

Study examines what drives homebuyers

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Credit: University of Cincinnati

Public safety and school quality are the two most important demands for homebuyers in Ohio, a new University of Cincinnati study shows. It is also evident that access to public services plays a significant role in picking the perfect neighborhood.

Homeowners that place higher emphasis on certain public services do, in fact, live in communities where those qualities are prominent.

A new study published by *Papers in Regional Science* and available online by David Brasington, a UC economics professor and Kautz Chair in Political Economy at the UC Lindner College of Business, shows that and more.

The study, which Brasington presented earlier this year during the annual meeting of the Western Regional Science Association, is the first to look at the characteristics of people who say they bought their houses for environmental or [school quality](#), [public safety](#) or low taxes.

"It is very hard to combine data that has individual and house characteristics," Brasington said. "And the [surveys] that have both of these things don't ask people why they bought their house. The goal is to figure out why certain people buy the houses that they do."

Brasington gathered data through phone surveys and nine other sources over the course of two years and compiled information about 1,186 Ohio homeowners regarding their houses, neighborhoods, available public services and how much those services cost in property taxes.

Public safety ranked as the most important public service a community can offer to a prospective home buyer. According to the study, more than half of the respondents bought homes because they were in safe areas. Interestingly, male respondents were less likely to buy a house for safety.

School quality also placed high in the list of most desired public services, with over 30 percent of survey respondents linking home purchases to the quality of the school district near them. These respondents typically have young children or volunteer in schools.

School quality was not a determining factor for people who live in blue-collar neighborhoods or for those who use private schools. Income and education levels were also not related to purchasing homes for the academic performance of its school district, the study said.

Respondents listed low taxes as the third most important consideration in buying a house, as good public services often come attached with higher

costs. According to the study, those who most value lower taxes are younger than average and more likely to refinance their homes after five years of owning it.

Environmental quality was cited as the least important reason among respondents, with only 2 percent of homeowners listing it as a factor that played into their decision of buying a home. The people who expressed concern over the environment tend to be more liberal and have higher incomes and bachelor's degrees.

Yet, such respondents were not backing their words with action, Brasington said. Those who listed the environment as an important factor did not actually buy environmentally friendly homes.

The study also shows people who prioritized environmental quality also frequently watch or attend auto racing.

"It could be that they [[respondents](#)] get the sense that society wants them to say that, even when their actions don't make them pick a more environmentally safe home," Brasington said.

He added environmental quality could be a higher priority in richer, more liberal areas than Ohio.

"It very well could be that people in California have different priorities," Brasington said. "I would expect people on the West [Coast] to place higher emphasis on [environmental quality](#)."

Brasington said he conducted research in Ohio because it is representative of the country.

Public services do affect home purchases. "People say it and their actions back up what they say," he said.

Provided by University of Cincinnati

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