



Pulte Homes – Baby Boomer Study

Full Report

May 2005



MARKET RESEARCH

Harris Heritage. Interactive Power.



Table of Contents

Background and Objectives.....	3
Methodology.....	4
Executive Summary.....	7
Detailed Findings.....	26
Social Security.....	27
Financial.....	36
Real Estate.....	49
Retirement.....	60
Work Habits.....	66
Active Adult Communities.....	71
Features in a Home.....	79
Lifestyle, Dating, and Friendships.....	86
Soft Exits.....	91
Demographics.....	94





Background and Objectives

- This report represents the results of the 2005 Pulte Homes Baby Boomer study. In 2003 and 2004 Harris Interactive has conducted a study for Pulte Homes that focused on the Baby Boomer generation. Like those studies, the primary purpose of this study is to understand the opinions of this generation about issues it is facing or will be facing in the near future.

- The topics for each of the surveys has been somewhat different, in order to keep the survey current. Among the topics explored in this survey were:
 - work habits
 - housing preferences (including interest in Active Adult Communities)
 - plans for retirement
 - issues related to caring for aging parents and younger children
 - Social Security
 - lifestyle, dating, friendships

- The data for the survey will be analyzed by various age sub-groups to see if there are any key differences of opinion among the Baby Boomers.



Methodology

- Interviewing

- The research was conducted online with a national sample drawn from the Harris Poll Online (HPOL) panel of respondents. 1814 interviews were collected from April 14 to April 20, 2005.

- Qualified respondents

- U.S. residents of both genders, ages 41 - 69
- Reside in one of 10 geographic regions created by Pulte, as per the chart below.

Areas	Divisions
Northeast	New England (MA, NH, RI), CT, Metro NY, NJ, Delaware Valley (So. Jersey, Philadelphia), Long Island, Washington, DC (South as far as Fredrickburg), Maryland, Lehigh Valley (Allentown, PA)
Southeast	Georgia, Raleigh, Charlotte NC, Nashville TN, Hilton Head, SC
Florida	Orlando, Ft. Myers, Tampa, W. Palm Beach, Jacksonville, Ocala
Great Lakes	Metro Detroit, Cleveland, Indianapolis, Chicago
Texas	Dallas, Houston, San Antonio, Austin
Rocky Mountain	Denver, Colorado Springs, Albuquerque, NM, Minneapolis, Kansas City (MO, KS),
Arizona	Phoenix, Tucson
Nevada	Las Vegas
Northern California	San Francisco area, Sacramento, Central Valley (Tracy, Manteca, Stockton)
Southern California	Orange County, So. Riverside County, North Inland Empire (Corona, Palm Springs, Indio, Banning), North Los Angeles, Ventura County, San Diego



Methodology

- Reporting the data
 - Social Security and Financial will be broken out this way:
 - Age 41-49
 - Age 50-59
 - Age 60-69
 - Age 41-54 (affected by Social Security changes)
 - Age 55-69 (not affected by Social Security changes)
 - Total

 - **All other sections of the report will show data broken out this way:**
 - Age 41-49
 - Age 50-59
 - Age 60-69
 - Total





Methodology

■ Reporting the data

- All data presented in this report are broken down by these segments. Significance testing was performed at the 95% confidence level.
- All differences noted are statistically significant. Letters assigned to each age segment (a,b,c,d,e) indicate differences between segments.

- For example,

	Top 2 Box	
age 41-49 a	51%	READ AS: 64% among those age
age 50-59 b	54%	60-69 is significantly higher than
age 60-69 c	64% a	51% among those age 41-49

- Percents may not add to 100% due to rounding.
- All sample sizes are reported unweighted; all proportions and means are reported weighted.
 - The survey data was weighted using demographic variables (age, gender, income, race, education & region) and a propensity weighting variable which adjusts for demographic, attitudinal and behavioral differences between those who participate in online panels and the general population.
 - Weighting was performed on all US respondents, ages 41 to 69 years old, who responded to the survey and became either a qualified respondent or a non-qualified respondent. This process made all respondents (qualified and non-qualified) representative of the population as outlined above.
 - The qualified respondents were then extracted from this entire sample and their weighted data are shown in this report.



Executive Summary





Executive Summary - Social Security Profile

Social Security	Age 41-49 (a)	Age 50-59 (b)	Age 60-69 (c)	Affected by SS 41-54 (d)	Unaffected by SS 55-69 (e)
Believe the SS retirement system is in crisis.	64% c	58% c	48%	62% e	51%
Believe will receive the full SS benefit they are entitled to.	36%	50%	79%	41%	68% d
Interested in investing a portion of SS in private account.	35% c	29%	26%	34% e	26%
Do not agree with increasing overall yearly income subject to payroll tax nor increasing amount of payroll tax.	42% c	36% c	25%	40% e	28%
Believe they will retire on schedule.	34%	46% a	71% a,b	36%	62% d
Do not know monthly SS benefit they will receive upon retirement.	63% b,c	53% c	18%	61% e	31%





Executive Summary - Social Security Profile

■ Age 41-49

- This segment indicated the highest concern that the Social Security system is in crisis (64%).
- Has the least amount of confidence that it will receive the full Social Security benefits they are entitled to (36%).
- Highest interest in investing portion of Social Security money into a private account (35%).
- Substantial portion of this segment (42%) do not agree with either increasing the overall yearly income subject to payroll tax nor increasing the amount of payroll tax.
- Least confidence of retiring on schedule compared to the other 2 age segments (34%) and highest degree of uncertainty as to when they will retire (42%).
- 31% are not sure when they will begin drawing Social Security benefits.

■ Age 50-59

- 28% expect to begin drawing Social Security benefits at age 62.
- 77% do not plan on relying solely on Social Security benefits for retirement.
- 40% believe that 31-50% of their retirement will be funded by Social Security

■ Age 60-69

- Most confident they will receive the Social Security benefits they are entitled to (79%).
- Most confident of retiring on schedule (71%).
- 47% expect to/did begin to draw on Social Security at age 62.



Executive Summary - Social Security Profile

- Affected by Social Security (41-54)

- 62% of those affected by Social Security changes believe that the Social Security retirement system is in crisis.
- 34% are interested in investing a portion of Social Security into private accounts.
- Despite the fact that majority of respondents age 41-54 believe the Social Security retirement system is in crisis, 40% do not believe that increasing the overall yearly income subject to payroll tax nor increasing the amount of payroll tax will succeed in meeting the shortfall of Social Security in the future.
- 61% do not know the monthly Social Security benefit they will receive upon retirement.

- Unaffected by Social Security (55-69)

- 68% of those unaffected by the Social Security changes believe they will receive the full Social Security benefit they are entitled to.
- 62% believe that they will retire on schedule.
- 40% believe that 31-50% of their retirement will be funded by Social Security



Executive Summary - Financial Profile

Financial	Age 41-49 (a)	Age 50-59 (b)	Age 60-69 (c)	Affected by SS 41-54 (d)	Unaffected by SS 55-69 (e)
Think about finances less than once a month.	52% b,c	39% c	38%	47% e	39%
Not at all confident in having enough financial savings during retirement.	28%	29%	25%	29%	25%
Not sure how many years they need their retirement savings to last.	45%	38%	41%	43%	40%
Importance of SS and retirement savings during retirement. (Top 2 sources of income during retirement)	SS - 59% Retirement - 66% c	SS - 65% Retirement - 61% c	SS - 73% a Retirement - 51%	SS - 60% Retirement-72% d	SS - 66% e Retirement-52%
Among top 2, chosen as MOST important during retirement for savings	Retirement - 34% bc	SS - 28%	SS - 37% a,b	Retirement-30% e	SS - 34% d
All segments are most concerned about the cost of health insurance during retirement.	77% c	74%	67%	76% e	71%
Believe it is not at all likely children will help out financially	46%	54%	55%	49%	55%



Executive Summary - Financial Profile

■ Age 41-49

- 52% think about finances less than once a month in this segment.
- 45% are not sure how many years they need their retirement savings to last.
- The majority (66%) of respondents in this segment indicate that retirement savings will be an important income during retirement. 34% believe that retirement savings will be the most important source of income during retirement.
- The highest percentage out of any segment (77%) are extremely/very concerned about the cost of health insurance during their retirement.

■ Age 50-59

- 22% in this segment think about finances several times a month.
- The majority (65%) of respondents in this segment indicate that Social Security will be an important income during retirement. 28% believe that Social Security will be the most important source of income during retirement.

■ Age 60-69

- 15% in this segment think about finances everyday.
- The majority (73%) of respondents in this segment indicate that Social Security will be an important income during retirement. 37% believe that Social Security will be the most important source of income during retirement. 22% believe that pension from employer is the most important source of income during retirement.



Executive Summary - Financial Profile

- Affected by Social Security (41-54)

- 47% of those affected by Social Security changes think about retirement finances less than once a month.
- 29% are not at all confident they will have enough financial savings during retirement.
- 43% are not sure how many years they need their retirement savings to last.
- 30% of respondents in this segment believe that retirement savings is the most important source of income during retirement.

- Unaffected by Social Security (55-69)

- Similar to the affected segment, 40% of those unaffected by the Social Security are not sure how many years they need their retirement savings to last.
- Unlike the affected segment, 34% believe that Social Security is the most important source of income during retirement.
- 55% believe that it is not at all likely that their children will help them out financially during retirement.



Executive Summary – Real Estate Profile

Real Estate	Age 41-49 (a)	Age 50-59 (b)	Age 60-69 (c)
Indicate will buy a new home for retirement.	59%	50%	33%
Of respondents who will move, those that indicate they will move out of state for retirement.	45%	48%	38%
Of those who will move out of state, most important reason for deterring respondent from specific states.	Higher cost of living – 62%	Higher cost of living – 53%	Higher property tax – 59%
Of those who will move, most important reason in deciding whether or not to move during retirement.	More affordable location – 65%	More affordable housing – 70%	More affordable housing – 72%
Of those who will move, planned spending on new home: \$100,000 to \$199,999.	25%	30%	22%
Of those who will move, many respondents “not sure” of percentage of equity that will be spent to purchase new home.	42%	39%	42%



Executive Summary – Real Estate Profile

■ Age 41-49

- 59% indicate they will purchase a new home in retirement.
- 62% of those who will move out of state, indicate their most important reason for avoiding specific states is the higher cost of living.
- 65% state that a more affordable location is their most important reason in deciding to move.

■ Age 50-59

- 48% (the highest percentage of respondents out of any segment) indicate they will move to another state upon retirement.
- 53% of those who will move out of state, indicate their most important reason for deterring from specific states is the higher cost of living.
- 70% state that more affordable housing is their most important reason in deciding to move. However, 66% also indicate that they seek a better community lifestyle; the highest percentage of any segment.

■ Age 60-69

- Compared to the other two segments, only 33% indicate they will purchase a new home during retirement.
- 59% of those who will move out of state, indicate their most important reason for deterring from specific states is the higher cost of property taxes.
- 70% state that more affordable housing is their most important reason in deciding to move.
- 34% of respondents age 60-69 plan to purchase their new home outright and will not have a mortgage payment.



Executive Summary – Retirement Profile

Retirement	Age 41-49 (a)	Age 50-59 (b)	Age 60-69 (c)
Extremely/Somewhat excited about retirement phase of life	45%	56% a	67% a,b
Travel is the top unfulfilled ambition/hobby that respondent would like to take up during retirement.	65% c	64% c	53%
Initial issues during retirement: Not being healthy enough Not having enough money	61% 63% c	67% c 66% c	58% 50%
Among all retirement concerns, “not being healthy enough” is the top concern.	21%	32%	40%
Age respondents would like to be.	Twenties – 36% c	Thirties - 33%	Thirties – 31% Current Age – 31% b



Executive Summary – Retirement Profile

■ Age 41-49

- Less than half (45%) are excited about the retirement phase of life.
- 65% state that a more affordable location is their most important reason in deciding to move.
- 36% of respondents in this segment would like to go back to being in their twenties.

■ Age 50-59

- This segment indicated the highest initial concern for “not being healthy enough” (67%) and not having enough money (66%) during retirement among all three segments.
- 31% of respondents in this segment would like to go back to being in their thirties.

■ Age 60-69

- 67% are extremely/somewhat excited about the retirement phase of life.
- 40% indicate that “not being healthy enough” is their top concern regarding retirement.
- This segment is split among which age respondents would like to be. 31% indicated they would like to go back to their thirties. 31% of respondents also indicated that they are happy with their current age.



Executive Summary – Work Habits Profile

Work Habits	Age 41-49 (a)	Age 50-59 (b)	Age 60-69 (c)
Of respondents who are still working, hours typically worked in a week.	30 or less – 19% 31 to 40 – 48% c 41 to 50 – 25%	30 or less – 18% 31 to 40 – 50% c 41 to 50 – 26%	30 or less – 41% a,b 31 to 40 – 31% 41 to 50 – 18%
Plan to stay in current job as long as possible.	37%	33%	39%
Two main reasons for continuing to work for those who will not retire:			
Need the money	49%	37%	38%
Enjoy it	24%	26%	33%





Executive Summary – Work Habits Profile

- Age 41-49
 - 27% plan to continue to work but may move to a different position in the future.
 - Supporting the indication that respondents in this segment may move to a different position in the future, 54% state they will retire from their current line of work and work in another field.

- Age 50-59
 - This segment indicated the highest percentage (45%) of respondents who plan to eventually retire.

- Age 60-69
 - Not surprisingly, 59% of this segment is already retired.
 - Respondents age 60-69 (44%) will not fully retire from their current line of work because they need the money (38%) and they enjoy their work (33%).





Executive Summary – Active Adult Communities Profile

Active Adult Communities	Age 41-49 (a)	Age 50-59 (b)	Age 60-69 (c)
Would consider purchasing a home in an active adult community.	41%	47%	46%
Top 3 overall preferred amenities/programs.	Full Maintenance Lawn Care - 80% Walking – 81% Swimming/Water fitness – 73%	Full Maintenance Lawn Care – 77% Walking – 79% Swimming/Water fitness – 68%	Full Maintenance Lawn Care – 80% Walking – 77% Hobbies and Clubs – 71%
Top 2 amenities/programs by category:			
Education	Art/Photography, crafts – 56% College courses – 55% b	Art/Photography, crafts – 41% College courses – 38%	Art/Photography, crafts – 59% History/Art/Music – 52%
Fitness	Walking – 81% Swimming/Water fitness – 73%	Walking – 81% Swimming/Water fitness – 73%	Walking – 81% Swimming/Water fitness – 73%
Social Activities	Hobbies and clubs – 75% Cards – 50%	Hobbies and clubs – 59% Billiards – 46% c	Hobbies and clubs – 71% Cards – 40%
Security	Gated community – 65% Neighborhood watch – 63%	Roving security – 61% Gated community – 55%	Neighborhood watch – 63% Gated community – 54%
Estimated cost of a home in an active adult community, \$100,000 to \$199,999.	32%	36%	32%
Willing to pay \$50-\$99 monthly assessment for community amenities.	38%	36%	46%





Executive Summary – Active Adult Communities Profile

■ Age 41-49

- Adults age 41-49 show the highest interest in the Fitness amenities and programs. Respondents show higher percentages of interest (almost double in some amenity categories) in Yoga, Tennis, Softball and Running compared to the other age groups.
- Adults in this segment also have the most overall interest in Security amenities. Respondents age 41-49 indicate the highest interest in almost every security amenity among all three segments.
- Almost half of this segment (46%) indicated an interest in Billiards, substantially more than any other segment.

■ Age 50-59

- Adults age 50-59 show the least overall interest in the Social Activities amenities and programs.
- This segment indicated the highest interest (59%) for an age-restricted environment.

■ Age 60-69

- Slightly more than half (51%) of adults in this segment would like to see other amenities and programs in an active adult community that were not listed as potential amenities/programs that could be offered.
- More than any other segment, almost half (46%) would be willing to pay \$50-\$99 as a monthly assessment for community amenities.



Executive Summary – Features in Home Profile

Features in Home	Age 41-49 (a)	Age 50-59 (b)	Age 60-69 (c)
Planning to downsize home in retirement.	36%	49% a	51% a
Desired number of square feet in new home:			
1500 – 1999	19%	24%	26%
1000 – 1499	23%	24%	36% ab
Not sure	20% c	24% c	8%
Main reason for wanting extra bedroom – Guest room(s) for visitors.	49%	58%	58%
Bath elements:			
More spa-like	26% c	20%	15%
More practical	16%	17%	30% ab



Executive Summary – Features in Home Profile

- Age 41-49

- Adults age 41-49 are least likely to indicate a desire to downsize their retirement home.
- This segment is more likely to desire spa-like elements in a bathroom than the other age groups.

- Age 50-59

- Adults age 50-59 are somewhat more similar than those in their 60s than they are to those in their 40s with regard to home features in that they expect to downsize rather than upsize their retirement home. In terms of features, do not fall to the extremes that the other age groups do in their preference for spa-like vs. practical elements of a bathroom.

- Age 60-69

- Adults age 60-69 expect to downsize rather than upsize their retirement home, and desire a space of 1000-1499 square feet.
- This segment puts greater emphasis on more practical elements of bathroom design.



Executive Summary – Lifestyle, Dating, Friendships Profile

Lifestyle, Dating, Friendships	Age 41-49 (a)	Age 50-59 (b)	Age 60-69 (c)
Attitudes toward dating:			
Not interested in dating	23%	33%	51% ab
Sometimes date/would like to date, but not currently dating	45% c	52% c	30%
Currently dating one person	25% b	10%	16%
Engage in “social” online behaviors, excluding email (e.g. chat rooms, dating, blogging)	32%	24%	11%



Executive Summary – Lifestyle, Dating, Friendships Profile

- Age 41-49
 - Adults age 41-49 are most likely to be dating than the other age groups.
 - Adults in this segment also are most likely to engage in “social” online behaviors, excluding email (e.g. chat rooms, dating, blogging). The overall percentage is still low, however, with just over 10% or less engaging in any one of these activities.

- Age 50-59
 - Adults age 50-59 are most likely to be interested in dating but not currently dating.

- Age 60-69
 - Adults age 60-69 are most likely to express disinterest in dating compared to the other age groups.





Detailed Findings



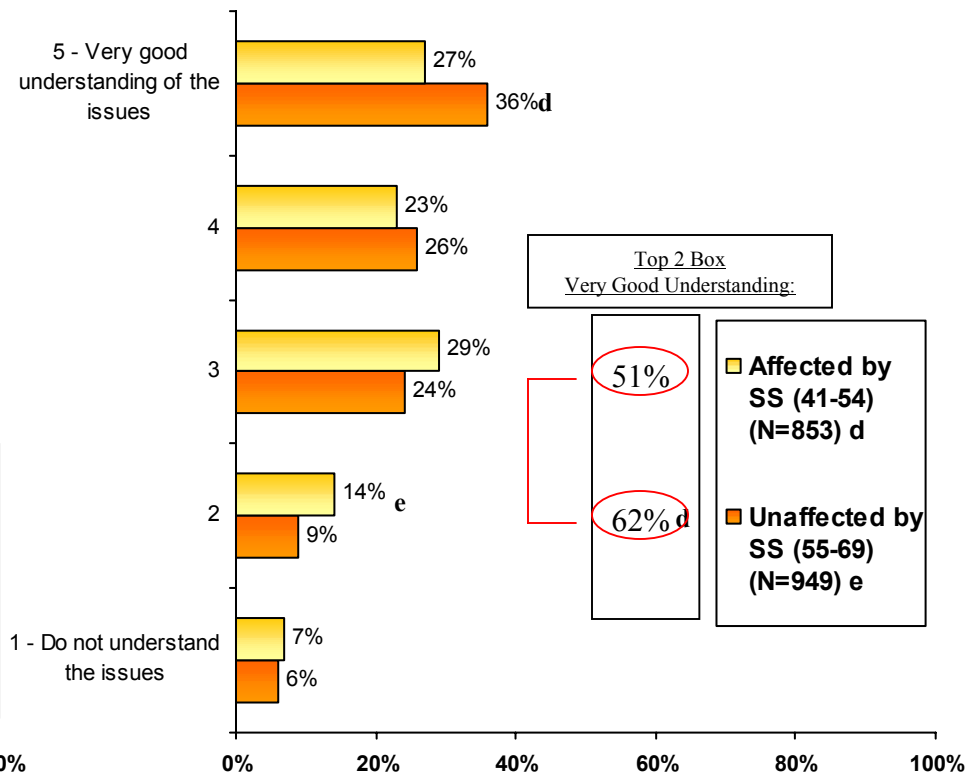
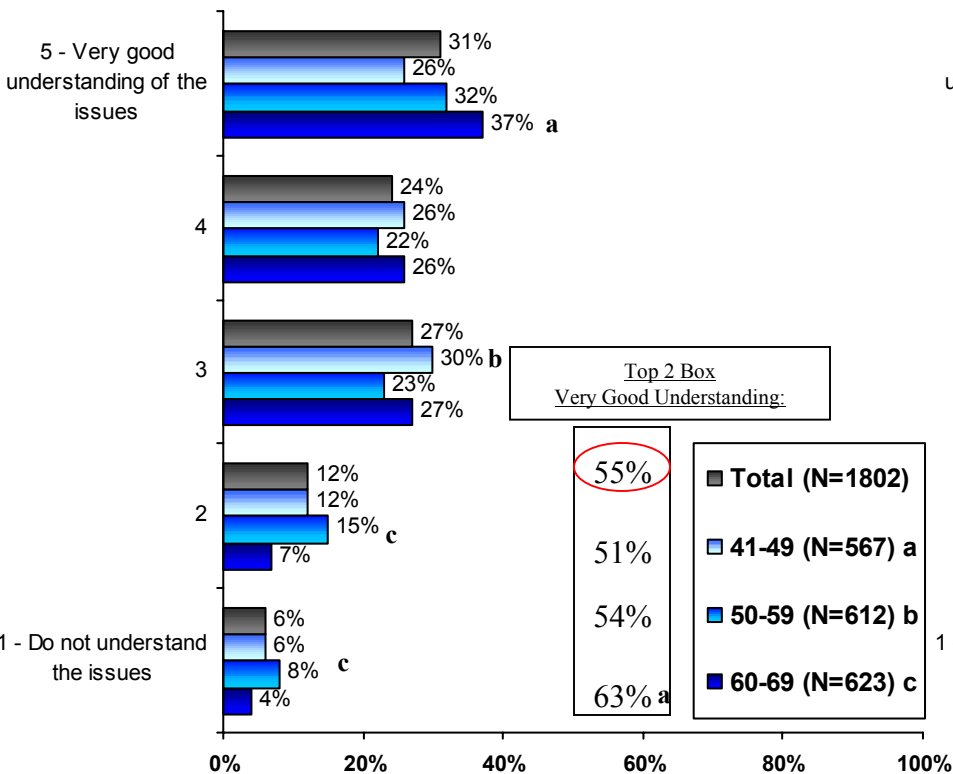


Social Security





Just over half of the Baby Boomer generation feel they have a solid understanding of the issues facing Social Security today. Ironically, those most affected by proposed changes are the ones who feel they are less knowledgeable.



• Males, those with incomes of \$75K+, and those with a college degree feel most confident in their understanding of the current issues regarding Social Security. (See tables)

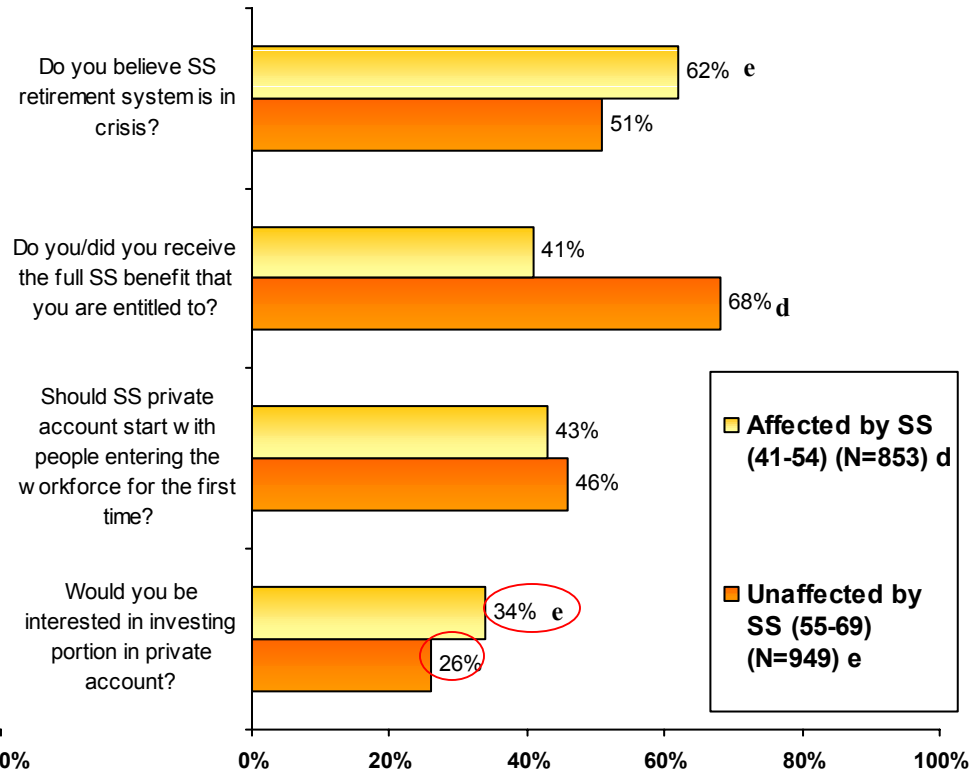
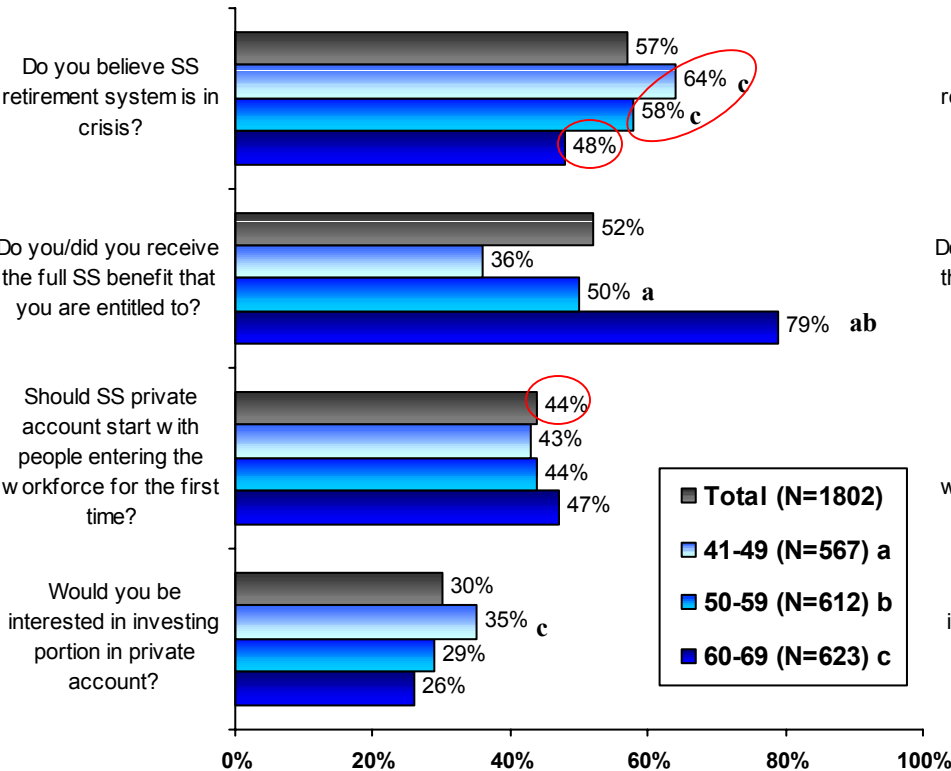
Q1000 Do you believe you have a good understanding of the issues concerning Social Security?

Base: All Qualified Respondents



Respondents are moderately in favor of offering private account investing from the beginning. Younger groups are more likely to believe SS is in crisis. Only one-third of the younger group and one-fourth of the older group are interested in investing their SS in private accounts.

% "Yes"



- College graduates are *less* likely than those without a college degree to believe that the Social Security system is in crisis.
- Those living in the Southeast and Nevada are least confident than those in other regions to believe they will receive their correct SS benefits upon retirement. (See tables)

Q1005 Please answer the following questions about Social Security.

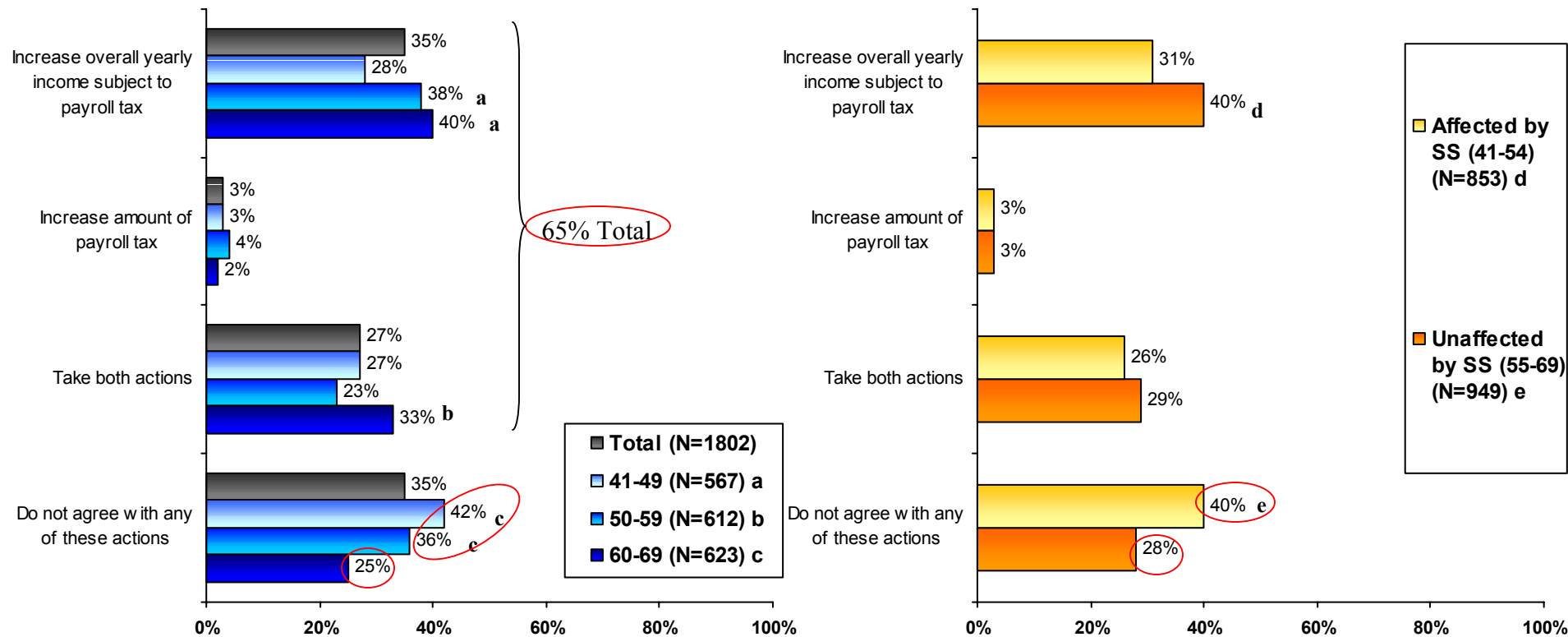
Base: All Qualified Respondents





Although the majority of Baby Boomers (60% or more) support some form of adjustments to payroll taxes, they do not agree on an exact method. A sizable portion (comprised mostly of younger groups) do not support any changes to payroll taxes.

% "Yes"



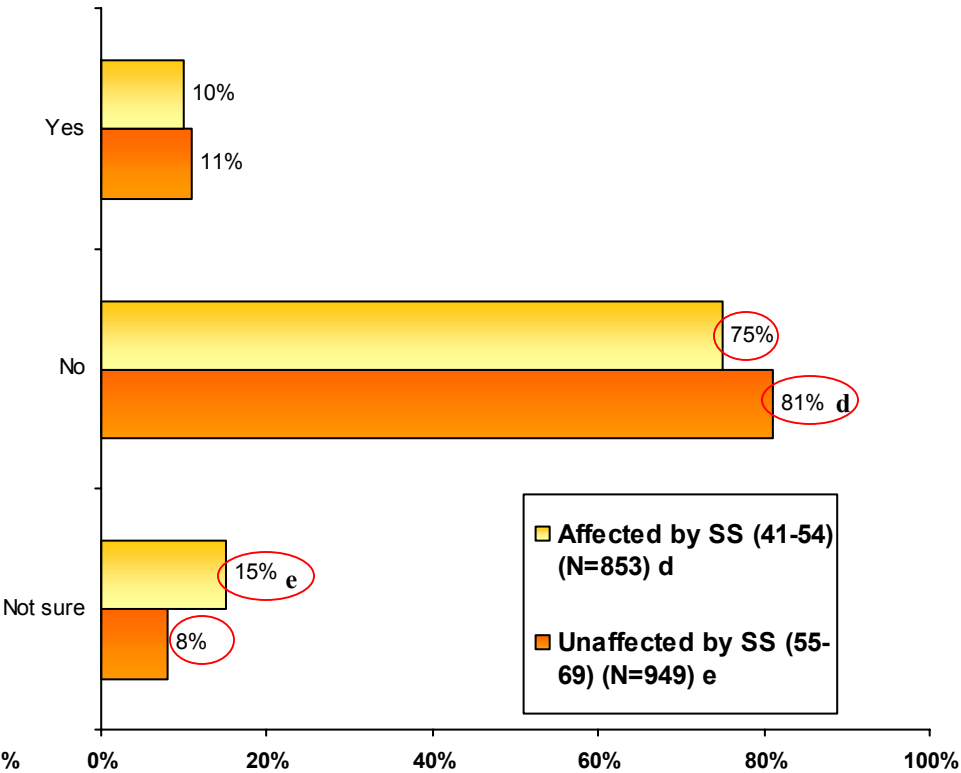
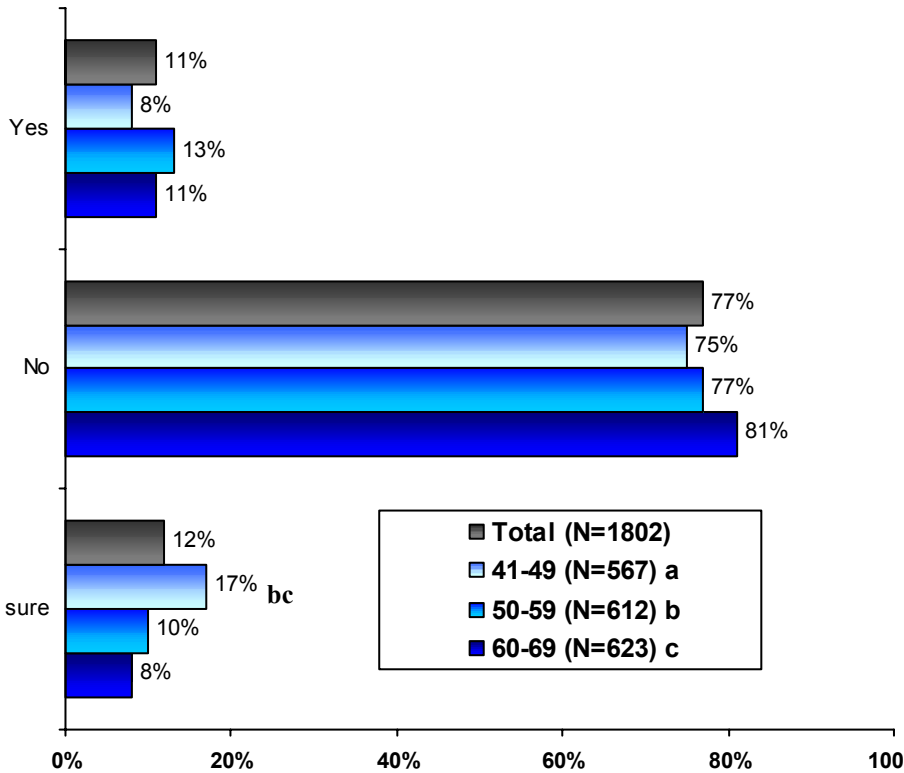
Q1010 To meet any future shortfall in the Social Security retirement system, which of the following actions should the government take?

Base: All Qualified Respondents





SS benefits are not expected to be the sole source of income for the great majority (75-81%). Older respondents in particular are more likely to expect other income to be necessary, perhaps because many of them are already retired, whereas younger respondents tend to be more unsure.



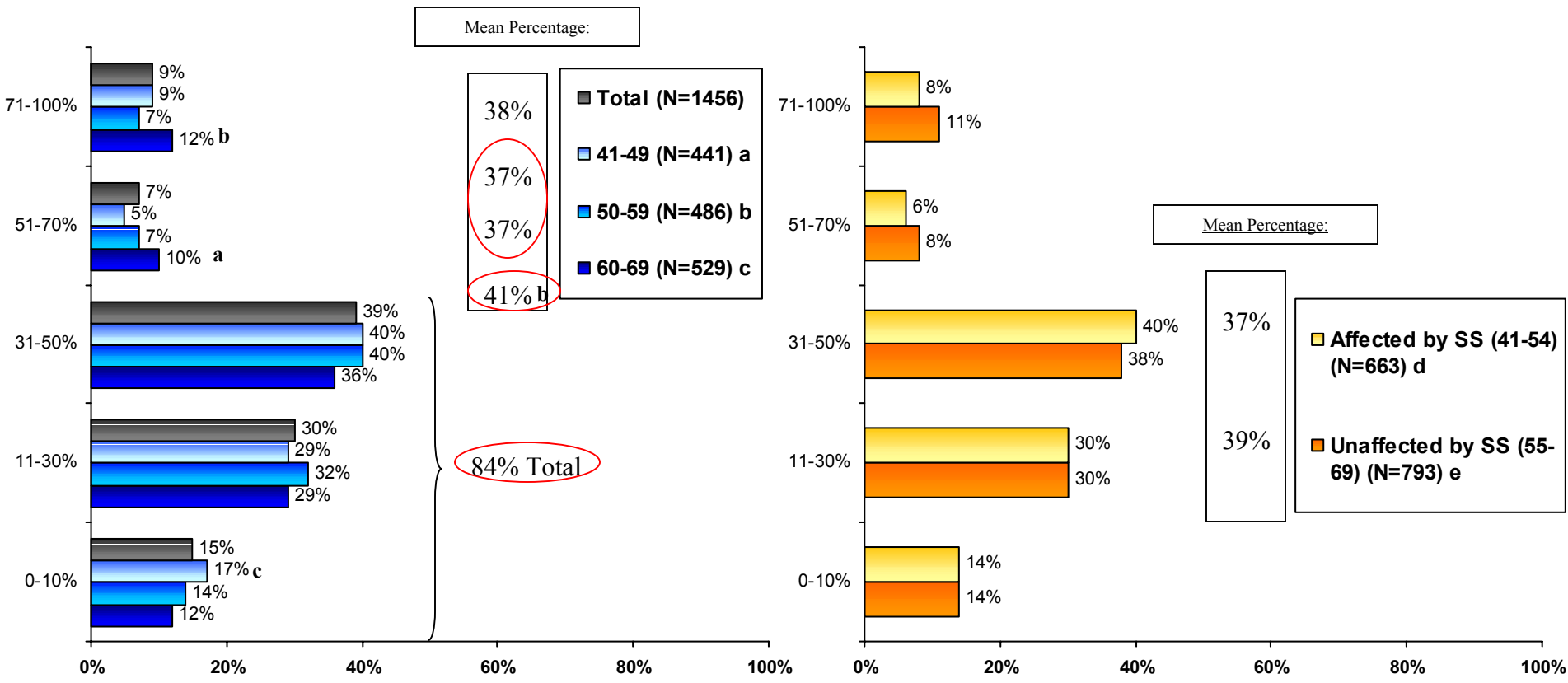
Q1015 Are you planning to rely solely on Social Security benefits for your retirement?

Base: All Qualified Respondents





Most respondents (84%) believe that SS benefits will comprise no more than half of their retirement income. Older respondents are slightly more likely to estimate relying on SS for a great percentage of their retirement income than younger respondents.

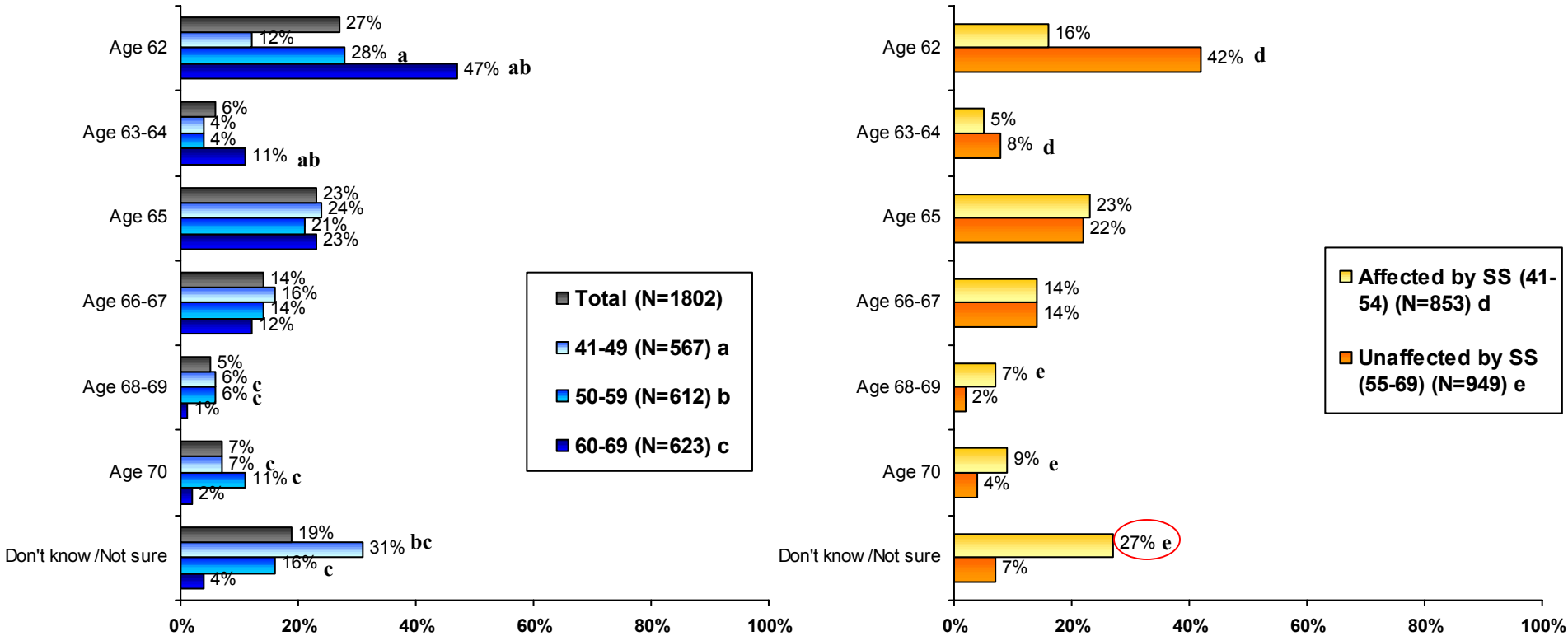


• Not surprisingly, those with higher incomes expect that Social Security will comprise a smaller percentage of their retirement income. (See tables)

Q1630 What percentage of your retirement will be/is funded by Social Security?
 Base: Respondents not relying solely on Social Security



Just over one-quarter of respondents age 41-54 have no age in mind for retiring, and the remainder are considering retirement across a variety of ages.

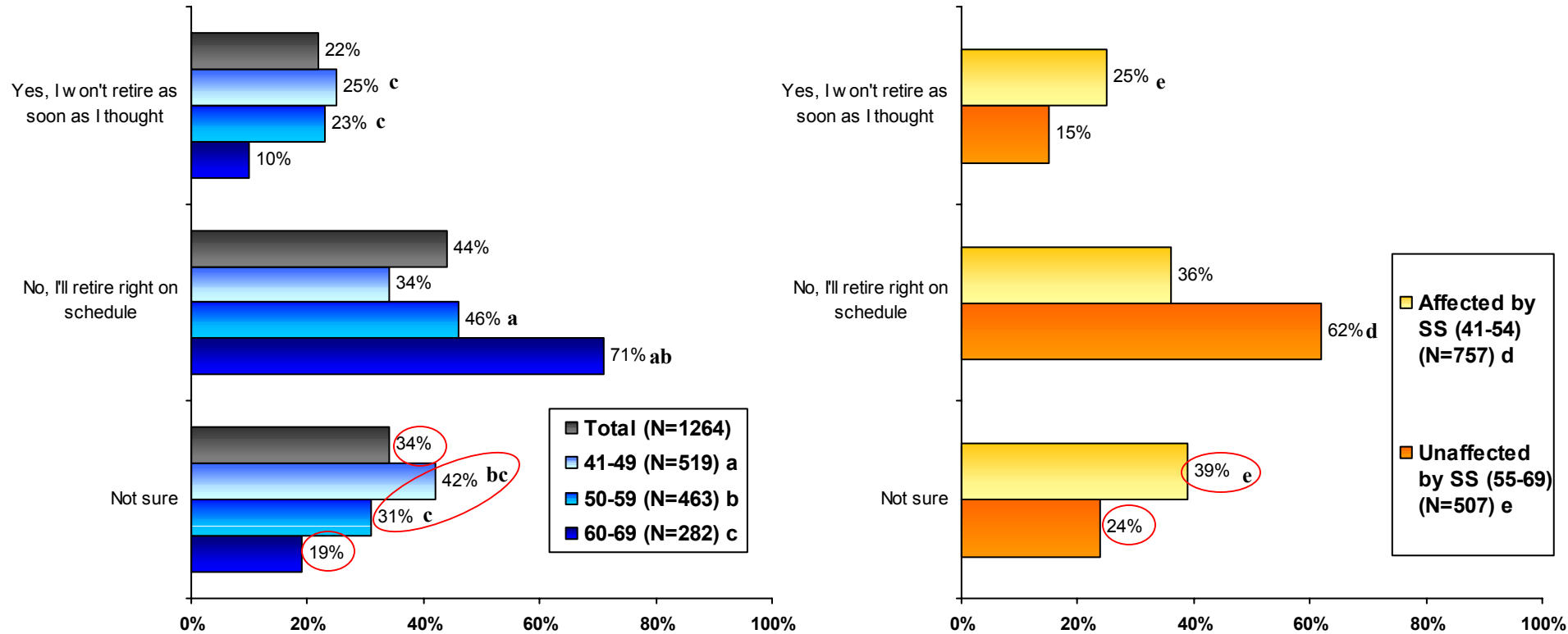


Q1020 At what age do you expect to/did you begin drawing your Social Security benefits?

Base: All Qualified Respondents



Again, younger respondents express more uncertainty about their retirement age because of recent claims about SS's future. However, regardless of age, one-quarter to one-third of those who have not yet retired indicate uncertainty.



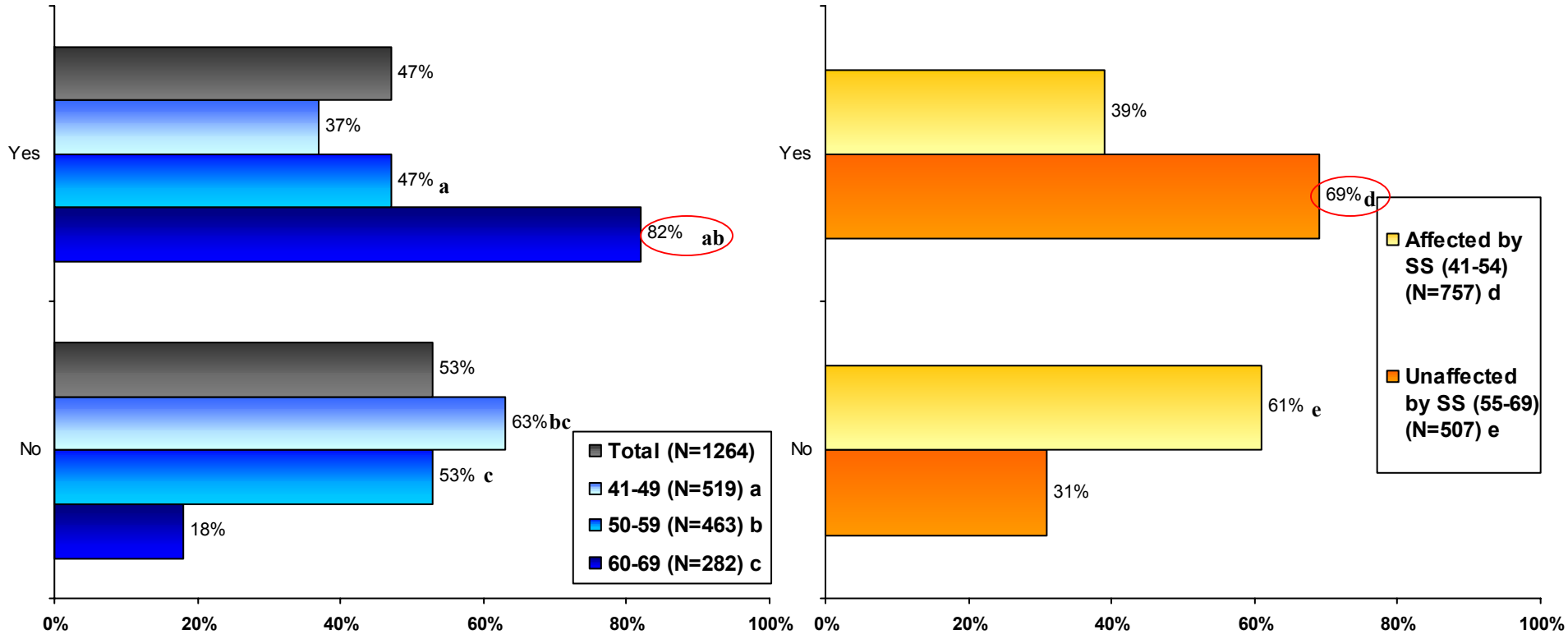
Q1030 Has recent uncertainty about the future of Social Security affected your outlook on when you will be able to retire or hope to retire?

Base: Non-retired respondents





Those in the 60-69 and 55-69 age groups are more knowledgeable about their benefits. This is expected since 59% and 50% of these age groups, respectively, are already retired and currently receiving benefits (data not shown, see Q900).



Q1025 Do you know what your monthly benefit will be?

Base: Non-retired respondents



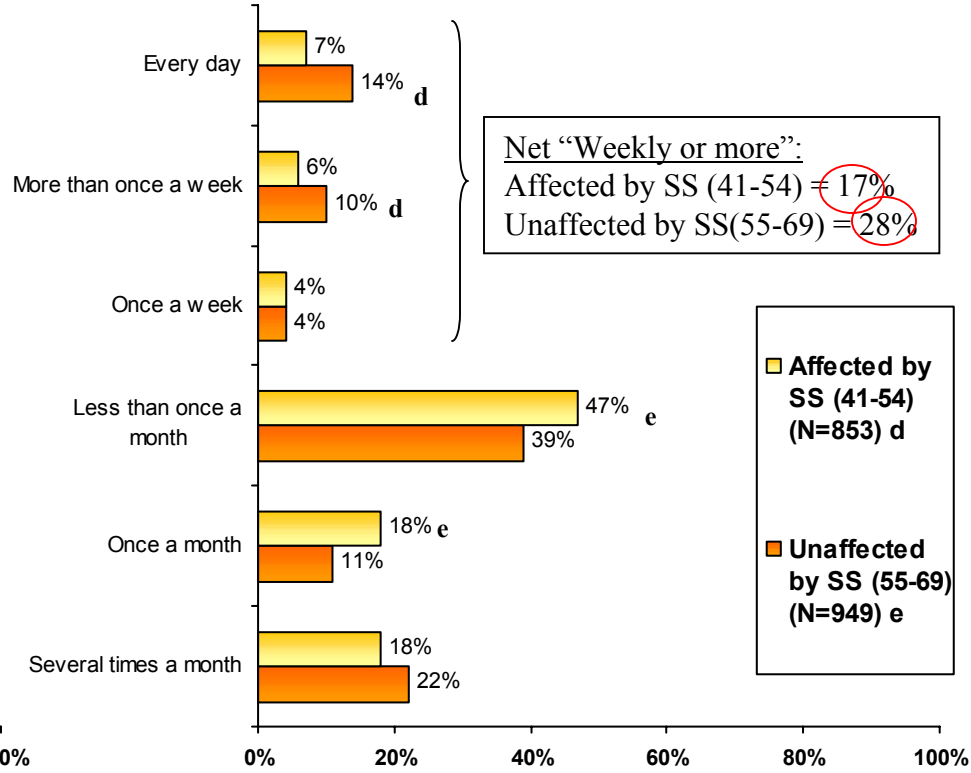
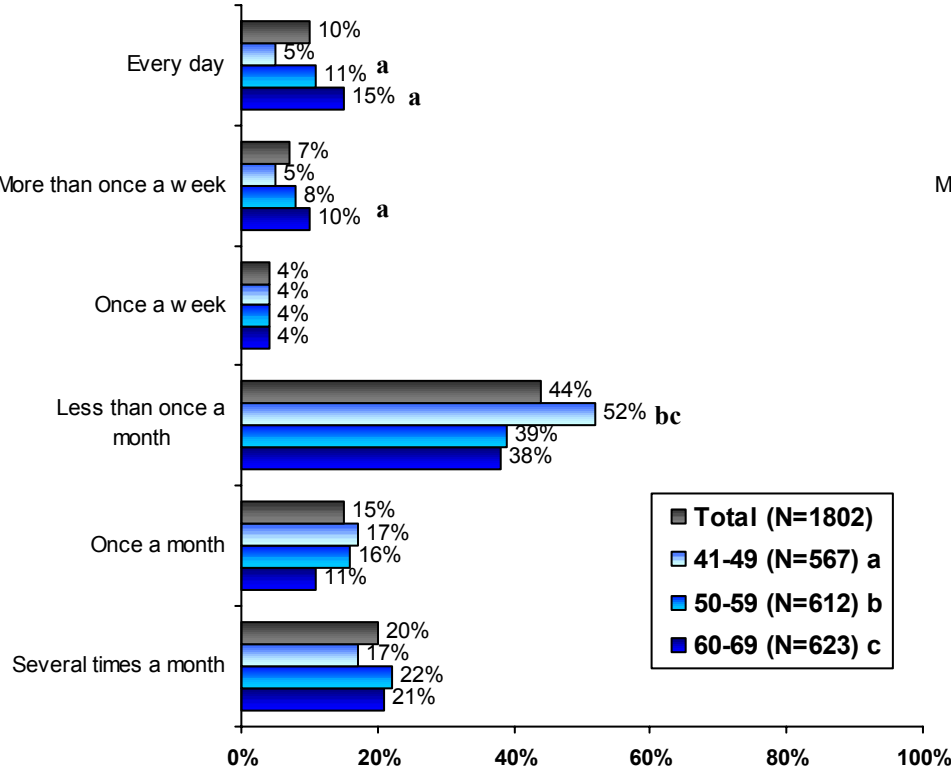


Financial





Not surprisingly, the older adults think about their retirement finances more frequently than the younger adults. One-quarter of these older adults think about it at least weekly.



• Amount of time spent thinking about retirement finances is *not* related to current income. (See tables)

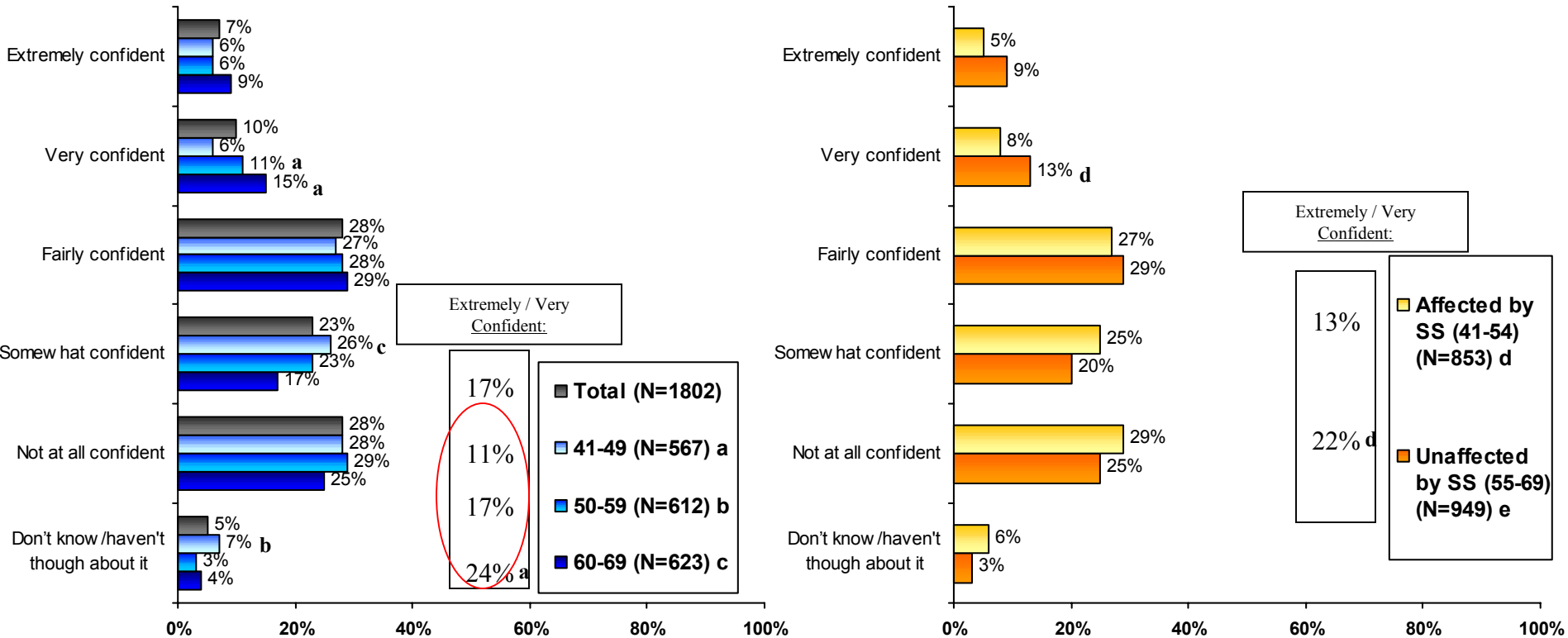
Q1100 How frequently do you think about your retirement finances?

Base: All Qualified Respondents





Overall confidence in financial security during retirement is quite low, although older adults are somewhat more confident than younger adults.



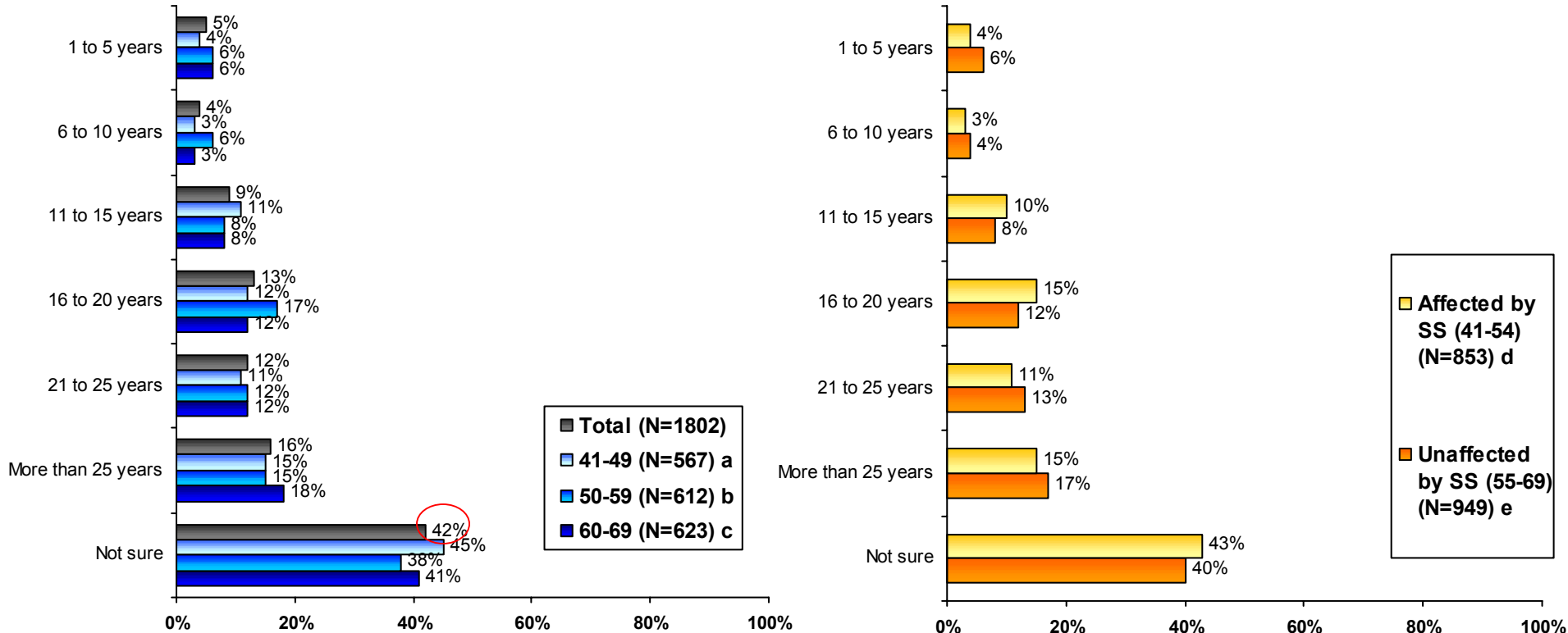
• Those with particularly low confidence in having enough savings for retirement tend to be male and unmarried. (See tables)

Q1105 How confident are you in having enough financial resources/savings during retirement?
 Base: All Qualified Respondents





A possible source of concern with financial planning for retirement is that many people (42%) are not sure how long their savings need to last. This is true regardless of age.



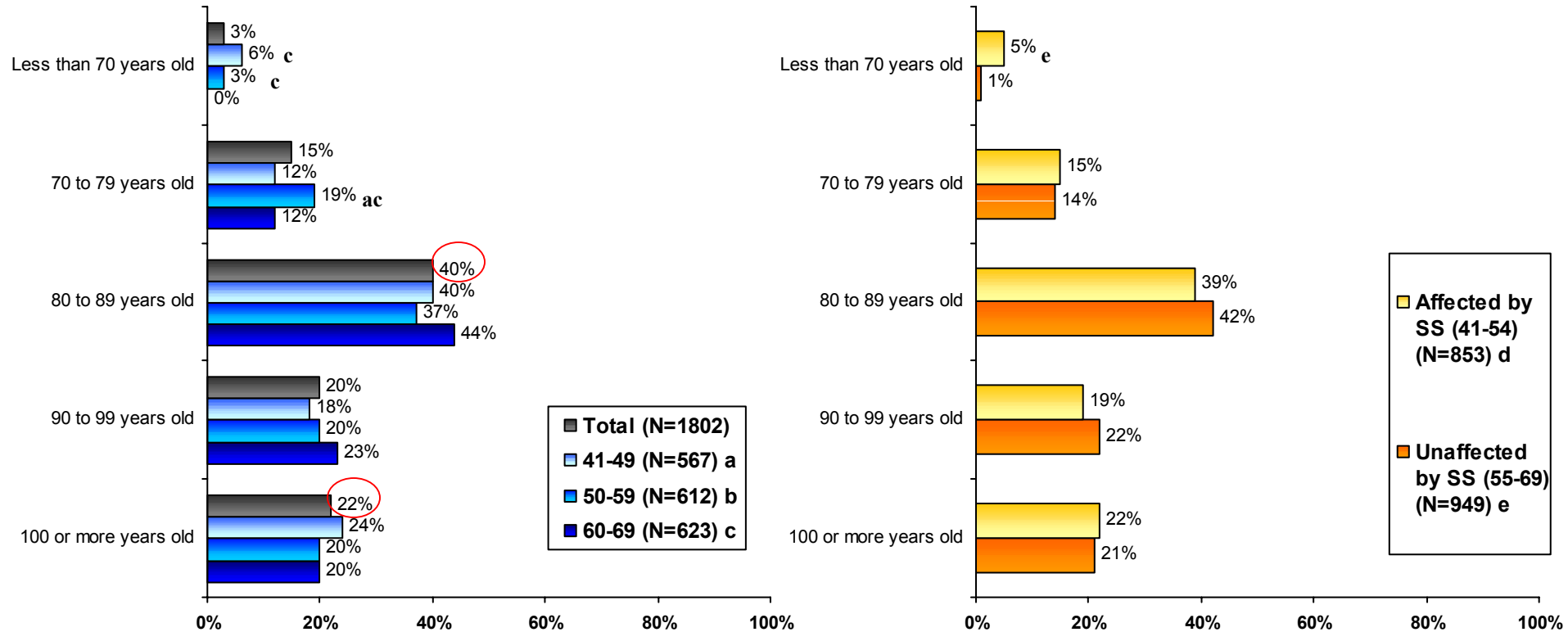
Q1110 How many years will your savings need to last after you retire?

Base: All Qualified Respondents





Respondents are quite varied in their hopes regarding life expectancy (provided they are in good health), with many content to live into their 80s, but others hoping to live to be 100 or older.



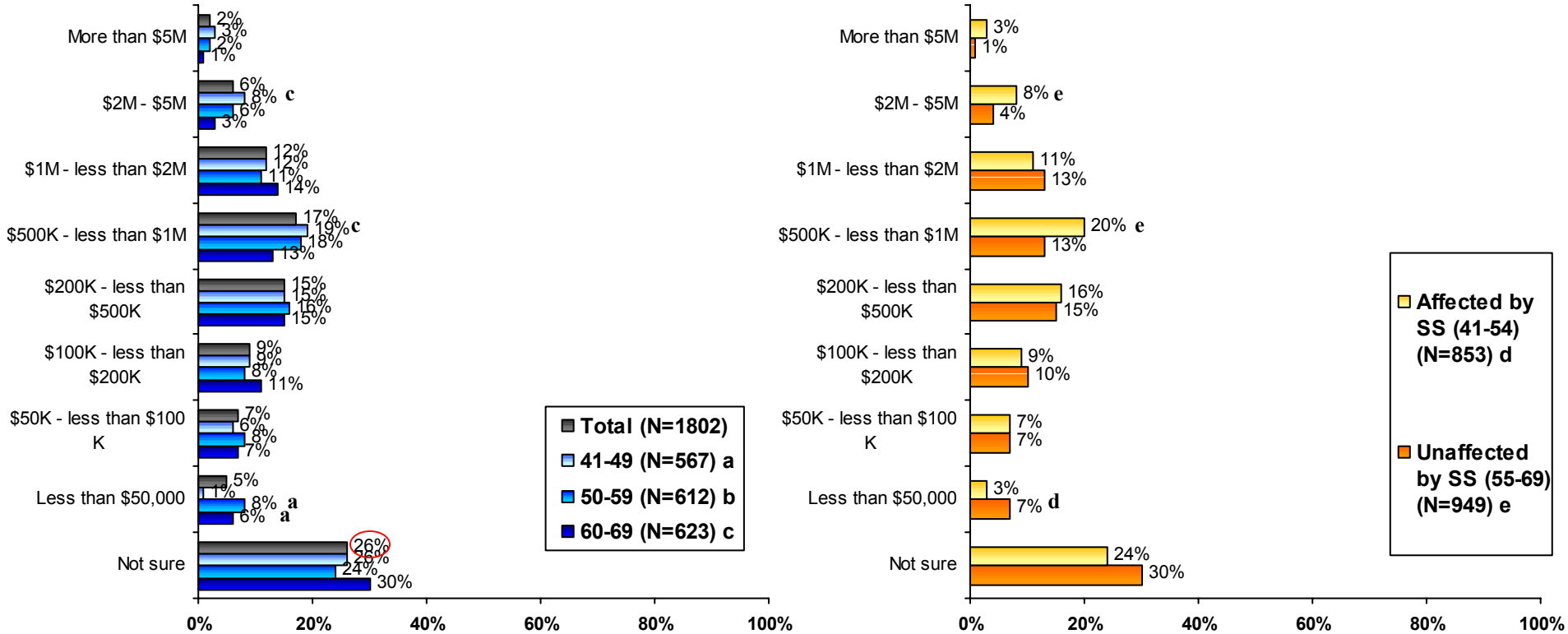
Q1115 If you were healthy, to what age would you hope to live?

Base: All Qualified Respondents





Estimates of savings needed for retirement vary greatly, with no consensus on an appropriate amount. One-quarter of respondents are unsure enough to not even provide an estimate.



Q1120 How much money do you think you will need to have saved in order to live comfortably now that you are/when you retire?

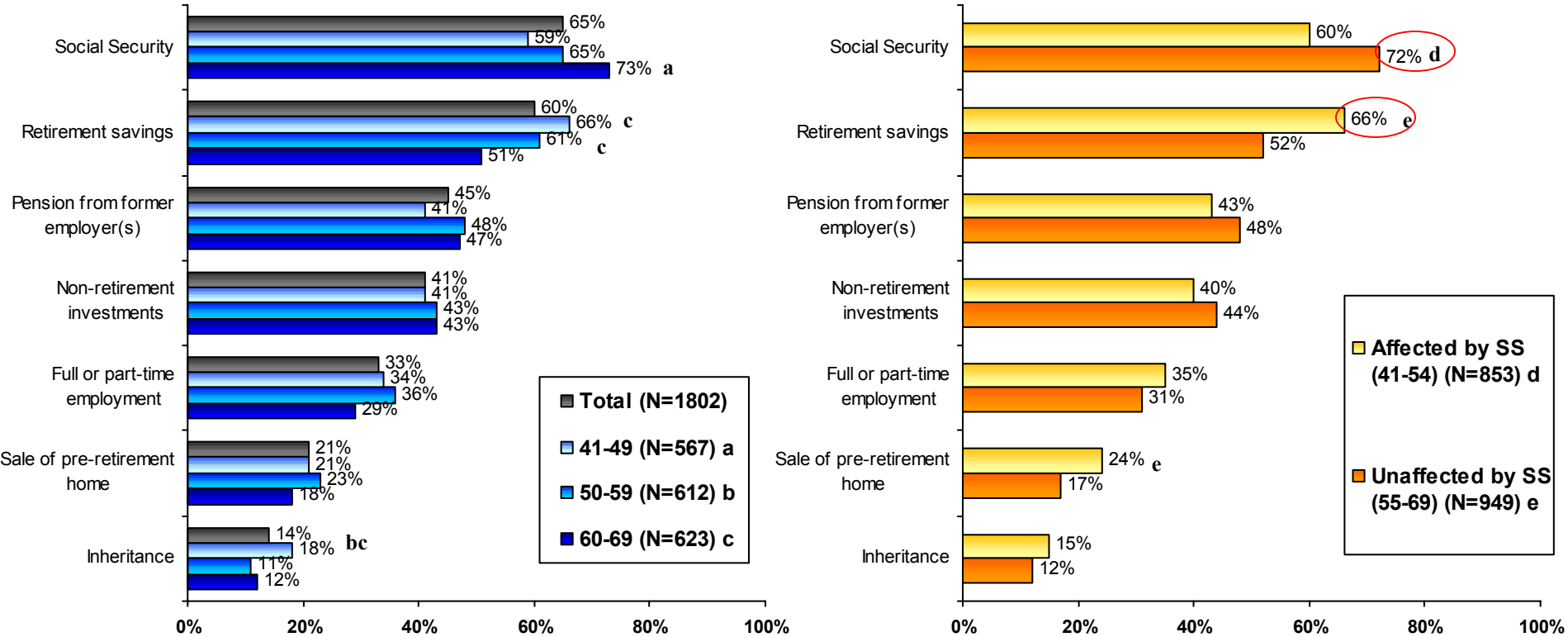
Base: All Qualified Respondents





Older respondents place greater importance on SS as a source of income during retirement, whereas younger respondents place greater importance on retirement savings.

Top 2 Box – Extremely Important



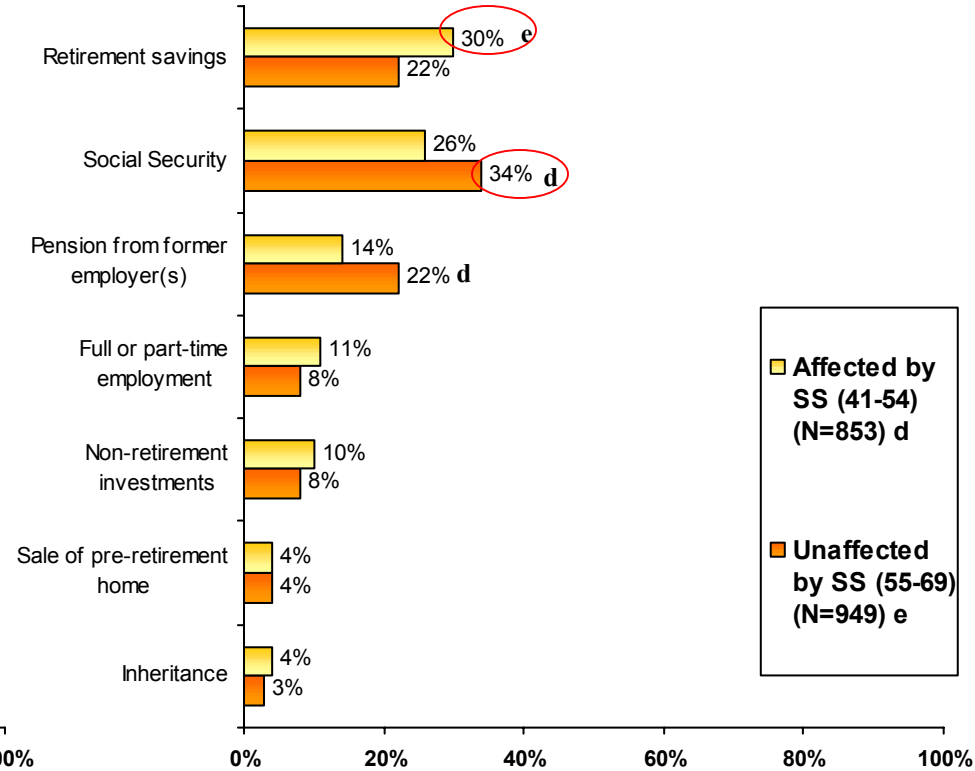
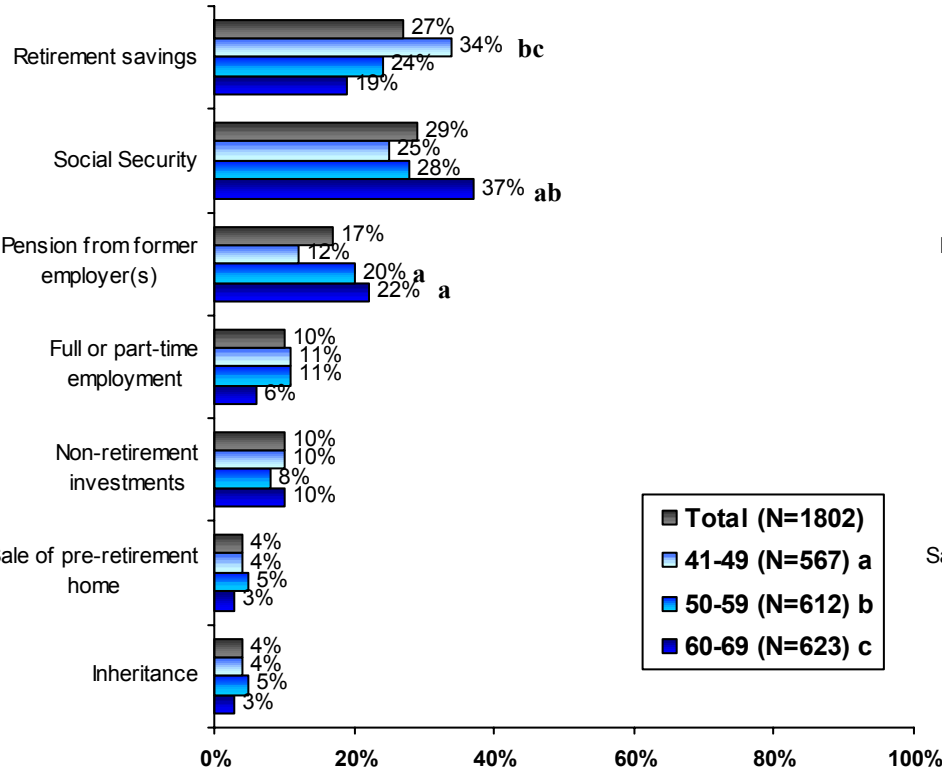
Q1125 How important will the following sources of income be to you during retirement?

Base: All Qualified Respondents





The age differences reported on the previous page, and found again here, are congruent with previously reported findings in which older respondents estimate a greater percentage of their retirement funded by SS.



Q1130 Which source of income will be/is most important in retirement?

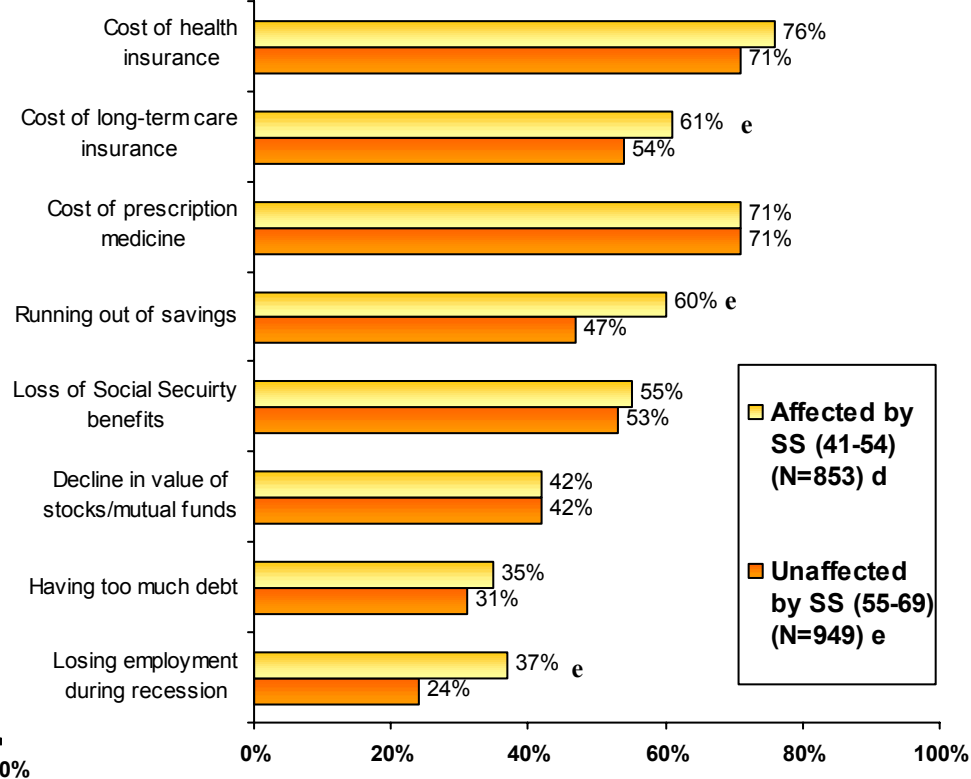
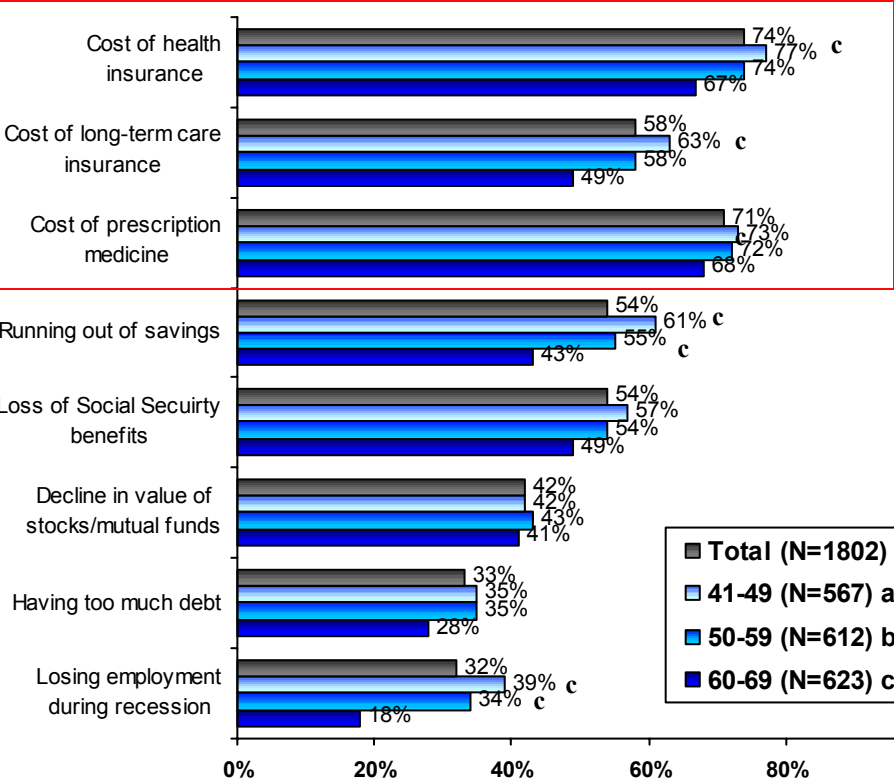
Base: All Qualified Respondents





Regardless of age, healthcare costs (insurance, prescription medications) top the list of financial concerns during retirement.

Top 2 Box – Extremely/Very Concerned



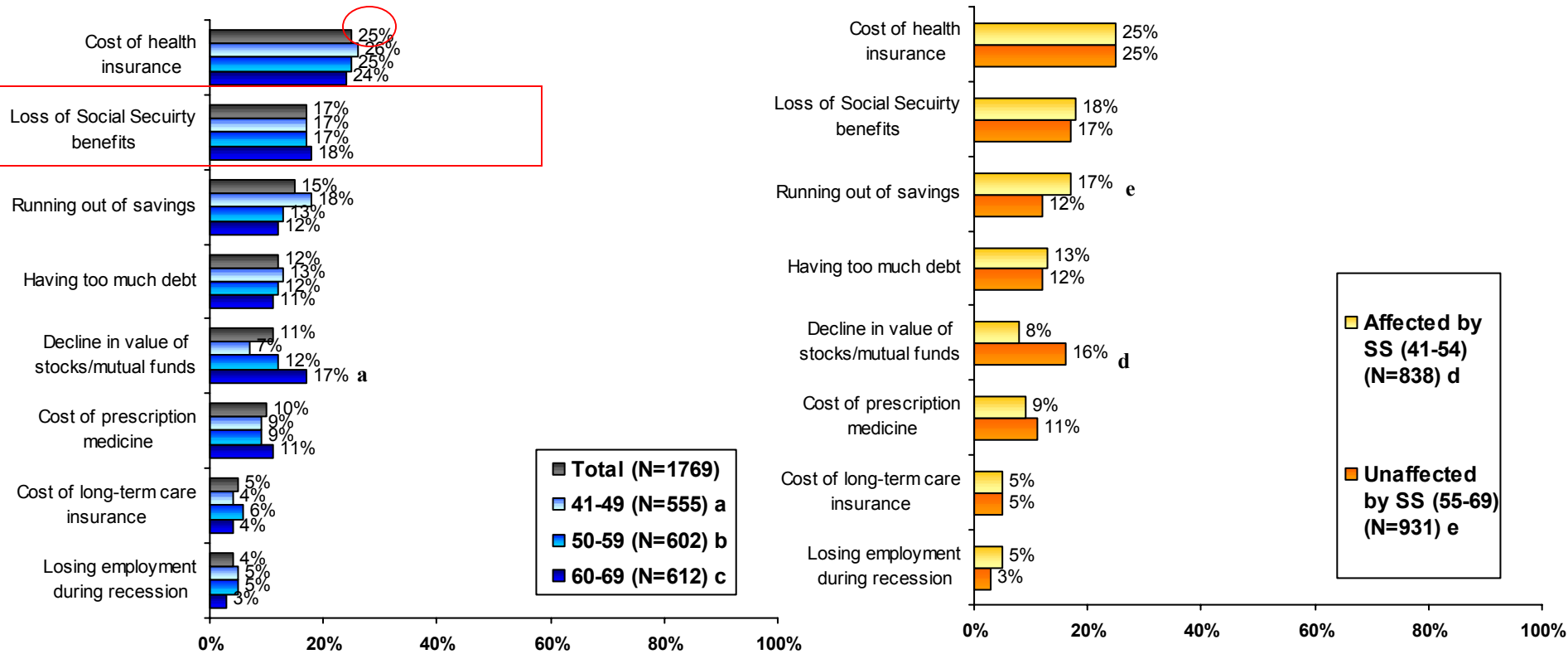
Q1135 How concerned are you about the following financial issues during your retirement?

Base: All Qualified Respondents





When asked to indicate their one most pressing financial concern, loss of SS benefits moves up in the list (chosen by one-in-five), second only to cost of health insurance (chosen by one-in-four).



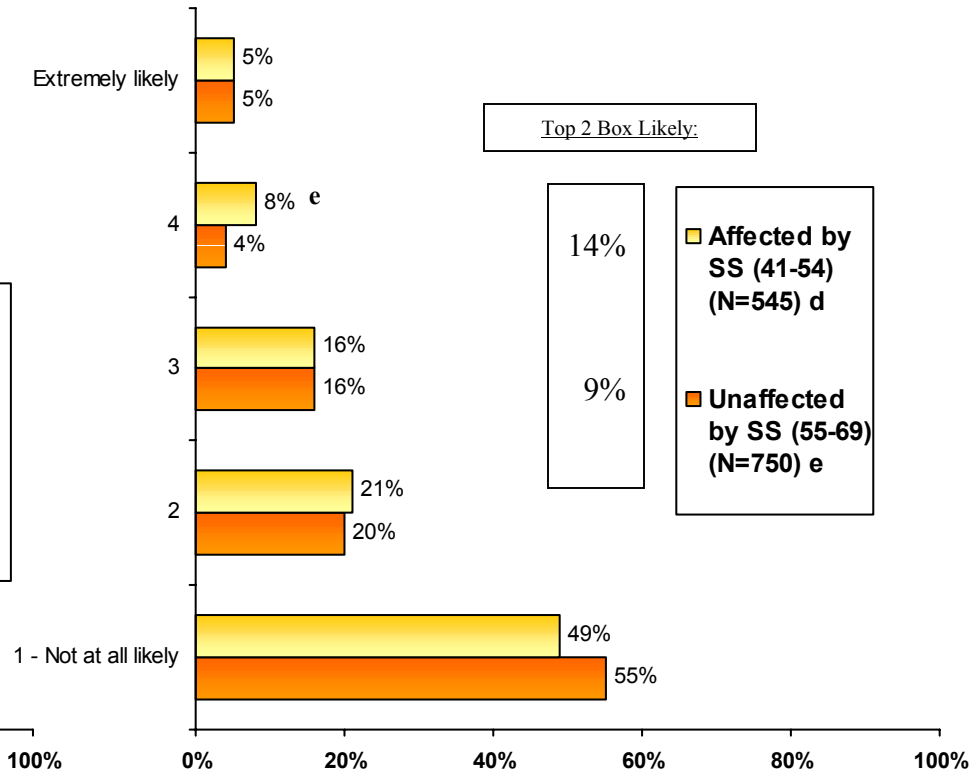
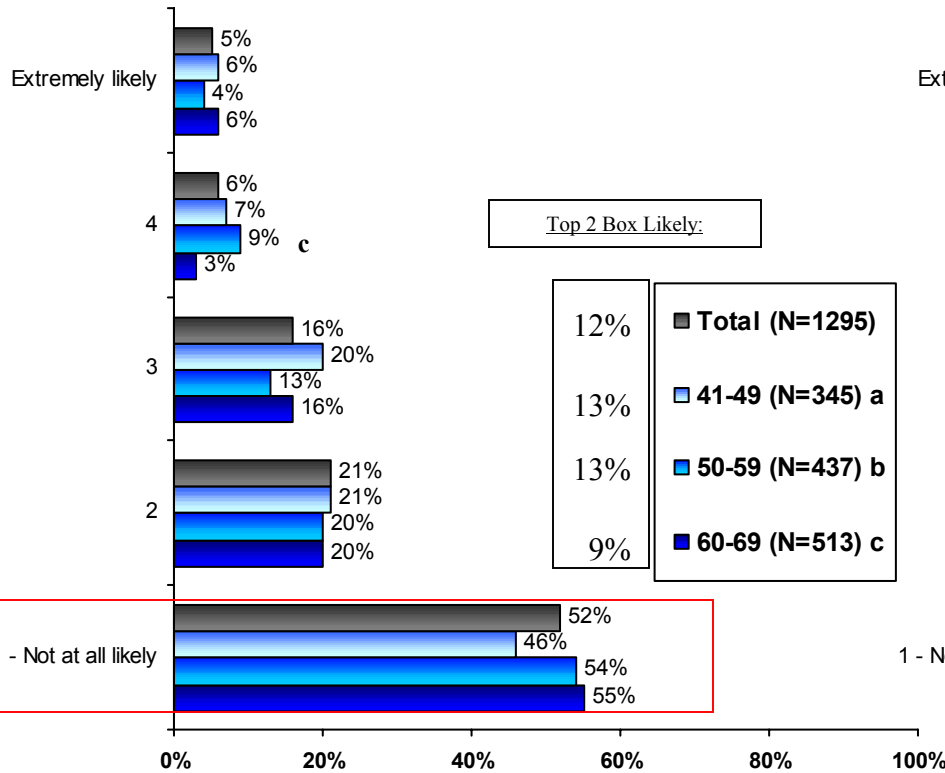
Q1140 Of the concerns you noted, which is your most pressing financial concern?

Base: Respondent indicating concern with rating greater than '1'





All age groups are unlikely to ask their children for financial assistance during retirement.



• Males and those who are married are particularly unlikely to ask their children for financial assistance during retirement. (See tables.)

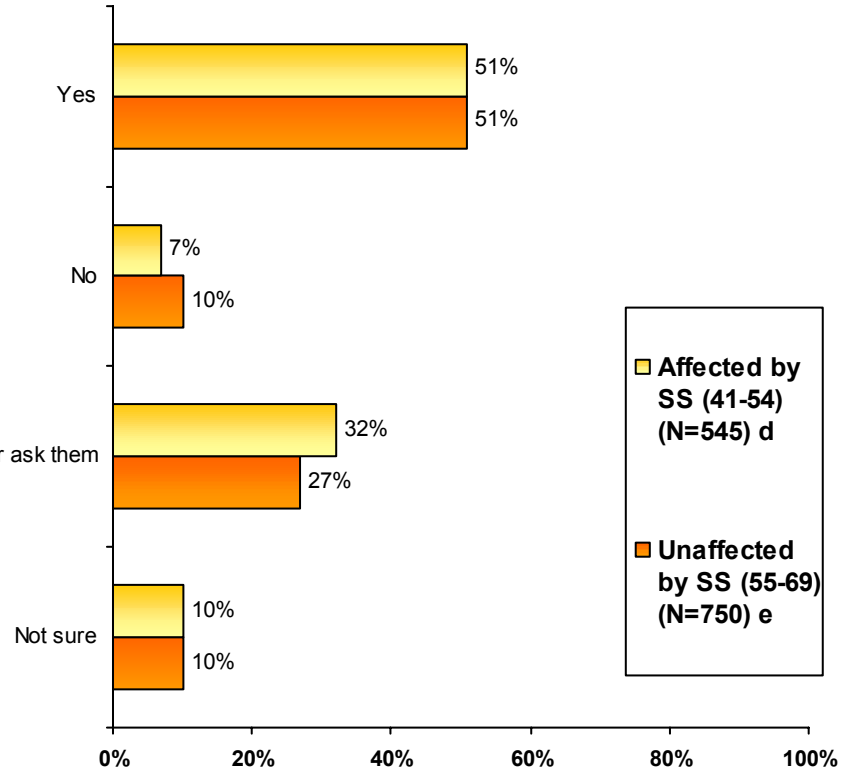
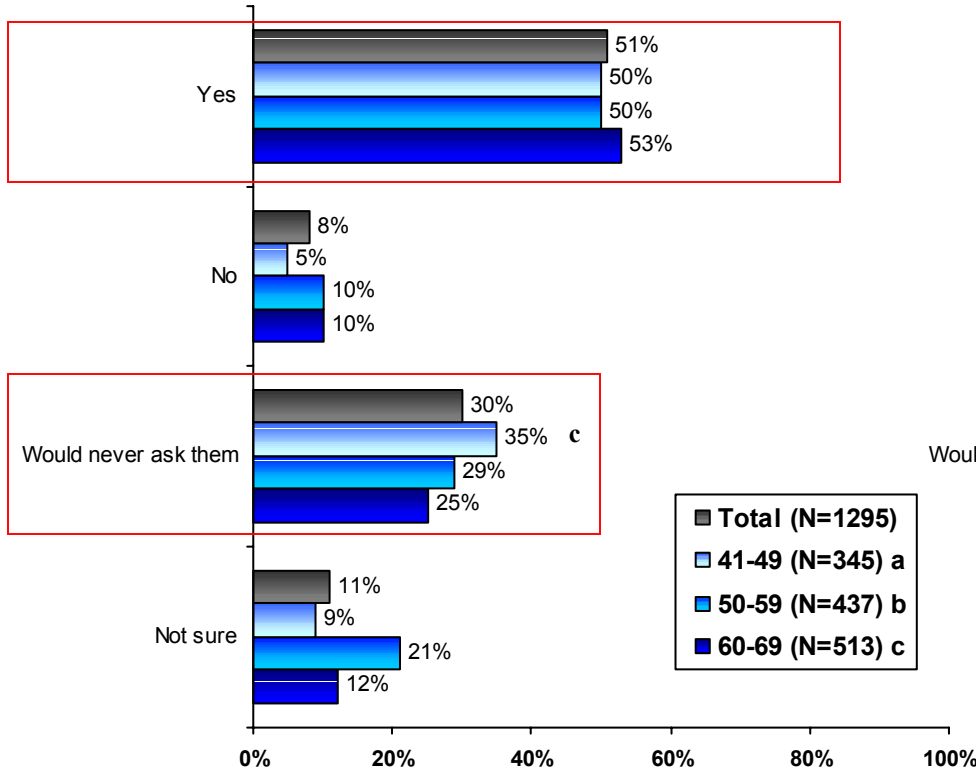
Q1145 How likely are you to have your children help you out in retirement?

Base: All qualified respondents with children





Most respondents (approximately half) believe that their children would help them if asked, however many indicate that they would not in fact ask their children for help during their retirement (nearly one-third).



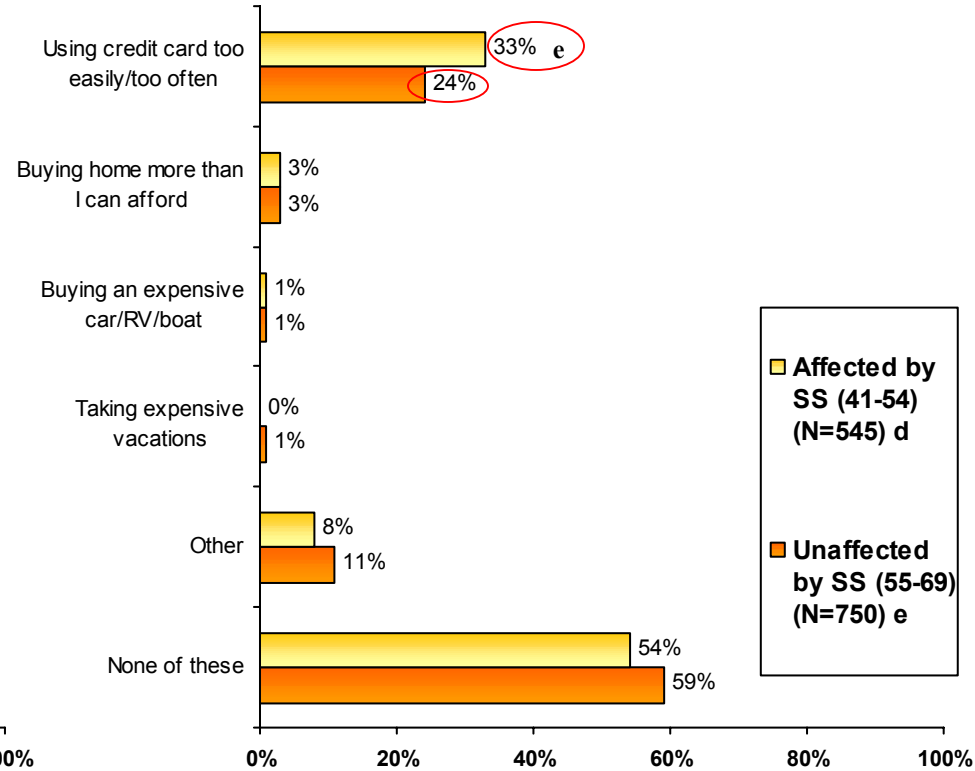
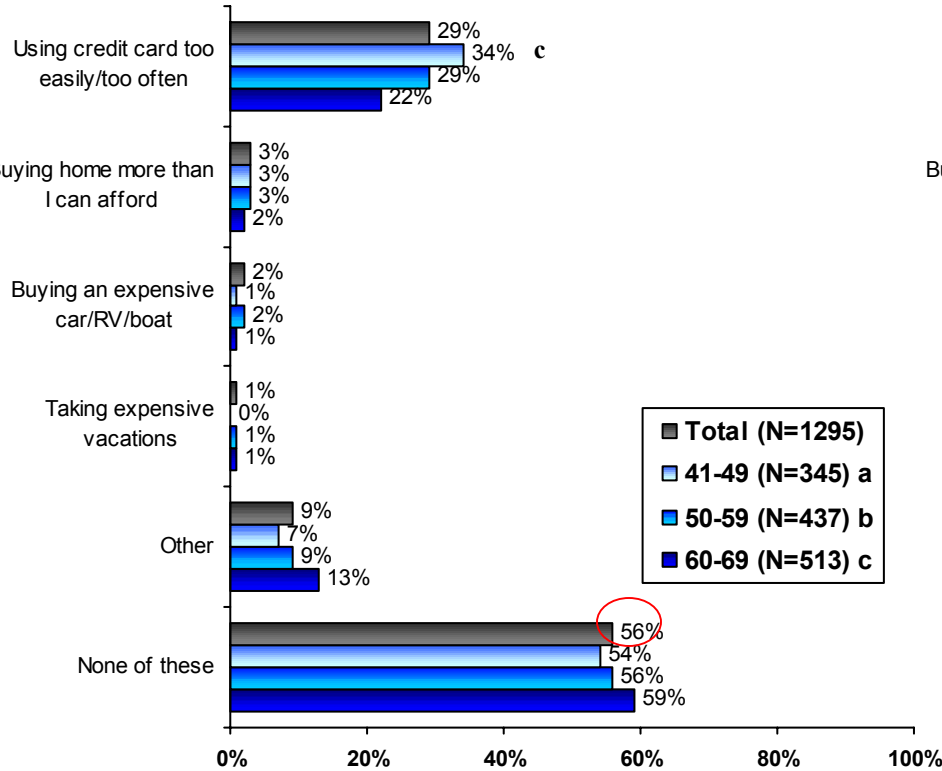
Q1150 If you run out of money, do you think your children would help you out?

Base: All qualified respondents with children





Overuse of credit cards is a financial regret among approximately one-third (33%) of younger respondents and one-fourth (24%) of older respondents. Just over half of respondents (56%) did not indicate any regrets.



Q1155 Do you regret any major financial decisions you made in the past, such as any of the following?

Base: All Qualified Respondents



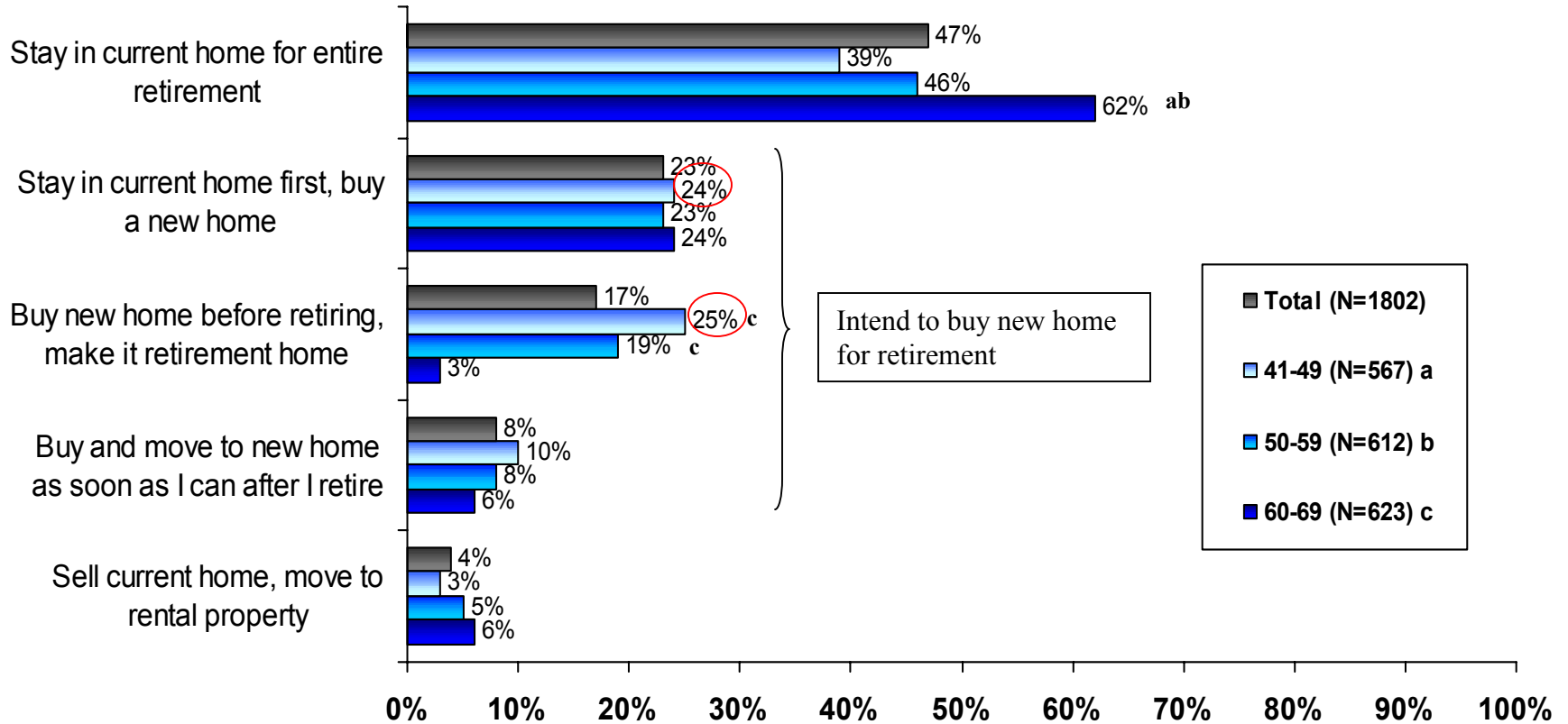


Real Estate





The majority of younger respondents (59%) plan to move to a new home for their retirement. Only 35% of those already retired (data not shown) plan to or have already moved to a new home.



• Only those in the <\$35K income bracket are more likely to stay in their current home than move for retirement. (See tables)

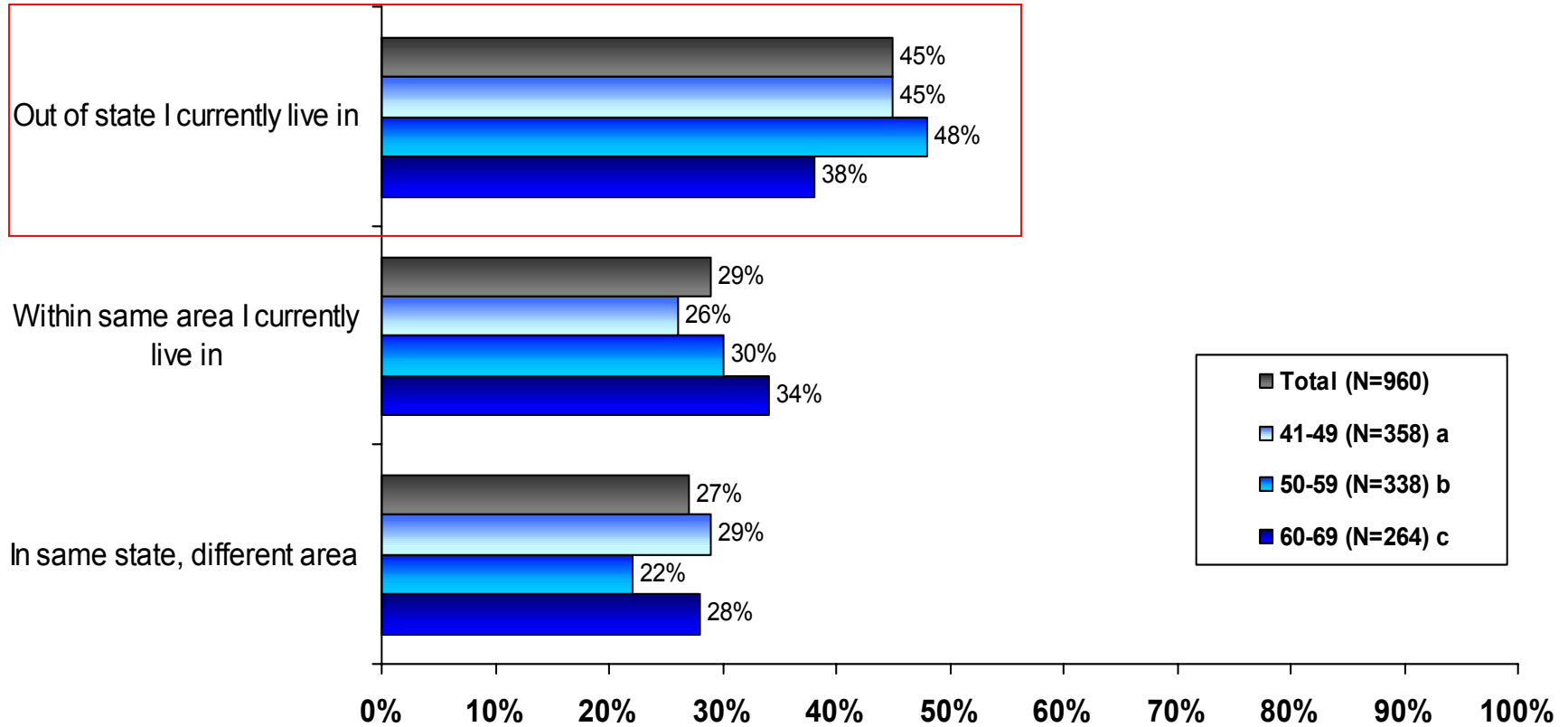
Q500 What plans do you have for a home now that you are/when you retire?

Base: All Qualified Respondents





Respondents vary in their preferences for *how far* from their current location they intend to move; however, the most popular choice is to move out of state.



• Those living in the Northeast are more likely than most other regions to plan to relocate *out of state* for their retirement. (See tables)

Q505 Where do you plan for your new retirement home to be located?

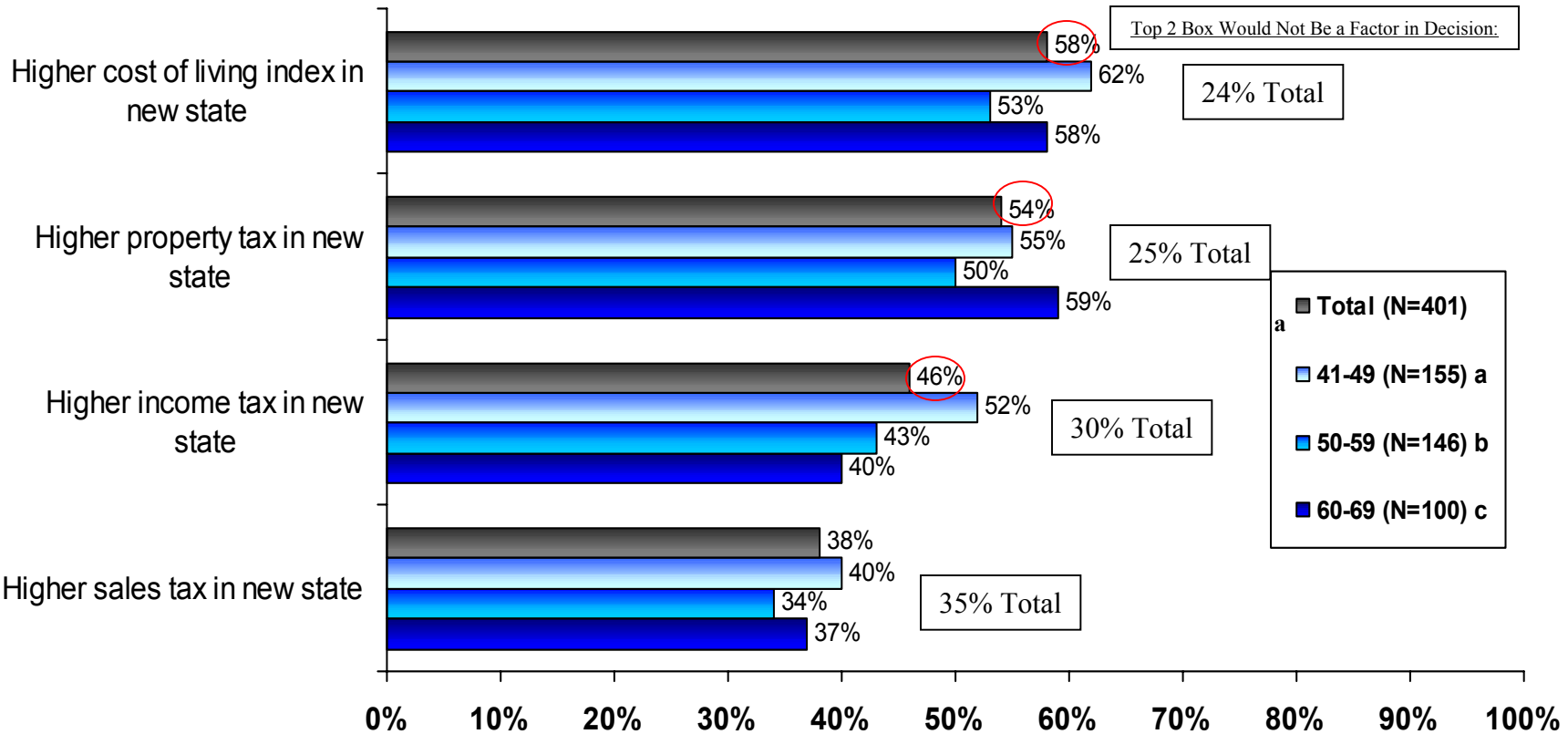
Base: Respondents who will move





Financial considerations regarding a new location are important factors in deciding to move for approximately half of all respondents (46-58% indicate higher cost of living, property tax, and income tax are deterrents to moving).

Bottom 2 Box – Would Stop Me from Moving



• Financial considerations are equally concerning across income brackets. (See tables)

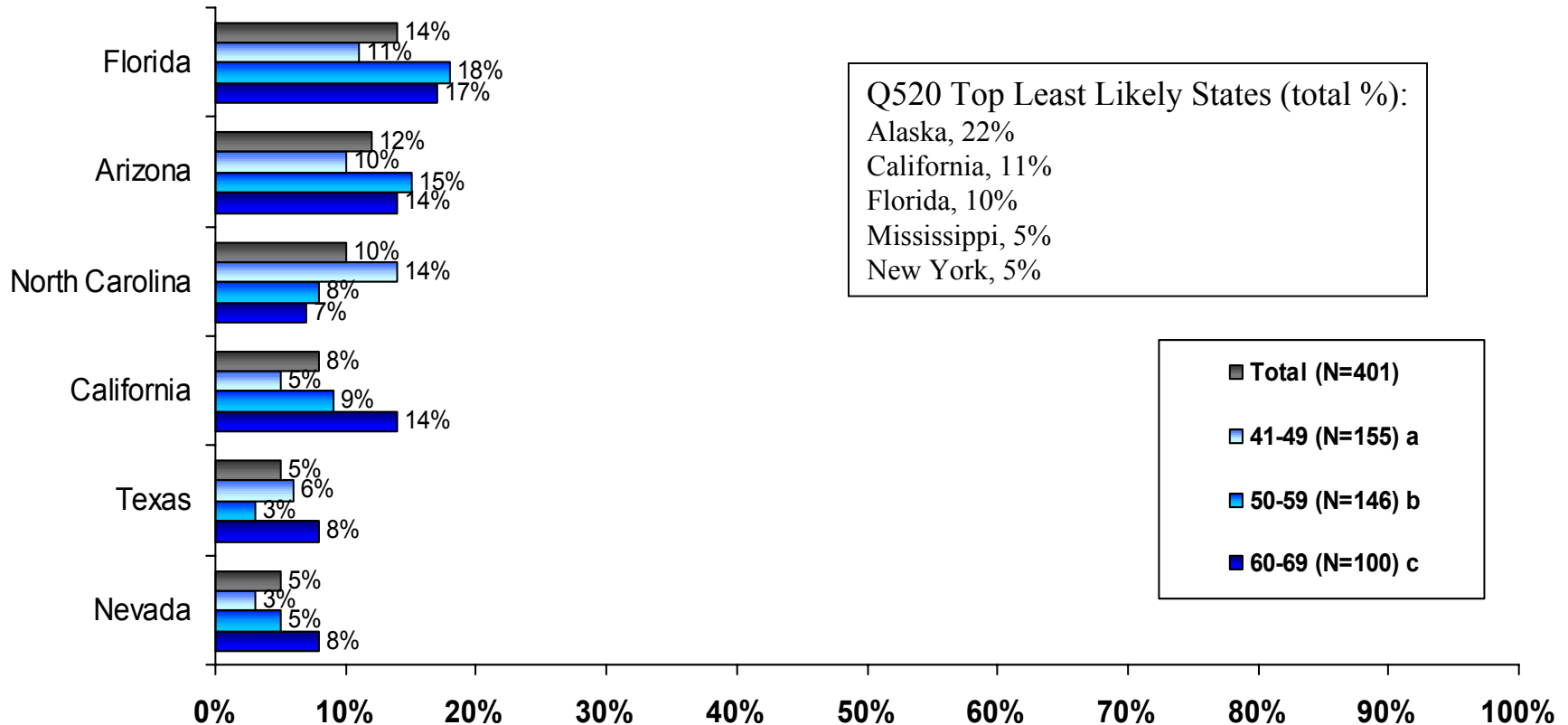
Q515 To what degree would the following deter you from moving to a different state when you retire?

Base: Respondents moving to a different state





The most preferred states* among those considering relocating are all warm climates, with Florida and Arizona topping the list. Note that Florida and California are in the top Most Likely *and* Least Likely lists.



Q510 If you moved to a new state at retirement, to which state would you most likely consider moving?

Base: Respondents moving to a different state

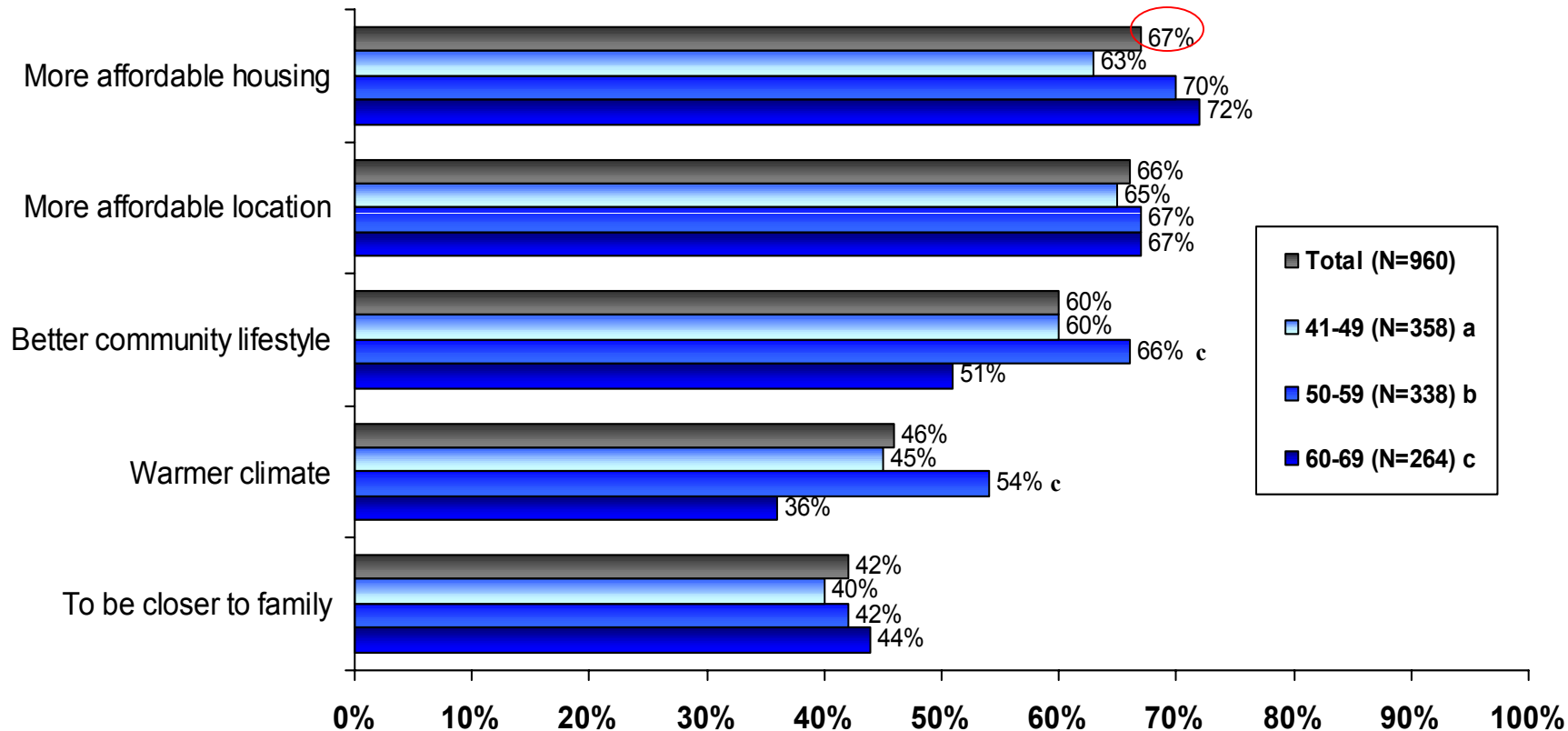
* All other states mentioned at less than 5%





For those indicating an intent to move to a new home, financial reasons top the list (two-thirds indicate more affordable housing/location are top-2 box important). A better community lifestyle is also important (60%). These are areas of opportunity for Pulte's marketing messages.

Top 2 Box – Extremely/Very Important



- Proximity to family is more important to females than males in the decision to move at retirement.
- Affordable housing is more important to those in the Northeast when considering a move, and warmer climate tends to be particularly important to Great Lakes residents. (See tables)

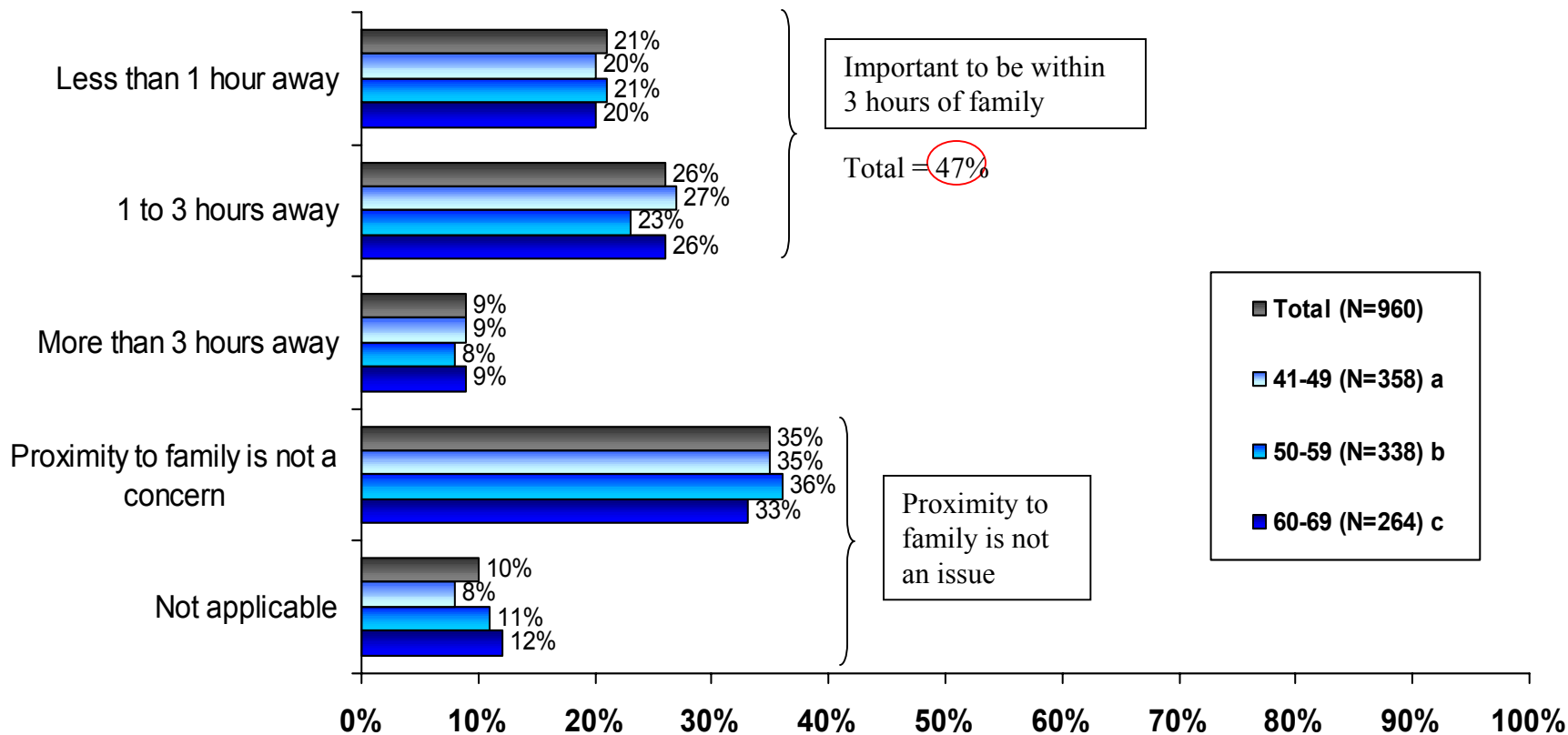
Q525 How important would each of the following reasons for moving be in making your decision to move at retirement?

Base: Respondents who will move





For nearly half of respondents (47%) moving to within three hours of family is an important consideration in the location of their retirement home. For another 45% this is not an issue.



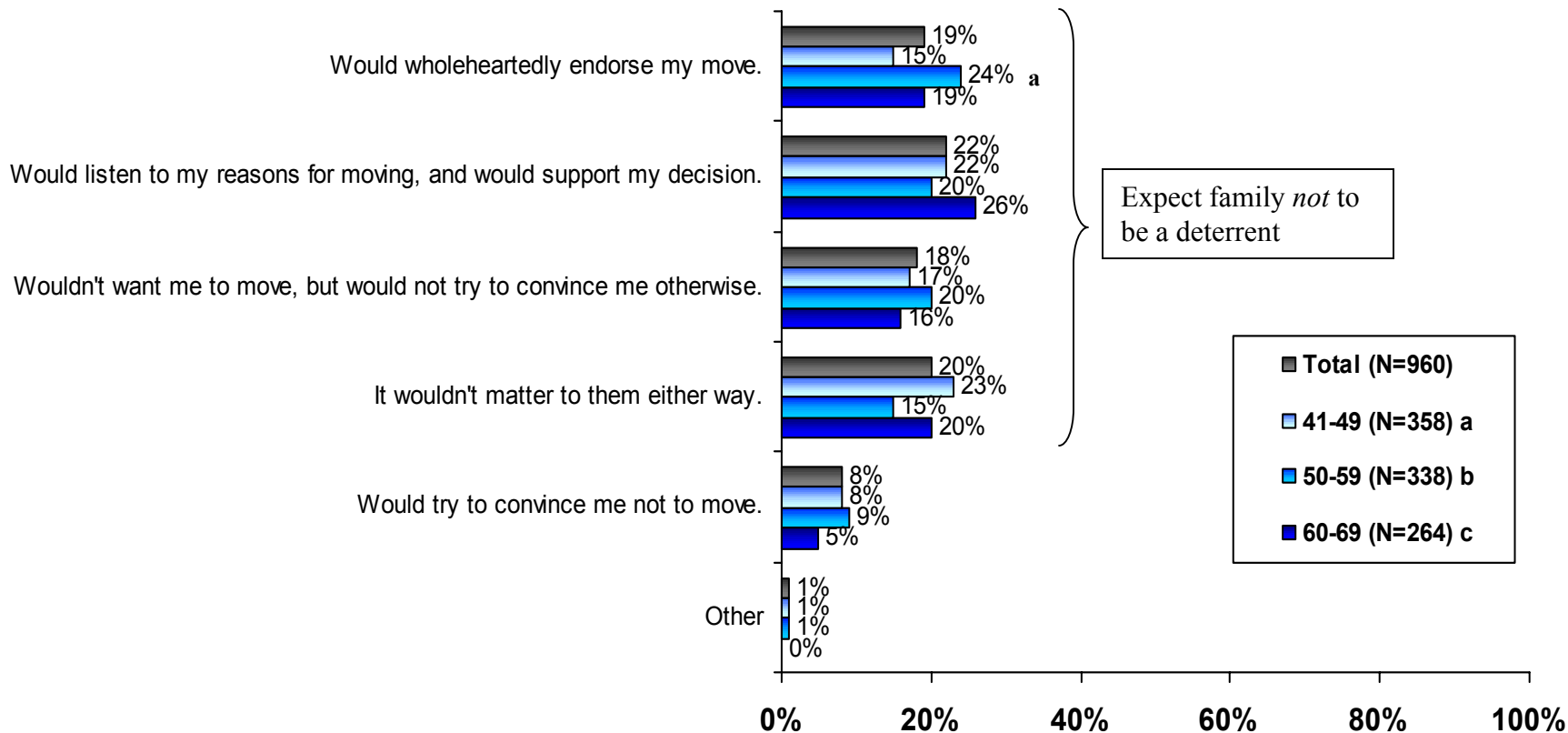
• Again, males are more likely than females to not consider proximity to family a concern in relocating for retirement. (See tables)

Q530 Which of the following would be the maximum distance from family you would want to live?

Base: Respondents who will move.



Respondents do not expect their family members to stand in their way of moving for their retirement. However, part of this support may be a function of respondents' plans to move close to their family members anyway (since nearly half of respondents have a desire to live within 3 hours of family, see previous slide).



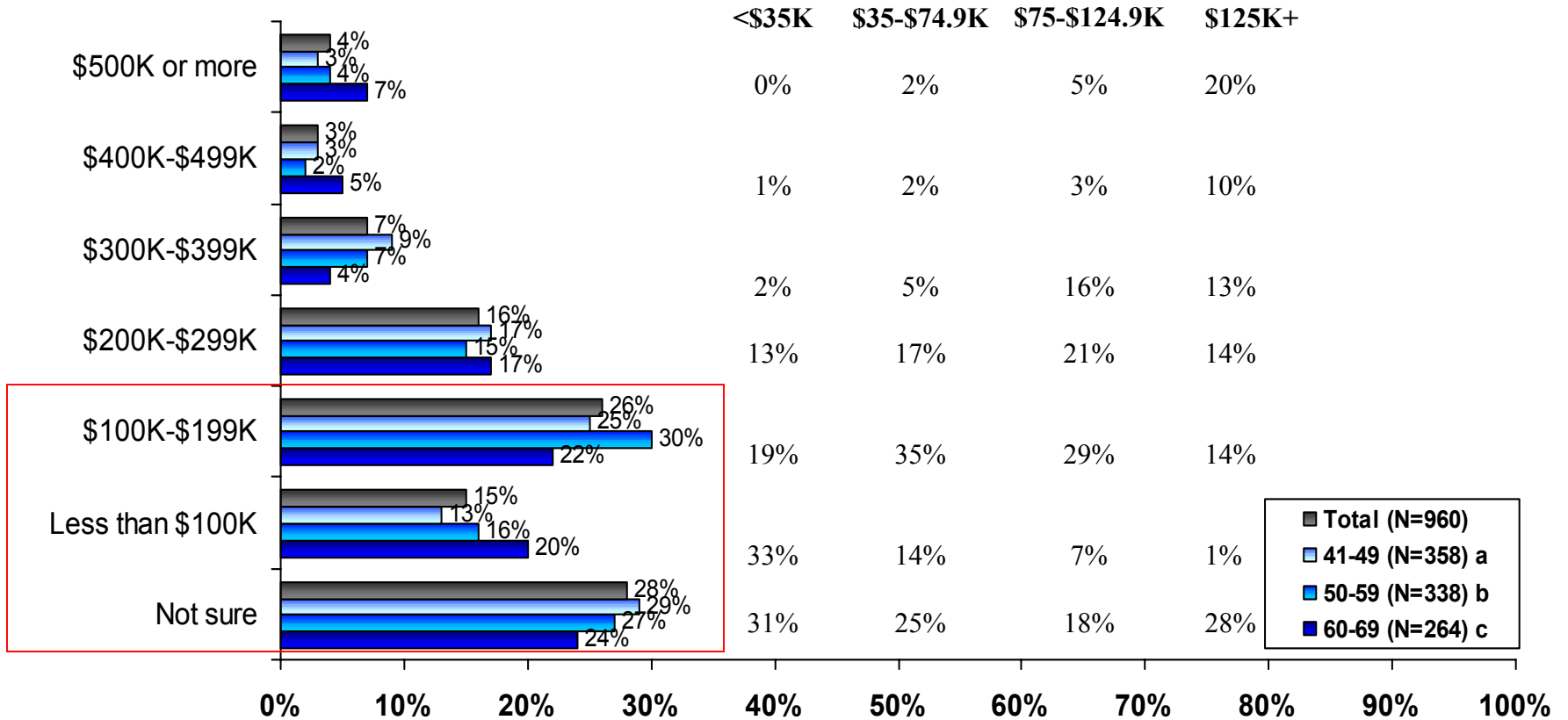
Q540 How do you think your children and/or other family members would react to you relocating when you retire/now that you are retired?

Base: Respondents who will move





Although respondents generally expect their retirement home to be valued at no more than \$200K, home value is highly related to respondents current income bracket. Not surprisingly, those with higher incomes are more likely to expect to have more expensive retirement homes.



- Arizona residents expect to pay a little more for their retirement home, and California residents expect to pay quite a bit more.
- Those who are unmarried (single/divorced/separated/widowed) expect to pay a bit less than those who are married. (See tables)

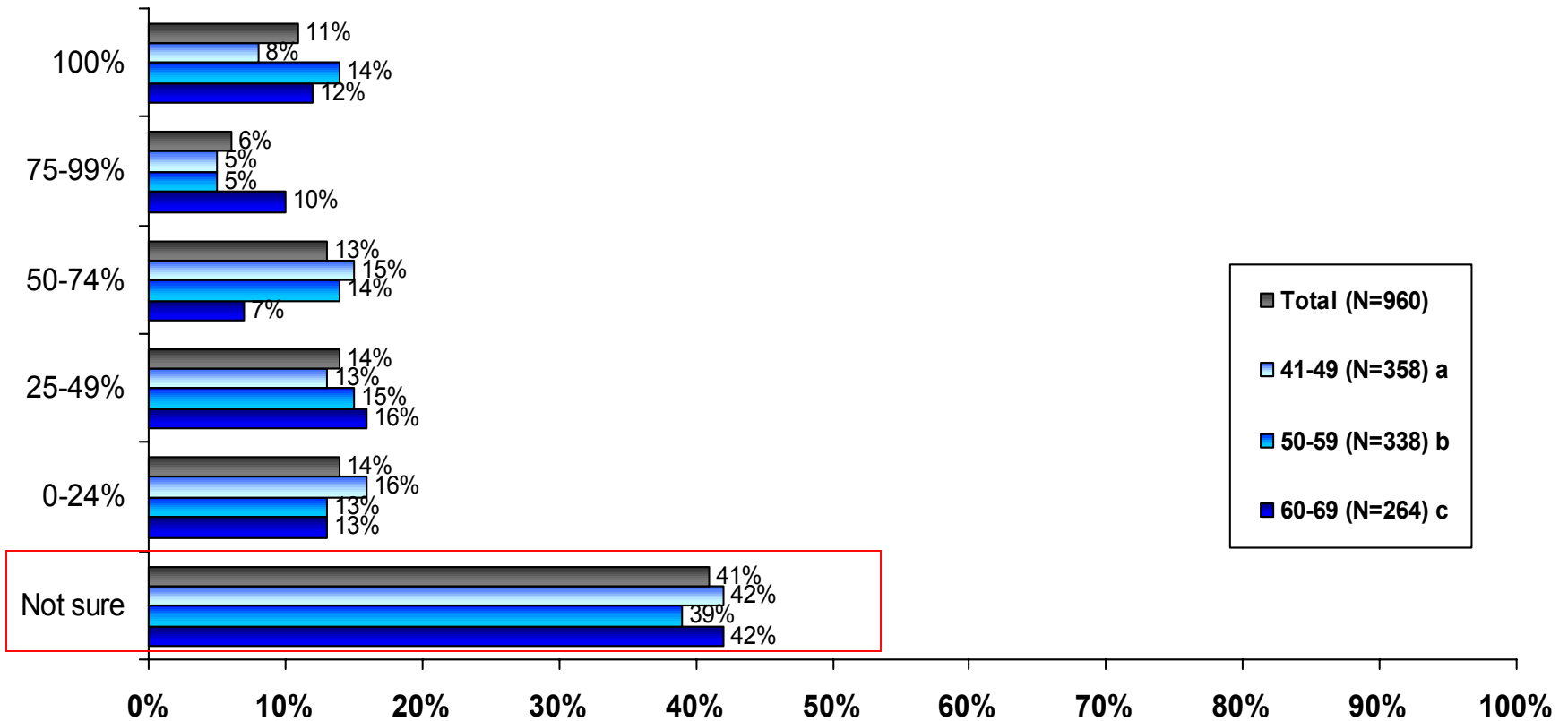
Q550 How much do you plan on spending for your new home?

Base: Respondents who will move





Regardless of age, many respondents who plan to buy a home for their retirement are not sure how much of their equity they will use in the purchase (41%). Of those giving an answer, percentage estimates vary widely (to the point of being almost evenly distributed across quartiles from 0% to 100%).



• Those who are unmarried expect to use a smaller percentage of their equity to purchase their retirement home than those who are married. (See tables)

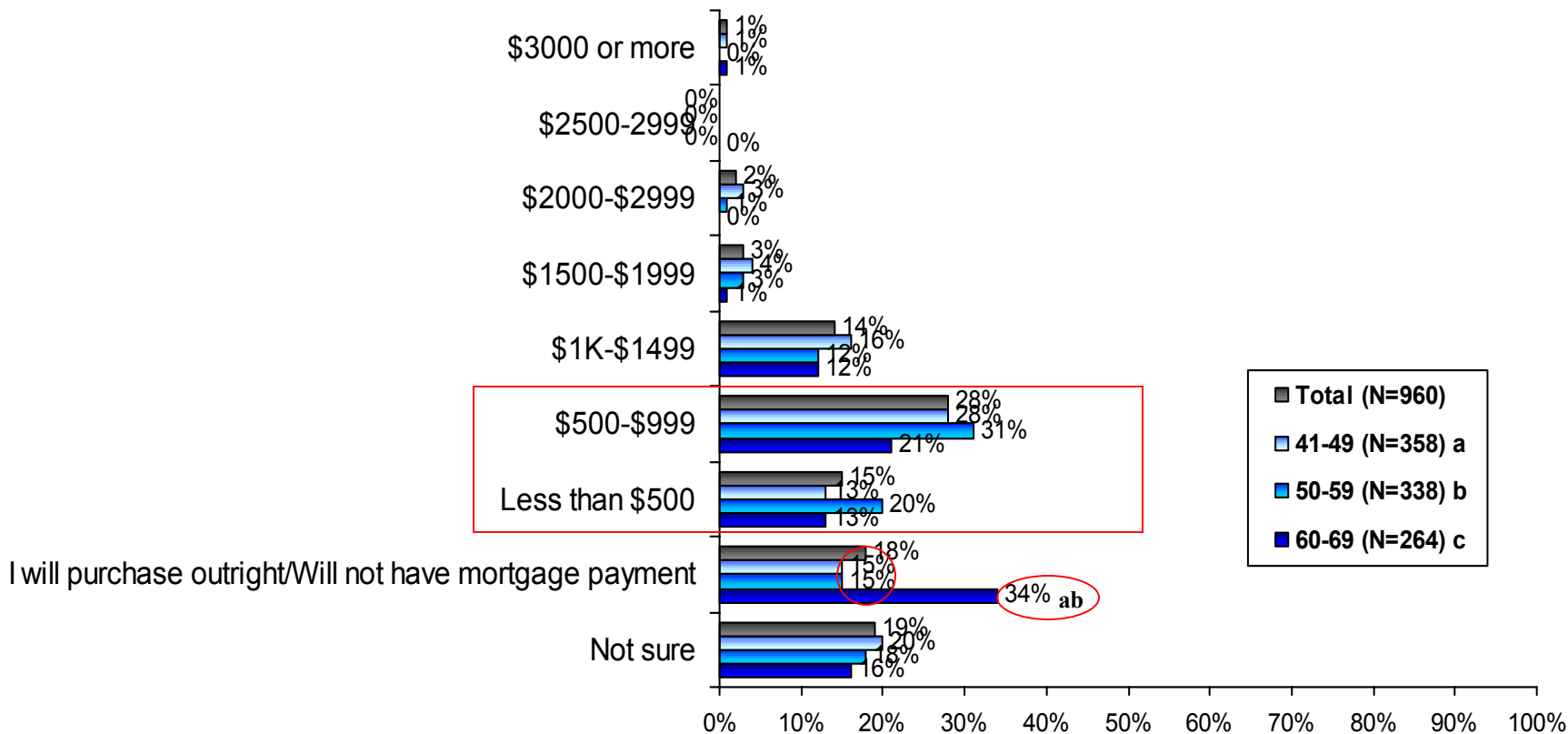
Q555 What percentage of your equity do you plan to use to purchase your new home?

Base: Respondents who will move





Approximately one-third (34%) of respondents age 60-69 expect to purchase their retirement home in full, compared to only 15% of the other age groups. Of those planning on a mortgage, the majority expect to keep monthly payments below \$1K.



• Those who are unmarried are less likely than those who are married to purchase their retirement home outright. (See tables)

Q560 How much would you still be expecting to pay in a mortgage payment each month?

Base: Respondents who will move



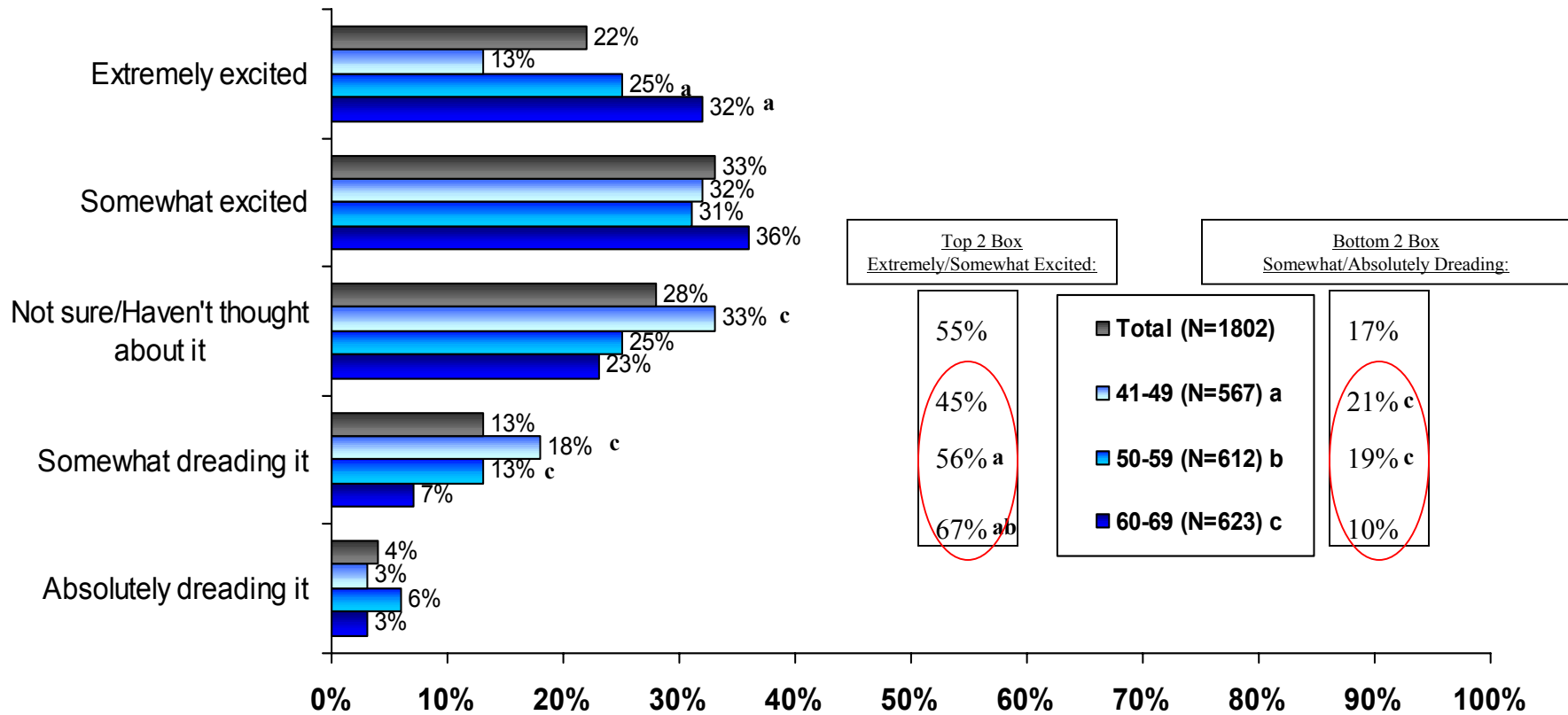


Retirement





Enthusiasm toward retirement increases with age, with respondents in their 40s, 50s, and 60s indicating 45%, 56%, and 67%, respectively, top 2 box excitement. Unfortunately, some do face the idea of retirement with feelings of dread, with 21% (40s), 19% (50s), and 10% (60s) indicating bottom 2 box ratings.



• Those most excited about their retirement are married, have children, and/or income \$35K+.

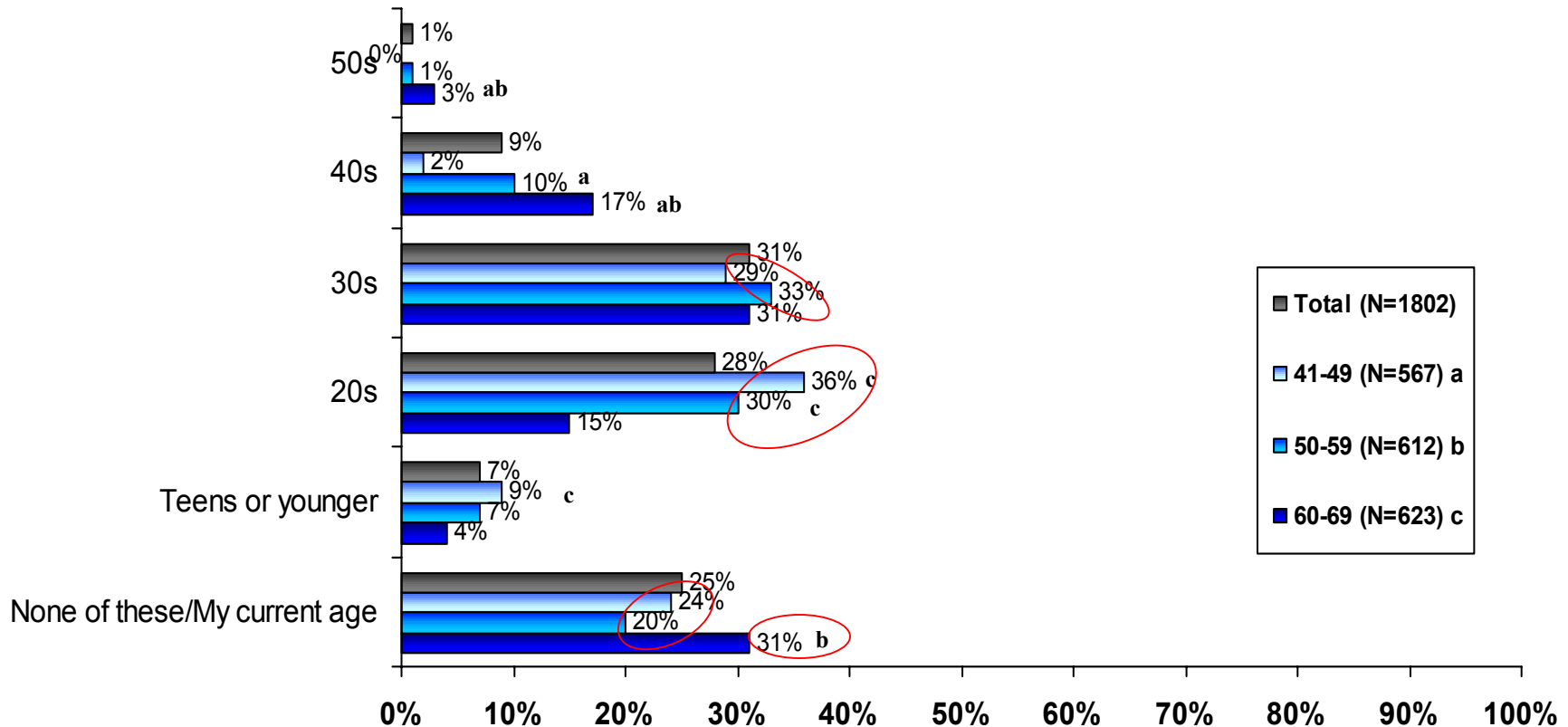
Q800 How do you feel about the retirement phase of your life?

Base: All Qualified Respondents





Respondents in their 60s appear to be the most satisfied with their current age, with nearly one-third not preferring to “go back” to another decade of their life (31% vs. 20% and 24% for other age groups). For those in their 40s and 50s, both the 20s and 30s are popular decades for reliving.



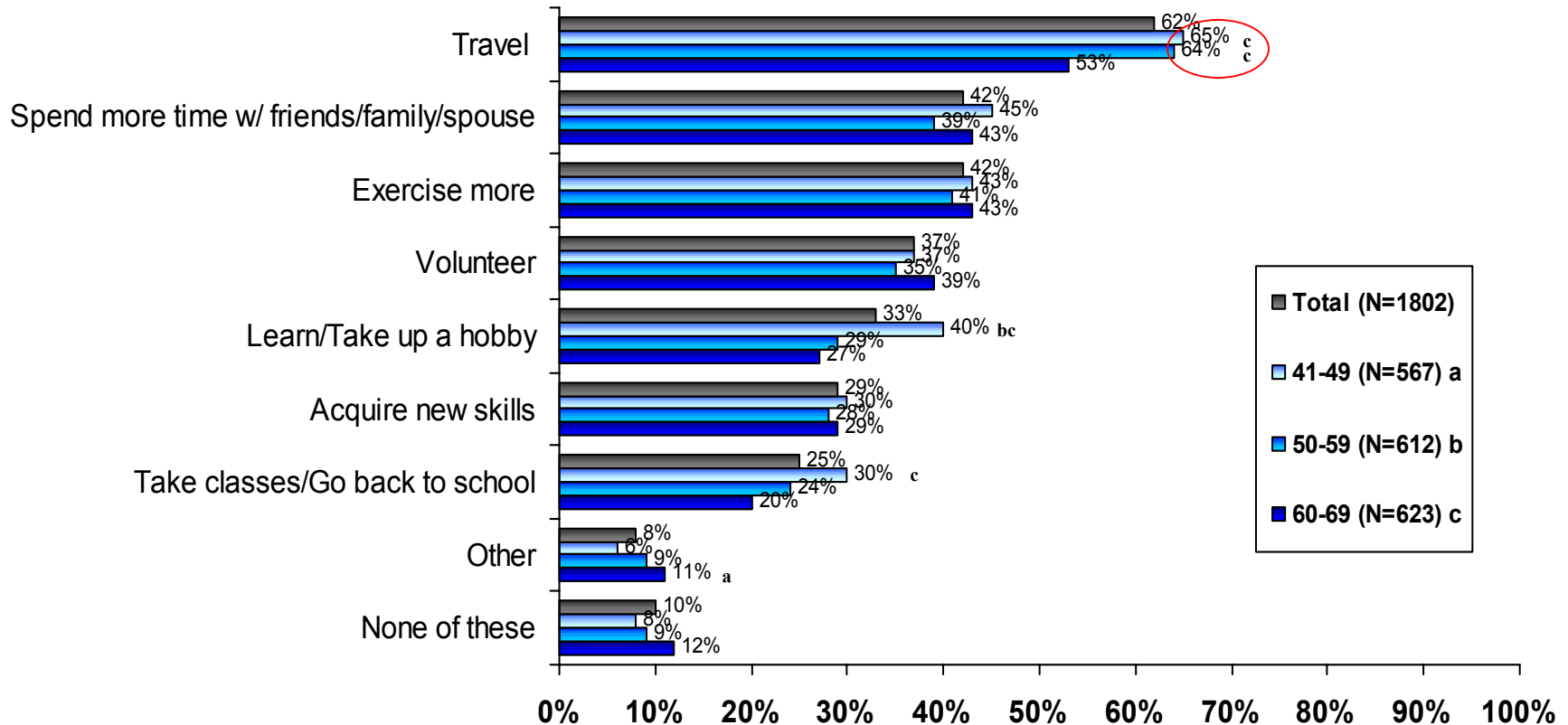
Q805 If you could go back and be any age, what age would that be?

Base: All Qualified Respondents





Travel tops the list of desired retirement activities across all ages, although this is particularly appealing to those under age 60. Other popular interests are spending more time with friends/loved ones, exercising, volunteering, and new hobbies.



Q815 Do you have unfulfilled ambitions that you might consider taking up upon retirement/now that you are retired?

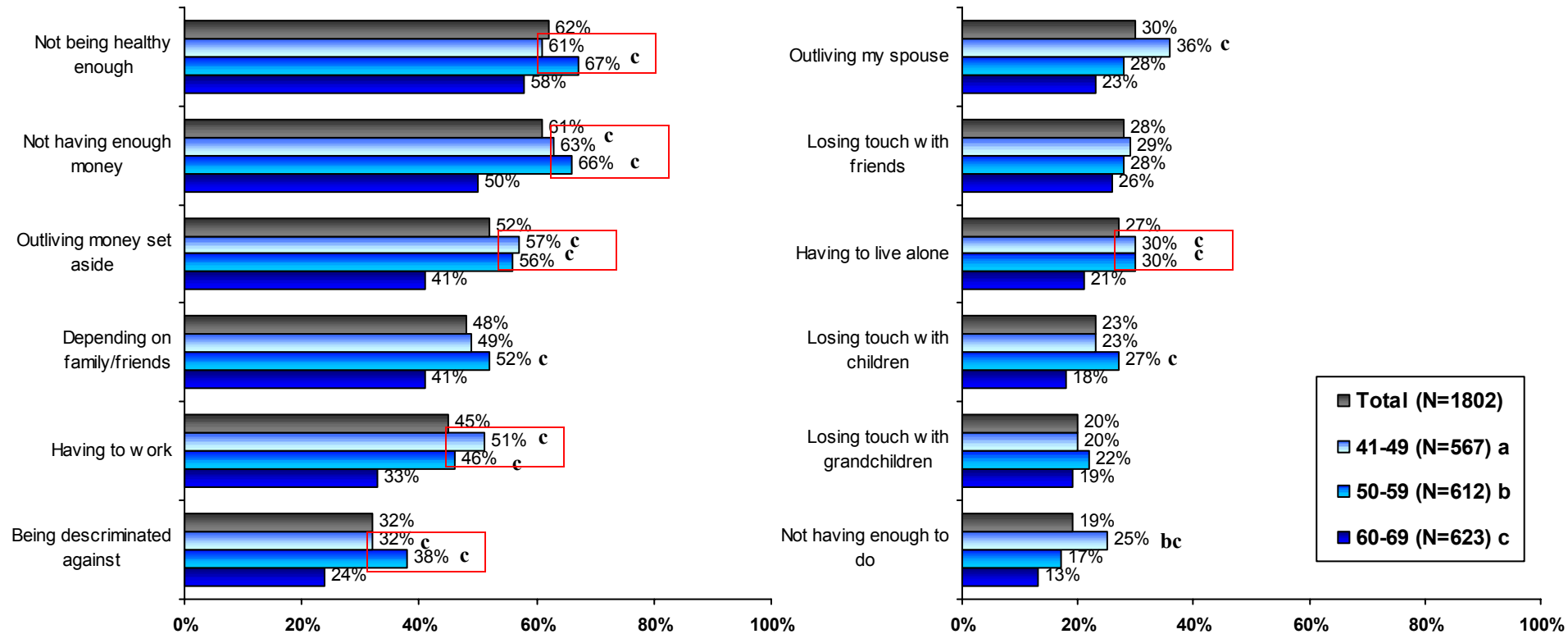
Base: All Qualified Respondents





Poor health and finances are the top concerns. The younger age groups are consistently more concerned than the older group across a variety of issues. Relationship concerns (losing touch, living alone) are the least concerning.

Top 2 Box Extremely Concerned



• Females overall express more concerned than males about a variety of issues. (See tables)

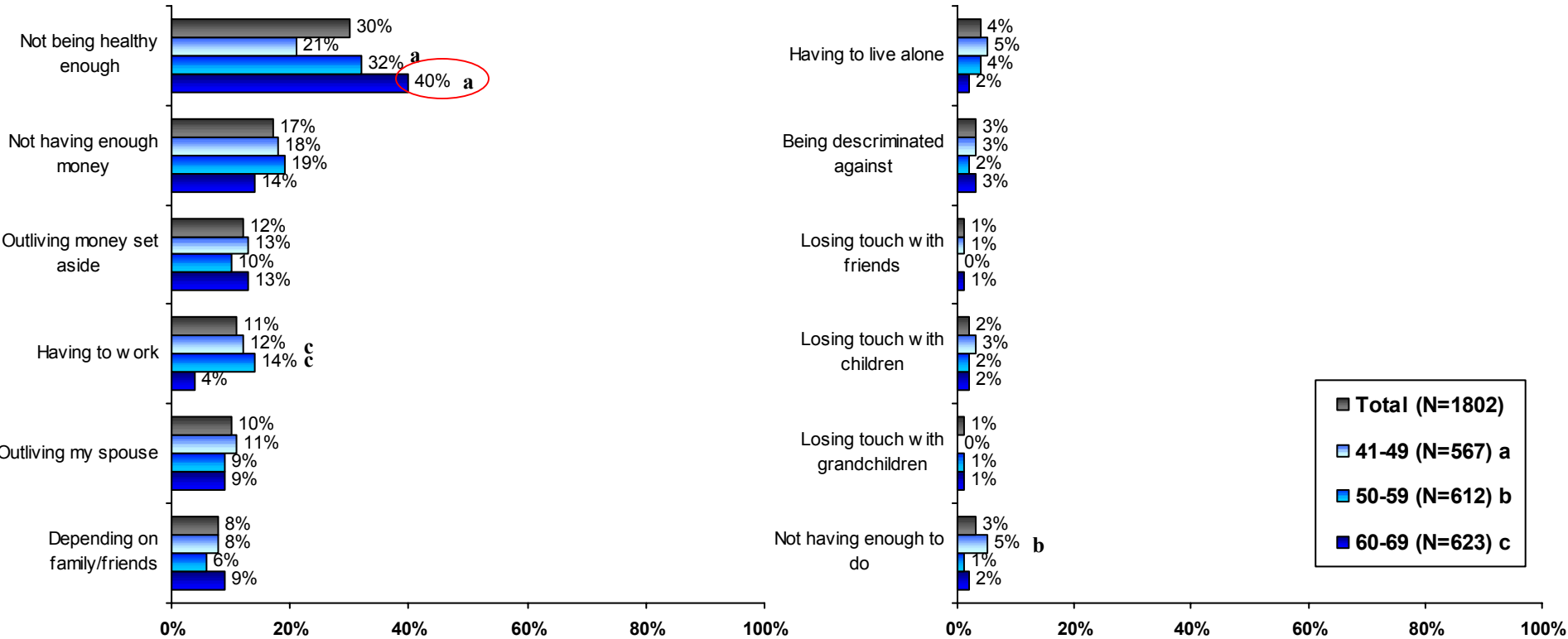
Q825 How concerned are you regarding the following issues during your retirement?

Base: All Qualified Respondents





When forced to indicate their most crucial concern, poor health tops the list, particularly for the oldest age group. Financial concerns rank second.



Q830 Of your retirement concerns, which is the most crucial?

Base: All Qualified Respondents



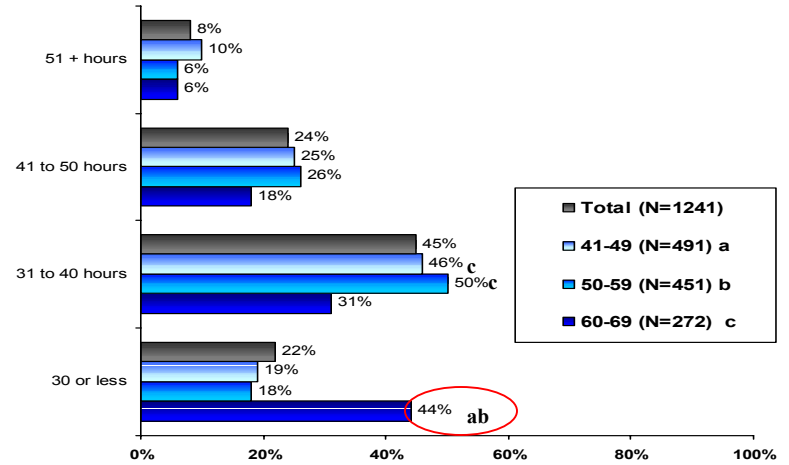
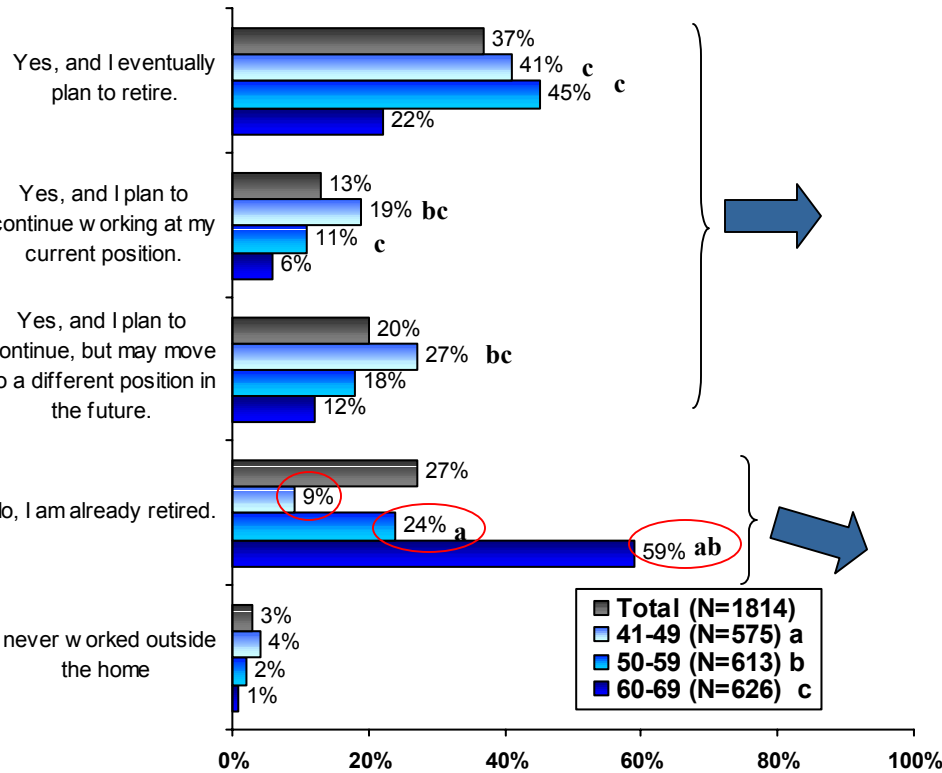


Work Habits

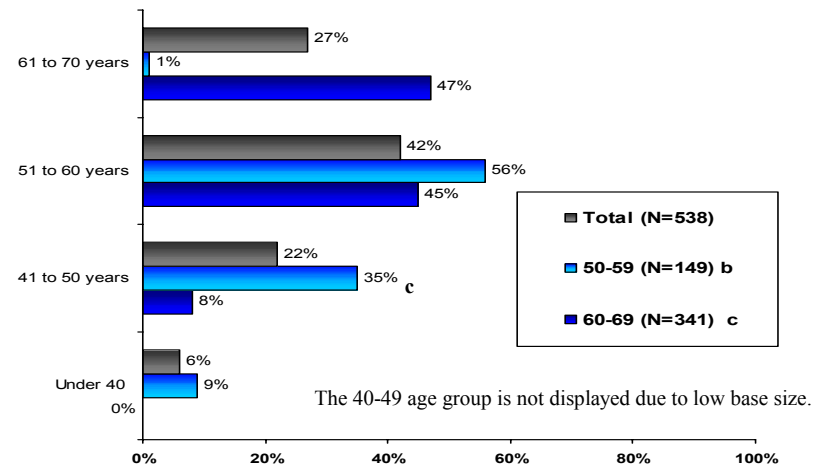




Retirees make up the majority of the 60-69 age group (59%), nearly one-quarter of the 50-59 group (24%) and 9% of the 40-49 group. Of those still working, those age 60-69 are most likely to be working reduced hours.



Q905 How many hours a week do you typically work?
Base: Respondents working outside the home



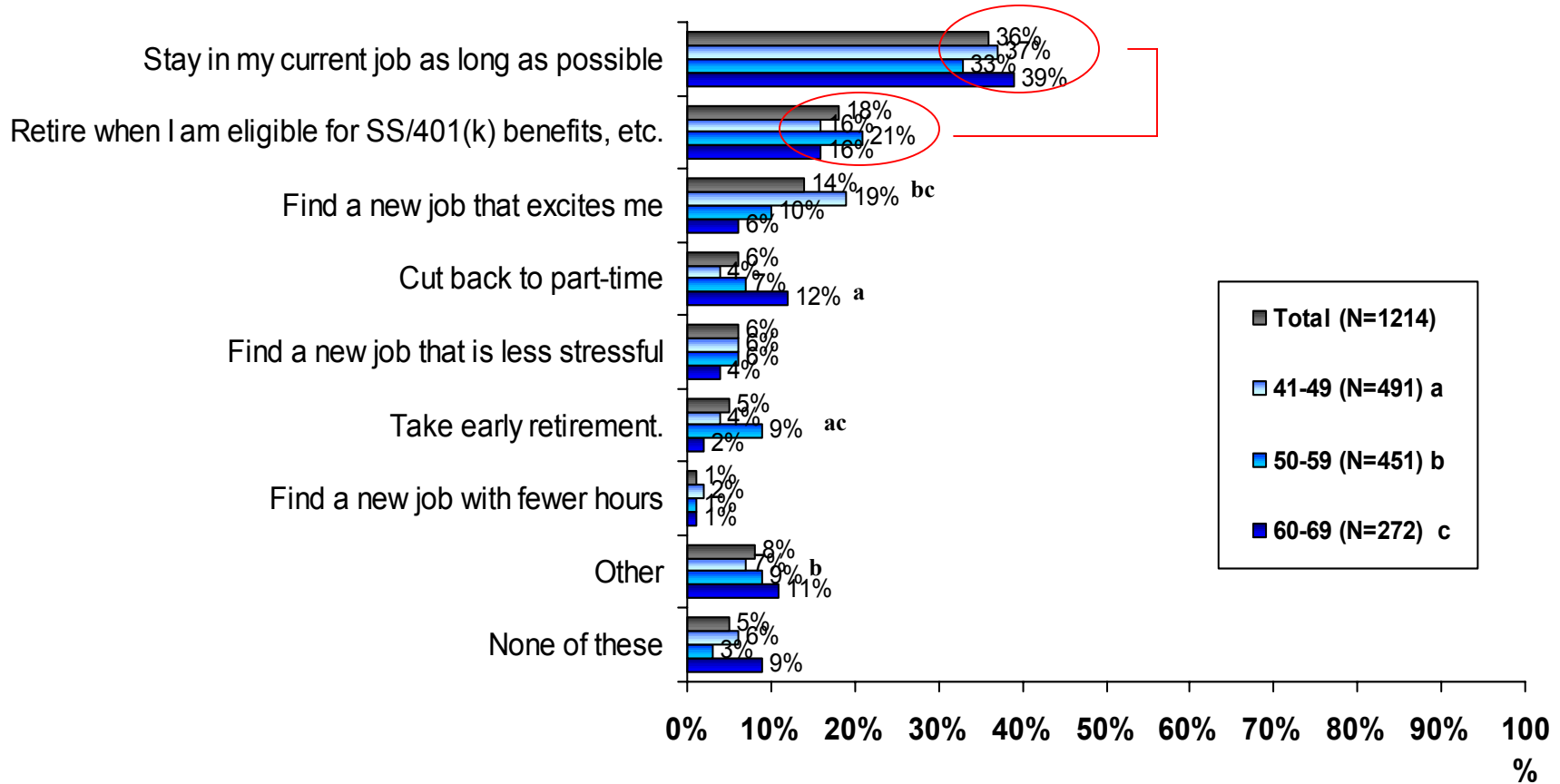
- Respondents in the Northeast are *less* likely (and Florida residents *more* likely) to currently be in retirement than those in other regions.
- Of those who have retired, those with children tend to retire later than those without children. (See tables)

Q900 Are you still working outside the home?
Base: All Qualified Respondents

Q910 At what age did you retire?
Base: Respondents already retired



Across all age groups, respondents are more interested in staying in their current job (36%) than they are in retiring when they are eligible (18%).

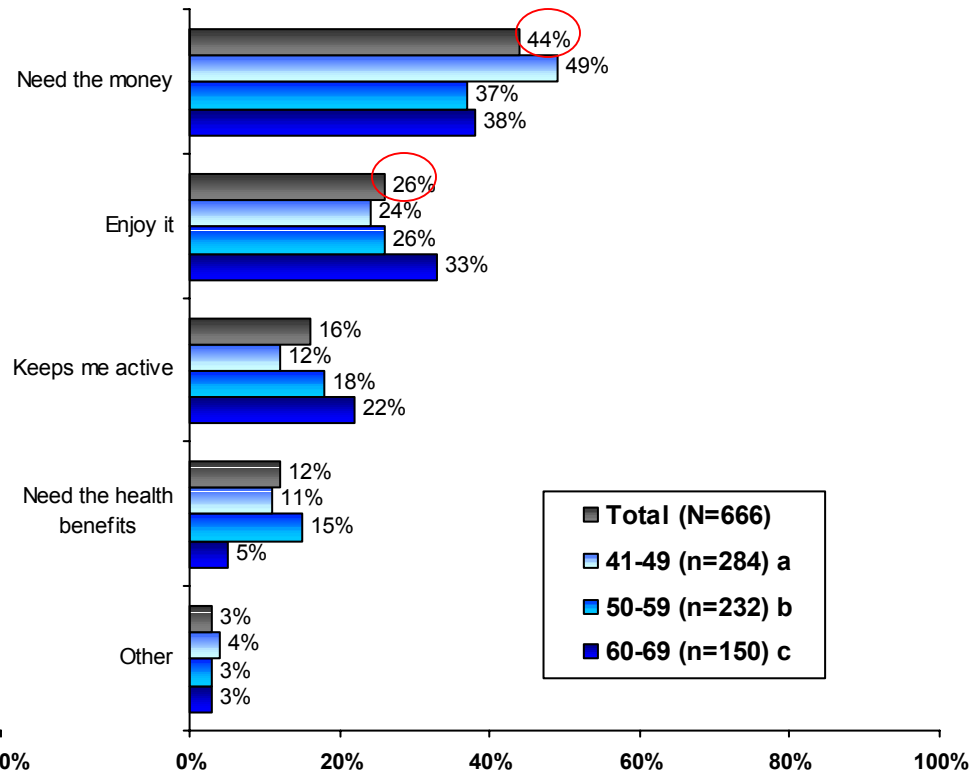
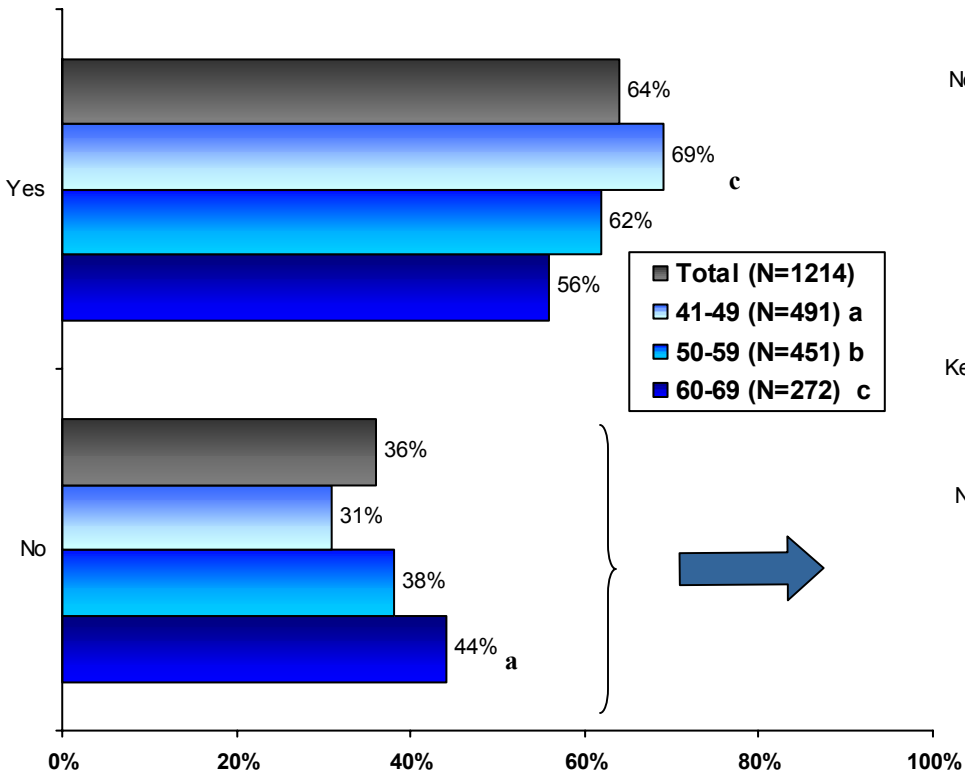


Q915 Which of the following do you intend to do?
Base: Respondents working outside the home





Most respondents do plan to fully retire. Of those that plan to continue working, most will do so primarily for financial reasons (44%) and some because of the enjoyment of their work (26%).



- A greater percentage of those with children expect that they will fully retire compared to those without children.
- College graduates are more likely than those without degrees to expect to continue working in some capacity, and not fully retire. (See tables)

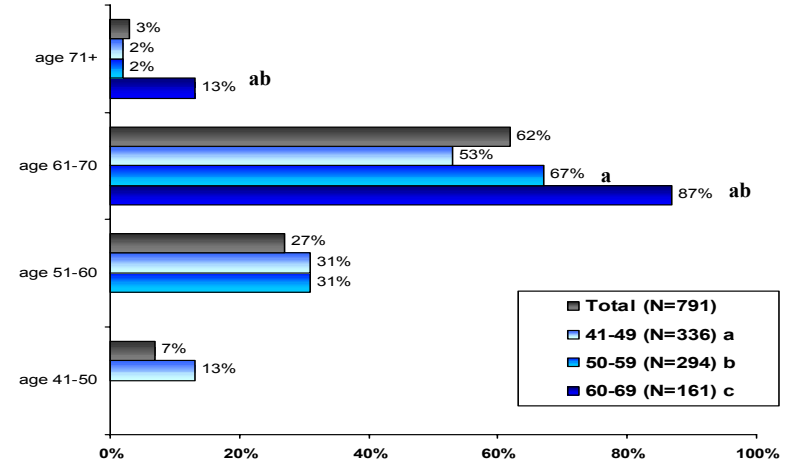
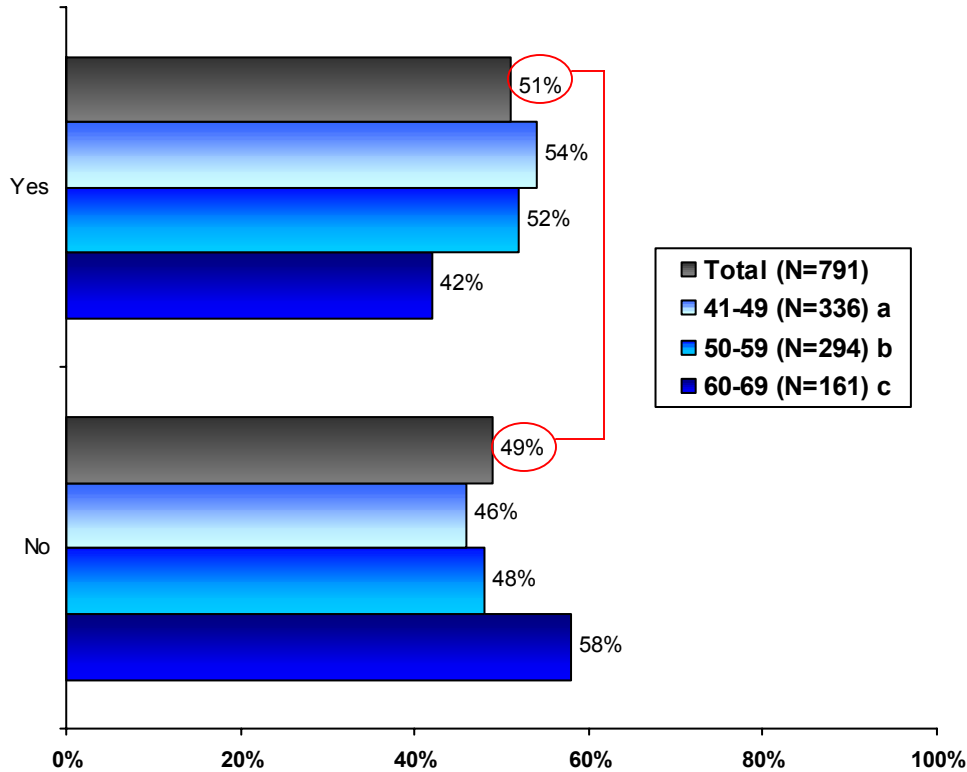
- Only among those with income \$125K+ is enjoyment more likely to be a reason for continuing to work than money. (See tables)

Q920 Do you think you will ever fully retire from your current line of work?
Base: Respondents working outside the home

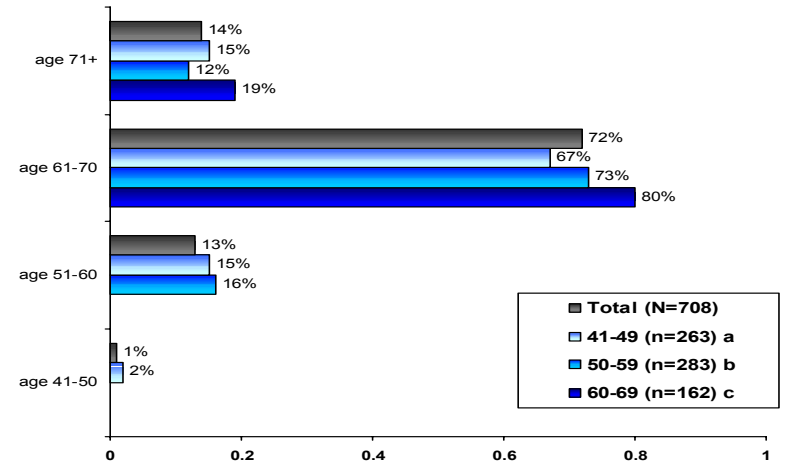
Q940 What is the main reason you hope to continue to work?
Base: Respondents who will continue to work



Those who plan to retire are evenly split in whether or not they think they will work in another field.



Q930 At what age do you plan to retire from your current line of work?
Base: Respondents who will fully retire from work



Q950 At what age do you plan on fully retiring?
Base: Respondents who will fully retire from work

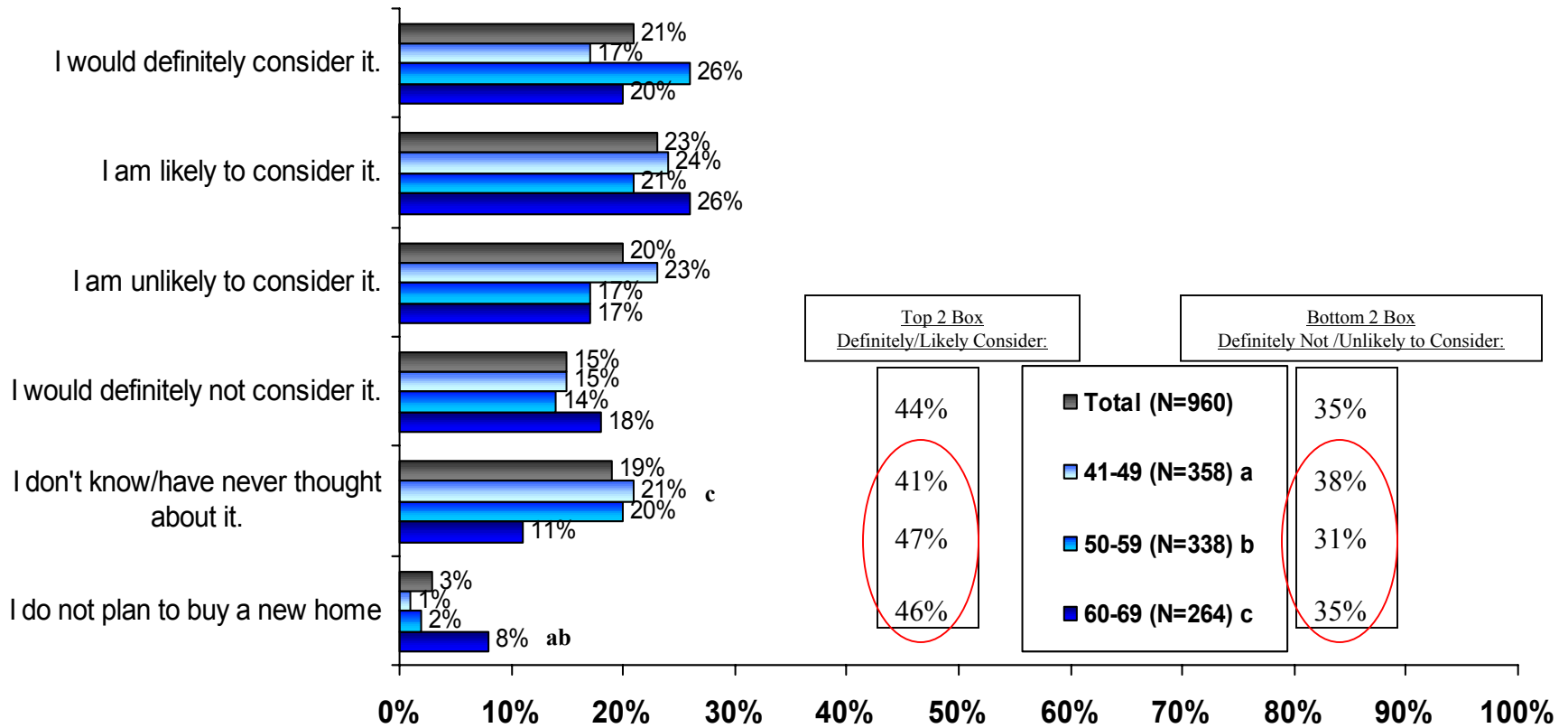


Active Adult Communities





Consideration of moving into an active adult (AA) community varies. Many would consider it (41-46%), but a sizeable portion are reluctant (31-38%).

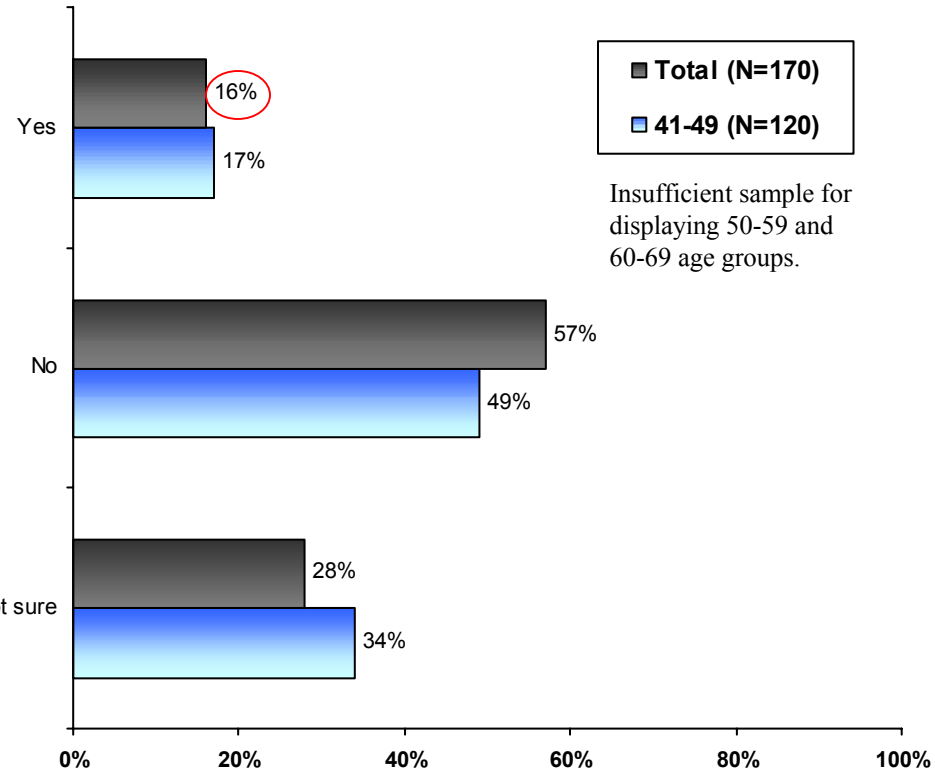
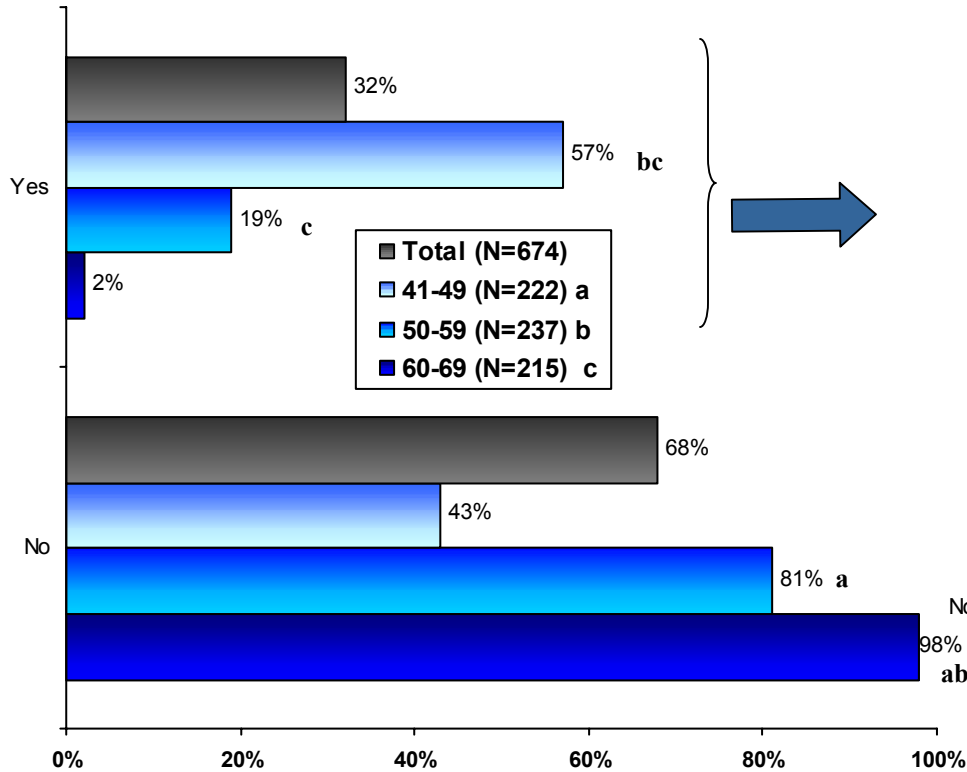


Q600 If you do plan to buy a new home, would you consider purchasing a home in an active adult community (a community restricted to consumers age 55 and up)? Base: Respondents who will move





Moving into an active adult community while children are still living at home is not appealing to the majority (only 16% of those with children still at home would consider it).



Q605 Do you still have children under the age of 18 living in the home?

Base: Respondents who will move and have children.

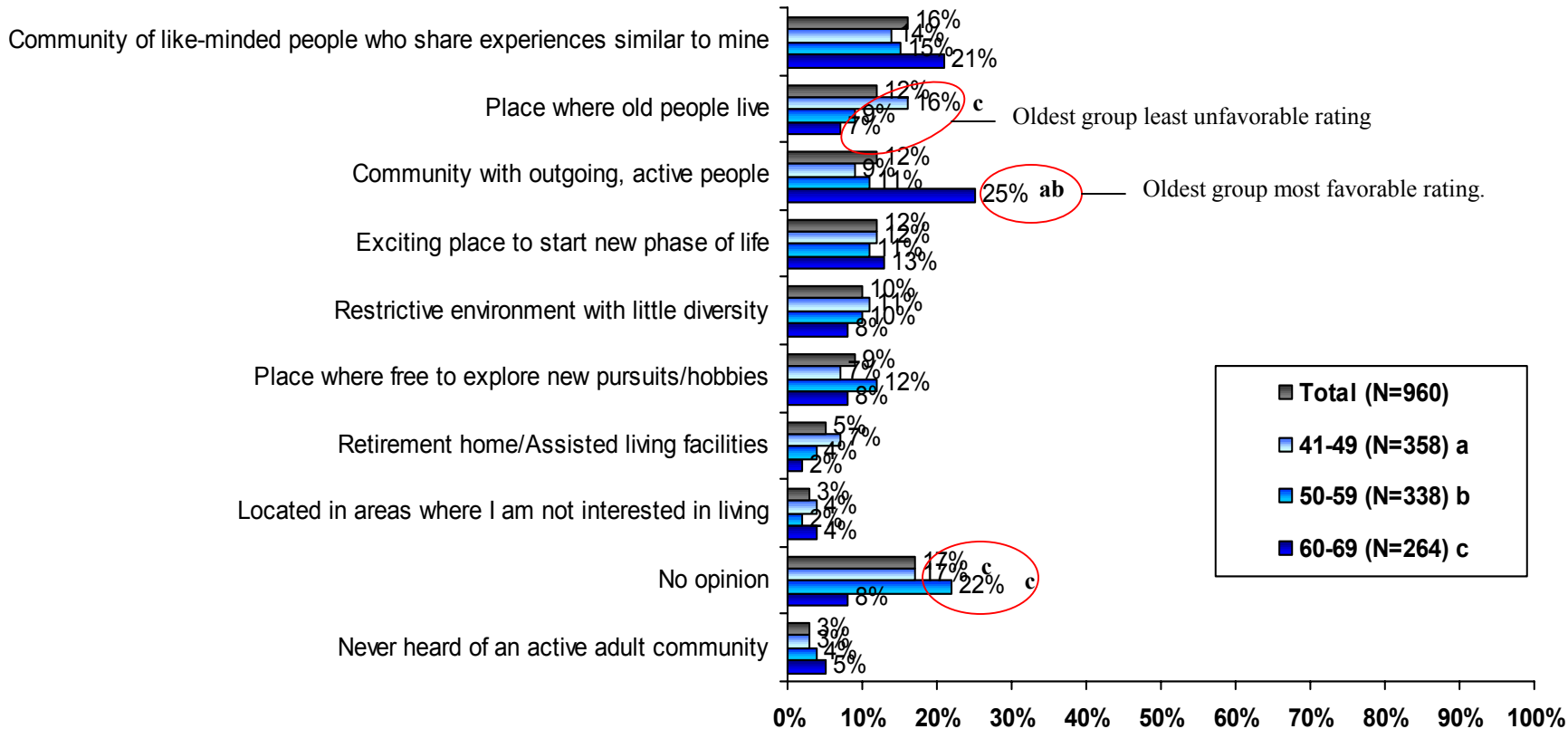
Q610 If community age restrictions were not a factor (i.e., they would allow children under the age of 18 to live in the community), would you consider purchasing a home in a community targeted to active adults while your children were still living at home?

Base: Respondents who will continue to work & have children < 18 at home





Active adult communities do not appear to have developed strong associations in the minds of older adults. No more than one-quarter of respondents endorsed any one of the attributes offered. The younger groups were least likely to have opinions about the communities. The oldest group tended to have somewhat more favorable impressions than the youngest group.



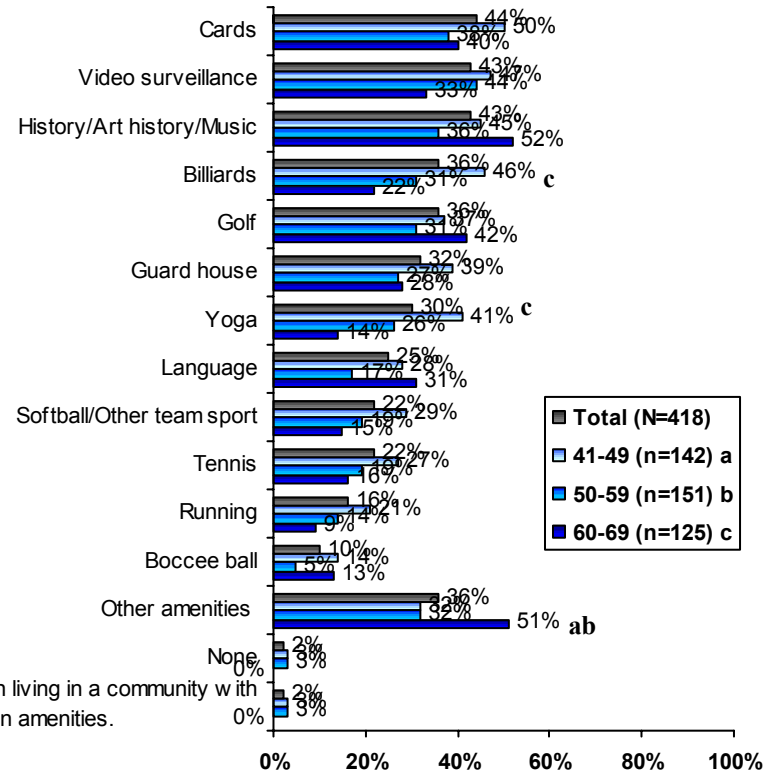
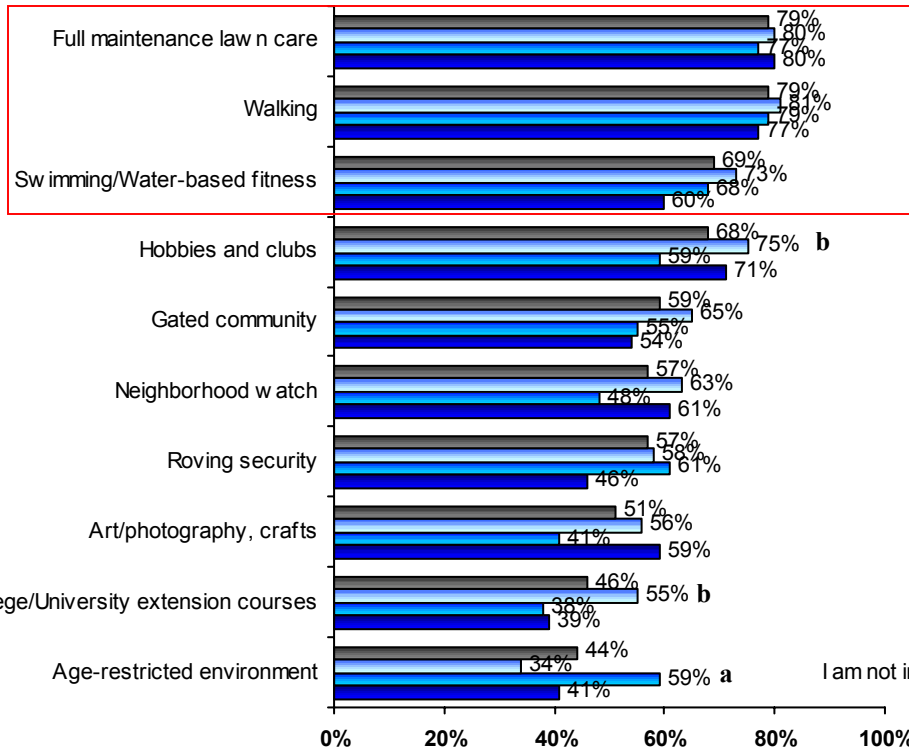
• Residents of the Southeast (excluding Florida) are more likely than those in other regions to have *never* heard of an active adult community. (See tables)

Q615 What best describes your perception of an active adult community?
 Base: Respondents who will move



The most popular amenities across all age groups were lawn maintenance, walking, water-based fitness, hobbies/crafts, and a variety of security measures (gate, neighborhood watch, roving security).

Preferred Activities



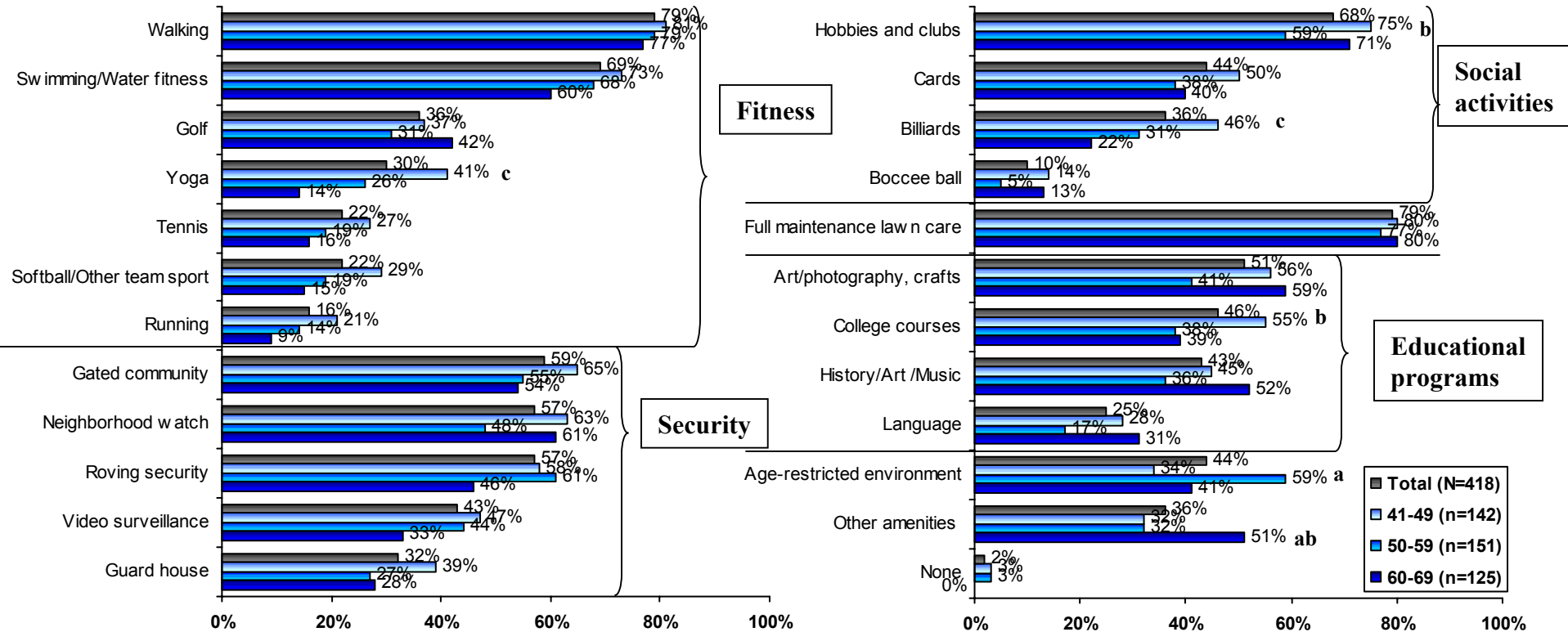
Respondents chose an average of 10 amenities.

Q625 The following is a list of amenities and programs a community could offer (or facilitate). Which of the following would you want the community to offer?
 Base: Respondents who will move and interested in active adult community.



Walking and water-based fitness were the most preferred fitness activities. Many security measures were popular. Educational programs had only moderate support (25-51%).

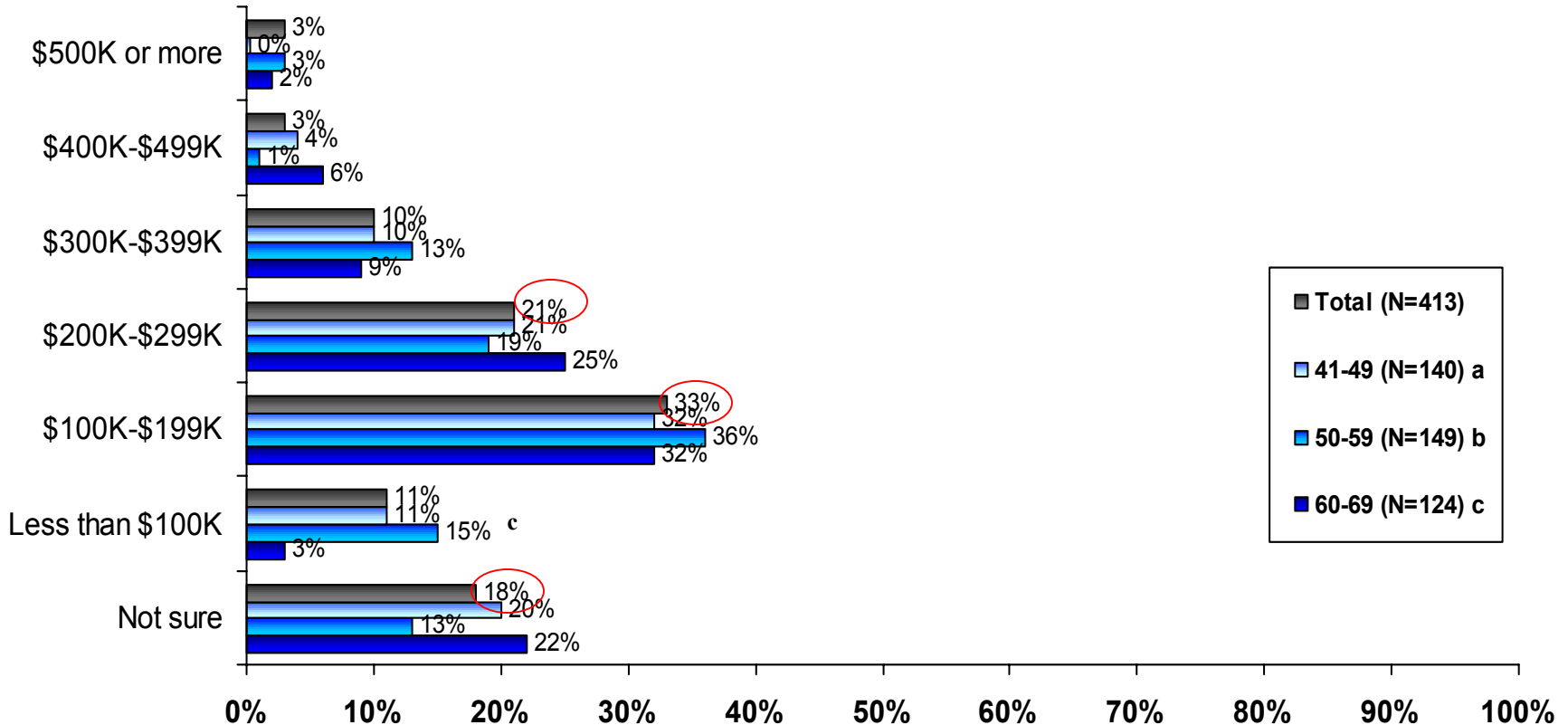
Preferred Activities by Category



Q625 The following is a list of amenities and programs a community could offer (or facilitate). Which of the following would you want the community to offer?
 Base: Respondents who will move and interested in active adult community.



One-third of respondents expect AA communities to be in the \$100K range, and one-fifth expect the \$200K range. Just under one-fifth were unsure enough to even provide an estimate.



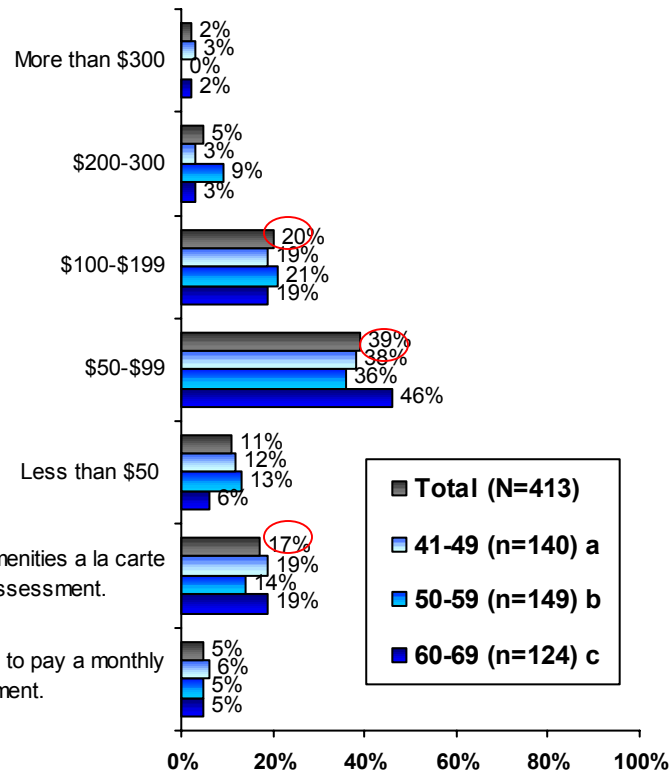
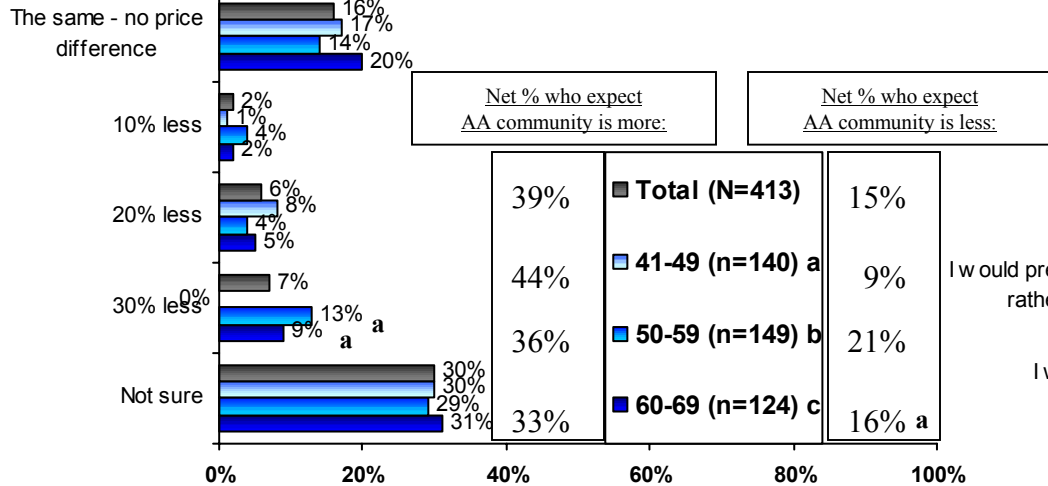
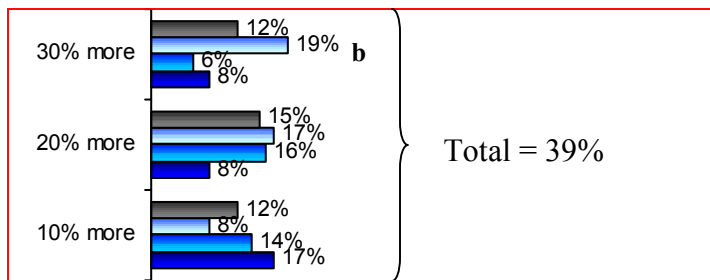
Q675 How much do you think it would cost to purchase a home in an active adult community?

Base: Respondents who will move and interested in active adult community





Respondents vary widely in their opinions of various aspects active adult community finances. Although most (39%) expect them to cost more than traditional communities, there is little agreement on how much more. Regarding a monthly fee for amenities, nearly 4-in-10 are willing to pay at least \$50, with some willing to pay more (1-in-5 willing to pay at least \$100) and others preferring to pay a la carte (17%).



I would prefer to purchase amenities a la carte rather than a monthly assessment.

I would not be willing to pay a monthly assessment.

Q680 If you wanted to purchase a home in the active adult community with the amenities you just selected, what do you think the price difference would be compared to a traditional community?

Base: Respondents who will move and interested in active adult community

Q685 If you were to purchase a home in the active adult community you described, how much would you be willing to pay for a monthly assessment for community amenities?

Base: Respondents who will move and interested in active adult community

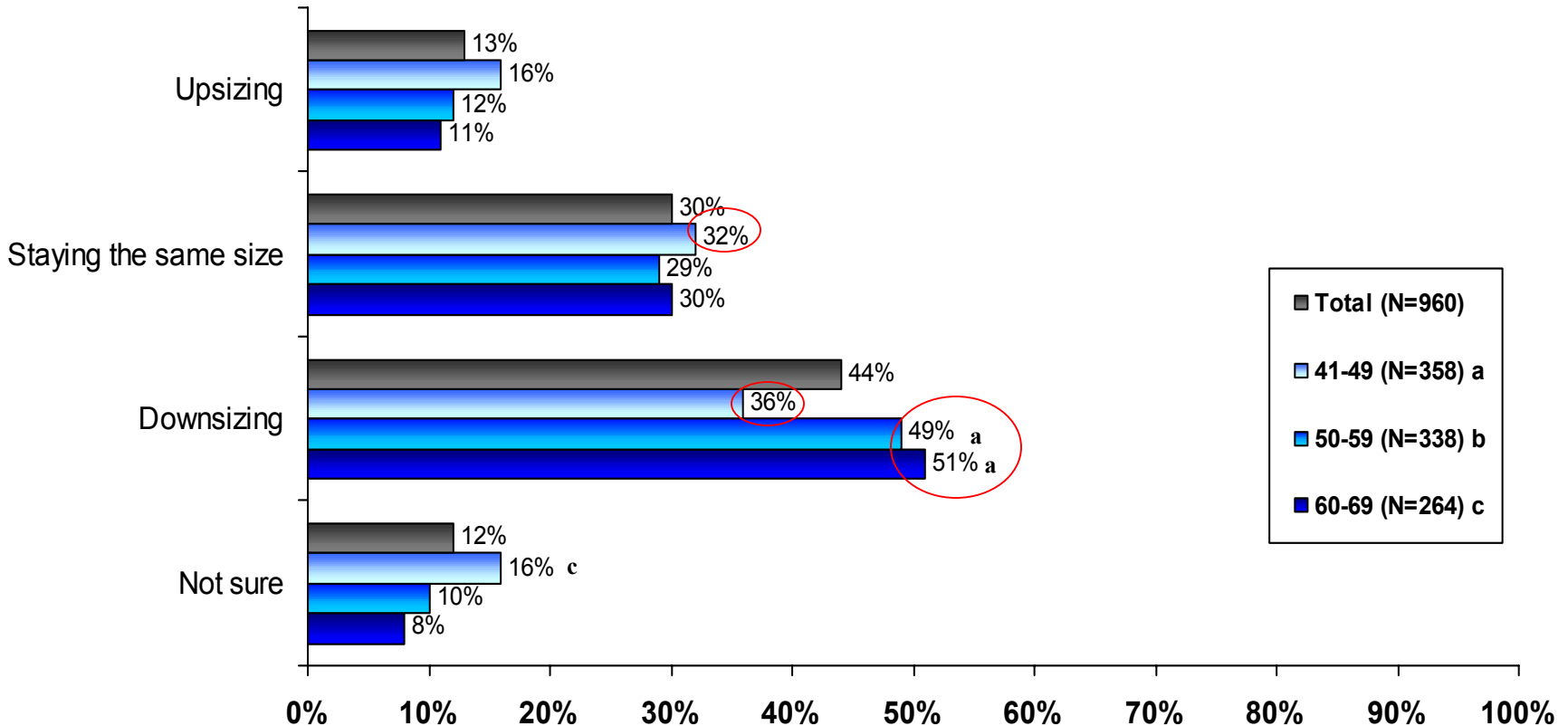


Features in a Home





The older groups (50-69) are particularly likely to plan to downsize from their current home (half of these groups indicate downsizing). Those age 41-49 are split between downsizing (36%) and keeping to the same size (32%).



- Those most interested in downsizing are married, have children, income of \$35K and higher, and California residents.
- Those most interested in upsizing are unmarried, income of less than \$35K, and Northeastern residents. (See tables)

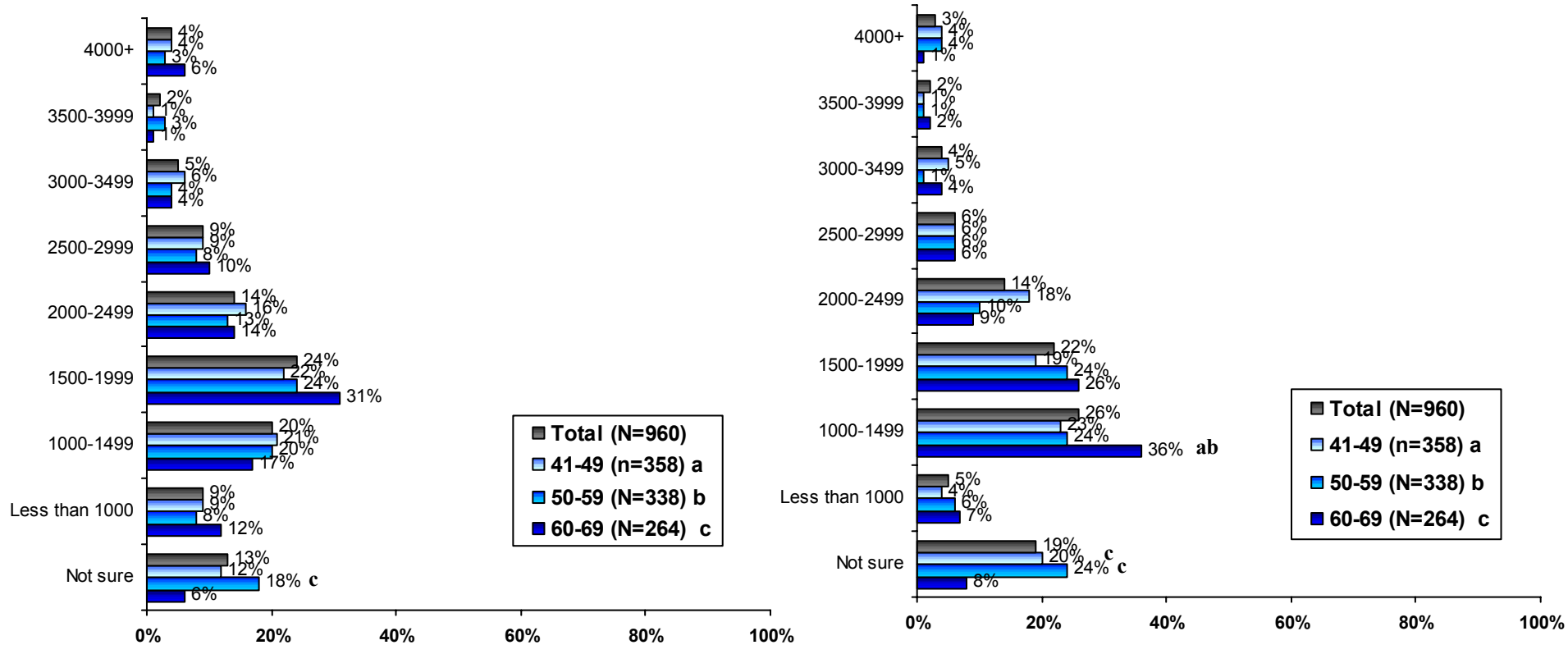
Q700 If you are planning to move from your current home at retirement, are you interested in downsizing or upsizing from your current home?

Base: Respondents who will move





The most common house sizes are in the 1000-1999 sq. ft. range. The most desired sizes also lie in this range.



Q705 What is the current size of your home.

Base: Respondents who will move

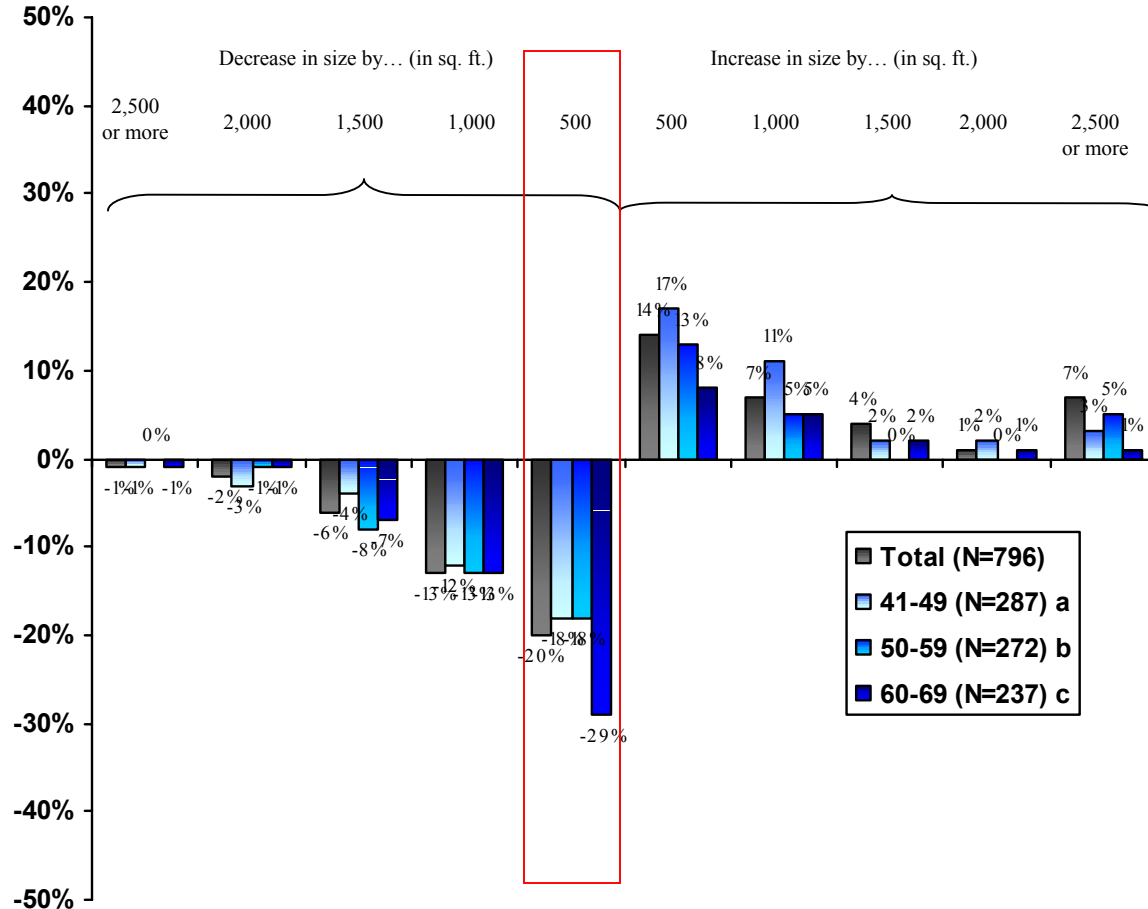
Q710 What would be the desired number of square feet in your new home?

Base: Respondents who will move



Those expecting to downsize primarily believe this will be a slight decrease in size (by approximately 500 sq. ft.)

Change in Size from Current Home to Retirement Home

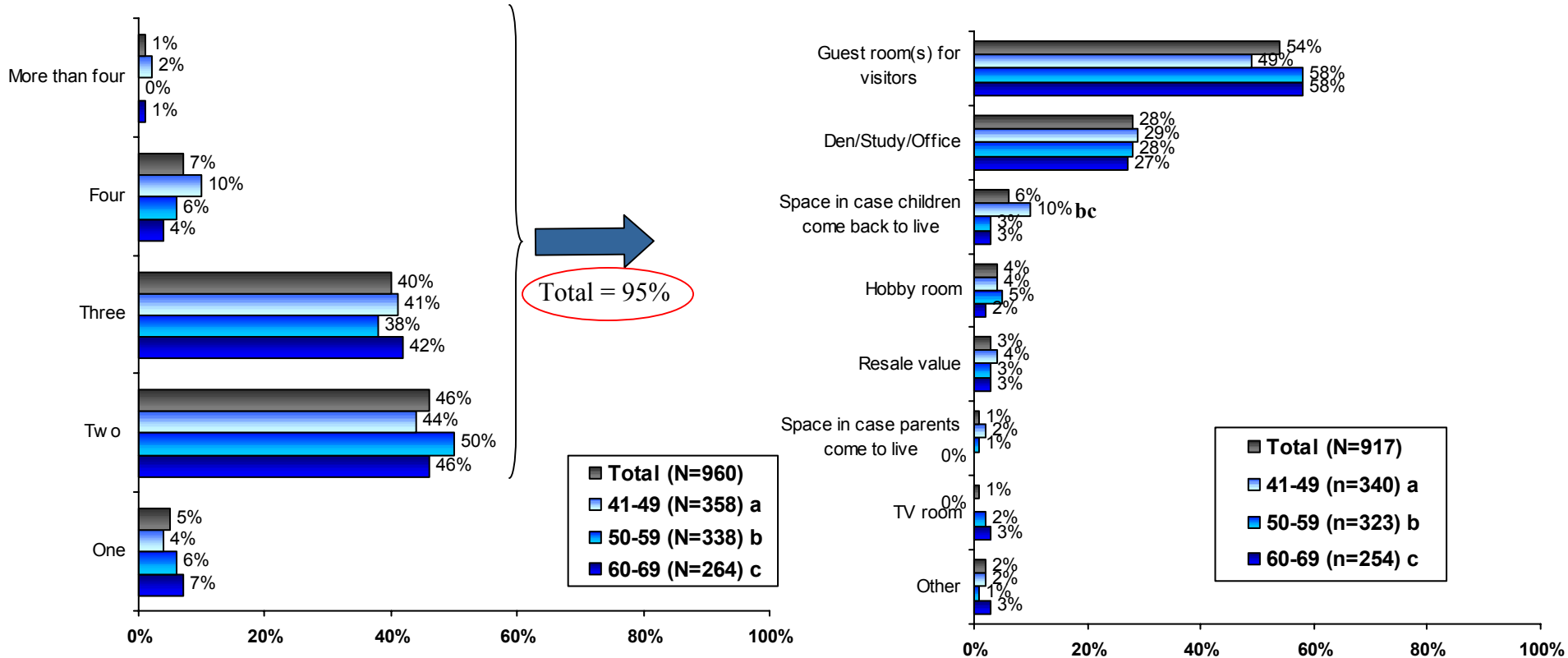


Note: Percentages are negative only to indicate a decrease in expected home size, not a negative percentage value.

The graphs above are based upon *computed differences* between the two questions shown on the previous page (current home size vs. desired new home size).
 Base: Respondents who will move and excludes those who gave 'not sure' estimates of current/new home size



The great majority of respondents desire more than one bedroom in their retirement home (95%). In fact, many want more than two (40% or more). These extra bedrooms will primarily be used as guest rooms and den/study/office space.

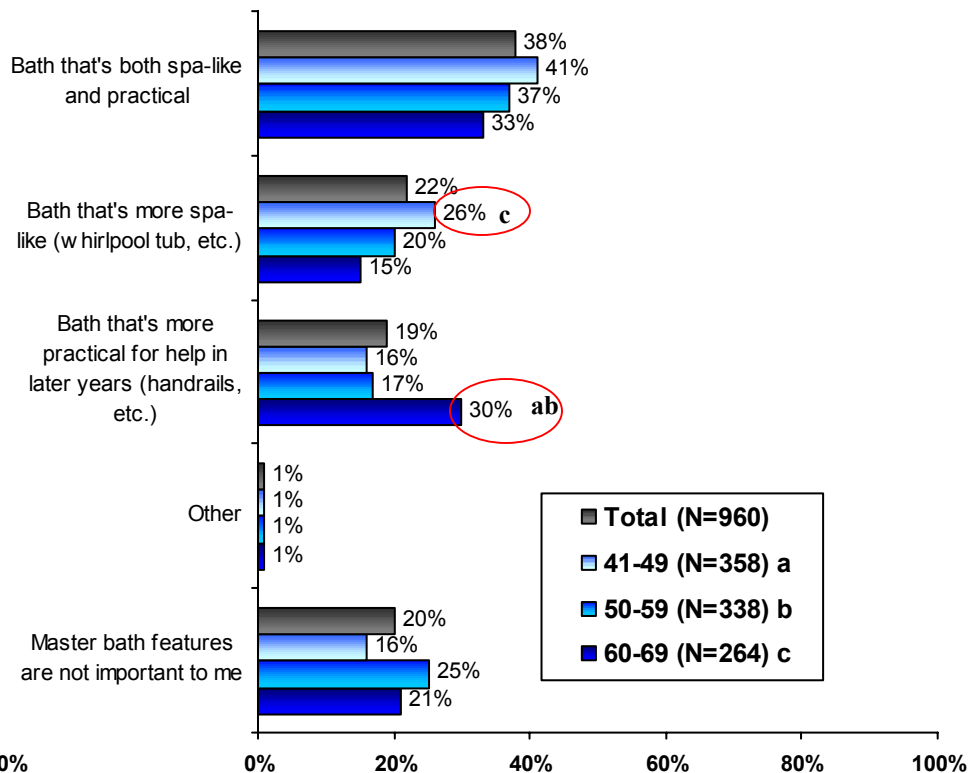
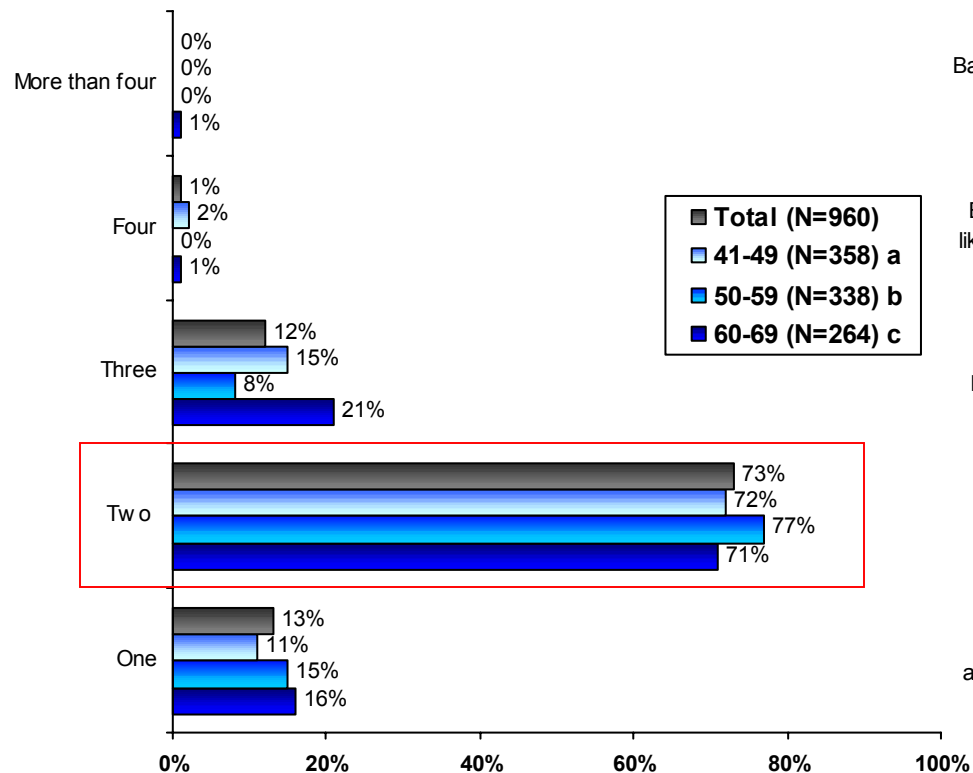


Q715 What is the minimum number of bedrooms that you would like to have?
Base: Respondents who will move

Q720 What is the main reason you would want more than one bedroom?
Base: Respondents who want more than one bedroom.



The majority of respondents, across ages, prefer that their retirement home have two bathrooms. Older groups are more likely to emphasize the practical elements of the bath, whereas younger groups are more likely to desire spa-like elements.



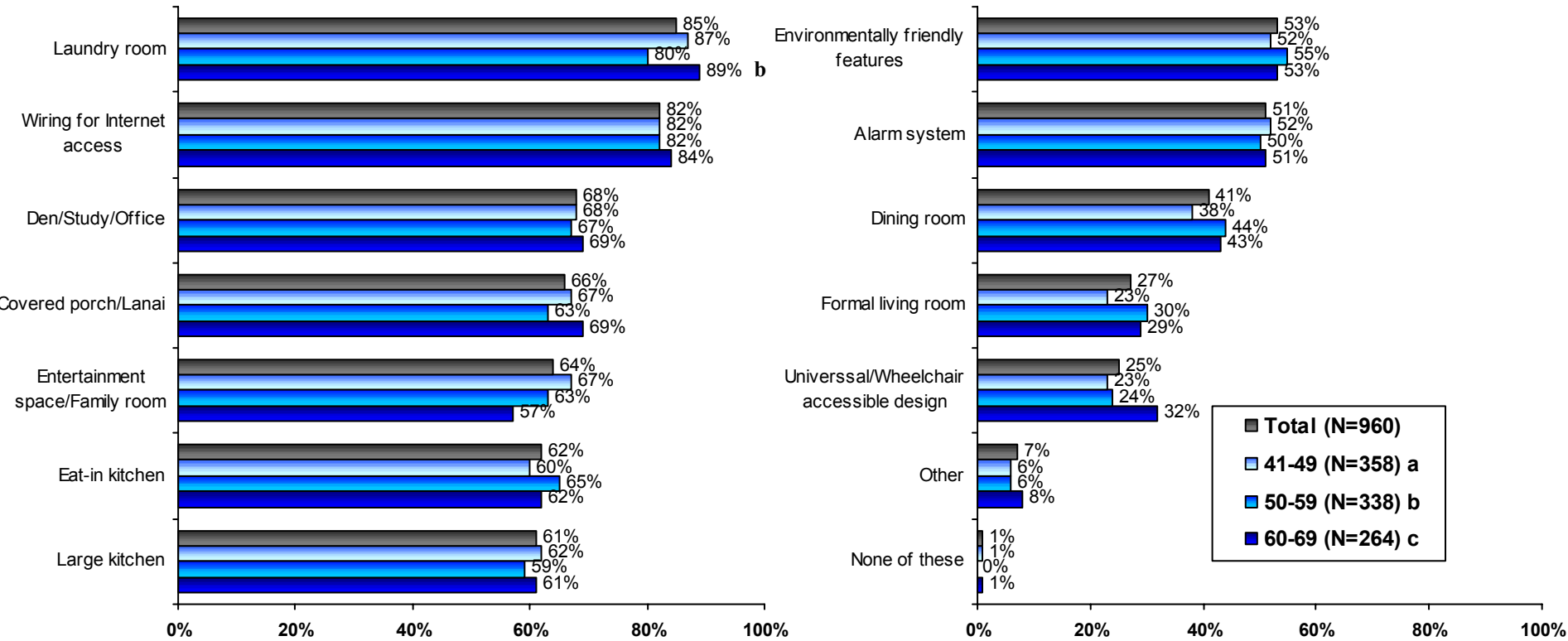
• Those who are unmarried (therefore likely living alone) emphasize the practical elements of the bath, whereas those who are married are more interested in a practical/spa mix. Males are less likely than females to register any preferences about bathroom style/elements. (See tables)

Q730 What is the minimum number of bathrooms you would like to have in a retirement home? Base: Respondents who will move

Q735 For the master bath, would you be most inclined to purchase a home with...? Base: Respondents who will move



Most of the household features listed were appealing to 50% or more of respondents. A laundry room and internet access top the list of important features.



Q740 What other household features would be important to you in a retirement home?

Base: Respondents who will move



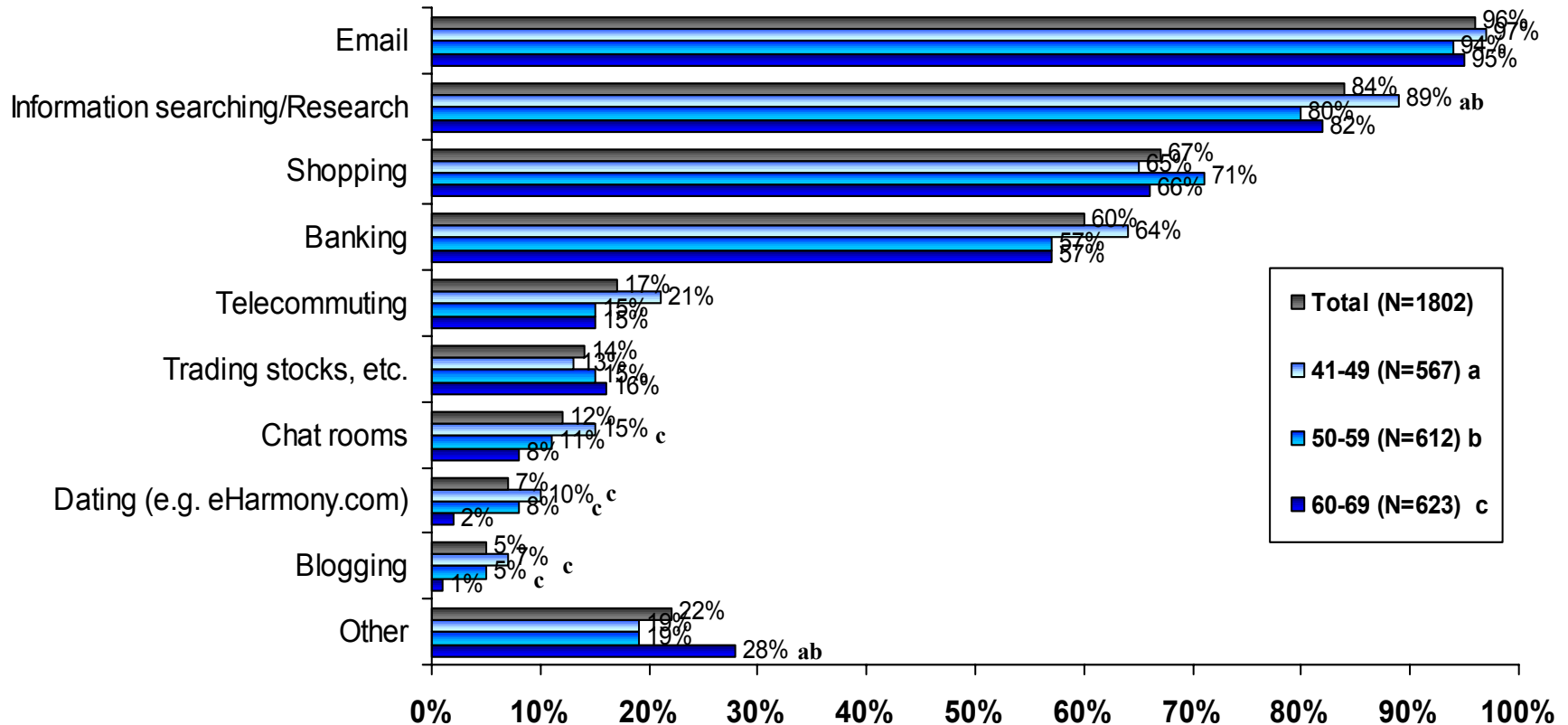


Lifestyle, Dating, Friendships





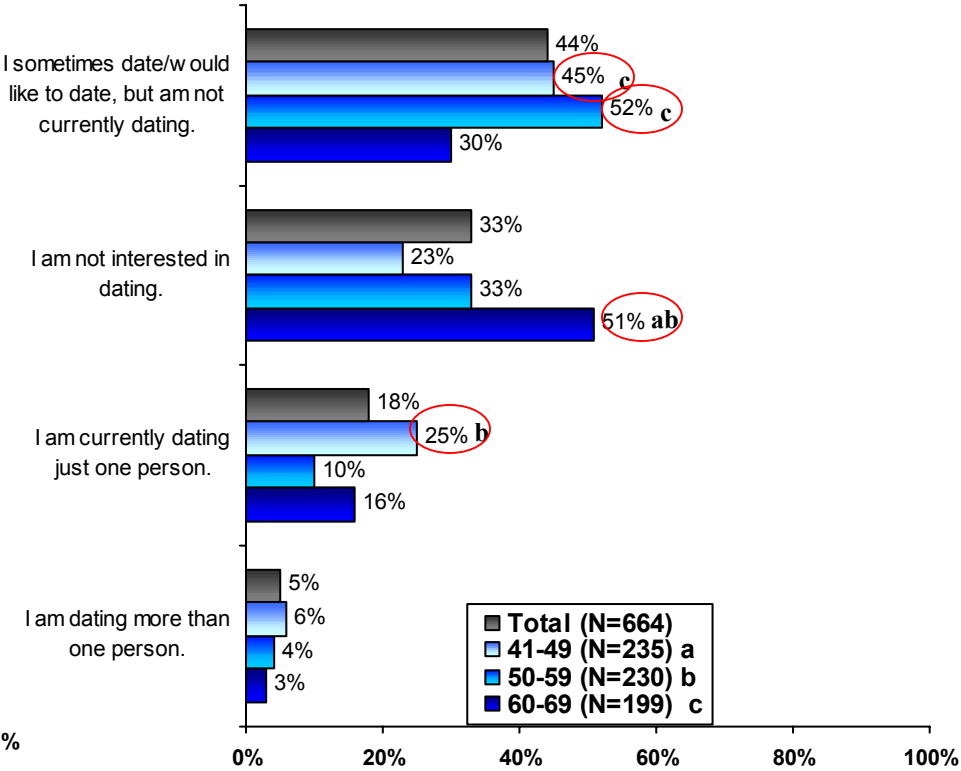
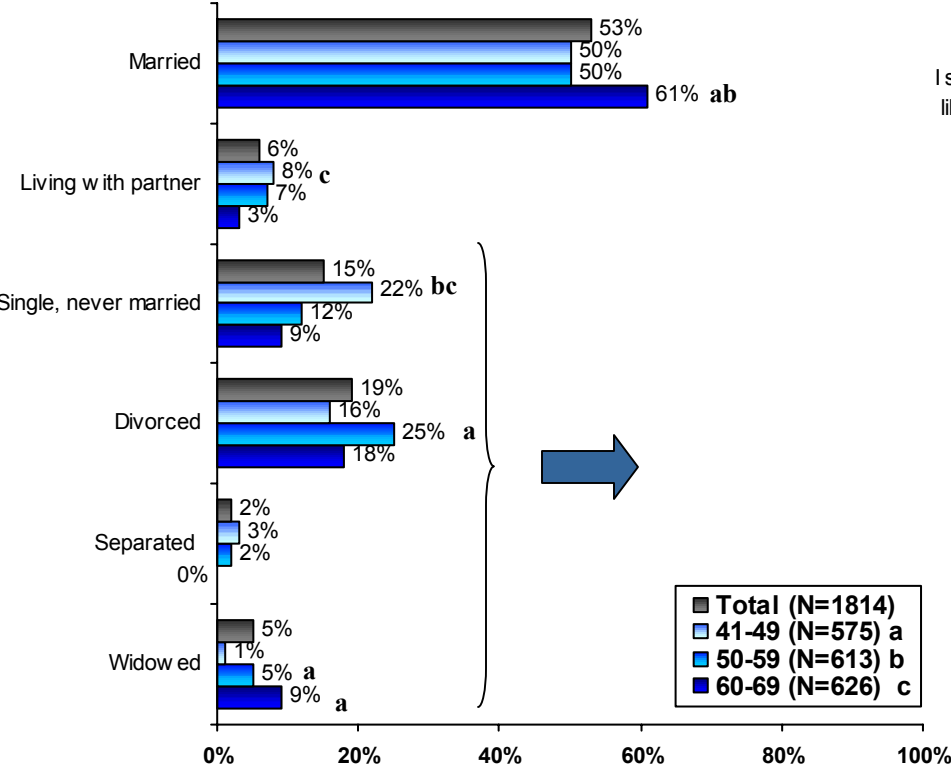
Among online adults, email and information-seeking are by far the most popular internet activities among all age groups. Shopping and banking follow closely behind.



Q1215 What activities do you do online?
Base: All Qualified Respondents



Dating status is highly related to age. Those age 41-49 are most likely to be dating, those age 50-59 are most likely to be interested in dating but not currently dating, and those 60-69 are most likely to not be interested in dating.



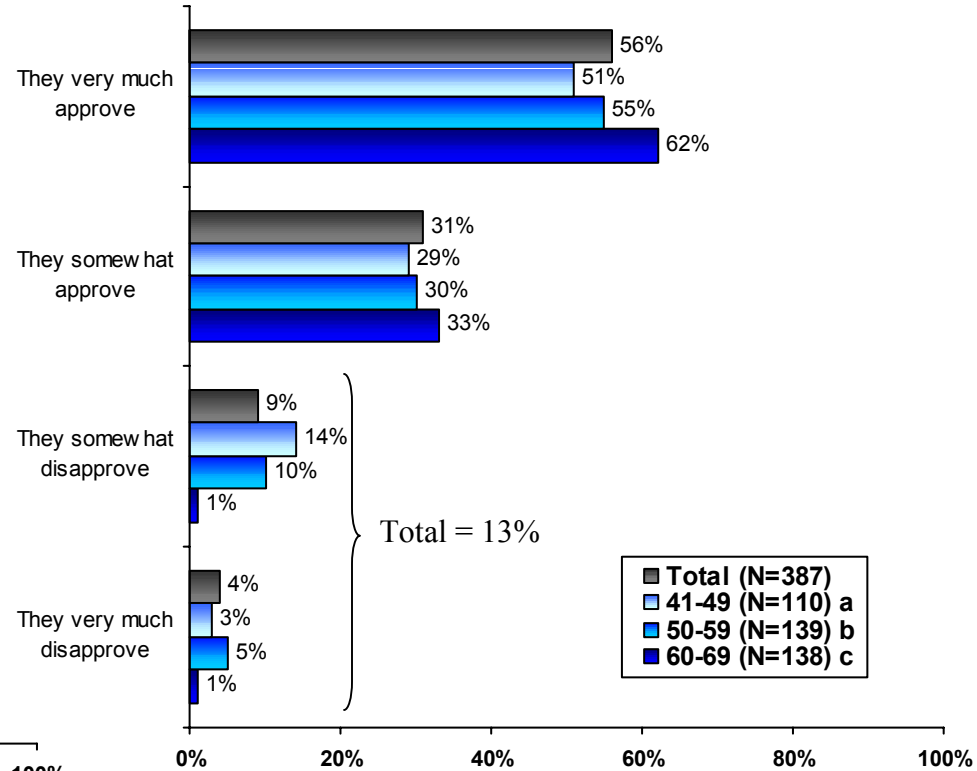
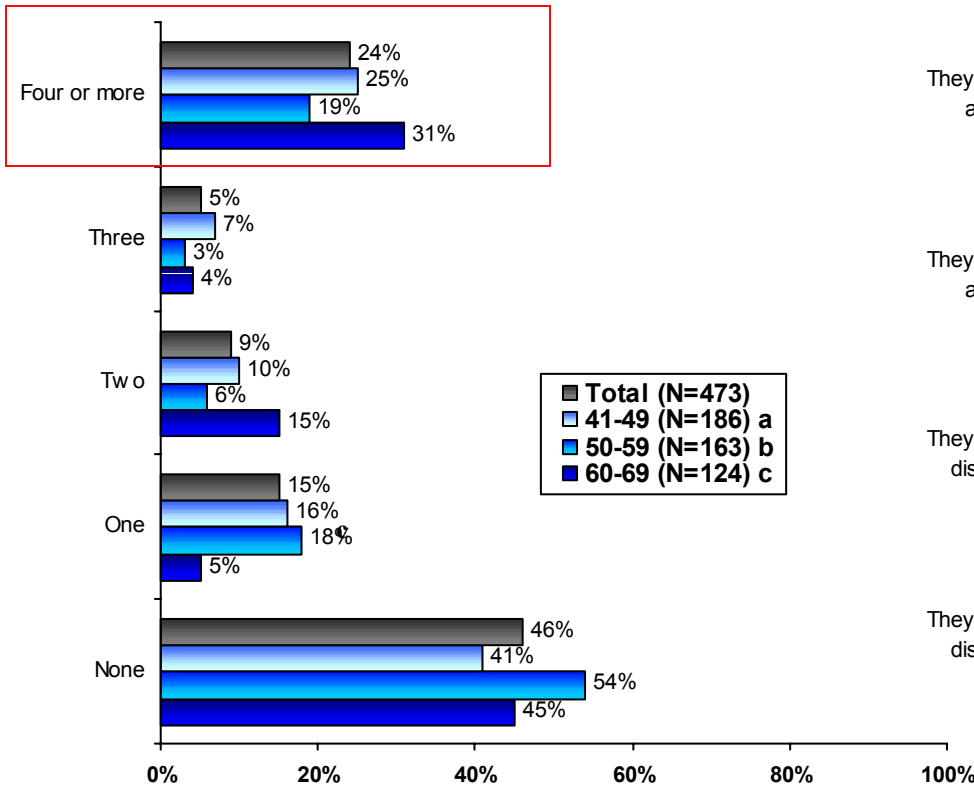
Q420 What is your marital status?
Base: All Qualified Respondents

Q1300 Which of the following best describes your attitude toward dating.
Base: Not married or living with partner





Of those who are dating, many are dating frequently, with one-quarter to one-half going on dates an average of once per week. Only about 13% face disapproval of their dating by their children.



Q1305 How many dates do you typically go on in one month?

Base: Respondents who date or would like to date.

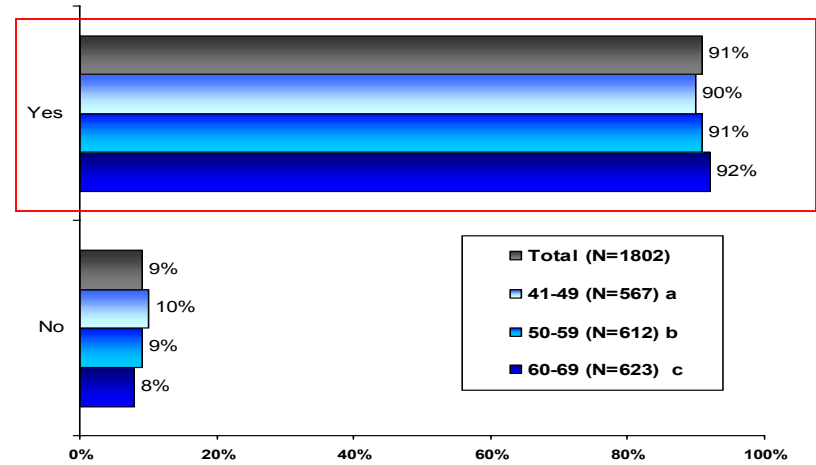
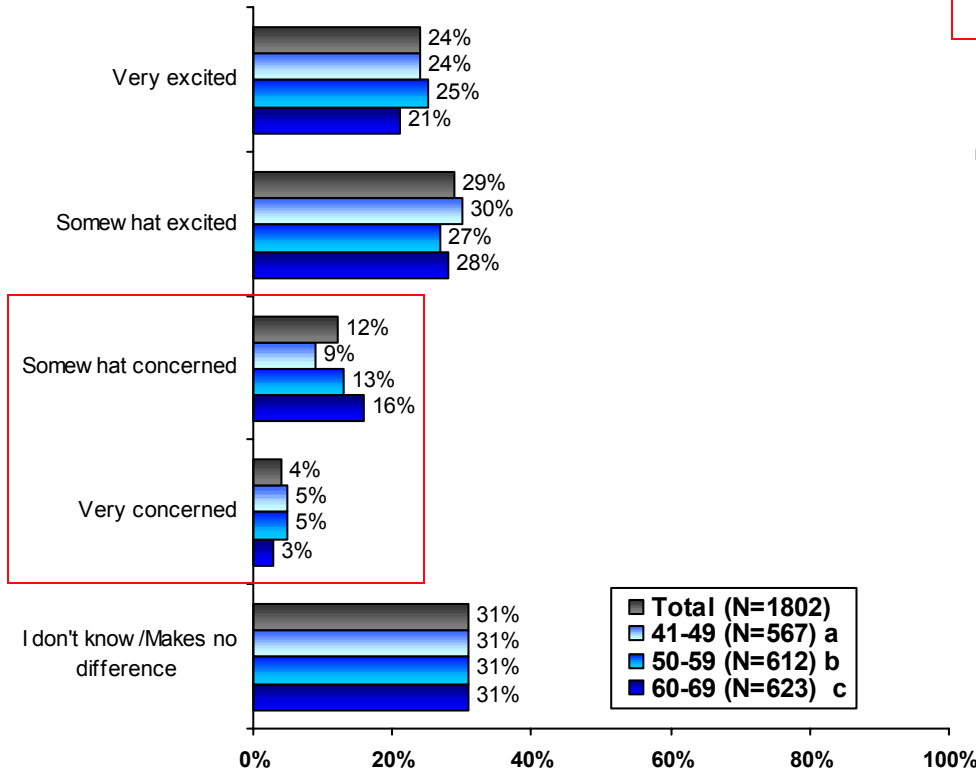
Q1310 How do your children feel about your dating, whether or not you are currently dating?

Base: Respondents not married/living with partner and have children

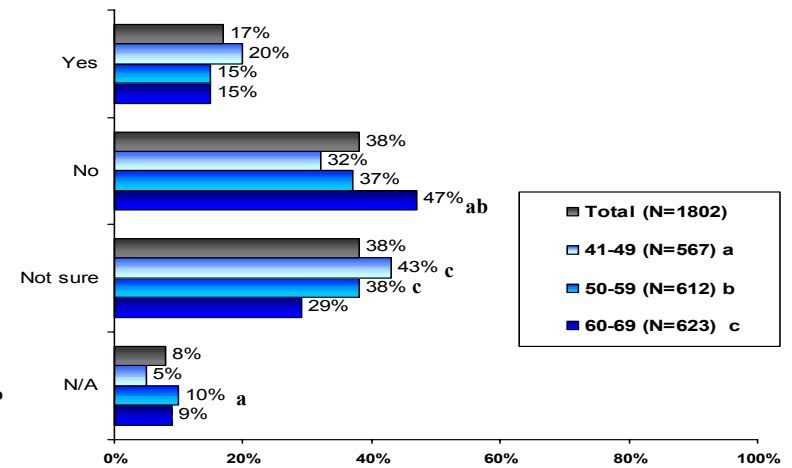




Relocating and entering into a new social group is not an area of concern respondents.



Q1405 Would you welcome the opportunity to meet new people?
Base: All Qualified Respondents



Q1410 Would you try to convince existing friends to move to the same community?
Base: All Qualified Respondents

Q1400 If you moved to a new location in your retirement, how would you feel about having to make new friends? Base: All Qualified Respondents



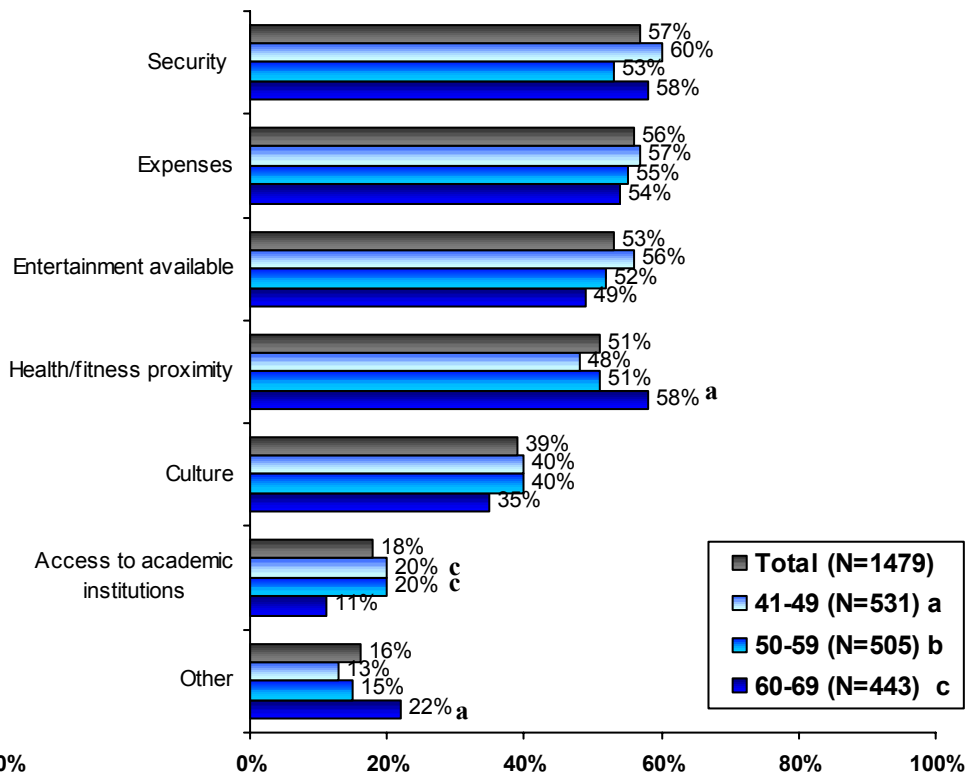
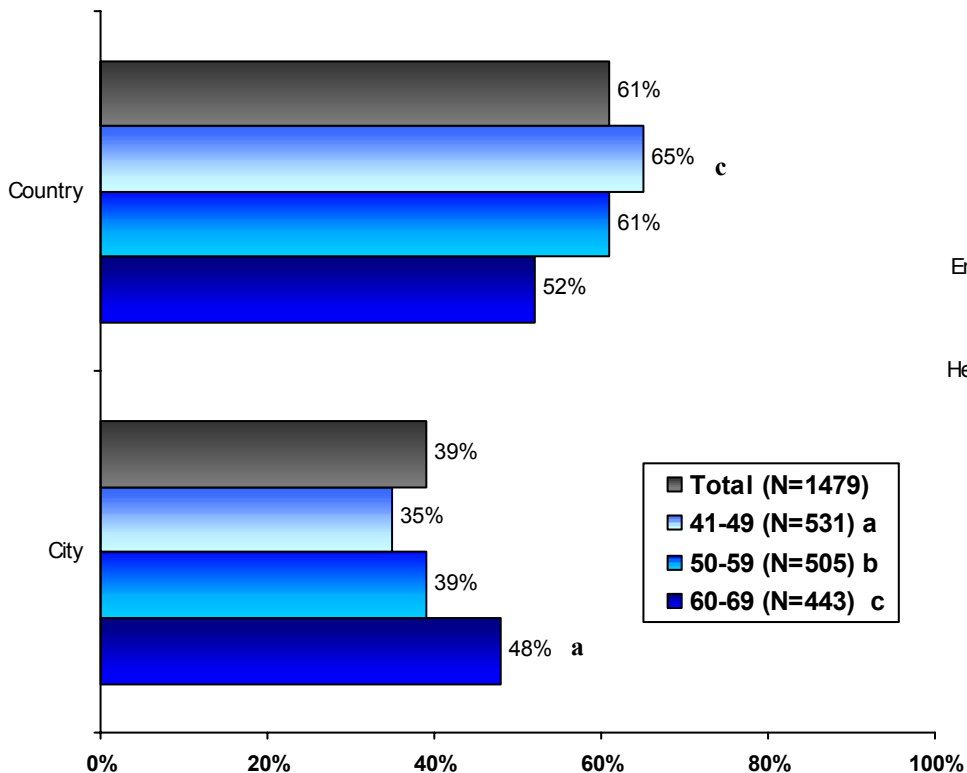


Soft Exit Questions





Those in their 40s and 50s (most of whom have not already retired) tend to prefer living in the country for their retirement. However, those in their 60s (most of whom have already retired) are split more equally between the country and the city. Reasons for preferring one over the other vary greatly, with security, expenses, availability of entertainment, and proximity to health/fitness opportunities all at the top of the list.



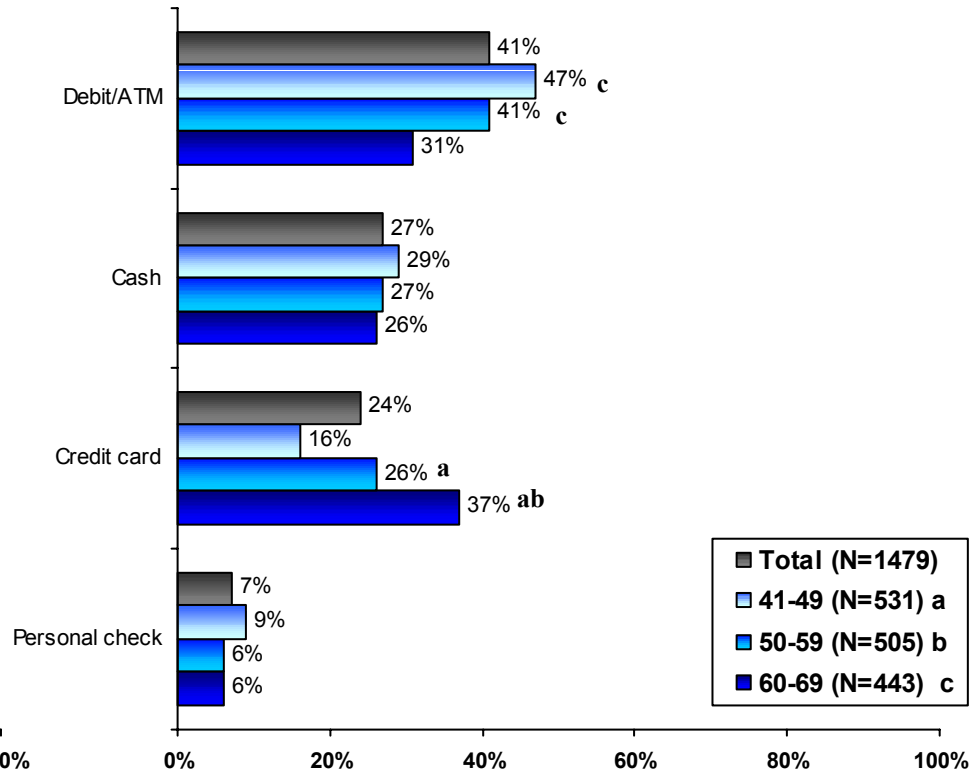
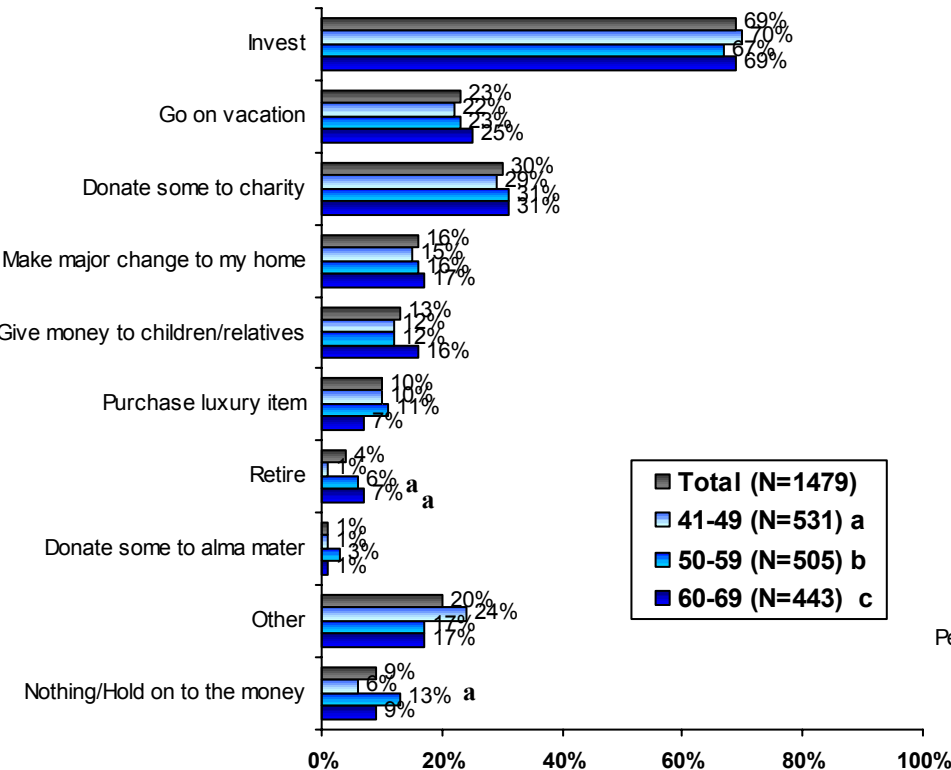
Q1700 Which of the following lifestyles is more appealing to you when you think of day to day living during retirement? Base: All Respondents

Q1705 Which of the following is important to you when thinking of living in the city or country. Base: All Respondents





If surprised by receiving \$100K, investing is by far the most common reaction. Those in their 60s rely more on credit cards for daily living expenses, whereas those in their 40s and 50s tend to rely more on debit/ATM cards.



Q1710 Suppose you suddenly received \$100,000. What would you do with the money? Base: All Respondents

Q1715 When you pay for day to day purchases such as gas, groceries, medication, etc., which of the following best describes how you pay for it? Base: All Respondents





Demographics





Demographics: Total and by Age Sub-Groups

	Total Qualified (N=1814)	41-49 years (N=575)	50-59 years (N=613)	60-69 years (N=626)	Affected by SS, 41-54 years (N=861)	Unaffected by SS, 55-69 years (N=953)
		a	b	c	d	e
Gender:						
Male	49%	44%	53%	54% a	47%	53%
Female	51%	56% c	47%	46%	53%	47%
Age:						
Mean age in years	53.1	45.1	54.3 a	63.9 ab	47.4	61.4 d
Income: **						
Less than \$35,000	28%	28%	29%	29%	26%	30%
\$35,000 - \$74,999	32%	34% c	34% c	27%	34% e	28%
\$75,000 - \$124,999	18%	22% b	15%	15%	20% e	14%
\$125,000 or more	8%	8% c	10% c	5%	8%	7%
Education*:						
High school or less	28%	25%	31% a	31% a	26%	32% d
Some college	26%	28% b	23%	28% b	26%	26%
College degree (4-year)	19%	20%	18%	17%	21%	16%
Post graduate	19%	19%	20%	20%	18%	21%
Employment:						
Full time	45%	59% bc	48% c	17%	59% e	24%
Part time	12%	12%	8%	16% c	10%	14%
Self-employed	14%	14%	16%	12%	16%	12%
Not employed	9%	11% c	11% c	3%	11%	7%
Student	2%	3%	1%	0%	2%	1%
Homemaker	7%	10% b	5%	6%	8%	6%
Retired	23%	3%	19% a	59% ab	6%	49% d

* Multiple response

** May not sum to 100% due to "Decline to answer" responses



Demographics, continued

	Total Qualified (N=1814)	41-49 years (N=575)	50-59 years (N=613)	60-69 years (N=626)	Affected by SS, 41-54 years (N=861)	Unaffected by SS, 55-69 years (N=953)
		a	b	c	d	e
Marital Status:						
Single, never married	15%	22% bc	12%	9%	20% e	9%
Married	53%	50%	50%	61% ab	49%	57% d
Living with partner	6%	8% c	7%	3%	7%	4%
Divorced	19%	16%	25% a	18%	19%	21%
Separated/Widowed	7%	4%	7%	9%	5%	8%
Has children:						
Yes	69%	61%	71% a	81% ab	64%	77% d
Race:**						
White	79%	66%	81% a	94% ab	68%	94% d
Black/African American	9%	15% c	10% c	1%	15% e	1%
Hispanic	8%	14% ab	6% b	0%	13% e	0%
Other race	1%	2%	2%	2%	2%	2%
Region:						
Data below are not tested for significant differences						
Northeast	25%	26%	25%	22%	27%	22%
Southeast	6%	7%	6%	4%	7%	5%
Florida	8%	6%	8%	11%	7%	9%
Great Lakes	21%	17%	24%	24%	19%	25%
Texas	6%	6%	6%	7%	6%	6%
Rocky Mountain	11%	12%	12%	9%	11%	12%
Arizona	4%	6%	4%	4%	5%	4%
Nevada	5%	6%	5%	4%	6%	5%
Northern California	7%	7%	6%	8%	6%	7%
Southern California	6%	7%	5%	7%	6%	6%