

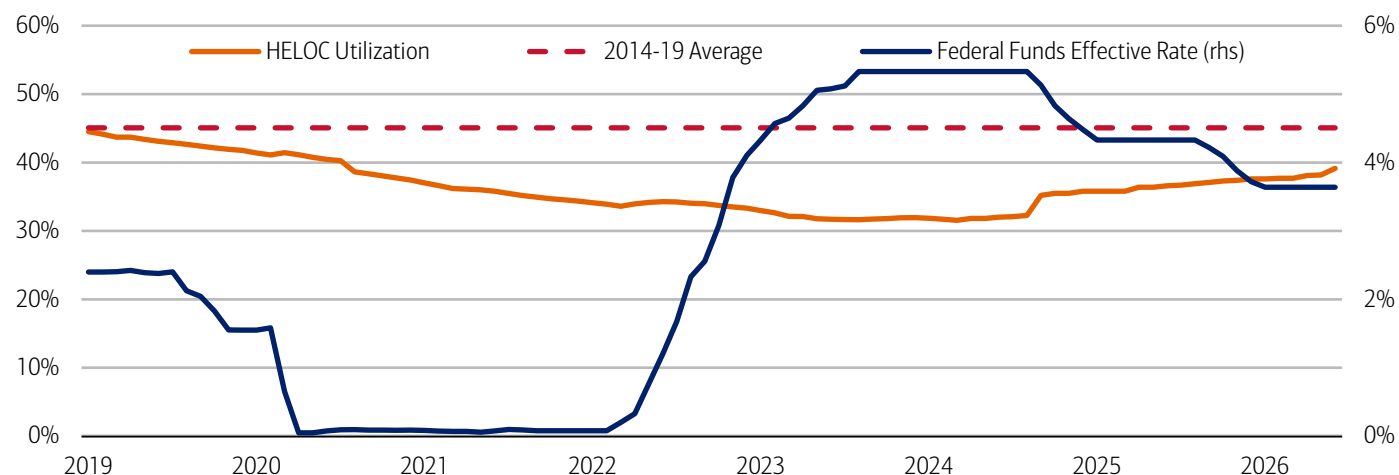
Daily Insights

Some homeowners pick remodels over moves

31 August 2026

HELOC utilization is rising again as interest rates are below their 2023/2024 peaks

HELOC utilization rates compared to the 2014-2019 average (monthly data, %, left-hand side) and the federal funds effective rate (monthly, %, right-hand side (rhs))



Source: Bank of America internal data

BANK OF AMERICA INSTITUTE

Rather than packing up and moving, some homeowners appear to be renovating, and they may be tapping into their home equity to do so. Bank of America internal data shows home equity line of credit (HELOC) utilization has been climbing since 2024, as slightly lower interest rates have made borrowing a bit more attractive than in recent years.

In June, HELOC-funded spending on home-related purchases and services was up both year-over-year and relative to pre-pandemic levels. And while services spending remains below the surge seen immediately after the pandemic, it has been gaining momentum.

Check out our publication: [On the move: Renovation over relocation?](#)

Methodology

Selected Bank of America transaction data is used to inform the macroeconomic views expressed in this report and should be considered in the context of other economic indicators and publicly available information. In certain instances, the data may provide directional and/or predictive value. The data used is not comprehensive; it is based on aggregated and anonymized selections of Bank of America data and may reflect a degree of selection bias and limitations on the data available.

Our analysis for domestic migration pattern is based on the group of Bank of America customers who had an open consumer checking, savings, credit and/or other investment accounts for every quarter between 1Q 2023 and 2Q 2026. Migration pattern is then extracted based on customer home addresses.

Because our data is based on a fixed sample of customers it will not capture the impact of international migration. Instead, our analysis is designed to look at how internal migration in the United States is changing. Accordingly, the overall population movements in the official Census Bureau data, which also accounts for international migration, will not necessarily align with our data in some MSAs, though our data should give similar directional signals.

These changes in address are also used to identify households that have moved in order to capture the spending on moving-related categories for the six-month period before and after a move. To look at this, we use Bank of America internal credit and debit card spending data for households that moved in June over the period 2020-2025. We then determine the average household spending for the 6 months leading up to the move, denoted as “6-” through “1-”, the month of the move, denoted as “0,” and for the 6 months after the move.

Any payments data represents aggregated spend from US Retail, Preferred, Small Business and Wealth Management clients with a deposit account or credit card. Aggregated spend include total credit card, debit card, ACH, wires, bill pay, business/peer-to-peer, cash, and checks. This includes rent payments, although wires, cash, and some (mostly paper) checks intended for rent payments may be excluded.

Any **Small Business** payments data represents aggregate spend from Small Business clients with a deposit account or a Small Business credit card. Payroll payments data include channels such as ACH (automated clearing house), bill pay, checks and wire. Bank of America per Small Business client data represents activity spending from active Small Business clients with a deposit account or a Small Business credit card and at least one transaction in each month. Small businesses in this report include business clients within Bank of America and generally defined as under \$5mm in annual sales revenue.

Unless otherwise stated, data is not adjusted for seasonality, processing days or portfolio changes, and may be subject to periodic revisions.

The differences between the total and per household card spending growth rate can be explained by the following reasons:

1. Overall total card spending growth is partially boosted by the growth in the number of active cardholders in our sample. This could be due to an increasing customer base or inactive customers using their cards more frequently.
1. Per household card spending growth only looks at households that complete at least five transactions with Bank of America cards in the month. Per household spending growth isolates impacts from a changing sample size, which could be unrelated to underlying economic momentum, and potential spending volatility from less active users.
2. Overall total card spending includes small business card spending while per household card spending does not.
3. Differences due to using processing dates (total card spending) versus transaction date (per household card spending).
4. Other differences including household formations due to young adults moving in and out of their parent’s houses during COVID.

Any household consumer deposit data based on Bank of America internal data is derived by anonymizing and aggregating data from Bank of America consumer deposit accounts in the US and analyzing that data at a highly aggregated level. Whenever median household savings and checking balances are quoted, the data is based on a fixed cohort of households that had a consumer deposit account (checking and/or savings account) for all months from January 2019 through the most current month of data shown.

Bank of America aggregated credit/debit card spending per household includes spending from active US households only. Only consumer card holders making a minimum of five transactions a month are included in the dataset. Spending from corporate cards are excluded. Data regarding merchants who receive payments are identified and classified by the Merchant Categorization Code (MCC) defined by financial services companies. The data are mapped using proprietary methods from the MCCs to the North American Industry Classification System (NAICS), which is also used by the Census Bureau, in order to classify spending data by subsector. Spending data may also be classified by other proprietary methods not using MCCs.

Metropolitan Statistical Areas (MSAs) align to US Census Regions as follows:

- Midwest: Indianapolis, Chicago, Cleveland, Columbus, Detroit, St. Louis, Louisville, Cincinnati, Milwaukee, Minneapolis
- Northeast: Boston, New York City, Philadelphia
- West: Los Angeles, San Francisco, San Jose, San Diego, Seattle, Denver, Las Vegas, Phoenix, Portland, Salt Lake City
- South: Atlanta, Austin, Baltimore, Charlotte, Dallas, Houston, Jacksonville, Miami, Nashville, Orlando, San Antonio, Tampa, Washington DC, Raleigh, Birmingham,

The Sun Belt most commonly refers to the South and Southwestern states of Florida, Georgia, South Carolina, Alabama, Mississippi, Louisiana, Texas, New Mexico, Arizona, Nevada, and California as well as the Southern portion of Colorado, North Carolina, Tennessee, and Utah.

Generations, if discussed, are defined as follows: Gen Z, born after 1996; Younger Millennials: born between 1989-1995; Older Millennials: born between 1978 and 1988; Gen Xers: born between 1965-1977; Baby Boomer: 1946-1964.

Additional information about the methodology used to aggregate the data is available upon request.

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Disclosures

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