

Letter from D. Steve Boland,



We are pleased to share the findings from our latest Homebuyer Insights Report, exploring the attitudes, behaviors and preferences of the modern homebuyer.

In an increasingly digital world, this spring's report finds that Americans see homebuying and technology as inseparable. They can't remember a time without it and its adoption is high, as consumers seek an experience that's efficient, simple and personalized.

Social media may be helping to drive this uptick, as the report found these channels are acting as a motivator and source of peer pressure for many to step into homeownership.

Perhaps the biggest takeaway is that NextGen technologies are here today, and their influence will continue to grow. Many buyers report they are already comfortable using technology throughout their homebuying journey, with room for evolution. Over the next decade, many even predict open houses will only be done through virtual reality.

While technologies will continue to evolve, they do not diminish the desire for personal service and expertise. In fact, this is one of the driving forces behind our end-to-end solutions that align with our clients' life priorities. Their needs are changing all the time, and we continue to build tools and services that allow them to work with us the way they want. They increasingly want to do the simple things themselves right up until they feel the need for live and personal support. And we're there for them at that point too...with experts who guide them.

Whether it's opening an account, sending money to friends, shopping for a car or even applying for a mortgage, we remain committed to providing clients with ease, convenience and control in managing their finances.

D. Steve Boland, Head of Consumer Lending, Bank of America

Methodology

Convergys Analytics conducted an online survey on behalf of Bank of America between January 16 and February 2, 2018. Convergys surveyed a national sample of 2,000 adults age 18+ who currently own a home or plan to in the future. In addition, an augment was conducted to reach 300 adults in seven local markets: Austin, Boston, Charlotte, Dallas, Nashville, Phoenix, and San Francisco. The margin of error for the national quota is +/- 2.6 percent, and the margin of error for the oversampled markets is approximately +/- 5.8 percent, with each reported at a 95 percent confidence level.

Select questions allowed respondents to choose more than one answer, resulting in a total response that may equate to more than 100 percent.

Respondent Breakdowns

Generational

- Gen Zers: Born after 1995
- Millennials: Born 1978-1995
- Gen Xers: Born 1965-1977
- Baby boomers: Born 1946-1964
- Seniors: Born before 1964

Homebuyer Categories

- First-time: Have not yet purchased a home
- Experienced: Currently own a home

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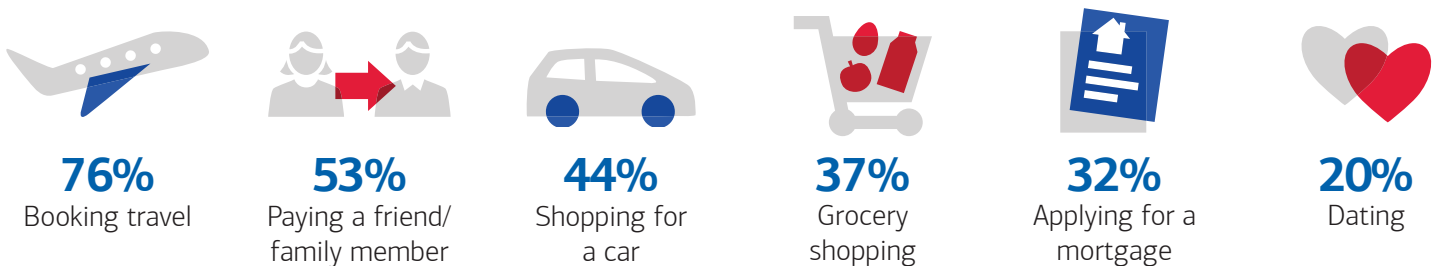
NextGen homebuying is here

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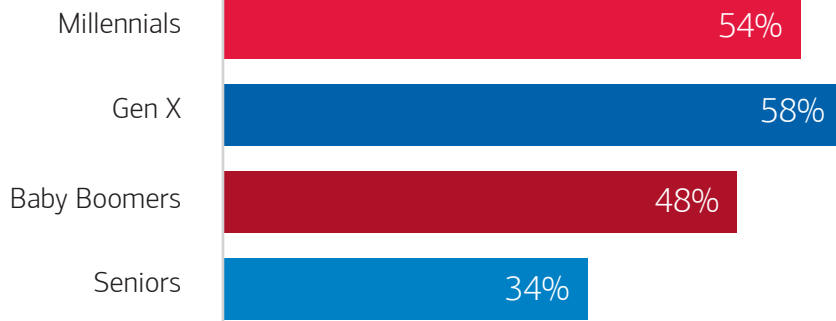
'Instagrammable' homes motivating millennials to buy

Americans more comfortable applying for a mortgage digitally than dating online

What are you comfortable doing via mobile device?



The majority (52 percent) would apply or already have applied for a mortgage digitally.



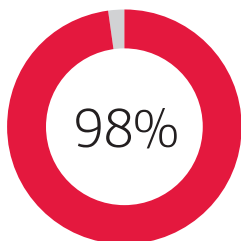
For those who would not apply for a mortgage digitally, the top barrier is lack of a human element.



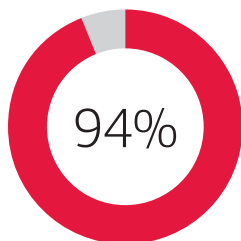
Technology...can't buy a home without it

Overwhelmingly, first-time buyers (92 percent) agree that technology makes them feel more in control of their financial decisions. They also see technology playing a role during every stage of the homebuying journey.

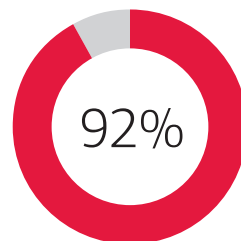
When buying my first home, technology will play a role while...



Researching



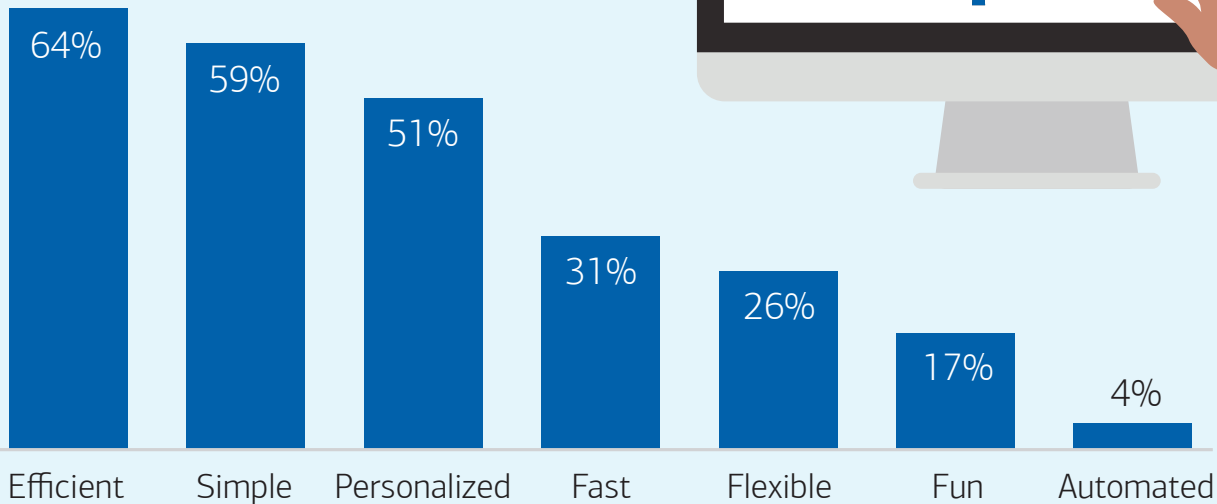
Getting a mortgage



Negotiating and buying

When describing their ideal homebuying experience, consumers seek simplicity and personalization over speed and automation.

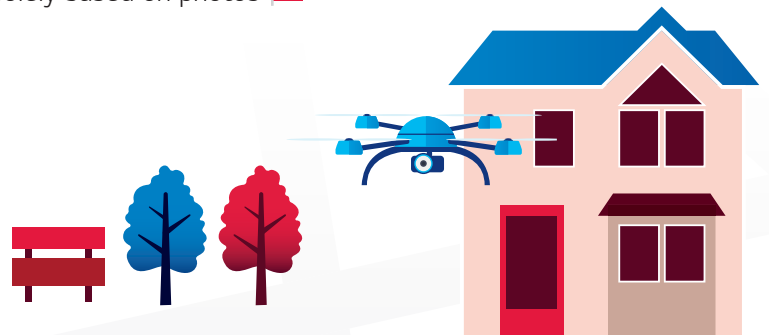
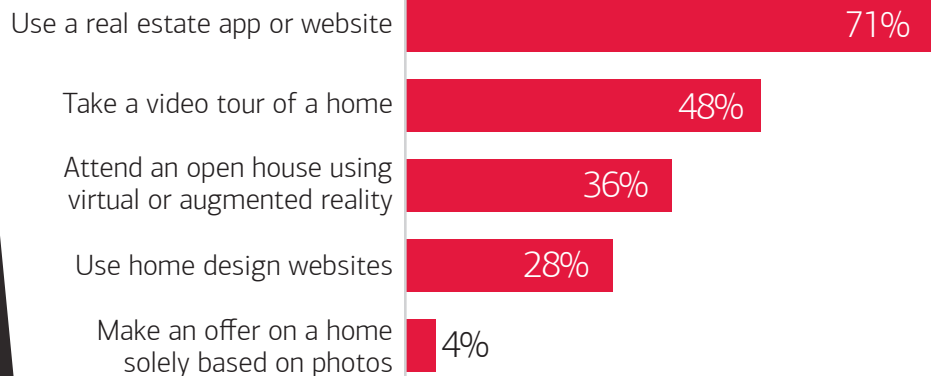
I'd like my homebuying experience to be...



NextGen homebuying is here

When thinking about buying a home, consumers would use mobile and emerging technology in a variety of ways. And they see the influence of digital only continuing to grow over the next decade.

During the homebuying process, consumers would...



In the next 10 years, Americans believe...

Smart home and energy-efficient features will be standard in new construction

67%

Mortgage applications will be entirely paperless

55%

Emerging technologies will allow the entire process to be done in a matter of days

53%

Open houses will only be conducted through virtual or augmented reality

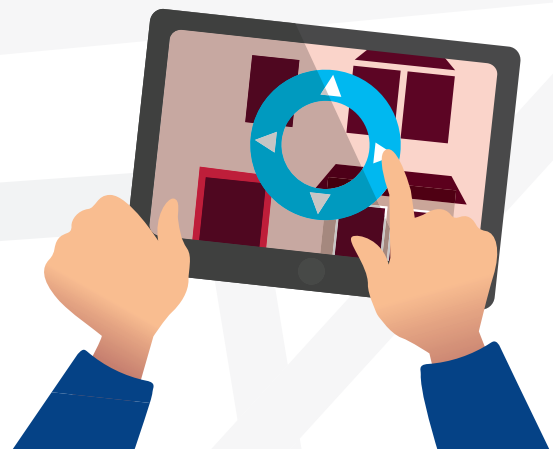
24%

Virtual assistants will be the go-to for mortgage advice

11%

All appraisals will be done via drones

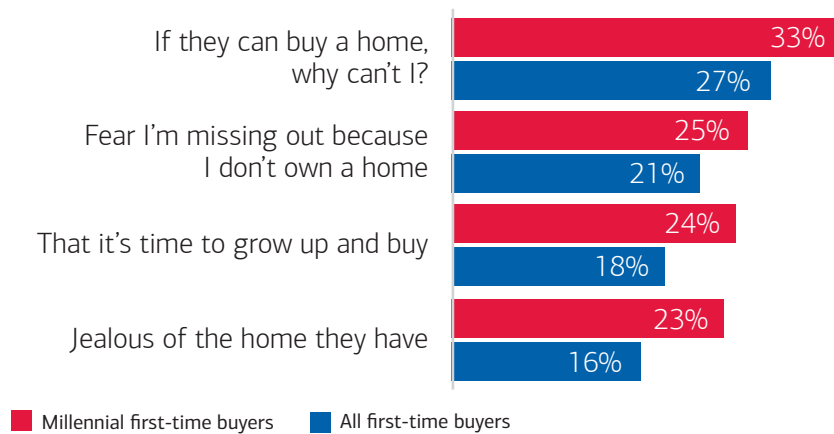
6%



‘Instagrammable’ homes motivating millennials to buy

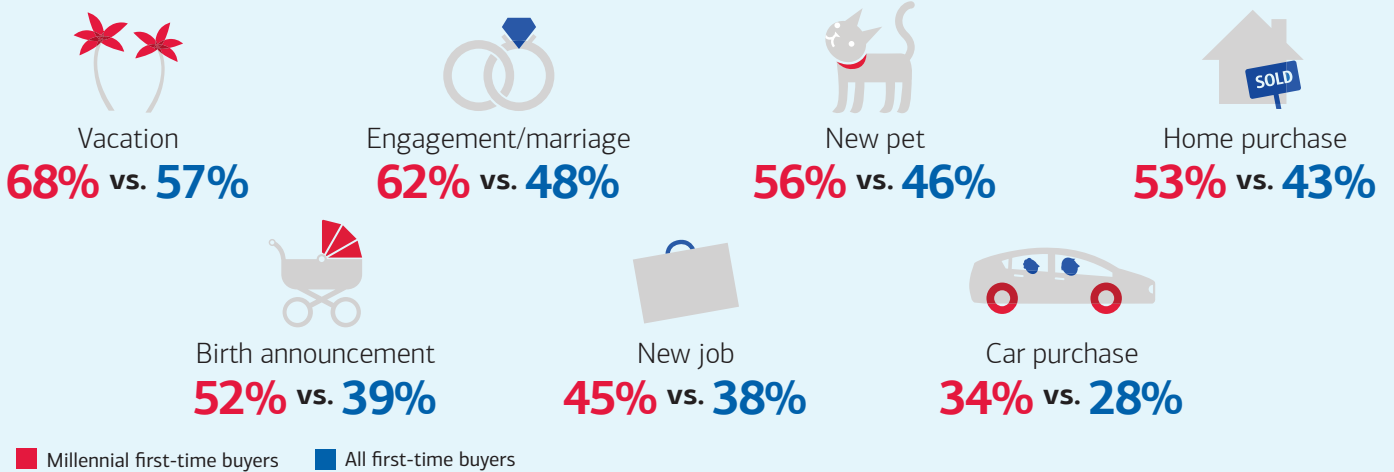
Seeing photos of others’ homes on social media is a motivator for millennials, leaving them with feelings of FOMO and pushing them to buy for the first time.

What have you felt when you’ve seen others post pictures of their homes on social media?



Millennials are willing to share their home purchase on social media, more so than a new job or car.

What events would you be willing to share on social media?



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