**Americans Say Housing is a Good Investment**

**By \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**President, (Home Builders Association)**

Homeownership benefits millions of Americans across the country. In addition to having a place to call home and a sense of community, many people purchase homes to help build their wealth. A primary residence was the largest asset among households across age groups in 2019, according to the [2019 Survey of Consumer Finances](https://nahbnow.com/2021/02/homeownership-remains-primary-driver-of-household-wealth/). How does housing measure up to other investments, like the stock market? Not surprising, many Americans view homeownership as a sound investment to provide financial security.

A [recent study](https://libertystreeteconomics.newyorkfed.org/2021/04/do-people-view-housing-as-a-good-investment-and-why.html) by the Federal Reserve Bank of New York found that most households view housing as a good investment in comparison to the stock market. When asked whether a young couple should buy a primary residence or invest in the stock market more than 90% of the survey respondents chose housing. The survey was run in February 2020 (largely before the COVID-19 outbreak in the United States), October 2020 and February 2021.

Many survey respondents also view rental property as another viable pathway to generate returns. When asked to choose between investing in a rental property or the overall stock market, more than 50% of the households recommended housing each time the survey was administered. In selecting housing as a better investment over the stock market, most survey respondents cited “desired living environment and provides stability,” “housing prices less volatile,” and higher house prices as their primary reasons.

Americans view housing, as a primary residence or as rental property, as a good investment compared to the stock market. Many home owners count on their home equity to fund retirement, their children’s education, and other important needs. In addition to an investment opportunity, owning a home represents a big part of the American Dream and provides a solid foundation for families. To learn more about home buying or homeownership, visit [nahb.org](https://www.nahb.org/).