The Relationship between Personality Traits, Consumer Home Value, and Mortgage Debt

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Research on consumer residential preferences for housing and mortgage debt has consistently orbited around their correlation with economic and social factors. This study builds upon this literature by investigating the personality characteristics that shape consumer residential behavior. The specific objective is to examine the Big Five "OCEAN" personality traits – (O)penness, (C)onscientiousness, (E)xtraversion, (A)greeableness, and (N)euroticism – and their relationship with the value of consumers' primary residences and levels of mortgage debt. The key findings suggest that these personality traits are predictors of larger home values: openness (+), conscientiousness (+), and agreeableness (-), whereas openness (+), agreeableness (+), neuroticism (-), and conscientiousness (-) are predictors of larger mortgage debt balances.

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