



Photo Release -- Inflation, Rising Costs for Home Purchases and Rentals Making It Harder for People to Afford Where They Want to Live, WSFS Mortgage Survey Finds

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Homebuyers seeking full transparency on up-front costs and pre-approvals from their lender to competitively bid on homes

WILMINGTON, Del., March 07, 2022 (GLOBE NEWSWIRE) -- Nearly two-thirds (66%) of Americans are having trouble saving for a new home or rental due to rising costs for everyday needs, and an equal percentage of renters are struggling to compete for and afford units where they live due to rising rent, according to a new WSFS Mortgage survey.

The study, which surveyed 1,530 Greater Philadelphia and Delaware region consumers and 1,500 consumers nationally, examines the economic impacts of inflation, rising costs, reduced housing inventory and geographic preferences of homebuyers, homeowners and renters ages 25-65.

Financial Barriers Abound

Keeping pace with their national counterparts, 64% of Greater Philadelphia and Delaware residents (66% nationally) cite rising costs of everyday needs as a major challenge to finding a new home to buy or rent, with six in 10 also citing higher home prices in the region (60%) and nationally (62%) as a significant obstacle. Two in five (42%) of both national and regional respondents say higher home prices are preventing them from buying altogether.

"The rise of inflation to levels we haven't seen in four decades, coupled with the [unprecedented rise](#) in home prices in 2021, is having significant impacts on home affordability for many people," says Jeffrey M. Ruben, President of WSFS Mortgage. "As we enter the traditional spring homebuying season, these challenges are likely to remain, so it is imperative for homebuyers and rental seekers to be as prepared financially as they can be, such as being current and timely on other debts, paying off credit cards and having a good credit score, and getting pre-approved for a mortgage."

Transparency is King

Transparency is a key factor for homebuyers, as 60% in the region want to know about all their upfront costs, including down payments and closing costs, from their lender. Having their pre-approval in-hand to bid competitively is also highly important to regional respondents (43%), as is not feeling rushed to decide (50%) even in today's competitive market.

Receiving first-time homebuyer assistance from their bank is also important to younger borrowers (71%) in the region, as 41% of 25–34-year-olds and 30% of 35–44-year-olds want access to programs that help them buy their first house. Renters (52%) also desire access to financial help, while older residents are less inclined to want or need assistance programs.

"Many borrowers have been left out of the homebuying market over the past year, even when well qualified, due to multiple bids and skyrocketing prices," adds Ruben. "This makes having a firm grip on all costs crucial to successfully buying a new home. We encourage homebuyers to start the process early so they are ready to act when they find a home that fits their needs, and for first-time homebuyers, this also means exploring assistance programs with their bank or [government programs](#) that could ease their financial burden."

Lifestyle Preferences Driving Decisions

Nearly six in 10 (57%) of prospective homebuyers in the Greater Philadelphia and Delaware region prefer to buy in the suburbs, with 42% of national respondents agreeing, with a desire to live somewhere quieter and less busy (54%) and having more property and space (45%) being the primary reasons.

Meanwhile, 40% of regional homebuyers who are looking to buy in the city are doing so for more exciting lifestyle options and 37% are doing so for better job opportunities. Black (25%) and Hispanic (21%) homebuyers are also more likely to buy in larger cities or towns compared to all regional respondents (13%).

Staying Put

Homeowners cited many factors in looking for a new home or staying where they are, including four in 10 (44%) in the region saying they are satisfied with their home while 37% think prices are too high to move. More than half (52%) are not swayed by rising prices when deciding whether to stay where they are or to sell. They are also more inclined to refinance, with 48% of those satisfied in their current home having refinanced in the past three years or they plan to (38%). Minority homeowners in the region are likely to refinance, with 45% of Black respondents and 47% of Hispanic respondents either refinancing or planning to in the next three years.

Regionally, homeowners' top reason for refinancing is reducing their monthly payment (56%), compared to only 45% nationally. Many homeowners in the area who have built equity are also considering using it in the future (29%), but only 12% within the next year, a potential reflection of higher material costs and a tight labor market.

"For those homeowners looking to refinance, there are several options to choose from, including using their equity for cash-out refinancing to get cash for renovations now or down the road, or for paying off debt," says Ruben. "Even if a homeowner missed out on the record low rates, they still have time to act to significantly lower their monthly payments or securing extra cash for immediate or future use."

Survey Methodology

The study was conducted by research company Opinium. The sample includes 1,500 national respondents and 1,530 in the Greater Philadelphia and Delaware region who reside in five southeastern Pennsylvania counties (Bucks, Chester, Delaware, Montgomery and Philadelphia), four southern

New Jersey counties (Atlantic, Burlington, Camden and Gloucester), and all three Delaware counties (Kent, Sussex and New Castle). All respondents were between the ages of 25 and 65. The online survey was conducted from February 1-14, 2022, with a combined regional and national margin of error of +/- 2.5 percent.

About Opinium, Inc.

Founded in 2007 [Opinium](#) is an award-winning strategic insight agency built on the belief that in a world of uncertainty and complexity, success depends on the ability to stay on the pulse of what people think, feel and do. Creative and inquisitive, the Opinium team is passionate about empowering clients to make the decisions that matter. Opinium works with organizations to define and overcome strategic challenges – helping them to get to grips with the world in which their brands operate. It uses the right approach and methodology to deliver robust insights, strategic counsel, and targeted recommendations that generate change and positive outcomes.

About WSFS Financial Corporation

WSFS Financial Corporation is a multi-billion-dollar financial services company. Its primary subsidiary, WSFS Bank, is the oldest and largest locally managed bank and trust company headquartered in Delaware and the Greater Philadelphia region. As of December 31, 2021, WSFS Financial Corporation had \$15.8 billion in assets on its balance sheet and \$34.6 billion in assets under management and administration. WSFS operates from 112 offices, 89 of which are banking offices, located in Pennsylvania (52), Delaware (42), New Jersey (16), Virginia (1) and Nevada (1) and provides comprehensive financial services including commercial banking, retail banking, cash management and trust and wealth management. Other subsidiaries or divisions include Arrow Land Transfer, Cash Connect[®], Cypress Capital Management, LLC, Christiana Trust Company of Delaware[®], NewLane Finance[®], Powdermill[®] Financial Solutions, West Capital Management[®], WSFS Institutional Services[®], WSFS Mortgage[®], and WSFS Wealth[®] Investments. Serving the Greater Delaware Valley since 1832, WSFS Bank is one of the ten oldest banks in the United States continuously operating under the same name. For more information, please visit www.wsfsbank.com.

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