FURNITURE TODAY The Consumer Counts

Homeownership poised to grow in 2015

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Homeownership rates have been on the decline for the last four years, reaching 64.0% in the fourth quarter of 2014, according to the latest data from the U.S. Census Bureau. In the first quarter of 2010, the rate was 67.1%.

Homeownership is primed to pick up as the combination of rising rents and low mortgage rates bring potential buyers to the market. Nationally, the median rental rate is $1,250 per month for an unfurnished apartment. That's a 16% increase from 2010, when the median monthly apartment rate was $1,077.

For the last four years the housing market has enjoyed 30-year mortgage rates well below 5%. Last year rates averages 4.17%. All eyes are on the housing market this year due to the Federal Reserve concluding its bond-buying program late last year. The program is credited with helping to keep mortgage rates near historic lows. So far this year, rates have continued to remain low, averaging 3.67% for January.

Monthly housing costs, which include mortgages, real estate taxes, property insurance, utilities, fuels and HOA fees, have been relatively steady over the last four years. According to the latest data from the U.S. Census Bureau, 48% of homeowners had monthly housing costs between $1,000 and $1,999 in 2013, which is unchanged from 2010.

In 2013, 22% of homeowners had housing costs between $500 and $999, only two percentage points higher than 2010. The percentage of homeowners paying the most per month, at $2,000 or more has declined the most, from 30% in 2010 to 27% in 2013.

Renters' perception of owning a home is also a positive sign for the housing market. In a recent study conducted by Freddie Mac, 91% of renters said "owning a home is something to be proud of" and nearly nine out of 10 said "owning allows more flexibility to design it the way you want."

Eight out of 10 renters' surveyed said homeownership is an "investment opportunity that builds long-term wealth." And three-fourths said homeownership is a "sign of success."

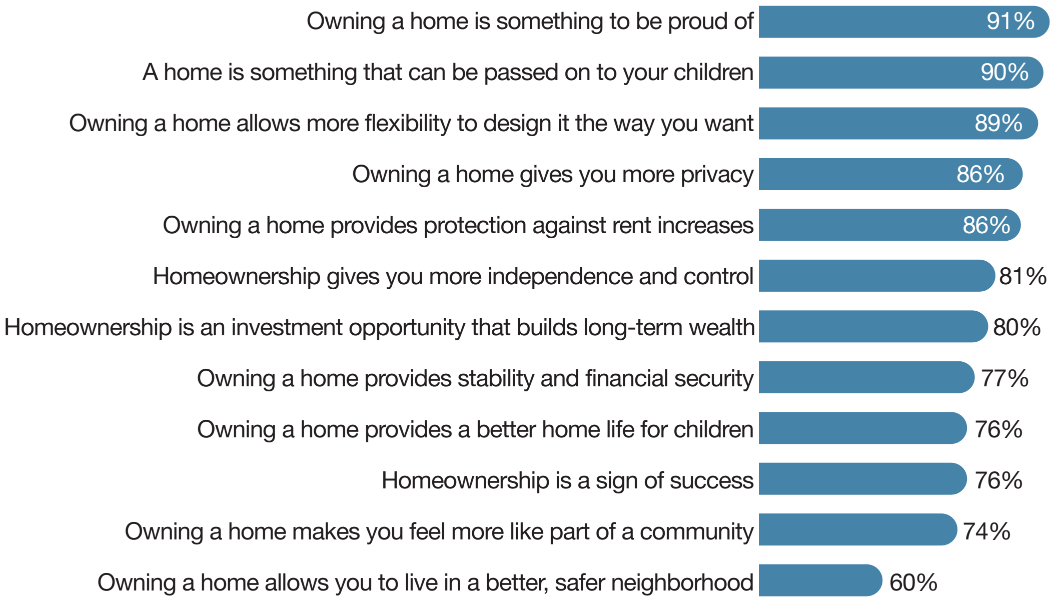
2014 home buyers

	First-time buyer	Repeat buyer
Average age	31	53
Average household income	$68,300	$95,000
Percent who financed their home purchase	95%	84%

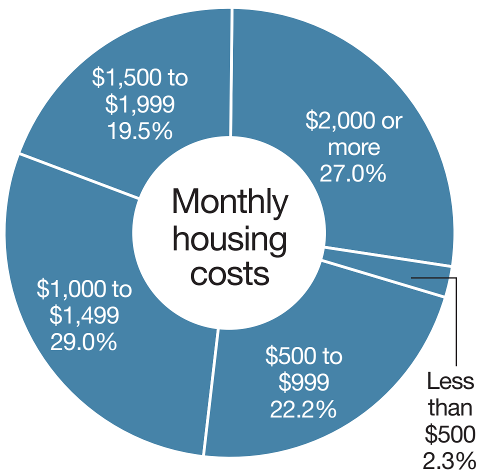
Source: National Assn. of Realtors

Perceptions about owning a home

% of renters responding



Source: Freddie Mac



Includes mortgages, real estate taxes, property insurance, utilities, fuels and HOA fees.

Source: U.S. Census Bureau

Mortgage rates

Annual average, 30-year fixed-rate

2007	6.34%
2008	6.03%
2009	5.04%
2010	4.69%
2011	4.45%
2012	3.66%
2013	3.98%
2014	4.17%

Source: Freddie Mac

Homeownership rates

% of households owning