



2012 Presidential Elections: 69.6% of Americans Said Housing Will Influence Their Vote

Housing Survey Reveals Voter Perceptions, Supply vs. Demand, and the Millennial Mindset

CAMPBELL, Calif., Nov. 8, 2011 /PRNewswire/ -- Candidate positions on housing will be important considerations to nearly seven of 10 Americans (69.6%) in the 2012 presidential and congressional elections, according to a new national survey on housing released today by online real estate leader Move, Inc. (NASDAQ: MOVE). This is especially true for Millennials(1) (70.7%), the next generation of homebuyers and the segment expected to play as important a role in the 2012 elections as they did in 2008.

The Move, Inc., survey underscores the depth of national concern over the housing situation and the importance housing will play in next year's national elections. According to the survey, four out of five (81.7%) Americans consider housing to be a critical piece of our national economic recovery. Nearly three quarters of Americans (73.1%) believe conditions for buying a home a year from now will be the same or worse than today, while just under a quarter (23.2%) expect home buying conditions will be better.

Helping homeowners in trouble avoid foreclosure, an issue tracked in Move, Inc., surveys since October 2008, remains a top housing priority for the next president's first 100 days in office. In fact, one in three (30.9%) Americans today think helping homeowners avoid foreclosure should be the next president's priority in the first 100 days in office. Keeping interest rates low (26.4%) ranked second and making more affordable mortgage credit available (14%) placed third.

However, views are mixed when it comes to increasing or decreasing the role of government in housing. The Move, Inc., survey found one in three Americans (31%) said the role of government in housing should remain the same as it is today, while one in five (21.3%) said it should be increased. Forty-two percent said government's role in housing should be reduced, especially Americans ages 35 to 64 (56.7%). Just over two-thirds (67.4%) of Millennials said the president and Congress should reduce or keep the role of government in housing the same.

"After four years of living in a housing downturn, American voters clearly want answers and are looking to our elected leaders for solutions. Our survey found that while some people may be frustrated or pessimistic, 27.3% of Americans(2) still plan on buying a home," said Errol Samuelson, chief revenue officer of Move, Inc. "The survey illustrates candidates who share the concerns of the American people and make housing a top priority will win their confidence."

KEYS TO DEMAND FOR HOUSING: PERCEPTIONS ON PRICES, JOBS AND AFFORDABILITY

While one quarter of all Americans (27.3%) plan to buy a home in the future, only two percent plan to purchase in the next 12 months and 23.1 percent say they've delayed purchasing a home because of the real estate market in their area. Three factors — uncertainty about future prices, concern about the economy and jobs, and difficulty saving for down payments — are causing buyers to delay their purchases, effectively reducing near-term demand.

Based on survey results, half (55.1%) of those planning to buy in two or more years are waiting in part because they lack the money for a down payment or closing costs. Some 52.5 percent said they're concerned about their jobs or lack confidence in the economy as a whole. Half (53.1%) of today's future buyers said they're waiting because they expect prices to stabilize or increase. More than one third (34.6%) said their inability to get credit or find affordable credit is a reason why they're waiting to buy a home.

The survey also found perceptions on affordability have deteriorated in the past 18 months. In March 2010, 45.4 percent said they thought a median income family could afford more than half (50%) of the homes for sale in their neighborhood. Today, only 32 percent said they think median income families can afford more than half (50%) of the homes for sale in their area. In August 2011, the median priced home sold for \$168,400 and the qualifying income was \$33,504(3). The real median household income in 2010 was \$49,445(4).

"Perceptions as much as the realities of homeownership are standing in the way of boosting demand for housing," said Samuelson. "Concerns that the economy will continue to put jobs at risk and that prices won't rise near term are keeping buyers on the sidelines as much as the difficulty they're having in getting credit or saving for down payments. Until these concerns are resolved, we expect both buyers and sellers to remain on the sidelines."

SELLERS ARE LESS MOTIVATED BY PRICE

The number of homeowners who delayed selling their home because of the real estate market (17.5%) has not grown in the

past 18 months but actually declined slightly (-1.7%), which suggests the pending supply of 'visible' homes is showing signs of stabilization. However, more homeowners ages 35 to 49 (22%) and those making \$40,000-\$49,000 a year (21%) said they've delayed selling their home in the past year as compared to other respondents. This may indicate growing families in need of more space are having a difficult time moving up as a result of today's market conditions.

Moreover, after years of low prices that left many with negative equity, today's homeowners are less tempted to sell in response to incremental price increases than they were in 2009. Price increases in June 2009 of 20 percent or less would have motivated 61.6 percent of homeowners to sell. Today, however, price increases of 20 percent or less would motivate 55.4 percent. Based on the survey, a 5 percent increase in prices today would motivate 11.7 percent of owners to sell their home. The decline in pending price-motivated inventory suggests many owners may have sold their homes when the tax credit temporarily raised prices in 2010.

MILLENNIALS: PERCEPTIONS FROM AMERICA'S NEXT GENERATION OF HOMEBUYERS

The survey found that Millennials share many of the same intentions and values as other Americans on a host of housing issues, but differ when it comes to expectations and budgets. According to the Move, Inc., survey, two-thirds of Americans (61%) that plan to purchase a home say they'd be first-time home buyers, and slightly more than three-quarters of them (76.6%) are Millennials. Large majorities of Americans -- Millennials included -- believe their family must be happy in their home (94.1%), that they are very picky when it comes to finding a home (80.3%), and that their home defines them; it's part of who they are (75.1%).

However, when it comes to setting budgets aside to pay for housing, Millennials and older Americans have very different perceptions. Two out of five (40.9%) Millennials think they should spend 30 to 60 percent of their gross monthly income on housing, while older Americans (56.4%) said they plan to spend less than 30 percent of their gross monthly on housing. The housing expense ratio used by lenders to determine recommended spend of annual gross wages on housing costs such as principal, interest and taxes is 28 percent.(5)

Millennials also tend to place slightly less emphasis on the investment value of a home and more on its value as a place to live. The Move, Inc., survey shows three out of five (61.9%) Millennials think of their homes as a place to live compared to 24.8 percent who think of their homes as an investment. Almost all Millennials (95.3%) say they think of their home as a place where they can retreat from the world and relax.

About the Survey

The survey was conducted by OmniTel, the weekly national RDD Probability Sample telephone omnibus service of GfK Custom Research North America. It is based on interviews conducted October 7-9. Each OmniTel study consist of 1,000 completed interviews, made up of male and female adults (in approximately equal number), all 18 years of age and over. The margin of error on weighted data is +/- 3% and higher for subgroups. The raw data are weighted by a custom designed computer program, which automatically develops a weighting factor for each respondent. This procedure employs five variables: age, sex, education, race and geographic region. Each interview is assigned a single weight derived from the relationship between the actual proportion of the population with its combination of age, sex, education, race and geographic characteristics and the proportion in our sample. Tabular results show both weighted and unweighted bases for these demographic variables.

About MOVE, Inc.

Move, Inc. (NASDAQ:MOVE) is the leader in online real estate with 20.3 million monthly visitors(6) to its online network of websites. Move, Inc. operates: Move.com, a leading destination for information on new homes and rental listings, moving, home and garden and home finance; REALTOR.com®, the official website of the National Association of REALTORS®; MortgageMatch.com, Moving.com; SeniorHousingNet; ListHub; and TOP PRODUCER Systems. Move, Inc. is based in Campbell, California.

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(1) Demographers differ widely on what ages define Millennials, using birth dates ranging from the mid-1970s to the mid-1990s, with some including as late as the early 2000s. For the purpose of this survey, Millennials are ages 18 to 34.

(2) 85,313,753 American adults - US Census Bureau

(3) National Association of Realtors® Housing Affordability Index

(4) Census Bureau — Income, Poverty and Health Insurance Coverage in the United States 2010

(5) Federal Reserve Board. "Home Mortgages: The Mortgage Application Process."

(6) comScore September 2011 Media Metrix, Key Measures Report

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