First-time buyers unsure about how to tap into a home's not-so-secret potential — home equity lines of credit (HELOCs)

More than 36% of first-time homebuyers wouldn't consider opening a HELOC because they do not fully understand how one works.

Homeowners who have a HELOC used it for:
- Home improvements: 58%
- Debt consolidation: 35%
- Emergency funds: 11%

10% of homeowners have yet to access the funds.

Homebuyers debate: Fixer-upper or move-in ready?

What best describes the type of home you're looking for?

- A home I can make major renovations to: 10%
- A home I can make minor cosmetic changes to: 31%
- A house that meets my needs, without having to make improvements: 58%

Of those looking to make home improvements:
- Prefer to do the work myself: 62%
- Prefer to hire someone: 38%

Using HELOCs for energy-efficient home improvements

Energy-efficient options are a priority for homeowners, but the reality varies among generations.

I have an energy-efficient product in my home:

- Seniors: 93%
- Baby boomers: 89%
- Gen Xers: 89%
- Millennials: 78%

Among homebuyers, the most common energy-efficient features are:

- Energy-efficient appliances: 67%
- Energy-efficient windows: 48%
- Energy-efficient air conditioning/heating units: 47%
- Additional insulation: 37%
- Smart home automation: 15%

Hidden helper: Home equity lines of credit

Current owners are more informed than first-time buyers on the possible uses of a HELOC.

Methodology

Bank of America commissioned a survey to explore American attitudes toward home ownership. The survey was conducted by GfK Public Communications and Social Science, using GfK’s KnowledgePanel®, a statistically representative sample source used to yield results that are projectable to the American population. The survey was conducted online from January 24–February 2, 2017, a total of 4,906 adults age 18+ were surveyed, including 1,268 current homeowners, 435 prospective homeowners (who plan to buy a home in the future). Select questions allowed respondents to choose more than one answer, resulting in a total response that may equate to more than 100 percent.

In addition, an augment was conducted to achieve 300 adults in 10 local markets: Boston, Charlotte, Chicago, Dallas, Denver, Houston, Phoenix, Miami, St. Louis, and New York. The margin of sampling error for national data is +/- 3.0 percentage points.

Respondent Breakdowns

- Generalized: 2,966 respondents
- Own: Ages 53–70: 1,268 responders
- Own: Ages 35–52: 679 responders
- Own: Ages 18–34: 495 responders
- Homeowners: 1,268 responders
- Non-homeowners: 3,638 responders

- First-time: 1,015 responders
- Experienced: 2,891 responders

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