The Political Economy of Home Buying*

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Abstract

We examine whether partisanship shapes home purchase decisions and their financial consequences using a novel dataset that links individual housing transactions to voter registration records in the United States from 2010 to 2023. We show that Republicans are nearly twice as likely as Democrats to purchase homes and realize 0.69 percent higher housing returns. Individuals are also significantly more likely to purchase a home when their affiliated party controls the White House; an effect we show is causal using the surprise 2016 election as a shock. The alignment effect is strongest for investment-driven purchases and much weaker for consumption-driven purchases. Using survey data on housing market expectations, we provide direct evidence for the mechanism: partisan alignment raises optimism about housing market conditions, and this expectations channel drives purchase decisions. Partisan alignment also distorts purchase timing: aligned buyers tend to purchase too early in a new administration, when partisan optimism is strongest, which is associated with lower subsequent returns. These individual-level shifts in housing demand aggregate to local housing markets, producing higher house prices but lower subsequent housing returns, a pattern consistent with belief-driven overvaluation.

Keywords: Political finance, Partisan alignment, Housing, Real estate, Household finance, Behavioral finance

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"The decision to purchase rather than rent is a decision not only to consume different kinds of housing services but also to lead a different kind of life; this difference has political ramifications, and so the purchase decision enters the arena of politics."—Shiller (2007).

1 Introduction

Political polarization increasingly shapes how Americans live, work, and invest. Yet for most households, no financial decision is larger or more consequential than buying a home: housing is the dominant asset on household balance sheets, and the choice of whether and when to buy can shape a family's finances for decades. We ask whether this decision is shaped by partisan politics: whether Republicans and Democrats differ in their home-buying behavior and housing returns, and whether households respond when their party wins or loses the White House. Answering these questions is central to assessing the broader economic consequences of political polarization.

Whether partisanship extends to home purchase decisions is not obvious ex ante. A growing literature documents that partisan alignment with the president shapes households' economic expectations: individuals report systematically more optimistic views of economic conditions when their affiliated party controls the White House (Mian, Sufi, and Khoshkhou (2023)), and such beliefs affect the equity share and market risk exposure of household portfolios (Meeuwis, Parker, Schoar, and Simester (2022)). However, the evidence that partisan beliefs translate into costly real decisions is limited: Mian, Sufi, and Khoshkhou (2023) find no effect of partisan alignment on new auto purchases or credit card spending. Home purchases occupy a distinct position between these two margins. As the largest investment on most household balance sheets, a home purchase depends heavily on expectations of future prices, the margin along which partisan beliefs operate most directly. At the same time, it is partly constrained by housing consumption needs and shaped by mobility considerations, which may mute the influence of political sentiment. Whether and how partisanship affects home purchase behavior is therefore ultimately an empirical question.

By linking individual housing transactions to voter registration records, we provide the

first systematic evidence that partisanship shapes both individual home purchase decisions and local housing market equilibrium. We combine three complementary data sources for the period 2010 to 2023: voter registration files covering approximately 51.4 million registered voters in Florida, Georgia, North Carolina, Nevada, New York, and Ohio, matched to deed records to form a panel of 718 million voter-year observations and 5.8 million housing transactions; survey data on housing market expectations from the University of Michigan Surveys of Consumers; and county-level housing market outcomes. With these data, we address four questions. First, do Republicans and Democrats differ systematically in home purchase behavior and realized housing returns? Second, does partisan alignment with the president causally affect housing market participation? Third, do partisan beliefs about housing market conditions provide the mechanism? Fourth, what are the financial consequences: does alignment distort purchase timing, and do these individual responses aggregate to local markets, affecting purchase volumes, homeownership, house prices, and subsequent returns?

We first document large and persistent partisan differences in realized housing outcomes. On the purchase margin, the annual probability of buying a home is nearly twice as high among Republicans as among Democrats (0.75 vs. 0.39 percentage points), a gap that remains economically meaningful after controlling for demographics, time-varying county conditions, and zip code and year fixed effects. On the return margin, Republicans earn 0.69 percent higher unlevered annualized returns than Democrats. This partisan return gap lies between the racial and gender return gaps documented in the literature.[1] The gap is also not simply a matter of where and when partisans transact: market timing and location choices explain roughly half of the raw gap, but Republicans earn 0.32 percent higher returns even relative to Democrats who buy and sell in the same zip code in the same months.

We then document a partisan alignment effect in home buying: individuals are significantly more likely to purchase a home when their affiliated party controls the White House, an increase of roughly 13 percent relative to the mean purchase probability. The result holds

[1] Kermani and Wong (2026) document a racial return gap of 0.39 percent between Black and White homeowners; Goldsmith-Pinkham and Shue (2023) document a gender return gap of approximately 1.5 percent.

after controlling for demographic characteristics, time-varying county conditions, and zip code and year fixed effects. This alignment effect varies sharply with the motive underlying the purchase. Relative to the sample mean, alignment increases subsequent investment purchases by 14.4 percent, first-home purchases by 12.6 percent, and subsequent move purchases by only 0.9 percent. The effect is thus concentrated in purchases with an investment motive and nearly absent for moves, which mainly reflect consumption and mobility considerations. This pattern speaks directly to the tension raised above: partisan beliefs move decisions with a strong investment component, echoing their effect on household portfolios (Meeuwis, Parker, Schoar, and Simester (2022)). In contrast, consumption-driven choices are largely untouched, consistent with the absence of alignment effects on auto purchases and credit card spending (Mian, Sufi, and Khoshkhou (2023)). This alignment effect is also stronger among male and younger voters and for single-family home purchases.

We further use the 2016 presidential election as a political shock. The outcome was largely unexpected, and the policy differences between the two major candidates were substantial. Using a difference-in-differences (DiD) design that exploits within–zip code variation over time, we find that partisan alignment with the president causally affects individual housing market participation. Purchase probabilities trended similarly for Republicans and Democrats before the election, supporting the parallel trends assumption. After the election, the alignment effect emerges immediately and strengthens within two years; the static DiD estimate implies an increase of roughly 8 percent relative to the mean.[2] The immediacy of the response is informative about the mechanism: because the shift begins before any policy or economic changes could plausibly take effect, it points to changing expectations rather than realized fundamentals.

What explains these patterns? We provide direct evidence for an expectations channel using the University of Michigan Surveys of Consumers. Both homeowners and renters report significantly more favorable home-buying conditions when their affiliated party controls the presidency, and around elections that shift White House control, expectations adjust sharply: aligned respondents become more optimistic and misaligned respondents

[2]For comparison, Meeuwis, Parker, Schoar, and Simester (2022) find that households in Republican-leaning zip codes increased equity exposure by roughly 0.4 percent of wealth relative to those in the most Democratic-leaning zip codes after the 2016 election.

more pessimistic. These belief responses are asymmetric across parties. Following Republican victories, the odds that aligned respondents report favorable conditions rise by a factor of 2.7 after the 2016 election and 3.7 after the 2024 election; the corresponding shifts after Democratic victories in 2008 and 2020 are substantially smaller. We then link these beliefs directly to behavior. Constructing an annual measure of the partisan gap in home-buying expectations from the survey, we show that Democrats' purchase probability falls relative to Republicans' precisely when Republicans are more optimistic about home-buying conditions: a one standard deviation increase in the expectations gap is associated with a 0.039 percentage point relative decline in Democrats' purchase rate. Partisan beliefs, in other words, do not merely track the political cycle; they map into realized purchase decisions.

Partisan alignment affects not only whether households buy but also when they buy. Using ZIP code-level data, we relate the share of purchases made by politically aligned buyers to subsequent local housing returns across the presidential term. Early in a new administration, when partisan bias is likely strongest, a higher aligned purchase share predicts significantly lower one-year-ahead returns, roughly 1.6 percent lower per one percent increase in the aligned share during the first two years of the term. This relation weakens after the midterm elections and turns positive by the final year. Moreover, in every year of the term, returns from waiting one additional year exceed the returns aligned buyers actually earn, indicating that aligned households systematically buy too early, precisely when their partisan optimism peaks.

Finally, these individual responses aggregate to local housing markets. Relative to misaligned counties, politically aligned counties experience approximately 8.7 percent higher home purchase volumes, 0.6 percentage points higher homeownership rates, and 6.8 percent higher house prices. Despite the higher prices, aligned counties earn lower subsequent returns: total housing returns, including rents, are about 0.8 percentage points lower during aligned periods, a pattern consistent with belief-driven overvaluation. These pricing effects are attenuated in counties with stronger Democratic support, consistent with the weaker partisan bias in expectations among Democrats documented in our survey evidence. Our findings speak to recent calls for evidence on the aggregate asset-pricing implications of political polarization (Kempf and Tsoutsoura (2024)).

Related Literature Our paper contributes to the literature on partisanship and household economic decisions. Partisan alignment with the president shapes households' expectations (Bartels (2002); Mian, Sufi, and Khoshkhou (2023)) and their portfolio choices (Meeuwis, Parker, Schoar, and Simester (2022)). The evidence on costly real decisions is more limited, however, as Mian, Sufi, and Khoshkhou (2023) find no effect of partisan alignment on auto purchases or credit card spending.[3] We show that partisan alignment shapes both housing market expectations and realized home purchases at the individual level, with the effect concentrated in purchases with a strong investment motive and absent for consumption-driven moves. This pattern is consistent with housing's dual role as investment and consumption (Henderson and Ioannides (1983); Flavin and Yamashita (2002)) and reconciles the portfolio and spending findings. More broadly, Das, Kuhnen, and Nagel (2020) show that belief differences measured in the Michigan Survey of Consumers relate to households' consideration of major purchases; we provide direct evidence that such beliefs translate into actual transactions.[4]

Our paper also adds to work on heterogeneity in housing outcomes. Goldsmith-Pinkham and Shue (2023) document a gender gap in housing returns of approximately 1.5 percent, and Kermani and Wong (2026) document a racial return gap of 0.39 percent.[5] We show that party affiliation is a comparably important individual characteristic: Republicans purchase homes at nearly twice the annual rate of Democrats and earn higher realized unlevered returns, a partisan gap that lies between the documented gender and racial gaps in magnitude.

A large literature links partisan alignment to the decisions of finance professionals and firms. Most closely related, Kempf and Tsoutsoura (2021) show that credit rating analysts assign more favorable ratings when aligned with the president, and Engelberg, Guzman, Lu, and Mullins (2022) document that partisan alignment affects entrepreneurship, a real

[3]Related work documents partisan differences in investor beliefs during the COVID-19 pandemic (Cookson, Engelberg, and Mullins (2020)), consumption responses to election outcomes (Gillitzer and Prasad (2018)), and partisan effects on household fertility decisions (Dahl, Lu, and Mullins (2022)).

[4]See also Benhabib and Spiegel (2019), who show that survey-measured sentiment predicts state-level economic activity.

[5]See also Gupta, Hansman, and Mabille (2025) on financial constraints and the racial housing gap, and Baldauf, Favilukis, Garlappi, and Zheng (2026) on politicians' real estate returns.

economic decision with a strong investment component.[6] As Kempf and Tsoutsoura (2024) note in their review, however, relatively little is known about the aggregate asset-pricing implications of polarization. We provide such evidence in the largest household asset market: partisan demand raises local house prices and lowers subsequent housing returns, consistent with belief-driven overvaluation.

Finally, our paper relates to work on political polarization and housing markets. McCartney, Orellana-Li, and Zhang (2024) show that residents are more likely to sell when opposite-party neighbors move in nearby, identifying affective polarization as the channel, and Grotteria, Naaraayanan, and Pagliuca (2025) show that congressional representation shapes local housing markets through credit allocation.[7] We differ in emphasizing a partisan belief channel: households become more optimistic when their party holds the White House, and these beliefs shape whether and when they buy, with consequences for prices and returns.

Our paper is related to independent and contemporaneous work by Chu, James, and Wang (2024), who link voter registration records to housing transactions in North Carolina and also document that politically aligned voters are more likely to transact. Beyond this shared starting point, the two papers pursue different questions. Their paper asks which belief channel, optimism or reduced perceived uncertainty, drives the transaction decision itself.[8] Our paper asks what partisan-driven purchases cost households and markets. We study realized housing returns, purchase timing over the presidential term, and market-level prices and subsequent returns, outcomes their paper does not examine. We also provide direct survey evidence on the mechanism: partisan alignment raises housing

[6] Partisanship also shapes syndicated loan pricing (Dagostino, Gao, and Ma (2023)), mutual fund allocation and information processing (Cassidy, Vorsatz, and Rice (2025); Wang (2025)), institutional investors' international allocation (Kempf, Luo, Schäfer, and Tsoutsoura (2023)), stock prices and return predictability (Addoum and Kumar (2016); Sheng, Sun, and Wang (2024)), executive and inventor decisions (Rice (2024); Engelberg, Lu, Mullins, and Townsend (2025)), monetary policymaking (Pagliuca (2025)), corporate political polarization (Fos, Kempf, and Tsoutsoura (2025); Wu and Zechner (2026); Pan, Pikulina, Siegel, and Wang (2026)), and employment relationships (Colonnelli, Neto, and Teso (2025)).

[7] See also Baldauf, Garlappi, and Yannelis (2020) and Bernstein, Billings, Gustafson, and Lewis (2022) on partisan beliefs, climate risk, and residential sorting.

[8] Chu, James, and Wang (2024) examine buying and selling, as well as trading up and trading down, to separate first-moment optimism from a second-moment channel in which alignment lowers perceived uncertainty and accelerates transactions in both directions. Their identification exploits a local media shock, and their equilibrium analysis shows that increased listings by aligned sellers can depress relative transaction prices across neighborhoods within a market. That result concerns a different margin from ours, which compares price levels and returns across markets, so the two sets of findings are complementary.

market expectations, and this expectations channel maps into purchase decisions, whereas their paper infers belief channels from transaction patterns. Our identification exploits a difference-in-differences design around the surprise 2016 election, with data covering 51.4 million voters across six states.

The remainder of the paper is organized as follows. Section 2 describes the data. Section 3 presents stylized facts on partisanship and housing outcomes. Section 4 examines how partisan alignment affects home purchase decisions. Section 5 provides survey evidence on the expectations channel. Section 6 studies purchase timing. Section 7 examines aggregate effects on local housing markets. Section 8 concludes.

2 Data

2.1 Voter Registration Records

Voter registration records document the administrative enrollment of eligible citizens with election authorities in each state, which is required to participate in US presidential elections. We use official voter registration records from Florida, Georgia, North Carolina, Nevada, New York, and Ohio to classify registrants' party affiliations. These records report each registrant's full name, current residential address, gender, date of birth, and party affiliation if applicable. In states with mandatory party registration, we classify registrants based on their registered party. In states without mandatory party registration, we infer registrants' party affiliations using their historical primary election participation. Although Ohio formally records party affiliation, these records contain substantial measurement error, so we infer Ohio registrants' party affiliations from their historical primary participation as well.

Across Florida, Georgia, North Carolina, Nevada, New York, and Ohio, there are 51.4 million currently registered voters. Non–party-affiliated voters—defined as individuals not affiliated with either the Democratic or Republican Party—constitute the largest group, with 19.9 million voters (38.71%). Democrats form the second-largest group, totaling 17.7 million voters (34.44%), while Republicans account for the remaining 13.8 million voters (26.85%). We restrict the following analysis to Democrats and Republicans.

2.2 Housing Transactions and the Matched Voter Panel

To identify voters' home purchases, we link three sources: deed transaction records, consumer address histories, and the voter registration files described above. We utilize Attom deed transaction records to gather information on U.S. home buyers' property transactions. Attom data is similar to the CoreLogic and Zillow datasets widely used by academics. Attom contains data on millions of housing transactions in the U.S. This data is collected from public records such as deeds, and the vast majority of transactions are single-family homes. Though some of the transactions are from the 1970s, the coverage is relatively poor until the late 1990s. For each transaction, Attom reports the location, price, names of the buyer and seller, as well as other information. To ensure that our analysis of home buying is not confounded by the systemic risk during the great financial crisis, we restrict the sample to transactions from 2010 to 2023.

We select transactions of property addresses located in the states of Florida, Georgia, North Carolina, Nevada, New York, and Ohio. We retain only residential properties purchased in the transactions. We discard transactions that are not arm's length. We drop transactions with missing transaction dates. We exclude transactions classified as "Construction loan," "Foreclosure," "Mortgage," and "Timeshare Transfer." We also exclude auction sales and quitclaim transactions. We discard partial interest transactions. We discard documents with types such as affidavits of death, intrafamily transfers, and gift deeds. We retain transactions with transfer amounts between $10,000 and $5,000,000.

Linking these transactions to voters requires each voter's historical addresses, which we obtain from Verisk Consumer Address History. Verisk Consumer Address History is a dataset that tracks up to ten historical addresses for each consumer in the United States over the past thirty years. We process Verisk's Consumer Address History data to construct a clean panel of individuals' historical residential locations in the six sample states. Using the address effective date, we sort each consumer's address history from newest to oldest and designate the most recent entry as the consumer's current residence. To reduce false matches in dense or ambiguous locations, we drop current addresses associated with more than ten consumers.

With voters' address histories in hand, we match voters to deed transactions using

standardized names and addresses. First, we match the current address in the Verisk data to the current residential address in the voter registration records, which links each voter to their address history. Second, to identify whether and when a voter purchased a home, we link the voter's historical addresses to property addresses or mailing addresses in the Attom deed records. The resulting sample comprises 718 million voter-year observations from 2010 to 2023, built from 5.8 million matched housing transactions.

To measure realized housing returns, we construct a repeat-sales sample from the matched transactions, following Goldsmith-Pinkham and Shue (2023). We restrict the dataset to properties that transact at least twice during the sample period and can be matched across transactions using consistent property identifiers. We then sort transactions chronologically within each property and pair each purchase with the subsequent sale to form repeat sales observations. To further refine the sample, we require ownership consistency across transactions by keeping only cases in which the buyer in the first transaction is the same individual as the seller in the subsequent transaction. This restriction ensures that each repeat sales pair reflects a continuous holding period by a single owner. We then calculate the return for each property over each holding period. We winsorise returns at the 1st and 99th percentiles and obtain a final sample of 480,421 repeat sales observations held by voters.

2.3 Surveys of Consumers from University of Michigan

We measure household expectations in housing markets using the data from the University of Michigan's Consumer Survey. The Michigan survey is a nationally representative survey of about 500 individuals every month. On average, two-thirds of the individuals surveyed in a month are interviewed a second time after six months. The remaining third are only surveyed once. We do not utilize the panel structure of the data, and so the sample is a repeated cross-section in each month. The dataset available for research spans from 1978 to the present. The key variables used to assess housing market beliefs in this paper include three main metrics: individuals' attitudes toward home buying conditions; homeowners' expectations of home values over the next year and the next five years; and their political affiliations.

The University of Michigan's Consumer Survey has been asking comprehensive monthly questions related to home buying attitudes since 1978, such as: "Generally speaking, do you think now is a good time or a bad time to buy a house?". This question is asked to both homeowners and renters. Response options are numerically coded as follows: 1 indicates a "good time", 3 signifies "pro-con" and 5 represents a "bad time." We develop an indicator for positive house-buying expectations, assigning a value of 1 for responses indicating a "good time" and 0 for "bad time"; respondents answering "pro-con" are excluded from this binary outcome. The respondents evaluate current house-buying conditions based on current credit conditions, the current level of house prices, and the expected future change in house prices. Additionally, to measure homeowners' expectations of home values over the next year, the survey asks, "By about what percent do you expect prices of homes like yours in your community to go (up/down), on average, over the next 12 months?" To assess homeowners' expectations of home values over the next five years, the survey inquires, "By about what percent do you expect prices of homes like yours in your community to go (up/down), on average, over the next 5 years?"

Determining the party affiliation is more complex. The Michigan survey provides monthly data on party affiliations since the year 2006, but not consistently over time. Specific months across various years include questions related to political leanings. We discern a respondent's political affiliation through two questions from the Michigan Survey. The primary question asks: "Generally speaking, do you usually think of yourself as a Republican, a Democrat, an Independent, or what?". Those who identify as Independents are further queried: "Do you think of yourself as closer to the Republican Party or to the Democratic Party?". Responses to either question categorize individuals as Republicans or Democrats. All other responses are labeled as independent citizens. For subsequent empirical analyses, individuals marked as Independents are not considered.

2.4 Aggregate Level Variables

We collect county-level presidential election voting records from the MIT Election Lab, which compiles presidential election records for the years 2000, 2004, 2008, 2012, 2016, and 2020. We define county i as Republican (Democratic) in year t if Republican (Democratic)

presidential candidates received more total votes in the most recent election. We directly aggregate the purchase volumes of residential housing in each county from 2010 to 2023 using data from Attom. We collect annual house prices, rents, units of owners, and units of renters at the county level from American Community Survey for the period from 2010 to 2023. We collect the ZIP code level FHFA House Price Index from the Federal Housing Finance Agency for the period 2010 to 2025.

We collect personal income and population for all counties from 2010 to 2023 from the Bureau of Economic Analysis. We collect one unit conforming loan limit for all counties from 2010 to 2023 from the Federal Housing Finance Agency. We collect the unemployment rate for all counties from 2010 to 2023 from the U.S. Bureau of Labor Statistics. We also collect two aggregate macroeconomic variables: national home price and inflation rate. The national home price levels are derived from data available on Robert Shiller's website. The realized inflation rate is computed using the Consumer Price Index for All Urban Consumers from the Federal Reserve Bank of St. Louis.

2.5 Summary statistics

Table 1 reports summary statistics for the annual probability of home purchase by individual characteristics, housing type, and purchase type from 2010 to 2023. It presents mean, standard deviation, and proportion of the total population. The final individual-level sample comprises 718 million individual-year observations. Restricting the sample to Democrats and Republicans yields 441 million observations, which we use in the subsequent analysis, with an average annual home purchase probability of 0.54 percentage points per resident. By partisanship, the mean probability is 0.39 percentage points for Democrats and 0.75 percentage points for Republicans. By gender, males exhibit an average annual home purchase probability of 0.84 percentage points, compared with 0.29 percentage points for females. By age group, the mean annual probability is 0.04 percentage points for individuals aged 18–30, and 0.31 percentage points, 0.67 percentage points, 0.74 percentage points, and 0.69 percentage points for those aged 31–40, 41–50, 51–60, and 61–70, respectively. By housing type, the mean annual purchase probability is 0.49 percentage points for single family houses and 0.03 percentage points for multi-family houses.

By home purchase type, the mean annual purchase probability is 0.48 percentage points for first purchase home and 0.06 for subsequent investment purchase, and 0.01 for subsequent move purchase.

Panel B of table 1 reports summary statistics for annualized realized unlevered housing returns and table IA.1 reports holding periods by individual characteristics from 2010 to 2023. We winsorise returns at the 1st and 99th percentiles. It presents mean, standard deviation, and proportion of the total transactions. The final sample comprises 480,421 repeat-sales transactions, with 9.57 percent average annualized realized unlevered housing return and 4.77 years for holding. By partisanship, Democrats have a mean return of 9.16 percent and a mean holding period of 4.89 years, while Republicans have a mean return of 9.79 percent and a mean holding period of 4.71 years. By gender, the males have a mean return of 9.46 percent and a mean holding period of 4.82 years, while the females have a mean return of 9.9 percent and a mean holding period of 4.64 years. By age group, the mean return is 13.69 percent for individuals aged 18–30, and 9.98 percent, 8.54 percent, 9.44 percent, and 10.28 percent for those aged 31–40, 41–50, 51–60, and 61–70, respectively; the holding period is 3.47 years for individuals aged 18–30, and 4.38 years, 5.04 years, 4.85 years, and 4.77 years for those aged 31–40, 41–50, 51–60, and 61–70, respectively

Table IA.1 reports summary statistics for the variables used in the paper from the University of Michigan's Surveys of Consumers, spanning September 2006 to October 2024. Table IA.1 reports summary statistics for the county-level variables used in the analysis. Residential housing purchase volume is sourced from the Attom database and spans 2010–2023. The table also includes house prices and homeownership rates from the American Community Survey, as well as measures of total housing returns (including rents), covering 2010 through 2023. In addition, the table reports county characteristics, including personal income, population, one-unit conforming loan limit, and unemployment rate.

3 Partisan Gaps in Home Purchases and Housing Returns

3.1 The Partisan Gap in Home Purchases

We first estimate regressions of the home purchase probability as a function of party affiliation and demographic characteristics to assess the magnitude and persistence of the partisan gap in housing behavior. Specifically, we estimate the following specification:

$$Y_{i,z,t} = \gamma_D \, Dem_{i,z} + \phi' X_{i,z,t} + \theta' \, CountyChar_{c,t} + \alpha_{z,t} + \varepsilon_{i,z,t} \tag{1}$$

where $Y_{i,z,t}$ is an indicator for whether an individual i purchases a home in zip code z in year t. The variable $Dem_{i,z}$ is a binary indicator equal to one if the individual identifies as a Democrat and zero if the individual identifies as a Republican. $X_{i,z,t}$ includes controls for gender and age group. $CountyChar_{c,t}$ is a vector of county-level financial and socioeconomic characteristics, including population, personal income, one-unit conforming loan limit, and unemployment rate in year t. $\alpha_{z,t}$ denotes zip and year fixed effects. Consequently, our estimates compare Republicans and Democrats living in the same ZIP code in the same year. These fixed effects absorb a large portion of local conditions common to residents of a ZIP code in a given year, including local wealth and economic conditions, housing supply, house prices, and amenities. We also control for age and gender, which proxy for life-cycle and demographic differences in purchase propensity. We cluster standard errors by county. We run regressions at the zip-party-characteristic-year cell level and weighted by the number of voters in each cell as designed in Engelberg, Guzman, Lu, and Mullins (2022).

Table 2 reports estimates from Equation (1). Column (1) shows that Republicans are 0.20 percentage points more likely to purchase a home. The implied Republican–Democrat difference is equivalent to 37 percent of the sample mean. This partisan gap remains sizeable after including demographic controls. In Column (2), which adds gender indicators, the Republican–Democrat gap narrows to 26 percent of the mean. In Column (3), which adds age-group indicators, the Republican–Democrat gap narrows to 32 percent of the

mean. In Column (4), adding both age and gender controls, the gap declines further to 21 percent of the mean but remains economically meaningful. These findings are consistent with the widely documented pattern that Republicans are more likely than Democrats to own homes.[9] The model fit improves substantially with the inclusion of controls, with the R^2 rising from 0.25 in Column (1) to 0.41 in Column (4).

3.2 The Partisan Gap in Housing Returns

Second, we estimate regressions of the unlevered housing return as a function of party affiliation and demographic characteristics to assess the magnitude and persistence of the partisan gap in housing returns. Specifically, we estimate the following specification:

$$R_{i,z,t} = \gamma_D \, Dem_{i,z} + \phi' X_{i,z,t} + \theta' \, CountyChar_{c,t} + \alpha^B_{z,t} + \alpha^S_{z,t} + \alpha^{B,S}_t + \varepsilon_{i,z,t} \qquad (2)$$

where $R_{i,z,t}$ measures the annualized realized unlevered housing return of individual i in zip code z in year t. The variable $Dem_{i,z}$ is a binary indicator equal to one if the individual identifies as a Democrat and zero if the individual identifies as a Republican. $X_{i,z,t}$ includes controls for holding periods, gender and age. $CountyChar_{c,t}$ is a vector of county-level financial and socioeconomic characteristics, including population, personal income, one-unit conforming loan limit, and unemployment rate in year t. $\alpha^B_{z,t}$ denotes zip and buy year-month fixed effects. $\alpha^S_{z,t}$ denotes zip and sell year-month fixed effects. $\alpha^{B,S}_t$ denotes buy and sell year-month fixed effects. Consequently, our estimates compare Republicans and Democrats living in the same ZIP code in the same year. These fixed effects absorb a large portion of local conditions common to residents of a ZIP code in a given year, including local wealth and economic conditions, housing supply, house prices, and amenities. We

[9] As noted by *Fortune*, "Homeowners are red, renters are blue"—reflecting a broader political divide in housing tenure. The article highlights that homeowners tend to lean Republican, while renters overwhelmingly support Democrats, suggesting that housing status is closely linked to political identity. See: *Homeowners are red, renters are blue: The broken housing market is merging with America's polarized political culture*, *Fortune*, March 16, 2024. https://fortune.com/2024/03/16/homeowners-red-renters-blue-broken-housing-market-polarized-political-culture/.
See also: *Yahoo Finance* reporting that in all but seven states, homeowners are much more likely to be affiliated with the Republican Party. https://finance.yahoo.com/news/homeowners-red-renters-blue-broken-090000000.html.

also control for age and gender, which proxy for life-cycle and demographic differences. We cluster standard errors by county.

Table 3 reports estimates from Equation (2). We begin by showing how housing returns differ by the partisanship. We use observations at the transaction level. The sample is restricted to observations for which the partisanship of all sellers can be identified, and for which we can match the identity of the seller at the time of sale to the identity of the buyer at the time of initial purchase. In column (1) of Table 3, we find that Republicans earn 0.69 percent higher unlevered annualized returns than the Democrats. The estimated partisan return gap of 0.69 percent is economically meaningful. It lies between the racial return gap of 0.39 percent (Kermani and Wong (2026)) and the gender return gap of approximately 1.5 percent (Goldsmith-Pinkham and Shue (2023)). Moreover, given the average holding period of 4.8 years, the gap corresponds to a cumulative difference of approximately 3.3 percent in realized returns, or roughly 7 percent of the sample mean annual return of 9.6 percent.

We then explore how much of this overall partisan gap can be explained by market timing. Moving from column (1) to column (5), we introduce progressively more detailed controls: zip-year-month fixed effects for the initial purchase transaction, zip-year-month fixed effects for the sale transaction, and the interaction between purchase and sale year-month fixed effects, which subsumes the holding-period control. Market timing and location choices, that is, where and when households buy and when they sell, explain approximately 54 percent of the raw gap, a share comparable to the 45 percent that Goldsmith-Pinkham and Shue (2023) attribute to timing and location for the gender return gap. A substantial gap nonetheless remains: among Republicans and Democrats who buy and sell in the same zip code in the same year-months, Republicans earn 0.32 percent higher unlevered annualized returns

4 Partisan Alignment and Home Purchase Decisions

4.1 Partisan Alignment Effect in Home Buying

In this section, we analyze individual-level panel data from Florida, Georgia, North Carolina, Nevada, New York, and Ohio from 2010 to 2023 to estimate the average relationship between home purchase behavior and partisan alignment with the president.

Leveraging the panel structure of our data, we estimate the following:

$$Y_{i,z,t} = \beta \cdot Alignment_{i,z,t} + \gamma_D \, Dem_{i,z} + \phi' X_{i,z,t} + \theta' \, CountyChar_{c,t} + \alpha_{z,t} + \varepsilon_{i,z,t} \quad (3)$$

where $Y_{i,z,t}$ is an indicator for whether an individual i purchases a home in zip code z in year t. The variable $Dem_{i,z}$ is a binary indicator that equals one if the individual identifies as a Democrat and zero if the individual identifies as a Republican. The variable $Alignment_{i,z,t}$ equals one when the individual's party affiliation matches that of the sitting president in year t. *Alignment* equals one for Republicans during 2017–2020 and for Democrats during 2010–2016 and 2021–2023, and zero otherwise. $X_{i,z,t}$ includes controls for age group and gender. $CountyChar_{c,t}$ is a vector of county-level financial and socioeconomic characteristics, including population, personal income, the one-unit conforming loan limit, and the unemployment rate in year t. $\alpha_{z,t}$ denotes zip and year fixed effects. Consequently, our estimates compare Republicans and Democrats living in the same ZIP code in the same year. These fixed effects absorb a large portion of local conditions common to residents of a ZIP code in a given year, including local wealth and economic conditions, housing supply, house prices, and amenities. We also control for age and gender, which proxy for life-cycle and demographic differences in purchase propensity. We cluster standard errors by county. We run regressions at the zip-party-characteristic-year cell level and weighted by the number of voters in each cell as designed in Engelberg, Guzman, Lu, and Mullins (2022).

The coefficient of interest, β, captures the difference in home-purchase probability between politically aligned and misaligned individuals, comparing Republicans and Democrats living in the same ZIP code in the same year and conditioning on age and gender.

Table 4 presents the estimates from Equation (3). Column (1) includes all registered Republican and Democratic voters without controls. Individuals whose party affiliation aligns with that of the sitting president are 0.069 percentage points more likely to purchase a home in a given year than those who are politically misaligned. This effect represents 13 percent of the sample mean of home purchase probability. Extrapolating to the national level, it implies 0.52 million home transactions are impacted by partisanship[10]. Column (2) adds a control for gender, Column (3) includes a control for age group, and Column (4) includes both gender and age group controls. In all four specifications, the coefficient β on political alignment $Alignment_{i,z,t}$ is positive, statistically significant, and stable in magnitude. These results indicate that partisan alignment with the president is associated with an economically meaningful increase in home purchase probability, beyond the time-invariant partisan differences documented in Section 3.

The magnitude of the alignment effect is larger than comparable estimates based on geographic proxies for political affiliation. Meeuwis, Parker, Schoar, and Simester (2022) find that households in Republican-leaning zip codes increased equity exposure by roughly 0.4 percent of wealth relative to households in the most Democratic-leaning zip codes after the 2016 election. Although the outcomes are not directly comparable, one explanation for the difference in relative magnitudes is measurement granularity. As Meeuwis, Parker, Schoar, and Simester (2022) note, zip-code-level measures of political affiliation average over substantial variation across individuals within a zip code, and the resulting measurement error attenuates estimated effects. Because we observe both partisan affiliation and purchase decisions at the individual level, our estimates link an individual's political alignment directly to that same individual's housing decision, reducing attenuation on both sides of the relationship.

4.2 Heterogeneous Effects of Partisan Alignment

We first investigate whether the effect of partisan alignment on home purchase probability varies across purchase types. In Table 5 and Figure 1, we estimate equation (3) sep-

[10]There are 4.0 million home sales in 2023 according to National Association of Realtors (NAR) see https://www.nar.realtor/research-and-statistics/quick-real-estate-statistics

arately for first-home purchases, subsequent investment purchases, and subsequent move purchases. This alignment effect varies substantially across types of home purchases. Relative to the sample mean, partisan alignment increases first-home purchases by 12.6 percent and subsequent investment purchases by 14.4 percent, but subsequent move purchases by only 0.9 percent. The effect is strongest for purchases with a more direct investment motive. It is relatively smaller for first-home purchases, where housing investment is partly constrained by households' housing consumption needs. The effect is nearly absent for subsequent moves, which are more closely related to consumption and mobility considerations.

We then investigate whether the effects of partisan alignment on home purchase probability differ by gender. In Columns (1) and (2) of Table IA.2 and Figure IA.2, we estimate regression (3) separately for subsamples split by household gender. We find that, among men, individuals whose party affiliation aligns with that of the sitting president are 0.11 percentage points more likely to purchase a home in a given year than politically misaligned individuals. This effect represents 13 percent of the sample mean of the home purchase probability. Among women, the corresponding effect is only 0.007 percentage points, or 2 percent of the sample mean. The alignment effect is therefore substantially larger among men than among women.

We also investigate whether the effects of partisan alignment on home purchase probability differ by age. In Columns (3) and (4) of Table IA.2 and Figure IA.2, we estimate regression (3) separately for subsamples split by household age group. We find that, among younger voters aged 18 to 40, individuals whose party affiliation aligns with that of the sitting president are 0.044 percentage points more likely to purchase a home in a given year than politically misaligned individuals. This effect represents 22 percent of the sample mean of the home purchase probability. Among older voters aged 41 to 70, the corresponding effect is 0.065 percentage points, or 9.3 percent of the sample mean. The effect is substantially larger among younger voters.

We finally investigate whether the effects of partisan alignment on home purchase probability differ by housing type. In Columns (5) and (6) of Table IA.2 and Figure IA.2, we estimate regression (3) separately for subsamples split by housing type. We find that, for single family houses, individuals whose party affiliation aligns with that of the sitting

president are 0.06 percentage points more likely to purchase a home in a given year than politically misaligned individuals. This effect represents 13 percent of the sample mean of the home purchase probability. For multifamily houses, the corresponding effect is 0.003 percentage points, or 10 percent of the sample mean. The alignment effect is therefore slightly larger for single family houses than for multifamily houses.

4.3 Event Study: 2016 Surprise Presidential Election Result

The outcome of the 2016 presidential election was largely unexpected, and the policy differences between the two major presidential candidates were substantial. We therefore use the 2016 presidential election as an event to study the causal effect of partisan alignment on home buying. Specifically, We use a static difference-in-differences specification to examine the causal effect of partisan alignment with the president on home purchase behavior. This model focuses specifically on the 2015–2018 period to isolate the effect of the 2016 election transition.

$$Y_{i,z,h} = \beta \cdot Alignment_{i,z,h} \cdot Post_h + \gamma_1 Alignment_{i,z,h} + \gamma_2 Post_h + \delta_1 NationalHomePrice_{year(h)} + \delta_2 Inflation_{year(h)} + \phi' X_{i,z,h} + \theta' CountyChar_{c,year(h)} + \alpha_z + \varepsilon_{i,z,h} \quad (4)$$

where $Y_{i,z,h}$ is an indicator for whether an individual i purchases a home in zipcode z in half year h. The variable $Post_h$ is a binary indicator equal to zero for half-years in 2015–2016 and one for half-years in 2017–2018. $Alignment_{i,z,h}$ is a binary indicator that equals one if the individual identifies as a Republican, which aligns with President Trump, who won the 2016 presidential election, and zero if the individual identifies as a Democrat. $NationalHomePrice_{year(h)}$ is the annual average of the Case-Shiller U.S. National Home Price Index, computed from monthly observations in year of half year h. $Inflation_{year(h)}$ controls for the annual national inflation rate. $X_{i,z,h}$ includes individual demographic controls for gender and age group. $CountyChar_{c,year(h)}$ represents time-varying county financial and socioeconomic controls, including personal income, population, one-unit conforming loan limit, and unemployment rate. α_z denotes zip fixed effects to control

for time-invariant local characteristics. We cluster standard errors by county. We run regressions at the zip-party-characteristic-half-year cell level and weighted by the number of voters in each cell as designed in Engelberg, Guzman, Lu, and Mullins (2022).

Table 6 presents the results from this specification estimating the effect of the 2016 election transition on home purchase probability. The coefficient of interest is β, which captures the differential change in home buying behavior for Republicans relative to Democrats after the 2016 election. Across both specifications, β is positive, stable, and statistically significant. Column (1) reports the β estimate without demographic control variables. The estimate of β is 0.041, which indicates a substantial increase in the probability of purchase for Republicans in the post period relative to the pre period baseline. The post-2016 alignment shift through 2018 corresponds to an increase of roughly 8 percent relative to the mean. Column (2) reports the β estimate with demographic control variables. The estimated β decreases slightly to 0.035 but remains highly significant. Relative to the sample mean, the static estimate implies an increase of roughly 8 percent in the post-election period, the magnitude cited in the introduction.

We also estimate a dynamic difference-in-differences specification to examine the causal effect of partisan alignment with the president on home purchase behavior. This model focuses specifically on the 2015–2018 period with half-year frequency to isolate the effect of the 2016 election transition:

$$Y_{i,z,h} = \sum_{\substack{h=2015H1 \\ h\neq 2016H2}}^{2018H2} \beta_h \cdot Alignment_{i,z,h} \cdot \mathbb{1}_h + \gamma Alignment_{i,z,h} + \phi' X_{i,z,h} + \alpha_{z\times h} + \varepsilon_{i,z,h} \tag{5}$$

where $Y_{i,z,h}$ is an indicator for whether individual i purchases a home in zip code z in half year h. $Alignment_{i,z,h}$ is a binary indicator that equals one if the individual identifies as a Republican, which aligns with President Trump, who won the 2016 presidential election, and zero if the individual identifies as a Democrat. We interact $Alignment_{i,z,h}$ with a set of half-year indicators $\mathbb{1}_h$, omitting the second half year of 2016 as the reference period. The coefficients β_h are the primary parameters of interest. For $h < 2016H2$, β_h

serves as a test of the parallel trends assumption; these coefficients estimate the difference in home purchasing probability between Republicans and Democrats relative to the second half year of 2016 baseline prior to the election. For $h > 2016H2$, β_h captures the dynamic evolution of the treatment effect following the political transition. $X_{i,z,h}$ includes individual demographic controls for gender and age groups. $\alpha_{z\times h}$ denotes zip $\times$ half-year fixed effects. By exploiting only the purchase probability variation with the same zip code and half year, we substantially mitigate concerns about other unobserved time-varying local characteristics (e.g. population, personal income, as well as mortgage and economic conditions) driving our results. We cluster standard errors by county. We run regressions at the zip-party-characteristic-half-year cell level and weighted by the number of voters in each cell as designed in Engelberg, Guzman, Lu, and Mullins (2022).

Figure 2 (and Table IA.3) presents the coefficients on the interaction terms between the Republican indicator and half-year dummies, with 2016H2 serving as the omitted reference category. This approach allows us to test the parallel trends assumption and trace the evolution of the partisan gap surrounding the 2016H2 presidential transition. The results provide strong support for the causal interpretation of our findings. In the pre-treatment period 2015–2016, the estimated coefficients are generally small and lack a consistent trend. The absence of a systematic pre-trend indicates that our results are not driven by long-run differential housing demands between the two groups prior to the political shock. After the 2016 presidential election, the alignment effect shows an immediate relative increase in Republicans' home purchase probability compared with Democrats, and this effect strengthens over time, with the half-year coefficients reaching a magnitude of roughly 4 percent relative to the mean by 2018. Together, these patterns indicate that partisan alignment with the president affects how likely households are to purchase a home.

5 Partisan Housing Market Beliefs: Survey Evidence

Prior research shows that Republicans and Democrats interpret political events in different ways, which leads to systematic differences in their economic expectations. In particular, individuals tend to hold more optimistic views about future economic conditions when they

are affiliated with the party that controls the White House (Mian, Sufi, and Khoshkhou (2023)). Building on this insight, we show that partisan affiliation also shapes housing market expectations, with effects that operate over both the short and the long term.

We examine how households adjust their expectations on the housing market around presidential elections that change the party controlling the White House. In particular, we study expectation shifts around the 2008, 2016, 2020, and 2024 presidential elections because the Michigan Survey records respondents' party affiliation only for these election cycles. We find that these elections are associated with pronounced changes in expectations about home buying among both owners and renters, as well as in homeowners' expectations for one year and five-year local house price growth. Partisan bias in home buying expectations is especially strong following Republican victories in 2016 and 2024 (Figure IA.3, Figure IA.6, Figure IA.8), but it is relatively weak following Democratic victories in 2008 and 2020 (Figure IA.4, Figure IA.5, Figure IA.7). In contrast, partisan bias in homeowners' one-year and five-year local house price growth expectations is pronounced following both Republican and Democratic victories (Figure IA.9, Figure IA.10, Figure IA.11, Figure IA.12).

5.1 Static Difference-in-Differences Estimation

To assess the statistical significance of the observed shifts among aligned respondents within a regression framework, we estimate the following specification for each pseudoyear y:

$$\begin{aligned}\Pr(Y_{i,m}) = {} & \gamma_1 Alignment_i + \gamma_2 Post + \gamma_3 \cdot Alignment_i \cdot Post \\ & + \delta_1 NationalHomePrice_m + \delta_2 Inflation_m + \phi' X_{i,m} + \varepsilon_{i,m} \end{aligned} \tag{6}$$

where $Y_{i,m}$ is a dummy variable that equals 1 if individual i reports optimistic expectations about home buying in month m of pseudoyear y, and equals 0 if i reports pessimistic expectations. The pseudoyears y correspond to the election windows centred on the 2008, 2016, 2020, and 2024 presidential elections. $\Pr(Y_{i,m})$ denotes the probability that respondent i reports optimistic home buying expectations in month m within pseudoyear y.

$Alignment_i$ is an indicator for whether respondent i's partisan affiliation is aligned with the party that wins the presidential election in pseudoyear y, and $Post$ is an indicator for the post-election period, which we define as the six months following the election. We estimate Equation (6) using a logit specification.

$NationalHomePrice_m$ is the Case-Shiller U.S. National Home Price Index in month m of pseudoyear y, and $Inflation_m$ is the month-to-month change in the Consumer Price Index for All Urban Consumers. The vector of controls, $X_{i,m}$, includes age, gender, education, marital status, a homeownership indicator, income, and an indicator for whether the household includes an adult. The coefficient γ_3 captures the differential change in $\Pr(Y_{i,m})$ between aligned and non-aligned respondents during the post-election period of pseudoyear y.

Table IA.4 reports the logit estimates of equation (6) for each pseudoyear. The coefficient γ_3 is the difference-in-difference estimate. It captures the differential change in the log odds that a respondent reports optimistic home buying expectations in the post-election period, comparing respondents whose partisan affiliation is aligned with the election winner to those who are not aligned, within the same pseudoyear and conditional on national house prices, inflation, and demographic controls. Across all four elections, the estimated interaction coefficients are positive and statistically significant at the 1% level, which indicates a pronounced post-election increase in home buying optimism among aligned respondents relative to non-aligned respondents. Because the regression is estimated via logit, the reported coefficients are in log-odds units rather than percentages. To aid interpretation, we convert the interaction estimates into odds ratios. The estimates imply that, relative to non-aligned respondents, the odds that aligned respondents report optimistic home buying expectations increase by a factor of $\exp(0.524) = 1.69$ after the 2008 election and $\exp(0.598) = 1.82$ after the 2020 election. The effects are substantially larger following Republican victories: the corresponding odds ratios are $\exp(1.009) = 2.74$ in 2016 and $\exp(1.307) = 3.70$ in 2024. Equivalently, these imply increases in odds of approximately 69 percent (2008) and 82 percent (2020) following Democratic victories, versus 174 percent (2016) and 270 percent (2024) following Republican victories.

5.2 Dynamic Difference-in-Differences Estimation

We also conduct separate dynamic difference-in-differences analyses for each election year, with the sample window centred on November. We exclude the 2012 election because there are insufficient observations with party affiliation information in the months surrounding that election. In addition, the 2012 election does not change the party that controls the White House. We label each election window a "pseudoyear", which runs from June of the election year to May of the following year, with November as the midpoint. For example, the 2008 pseudoyear spans June 2008 through May 2009. For each pseudoyear y, we estimate the following model, suppressing the subscript y for ease of exposition:

$$\Pr(Y_{i,m}) = \sum_{m=\text{Jun}}^{\text{May}} \alpha^m \cdot d_m + \gamma^0 \cdot Alignment_i + \sum_{\substack{m=\text{Jun} \\ m\neq\text{Oct}}}^{\text{May}} \gamma^m \cdot (d_m \cdot Alignment_i) + \phi' X_{i,m} + \varepsilon_{i,m} \tag{7}$$

where $Y_{i,m}$ is a dummy variable that equals 1 if individual i reports optimistic expectations about home buying in month m and equals 0 if i reports pessimistic expectations. $\Pr(Y_{i,m})$ denotes the probability that respondent i reports optimistic home buying expectations in month m within a given pseudoyear. d_m is an indicator for month m, where October is the omitted (reference) month. $Alignment_i$ indicates whether respondent i's partisan affiliation is aligned with the party that wins the presidential election in that pseudoyear. The coefficients α^m capture month fixed effects. γ^0 measures the baseline difference in home buying expectations between aligned and non-aligned respondents in the omitted month. The coefficients γ^m are the main coefficients of interest, which capture the relative shifts in home buying expectations in month m (relative to October) for respondents whose partisan affiliation is aligned with the winning party. The vector of control variables, denoted by $X_{i,m}$, includes age, gender, education, marital status, a homeownership indicator, income, and an indicator for whether the household includes an adult. We estimate Equation (7) using a logit specification.

Figure 3 presents estimates of the coefficients γ^m in Equation (7) for the pseudoyears

focused on the 2016 and 2024 presidential elections, when Republicans won. Figure IA.13 presents the corresponding estimates for the pseudoyears centered on the 2008 and 2020 elections, when Democrats won. The coefficients γ^m are interpreted as the relative shifts in home buying expectations around the election for respondents whose partisan affiliation is aligned with the party that wins the presidential election. Table IA.5 in the Internet Appendix reports the quantitative estimates of the γ^m coefficients.

We find no evidence of pre-trends in the months leading up to the election for any of the 2008, 2016, 2020, or 2024 pseudoyears. In contrast, home buying expectations among aligned respondents rise sharply in the months following the election in the pseudoyears in which Republicans win (2016 and 2024). When Democrats win (2008 and 2020), the post-election increase is smaller and less consistently significant across months. This pattern accords with Mian, Sufi, and Khoshkhou (2023), who show that the relative shift in economic expectations among Republicans after the 2016 election is unusually large compared with earlier elections such as 2008. In addition, the results suggest that Democrats exhibit less partisan bias in home buying expectations than Republicans.

5.3 Partisan Alignment and Housing Expectations: Long Run Effect

We document partisan bias in housing market expectations over the longer run across presidential terms. Both U.S. homeowners and renters report significantly more optimistic home buying expectations when their affiliated party holds the presidency (Figure 4 and Figure IA.14). In addition, homeowners report significantly higher expectations for one-year and five-year local house price growth when their preferred party occupies the White House (Figure IA.15). For example, during the George W. Bush administration, Democrats reported lower expectations for home buying and for one-year and five-year local house price growth than Republicans. Under the two Obama terms, this pattern reverses, with Republicans reporting lower expectations than Democrats. The partisan ordering reverses again during the first Trump administration, and it flips once more under the Biden administration.

We also provide estimates of a regression version of these figures.

$$Y_{i,r,t} = \sum President_t + \sum \gamma^t \cdot President_t \cdot Rep_{i,r} + \phi' X_{i,r,t} + \alpha_{r,t} + \varepsilon_{i,r,t} \tag{8}$$

where $Y_{i,r,t}$ denotes a vector of dependent variables: (1) an indicator that equals 1 if individual i (either a homeowner or a renter) reports optimistic expectations about home buying in year t and equals 0 if i reports pessimistic expectations; (2) homeowner i's expected one-year local house price growth; and (3) homeowner i's expected five-year local house price growth. $President_t$ is a set of indicator variables for the presidential administration in office at time t. $Rep_{i,r}$ is a dummy variable that equals 1 if respondent i's partisan affiliation is republican, and equals 0 otherwise. The vector of controls, $X_{i,r,t}$, includes age, gender, education, marital status, a homeownership indicator (this control is included only in regressions where the dependent variable is home buying expectations), income, and an indicator for whether the household includes an adult. The coefficient γ^t captures the differential change in $Y_{i,r,t}$ between Republican and Democratic respondents in time t across different presidential administrations. $\alpha_{r,t}$ are the region fixed effect and the year-month fixed effect.

Table 7 reports linear regression estimates of equation (8) that quantify long run partisan gaps in housing beliefs across presidential administrations. Columns (1) to (3) use the home buying attitude indicator as the dependent variable for the full sample, homeowners, and renters, respectively. Columns (4) and (5) use homeowners' one year and five year local house price expectations as outcomes. Each row reports the estimated coefficient on the interaction between a Republican indicator and an administration indicator. These coefficients correspond to γ^t in equation (8) and measure, within each administration, the difference in the outcome between Republicans and non Republicans, conditional on region fixed effects, year month fixed effects, and demographic controls.

The estimates show a clear partisan pattern that tracks which party holds the presidency. During Republican administrations (Bush 2006 to 2008 and Trump 2017 to 2020), Republicans report significantly higher home buying optimism than non Republicans. For the full sample, the Republican premium is 0.104 during the Bush administration and 0.146 during the Trump administration. The corresponding gaps are present for both homeown-

ers and renters, and they are larger among renters (0.146 under Bush and 0.126 under Trump) than among homeowners (0.086 under Bush and 0.143 under Trump). In contrast, during Democratic administrations (Obama 2009 to 2016 and Biden 2021 to 2024), Republicans report significantly lower home buying optimism. The estimated Republican gap is negative in both periods, with the largest magnitude under Biden (for example, -0.068 in the full sample, -0.072 among homeowners, and -0.043 among renters). A similar reversal appears in homeowners' house price expectations. Republicans report lower expected one year and five year local house price growth under Obama and Biden, but higher expected growth under Trump. Overall, the table documents sizeable and statistically significant partisan differences in housing beliefs that flip sign across administrations, which is consistent with partisan bias that depends on whether a respondent's party is aligned with the party in the White House.

5.4 Partisan Disagreement in Housing Expectations Channel

So far, we document that partisan alignment with the president affects home buying expectations and behavior. One potential explanation for partisan differences in home buying behavior is a partisan divergence in beliefs about future housing market conditions. In this section, we examine whether partisan differences in housing market expectations serve as a channel through which partisan alignment with the president affects home buying behavior.

We test whether partisan differences in housing market expectations drive differences in home purchase behavior. To measure partisan expectations about housing market conditions, we use responses to the following question from the Michigan Survey of Consumers: "Generally speaking, do you think now is a good time or a bad time to buy a house?" Based on these responses, we construct a measure of partisan disagreement, HOMGap, defined as the annual difference in home buying expectations between Republican and Democratic respondents. We standardize this measure to have mean zero and unit standard deviation. A higher value indicates that Republicans are more optimistic about home buying conditions than Democrats, which typically occurs when Republicans control the White House. A lower value indicates that Democrats are more optimistic than Republicans,

which typically occurs when Democrats control the White House.

In Table (8), we regress home purchase probability on the Democrat as well as on interactions with the measure of partisan disagreement on home buying expectations. Control variables include county-level financial and socioeconomic characteristics. Regressions are performed at the zip-party-characteristic-year cell level and are weighted by the number of voters in each cell. Standard errors are clustered by county. The estimate in column (1) implies that Democrats are less likely to purchase a home when Republicans are more optimistic about home buying conditions. Specifically, a one standard deviation increase in the gap between Republican and Democratic home buying expectations is associated with a 0.039 percentage point decrease in the home purchase rate of Democrats relative to Republicans.

The results remain robust when adding demographic controls in columns (2). In Table (IA.6), we regress log home purchase volume and homeownership rate on the Democratic vote share in county as well as on interactions with the measure of partisan disagreement on home buying expectations. The sample includes all U.S. counties with Democratic vote share, and the outcome is the home purchase volume and homeownership rate in a county in a given year. Control variables include county-level financial and socioeconomic characteristics. Regressions are performed at county level. Standard errors are clustered by county. The estimates imply that counties with higher Democratic vote shares exhibit less home purchase activity when Republicans are more optimistic about home buying conditions. Specifically, a one standard deviation increase in the gap between Republican and Democratic home buying expectations is associated with a lower home purchase volume and a lower homeownership rate in counties with higher Democratic vote shares.

Overall, these results support an expectations channel: the partisan gap in purchase behavior widens precisely when the survey-measured gap in home buying expectations widens.

6 Partisan Alignment and Home Purchase Timing

We next examine whether partisan alignment with the president distorts the timing of home purchases and the subsequent returns to those purchases. We use ZIP code-level future house price returns rather than transaction-level realized returns. Transaction-level realized returns are informative about households' realized housing outcomes, but they also reflect subsequent resale timing and transaction conditions. Since partisan alignment affects housing transaction decisions on both the purchase and resale margins, transaction-level realized returns combine the price path after purchase with the buyer's later resale decision. Using local future returns allows us to follow the price path of the market that aligned buyers enter, without conditioning on the buyer's later resale decision. This choice is consistent with evidence that individual real estate returns contain sizable idiosyncratic risk arising from search frictions and matching uncertainty in both commercial real estate markets (Sagi (2021)) and residential housing markets (Giacoletti (2021)). Specifically, we estimate ZIP code level regressions of future housing returns on the share of purchases made by partisan aligned individuals, while allowing the effect to vary across the first, second, third, and fourth years of each presidential term.

We estimate the following specification:

$$R_{z,t\to t+h} = \beta\, DemBuyShare_{z,t} + \sum_{k=1}^{4} \gamma_k \left(AlignmentShare_{z,t} \times \mathbf{1}\{TermYear_t = k\} \right) + \theta' CountyChar_{c,t} + \alpha_{z,t} + \varepsilon_{z,t+h} \tag{9}$$

where z denotes ZIP codes and t denotes calendar years. We use the FHFA House Price Index (HPI), which measures changes in the values of repeat sales of single family homes at the ZIP code level, to construct ZIP code level housing returns. $R_{z,t\to t+h}$ denotes the housing return in ZIP code z from year t to year $t+h$, measured in percentage points. $DemBuyShare_{z,t}$ is the share of purchases made by Democratic home buyers in ZIP code z in year t. $AlignmentShare_{z,t}$ is the share of home purchases made by partisan aligned individuals among all purchases in ZIP code z in year t. Partisan alignment is defined relative to the party of the sitting president. The indicator $\mathbf{1}\{TermYear_t = k\}$ equals

one when year t corresponds to the kth year of the presidential term, and zero otherwise. Accordingly, the coefficients γ_k capture how the effect of aligned housing demand varies across the four years of the presidential term. $CountyChar_{c,t}$ represents time-varying county financial and socioeconomic controls, including personal income, population, one-unit conforming loan limit, and unemployment rate. $\alpha_{z,t}$ denotes zip and year fixed effects. We cluster standard errors by zip code. We run regressions at the zip-year level.

Figure 5, Figure IA.16 and Table 9 report the estimates from Equation (9). The black line in Figure 5 and Column (1) of Table 9 shows that higher aligned purchase share is associated with negative one year ahead returns before the midterm elections. After the midterm elections, the estimated effect moves closer to zero in the third year of the presidential term and turns positive in the final year of the term. The black line in Figure IA.16 and Column (3) of Table 9 show a consistent pattern over a longer horizon. The relation between aligned purchase share and the two year cumulative return also rises monotonically from the first to the fourth year of the presidential term, shifting from negative before the midterm elections to positive after the midterm elections. This pattern suggests that politically aligned buying is associated with the least favorable purchase timing at the beginning of a new administration. The timing of aligned purchases becomes progressively better in later years, especially after the midterm elections, when partisan enthusiasm and the associated timing distortion appear to be weaker.

The green line in Figure 5 and Column (2) of Table 9 quantify the value of waiting, using the second year ahead return, which measures the gain or loss from delaying purchase by one year. In the first two years of the presidential term, a one percentage point increase in aligned purchase share is associated with one-year-ahead returns of -1.58 and -1.64 percent, whereas the corresponding second-year-ahead returns are close to zero and $+0.83$ percent. In the third and fourth years, waiting is associated with gains of 2.15 and 5.06 percent, against one-year-ahead returns of roughly zero and $+1.0$ percent. In every term year, the second-year-ahead return exceeds the one-year-ahead return: the more favorable strategy, especially early in the presidential term, is to wait before purchasing.

7 Aggregate Effects

As highlighted by Kempf and Tsoutsoura (2024), while a growing literature documents the role of partisanship in shaping individuals' financial decisions and trading activity, relatively few studies examine its aggregate implications for equilibrium asset prices. Motivated by this gap, we study the aggregate effects of political alignment on county-level housing market outcomes across the United States, focusing on purchase volume, homeownership rate, and house prices and returns.

We measure the impact of party-switching presidential elections on county-level housing outcomes, including residential housing purchase volume, the homeownership rate, house prices, and housing returns, using the following specification:

$$\begin{aligned} Y_{c,t} = \beta_1 \cdot Alignment_{c,t} + \beta_2 \cdot DemShare_{c,t} + \beta_3 \cdot Alignment_{c,t} \cdot DemShare_{c,t} \\ + \theta' CountyChar_{c,t} + \alpha_{c,t} + \varepsilon_{c,t} \end{aligned} \tag{10}$$

where $Y_{c,t}$ denotes the county-level outcome in county c and year t. Depending on the specification, $Y_{c,t}$ is (i) log residential housing purchase volume, (ii) the homeownership rate, (iii) log house prices, or (iv) log total housing returns, including rental income. $Alignment_{c,t}$ is an indicator that equals 1 if county c is politically aligned with the party that controls the White House in year t. $DemShare_{c,t}$ is the Democratic vote share in county c in the most recent presidential election prior to year t. The interaction term $Alignment_{c,t} \cdot DemShare_{c,t}$ allows the effect of alignment to vary with the intensity of Democratic support. $\alpha_{c,t}$ is county fixed effects and year fixed effects. $CountyChar_{c,t}$ is a vector of county-level financial and socioeconomic characteristics, including population, personal income, the one-unit conforming loan limit, and the unemployment rate in year t.

We use the conforming loan limit (CLL) to control for local mortgage conditions, since shifts in credit supply are a key driver of house prices (Favilukis, Ludvigson, and Van Nieuwerburgh (2017)). The CLL determines the maximum loan size eligible for purchase by the GSEs, whose loans carry subsidized rates (Ambrose, LaCour-Little, and

Sanders (2004)), so increases in the CLL expand conforming credit for newly eligible borrowers (Loutskina and Strahan (2015); Adelino, Schoar, and Severino (2025)). We also control for county economic conditions using the local unemployment rate. This helps to account for time-varying differences in economic performance across counties that could be correlated with both political outcomes and housing market activity. In particular, if a shift in federal leadership is associated with changes in economic policy or policy expectations that differentially affect counties with different political leanings, failing to control for local labour market conditions could confound our estimates. Including the unemployment rate therefore mitigates concerns that our results reflect differential local economic trends rather than the mechanism of interest.

Table 10 reports the estimates from Equation (10). Column (1) shows that political alignment is associated with an 8.7 percent higher residential housing purchase volume relative to non-aligned counties. Column (2) yields a similar pattern for homeownership: aligned counties exhibit a 0.6 percentage point higher homeownership rate. Because increases in homeownership mechanically reflect renter-to-owner transitions, the observed rise in homeownership is consistent with the idea that home purchases can partly reflect political motivations (Shiller (2007)). Taken together, columns (1) and (2) indicate that alignment is associated with stronger housing market participation, while greater Democratic support is associated with weaker participation. Column (3) shows that aligned counties have 6.8 percent higher house prices.[11] In contrast, columns (4) shows that political alignment is associated with lower returns. Specifically, aligned counties have 0.8 percentage point lower total housing returns (including rents). Overall, alignment is associated with higher prices but lower returns, which suggests a political driven behavioral bias in housing purchases. Moreover, the return patterns suggest that counties with stronger Democratic support exhibit less partisan-driven overvaluation in housing purchases.

[11] One caveat is that ACS house values are self-reported and could partly reflect owners' partisan optimism. Two features mitigate this concern: the homeownership and volume results in columns (1)–(2) are based on administrative counts rather than valuations, and the return results are consistent with the ZIP-level analysis in Section 6, which uses the transaction-based FHFA index. Relatedly, Chu, James, and Wang (2024) find that houses in politically aligned census blocks sell at lower prices than misaligned blocks within the same market; their result concerns relative prices across neighborhoods, driven by increased listings in aligned blocks, whereas ours compares price levels across county markets.

8 Conclusion

This paper studies how partisanship shapes home purchase behavior, housing returns, and local housing market outcomes. Linking individual housing transactions to voter registration records for 51.4 million voters, we document that Republicans are nearly twice as likely as Democrats to purchase a home in a given year and earn higher realized housing returns, a gap that persists even among partisans transacting in the same zip code at the same time. Home buying also responds causally to partisan alignment with the president: aligned individuals buy more, and the effect is concentrated in purchases with an investment motive while nearly absent for consumption-driven moves.

The evidence points to a belief channel. Survey data show that households become more optimistic about home-buying conditions when their party controls the White House, and these expectations map into purchase decisions. The same optimism distorts timing: aligned buyers purchase too early in new administrations, when partisan bias is strongest and subsequent local returns are lowest. At the market level, politically aligned counties experience greater purchase activity, higher homeownership, and higher house prices, but lower subsequent housing returns, consistent with belief-driven overvaluation.

Taken together, these findings show that political polarization carries economically meaningful consequences in the largest household asset market. Partisan beliefs shape not only what households expect but what they buy, when they buy it, and the returns they earn, and these individual distortions aggregate into local housing markets. As polarization deepens, its footprint on household balance sheets and asset prices is likely to grow, suggesting that political identity belongs alongside income, demographics, and financial literacy as a determinant of household financial outcomes.

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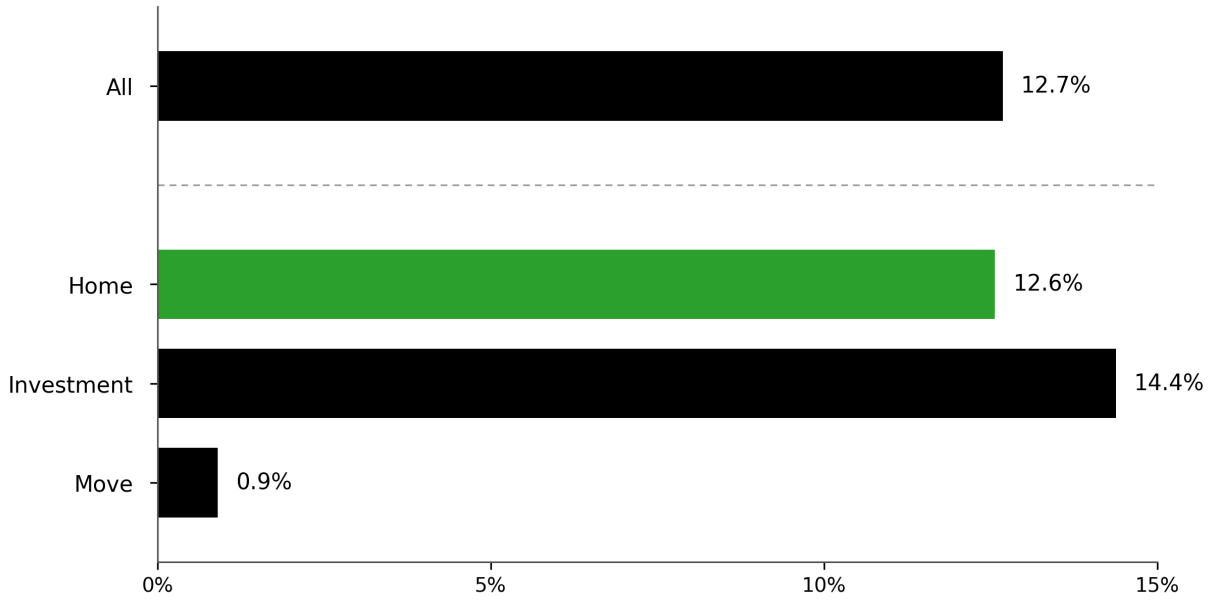


Figure 1: **Partisan alignment effects, by purchase types**
This figure reports estimates of the partisan alignment effect on annual home purchase probability from Equation (3). Alignment equals one when an individual's party matches that of the sitting president and zero otherwise. The bars report each estimated alignment coefficient as a percentage of the corresponding sample mean. "All" denotes any home purchase, "Home" denotes a first-home purchase, "Investment" denotes a subsequent purchase not followed by a move to the purchased property, and "Move" denotes a subsequent purchase followed by a move to the purchased property. All specifications control for Democratic affiliation, gender, age group, and county-level characteristics, and include ZIP and year fixed effects. Regressions are estimated at the ZIP-party-characteristic-year cell level, weighted by the number of voters in each cell. Standard errors are clustered by county. The sample covers Democratic and Republican voters from 2010 to 2023.

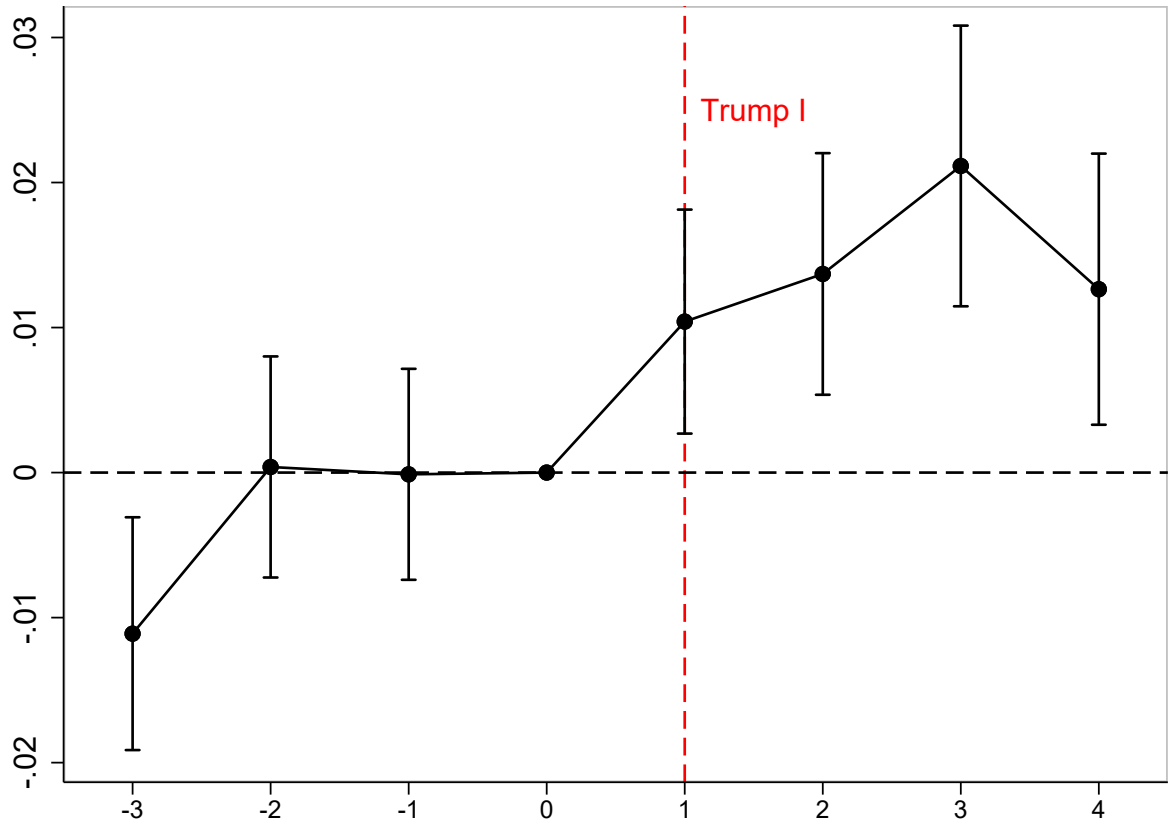
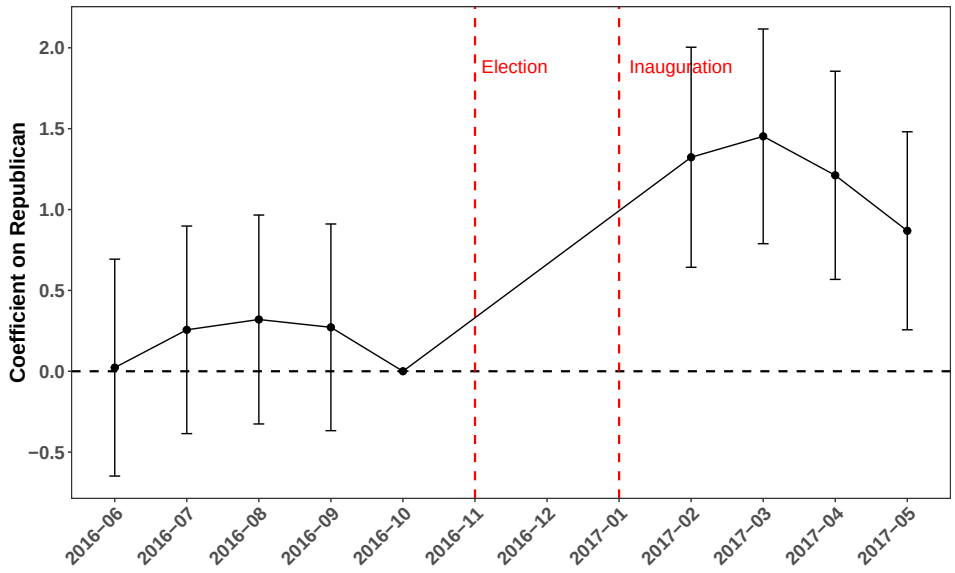
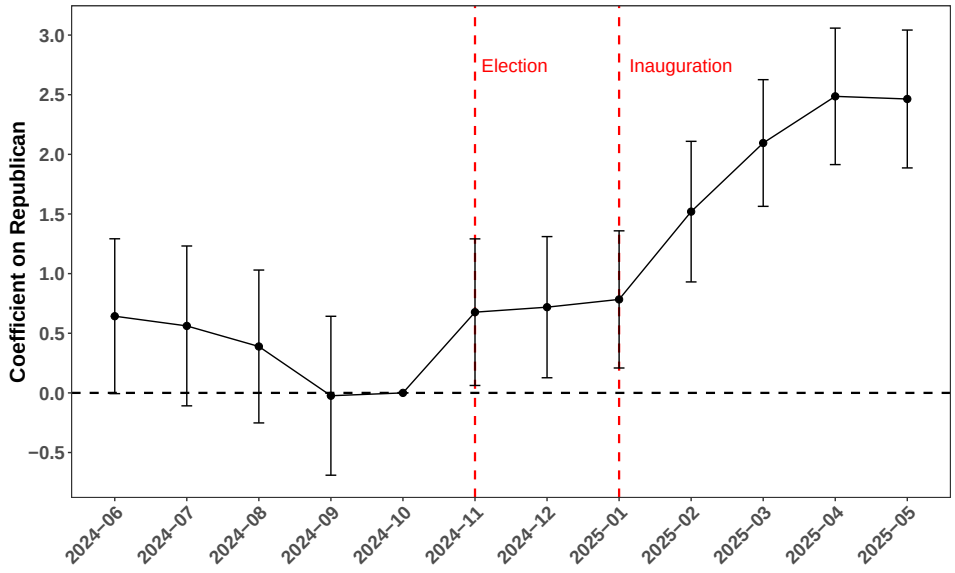


Figure 2: **Alignment shift in home purchase probability around the 2016 presidential election**

This figure reports estimates of β_h from the dynamic difference-in-differences specification in Equation (5). The dependent variable is an indicator for purchasing a home during the indicated half-year, expressed in percentage points. Election Alignment equals one for Republicans, whose party won the 2016 presidential election, and zero for Democrats. Each coefficient measures the Republican–Democratic difference in home purchase probability in the indicated half-year relative to that difference in 2016H2, the omitted period. The estimate for the omitted period is normalized to zero. Vertical bars show 95% confidence intervals, the horizontal dashed line marks zero, and the red dashed line marks the beginning of the first Trump administration. All specifications control for gender and age group and include ZIP-by-half-year fixed effects. Regressions are estimated at the ZIP-party-characteristic-half-year cell level and weighted by the number of voters in each cell. Standard errors are clustered by county. The sample includes Democratic and Republican voters from 2015 to 2018.



Panel A: Alignment Shift in Home Buying Expectations around the 2016 Presidential Election



Panel B: Alignment Shift in Home Buying Expectations around the 2024 Presidential Election

Figure 3: **Alignment shifts in expectations around the 2016 and 2024 presidential elections**

This figure reports estimates of γ^m from the dynamic logit model in Equation (7) for the June-to-May windows surrounding the 2016 and 2024 presidential elections. The outcome equals one for a good-time-to-buy response and zero for a bad-time-to-buy response; mixed responses are excluded. *Election Alignment* identifies Republican respondents, whose party won both elections. Each point is the month-specific aligned–nonaligned difference relative to October, the omitted month, in log-odds units. Vertical bars show 95% confidence intervals; the horizontal dashed line marks zero, and the red dashed lines mark the election and inauguration. Models include the survey controls specified in Equation (7). Data are from the University of Michigan Surveys of Consumers.

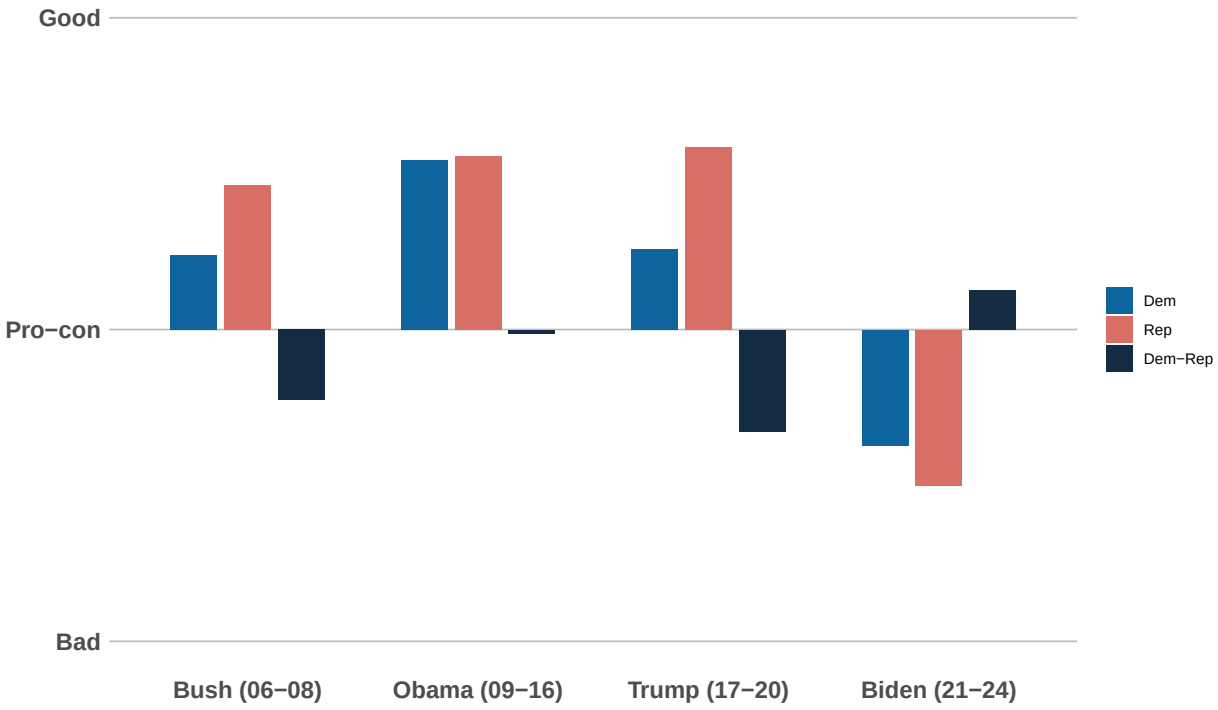


Figure 4: **Partisan home buying expectations**
This figure presents average home-buying attitudes among Democratic and Republican respondents, including both homeowners and renters, across presidential administrations. The response index is coded as one for a good time to buy, zero for a response citing both favorable and unfavorable conditions ("Pro-con"), and minus one for a bad time to buy. Blue and red bars report the Democratic and Republican averages, respectively; navy bars report the Democratic-minus-Republican difference. Party affiliation is self-reported. Data are from the University of Michigan Surveys of Consumers. The sample period is from 2006 to 2024.

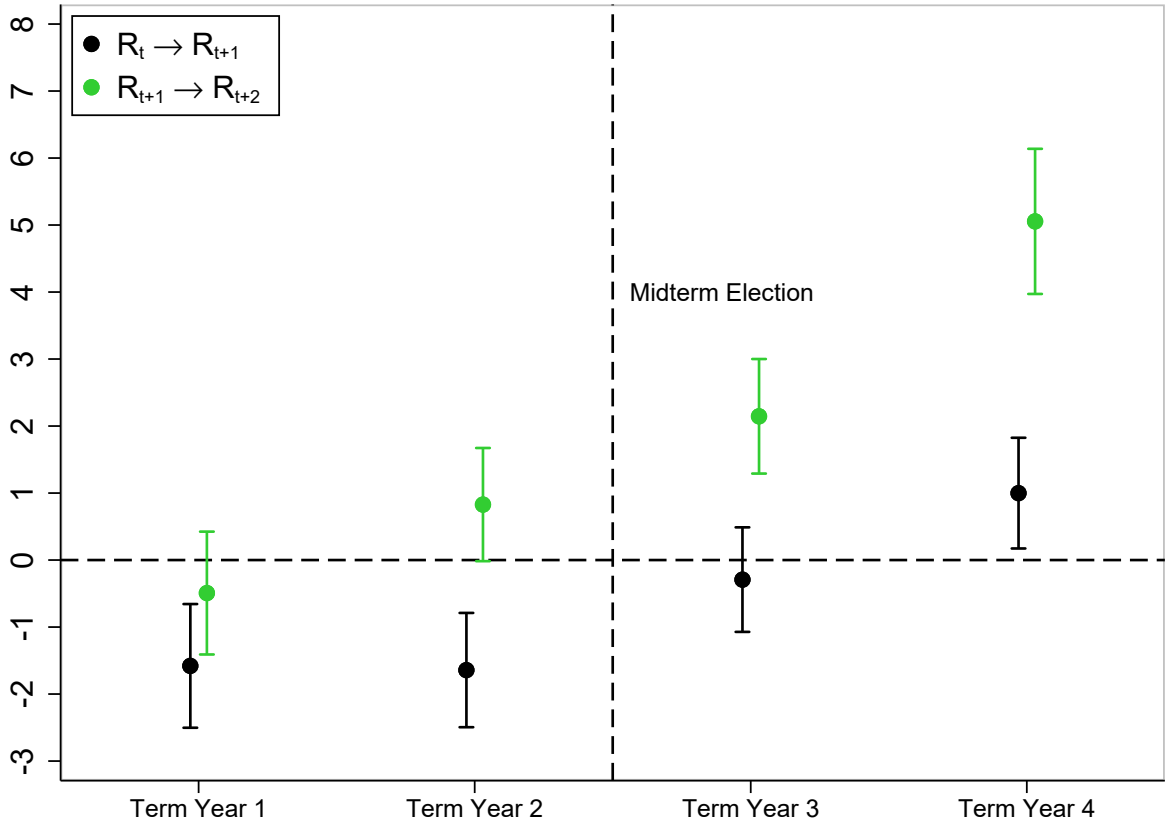


Figure 5: **Gains and losses from partisan purchase timing**
This figure reports estimates of γ_k from Equation (9). Each point is the coefficient on the interaction between *Alignment Share* and the corresponding presidential *Term Year* indicator. *Alignment Share* is the share of home purchases in a ZIP-year made by buyers whose party matches that of the sitting president. The black series uses the first-year ZIP housing return, from t to $t+1$, and the green series uses the second-year return, from $t+1$ to $t+2$; both are percentage changes in the FHFA ZIP Code House Price Index. Vertical bars show 95% confidence intervals, the horizontal dashed line marks zero, and the vertical dashed line separates the pre- and post-midterm term years. Positive coefficients indicate that a higher aligned purchase share is associated with higher subsequent ZIP housing returns, while negative coefficients indicate lower returns. Regressions are estimated at the ZIP-year level and control for Democratic Purchase Share, and county-level characteristics, with ZIP and year fixed effects. Standard errors are clustered by ZIP code. The sample is from 2010 to 2023.

Table 1: **Summary statistics**

This table reports summary statistics for annual home purchase probabilities (Panel A) and annualized realized unlevered housing returns (Panel B) by individual characteristics. Panel A also reports statistics by housing type and purchase type. Purchase probabilities are expressed in percentage points; returns are expressed in percent and winsorized at the 1st and 99th percentiles. Each panel reports the mean, standard deviation, and proportion of the relevant sample. Column (1) reports the overall sample, while Columns (2) and (3) report Democrats and Republicans, respectively. The sample period is 2010–2023.

Panel A: Home Purchase Probability

	(1) Overall			(2) Democrat			(3) Republican		
	Mean	SD	Prop.	Mean	SD	Prop.	Mean	SD	Prop.
By Voter Type									
All	0.544	0.881	100.000	0.385	0.695	56.191	0.749	1.039	43.809
Male	0.844	1.130	46.100	0.556	0.911	23.275	1.137	1.250	22.825
Female	0.288	0.455	53.900	0.264	0.450	32.916	0.327	0.460	20.984
Age 18–30	0.042	0.197	12.923	0.020	0.114	7.743	0.076	0.275	5.180
Age 31–40	0.312	0.691	18.247	0.198	0.471	11.531	0.507	0.925	6.716
Age 41–50	0.668	1.059	19.913	0.485	0.839	11.792	0.933	1.268	8.122
Age 51–60	0.737	0.938	23.210	0.580	0.820	12.047	0.907	1.024	11.162
Age 61–70	0.693	0.877	25.707	0.496	0.673	13.078	0.896	1.007	12.629
Younger (Age 18–40)	0.200	0.486	31.170	0.124	0.323	19.274	0.328	0.656	11.350
Elder (Age 41–70)	0.701	0.950	68.830	0.521	0.771	36.917	0.910	1.088	31.913
By Housing Type									
Single Family House	0.486	0.805	100.000	0.347	0.649	56.191	0.664	0.940	43.809
Multi-Family House	0.031	0.130	100.000	0.025	0.102	56.191	0.040	0.158	43.809
By Purchase Type									
First Home Purchase	0.484	0.794	100.000	0.349	0.644	56.191	0.657	0.925	43.809
Subsequent Investment Purchase	0.055	0.202	100.000	0.032	0.150	56.191	0.084	0.251	43.809
Subsequent Move Purchase	0.007	0.056	100.000	0.004	0.045	56.191	0.011	0.067	43.809

Panel B: Returns

	(1) Overall			(2) Democrat			(3) Republican		
	Mean	SD	Prop.	Mean	SD	Prop.	Mean	SD	Prop.
All	9.570	11.109	100.000	9.159	10.460	34.808	9.790	11.434	65.192
Male	9.459	11.139	74.922	8.971	10.451	22.437	9.668	11.414	52.484
Female	9.903	11.012	25.078	9.500	10.467	12.370	10.294	11.504	12.708
Age 18–30	13.692	12.286	1.628	12.722	11.641	0.427	14.036	12.490	1.202
Age 31–40	9.978	9.603	19.724	9.742	8.950	6.708	10.099	9.921	13.016
Age 41–50	8.535	10.170	24.628	8.197	9.376	9.364	8.743	10.623	15.264
Age 51–60	9.440	11.789	18.249	8.960	10.983	6.057	9.679	12.163	12.192
Age 61–70	10.282	12.331	17.574	9.933	11.965	5.723	10.450	12.500	11.851

Table 2: **Partisan home purchase probability**

This table analyzes the home purchase probability based on party affiliation, and the outcome is the indicator of individual's home purchase in a given year. Units are in percentage points. Individuals are classified into two categories: Democrats and Republicans. The dependent variable is *Home Purchase*, an indicator equal to one if an individual purchases a home during the year and zero otherwise. The principal independent variable is *Democrat*, an indicator equal to one if the individual is a Democrat and zero if the individual is a Republican. Depending on the column, individual controls include *Gender* and *Age Group*. County controls include *Population*, *Personal Income*, *Conforming Loan Limit*, and *Unemployment Rate*. All specifications include ZIP and year fixed effects. Equation (1) gives the exact specification. The regressions are conducted at the zip-party-characteristic-year cell level, weighted by the number of voters in each cell. Standard errors are clustered by county. *,**, and *** denote statistical significance at the 10%, 5%, and 1% levels, respectively. The sample period is from 2010 to 2023.

	(1)	(2)	(3)	(4)
	Purchase	Purchase	Purchase	Purchase
Democrat	-0.202***	-0.141***	-0.174***	-0.111***
	(0.012)	(0.010)	(0.011)	(0.010)
Observations	440,593,692	440,593,692	440,593,692	440,593,692
R^2	0.247	0.337	0.316	0.408
Gender Control	No	Yes	No	Yes
Age Control	No	No	Yes	Yes
County Controls	Yes	Yes	Yes	Yes
ZIP FE	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes

Table 3: **Partisan unlevered housing returns**

This table analyzes the annualized realized unlevered housing returns based on party affiliation. Units are in percent. Individuals are classified into two categories: Democrats and Republicans. The dependent variable is *Annualized Realized Unlevered Housing Return*, measured in percent. The principal independent variable is *Democrat*, an indicator equal to one if the individual is a Democrat and zero if the individual is a Republican. Individual controls include *Holding Period*, *Gender*, and *Age*. County controls include *Population*, *Personal Income*, *Conforming Loan Limit*, and *Unemployment Rate*. As indicated at the bottom of the table, the specifications progressively include ZIP-by-purchase-year-month fixed effects, ZIP-by-sale-year-month fixed effects, and purchase-year-month-by-sale-year-month fixed effects. Equation (2) gives the exact specification. Standard errors are clustered by county. *,**, and *** denote statistical significance at the 10%, 5%, and 1% levels, respectively. The sample period is from 2010 to 2023.

	(1)	(2)	(3)	(4)	(5)
	Return	Return	Return	Return	Return
Democrat	-0.689***	-0.482***	-0.372***	-0.374***	-0.320***
	(0.097)	(0.045)	(0.050)	(0.063)	(0.055)
Observations	480,418	386,567	369,950	273,865	273,144
R-squared	0.037	0.404	0.455	0.676	0.716
Holding Period Control	No	No	Yes	Yes	No
Gender + Age Controls	Yes	Yes	Yes	Yes	Yes
County Controls	Yes	Yes	Yes	Yes	Yes
ZIP-BuyYM FE	No	No	Yes	Yes	Yes
ZIP-SellYM FE	No	Yes	No	Yes	Yes
BuyYM x SellYM FE	No	No	No	No	Yes

Table 4: **Partisan alignment effects on home purchase probability**

This table examines the relationship between the probability of home purchase by individuals and their political alignment through the sample of Democrats and Republicans. The sample includes Democratic and Republican voters, and the outcome is the indicator of individual's home purchase in a given year. Units are in percentage points. The dependent variable is *Home Purchase*, an indicator equal to one if an individual purchases a home during the year and zero otherwise. *Alignment* equals one if the individual's party affiliation matches the party of the sitting president and zero otherwise. *Democrat* equals one if the individual is a Democrat and zero if the individual is a Republican. Depending on the column, individual controls include *Gender* and *Age Group*. County controls include *Population*, *Personal Income*, *Conforming Loan Limit*, and *Unemployment Rate*. All specifications include ZIP and year fixed effects. Equation (3) gives the exact specification. Regressions are performed at the zip-party-characteristic-year cell level and are weighted by the number of voters in each cell. We also estimate the regressions separately by gender and age. Standard errors are clustered by county. *,**, and *** denote statistical significance at the 10%, 5%, and 1% levels, respectively. The sample period is from 2010 to 2023.

	(1)	(2)	(3)	(4)
	Purchase	Purchase	Purchase	Purchase
Alignment	0.069***	0.069***	0.069***	0.069***
	(0.008)	(0.008)	(0.008)	(0.008)
Democrat	-0.232***	-0.170***	-0.203***	-0.141***
	(0.011)	(0.010)	(0.011)	(0.011)
Observations	440,593,692	440,593,692	440,593,692	440,593,692
R^2	0.248	0.338	0.317	0.409
Gender Control	No	Yes	No	Yes
Age Control	No	No	Yes	Yes
County Control	Yes	Yes	Yes	Yes
ZIP FE	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes

Table 5: **Partisan alignment effects on home purchase probability, by purchase types**

This table examines the relationship between the probability of home purchase by individuals and their political alignment through the sample of Democrats and Republicans. The sample includes Democratic and Republican voters, and the outcome is the indicator of individual's home purchase in a given year. Units are in percentage points. The dependent variables are indicators for *First-Home Purchase*, *Subsequent Investment Purchase*, and *Subsequent Move Purchase*. *First-Home Purchase* identifies an individual's first observed home purchase. *Subsequent Investment Purchase* identifies a subsequent purchase that is not followed by a move to the purchased property. *Subsequent Move Purchase* identifies a subsequent purchase followed by a move to the purchased property. *Alignment* equals one if the individual's party affiliation matches the party of the sitting president and zero otherwise. Controls include *Democrat*, *Gender*, *Age Group*, *Population*, *Personal Income*, *Conforming Loan Limit*, and *Unemployment Rate*. All specifications include ZIP and year fixed effects. Equation (3) gives the exact specification. Regressions are performed at the zip-party-characteristic-year cell level and are weighted by the number of voters in each cell. We estimate the regressions separately by purchase types. Standard errors are clustered by county. *,**, and *** denote statistical significance at the 10%, 5%, and 1% levels, respectively. The sample period is from 2010 to 2023.

	(1)	(2)	(3)
	Home	Investment	Move
Panel A: Regression estimates			
Alignment (β)	0.061***	0.008***	0.000
	(0.008)	(0.001)	(0.000)
Effect relative to mean (%)	12.566	14.379	0.907
Outcome mean (μ)	0.484	0.055	0.007
Observations	440,593,692	440,593,692	440,593,692
R^2	0.401	0.179	0.043
Gender control	Yes	Yes	Yes
Age controls	Yes	Yes	Yes
County controls	Yes	Yes	Yes
ZIP FE	Yes	Yes	Yes
Year FE	Yes	Yes	Yes
Clustering	County	County	County
Panel B: Pairwise relative-effect comparisons			
H_0 :	$\frac{\beta_{(1)}}{\mu_{(1)}} - \frac{\beta_{(2)}}{\mu_{(2)}} = 0$	$\frac{\beta_{(2)}}{\mu_{(2)}} - \frac{\beta_{(3)}}{\mu_{(3)}} = 0$	$\frac{\beta_{(1)}}{\mu_{(1)}} - \frac{\beta_{(3)}}{\mu_{(3)}} = 0$
Relative-effect difference	-1.813	13.472	11.659
p-value of F-statistic	0.283	0.000	0.000

Table 6: **Alignment shift in home purchase probability around the 2016 presidential election (Static DID)**

This table presents alignment shift in home purchase probability around the 2016 presidential election in a static difference-in-differences framework. The sample includes Democratic and Republican voters, and the outcome is the indicator of individual's home purchase in a given half-year. Units are in percentage points. The dependent variable is *Home Purchase*, an indicator equal to one if an individual purchases a home during a given half-year and zero otherwise. *Alignment* equals one for Republicans and zero for Democrats. *Post* equals one for half-years in 2017–2018 and zero for half-years in 2015–2016. The coefficient on *Post* × *Alignment* measures the differential post-election change in the home-purchase probability of Republicans relative to Democrats. Individual controls include *Gender* and *Age Group*. Macro controls include *National Home Price* and *Inflation*. County controls include *Population*, *Personal Income*, *Conforming Loan Limit*, and *Unemployment Rate*. All specifications include ZIP fixed effects. Equation (4) gives the exact specification. Regressions are run at the zip-party-characteristic-half-year cell level and are weighted by the number of voters in each cell. Standard errors are clustered by county. *,**, and *** denote statistical significance at the 10%, 5%, and 1% levels, respectively. The sample period is from 2015 to 2018.

	(1)	(2)
	Purchase Probability	Purchase Probability
Post × Alignment	0.041***	0.035***
	(0.005)	(0.004)
Post	0.051***	-0.017***
	(0.007)	(0.004)
Alignment	0.092***	0.034***
	(0.007)	(0.004)
Observations	246,438,272	246,438,272
R^2	0.190	0.421
Gender + Age Control	No	Yes
County Controls	Yes	Yes
Macro Condition Controls	Yes	Yes
ZIP FE	Yes	Yes

Table 7: **Partisan home buying expectations**

This table reports estimates of housing market expectations by partisan affiliation by Presidential administration in time t. The dependent variables are *Home-Buying Expectations*, *Expected One-Year House Price Growth*, and *Expected Five-Year House Price Growth*. The principal independent variables are interactions between *Republican* and indicators for the Bush, Obama, Trump, and Biden administrations. *Republican* equals one if the respondent is a Republican and zero if the respondent is a Democrat. Individual controls include *Age*, *Gender*, *Education*, *Marital Status*, *Homeownership*, *Income*, and an indicator for whether the household includes an adult. All specifications include region and year-month fixed effects. Equation (8) gives the exact specification. Standard errors are clustered by individual. Standard errors are reported in parentheses. *,**, and *** denote statistical significance at the 10%, 5%, and 1% levels, respectively. The sample period is from 2006 to 2024.

	Home Buying Expectations			1-year HPE	5-year HPE
	(1)	(2)	(3)	(4)	(5)
	Total	Owner	Renter	Owner	Owner
Republican					
× Bush (06-08)	0.104***	0.086***	0.146***	0.875***	0.123
	(0.014)	(0.016)	(0.039)	(0.261)	(0.218)
× Obama (09-16)	−0.008	−0.018**	−0.0005	−0.550***	−0.293**
	(0.008)	(0.009)	(0.023)	(0.130)	(0.117)
× Trump (17-20)	0.146***	0.143***	0.126***	0.536***	0.329***
	(0.006)	(0.007)	(0.013)	(0.087)	(0.073)
× Biden (21-24)	−0.068***	−0.072***	−0.043***	−1.119***	−0.852***
	(0.006)	(0.006)	(0.011)	(0.109)	(0.099)
Observations	60,056	45,653	14,403	44,489	44,001
R^2	0.262	0.286	0.183	0.061	0.021
Individual Controls	Yes	Yes	Yes	Yes	Yes
Region FE	Yes	Yes	Yes	Yes	Yes
Year-month FE	Yes	Yes	Yes	Yes	Yes

Table 8: **Interaction with partisan expectations gap - individual**

This table regresses home purchase probability on Democrat as well as on interactions with a measure of partisan disagreement on home buying expectations. Units are in percentage points. The sample includes Democratic and Republican voters, and the outcome is the indicator of individual's home purchase in a given year. To measure partisan expectations about the housing market, we use responses to the following question from the Michigan Consumer Survey: "Generally speaking, do you think now is a good time or a bad time to buy a house?" Based on these responses, we construct a measure of partisan disagreement as the annual difference in home buying expectations between Republican and Democratic respondents (HOMGap). We standardize this measure to have a mean of zero and a standard deviation of one, where a higher value indicates that Republicans are more optimistic about home-buying conditions. The dependent variable is *Home Purchase*, an indicator equal to one if an individual purchases a home during the year and zero otherwise. *Democrat* equals one if the individual is a Democrat and zero if the individual is a Republican. *HOMGap* is the standardized annual difference in home-buying expectations between Republican and Democratic respondents, with higher values indicating greater Republican optimism. The coefficient on *Democrat* × *HOMGap* measures how the partisan difference in home-purchase probability varies with partisan disagreement about home-buying conditions. Depending on the column, individual controls include *Gender* and *Age*. County controls include *Population*, *Personal Income*, *Conforming Loan Limit*, and *Unemployment Rate*. All specifications include ZIP and year fixed effects. Regressions are performed at the zip-party-characteristic-year cell level and are weighted by the number of voters in each cell. Standard errors are clustered by county. *,**, and *** denote statistical significance at the 10%, 5%, and 1% levels, respectively. The sample period is from 2010 to 2023.

	(1)	(2)
	Purchase Probability	Purchase Probability
Democrat	-0.211***	-0.119***
	(0.013)	(0.011)
Democrat × HOMGap	-0.039***	-0.039***
	(0.008)	(0.008)
Observations	377,651,736	377,651,736
R^2	0.252	0.416
Gender + Age Controls	No	Yes
County Controls	Yes	Yes
ZIP FE	Yes	Yes
Year FE	Yes	Yes

Table 9: **Gains and losses from partisan purchase timing**

This table examines the relationship between the partisan alignment and future return. Units are in percentage points. The dependent variables are ZIP-level housing returns from year t to $t+1$, from $t+1$ to $t+2$, and from t to $t+2$, measured in percentage points. *Democratic Purchase Share* is the share of ZIP-year home purchases made by Democratic buyers. *AlignmentShare* is the share of ZIP-year purchases made by politically aligned buyers. *Term Year*$_k$ is an indicator equal to one when year t is the kth year of the presidential term and zero otherwise. The principal independent variables are interactions between *AlignmentShare* and the four *Year* indicators. County controls include *Population*, *Personal Income*, *Conforming Loan Limit*, and *Unemployment Rate*. All specifications include ZIP and year fixed effects. Equation (9) gives the exact specification. Regressions are performed at the zip-year level. Standard errors are clustered by zipcode. *,**, and *** denote statistical significance at the 10%, 5%, and 1% levels, respectively. The sample period is from 2010 to 2023.

	(1)	(2)	(3)
	t → t+1	t+1 → t+2	t → t+2
Democratic Purchase Share	-0.054	-0.964**	-1.004*
	(0.416)	(0.477)	(0.602)
Alignment × Year 1	-1.579***	-0.492	-1.892***
	(0.471)	(0.468)	(0.597)
Alignment × Year 2	-1.642***	0.828*	-0.767
	(0.435)	(0.431)	(0.550)
Alignment × Year 3	-0.292	2.146***	2.096***
	(0.398)	(0.436)	(0.560)
Alignment × Year 4	0.999**	5.055***	7.466***
	(0.422)	(0.552)	(0.666)
Observations	49,506	48,838	48,168
R^2	0.443	0.383	0.634
County Controls	Yes	Yes	Yes
ZIP FE	Yes	Yes	Yes
Year FE	Yes	Yes	Yes

Table 10: **Aggregate and real effects**

This table reports the effect of political alignment on log residential purchase volumes, homeownership rate, residential house price, and residential house total return. The dependent variables are *Log Home Purchase Volume*, *Homeownership Rate*, *Log House Price*, and *Log Total Housing Return*, where total housing return includes rental income. *Alignment* equals one if the county is politically aligned with the party of the sitting president and zero otherwise. *Democratic Share* is the Democratic vote share in the county in the most recent presidential election. The interaction *Alignment* × *Democratic Share* allows the effect of political alignment to vary with Democratic support. County controls include *Population*, *Personal Income*, *Conforming Loan Limit*, and *Unemployment Rate*. All specifications include county and year fixed effects. Equation (10) gives the exact specification. Standard errors are clustered by county. Standard errors are reported in parentheses. *,**, and *** denote statistical significance at the 10%, 5%, and 1% levels, respectively. The sample period is from 2010 to 2023.

	(1)	(2)	(3)	(4)
	Volume	Ownership	Price	Return
Alignment	0.083*	0.006***	0.066***	−0.008**
	(0.050)	(0.002)	(0.008)	(0.003)
Democratic Share	−1.181***	−0.023***	−0.058*	0.038***
	(0.203)	(0.008)	(0.033)	(0.010)
Alignment × Democratic Share	−0.133	−0.011***	−0.110***	0.011
	(0.111)	(0.004)	(0.017)	(0.007)
Observations	31,955	42,760	42,759	39,705
R^2	0.936	0.927	0.975	0.453
County Controls	Yes	Yes	Yes	Yes
County FE	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes

Appendix

Table A.1: **Variable Definitions**

Variable	Definition	Source
Panel A: Dependent Variables		
Home Purchase	Indicator for purchasing a home during the year or half-year. Cell-level outcomes are purchase probabilities in percentage points.	Voter records; ATTOM
First-Home Purchase	Indicator for an individual's first observed home purchase.	Voter records; ATTOM
Subsequent Investment Purchase	Indicator for a post-first purchase not followed by a move to the purchased property.	Voter records; ATTOM
Subsequent Move Purchase	Indicator for a post-first purchase followed by a move to the purchased property.	Voter records; ATTOM
Annualized Realized Unlevered Housing Return	Annualized repeat-sale return from purchase to sale, winsorized at the 1st and 99th percentiles and expressed in percent.	ATTOM
Home-Buying Expectations	Indicator that the respondent considers it a good rather than bad time to buy a home. Mixed responses are excluded.	Michigan Survey
Expected One-Year House Price Growth	Expected percentage change in local home values over the next year.	Michigan Survey
Expected Five-Year House Price Growth	Expected annual percentage change in local home values over the next five years.	Michigan Survey
ZIP Housing Return	Percentage change in the FHFA ZIP Code House Price Index over the indicated horizon.	FHFA
Log Home Purchase Volume	Log annual number of residential home purchases in the county.	ATTOM
Homeownership Rate	Share of occupied county housing units that are owner-occupied.	ACS
Log House Price	Log county-level residential house price.	ACS
Log Total Housing Return	Log county-level total housing return, including rental income.	ACS; authors' calculations
Panel B: Independent Variables		
Democrat	Indicator for a registered Democrat rather than Republican.	Voter records
Republican	Indicator for a survey respondent identifying as Republican rather than Democrat.	Michigan Survey
Alignment	Indicator that the individual's party matches that of the sitting president.	Voter records; election results
Election Alignment	Indicator for Republicans in the 2016 analysis and members of the winning party in the survey election-window analyses.	Voter records; Michigan Survey; election results
Post	Indicator for 2017–2018 half-years in the 2016 analysis and the six post-election months in the survey analyses.	Constructed

Variable	Definition	Source
Presidential Administration	Indicators for the presidential administration in office at time t.	Election results
Democratic Purchase Share	Share of ZIP-year home purchases made by Democratic buyers.	Voter records; ATTOM
Alignment Share	Share of ZIP-year home purchases made by buyers aligned with the sitting president.	Voter records; ATTOM
Term Year$_k$	Indicator that t is year k of the presidential term, $k \in \{1, 2, 3, 4\}$.	Constructed
Democratic Share	County Democratic vote share in the most recent presidential election before year t.	MIT Election Lab
County Alignment	Indicator that the county's winning party in the preceding presidential election matches that of the sitting president.	MIT Election Lab; election results
HOMGap	Standardized Republican-minus-Democratic difference in annual home-buying expectations.	Michigan Survey
Panel C: Control Variables		
Gender	Individual's recorded gender in voter data or self-reported gender in survey data.	Voter records; Michigan Survey
Age	Individual's age in years, controlled for flexibly in survey specifications.	Voter records; Michigan Survey
Age Group	Voter age-category indicators; subgroup analyses classify ages 18–40 as younger and 41–70 as older.	Voter records
Holding Period	Years between a property's purchase and subsequent sale.	ATTOM
Education	Indicators for the respondent's educational attainment.	Michigan Survey
Marital Status	Indicator that the respondent is married.	Michigan Survey
Homeownership	Indicator that the respondent owns their home, used only in specifications combining homeowners and renters.	Michigan Survey
Household Income	Respondent's household income.	Michigan Survey
Adult in Household	Indicator that the respondent's household includes an adult.	Michigan Survey
Population	Annual county population.	BEA
Personal Income	Annual aggregate county personal income.	BEA
Conforming Loan Limit	Annual one-unit conforming loan limit for the county.	FHFA
Unemployment Rate	Annual county unemployment rate.	BLS
National Home Price	Case–Shiller U.S. National Home Price Index, measured annually in the 2016 analysis and monthly in the survey analyses.	Robert Shiller website
Inflation	CPI inflation, measured annually in the 2016 analysis and monthly in the survey analyses.	FRED

Internet Appendix

IA.1 A. Data Merging Process

We construct the analysis sample by linking voter registration records, consumer address histories, and residential deed transactions. The goal of the merge is to recover whether and when registered voters purchase homes, while also preserving information on each voter's party affiliation, demographic characteristics, and historical residential location.

We begin with official voter registration records from Florida, Georgia, North Carolina, Nevada, New York, and Ohio. These records provide each registrant's name, current residential address, gender, date of birth, and party affiliation when available. For states with party registration, we classify voters using their registered party. For states without reliable party registration, we infer partisan affiliation from primary election participation. The main analysis focuses on voters classified as Democrats or Republicans.

We then use Verisk consumer address history data to recover voters' historical residential locations. Verisk reports up to ten historical addresses for each consumer over the past thirty years. We first clean and standardize names and addresses in both the voter files and Verisk records. We match the current residential address in the voter records to the current address in Verisk and then use the matched Verisk address histories to construct a historical address panel for each voter. To reduce false matches in dense or ambiguous locations, we drop current addresses that are associated with more than ten consumers.

Next, we process ATTOM residential deed transactions from 2010 to 2023. The deed records provide property addresses, transaction dates, transfer prices, buyer and seller names, and mailing-address information. We retain residential transactions with valid transaction dates and transfer amounts and apply standard screens to remove non-arm's-length or mechanically generated transfers, including construction loans, foreclosures, mortgage records, timeshare transfers, auction sales, quitclaim deeds, partial-interest transfers, affidavits of death, intrafamily transfers, and gift deeds.

The final merge links the voter-address panel to the cleaned ATTOM deed records. We match voters to deed transactions using standardized individual names and addresses. The address match uses either the property address or the guarantor mailing address recorded in the deed data. This approach allows us to identify purchases even when a buyer's mailing address differs from the purchased property's address. A voter is classified as purchasing a home in a given period when we observe a matched deed transaction for that voter in that period.

We use the matched transaction records to construct the individual-year panel for 2010–2023. Each registered voter contributes one observation per year, and the main purchase outcome equals one if the voter purchases a home in that year. The final panel contains 718 million individual-year observations and is built from 5.8 million matched housing transactions. For analyses of realized housing returns, we further construct a repeat-sales sample by linking properties that transact at least twice, pairing each purchase with the subsequent sale, and requiring ownership consistency across the purchase-sale pair.

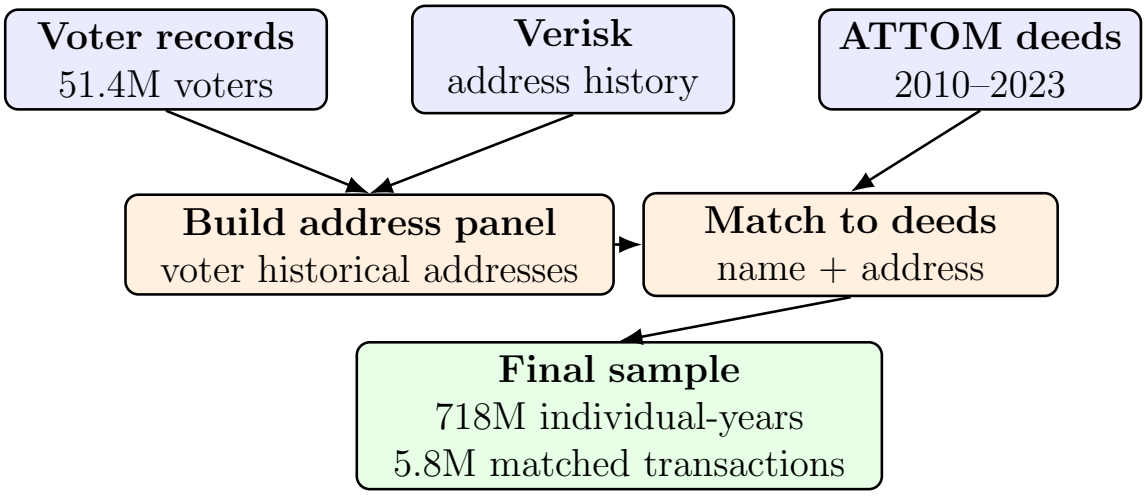


Figure IA.1: **Data merging process**
This figure summarizes the construction of the final individual-year sample. We combine voter registration records from Florida, Georgia, North Carolina, Nevada, New York, and Ohio with Verisk consumer address histories to construct historical voter address panels. We then merge these records to ATTOM deed transactions from 2010 to 2023 using individual names and addresses. The address match uses either the property address or the guarantor mailing address. The final sample contains 718 million individual-year observations from 5.8 million matched housing transactions.

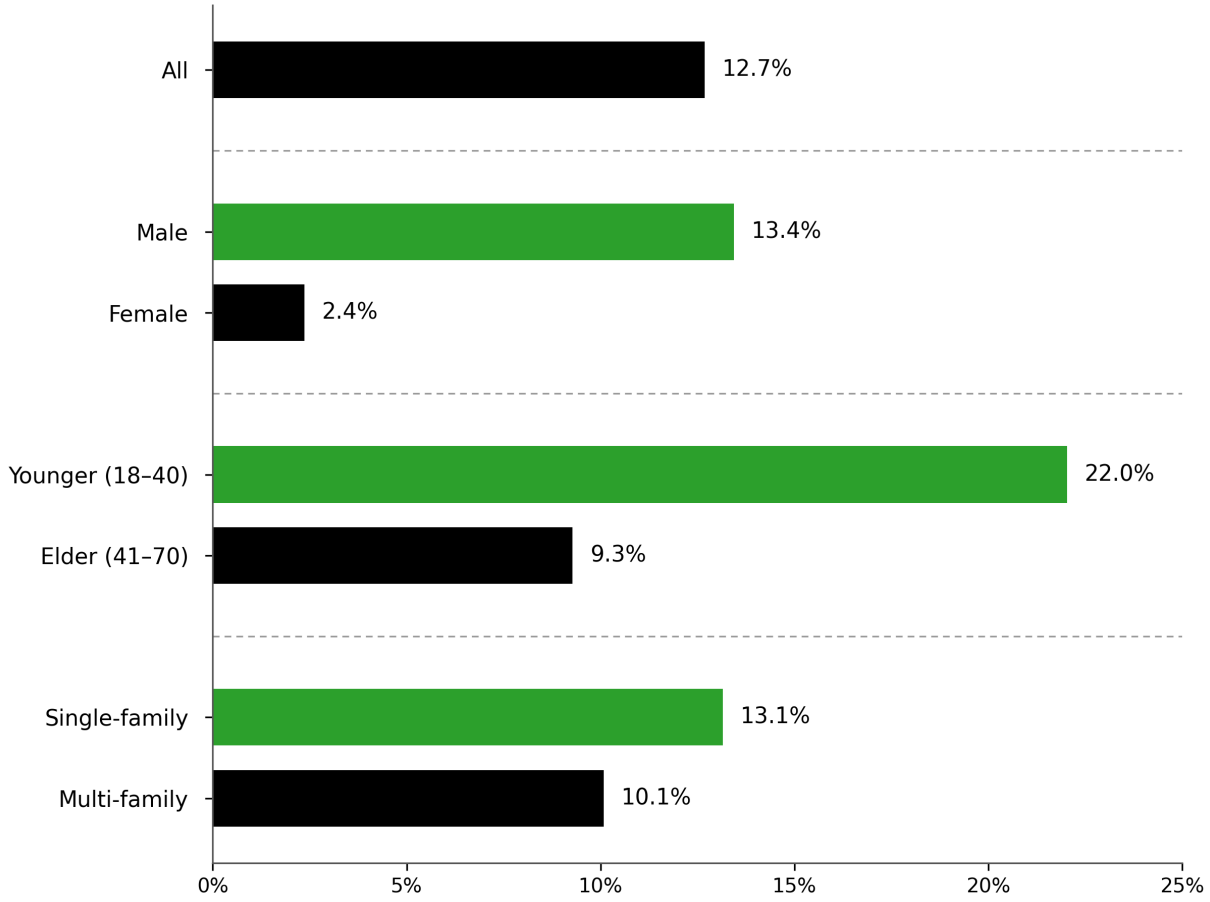
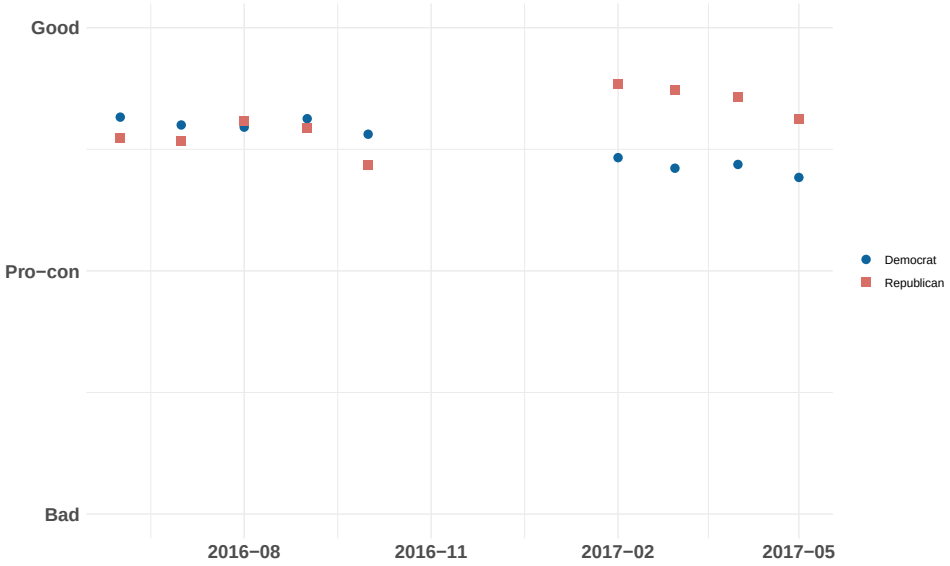
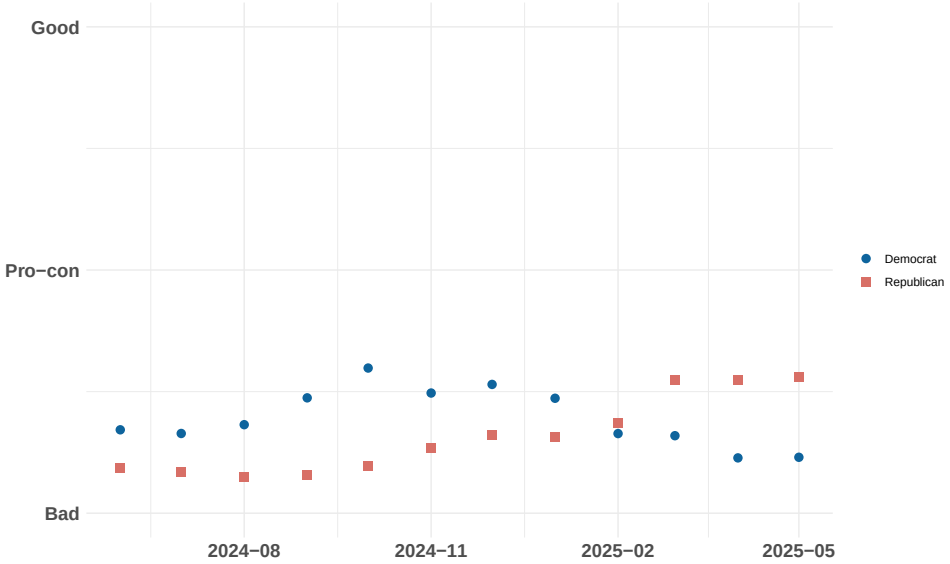


Figure IA.2: **Partisan alignment effects, by gender, age, and housing type**
This figure reports estimates of the partisan alignment effect on annual home purchase probability from Equation (3), separately by gender, age, and housing type. *Alignment* equals one when an individual's party matches that of the sitting president and zero otherwise. The bars report each estimated alignment coefficient as a percentage of the corresponding subgroup mean, calculated as $100 \times \widehat{\beta}/\overline{Y}$. Younger voters are ages 18–40 and older voters are ages 41–70. Specifications control for Democratic affiliation, applicable demographic characteristics, and county-level characteristics, and include ZIP and year fixed effects. Regressions are estimated at the ZIP-party-characteristic-year cell level and weighted by the number of voters in each cell. Standard errors are clustered by county. The sample period is from 2010 to 2023.



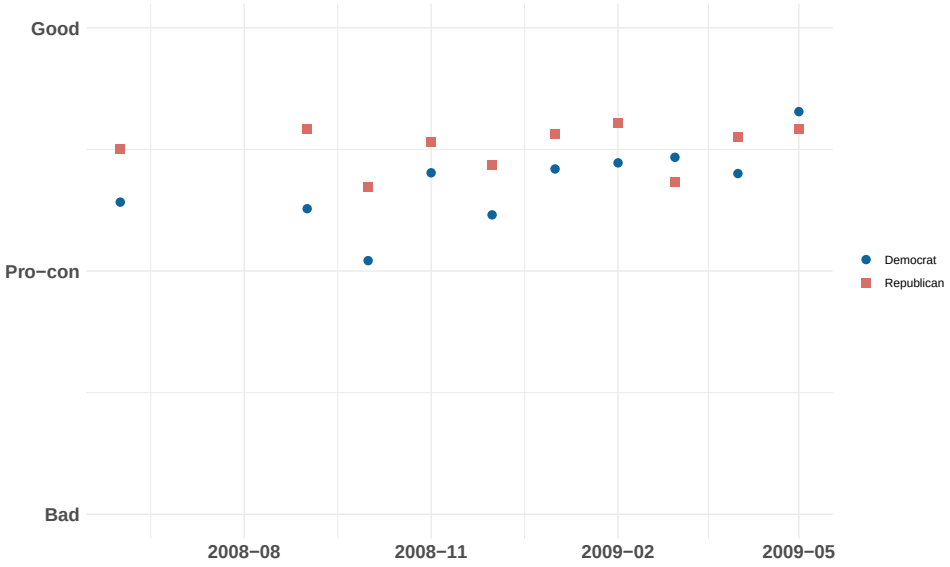
Panel A: Home buying expectations around 2016 presidential election by partisanship



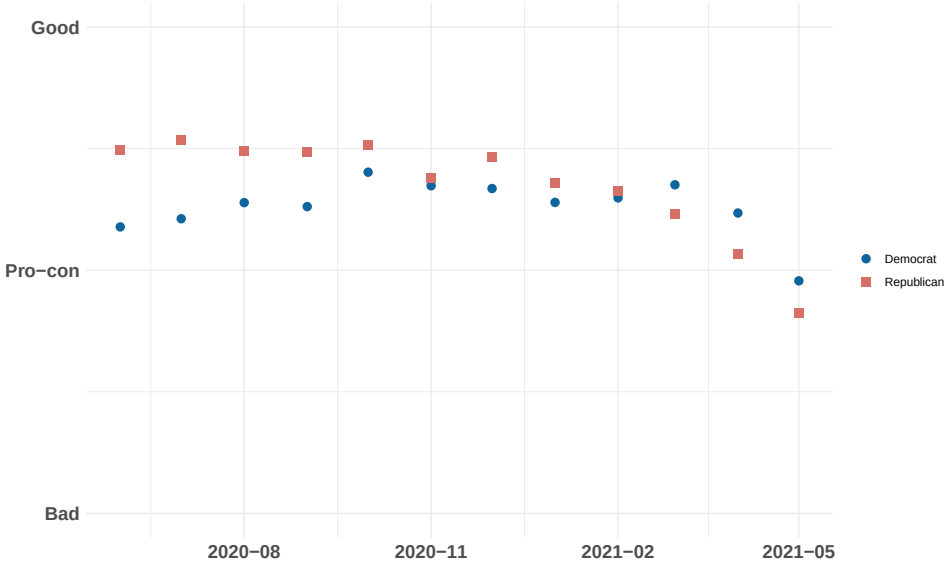
Panel B: Home buying expectations around 2024 presidential election by partisanship

Figure IA.3: **Partisan expectations shifts around 2016 and 2024 presidential elections**

The figure shows average response to the question "Generally speaking, do you think now is a good time or a bad time to buy a house?". Panel A presents Home buying expectations including both renters and owners, half a year before and after the 2016 partisanship election. Panel B presents the Home buying expectations including both renters and owners, half a year before and after the 2024 partisanship election. The data are from the University of Michigan Survey of Consumers. Home buying expectations are segmented by partisan affiliation and Presidential term. Party affiliation is measured directly from the individual's response to the survey.



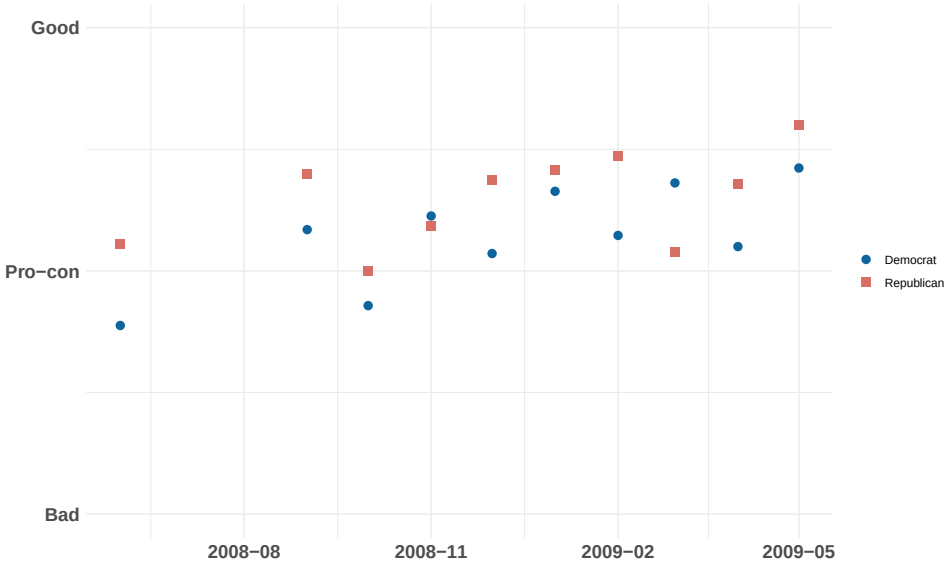
Panel A: Home buying expectations around 2008 presidential election by partisanship



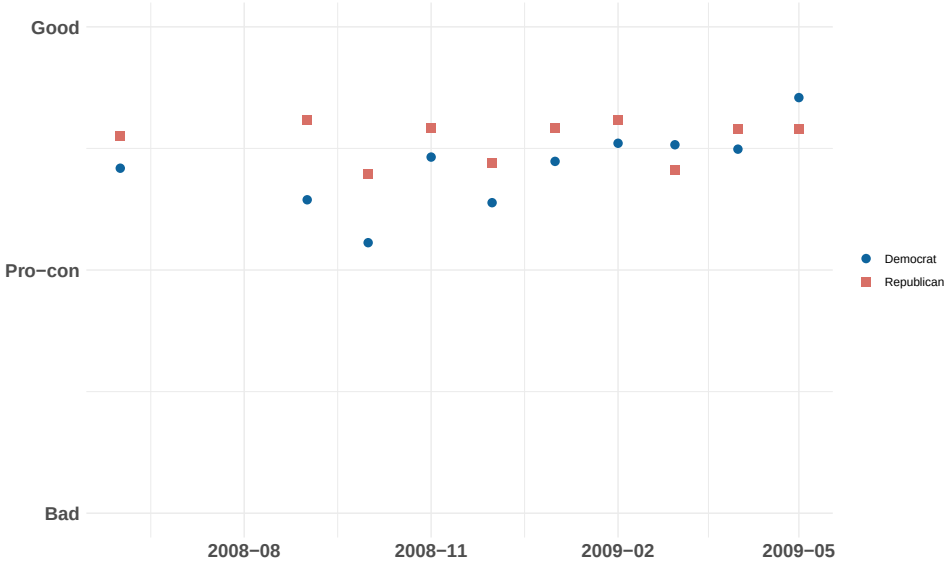
Panel B: Home buying expectations around 2020 presidential election by partisanship

Figure IA.4: **Partisan expectations shifts around 2008 and 2020 presidential elections**

The figure shows average response to the question "Generally speaking, do you think now is a good time or a bad time to buy a house?". Panel A presents Home buying expectations including both renters and owners, half a year before and after the 2008 partisanship election. Panel B presents the Home buying expectations including both renters and owners, half a year before and after the 2020 partisanship election. The data are from the University of Michigan Survey of Consumers. Home buying expectations are segmented by partisan affiliation and Presidential term. Party affiliation is measured directly from the individual's response to the survey.



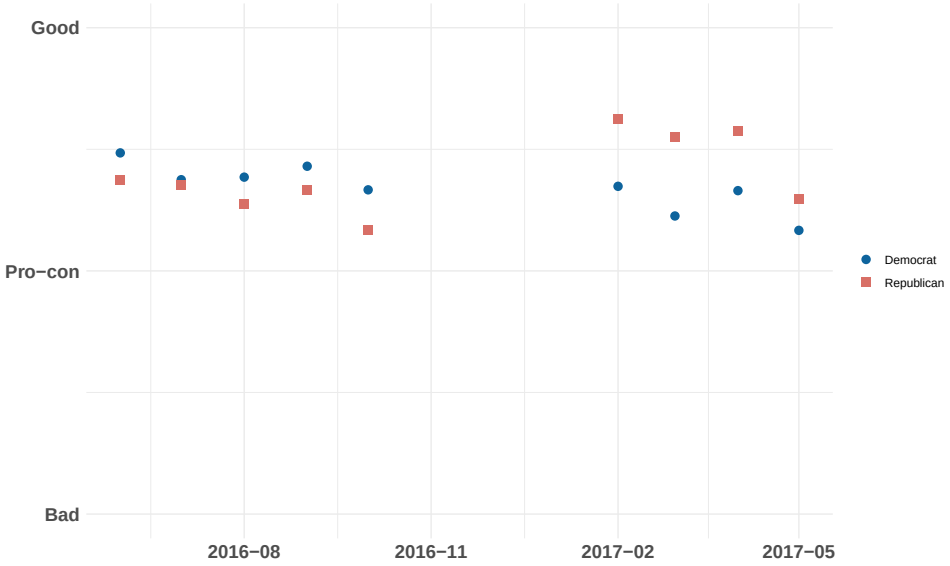
Panel A: Renters' home buying expectations around 2008 presidential election by partisanship



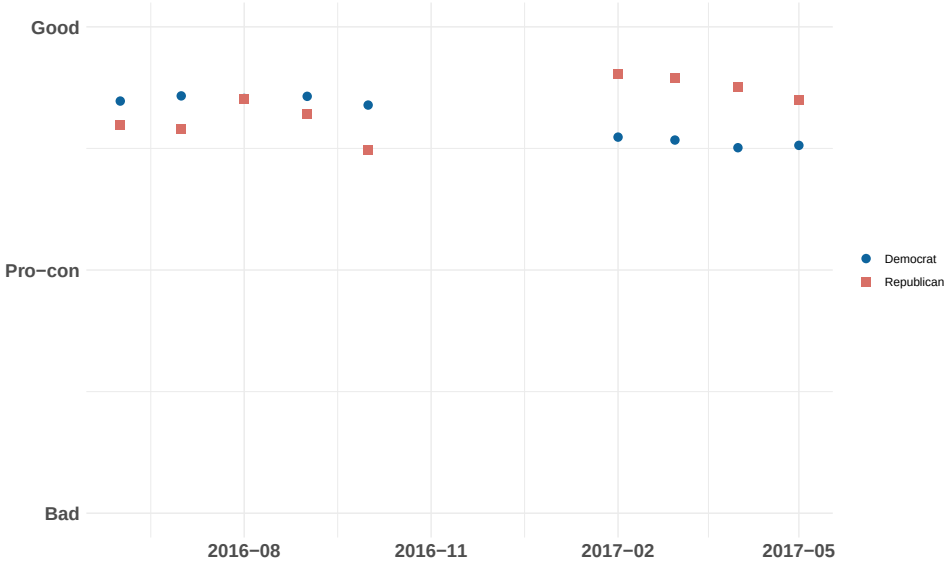
Panel B: Owners' home buying expectations around 2008 presidential election by partisanship

Figure IA.5: **Partisan renters' and owners' expectations shifts around 2008 presidential election**

The figure shows average response to the question, "Generally speaking, do you think now is a good time or a bad time to buy a house?". Panel A presents the survey Renters' home buying expectations, half a year before and after the 2008 partisanship election. Panel B presents the survey Owners' home buying expectations, half a year before and after the 2008 partisanship election. The data are from the University of Michigan Survey of Consumers. Both Renters' and Owner's home buying expectations are segmented by partisan affiliation and Presidential term. Party affiliation is measured directly from the individual's response to the survey.



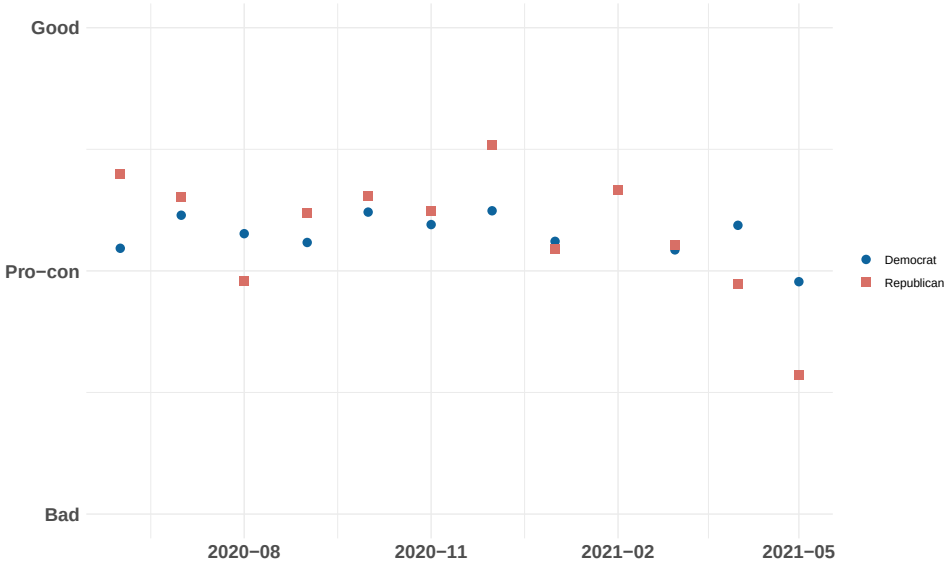
Panel A: Renters' home buying expectations around 2016 presidential election by partisanship



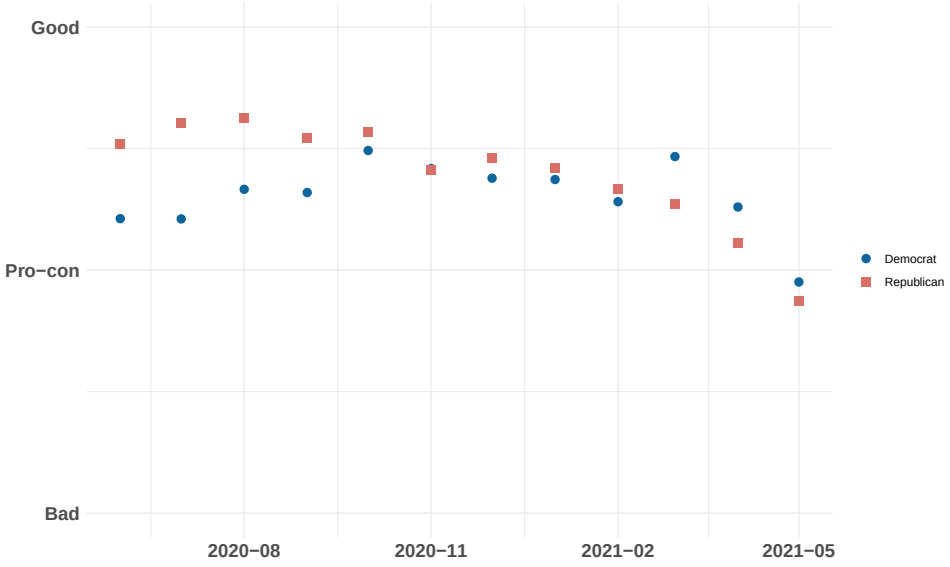
Panel B: Owners' home buying expectations around 2016 presidential election by partisanship

Figure IA.6: **Partisan renters' and owners' expectations shifts around 2016 presidential election**

The figure shows average response to the question,"Generally speaking, do you think now is a good time or a bad time to buy a house?". Panel A presents the survey Renters' home buying expectations, half a year before and after the 2016 partisanship election. Panel B presents the survey Owners' home buying expectations, half a year before and after the 2016 partisanship election. The data are from the University of Michigan Survey of Consumers. Both Renters' and Owner's home buying expectations are segmented by partisan affiliation and Presidential term. Party affiliation is measured directly from the individual's response to the survey.



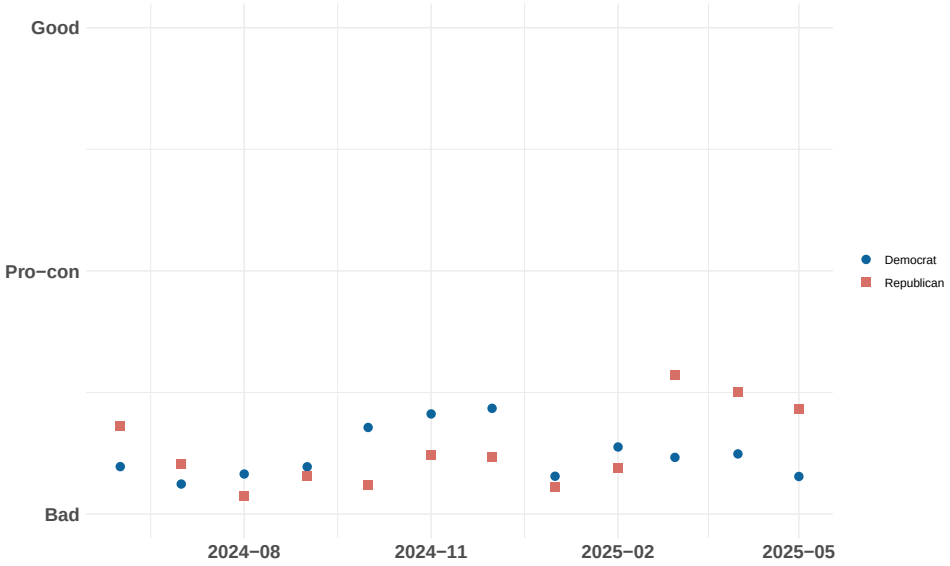
Panel A: Renters' home buying expectations around 2020 presidential election by partisanship



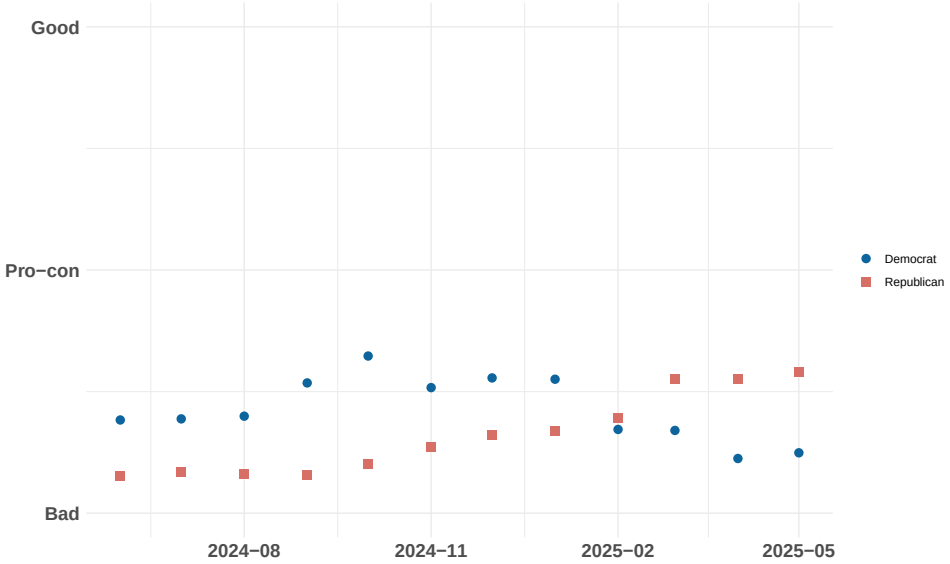
Panel B: Owners' home buying expectations around 2020 presidential election by partisanship

Figure IA.7: **Partisan renters' and owners' expectations shifts around 2020 presidential election**

The figure shows average response to the question, "Generally speaking, do you think now is a good time or a bad time to buy a house?". Panel A presents the survey Renters' home buying expectations, half a year before and after the 2020 partisanship election. Panel B presents the survey Owners' home buying expectations, half a year before and after the 2020 partisanship election. The data are from the University of Michigan Survey of Consumers. Both Renters' and Owner's home buying expectations are segmented by partisan affiliation and Presidential term. Party affiliation is measured directly from the individual's response to the survey.



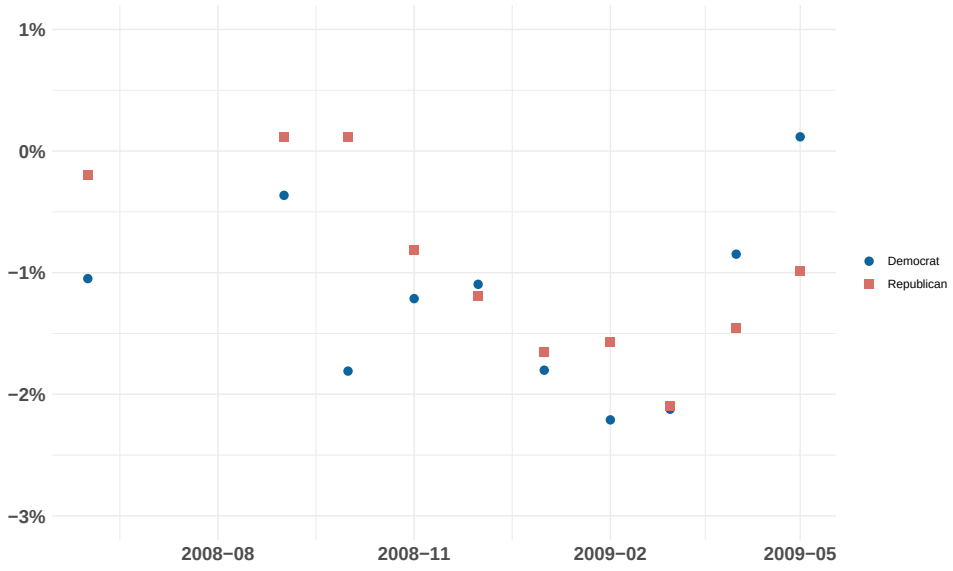
Panel A: Renters' home buying expectations around 2024 presidential election by partisanship



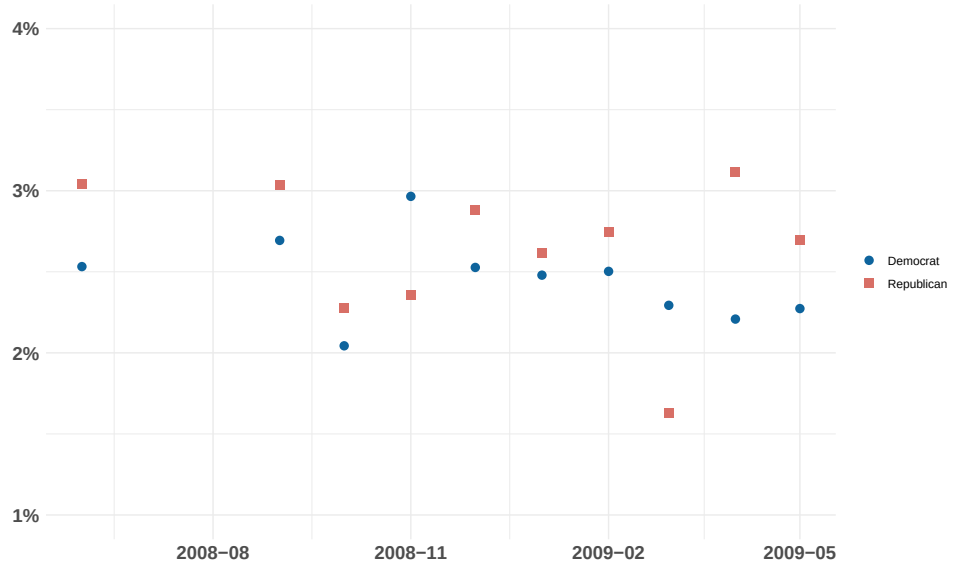
Panel B: Owners' home buying expectations around 2024 presidential election by partisanship

Figure IA.8: **Partisan renters' and owners' expectations shifts around 2024 presidential election**

The figure shows average response to the question, "Generally speaking, do you think now is a good time or a bad time to buy a house?". Panel A presents the survey Renters' home buying expectations, half a year before and after the 2024 partisanship election. Panel B presents the survey Owners' home buying expectations, half a year before and after the 2024 partisanship election. The data are from the University of Michigan Survey of Consumers. Both Renters' and Owner's home buying expectations are segmented by partisan affiliation and Presidential term. Party affiliation is measured directly from the individual's response to the survey.



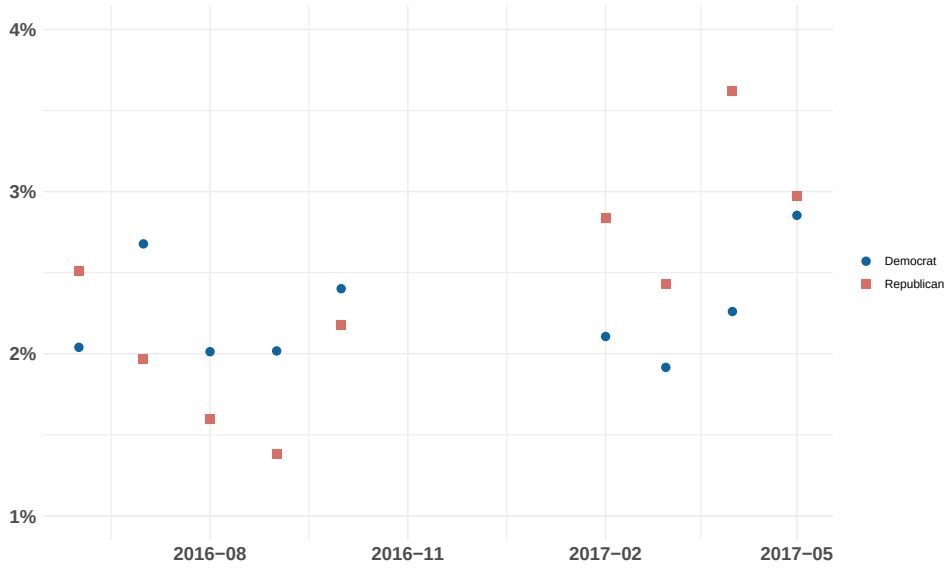
Panel A: One-year home price growth expectation around 2008 presidential election by partisanship



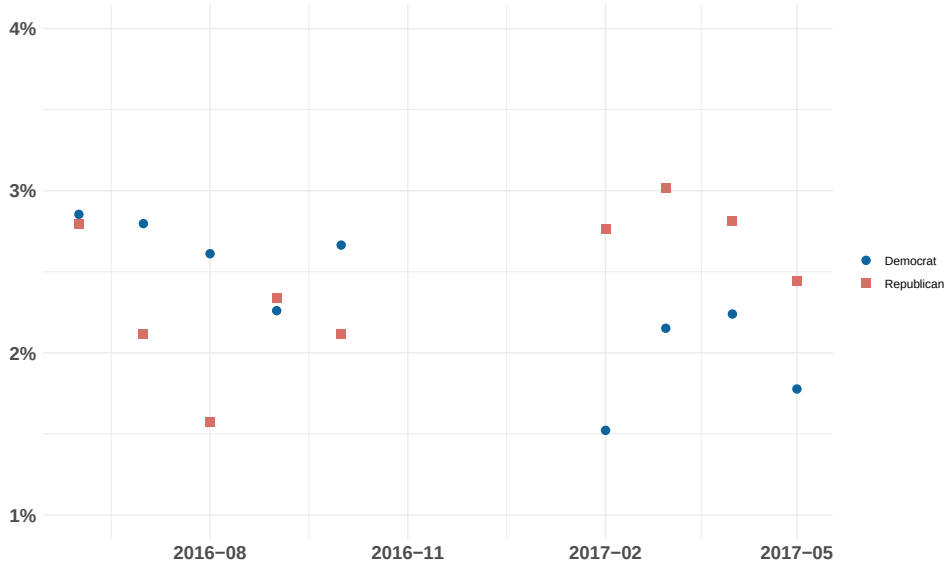
Panel B: Five-year home price growth expectation around 2008 presidential election by partisanship

Figure IA.9: **Partisan expectations shifts (one-year and five-year price growth) around 2008 presidential election**

Panel A presents the average expected one-year growth in local home prices, based on responses to the question: "By about what percent do you expect prices of homes like yours in your community to go up or down, on average, over the next 12 months?" Panel B presents the corresponding average expected five-year growth in local home prices, based on responses to the question: "By about what percent do you expect prices of homes like yours in your community to go up or down, on average, over the next five years?" Both panels cover the six months before and after the 2008 presidential election and report expectations by partisan affiliation. The data are from the University of Michigan Survey of Consumers. Both one-year home price growth expectations and five-year home price growth expectation are segmented by partisan affiliation and Presidential term. Party affiliation is measured directly from the individual's response to the survey.



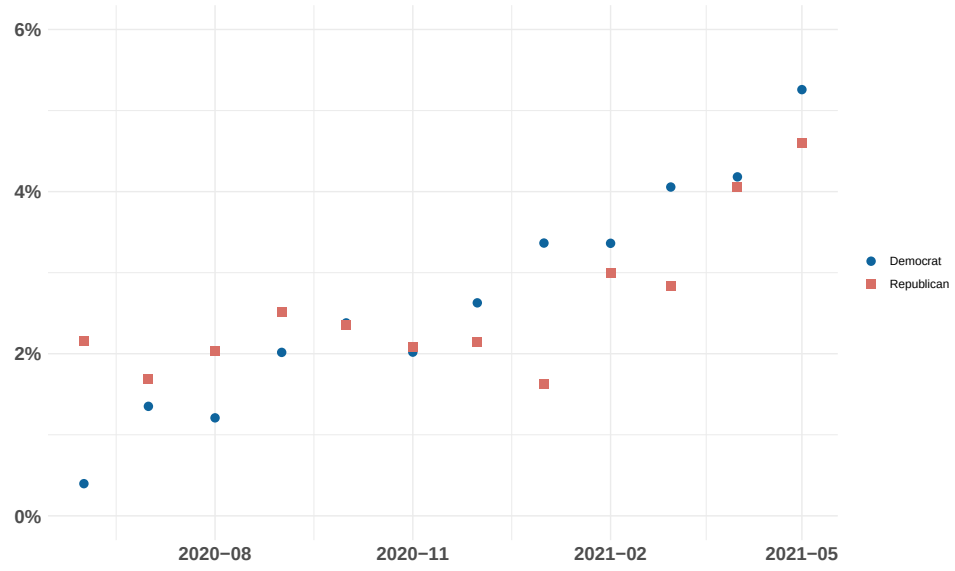
Panel A: Partisan expectations shifts (one-year and five-year growth) around 2016 presidential election



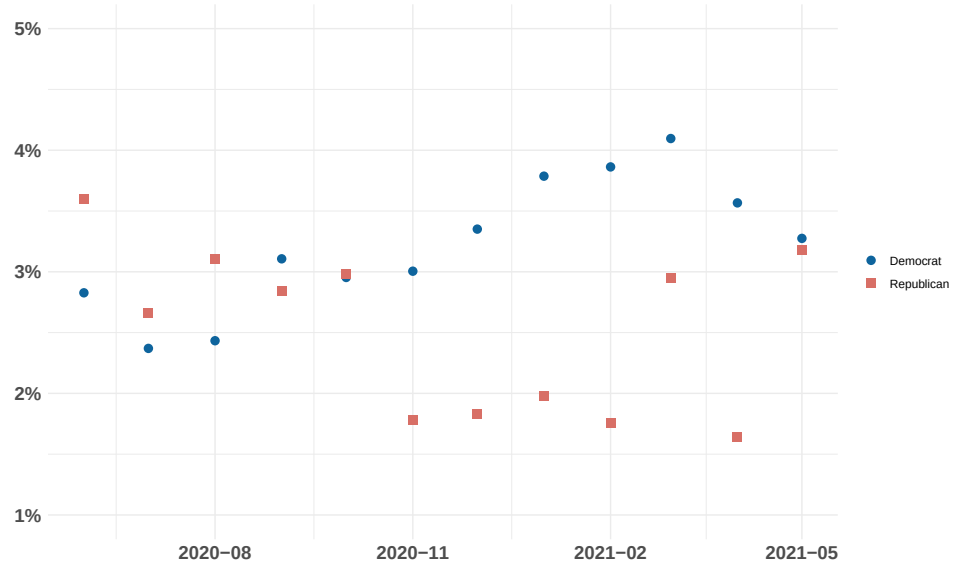
Panel B: Five-year home price growth expectation around 2016 presidential election by partisanship

Figure IA.10: **Partisan expectations shifts (one-year and five-year price growth) around 2016 presidential election**

Panel A presents the average expected one-year growth in local home prices, based on responses to the question: "By about what percent do you expect prices of homes like yours in your community to go up or down, on average, over the next 12 months?" Panel B presents the corresponding average expected five-year growth in local home prices, based on responses to the question: "By about what percent do you expect prices of homes like yours in your community to go up or down, on average, over the next five years?" Both panels cover the six months before and after the 2016 presidential election and report expectations by partisan affiliation. The data are from the University of Michigan Survey of Consumers. Both one-year home price growth expectations and five-year home price growth expectation are segmented by partisan affiliation and Presidential term. Party affiliation is measured directly from the individual's response to the survey.



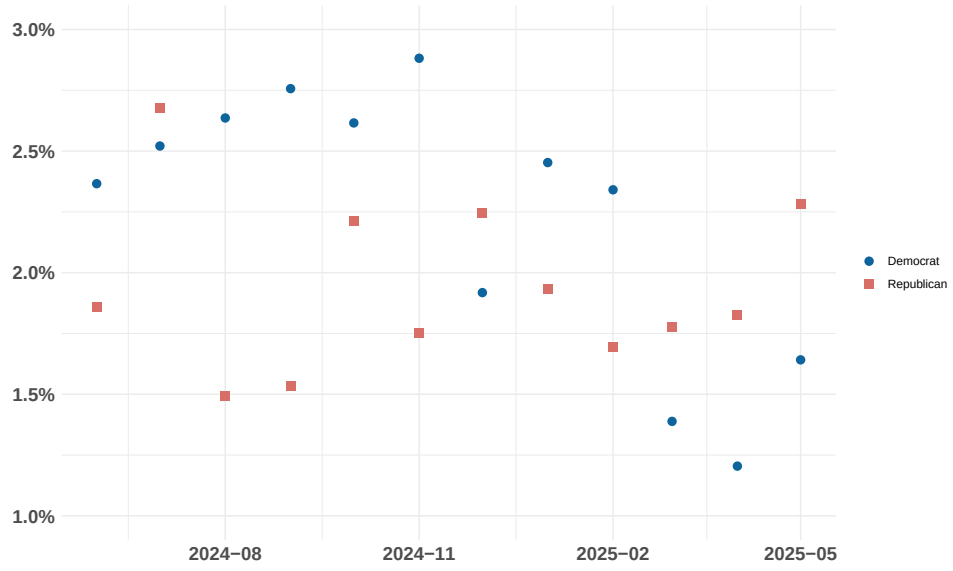
Panel A: One-year home price growth expectation around 2020 presidential election by partisanship



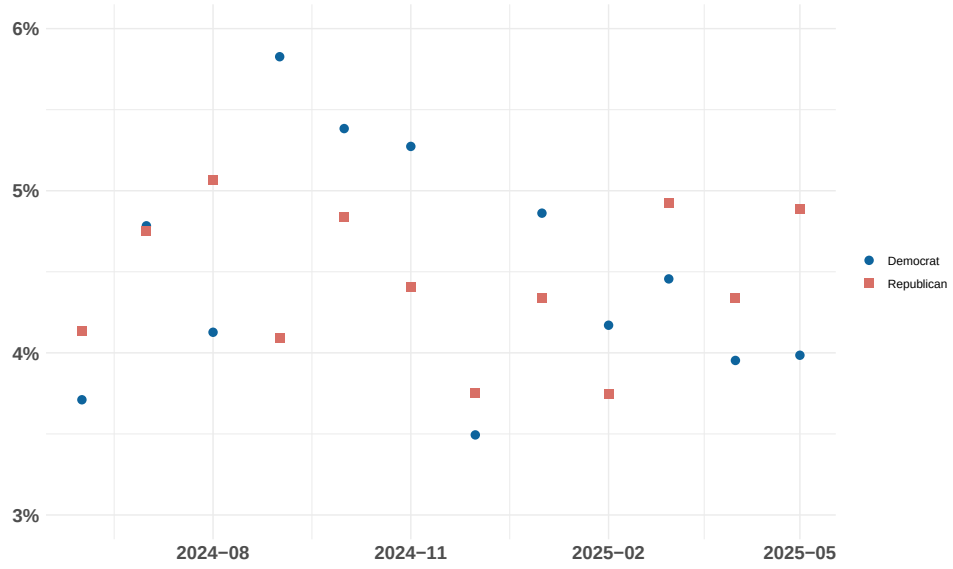
Panel B: Five-year home price growth expectation around 2020 presidential election by partisanship

Figure IA.11: **Partisan expectations shifts (one-year and five-year price growth) around 2020 presidential election**

Panel A presents the average expected one-year growth in local home prices, based on responses to the question: "By about what percent do you expect prices of homes like yours in your community to go up or down, on average, over the next 12 months?" Panel B presents the corresponding average expected five-year growth in local home prices, based on responses to the question: "By about what percent do you expect prices of homes like yours in your community to go up or down, on average, over the next five years?" Both panels cover the six months before and after the 2020 presidential election and report expectations by partisan affiliation. The data are from the University of Michigan Survey of Consumers. Both one-year home price growth expectations and five-year home price growth expectation are segmented by partisan affiliation and Presidential term. Party affiliation is measured directly from the individual's response to the survey.



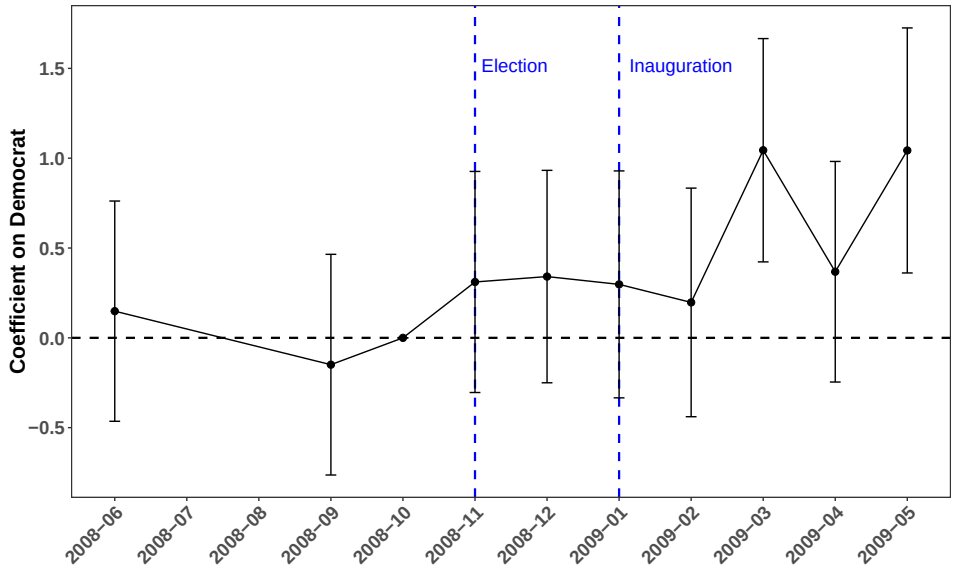
Panel A: One-year home price growth expectation around 2024 presidential election by partisanship



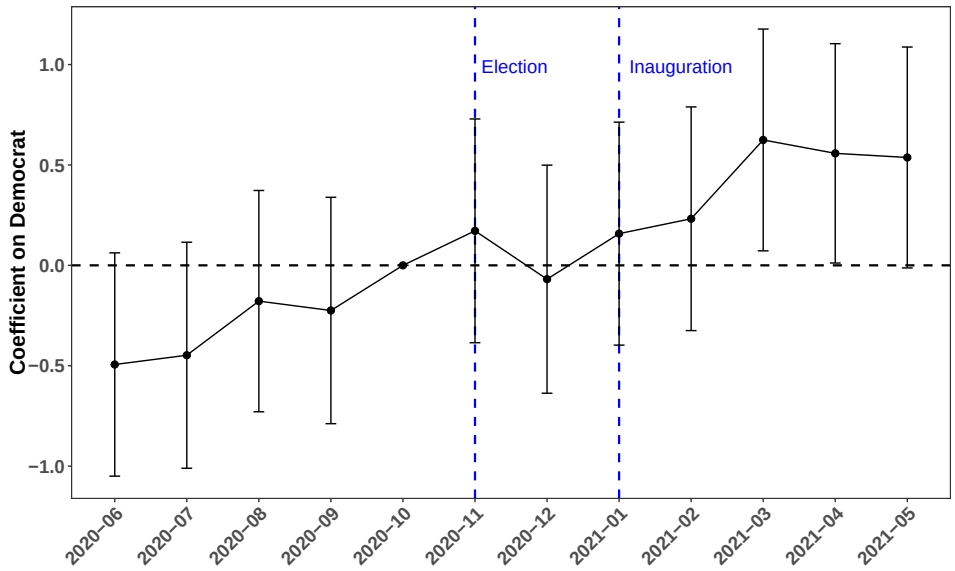
Panel B: Five-year home price growth expectation around 2024 presidential election by partisanship

Figure IA.12: **Partisan expectations shifts (one-year and five-year price growth) around 2024 presidential election**

Panel A presents the average expected one-year growth in local home prices, based on responses to the question: "By about what percent do you expect prices of homes like yours in your community to go up or down, on average, over the next 12 months?" Panel B presents the corresponding average expected five-year growth in local home prices, based on responses to the question: "By about what percent do you expect prices of homes like yours in your community to go up or down, on average, over the next five years?" Both panels cover the six months before and after the 2024 presidential election and report expectations by partisan affiliation. The data are from the University of Michigan Survey of Consumers. Both one-year home price growth expectations and five-year home price growth expectation are segmented by partisan affiliation and Presidential term. Party affiliation is measured directly from the individual's response to the survey.



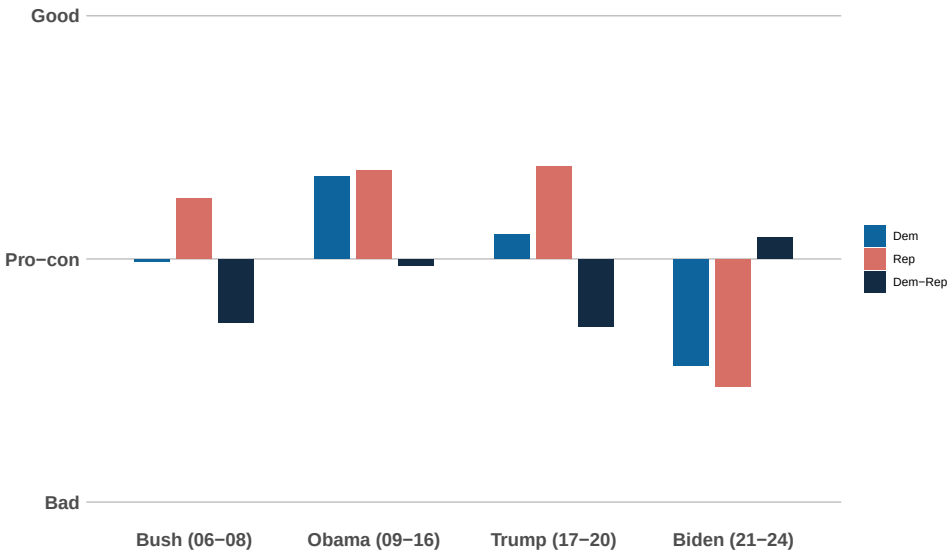
Panel A: Alignment Shift in Home Buying Expectations around the 2008 Presidential Election



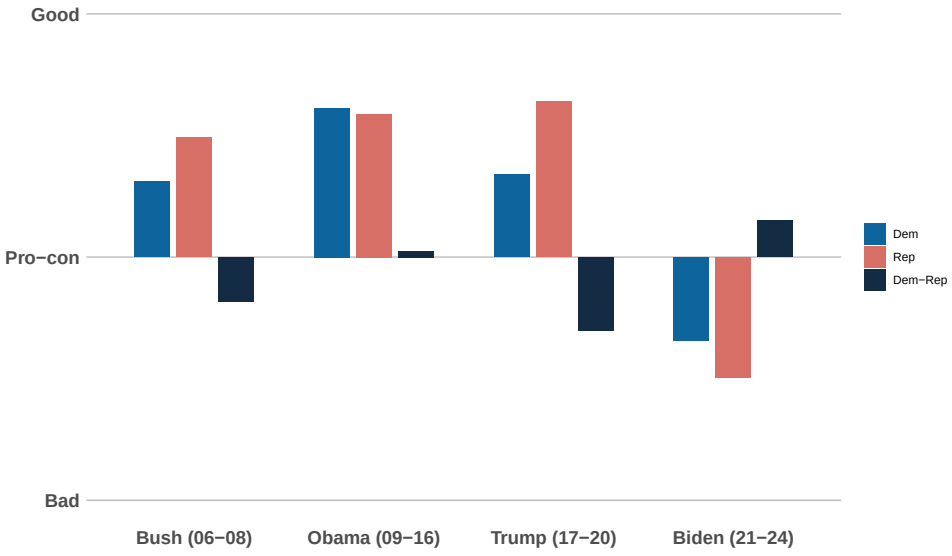
Panel B: Alignment Shift in Home Buying Expectations around the 2020 Presidential Election

Figure IA.13: **Alignment shifts in expectations around the 2008 and 2020 presidential elections**

This figure reports estimates of γ^m from the dynamic logit model in Equation (7) for the June-to-May windows surrounding the 2008 and 2020 presidential elections. The outcome equals one for a good-time-to-buy response and zero for a bad-time-to-buy response. *Election Alignment* identifies Democratic respondents, whose party won both elections. Each point is the month-specific aligned–nonaligned difference relative to October. Vertical bars show 95% confidence intervals. Controls include age, gender, education, marital status, homeownership, household income, and the presence of an adult in the household. Data are from the University of Michigan Surveys of Consumers.

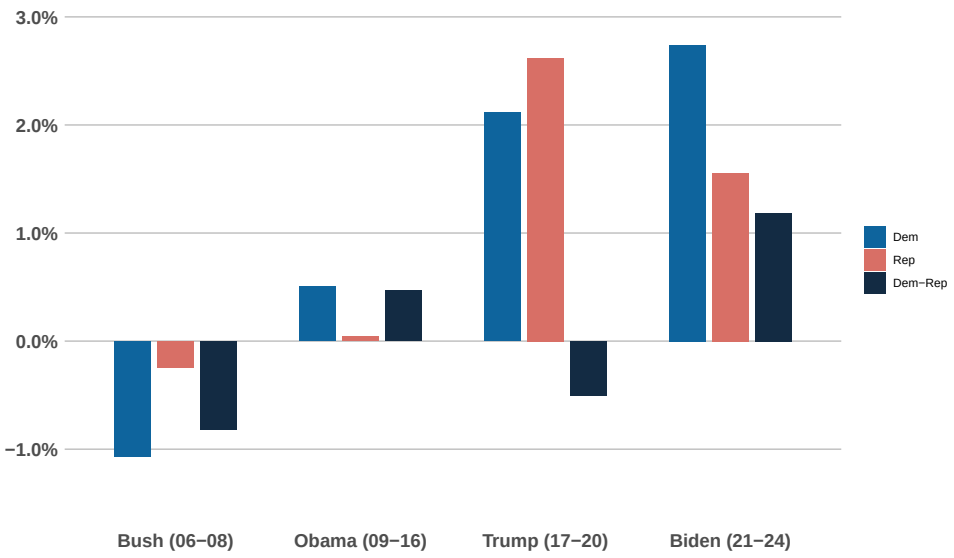


Panel A: Average renters' home buying expectations by partisan affiliations, by presidential term

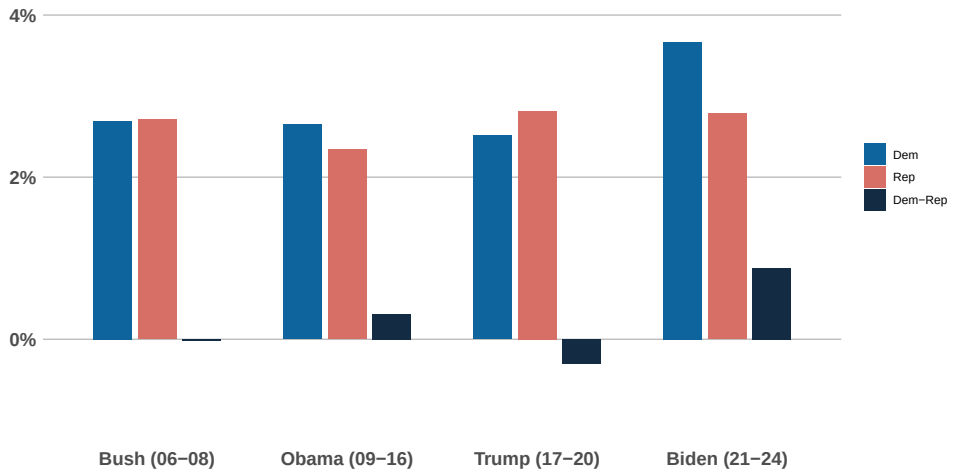


Panel B: Average owners' home buying expectations by partisan affiliations, by presidential term

Figure IA.14: **Partisan renters' and owners' expectations**
Panel A presents the average renters' home buying expectations. Panel B presents the average owners' home buying expectations. The data are from the University of Michigan Survey of Consumers. Both renters' and owners' home buying expectations are segmented by partisan affiliation and Presidential term. Party affiliation is measured directly from the individual's response to the survey. We also report the difference between the two. "Generally speaking, do you think now is a good time or a bad time to buy a house?"



Panel A: Average one-year home price growth expectations by partisan affiliations, by presidential term



Panel B: Average five-year home price growth expectations by partisan affiliations, by presidential term

Figure IA.15: **Partisan expectations (one-year and five-year price growth)**
Panel A presents the average one-year home price growth expectations. Panel B presents the average five-year home price growth expectation. The data are from the University of Michigan Survey of Consumers. Both one-year home price growth expectations and five-year home price growth expectation are segmented by partisan affiliation and Presidential term. Party affiliation is measured directly from the individual's response to the survey. We also report the difference between the two. "By about what percent do you expect prices of homes like yours in your community to go (up/down), on average, over the next 12 months?"; "By about what percent do you expect prices of homes like yours in your community to go (up/down), on average, over the next 5 years?"

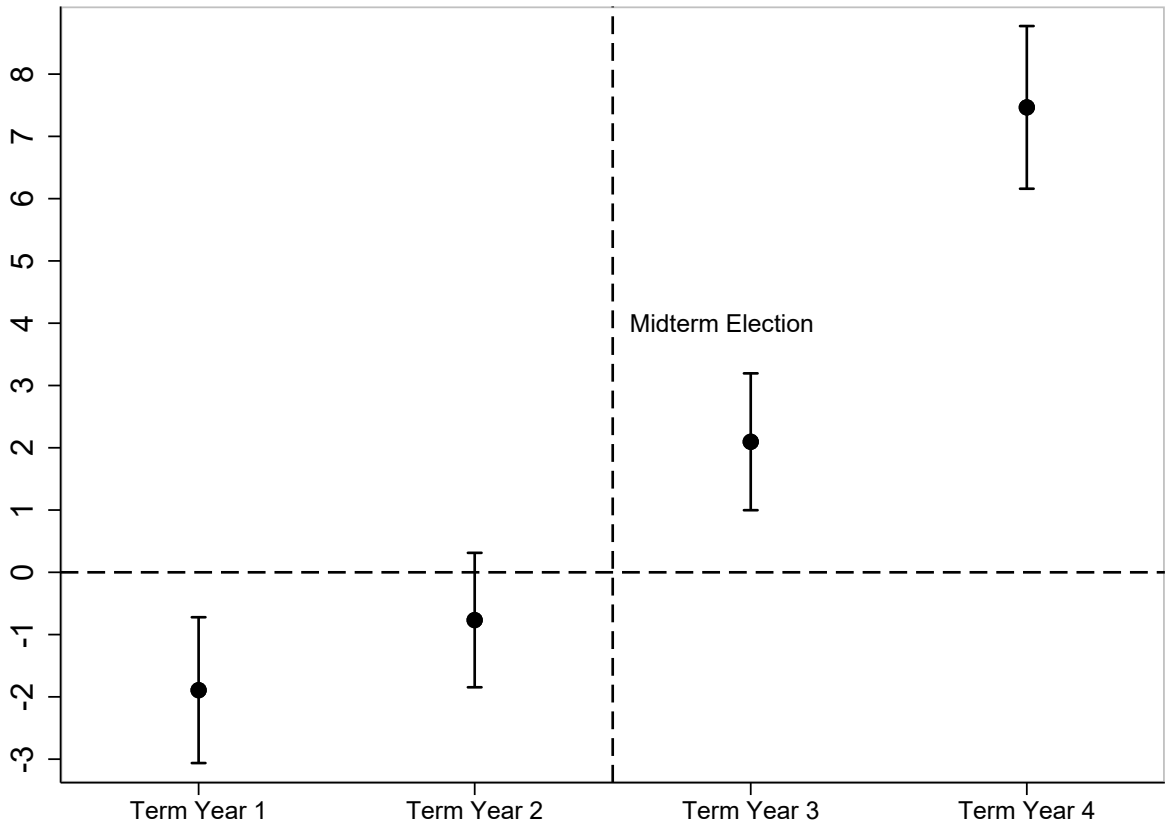


Figure IA.16: **Gains and losses from partisan purchase timing**
This figure reports estimates of γ_k from Equation (9) for the cumulative ZIP housing return from year t to year $t+2$. The dependent variable is the cumulative percentage change in the FHFA ZIP Code House Price Index. Each point is the estimated coefficient on the interaction between Alignment Share and the corresponding presidential Term Year indicator. Alignment Share is the share of home purchases in a ZIP-year made by buyers whose party matches that of the sitting president. The vertical bars show 95% confidence intervals. The horizontal dashed line marks zero, and the vertical dashed line separates the first two term years from the post-midterm years. Positive coefficients indicate that a higher aligned purchase share is associated with higher subsequent cumulative housing returns; negative coefficients indicate lower returns. All regressions are estimated at the ZIP-year level and control for Democratic Purchase Share, demographic composition, and county-level characteristics, with ZIP and year fixed effects. Standard errors are clustered by ZIP code. The sample covers 2010–2023.

Table IA.1: **Summary statistics: Holding periods**

This table reports summary statistics for *Holding Period*, defined as the number of years between a property's purchase and subsequent sale. The sample contains 480,421 repeat-sales transactions from 2010 to 2023. Statistics are reported for the full sample and separately for Democratic and Republican sellers, overall and by gender and age group. The table reports the mean, standard deviation, and share of total transactions for each category.

	(1) Overall			(2) Democrat			(3) Republican		
	Mean	SD	Prop.	Mean	SD	Prop.	Mean	SD	Prop.
All	4.773	2.628	100.000	4.886	2.641	34.808	4.713	2.619	65.192
Male	4.816	2.624	74.922	4.954	2.635	22.437	4.758	2.617	52.484
Female	4.644	2.636	25.078	4.763	2.648	12.370	4.528	2.620	12.708
Age 18–30	3.467	2.203	1.628	3.633	2.310	0.427	3.407	2.162	1.202
Age 31–40	4.380	2.248	19.724	4.378	2.212	6.708	4.380	2.266	13.016
Age 41–50	5.035	2.602	24.628	5.116	2.587	9.364	4.984	2.609	15.264
Age 51–60	4.845	2.721	18.249	4.992	2.739	6.057	4.772	2.708	12.192
Age 61–70	4.769	2.734	17.574	4.889	2.762	5.723	4.712	2.718	11.851

Table IA.1: **Summary statistics**

This table reports summary statistics for variables from the University of Michigan Surveys of Consumers from September 2006 to October 2024. *Is Republican* is an indicator for a Republican rather than Democratic respondent. *HOM* is the home-buying attitude index, coded as one for a good time to buy, zero for a response citing both favorable and unfavorable conditions, and minus one for a bad time to buy. *HOMPX1* is the expected percentage change in local home values over the next year, and *HOMPX5* is the expected annual percentage change over the next five years. *Is College*, *Is Male*, *Is Married*, *Is Owner*, and *Is Adult* are indicators for college attendance or completion, male gender, married status, homeownership, and the presence of an adult in the household, respectively. *Age* is measured in years, and *Income* is annual household income in dollars. Statistics are reported for all respondents and separately for Republican and Democratic respondents.

All Respondents

Variable	N	Mean	SD	Min	P25	Median	P75	Max
Is Republican	64,436	0.484	0.500	0	0	0	1	1
HOM	63,792	0.099	0.991	−1	−1	1	1	1
HOMPX1	46,673	1.745	6.497	−35	0	0	5	35
HOMPX5	46,133	2.856	5.564	−35	0	3	5	35
Is College	64,357	0.520	0.500	0	0	1	1	1
Is Male	64,392	0.588	0.492	0	0	1	1	1
Is Marry	64,345	0.643	0.479	0	0	1	1	1
Is Owner	64,436	0.761	0.427	0	1	1	1	1
Age	63,953	53.137	17.081	18	40	55	66	97
Income	61,676	109,911	94,632	0	47,500	84,000	140,000	500,000
Is Adult	64,388	0.778	0.416	0	1	1	1	1

Republican Respondents

Variable	N	Mean	SD	Min	P25	Median	P75	Max
HOM	30,922	0.140	0.986	−1	−1	1	1	1
HOMPX1	24,393	1.606	6.622	−35	0	0	5	35
HOMPX5	24,075	2.720	5.699	−35	0	2	5	35
Is College	31,149	0.457	0.498	0	0	0	1	1
Is Male	31,167	0.660	0.474	0	0	1	1	1
Is Marry	31,151	0.697	0.459	0	0	1	1	1
Is Owner	31,196	0.820	0.384	0	1	1	1	1
Age	30,928	54.469	16.535	18	42	56	67	97
Income	29,687	111,929	93,032	0	50,000	87,500	141,000	500,000
Is Adult	31,168	0.805	0.396	0	1	1	1	1

Democratic Respondents

Variable	N	Mean	SD	Min	P25	Median	P75	Max
HOM	32,870	0.059	0.993	−1	−1	1	1	1
HOMPX1	22,280	1.897	6.354	−35	0	0	5	35
HOMPX5	22,058	3.006	5.409	−35	0	3	5	35
Is College	33,208	0.578	0.494	0	0	1	1	1
Is Male	33,225	0.520	0.500	0	0	1	1	1
Is Marry	33,194	0.592	0.491	0	0	1	1	1
Is OWNER	33,240	0.705	0.456	0	0	1	1	1
Age	33,025	51.890	17.485	18	37	53	66	97
Income	31,989	108,038	96,057	0	42,500	80,000	140,000	500,000
Is Adult	33,220	0.752	0.432	0	1	1	1	1

Table IA.1: **Summary statistics (continue)**

This table reports county-year summary statistics for 2010–2023. *Home Purchase Volume* is the annual number of residential home purchases. *Homeownership Rate* is the share of occupied housing units that are owner-occupied. *House Price* is the county-level residential house-price measure. *Housing Return* is the county-level total housing return, including rental income. *Democratic Share* is the county Democratic vote share in the most recent presidential election. *Personal Income* is annual aggregate county personal income, *Population* is annual county population, *Conforming Loan Limit* is the annual one-unit conforming loan limit, and *Unemployment Rate* is the annual county unemployment rate. Rates, returns, and shares are reported as decimals; house prices, personal income, and loan limits are in dollars. Statistics are reported for all counties and separately for counties won by the Republican and Democratic presidential candidates in the most recent election.

All counties

Variable	N	Mean	SD	Min	P25	Median	P75	Max
Home purchase volume	32,720	1,612.171	4,439.298	1	67	343	1,207	103,078
Homeownership rate	45,090	0.721	0.082	0	0.681	0.733	0.776	0.974
House price	45,075	149,711	96,913	16,800	91,600	122,400	172,000	1,494,500
Housing return	41,842	0.102	0.062	-1.03	0.066	0.095	0.13	1.137
Democratic share	43,593	0.36	0.155	0.031	0.242	0.342	0.458	0.934
Personal income	43,224	5,444,034	20,249,430	1,899	421,945	1,006,935	2,895,187	756,659,481
Population	43,224	103,566	330,454	43	10,847	25,732	67,794	10,125,014
Conforming Loan Limit	45,062	490,398	107,005	417,000	41,700	424,100	535,900	1,089,300
Unemployment rate	44,888	0.06	0.031	0.011	0.037	0.052	0.075	0.291

Republican counties

Variable	N	Mean	SD	Min	P25	Median	P75	Max
Home purchase volume	24,931	955.781	2,750.99	1	54	277	855	102,316
Homeownership Rate	34,623	0.737	0.067	0.104	0.699	0.744	0.782	0.974
House Price	34,623	135,078	64,708	22,600	90,000	118,200	161,000	724,400
Housing Return	32046	0.107	0.061	-1.03	0.072	0.099	0.135	1.137
Democratic share	34,623	0.3	0.102	0.031	0.22	0.3	0.384	0.497
Personal income	34,236	2,552,585	6,856,514	1,899	392,590	877,356	2,126,021	248,921,831
Population	34,236	55,153	132,464	43	9,946	22,406	51,156	4,445,059
Conforming Loan Limitt	34,623	485,838	99,144	417,000	417,000	424,100	510,400	1,089,300
Unemployment rate	34,605	0.056	0.026	0.011	0.036	0.049	0.07	0.257

Democratic counties

Variable	N	Mean	SD	Min	P25	Median	P75	Max
Home purchase volume	7,712	3,746.785	7,290.946	1	159	977.5	4,359.5	103,078
Homeownership rate	8,970	0.664	0.103	0.19	0.604	0.677	0.738	0.909
House price	8,969	208,242	161,103	16,800	99,400	157,600	257,500	1,494,500
Housing return	8430	0.088	0.061	-0.311	0.054	0.082	0.115	0.566
Democratic share	8,970	0.593	0.09	0.42	0.522	0.57	0.64	0.934
Personal income	8,620	17,098,568	4,1208,584	11,826	709,781	2,918,044	15,490,973	756,659,481
Population	8,620	299,340	655,604	348	19,391	67,828	300,466	10,125,014
Conforming Loan Limit	8,970	497,850	122,993	417,000	417,000	417,000	548,250	1,089,300
Unemployment rate	8,883	0.067	0.032	0.015	0.043	0.061	0.085	0.291

Table IA.2: **Partisan alignment effects on home purchase probability, by gender and age and housing types**

This table examines the relationship between the probability of home purchase their political alignment. Units are in percentage points. The dependent variable is *Home Purchase*, an indicator equal to one if an individual purchases a home during the year and zero otherwise. *Alignment* equals one if the individual's party affiliation matches the party of the sitting president and zero otherwise. The regressions are estimated separately by *Gender*, *Age Group*, and *Property Type*. Controls include *Democrat* and, where applicable, *Gender* and *Age Group*. County controls include *Population*, *Personal Income*, *Conforming Loan Limit*, and *Unemployment Rate*. All specifications include ZIP and year fixed effects. Equation (3) gives the exact specification. Regressions are performed at the zip-party-characteristic-year cell level and are weighted by the number of voters in each cell. Standard errors are clustered by county. *, **, and *** denote statistical significance at the 10%, 5%, and 1% levels, respectively. The sample period is from 2010 to 2023.

	A. By Gender		B. By Age		C. By Property Type	
	(1)	(2)	(3)	(4)	(5)	(6)
	Male	Female	Younger	Elder	Single Family	Multiple Family
Panel A: Regression estimates						
Alignment β	0.113***	0.007	0.044***	0.065***	0.064***	0.003***
	(0.012)	(0.006)	(0.004)	(0.012)	(0.008)	(0.001)
Effect relative to mean (%)	13.439	2.364	22.030	9.279	13.150	10.077
Outcome mean μ	0.844	0.288	0.200	0.700	0.486	0.031
Observations	203,113,820	237,479,872	137,333,630	303,260,062	440,593,692	440,593,692
R^2	0.451	0.390	0.289	0.448	0.402	0.211
Gender control	No	No	Yes	Yes	Yes	Yes
Age controls	Yes	Yes	No	No	Yes	Yes
County controls	Yes	Yes	Yes	Yes	Yes	Yes
ZIP FE	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Clustering	County	County	County	County	County	County
Panel B: Pairwise relative-effect comparisons						
H_0 :	$\frac{\beta_{(1)}}{\mu_{(1)}} - \frac{\beta_{(2)}}{\mu_{(2)}} = 0$		$\frac{\beta_{(3)}}{\mu_{(3)}} - \frac{\beta_{(4)}}{\mu_{(4)}} = 0$		$\frac{\beta_{(5)}}{\mu_{(5)}} - \frac{\beta_{(6)}}{\mu_{(6)}} = 0$	
Relative-effect difference	11.074		12.750		3.073	
p-value of F-statistic	0.000		0.000		0.070	

Table IA.3: **Alignment shift in home purchase probability around the 2016 presidential election (Dynamic DID)**

This table relates the home purchase probability by individuals to their political alignment. Units are in percentage points. The dependent variable is *Home Purchase*, an indicator equal to one if an individual purchases a home during a given half-year and zero otherwise. *Alignment* equals one for Republicans and zero for Democrats. The principal independent variables are interactions between *Alignment* and half-year indicators. The second half of 2016(2016H2) is the omitted reference period. Depending on the column, individual controls include *Gender* and *Age Group*. All specifications include ZIP-by-half-year fixed effects. Equation (5) gives the exact specification. Regressions are run at the zip-party-characteristic-half-year cell level and are weighted by the number of voters in each cell. Standard errors are clustered by county. *,**, and *** denote statistical significance at the 10%, 5%, and 1% levels, respectively. The sample period is from 2015 to 2018.

	(1)	(2)
	Purchase Probability	Purchase Probability
2015H1 × Alignment	-0.011***	-0.011***
	(0.004)	(0.004)
2015H2 × Alignment	0.000	0.000
	(0.004)	(0.004)
2016H1 × Alignment	-0.000	-0.000
	(0.004)	(0.004)
2017H1 × Alignment	0.010***	0.010***
	(0.004)	(0.004)
2017H2 × Alignment	0.014***	0.014***
	(0.004)	(0.004)
2018H1 × Alignment	0.021***	0.021***
	(0.005)	(0.005)
2018H2 × Alignment	0.013***	0.013***
	(0.005)	(0.005)
Alignment	0.107***	0.046***
	(0.006)	(0.005)
Observations	246,438,272	246,438,272
R^2	0.223	0.452
Gender + Age Controls	No	Yes
ZIP × Half-year FE	Yes	Yes

Table IA.4: **Alignment shifts in expectations around presidential elections (Static DID)**

This table presents estimates of home buying expectations change differentially around Presidential Elections for individuals based on their party affiliation. The dependent variable is *Optimistic Home-Buying Expectations*, an indicator equal to one if a respondent reports that it is a good time to buy a home and zero if the respondent reports that it is a bad time to buy. *Alignment* equals one if the respondent's party affiliation matches the party that wins the corresponding presidential election and zero otherwise. *Post* equals one during the six months following the election and zero during the pre-election period. The coefficient on *Post* × *Alignment* measures the differential post-election change in home-buying optimism among aligned respondents. Individual controls include *Age*, *Gender*, *Education*, *Marital Status*, *Homeownership*, *Income*, and an adult-household indicator. Macro controls include *National Home Price* and *Inflation*. Equation (6) gives the exact specification. Standard errors are clustered by individual. Standard errors are reported in parentheses. *,**, and *** denote statistical significance at the 10%, 5%, and 1% levels, respectively. The sample periods are from 2008 to 2009; 2016 to 2017; 2020 to 2021; 2024 to 2025 respectively.

	Home Buying Expectations			
	(1)	(2)	(3)	(4)
	Obama 2008	Trump 2016	Biden 2020	Trump 2024
Post × Alignment	0.524***	1.009***	0.598***	1.307***
	(0.156)	(0.159)	(0.114)	(0.130)
Post	0.291	−0.232	−0.137	−0.135
	(0.192)	(0.158)	(0.118)	(0.084)
Alignment	−0.579***	−0.285***	−0.543***	−1.112***
	(0.130)	(0.108)	(0.090)	(0.110)
Observations	4,161	4,178	5,964	8,868
Log Likelihood	−2,307.881	−2,043.981	−3,712.429	−3,964.743
Akaike Inf. Crit.	4,641.763	4,113.961	7,450.859	7,955.486
Individual Characteristic Controls	Yes	Yes	Yes	Yes
Macro Condition Controls	Yes	Yes	Yes	Yes

Table IA.5: **Alignment shifts in expectations around presidential elections (Dynamic DID)**

This table presents the interaction coefficient of alignment shift in home buying expectations around the 2008, 2016, 2020 and 2024 Presidential elections. The dependent variable is *Home-Buying Expectations*, an indicator equal to one if a respondent reports that it is a good time to buy a home and zero if the respondent reports that it is a bad time to buy. *Alignment* equals one if the respondent's party affiliation matches the party that wins the corresponding presidential election and zero otherwise. The principal independent variables are interactions between *Alignment* and month indicators. October is the omitted reference month. The regressions include month fixed effects and individual controls for *Age*, *Gender*, *Education*, *Marital Status*, *Homeownership*, *Income*, and an adult-household indicator.Equation (7) gives the exact specification. Standard errors are clustered by individual. Standard errors are reported in parentheses. *,**, and *** denote statistical significance at the 10%, 5%, and 1% levels, respectively. The sample periods are from 2008 to 2009; 2016 to 2017; 2020 to 2021; 2024 to 2025 respectively.

	Home Buying Attitude			
	(1)	(2)	(3)	(4)
	Obama 2008	Trump 2016	Biden 2020	Trump 2024
June × Alignment	0.149	0.023	−0.494*	0.643*
	(0.313)	(0.342)	(0.284)	(0.331)
July × Alignment		0.256	−0.448	0.562
		(0.327)	(0.287)	(0.342)
August × Alignment		0.320	−0.178	0.389
		(0.330)	(0.281)	(0.327)
September × Alignment	−0.149	0.272	−0.225	−0.024
	(0.313)	(0.326)	(0.288)	(0.340)
November × Alignment	0.311		0.172	0.677**
	(0.314)		(0.284)	(0.314)
December × Alignment	0.341		−0.069	0.719**
	(0.302)		(0.290)	(0.302)
January × Alignment	0.298		0.158	0.784***
	(0.322)		(0.283)	(0.293)
February × Alignment	0.197	1.323***	0.232	1.520***
	(0.325)	(0.347)	(0.284)	(0.301)
March × Alignment	1.044***	1.453***	0.625**	2.095***
	(0.317)	(0.339)	(0.282)	(0.271)
April × Alignment	0.368	1.212***	0.558**	2.486***
	(0.313)	(0.328)	(0.279)	(0.292)
May × Alignment	1.043***	0.869***	0.537*	2.464***
	(0.348)	(0.312)	(0.281)	(0.295)
Observations	4,161	4,178	5,964	8,868
Log Likelihood	−2,282.085	−2,038.914	−3,692.165	−3,892.613
Akaike Inf. Crit.	4,618.170	4,127.828	7,446.330	7,847.226
Individual Controls	Yes	Yes	Yes	Yes

Table IA.6: **Interaction with partisan expectations gap - aggregate**

This table regresses log home purchase volume and homeownership rate on Democratic vote share in county as well as on interactions with a measure of partisan disagreement on home buying expectations. The sample includes all U.S. counties with Democratic vote share, and the outcome is the home purchase volume and homeownership rate in a county in a given year. To measure partisan expectations about the housing market, we use responses to the following question from the Michigan Consumer Survey: "Generally speaking, do you think now is a good time or a bad time to buy a house?". Based on these responses, we construct a measure of partisan disagreement as the annual difference in home buying expectations between Republican and Democratic respondents (HOMGap). We standardize this measure to have a mean of zero and a standard deviation of one, where a higher value indicates that Republicans are more optimistic about home-buying conditions. The dependent variables are *Log Home Purchase Volume* and *Homeownership Rate* in a county-year. *Dem Share* is the Democratic vote share in the county in the most recent presidential election. *HOMGap* is the standardized annual difference in home-buying expectations between Republican and Democratic respondents, with higher values indicating greater Republican optimism. The coefficient on *Dem Share* × *HOMGap* measures how the relationship between Democratic vote share and housing-market activity varies with partisan disagreement. County controls include *Population*, *Personal Income*, *Conforming Loan Limit*, and *Unemployment Rate*. All specifications include county and year fixed effects. Regressions are performed at county level. Standard errors are clustered by county. *,**, and *** denote statistical significance at the 10%, 5%, and 1% levels, respectively. The sample period is from 2010 to 2023.

	(1)	(2)
	Volume	Ownership
Dem Share	-1.278^{***}	-0.022^{***}
	(0.199)	(0.007)
Dem Share × HOMGap	-0.132^{***}	-0.002^{*}
	(0.024)	(0.001)
Observations	27,062	36,652
R^2	0.938	0.929
County Controls	Yes	Yes
County FE	Yes	Yes
Year FE	Yes	Yes