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Source of Down Payment

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Source of Down Payment

Percentage of owner-occupied housing stock, by major source of down payment, 2015

- ■ United States
- ■ Portland-Hillsboro-Vancouver, MSA
- ■ San Francisco-Oakland-Hayward, MSA
- ■ Seattle-Tacoma-Bellevue, MSA
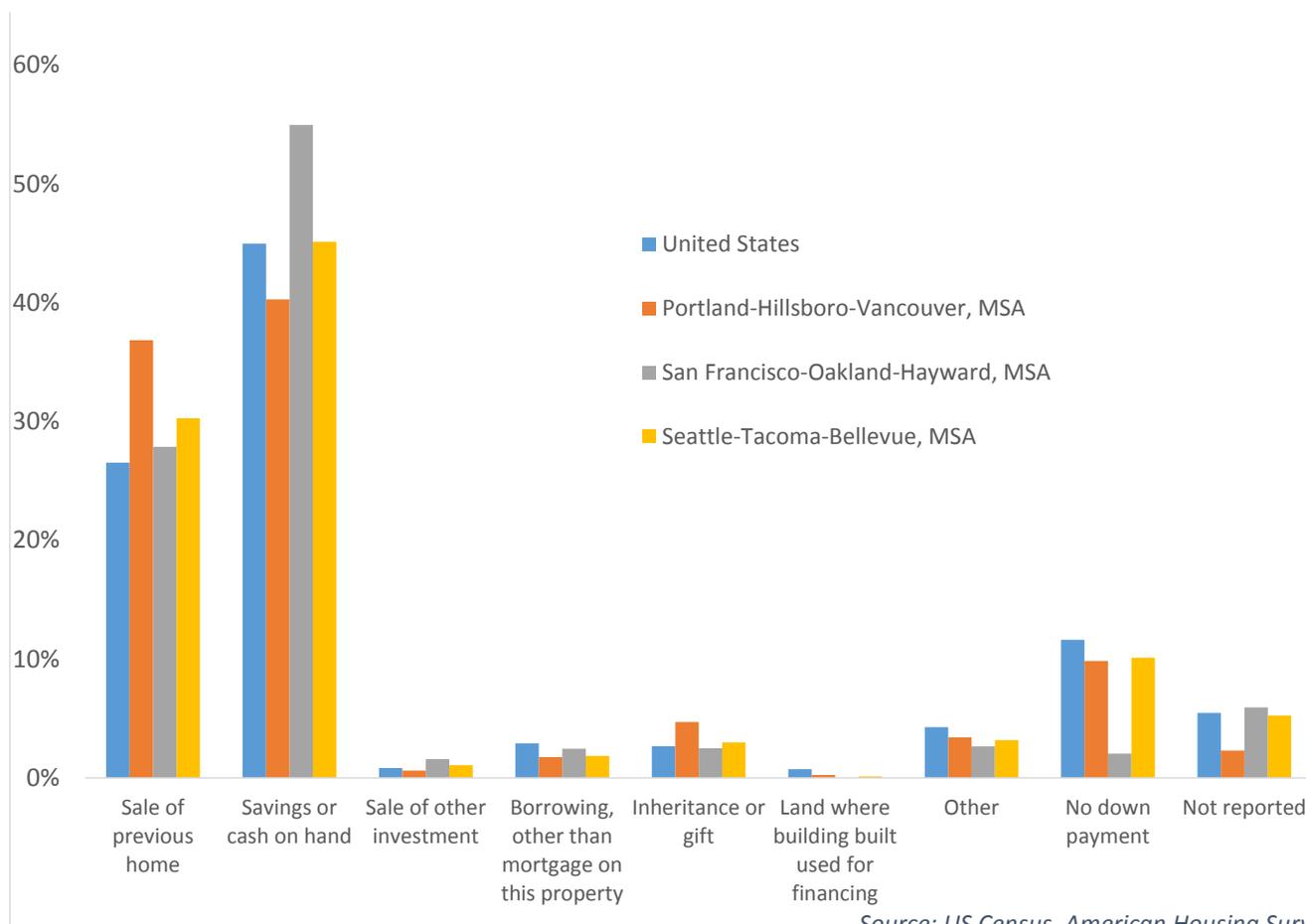
Source: US Census, American Housing Survey

Rising home prices are leaving some Portland MSA residents out of the housing market. What gives some people access to homeownership while others are left out? One factor is the ability to pay a competitive down payment. In 2015, just 6.9 percent of the owner-occupied homes purchased in the Portland MSA were bought outright. The majority of home purchases (70.9%) involved a down payment. The source of down payment for more than three-quarters of the purchases of owner-occupied units was the sale of a previous home (36.8%) or savings or cash on hand (40.3%). Home buyers in the Portland MSA relied more heavily on the sale of their previous home to finance a down payment than homebuyers in the San Francisco MSA (27.9%), the Seattle MSA (30.3%), or the United States (26.5%). Home buyers in Portland were less likely to rely on the sale of another investment to finance their down payment (0.6%) than homebuyers in Seattle (1.1%), San Francisco (1.6%), or the United States (0.8%). They used inheritance or gifts more often than home buyers in other areas, 4.7 percent in Portland compared to between 2.5 percent and 3 percent in Seattle, San Francisco, and the United States.