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Economy

On the move: Renovation over relocation?

28 August 2026

Key takeaways

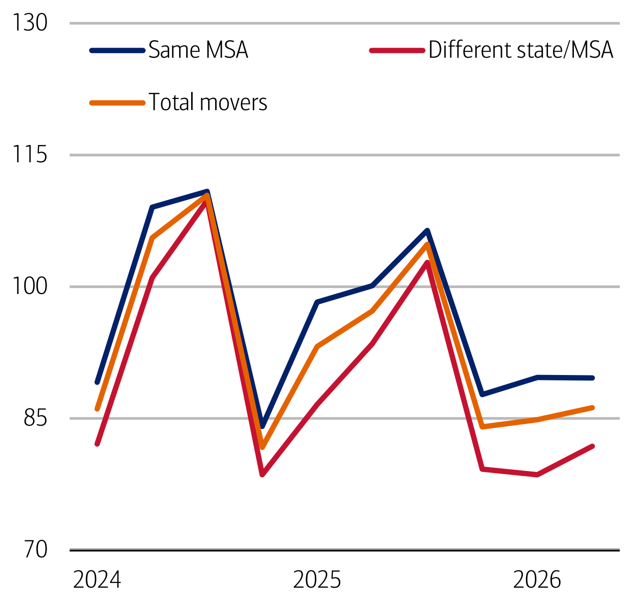
- Americans are moving less, and the slowdown is broad-based, according to Bank of America account data. Mobility continued to decline in Q2 2026 across income groups, generations and move types, with lower-income households and Millennials seeing the sharpest pullbacks.
- Bank of America account data also tells us that while longer-distance relocations have fallen more sharply overall, moves within the same city slowed at a faster rate in Q2 2026. This suggests to us that the resilience of same-city moving deteriorated somewhat in the past quarter. When people do change locales, they still favor smaller cities, especially those in the Midwest.
- Moving-related spending is gravitating toward services and online spending, according to Bank of America card data. However, some homeowners are choosing renovation over relocation. Supported by home equity lines of credit (HELOC) loans, this renovation activity may broaden spending growth across home improvement retailers.

Americans continue to move less, especially to other cities

The decline in the number of people moving continued in Q2 2026 and was more pronounced year-over-year (YoY) among those moving within the same city, according to Bank of America account data (Exhibit 1). While longer-distance relocations remain weaker overall, the drop in same-city moves accelerated more quickly (Exhibit 2). This suggests to us that the relative resilience of local moving activity has weakened over the past quarter.

Exhibit 1: The number of people moving has decreased more for those relocating to other cities compared to two years ago…

The number of people moving by location (four-quarter moving average, index 2023 = 100, metropolitan statistical area = MSA)



Source: Bank of America internal data

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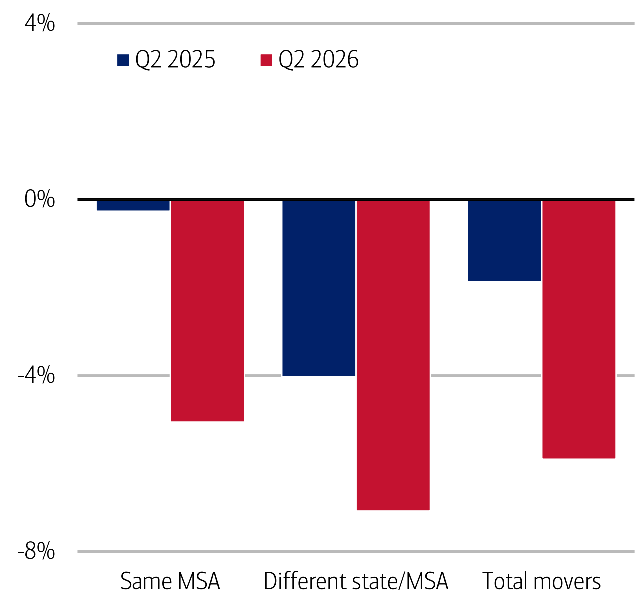
Exhibit 2: …but the decline has accelerated most for those moving within the same city in the past year

The number of people moving by location (four-quarter moving average, year-over-year (YoY)%)



Source: Bank of America internal data

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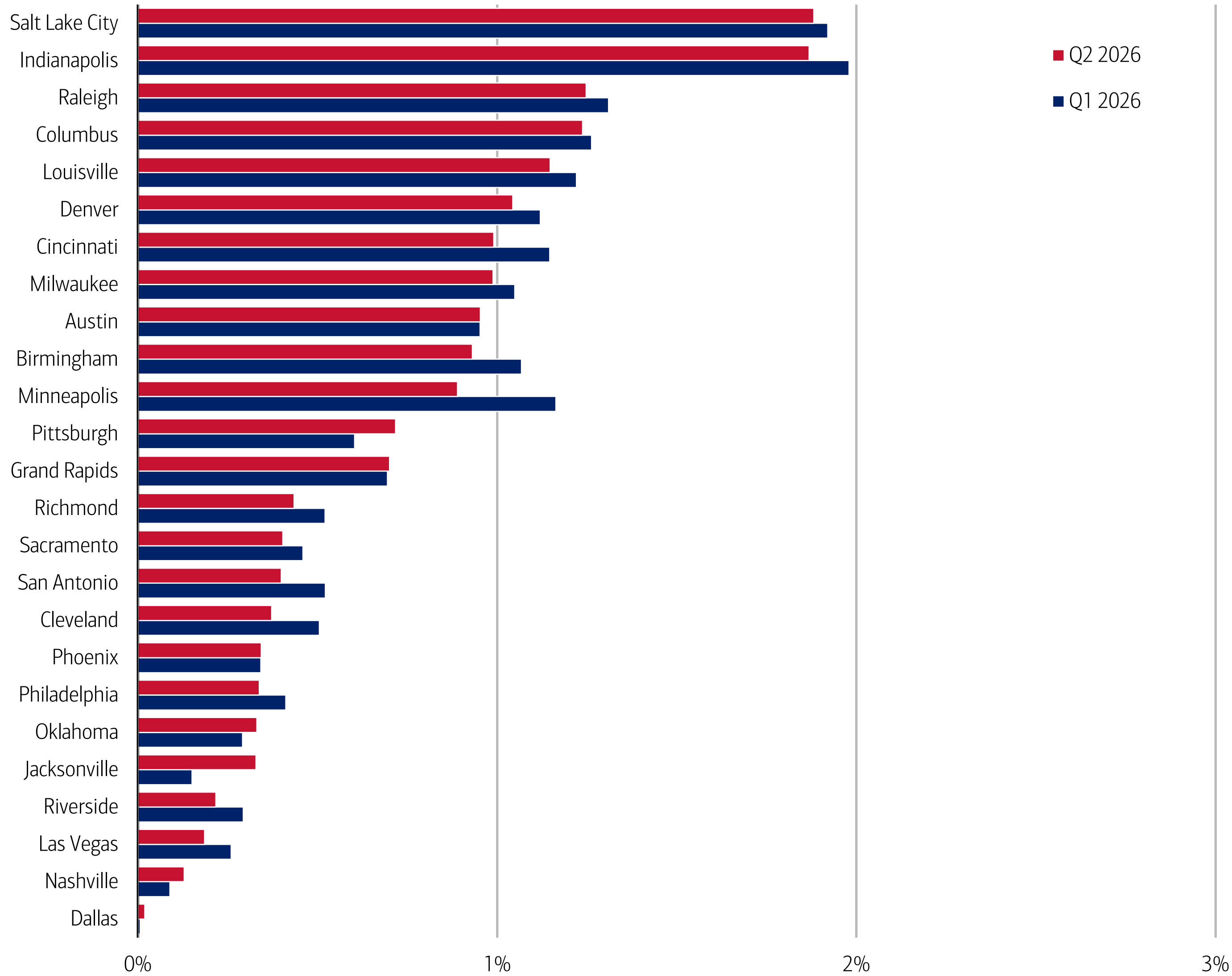
The Midwest leads in population growth, while the drop in Florida may have subsided

The Midwest remained the leader of domestic population growth in Q2 2026, according to Bank of America account data. The region still accounted for most of the fastest-growing metros, although growth moderated in several markets, particularly Minneapolis (Exhibit 3).

Meanwhile, Salt Lake City (a Western metro) moved into top spot overall. And, southern cities Raleigh and Birmingham maintained solid growth, with the latter actually seeing some acceleration in Q2 2026. Pittsburgh also gained momentum and ranked as the fastest-growing Northeastern metro.

Exhibit 3: Midwestern metros continue to top the list of the fastest growing metros

Net population change in major metropolitan statistical areas (MSAs), according to Bank of America internal data (YoY% change, positive means net inflow, negative means net outflow)



Source: Bank of America internal data

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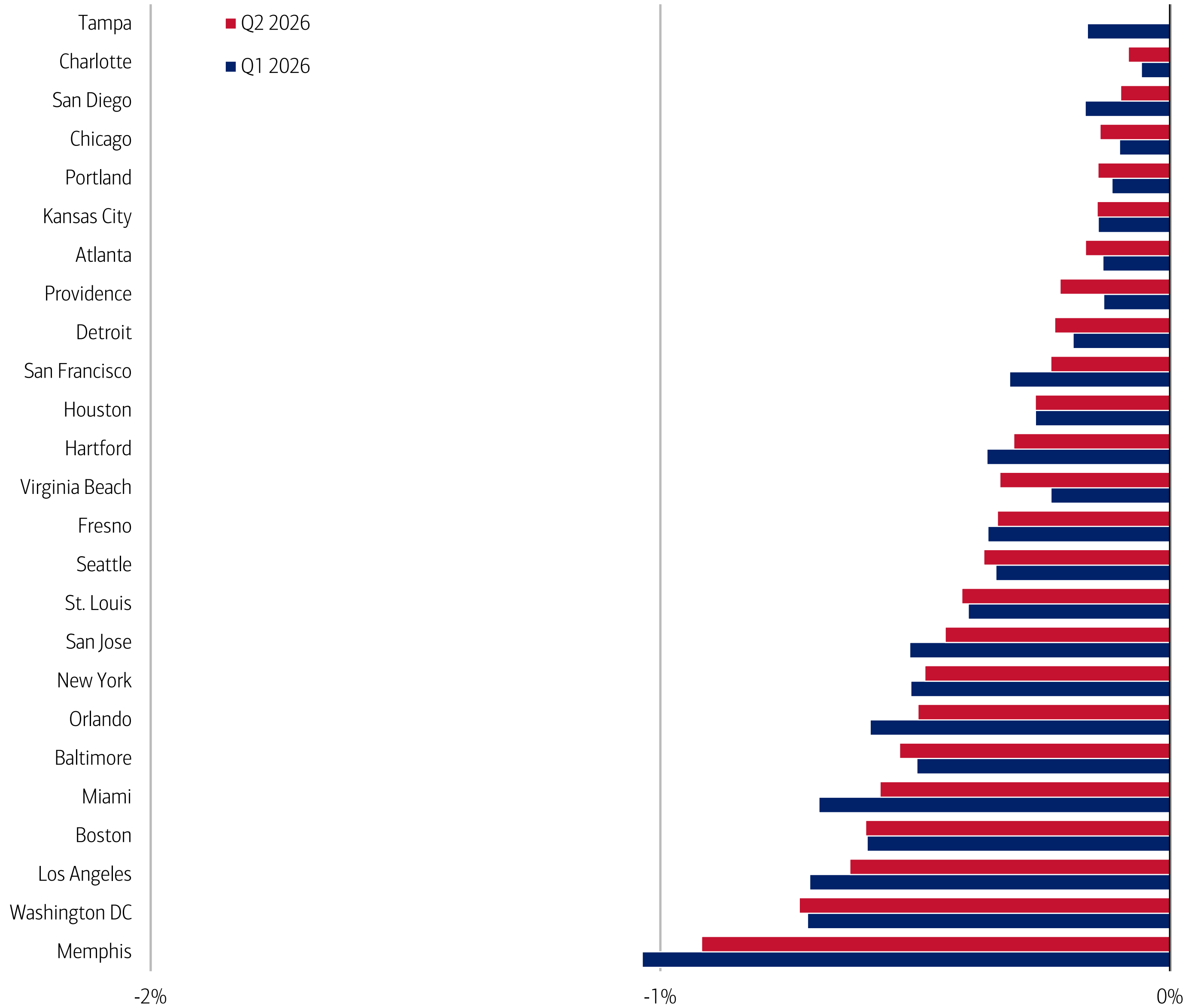
Conversely, according to Bank of America account data (Exhibit 4), populations continued to fall in most of the largest major metros in the US – except for Dallas, Phoenix and Philadelphia. Notably though, while declines picked up slightly in Boston, Chicago, Atlanta and DC, they eased a bit in LA, NYC and Miami.

Miami wasn't the only Florida city where outflows moderated. Across the state's other major metros, Orlando recorded a slight deceleration in outflows, while Tampa's ground to a halt. Meanwhile, population growth accelerated in Jacksonville.

Exhibit 4: There's been a deceleration in the population outflows across most major Florida MSAs

Net population change in major MSAs, according to Bank of America internal data (YoY% change, positive means net inflow, negative means net outflow)



Source: Bank of America internal data

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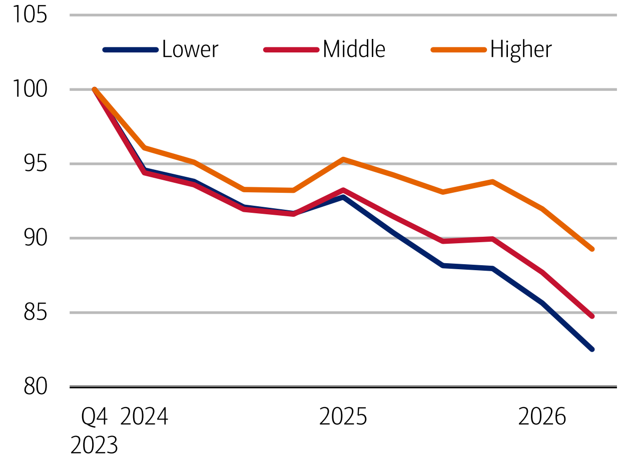
The number of movers has declined YoY across all age and income cohorts

Bank of America account data shows that the decline in movers has been most pronounced among lower-income households over the past two years, followed by middle-income earners (Exhibit 5). Higher-income households have seen a more modest pullback, but moving activity has weakened across all income groups. Notably, the decline accelerated in 2026 relative to the prior year, suggesting a broad-based slowdown in household mobility.

Age trends tell a similar story. While Gen Z remains the only generation with more movers today than two years ago, activity among this group has also softened over the past year (Exhibit 6). Meanwhile, Baby Boomers have experienced a relatively modest decline, with movers down 4% year-over-year (YoY), alongside a 2% YoY decrease for Gen Z. Millennials have recorded by far the steepest drop, declining at roughly twice the pace of the next-largest decrease, while Gen X movers are down about 5% YoY.

Exhibit 5: The number of movers has declined YoY across all income cohorts…

The number of people who have moved by household income tercile (rolling four-quarter sum, index 2023 = 100)



Source: Bank of America internal data

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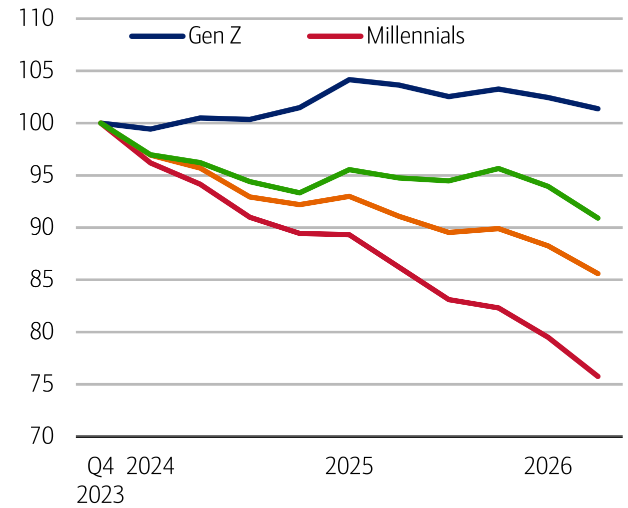
Exhibit 6: …and across all age groups

The number of people who have moved by generation (rolling four-quarter sum, index full year 2023 = 100)



Source: Bank of America internal data

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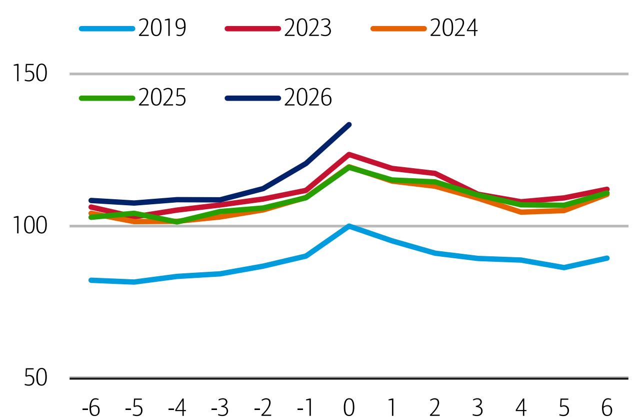
Moving-related spending increased YoY, after being flat for two years

Does this decline in movers affect spending? According to Bank of America card data, total card spending in the six months up to a move increased significantly YoY in July 2026, an acceleration from the past two years (Exhibit 7). Some of the increase appears to be driven by higher spending on moving-related services and online purchases, likely as movers skew younger and higher income (Exhibit 8 and Exhibit 9).

One caveat is that the increase in total spending may partly reflect the broader improvement in overall consumer spending in the past few months (read more in our publication: Consumer Checkpoint: The great convergence). However, total card spending for those who moved in July increased 9.5% YoY, compared to the 5.5% YoY increase overall, based on a three-month moving average of Bank of America card data. Some of the increase in spending at moving companies also likely reflects higher prices due to recent gas price spikes.

Exhibit 7: Total card spending increased YoY for those that moved in July 2026…

Average total card spending per household for movers for the six months leading up to a move, the month of the move, and the six months after (monthly, index July 2019 = 100)



Source: Bank of America internal data

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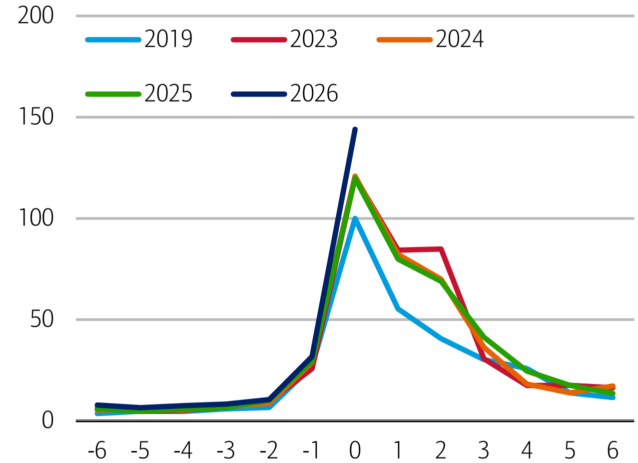
Exhibit 8: …spending on moving companies also increased YoY

Average moving company spending per household for movers for the six months leading up to a move, the month of the move, and the six months after (monthly, index July 2019 = 100)



Source: Bank of America internal data

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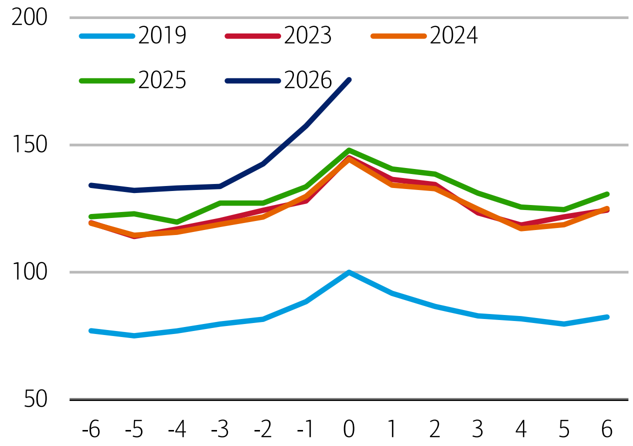
Notably though, spending at furniture and home improvement retailers is up only around 1% YoY (Exhibit 10). This suggests to us that many movers in 2026 are likely choosing convenience – pivoting money from traditional moving-related retailers to moving-related services and online shopping.

Exhibit 9: Online spending also increased YoY as people moved in July 2026

Average total online spending per household for movers for the six months leading up to a move, the month of the move, and the six months after (monthly, index July 2019 = 100)



Source: Bank of America internal data

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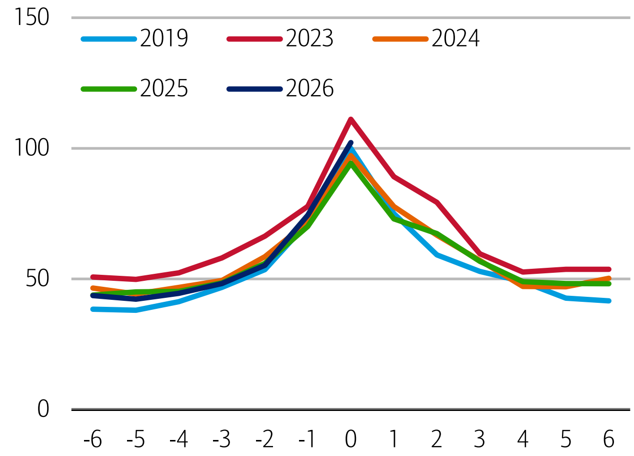
Exhibit 10: Spending at home improvement and furniture retailers didn't experience the same sized boost

Average furniture and home improvement spending per household for movers for the six months leading up to a move, the month of the move, and the six months after (monthly, index July 2019 = 100)



Source: Bank of America internal data

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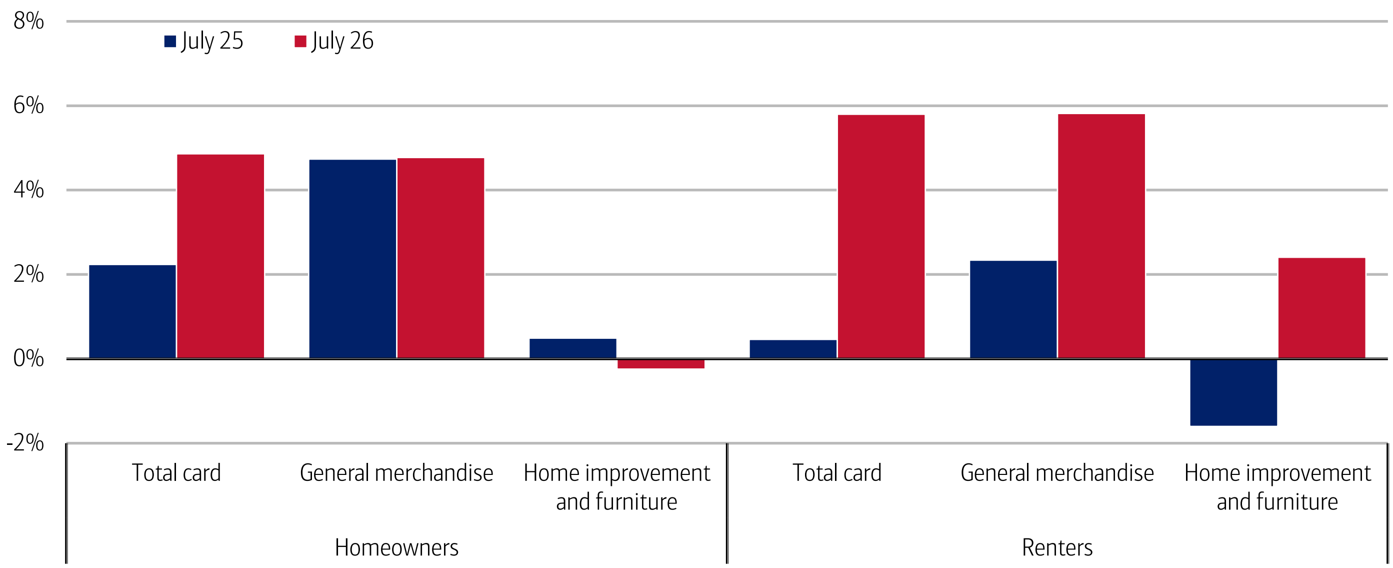
Renters save on rent, freeing up budgets for furniture and home improvement

Renters' spending has also increased over the past year: total card spending per household (excluding rent) rose 5.8% YoY in July, up significantly from the 0.5% YoY increase the prior year (Exhibit 11). Notably, renters' total card spending still outpaces that of homeowners, which was up 4.9%. Additionally, while renters improved their spending growth at home improvement and furniture retailers, homeowners did not.

Exhibit 11: Renters' spending has improved significantly, especially compared to homeowners

Card spending by renters and homeowners for select categories (three-month moving average, YoY%)



Source: Bank of America internal data

Note: Total card spending excludes rent payments. Also, homeowners and renters categories do not include consumers that do both.

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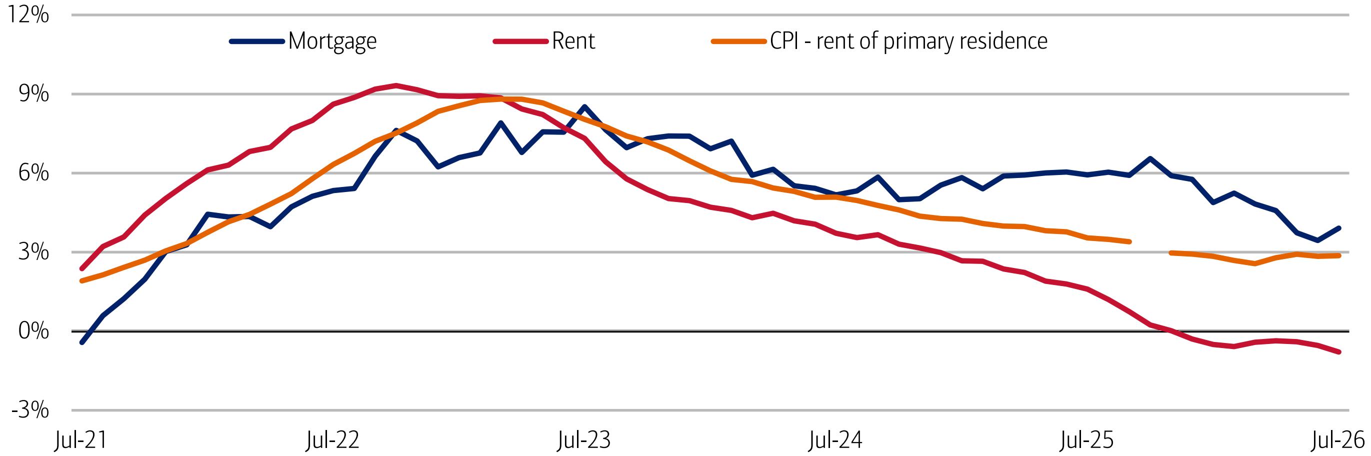
The improvement in renters' spending likely reflects lower rent payments, according to Bank of America payments data (Exhibit 12). While Bureau of Labor Statistics (BLS) data shows asking rents for comparable units rose nearly 3% YoY in July, actual rent payments are declining. This suggests many renters are finding ways to reduce housing costs, whether by choosing less expensive units, relocating to lower-cost areas or living with roommates.

Exhibit 12: Rent payments continue to fall YoY in July 2026

Monthly median mortgage payment and rent growth, based on Bank of America data (three-month moving average, YoY%) and rent consumer price index (CPI) inflation, based on BLS data (monthly, YoY%)



Source: Bank of America internal data, BLS

Note: BLS data is based on "like-for-like" rents (e.g., the same rental unit in the same city). October 2025 not shown due to government shutdown.

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HELOC-funded home spending is likely a boost to home-related retail and services

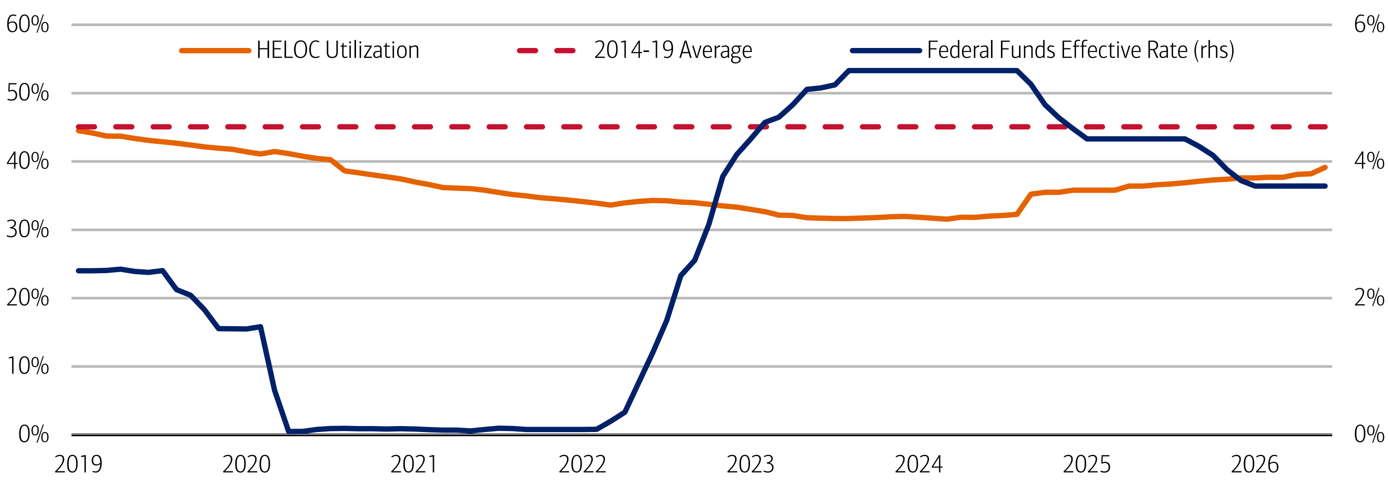
Homeowners may also be boosting home improvement spending directly and indirectly using home equity line of credit (HELOC) loans, which allow consumers to borrow against their home equity. Overall HELOC utilizations have risen since 2024, according to Bank of America internal data (Exhibit 13). This increase is occurring alongside some easing in the Federal Reserve's effective fund rate, according to data from the BLS, making loans cheaper to repay compared to recent years.

Homeowners may be using their HELOC loans to renovate instead of relocating. In fact, HELOC-fueled spending on home and services is up significantly both YoY and compared to pre-pandemic levels in June 2026 (Exhibit 14 and Exhibit 15). That said, services spending is still well below the boom seen immediately after the onset of the pandemic.

Also, "home" spending decelerated some in 2026, compared to the prior year. However, in our view, it's possible that some of the acceleration in services and transfer/withdrawals could be used for home renovations, as these funds may go straight to contractors instead of home improvement retailers directly.

Exhibit 13: 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, BLS

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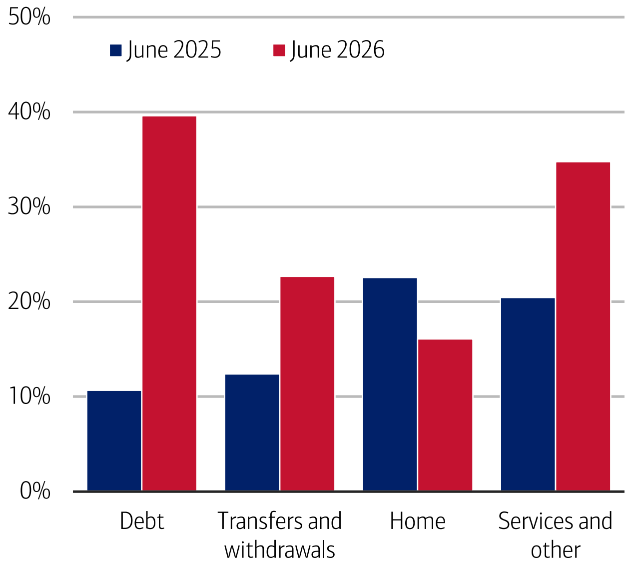
Exhibit 13: HELOC utilization is rising again as interest rates are below their 2023/2024 peaks

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))

Exhibit 14: Debt and services spending are accelerating this year compared to 2025 levels

Aggregate HELOC funded spending from consumer accounts (six-month moving average, YoY%)



Source: Bank of America internal data

Note: Debt spending includes internal and external debt payments across multiple debt types including, but not limited to, credit card, mortgages, vehicle and student loans.

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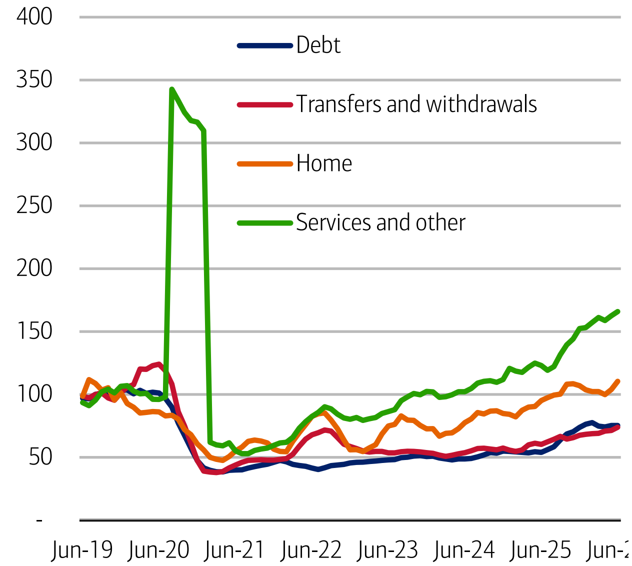
Exhibit 15: Services spending is above pre-pandemic levels but far below the spike seen during the summer of 2020

Aggregate HELOC funded spending from consumer accounts (six-month moving average, index 2019 = 100)



Source: Bank of America internal data

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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.

2. 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.

3. Overall total card spending includes small business card spending while per household card spending does not.

4. Differences due to using processing dates (total card spending) versus transaction date (per household card spending).

5. 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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Sources

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Disclosures