

Alternative Financing Survey

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Methodology Overview

The 2022 Alternative Financing Survey was designed by researchers at The Pew Charitable Trusts, and the resulting data was processed and analyzed by Pew researchers using Stata. Respondents include adults ages 18 and older who have used an alternative arrangement to finance the purchase of a primary home. The Pew researchers set a full sample goal of 1,200 respondents, including subsample goals of 200 non-Hispanic Black and 400 Hispanic respondents. Ipsos Public Affairs conducted the survey on KnowledgePanel, a probability-based web panel designed to be nationally representative of all U.S. households. Panel members are recruited to KnowledgePanel using stratified, random, address-based sampling methods applied to the U.S. Postal Service's latest Delivery Sequence File.

Before fielding the survey, Leede Research conducted cognitive testing interviews with eight interviewees from Jan. 11 to Jan. 14, 2022. Next, Ipsos translated the survey from English to Spanish with the help of Pew staff and programmed the survey. For final testing, Ipsos conducted a pretest of the survey from March 29 to March 30, 2022, with 828 panel members invited, 188 who responded, and 28 who qualified to complete the survey.

Ipsos fielded the main survey in both English and Spanish from April 28, 2022, to May 19, 2022, by inviting one adult from a representative sample of households via email to take the survey. Invitees could answer the survey only once and lost access after completion, and Ipsos sent email reminders to nonresponders on days 3, 7, and 9 of the field period. The median completion time was 7 minutes. Qualified respondents who completed the survey received an entry into the KnowledgePanel sweepstakes or a cash-equivalent incentive worth \$5.

During the field period, a random sample of 21,802 panel members was drawn from KnowledgePanel, and 11,118 individuals responded to the invitation (excluding 357 breakoffs), yielding a final stage completion rate of 51%. Among panel members who responded to the invitation and after Ipsos dropped 7 cases who refused one-third or more of the survey questions, 1,317 respondents qualified to complete the survey, yielding a qualification rate of 11.8% percent. The recruitment rate for this study, reported by Ipsos, was 9.1%, and the profile rate was 57.3%, for a cumulative response rate of 2.7%. Further, after reviewing write-in responses to Q6, Q12, Q19, and Q20, Pew researchers determined that 33 completed surveys were invalid (i.e., the respondent had not used an alternative arrangement to finance a primary home purchase) and excluded these invalid surveys from the final sample. In total, 1,284 completed surveys were eligible for analysis.

In order to weight respondents, Ipsos obtained the needed benchmarks from the 2021 March Supplement of the Current Population Survey (CPS), except for benchmarks for language proficiency within the Hispanic population, which are not available from CPS and were obtained from the 2019 American Community Survey (ACS). All topline findings, cross-tabulations, and statistical tests of significance account for the effect of weighting. The design effect is 1.5 for the full sample, and the margin of sampling error is plus or minus 3.3 percentage points. For results based on specific subgroups, the margin of sampling error may be higher. Sampling error is only one of many potential sources of error, and there may be other unmeasured errors in this or any other public opinion poll.

A full methodology from Ipsos is available in the Project Report.

Topline Results

Note: * = less than 0.5%. - = no respondents (0%).

Percentages may not add to 100% due to rounding.

Screening Questions

Sample: All respondents		
Q1. Do you routinely make financial decisions in your household?		
	Weighted percentage	Count
Yes	100%	1,284
No [EXIT SURVEY]	-	0

Sample: All respondents		
Q2. Do you now use or have you ever used any of the following arrangements to pay for a PRIMARY HOME? If you've used more than one, choose the one you used most recently.		
	Weighted percentage	Count
Seller-financing or owner-financing agreement	51%	654
Contract for deed or land contract	20%	282
Rent-to-own or lease-purchase agreement	16%	193
Loan for a manufactured or mobile home that does NOT include the land	13%	155
No, I have not used one of these loans or arrangements [EXIT SURVEY]	-	0

A. Background

Sample: All respondents		
Q3. What year did you BEGIN your [alternative arrangement selected in Q2]?		
	Weighted percentage	Count
Before 1950	2%	31
1950-59	*	3
1960-69	2%	31
1970-79	6%	77
1980-89	9%	134
1990-99	11%	175
2000-04	11%	147
2005-09	11%	144
2010-14	10%	131
2015-19	19%	215
2020-22	16%	170
[REFUSED]	2%	26

Note: Respondents selected one year. The research team has grouped years to report topline findings.

Sample: All respondents		
Q4. What year did you LEAVE or REPAY your [alternative arrangement]? If you don't know the exact date, just take your best guess.		
	Weighted percentage	Count
Before 1950	1%	11
1950-59	-	0
1960-69	*	6
1970-79	3%	36
1980-89	5%	68
1990-99	8%	107
2000-04	4%	66
2005-09	3%	54
2010-14	7%	92
2015-19	9%	111
2020-22	7%	88
I did not leave or repay. I am still making payments.	53%	645

Note: Respondents either indicated that they were still making payments or selected the year when they stopped making payments. The research team has grouped years to report topline findings.

Sample: Respondents with past alternative financing (i.e., an end year is given in Q4) (n = 639)		
Q5. Do you currently live in the same home where you had your past [alternative arrangement]?		
	Weighted percentage	Count
Yes, this was for the SAME home that I currently live in	52%	329
No, this was for a DIFFERENT home that I no longer live in	48%	308
[REFUSED]	*	2

Note: After reviewing write-in responses to Q20, the research team determined that one respondent still lived in the home where they had repaid their alternative arrangement and had answered Q5 incorrectly. As such, the research team has recategorized that respondent's "No" response as "Yes" for Q5 and subsequently removed that respondent from the sample of answers to Q20 and Q21.

Sample: Respondents who no longer live in the home where they had alternative financing (i.e., Q5 = No, a different home) (n = 308)		
Q5B. What state was your home located in when you had your [alternative arrangement]?		
	Weighted percentage	Count
Northeast	14%	37
Midwest	27%	75
South	36%	118
West	24%	77
[REFUSED]	*	1

Note: Respondents selected one state. The research team has summarized states by their census region to report topline findings.

Sample: Respondents who did not select a manufactured home loan for Q2 (n = 1,129)		
Q6. What type of home [is/was] your [alternative arrangement] for?		
	Weighted percentage	Count
Manufactured or mobile home	8%	88
Single family home or townhome	79%	883
Duplex home, double home, or multiplex home	3%	38
Apartment, condo, or co-op	8%	92
Other (specify)	2%	26
[REFUSED]	*	2

Sample: Respondents whose alternative arrangement was for a manufactured home (i.e., Q2 = manufactured home loan, or Q6 = manufactured home) (n = 243)		
Q6A. When you started your [alternative arrangement], did you also own or buy the land beneath your home?		
	Weighted percentage	Count
Yes, I owned or was purchasing my land	43%	107
No, I did not own or purchase my land	52%	121
Other (specify)	5%	15

B. Application Process

Sample: Respondents whose alternative arrangement was for a manufactured home (i.e., Q2 = manufactured home loan, or Q6 = manufactured home) (n = 243)		
Display1. In the next question, when we ask about mortgages, we are referring to a loan that includes BOTH the home AND the land beneath it.		

Sample: All respondents		
Q7. Did you apply for a mortgage before getting your [alternative arrangement]?		
	Weighted percentage	Count
Yes	49%	630
No	46%	596
[Shown to respondents whose alternative arrangement was for a manufactured home, i.e., Q2 = manufactured home loan or Q6 = manufactured home] Not applicable (I did not own/could not buy the land)	5%	51
[REFUSED]	*	7

Sample: Respondents who applied for a mortgage (i.e., Q7 = Yes) (n = 630)		
Q8. Was your application for that mortgage...?		
	Weighted percentage	Count
Approved or preapproved	95%	595
Denied	3%	23
I withdrew my application before a decision was made	2%	10
[REFUSED]	*	2

Sample: All respondents
Display2. The next questions will ask about documents that were required to get approved for your [alternative arrangement].

Sample: All respondents		
Q9A. Were you required to provide bank statements, pay stubs, or other income verification to get approved for your [alternative arrangement]?		
	Weighted percentage	Count
Yes	67%	870
No	22%	281
Don't know	11%	128
[REFUSED]	*	5

Note: The question order for Q9A, Q9B, Q9C, and Q9E was randomized for each respondent.

Sample: All respondents		
Q9B. Were you required to provide a credit report, credit score, or other credit check to get approved for your [alternative arrangement]?		
	Weighted percentage	Count
Yes	60%	781
No	26%	330
Don't know	13%	164
[REFUSED]	1%	9

Note: The question order for Q9A, Q9B, Q9C, and Q9E was randomized for each respondent.

Sample: All respondents		
Q9C. Were you required to provide proof of employment to get approved for your [alternative arrangement]?		
	Weighted percentage	Count
Yes	70%	903
No	20%	266
Don't know	9%	110
[REFUSED]	*	5

Note: The question order for Q9A, Q9B, Q9C, and Q9E was randomized for each respondent.

Sample: All respondents		
Q9E. Were you required to provide tax returns to get approved for your [alternative arrangement]?		
	Weighted percentage	Count
Yes	47%	615
No	37%	464
Don't know	-	0
[REFUSED]	16%	205

Note: The question order for Q9A, Q9B, Q9C, and Q9E was randomized for each respondent.

Sample: All respondents		
Q9D. Were you required to provide other documents to get approved for your [alternative arrangement]?		
	Weighted percentage	Count
Yes	17%	231
No	47%	611
Don't know	35%	439
[REFUSED]	*	3

Sample: Respondents required to provide other documents to get approved (i.e., Q9D = Yes) (n = 231)		
Q9D_followup. What other documents were you required to provide?		
	Weighted percentage	Count
[Text box]	66%	158
[REFUSED]	34%	73

Sample: All respondents		
Display3. The next questions will ask about steps that were part of the application for your [alternative arrangement].		

Sample: All respondents		
Q10A. Was an appraisal (an estimate of the home's dollar value) part of the application for your [alternative arrangement]?		
	Weighted percentage	Count
Yes	54%	710
No	31%	394
Don't know	15%	174
[REFUSED]	*	6

Note: The question order for Q10A, Q10B, and Q10C was randomized for each respondent.

Sample: All respondents		
Q10B. Was an inspection (a review of the home's condition to identify any issues) part of the application for your [alternative arrangement]?		
	Weighted percentage	Count
Yes	52%	690
No	37%	455
Don't know	12%	135
[REFUSED]	*	4

Note: The question order for Q10A, Q10B, and Q10C was randomized for each respondent.

Sample: All respondents		
Q10C. Was a title search or title check on the deed to the home (a search of public records to confirm legal ownership and check for any claims or liens such as unpaid taxes) part of the application for your [alternative arrangement]?		
	Weighted percentage	Count
Yes	53%	693
No	27%	343
Don't know	20%	244
[REFUSED]	*	4

Note: The question order for Q10A, Q10B, and Q10C was randomized for each respondent.

Sample: All respondents		
Q11. Did you receive a copy of the final contract and/or loan documents?		
	Weighted percentage	Count
Yes	85%	1,101
No	6%	84
Don't know	9%	96
[REFUSED]	*	3

Sample: All respondents		
Q11B. Were the final contract and/or loan documents publicly recorded with local officials, such as the county recorder of deeds?		
	Weighted percentage	Count
Yes	63%	848
No	11%	136
Don't know	25%	295
[REFUSED]	*	5

Sample: All respondents		
Q12. What person or organization [do/did] you pay for your [alternative arrangement]?		
	Weighted percentage	Count
Family member or relative	11%	123
Individual or family I'm not related to	21%	247
Business or company	44%	607
Nonprofit organization	2%	27
Other (specify)	7%	103
Don't know	15%	174
[REFUSED]	*	3

Note: The order of the first four response options was randomized for each respondent.

C. Costs and Contract Details

Sample: All respondents
Display4. The next questions are about the costs and details of your [alternative arrangement].

Sample: All respondents		
Q13. What was the TOTAL agreed-upon purchase price for your home when you started your [alternative arrangement]? Just to be clear, we are asking about the sale price of the home, not the monthly payments.		
	Weighted percentage	Count
\$0	*	2
\$1 to \$24,999	10%	129
\$25,000 to \$49,999	9%	124
\$50,000 to \$74,999	7%	87
\$75,000 to \$99,999	6%	78
\$100,000 to \$124,999	3%	49
\$125,000 to \$149,999	5%	62
\$150,000 to \$174,999	5%	67
\$175,000 to \$199,999	4%	46
\$200,000 to \$299,999	7%	94
\$300,000 to \$399,999	4%	48
\$400,000 to \$499,999	3%	31
\$500,000 or more	3%	37
We did not agree upon a total purchase price	9%	98
Don't know	23%	318
[REFUSED]	1%	14

Note: Respondents either indicated that there was no agreed-upon purchase price, indicated that they did not know the agreed-upon purchase price, or entered a dollar amount. The research team has grouped dollar amounts to report topline findings.

Sample: All respondents		
Q14. [Shown if dollar amount provided for Q13: You said your agreed-upon purchase price was \$_____.] About how much was your down payment, deposit, and/or option fee for your home?		
	Weighted percentage	Count
\$0	2%	31
\$1 to \$999	4%	52
\$1,000 to \$2,499	8%	94
\$2,500 to \$4,999	4%	59
\$5,000 to \$7,499	6%	83
\$7,500 to \$9,999	2%	24
\$10,000 to \$14,999	6%	76
\$15,000 to \$19,999	3%	38
\$20,000 to \$24,999	4%	48
\$25,000 to \$49,999	5%	72
\$50,000 or more	7%	87
I did not pay a down payment, deposit, or option fee	23%	269
Don't know	26%	341
[REFUSED]	1%	10

Note: Respondents either indicated that they did not pay a down payment, that they do not know the down payment price, or they entered a dollar amount. The research team has grouped dollar amounts to report topline findings.

Sample: All respondents		
Q15. When you started your [alternative arrangement], was there an interest rate listed or disclosed?		
	Weighted percentage	Count
Yes, an interest rate was listed or disclosed	68%	886
No, an interest rate was not listed or disclosed	14%	189
Don't know	17%	197
[REFUSED]	1%	12

Sample: All respondents		
Q15B. When you started your [alternative arrangement], was a balloon payment (a large, one-time payment at the end of the term) listed or disclosed?		
	Weighted percentage	Count
Yes, a balloon payment was listed or disclosed	11%	160
No, a balloon payment was not listed or disclosed	68%	863
Don't know	20%	257
[REFUSED]	*	4

Sample: All respondents		
Q16. Who [is/was] responsible for paying property taxes on your home?		
	Weighted percentage	Count
I [am/was] responsible to pay	67%	859
[Shown if a person or organization was selected in Q12] The [person or organization] who [is/was] selling me the home [is/was] responsible to pay	16%	210
[Shown if NO person or organization was selected in Q12] The seller/landlord [is/was] responsible to pay	2%	29
Other (specify)	4%	59
Don't know	11%	125
[REFUSED]	*	2

Sample: All respondents		
Q17. When you started your [alternative arrangement], did you need any big repairs on your home to fix major issues, such as on your roof, foundation, a large appliance, or some other major problem?		
	Weighted percentage	Count
Yes	22%	283
No	78%	999
[REFUSED]	*	2

Note: After reviewing write-in responses to Q19, the research team determined that one respondent had not needed big repairs on their home and had answered Q17 incorrectly. As such, the research team has recategorized that respondent's "Yes" response as "No" for Q17 and subsequently removed that respondent from the sample of answers to Q18 and Q19.

Sample: Respondents whose homes needed big repairs (i.e., Q17 = Yes) (n = 283)		
Q18. When you started your [alternative arrangement], did you know that your home needed big repairs?		
	Weighted percentage	Count
Yes	67%	191
No	33%	92

Sample: Respondents whose homes needed big repairs (i.e., Q17 = Yes) (n = 283)		
Q19. Who paid for the largest repair on your home?		
	Weighted percentage	Count
I paid for the repair in full	57%	170
[Shown if a person or organization was selected in Q12] The [person or organization] who [is/was] selling me the home paid for the repair in full	15%	41
[Shown if NO person or organization was selected in Q12] The seller/landlord paid for the repair in full	5%	9
[Shown if a person or organization was selected in Q12] I split the cost of the repair with the [person or organization] who [is/was] selling me the home	7%	21
[Shown if NO person or organization was selected in Q12] I split the cost of the repair with the seller/landlord	1%	3
Other (specify)	7%	20
No one paid. This never got fixed.	8%	18
[REFUSED]	*	1

Sample: All respondents		
Q19C. When you started your [alternative arrangement], did the [seller/landlord; OR person or organization who [is/was] selling you the home] disclose whether or not the home contained lead or asbestos?		
	Weighted percentage	Count
Yes, I received information about BOTH lead and asbestos	32%	390
Yes, I received information about lead ONLY	4%	35
Yes, I received information about asbestos ONLY	1%	15
No, I did not receive any information about EITHER lead or asbestos	39%	536
Don't know	24%	301
[REFUSED]	*	7

D. Experiences and Outcomes

Sample: All respondents
Display5. Home loans and financing arrangements can be helpful for people looking to own a home but sometimes they can also be challenging. The next questions are about your experience with your [alternative arrangement].

Sample: Respondents who no longer live in the home where they had alternative financing (i.e., Q5 = No, a different home) (n = 308)		
Q20. What was the main reason you left the home where you had your past [alternative arrangement]?		
	Weighted percentage	Count
Family-related reasons	21%	64
Employment- or education-related reasons	13%	40
Problem with the home	6%	11
Problem with the [alternative arrangement]	2%	6
Problem with the seller/landlord	3%	9
Couldn't afford the home	3%	18
Foreclosure, forfeiture, or eviction	3%	10
Problem with the neighborhood	1%	5
Other (specify)	47%	145

Note: The order of the first eight response options was randomized for each respondent.

Sample: Respondents who no longer live in the home where they had alternative financing (i.e., Q5 = No, a different home) (n = 308)		
Q21. When you left the home where you had your past [alternative arrangement], what happened to the money you had paid toward owning the home?		
	Weighted percentage	Count
I got back all of what I paid plus an extra amount	29%	85
I got back all of what I paid and no extra	7%	23
I got back some of what I paid	13%	44
I got back none of what I paid	34%	102
I owed more money	11%	36
[REFUSED]	6%	18

Sample: Respondents with past alternative financing (i.e., a year is selected for Q4) (n = 639)		
Q22. Which of the following best describes how you are currently paying for your housing?		
	Weighted percentage	Count
I pay rent to a landlord, roommate, or family member	17%	113
I live rent free	4%	24
Mortgage	27%	147
I own my home with no debt	53%	354
[REFUSED]	*	1

Note: The order of the response options was randomized for each respondent.

Sample: All respondents		
Q23. Did you ever contact a lawyer or legal aid for a problem related to your [alternative arrangement]?		
	Weighted percentage	Count
Yes	7%	93
No	92%	1,187
[REFUSED]	*	4

Note: After reviewing write-in responses to Q24, the research team determined that 58 respondents who answered “Yes” for Q23 had not contacted legal aid because of a problem related to their alternative arrangement. As such, the research team has recategorized those 58 respondents’ “Yes” responses to Q23 and has included them in topline findings as having answered “No.”

Sample: Respondents who contacted a lawyer or legal aid (i.e., Q23 = Yes) (n = 93)		
Q24. What problem(s) did you contact a lawyer or legal aid about?		
	Weighted percentage	Count
[Text box]	61%	62
[REFUSED]	39%	31

Sample: All respondents		
Q25. Overall, how would you rate your experience with your [alternative arrangement]?		
	Weighted percentage	Count
Extremely positive	43%	559
Somewhat positive	38%	484
A little positive	12%	146
Not at all positive	6%	83
[REFUSED]	1%	12

Sample: All respondents		
Q26. Given your experiences and what you know now, would you use a [alternative arrangement] again?		
	Weighted percentage	Count
Yes	58%	740
No	15%	195
Don't know	26%	336
[REFUSED]	1%	13

Sample: All respondents		
Q27. Would you recommend a [alternative arrangement] to a friend or family member looking to buy a home?		
	Weighted percentage	Count
Yes	54%	727
No	14%	172
Don't know	30%	375
[REFUSED]	1%	10

E. Housing Assistance

Sample: Respondents with current alternative financing (i.e., Q4 = still making payments) or who ended their alternative arrangement between 2020 and 2022 (i.e., Q4 = 2020-2022) (n = 733)		
Display_last. The last two questions are about financial assistance to make housing payments. Financial assistance may include forbearance or paused payment options from your seller/landlord, COVID-19 homeowner or renter relief funds, or other programs for housing aid.		

Sample: Respondents with current alternative financing (i.e., Q4 = still making payments) or who ended their alternative arrangement between 2020 and 2022 (i.e., Q4 = 2020-2022) (n = 733)		
Q28. Have you APPLIED for financial assistance in the last 2 years to make payments for your [alternative arrangement]?		
	Weighted percentage	Count
Yes	8%	55
No	91%	672
[REFUSED]	1%	6

Sample: Respondents who applied for financial assistance (i.e., Q28 = Yes) (n = 55)		
Q29. Have you RECEIVED financial assistance in the last 2 years to make payments for your [alternative arrangement]?		
	Weighted percentage	Count
Yes	64%	37
No	31%	17
[REFUSED]	5%	1