americans. While housing affordability is a well understood crisis among younger generations, senior citizens and those soon to enter that age group are increasingly concerned about rental prices and the potential for them to experience homelessness. With a housing crisis on the horizon, particularly for senior citizens, and a significant increase of the population entering this demographic, it's very likely that the already significant number of senior citizens who consider housing affordability a serious issue will rise.

**Income Levels:** It should come as no surprise that the concern and opinions about housing affordability differ among income levels. Lower and middle-income households are most affected by housing affordability issues. Polls indicate that individuals and families in these income brackets are increasingly worried about their ability to afford rent or buy homes. According to Gallup, 69% of those in low-income households expressed dissatisfaction with housing affordability, compared to 34% of those in high-income households. In the Morning Consult survey, 32% of those earning under \$50,000 annually reported having trouble just meeting their current expenses. For current



renters hoping to eventually own a home, 49% said they had difficulty just paying their rent over the past year. According to Pew Research, 64% of upper-income Americans still believe it's possible for people to achieve the American dream. When asking lower-income Americans, the number drops to 39%.

**Racial and Ethnic Differences:** African Americans and Hispanics often report higher levels of concern about housing affordability compared to their white counterparts. This disparity reflects broader socio-economic factors and the historical challenges these communities face in achieving homeownership. Pew Research found that 58% of Hispanic respondents and 55% of African American respondents reported high levels of concern. When it came to belief in whether achieving the American dream is still possible, 55% of white adults said it is, along with 52% of Blacks, 50% of Asians, and 47% of Hispanics. According to [CATO](#), some groups are more likely than others to prefer renting. Black Americans (23%), Hispanic Americans (26%), and Asian Americans (27%) are about three times as likely as White Americans (9%) to prefer renting.

**Political Party and Ideology:** In the Morning Consult poll, a majority of all respondents, regardless of political party, saw the lack of affordable homes as a significant problem. Democrats represented the largest share, with 83% considering it a significant issue. Independents polled at 71%, with Republicans close behind at 68%.

In CATO's poll, 90% of Republicans and 84% of Democrats would prefer home ownership over renting. When asked by Pew Research if that American dream is still possible, only half

of Democrats (50%) answered affirmatively. Republicans were a little more hopeful at 56%.

Clearly, the cost to own a home, or even to rent, is a rising issue of importance among voters. A May 2024 Reuters [opinion poll](#) discovered that the cost of housing was the second highest economic concern amongst voters, only behind the interrelated issue of overall rising prices.

## **Conclusion**

It's clear that the issue of housing affordability has not just become a considerable concern for American voters – it's become a top concern. Across all demographics and regions, the rise of concern amongst Americans has paralleled the meteoric rise in housing costs. As reflected in numerous public opinion polls and surveys, the extent of the burden of housing affordability weighs heavily in voters' consideration this fall. By understanding the importance of the issue in voter's minds, as well as the public opinion on its many facets, politicians and stakeholders will be better equipped heading into the election and beyond, and Americans will as a result be better equipped in their pursuit of the American dream.