

The Wisconsin Homeowners Alliance (WHA) is a 501(C)(4) organization dedicated to representing the interests of Wisconsin homeowners and protecting Wisconsin's quality of life one home at a time. As part of this effort, the WHA conducts a series of statewide public opinion surveys designed to help us understand what homeowners are thinking and talking about. This monthly publication is intended to share issues of importance and concern to homeowners with decision makers around the state.

HOME OWNERSHIP

In Wisconsin, opposition is strong to a proposal by the President's Advisory Panel on Federal Tax Reform that would eliminate the mortgage interest deduction. Fully 62 percent of all adults and 65 percent of all homeowners oppose the recommendation.

Opposition is strongest among: those 45-54 years old, with 70 percent opposed; those who have lived in their homes for less than five years, with 75 percent opposed; and those who have 30-year, fixed-rate mortgages, with 76 percent opposed. Those who report household incomes between \$40,000 and \$80,000 are also more likely to be opposed (72%), as are those with more than 10 years left on their mortgages (74% opposed).





And, this is an issue where information makes a difference. Sixty-nine percent of those who said they were aware of and/or had read about the proposal were opposed, compared to 57 percent opposed among those who had not heard of or read anything about the proposal.

EDUCATION

Wisconsin residents have clearly recognized the connection between the quality of education in our state and Wisconsin's ability to compete for jobs and businesses. Asked to agree or disagree with a series of statements, for example, 80 percent agreed that "Wisconsin cannot compete without a first-class public school system." Seventy-four percent agreed that "Wisconsin cannot compete without a world-class public university system." And, 79 percent agreed that "Wisconsin cannot compete without a world-class technical college system."

At the same time, three out of four Wisconsin residents say that the quality of local public schools serves as an incentive to home ownership in their communities.

HOMEOWNER SATISFACTION TRENDS

	<p>HOME OWNERSHIP In Wisconsin, attitudes toward home ownership are positive and residents oppose a federal proposal that would eliminate the mortgage interest deduction.</p>
	<p>COST OF EDUCATION State residents say high-quality schools are an incentive to home ownership.</p>
	<p>STATE OF THE ECONOMY Concerns about the economy continue to surface, with declining optimism among older residents.</p>
	<p>TAXES PAID Nearly three-quarters of all residents say property taxes are a barrier to home ownership in Wisconsin.</p>

THE ECONOMY

Public concerns about costs and the overall health of the economy continue to surface. More than half (51%) of all Wisconsin residents agree strongly that “The cost of the basic things my family and/or I have to pay for each month is a lot more expensive today than it was a year ago.” Another 32 percent agree somewhat, and one out of five tells us things will get worse for them in the next year. Perhaps more telling, the percentage of people who think things will get better for them in the next year has dropped from 42 percent in 2003 to 33 percent in 2005. And, once again, those over age 65 tend to be more pessimistic, with only 16 percent thinking things will get better for them (compared to 38 percent of those under age 65) and one in four reporting that they believe things will get worse.

In addition, while one-third of Wisconsin’s citizens believe that the state of the economy in Wisconsin is an incentive to home ownership, nearly half (49%) say it’s a barrier. And, people are split almost evenly (45% barrier – 44% incentive) on whether their local economy is a barrier or incentive to home ownership

TAXES

More than half (52%) of Wisconsin homeowners do not escrow their property taxes. Most of those under age 45 (53%) do escrow, but only 40 percent of those age 45 and older escrow and the prospect of a major tax outlay on an annual or semi-annual basis may or may not explain why resistance to the property tax increases with age. Similarly, 58 percent of those under 45 compared to 35 percent of those over 45 tell us that an affordable monthly payment was more important in their decision to buy a home than the actual price of the house.

Interestingly, age correlations disappear when residents respond to the question of whether or not the cost of the property taxes was important to them when deciding to buy a home. Seventy percent of both those under age 45 and those 45 and older say the cost of property taxes was important, with most (37%) saying it was very important. And, 72 percent of all respondents say that the cost of property taxes is a barrier to home ownership in Wisconsin.

