



LendingTree Survey Finds 53% of Potential Homebuyers are More Likely to Purchase a Home in the Next Year Due to COVID-19 Pandemic

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Low mortgage, rates, reduced spending and falling home prices spur homebuyers to become homeowners

CHARLOTTE, N.C., June 4, 2020 /PRNewswire/ -- The coronavirus pandemic — coupled with historically low mortgage rates — is motivating 53% of homebuyers to purchase a home in the coming year, according to the results from LendingTree's latest survey of over 1,000 prospective homebuyers.



Key Findings:

- **53% of homebuyers say they are more likely to buy a home in the next year due to the coronavirus outbreak.**
 - 73% of those who are more likely to purchase a home are first-time homebuyers, and 66% are millennials
- **For all prospective homebuyers planning to purchase in the next 12 months, the top motivators are:**
 - Taking advantage of record-low mortgage rates (67%)
 - Being able to save a larger down payment due to reduced spending amid COVID-19 (32%)
 - Reduced home prices (30%)
 - Being confined in a smaller space during stay-at-home orders makes homeownership more appealing (28%)
- **Nearly two-thirds (65%) say the coronavirus pandemic has impacted how much money they plan to spend on a new home**
 - 44% plan to buy a less expensive home, 21% a more expensive home
- **61% have toured a house virtually over the past two months**
 - Another 33% said that although they haven't had a virtual tour, they plan to do so.

3 tips for buying a home during the COVID-19 pandemic

- Improve your creditworthiness. Some mortgage lenders are requiring a minimum 700 credit score to qualify for a home loan. Having a score of 740 or higher may help you get the lowest available [mortgage rate](#).
- Reduce outstanding debt. The lower the debt-to-income (DTI) ratio — the percentage of gross monthly income used to repay debt — the better the chances of qualifying for a mortgage. The rule of thumb is a 43% maximum, but aiming for a 36% DTI ratio is more manageable.
- Consider holding off for a few months. It may be wise to wait until late summer or fall to buy a home, as we may later see more homes in the market.

For more information about the survey and its findings, please visit: <https://www.lendingtree.com/home/mortgage/more-than-half-of-homebuyers-plan-to-buy-despite-coronavirus-pandemic/>

Methodology

For this survey, LendingTree commissioned Qualtrics to conduct an online survey of 1,006 homebuyers, with the sample base proportioned to represent the overall population. The survey was fielded April 24-30, 2020.

We defined generations* as the following ages in 2020:

- Millennials: ages 24-39
- Gen X: ages 40-54
- Baby boomers: ages 55-74

Our survey also included responses from members of Generation Z (ages 18-23) and the Silent Generation (ages 75+). Their responses were factored into the overall percentages, but excluded from the generational breakdowns due to the low sample size among both age groups.

About LendingTree

LendingTree (NASDAQ: TREE) is the nation's leading online marketplace that connects consumers with the choices they need to be confident in their financial decisions. LendingTree empowers consumers to shop for financial services the same way they would shop for airline tickets or hotel stays, comparing multiple offers from a nationwide network of over 500 partners in one simple search, and can choose the option that best fits their financial needs. Services include mortgage loans, refinances, auto loans, personal loans, business loans, student refinances, credit cards and more. Through the My LendingTree platform, consumers receive free credit scores, credit monitoring, customized recommendations to improve credit health, and notification when there are opportunities to save money. In short, LendingTree's purpose is to help simplify financial decisions for life's meaningful moments through choice, education and support. LendingTree, LLC is a subsidiary of LendingTree, Inc. For more information, go to www.lendingtree.com, dial 800-555-TREE, like our Facebook page and/or follow us on Twitter @LendingTree.

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