Acorn FINANCE

The Stay-and-Renovate Economy

Why homeowners who locked in low mortgage rates are pouring money into the homes they already own

ACORN FINANCE | 2026

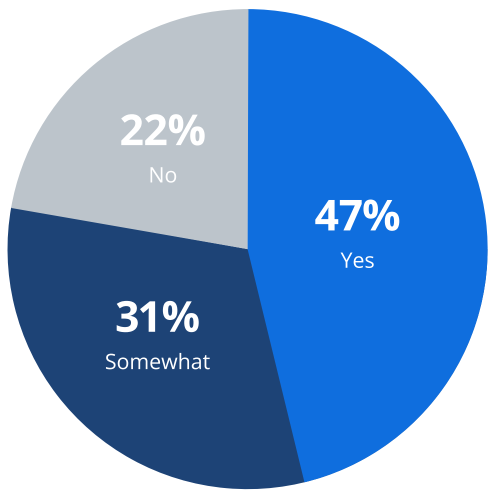
78% of homeowners who bought in the low-rate window feel locked into their current home

Mortgage rates have reshaped how Americans think about their homes. According to new research from Acorn Finance based on a national survey of 1,000 U.S. homeowners who purchased between 2010 and 2022, 78% feel at least somewhat financially locked into their current home by their mortgage rate, with 47% saying they feel locked in outright.

The result is a shift from the move-up cycle that historically defined American homeownership. Instead of selling and trading up, this cohort is staying and reinvesting in the homes they already own. Seventy-six percent plan to stay in their current home over the next five years, and 72% are planning a renovation, addition, or repair project in the next 12 to 24 months. Renovation has become the substitute for relocation.

Throughout this report, "homeowners" refers to the surveyed cohort of 1,000 U.S. homeowners who purchased their current home between 2010 and 2022. Findings reflect this population, not U.S. homeowners overall.

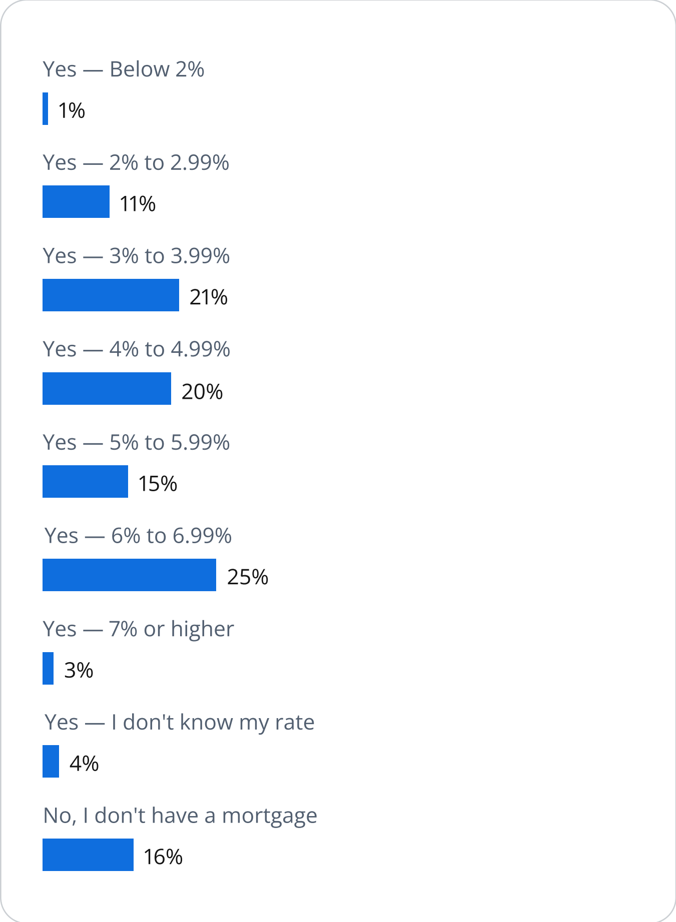
Do you feel financially locked in to your current home by your mortgage rate?



Over half of surveyed homeowners hold a mortgage rate below 5%

Among the 2010–2022 buyer cohort surveyed, 54% hold a mortgage rate below 5%, and 34% sit below 4%. Rates like those aren't on the table today. Moving up would mean trading a low rate for a higher one and paying more for less — often a smaller home, or the same size home at a much higher monthly payment. That makes moving a harder financial decision than it used to be, even for homeowners with the usual reasons to move, like a growing family, a desire to downsize, or a new job.

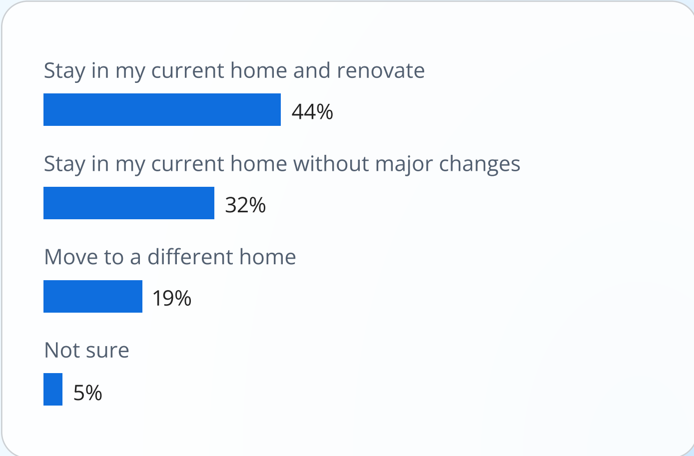
Do you feel financially locked in to your current home by your mortgage rate?



76% of homeowners plan to stay in their current home over the next five years

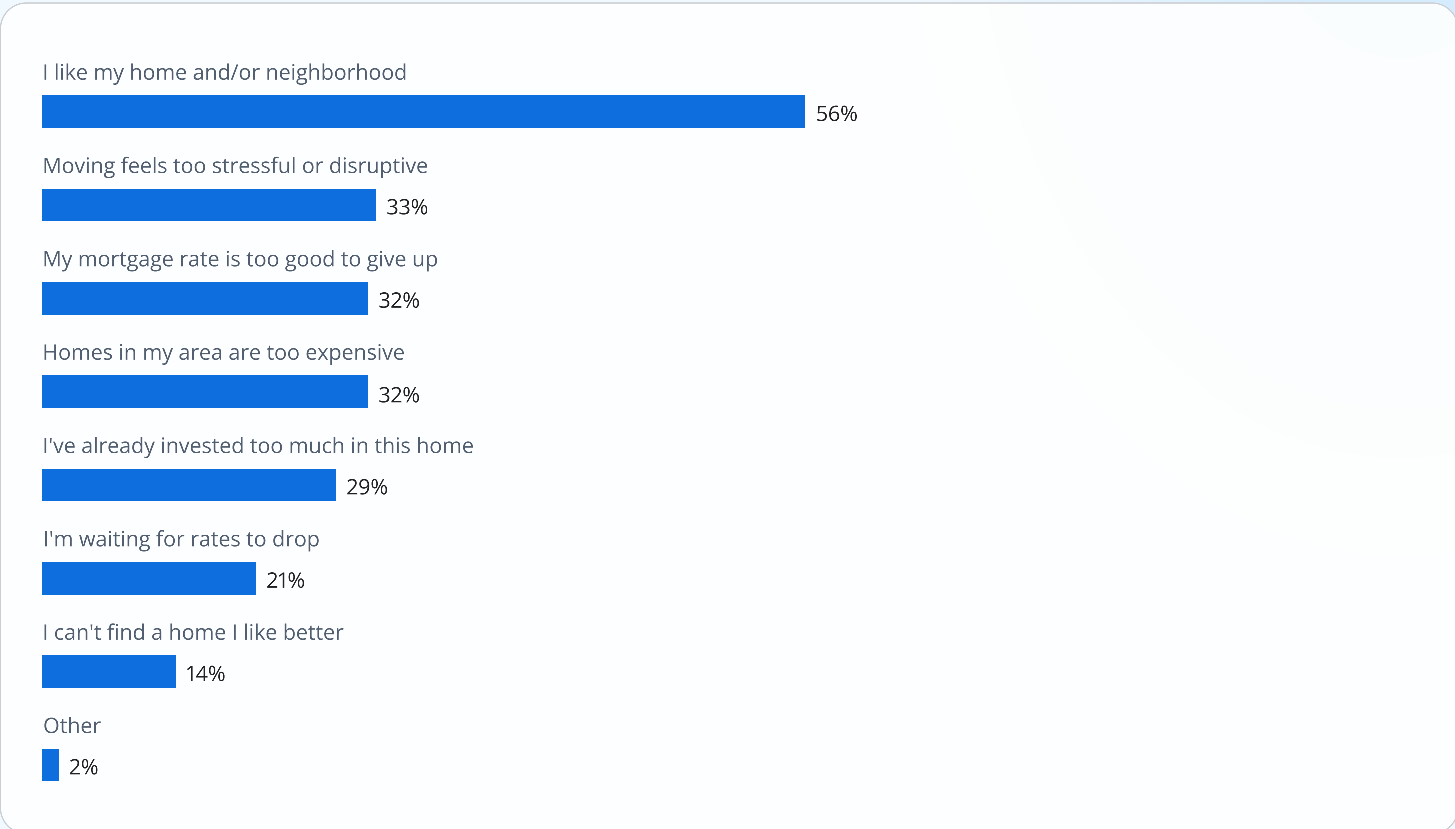
When asked what they expect to do over the next five years, 44% of homeowners plan to stay and renovate, while 32% plan to stay without major changes. Only 19% expect to move to a different home. The rest are unsure. Among those staying, the reasons behind that decision are a mix of attachment and economics. Fifty-six percent of homeowners staying put say they simply like their home or neighborhood. But financial drivers are close behind: 33% say moving feels too stressful or disruptive, 32% say their mortgage rate is too good to give up, 32% say homes in their area are too expensive, and 21% are waiting for rates to drop. Rate, price, and inventory friction are all working in the same direction.

When you think about the next five years, what are you most likely to do?



Respondents could select more than one answer, so totals exceed 100%.

What are your top reason(s) you are staying in your current home?

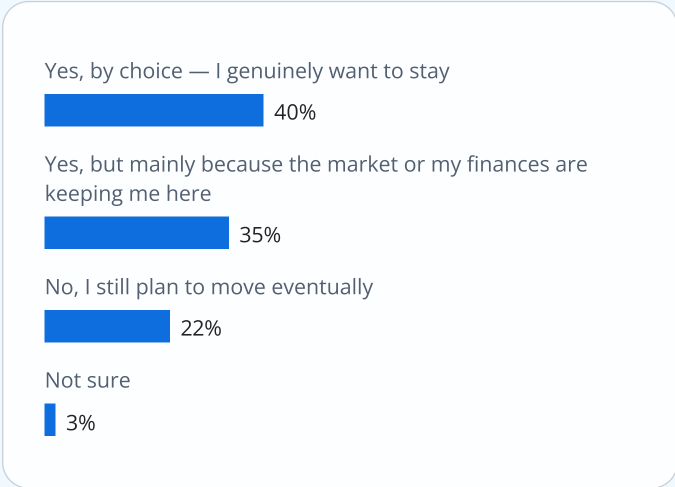


Respondents could select more than one answer, so totals exceed 100%.

40% now consider their home a forever home by choice — another 35% by circumstance

Homeowners are redefining what they bought. Among those who originally purchased a starter home or weren't sure, 40% now consider it their forever home by choice. Another 35% consider it their forever home because the market or their finances are keeping them there. Only 22% still plan to move eventually.

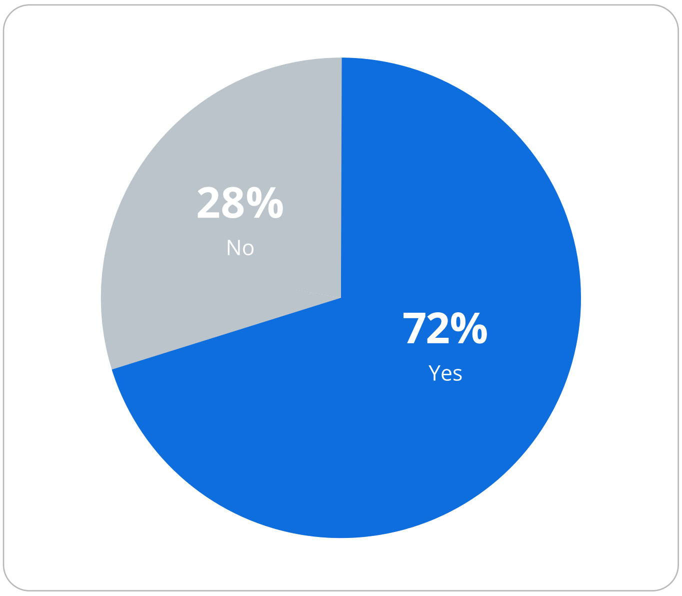
Do you now consider this your forever home?



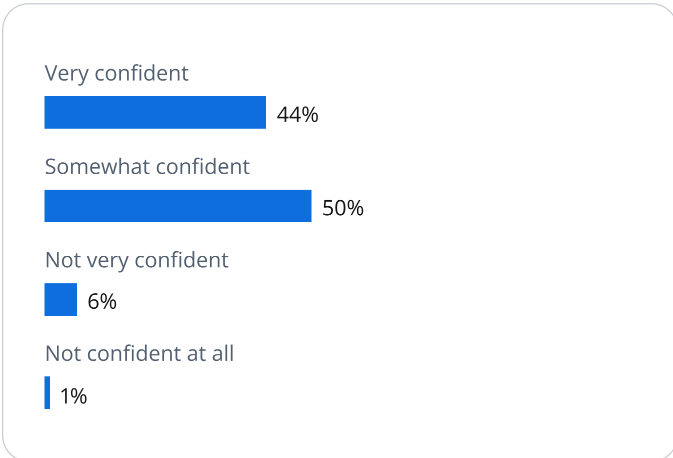
72% of homeowners are planning a renovation, addition, or repair in the next 12–24 months

Project intent runs high across the survey. Seventy-two percent of homeowners plan a renovation, addition, or repair in the next 12 to 24 months — the bathroom they always wanted, the kitchen built for how they actually cook, the basement that becomes a guest suite, the yard that turns into outdoor living space. Ninety-four percent feel at least somewhat confident that renovating will make their home the one they actually want.

Are you planning any home renovation, addition, or repair projects in the next 12–24 months?



How confident are you that renovating your current home will make it the home you actually want?



Bathroom and kitchen remodels lead the interior project list

Among homeowners planning interior work, 50% intend to remodel a bathroom and 47% a kitchen remodel, which are historically popular areas to renovate due to their high traffic and use. Flooring (44%) and windows or doors (36%) follow closely behind. Smart home upgrades (33%) and energy efficiency or solar work (23%) reflect a longer-term mindset, where homeowners are not just refreshing their spaces but rebuilding them to function better for years to come.

What types of interior projects are you planning in the next 12–24 months?

Bathroom remodel	**50%**
Kitchen remodel	**47%**
Flooring	**44%**
Windows or doors	36%
Smart home upgrades	33%
Energy efficiency or solar	23%
Home office or flex space	20%
Closet renovations	20%
Laundry room remodel or relocation	20%
Other	5%
None of the above	1%

Respondents could select more than one answer, so totals exceed 100%.

Landscaping, decks, and fences top exterior project plans

Outdoor projects expand a home's livable space and curb appeal, and homeowners are investing across both. Among homeowners planning exterior work, 45% intend to invest in landscaping, 34% in a deck or patio addition, and 31% in fencing. Gutter and driveway projects each show up in about one in five plans, reflecting maintenance needs alongside the discretionary spending. Pool projects appear in 18% of plans, and outdoor kitchens in 13%.

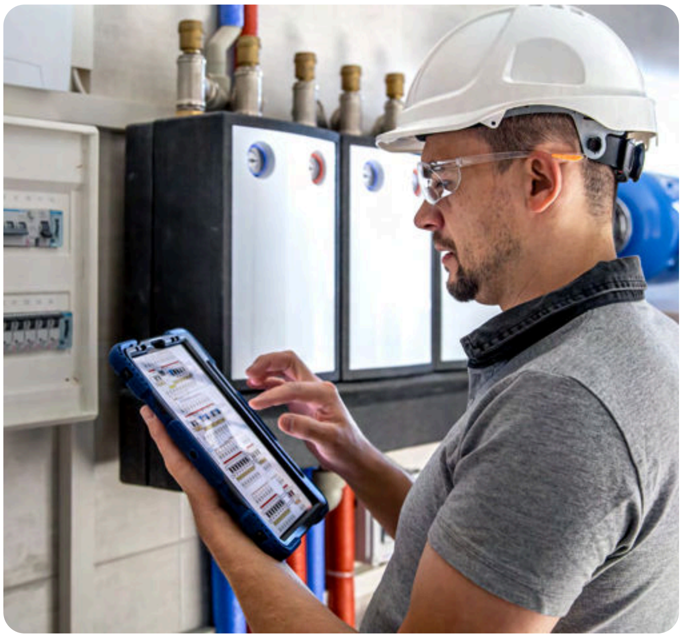
What types of exterior projects are you planning in the next 12–24 months?

Landscaping	**45%**
Deck or patio addition	**34%**
Fence	**31%**
Gutters	**21%**
Driveway repair or replacement	**21%**
Shed	**20%**
Pool	**18%**
Outdoor kitchen	**13%**
Pole barn or garage	**11%**
Other	**1%**
None of the above	**9%**

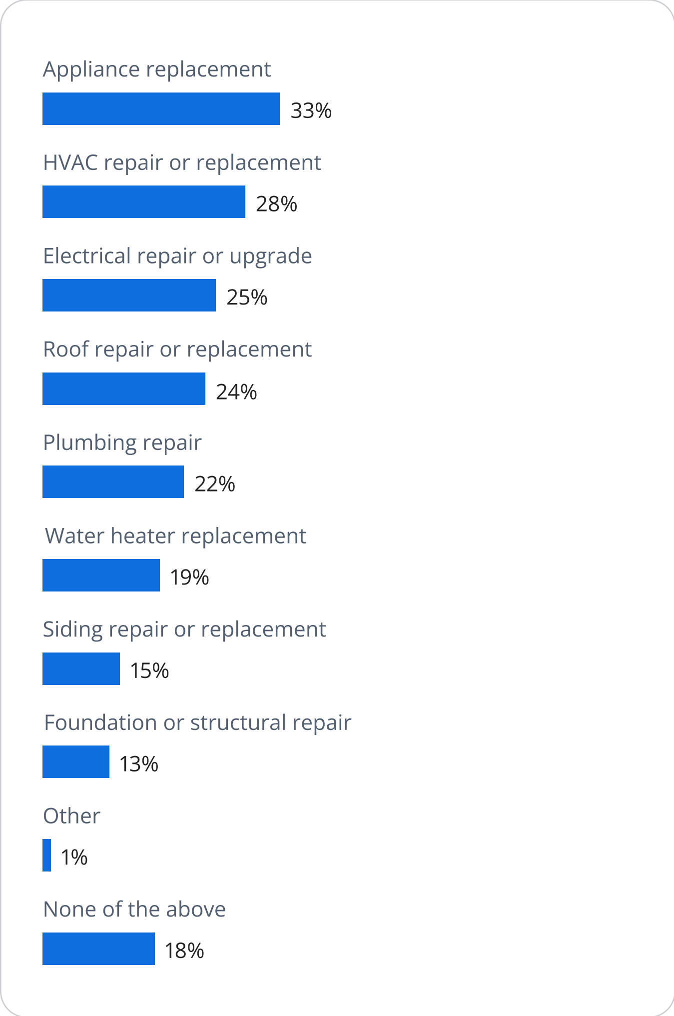
Respondents could select more than one answer, so totals exceed 100%.

HVAC, appliance, and electrical work anchor near-term repair plans

Repair and replacement projects are often non-discretionary, and these categories track closely with the aging American housing stock. Thirty-three percent of respondents plan to replace appliances, 28% plan HVAC repair or replacement, and 25% plan electrical repair or upgrade. Roof, water heater, and plumbing work each appear in 19% to 24% of plans.



What types of repairs or replacements are you planning in the next 12–24 months?

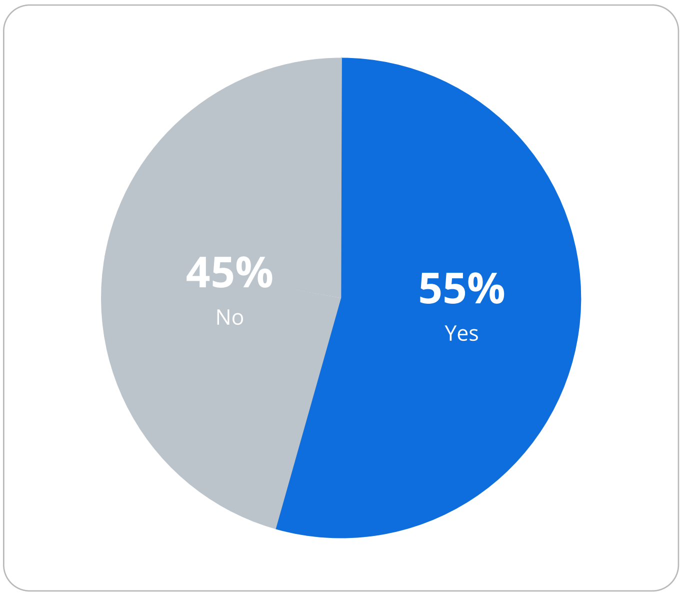


Respondents could select more than one answer, so totals exceed 100%.

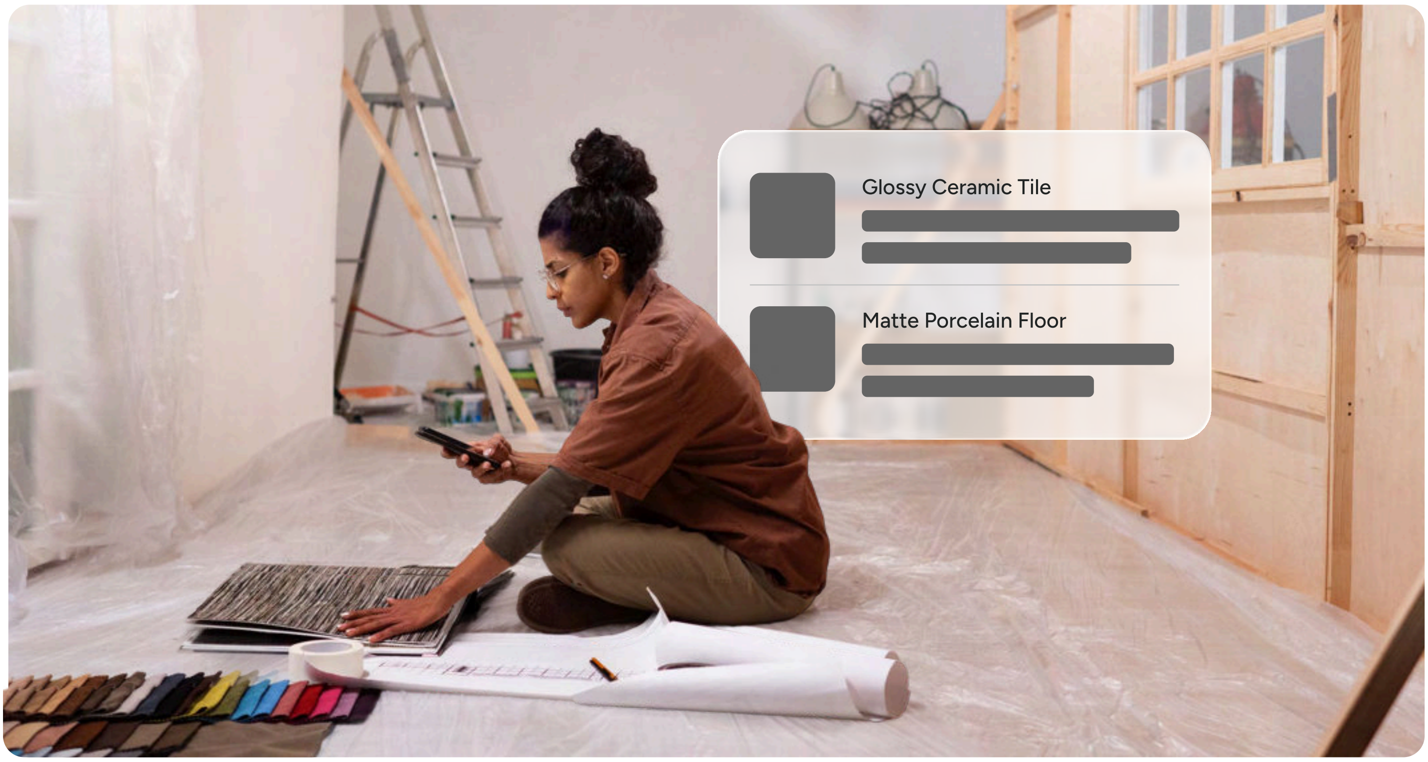
55% of homeowners are planning aging-in-place modifications

More than half of homeowners (55%) plan accessibility or aging-in-place modifications in the next 12 to 24 months. These projects—curbless showers, grab bars, wider doorways, lever-style handles, and main-floor bedrooms—turn a starter home into a long-term home. They also represent a category where homeowners are increasingly making forward-looking investments rather than waiting until physical need forces the project.

Are you considering aging-in-place or accessibility modifications in the next 12–24 months?

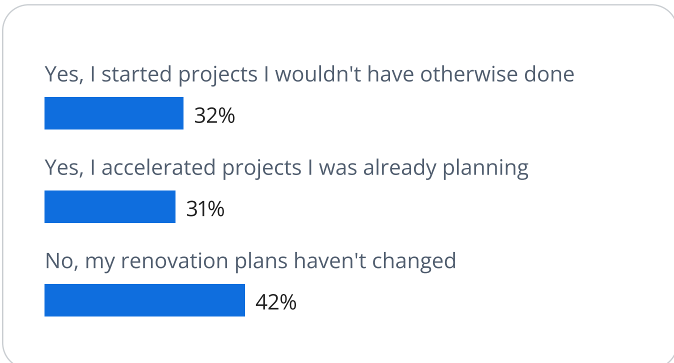


62% have started or accelerated projects because they decided not to move



When a move comes off the table, the calculation behind every project shifts. Thirty-two percent of homeowners say they started projects they wouldn't have otherwise considered, and another 31% accelerated work they had been putting off. The bathroom that could have waited for the next house, the kitchen that was "good enough for now," the basement that was always going to be finished someday — projects like these move up the list when someone stops thinking about resale and starts thinking about living in the space for the long haul.

Have you started or accelerated any renovation projects specifically because you decided not to move?

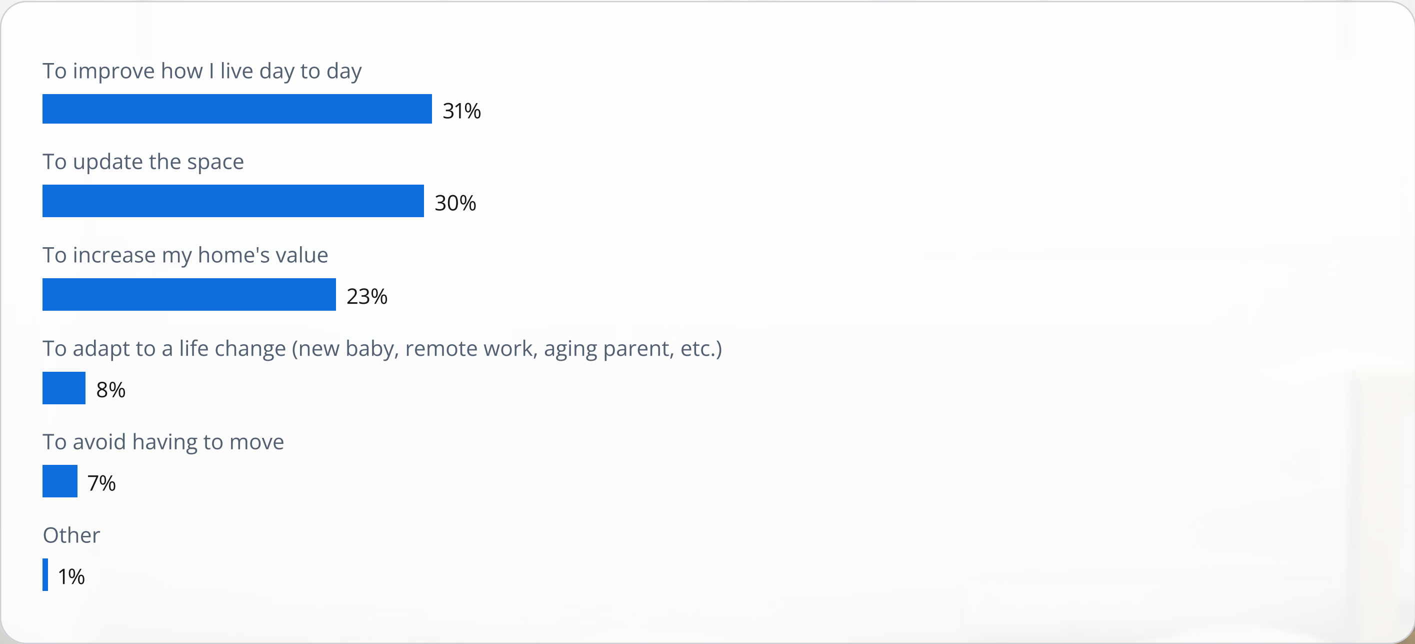


Respondents could select more than one answer, so totals exceed 100%.

Daily living and modernization beat resale value as renovation motivations

When asked the primary motivation behind their most significant planned project, 31% cite improving how they live day to day, and 30% cite updating the space. Only 23% are renovating primarily to increase their home's value, and just 7% are renovating specifically to avoid moving. Homeowners are spending on themselves, not on hypothetical future buyers.

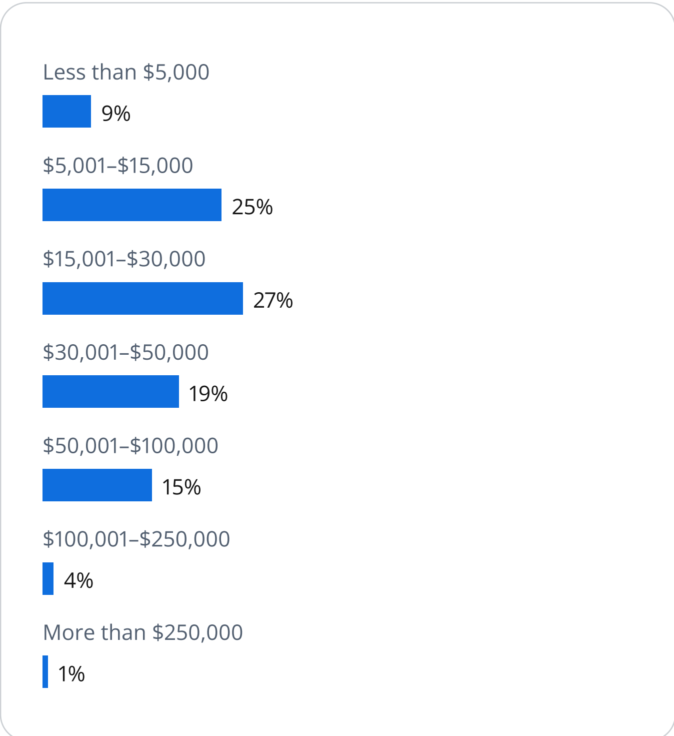
What is the primary motivation behind your most significant planned project?

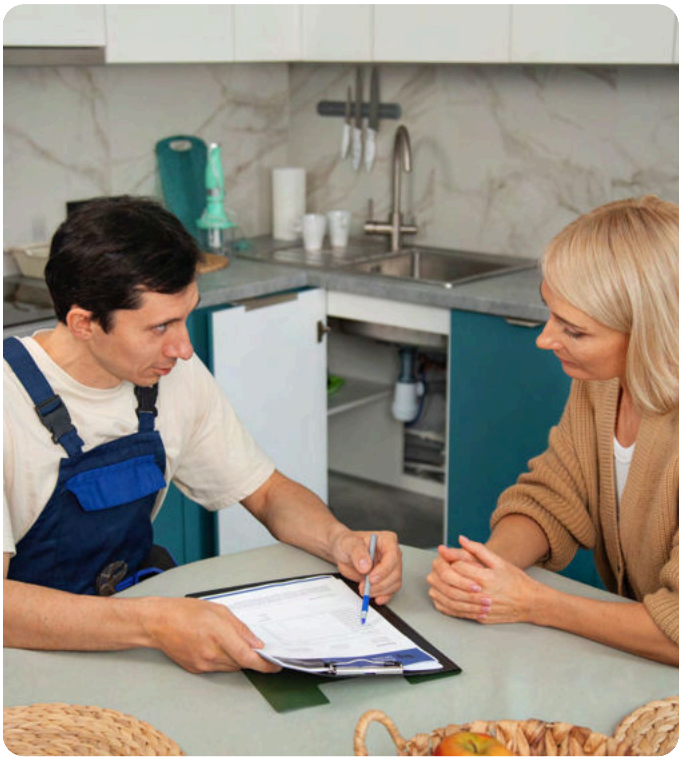


66% of homeowners plan to spend more than $15,000 on home improvements in the next 12 months

Renovation budgets are sizable. Twenty-seven percent of homeowners plan to spend between $15,001 and $30,000 in the next 12 months, 19% plan to spend $30,001 to $50,000, and 20% plan to spend more than $50,000. At the upper end of that range, homeowners are funding whole-room remodels, additions, and structural projects — the kind of work that changes how the home functions to extend its livability for years to come.

Approximately how much do you plan to spend on home improvements in the next 12 months?

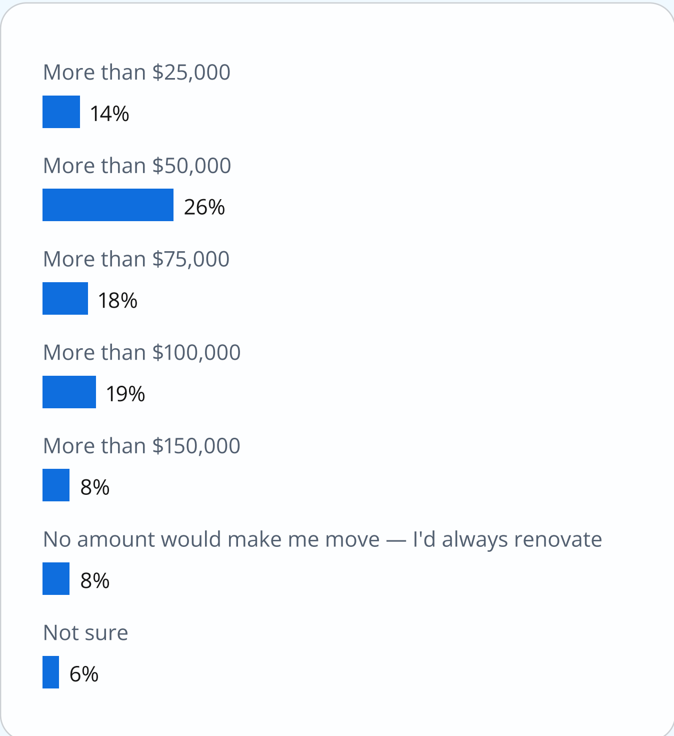




Most homeowners would consider moving only when renovation costs cross $50,000

There is a price point at which renovation stops making sense as a substitute for moving and for most homeowners, that price is high. Twenty-six percent say they would consider moving if renovation costs would exceed $50,000, 18% would draw the line at $75,000, and 19% at $100,000. A further 8% wouldn't move even at $150,000, and 8% say no renovation cost would push them to move.

At what point would renovation costs make you consider moving instead?



Over half of homeowners plan to use cash for renovations, followed by credit cards — then personal and home equity loans

Cash savings remain the most common funding source for renovations at 54%, but it is rarely the only one. Credit cards appear in 37% of funding plans, personal or home improvement loans in 18%, home equity loans in 18%, and HELOCs in 15%. Contractor financing shows up in 13% of plans, and buy-now-pay-later or financing platforms in 15%. Most homeowners are stacking sources rather than relying on one — a pattern that creates clear opportunity for transparent, comparison-driven financing options.

How do you plan to fund your upcoming renovation projects?

Cash savings	**54%**
Credit card	**37%**
Personal loan or home improvement loan	**18%**
Home equity loan	18%
Home equity line of credit (HELOC)	15%
Family or personal loan	15%
Buy now, pay later / financing platform	15%
Contractor financing	13%
Cash-out refinance	10%
Other	4%
None of the above	1%

Respondents could select more than one answer, so totals exceed 100%.

Interest rate and monthly payment dominate financing decisions

When choosing a financing option for a home renovation, 52% of homeowners name interest rate as a top-three factor, and 49% name monthly payment amount. Speed of approval (30%) and loan term flexibility (29%) round out the top tier. Notably, 19% rank no-credit-impact rate checking among their top factors, and 20% prioritize comparing multiple lenders at once.

What are your top three most important factors when choosing a financing option for a home renovation?

Respondents could select more than one answer choice, so totals exceed 100%.

84% of homeowners are open to using contractor-offered financing

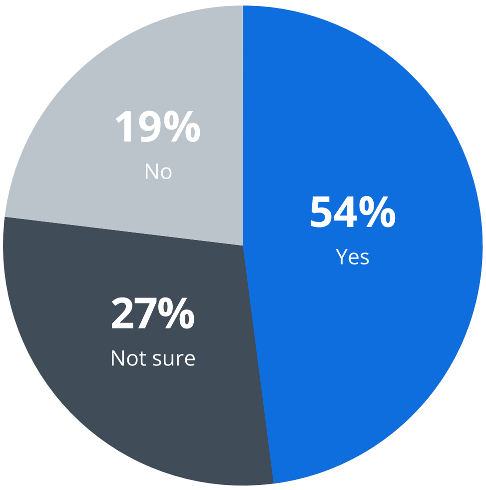
Contractor financing isn't the first funding source homeowners reach for — just 13% list it among their planned funding sources. But when offered directly, they are overwhelmingly open to it. Eighty-four percent of homeowners say they would be very or somewhat likely to use financing offered by a contractor, either through the contractor's own program or a link on the contractor's website.

If a contractor offered financing directly to help you complete a renovation, how likely would you be to use it?

54% of homeowners are willing to use home equity to finance a renovation

Homeowners view the equity built up in their homes as a resource worth tapping when the project calls for it. 54% say they are willing to use home equity to finance a renovation. The years between 2010 and 2022 produced significant equity gains for the homeowners in this cohort, and many are now treating those gains as fuel for reinvesting in the home itself rather than leverage for a future move.

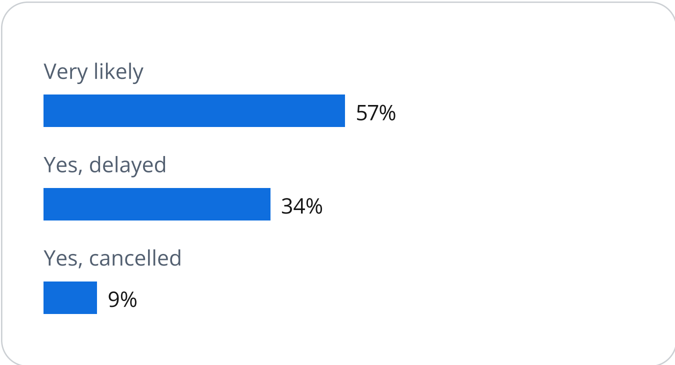
Are you willing to use your home equity to finance a renovation project?



43% of homeowners have delayed or cancelled a renovation in the past year over cost

Renovations are not without their hurdles, and sticker shock has been one of the biggest. Forty-three percent of homeowners have either delayed or cancelled a project in the past 12 months because of cost or financing concerns. Homeowners ready to do the work aren't always able to do it at the price they can afford and the gap between what they want and what they can pay for is where projects stall.

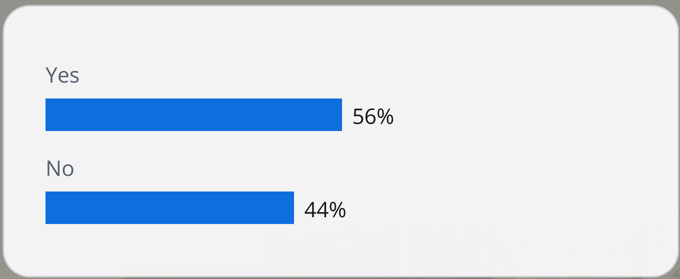
Have you delayed or cancelled a renovation project in the past 12 months because of cost or financing concerns?



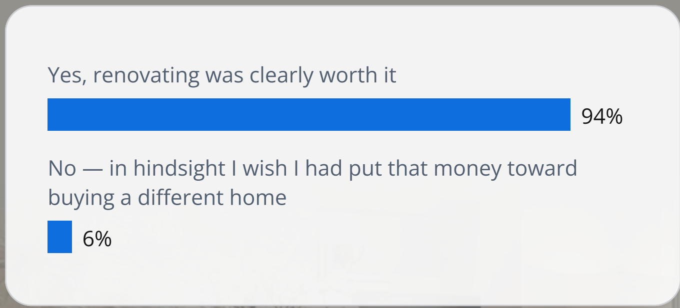
94% of homeowners who renovated say it was worth it compared to moving

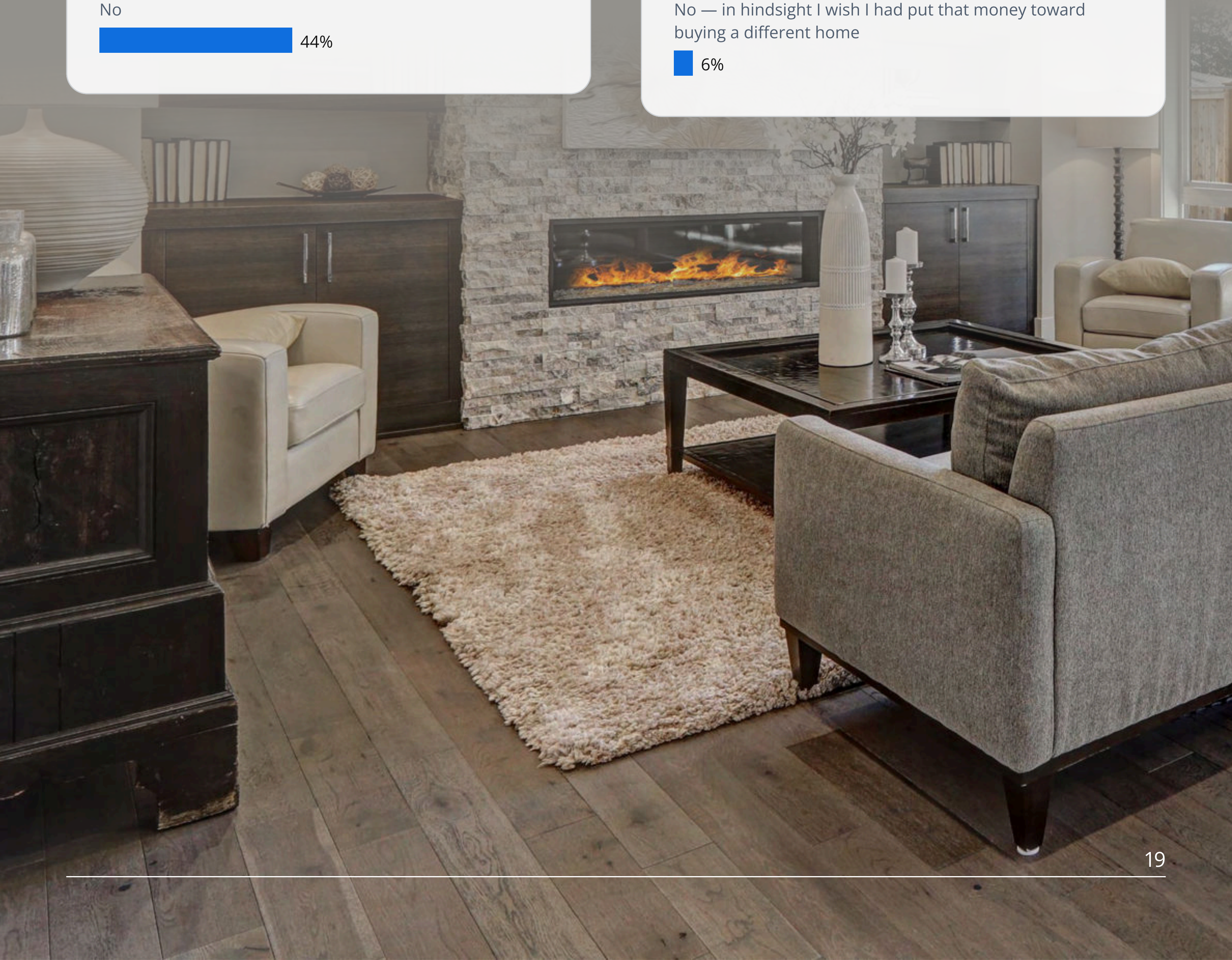
Among the 56% of homeowners who have completed a significant renovation in the past five years, 94% feel the work was clearly worth it compared to what it would have cost to move. The figure points to a renovation track record that has been broadly satisfying — projects that delivered the comfort, livability, and functionality homeowners were after, and validated the choice to invest in the home they already have.

Have you completed any significant home renovation projects in the past five years?



Do you feel those projects were worth it compared to what it would have cost to move?

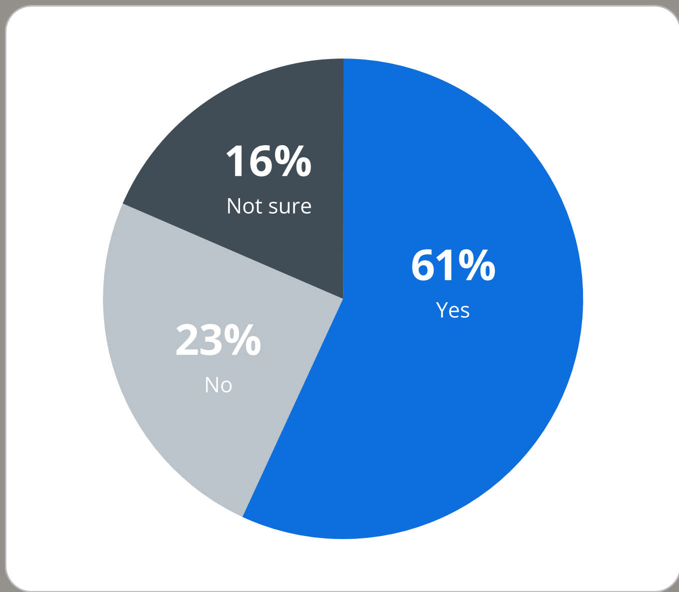


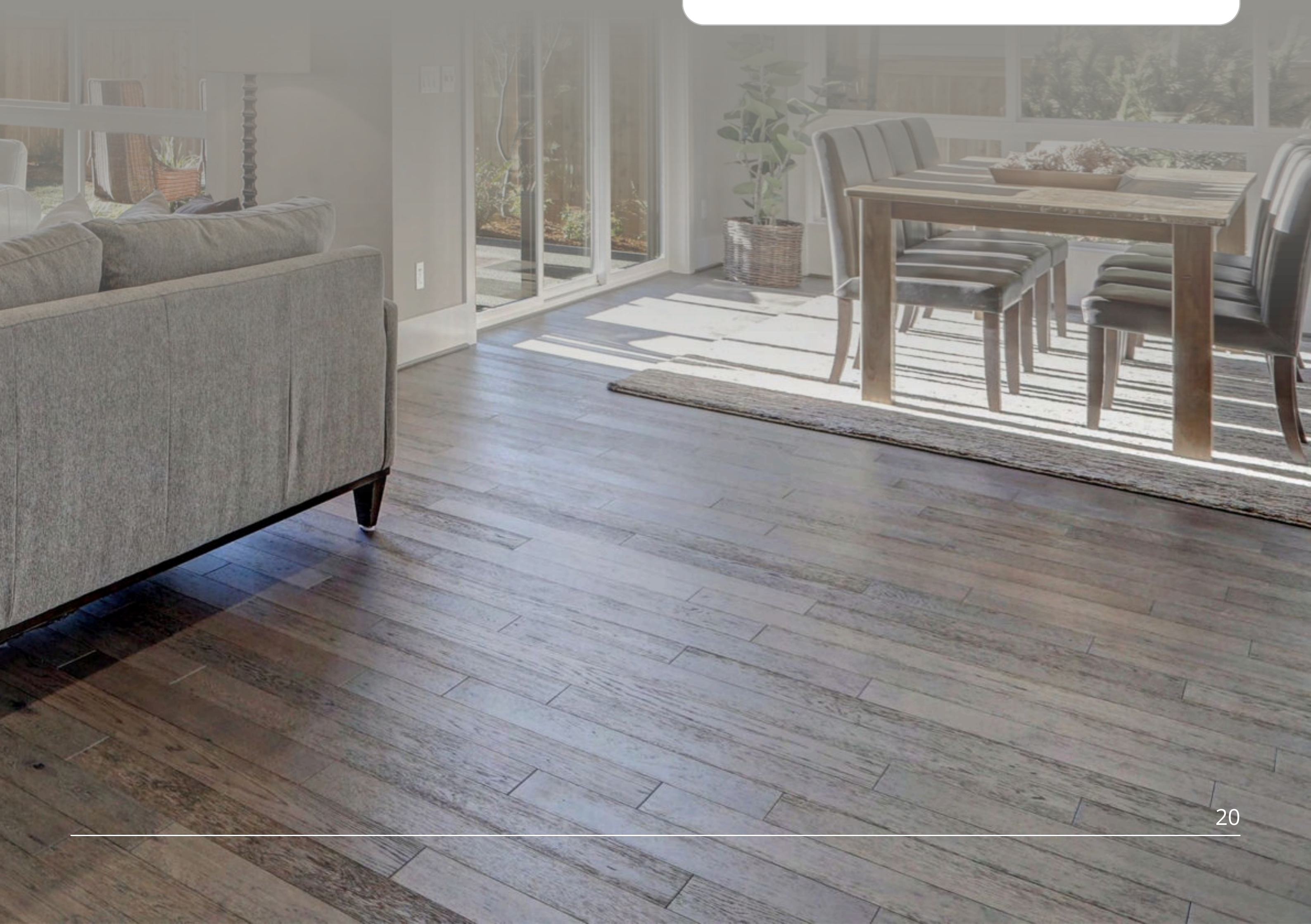


61% of homeowners would buy the same home again at the same time

Knowing what they know now about mortgage rates and the housing market, 61% of homeowners say they would buy the same home again at the same time. Nearly a quarter — 23% — say they would not buy the same house at the same time, indicating that there is a sizable portion of this cohort with regrets about their purchase. But the majority view holds: most homeowners are taking the house and the rate they have and making it work, with renovation filling in the gaps where another house might have once been the answer.

Knowing what you know now about mortgage rates and the housing market, would you purchase the same home again, at the same time?





The Bottom Line

A generation of buyers locked in rates the market no longer offers, and the cost of giving those rates up has rewritten what they do with their homes. Instead of trading up, they are renovating in place — funding bathrooms, kitchens, basements, and accessibility work at scale, and showing strong willingness to finance the work when budgets stretch. The move-up market hasn't disappeared so much as it has been redirected into the homes Americans already own.

Methodology

This survey was conducted online with a sample of 1,000 U.S. homeowners who purchased their current home between 2010 and 2022 — a window that captures buyers who locked in historically low mortgage rates before the sharp run-up of 2022 and 2023. Respondents were screened to confirm homeownership status before participating, and the sample was selected to be representative of U.S. homeowners by gender, age, and geographic distribution.

Results are reported as rounded percentages to the nearest whole number. Where questions allowed respondents to select more than one answer, the column totals exceed 100% and a note appears with the corresponding table.

Acorn Finance helps homeowners and contractors bridge the gap between renovation planning and execution by providing access to multiple personalized loan offers in one place. The platform allows homeowners to compare financing options from several lenders without affecting their credit score, and gives contractors a way to offer financing directly to their clients. Learn more at acornfinance.com.