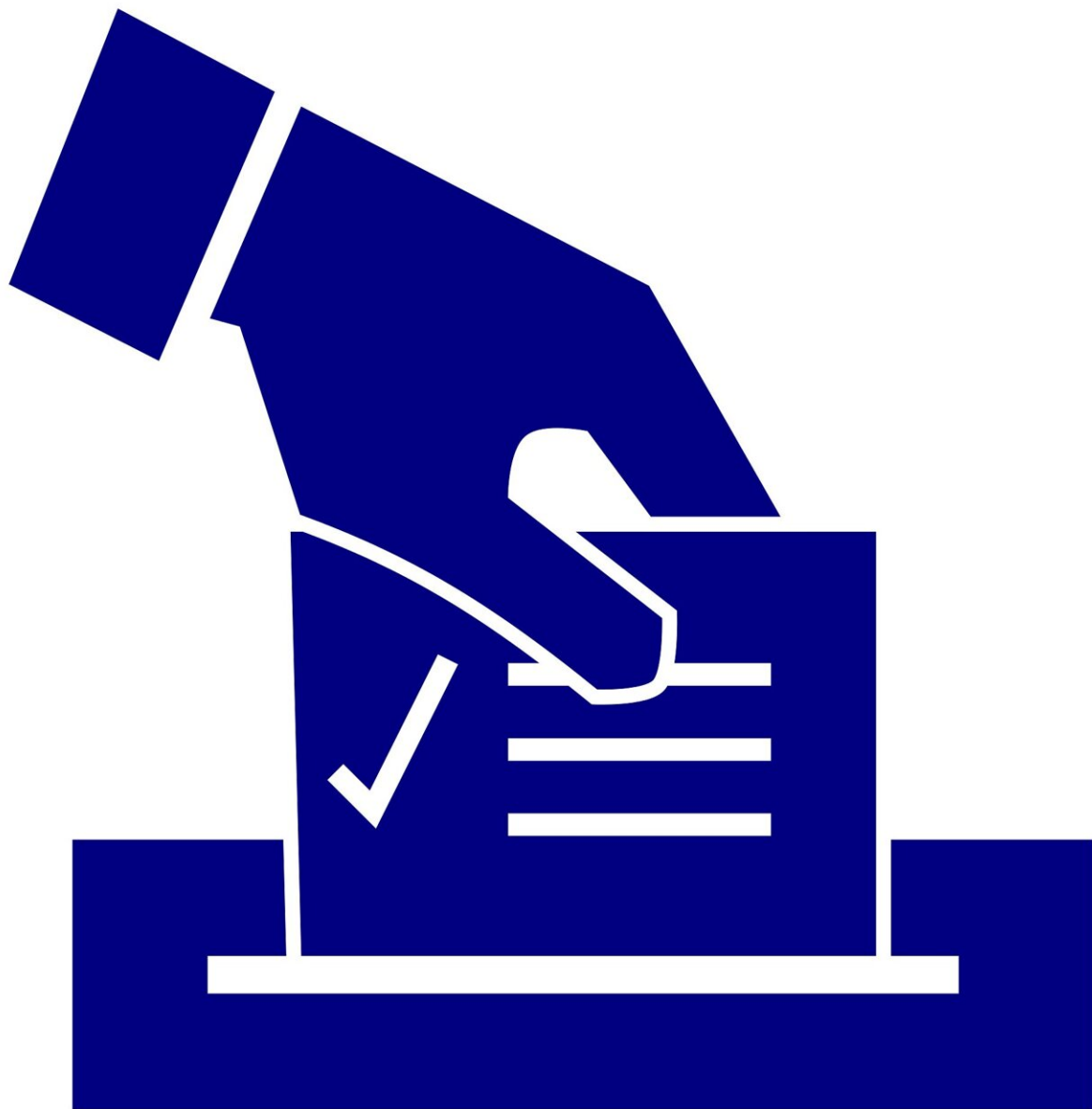


# Research links voter behavior in presidential elections to housing market performance

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If the 21st century has proven anything to the United States electorate, it is that presidential elections are notoriously unpredictable affairs. The seeming randomness by which the country's electorate chooses its next president has only emboldened polling outlets, talking heads, and amateur psephologists to scrutinize every conceivable variable to give their respective electoral forecasting models a much-needed edge.

However, Sherwood Clements, collegiate assistant professor of [real estate](#) in the Pamplin College of Business, had an electoral theory that, to the best of his knowledge, had never been explored with regards to a national election. Clements, the William and Mary Alice Park, Jr. Faculty Fellow in the Blackwood Department of Real Estate, hypothesized that the performance of the United States' largest asset class, residential real estate, should influence individual voter behavior and outcomes.

Under this hypothesis, Clements believed that homeowners would be more supportive of policies that—or politicians who—are perceived as beneficial to their property value. He called this the "homevoter" effect, a term first coined by Dartmouth College professor William Fischel in 2001.

By examining 30 years of data from the Federal Housing Finance Agency Housing Price Index, Clements and his co-authors evaluated the effects of county-level housing market performance on voter behavior in national [presidential elections](#) and found that the performance of the U.S. residential real estate market has an impact on voter behavior in presidential elections.

The results found in Clements's [research](#), "Housing Performance and the Electorate," published in the *Journal of Real Estate Research*, show that counties with superior house price performance in the four years preceding an election are more likely to "vote-switch" to the incumbent party, while counties with inferior house price performance in the four years leading up to the election are more likely to switch its vote from the incumbent to the challenging party.

"In layman's terms, a county is more likely to switch to the incumbent and not switch to a challenger if real estate is doing well," said Clements. According to the research, the relationship is strongest in the years immediately preceding an election and in counties that rank in the higher quartile of housing price performance.

"Election outcomes in 'swing' counties are particularly vulnerable to the local real estate economy," he said.

According to Clements, the most interesting finding in his research is what happened to residential real estate values in counties that flipped its votes to the presidential incumbent.

"Counties that flipped their votes did not experience positive returns over the next election cycle," he said. "We found that it is better, strictly in terms of residential real estate values, that we switch parties every four years. Counties are better off not chasing positive returns."

So what clues can election prognosticators divine from Clements's research for the 2024 presidential election?

"Let's assume at the state level, over the last year, Virginia's housing performance index went up 5%," said Clements.

"If, over four years, the residential housing returns in Virginia went up

20%, that means there is a 12% to 17% greater chance that people in Virginia will vote for the incumbent for president."

However, if Clements's research proves correct, that may not be the best thing for "homevoters" to do.

"Over the 30-year period, our research has shown that the results 'homevoters' seek don't necessarily turn out in their favor."

**More information:** Eren Cifci et al, Housing Performance and the Electorate, *Journal of Real Estate Research* (2023). [DOI: 10.1080/08965803.2023.2184910](https://doi.org/10.1080/08965803.2023.2184910)

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