

National Association of REALTORS®

2019 PROFILE OF HOME BUYERS AND SELLERS



2019 PROFILE OF HOME BUYERS AND SELLERS

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2019 PROFILE OF HOME BUYERS AND SELLERS

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2019 PROFILE OF HOME BUYERS AND SELLERS

INTRODUCTION

Buying a primary residence for home buyers is a financial decision, but also an emotional decision that involves many lifestyle factors. For most home buyers, the purchase of a primary residence is one of the largest financial transactions they will make. Buyers purchase a home not only for the desire to own a home of their own, but also because of changes in jobs, family situations, and the need for a smaller or larger living area. This annual survey, conducted by the NATIONAL ASSOCIATION OF REALTORS® of recent home buyers and sellers, helps to gain insight into detailed information about their unique experience with this transaction. The information provided supplies understanding, from the consumer level, of the trends that are transpiring. The survey covers information on demographics, housing characteristics, and the experience of consumers in the housing market, as well as for those who are not yet able to enter the market. Buyers and sellers also provide valuable information on the role that real estate professionals play in home sales transactions.

The *Profile of Home Buyers and Sellers* report has been the leading industry source of trusted insight into consumer behavior for nearly four decades. It has grown and evolved to keep up with changing home buying trends and the need for more information. NAR first administered the survey in 1981 with just 59 questions. In 2019, the survey contained 125 questions. Although the report has evolved, data has been collected for more than three decades describing the demographic characteristics of home buyers and sellers, buyers and sellers' experience in the home transaction process, as well as market characteristics including the use of real estate agents. One measure of how the market has changed is the manner in which the data is collected. In 1981, only a paper copy of the survey was offered. Today, recent home buyers can take the survey via paper or online, and in English or Spanish. Because of its long history and timely information available each year, the report is valued by REALTORS®, market analysts, and policymakers.

Data is collected from a nationally representative sample of recent home buyers who purchased a primary residence in the 12-month period between July and June. Data is also representative of the geographic distribution of home sales. Consumer names are obtained from Experian, a firm that maintains an extensive database of recent home buyers derived from county records.

Additionally, a new chapter provides insights into those who did not enter the housing market, but wanted to be homeowners.

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November 2019

Today the data set provides a wealth of information that is used to create a number of spin-off NAR reports including: *Home Buyer and Seller Generational Trends Report*, *Buyer Bios*, *Real Estate in a Digital Age*, *Veterans and Active Military Home Buyers and Sellers Profile*, *Profile of LGB Buyers and Sellers*, and *Moving with Kids*.

In 2019, the share of first-time home buyers was 33 percent, holding steady from 33 percent last year. This figure has gravitated away from the historical norm at 40 percent of the market. The median household income increased again this year, likely due to a nationwide increase in home prices caused by a lack of housing inventory, pushing out lower-income buyers. Married and unmarried couples have double the buying power of single home buyers in the market and may be better able to meet the price increases of this housing market. Repeat buyers are also returning to the market.

Tightened inventory is affecting the home search process of buyers. Due to suppressed inventory levels in many areas of the country, buyers are typically purchasing more expensive homes as prices increase. The number of weeks a buyer searched for a home remained at 10 weeks. Buyers continue to report the most difficult task for them in the home buying process was just finding the right home to purchase.

Increased prices are also impacting sellers. Tenure in the home remained at a high of 10 years this year. Historically, tenure in the home has been six to seven years. Sellers may now have the equity and buyer demand to sell their home after stalling or delaying their home sale.

Buyers needed the help of a real estate professional to help them find the right home for them, negotiate terms of sale, and help with price negotiations. Sellers, as well, turned to professionals to help market their home to potential buyers, price their home competitively, and sell within a specific timeframe. For-sale-by-owner sales have remained near the lowest level recorded in this data set at eight percent of sales again this year, while the use of the agent to buy the home reached a historic high of 89 percent, as the number of buyers purchasing directly from a previous owner or through a builder fell. Likewise, the seller's use of the agent remains near historic highs.

This year, a new chapter is added which explores who is not entering the home buying market. The data is among those who rented or lived with someone else over the same time period as those who purchased homes. The data suggests that non-owners do want to own homes, but they are unable to enter the market due to financial constraints.

This report provides real estate professionals with insights into the needs and expectations of their clients. What do consumers want when choosing a real estate professional? How do home buyers begin the process of searching for a home? Why do some sellers choose to forego the assistance of an agent? The answers to these questions, along with other findings in this report, will help real estate professionals better understand the housing market and provide the information necessary to address the needs of America's real estate consumers.



2019 PROFILE OF HOME BUYERS AND SELLERS

HIGHLIGHTS

Characteristics of Home Buyers

- First-time buyers made up 33 percent of all home buyers, holding steady from last year's 33 percent.
- The typical buyer was 47 years old this year, and the median household income for 2018 rose again this year to \$93,200.
- Sixty-one percent of recent buyers were married couples, 17 percent were single females, nine percent were single males, and nine percent were unmarried couples.
- Twelve percent of home buyers purchased a multi-generational home, to take care of aging parents, because of children over the age of 18 moving back home, and for cost-savings.
- Ninety-one percent of recent home buyers identified as heterosexual, three percent as gay or lesbian, one percent as bisexual, and five percent preferred not to answer.
- Twenty percent of recent home buyers were veterans and three percent were active-duty service members.
- At 29 percent, the primary reason for purchasing a home was the desire to own a home of their own.

Characteristics of Homes Purchased

- Buyers of new homes made up 13 percent and buyers of previously owned homes made up 87 percent.
- Most recent buyers who purchased new homes were looking to avoid renovations and problems with plumbing or electricity at 39 percent. Buyers who purchased previously-owned homes were most often considering a better overall value at 33 percent.
- Detached single-family homes continued to be the most common home type for recent buyers at 83 percent, followed by six percent of buyers choosing townhomes or row houses.
- Senior-related housing dipped slightly this year to 12 percent, with 20 percent of buyers typically purchasing condos and 9 percent purchasing a townhouse or row house.
- There was a median of only 15 miles between the homes that recent buyers purchased and the homes that they moved from.
- Home prices increased slightly this year to a median of \$257,000 among all buyers. Buyers typically purchased their homes for 98 percent of the asking price.
- The typical home that was recently purchased was 1,850 square feet, had three bedrooms and two bathrooms, and was built in 1990.
- Heating and cooling costs were the most important environmental features for recent home buyers, with 85 percent finding these features at least somewhat important.

- Overall, buyers expected to live in their homes for a median of 15 years, while 20 percent said that they were never moving.

The Home Search Process

- For 44 percent of recent buyers, the first step that they took in the home buying process was to look online at properties for sale, while 16 percent of buyers first contacted a real estate agent.
- Eighty-seven percent of recent buyers found their real estate agent to be a very useful information source. Online websites were seen as the most useful information source at 93 percent.
- Buyers typically searched for 10 weeks and looked at a median of 9 homes.
- The typical buyer who did not use the internet during their home search spent only four weeks searching and visited four homes, compared to those who did use the internet and searched for 10 weeks and visited 10 homes.
- Among buyers who used the internet during their home search, 87 percent of buyers found photos and 85 percent found detailed information about properties for sale very useful.
- Sixty-three percent of recent buyers were very satisfied with their recent home buying process.

Home Buying and Real Estate Professionals

- Eighty-nine percent of buyers recently purchased their home through a real estate agent or broker, and five percent purchased directly from a builder or builder's agent.
- Having an agent to help them find the right home was what buyers wanted most when choosing an agent at 52 percent.
- Forty-one percent of buyers used an agent that was referred to them by a friend, neighbor, or relative and 12 percent used an agent that they had worked with in the past to buy or sell a home.
- Seventy-five percent of buyers interviewed only one real estate agent during their home search.
- Ninety percent of buyers would use their agent again or recommend their agent to others.

2019 PROFILE OF HOME BUYERS AND SELLERS

Financing the Home Purchase

- Eighty-six percent of recent buyers financed their home purchase. Those who financed their home purchase typically financed 88 percent.
- First-time buyers who financed their home typically financed 94 percent of their home compared to repeat buyers at 84 percent.
- For 60 percent of buyers, the source of the downpayment came from their savings. Thirty-eight percent of buyers cited using the proceeds from the sale of a primary residence, which was the next most commonly reported way of securing a downpayment.
- For 13 percent of buyers, the most difficult step in the home buying process was saving for a downpayment.
- Of buyers who said saving for a downpayment was difficult, 51 percent of buyers reported that student loans made saving for a downpayment difficult. Forty-five percent cited credit card debt, and 38 percent cited car loans as also making saving for a downpayment hard.
- Buyers continue to see purchasing a home as a good financial investment. Eighty-one percent reported they view a home purchase as a good investment.

Home Sellers and Their Selling Experience

- The typical home seller was 57 years old, with a median household income of \$102,900.
- For all sellers, the most commonly cited reason for selling their home was the desire to move closer to friends and family (16 percent), that it was too small (13 percent), and a job relocation (11 percent). Sellers typically lived in their home for 10 years before selling, up from last year.
- Eighty-nine percent of home sellers worked with a real estate agent to sell their home.
- For recently sold homes, the final sales price was a median of 99 percent of the final listing price.
- Recently sold homes were on the market for a median of three weeks, the same as last year.
- Thirty-four percent of all sellers offered incentives to attract buyers.
- This year, home sellers cited that they sold their homes for a median of \$60,000 more than they purchased it.
- Sixty-six percent of sellers were very satisfied with the selling process.

Home Selling and Real Estate Professionals

- Sixty-six percent of sellers found their agent through a referral from a friend, neighbor, or relative or used an agent they had worked with before to buy or sell a home.

- Seventy-five percent of recent sellers contacted only one agent before finding the right agent they worked with to sell their home.
- Eighty-nine percent of sellers listed their homes on the Multiple Listing Service (MLS), which is the number one source for sellers to list their home.
- Seventy-five percent of sellers reported that they provided the agent's compensation.
- The typical seller has recommended their agent once since selling their home. Thirty-six percent of sellers recommended their agent three or more times since selling their home.
- Seventy percent said that they would definitely (48 percent) or probably (22 percent) recommend their agent for future services.

For-Sale-by-Owner (FSBO) Sellers

- Only eight percent of recent home sales were FSBO sales again this year. This remains near the lowest share recorded since this report started in 1981.
- The median age for FSBO sellers is 60 years. Sixty-five percent of FSBO sales were by married couples that have a median household income of \$94,000.
- FSBOs typically sell for less than the selling price of other homes; FSBO homes sold at a median of \$200,000 last year (the same as the year prior), and significantly lower than the median of agent-assisted homes at \$280,000.
- FSBO homes sold more quickly on the market than agent-assisted homes. Fifty-eight percent of FSBO homes sold in less than two weeks—often because homes were sold to someone the seller knows.
- Seventy-seven percent of successful FSBO sellers who knew the buyer were very satisfied with the process of selling their home.

Aspiring Buyers

- Among non-owners, 74 percent of those surveyed are currently renters and 26 percent currently live with someone else without paying housing costs.
- Fifty-seven percent of non-owners believe it would be at least somewhat difficult to become a homeowner based on their current financial situation.
- Seventy-eight percent of non-owners believe homeownership is a good financial decision.
- Non-owners believe homeownership is part of their American Dream, at 75 percent. Additionally, 81 percent of non-owners want to own a home in the future.

CHAPTER 1: Characteristics of Home Buyers

The NATIONAL ASSOCIATION OF REALTORS®'s *Profile of Home Buyers and Sellers* report has been the leading industry source of trusted insight into consumer behavior for nearly four decades. The information has been collected since 1981, which allows data trends over the years.

The share of first-time home buyers has been a key indicator of the market. In 2019, the share of first-time home buyers remained at 33 percent, a continuation in trend from last year's 33 percent. This figure remains below the historical norm of 40 percent of recent primary residence home buyers in the market.

By comparison in 1981, the share of first-time buyers was 44 percent. In 1987, the number fell to an all-time low of 30 percent, but jumped back to 44 percent in 1991. The share remained between 40 and 42 percent from 1993 to 2005 until it took a dip in 2006 to 36 percent. In 2010, with the federal government tax credit to help boost the home sales demand of first-time buyers, the share reached a peak at 50 percent—the highest in NAR's four decades of collecting this data. Since 2011, the share of first-time home buyers has been under the historical norm of 40 percent as buyers face tight inventory, rising home prices, rising rents, and high student debt loads.

The largest share of home buyers continues to be the 25 to 34 age group, accounting for 25 percent of all buyers. The median household income for 2018 increased to \$93,200, compared to \$91,600 in last year's report. The share of married couples decreased to 61 percent this year, the share of single females stepped down slightly to 17 percent, and the share of single males held steady at nine percent. Thirty-five percent of all buyers had children under the age of 18 living at home.

As might be expected, 71 percent of first-time home buyers rented their previous living arrangement, while 71 percent of repeat buyers owned their previous residence. A steady share of first-time buyers, 23 percent, moved from a family or friend's home directly into home buying. For first-time home buyers, 64 percent purchased for the desire to own a home of their own.

CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

DEMOGRAPHIC CHARACTERISTICS OF HOME BUYERS

Exhibits 1–1 through 1–15, Exhibits 1–22 through 1–25

The demographics of home buyers continued to shift over the last several years due to both tightened credit conditions and tight inventory on the market, which are driving up home sales prices. The *Profile of Home Buyers and Sellers* has collected data on the median age of home buyers since 1981. The median age increased this year to a peak of 47 years old. Also the highest since 1981, the median age for repeat buyers held steady again this year at 55 years. The median age for first-time buyers increased to 33 years in 2019—the highest in the dataset.

By comparison, the median age for all buyers in 1981 was 31 years. The median age for all buyers had predominantly been in the mid-thirties from 1985 to 2004 with brief years peaking at 41 in 1993, 40 in 2003 and 2005, and 45 in 2011 and 2017. From 2007 through 2010, the median age held steady at 39 years, but was broken in 2011 when it jumped up to 45 years, then reached the oldest median age (at 47 years for all buyers this year) in the history of NAR collecting the data.

Similarly, the median age of first-time buyers was 29 in 1981. The median age for first-time buyers remained around 30 to 32 for over 20 years from 1993 to 2018. There is a jump in the median age for all buyers as the median age for repeat buyers has increased over time. In 1981, the median age for repeat buyers was 36. In 2011, it broke the 50-year mark and rose to a median of 53 years, the highest age in three and a half decades. The median age remained at 53 years in 2014 and 2015, declined to 52 years in 2016, and jumped back up to 54 in 2017, followed by the record high in 2018 and 2019 at 55 years.

The largest share of home buyers continues to be in the 25 to 34 age group, accounting for 25 percent of all buyers this year, followed by 35 to 44 years at 20 percent, and 55 to 64 years at 17 percent, with the 65 to 75 years age group accounting for 16 percent and the 45 to 54 years age group accounting for 15 percent of total home buyers.

The median household income for 2018 increased this year at \$93,200 compared to \$91,600 in last year's report. Buyers in the Northeast region had the highest incomes this year, followed closely by buyers in the West. Buyers in the Northeast and Midwest regions tended to be moderately younger, while buyers in the West and South regions tended to be moderately older.

The share of married couples decreased to 61 percent this year, down slightly from 63 percent last year. The share of single females dipped slightly to 17 percent, and single males held steady at nine percent. Unmarried couples rose slightly to nine percent this year from eight percent last year. Dual incomes from married couples and unmarried couples had stronger purchasing power than single buyers.

The *Profile of Home Buyers and Sellers* report has collected data on household composition since 1981, when the share of married couples accounted for 73 percent of all homes purchased, single females purchased 11 percent of homes, and single males 10 percent. The share of married couples peaked at 81 percent in 1985, then steadily declined over the years.

In 2010, the share of married couples was at a low point at 58 percent of all homes purchased. Single females remained above 20 percent from 2005 to 2010, at which point the share started to decline, hovering at 16 percent from 2012 through 2014. The share of single male buyers hit a 35-year peak in 2010 at 12 percent before steadily declining to seven percent in 2016, but has been increasing to previous levels seen from 2012 to 2015.

Thirty-five percent of all buyers had children under the age of 18 living at home, up from 34 percent last year. Twelve percent of home buyers purchased a multi-generational home—a home that had adult siblings, adult children over the age of 18, parents, and/or grandparents in the household. The top three reasons for purchasing a multi-generational home were to take care of aging parents (28 percent), children over the age of 18 moving back home (20 percent), and cost savings (18 percent).

Down slightly from 85 percent last year, 84 percent of recent home buyers identified their ethnicity as White or Caucasian. The West continued to be more diverse, with 27 percent reporting themselves as a race other than White or Caucasian, and the Midwest reportedly had the least diversity. Single females and married couples were also the most diverse, as were families with children under the age of 18 living at home.

Twenty-nine percent of first-time home buyers identified as non-White or Caucasian whereas only 13 percent of repeat buyers did so. Seven percent of first-time buyers, compared to two percent for repeat buyers, reported a language other than English as their primary language. Fourteen percent of first-time home buyers, compared to seven percent for repeat buyers, reported being born outside of the United States.

Ninety-six percent of home buyers spoke English, which is consistent with last year. Ninety-eight percent in the Midwest reported that English was the primary language spoken at home and 94 percent in the West. Ninety-one percent reported that they were born in the United States. Ninety-five percent were U.S.-born in the Midwest and 86 percent were U.S.-born in the West.

Ninety-one percent of recent home buyers identified as heterosexual, three percent as gay or lesbian, one percent as bisexual, and five percent preferred not to answer, which is slightly down from last year. Recent home buyers also reported that 20 percent were veterans and three percent were active-duty service members.

Thirty-one percent of buyers had a bachelor's degree, 38 percent had at least some graduate school, and 19 percent had a high school diploma.

2019 PROFILE OF HOME BUYERS AND SELLERS

DEMOGRAPHIC CHARACTERISTICS OF FIRST-TIME AND REPEAT HOME BUYERS

Exhibits 1–16 through 1–24

First-time home buyers held steady at 33 percent of the market share (33 percent last year), and are below the historical norm of 40 percent among primary residence home buyers. Since 2011, the share of first-time home buyers has been suppressed. In 2015 the share dropped to 32 percent, the lowest it had been since 30 percent in 1987. The Northeast region had the largest share of first-time home buyers at 39 percent and the West had the smallest share at 30 percent.

The share of first-time buyers who were married couples was 53 percent, down from 54 percent last year, and married repeat buyers remained the same at 67 percent from 67 percent the year before. The share of first-time buyers who were unmarried couples rose slightly to 17 percent. Thirty-nine percent of first-time buyers reported having children under the age of 18 living at home, compared to 33 percent for repeat buyers. The median age of first-time buyers increased to 33 years and stayed steady at 55 for repeat buyers.

The median household income rose slightly for first-time buyers and for repeat buyers, although the gap between them varies greatly. First-time home buyers reported a median income of \$79,400 (up from \$75,000 last year) and repeat buyers reported an income of \$101,600 (up from \$100,000 last year). Married repeat buyers have the highest income among all buyers at \$113,200. Increased median household income could suggest stricter financing that forces low income buyers out of the market and an increase in home prices, which has been restricting who can enter the market.

PRIOR LIVING ARRANGEMENT

Exhibits 1–26 and 1–27

Recent home buyers were more likely to own their previous home than rent a home or an apartment. As might be expected, 71 percent of first-time home buyers rented their previous living arrangement and 23 percent lived with friends and family. The share who lived with friends and family before purchasing remained steady from last year. In comparison, 71 percent of repeat buyers owned their previous residence and 22 percent rented.

With regards to household composition, married couples were more likely than other household types to own their previous residence at 55 percent. Unmarried couples were the most likely to rent a home before making a purchase at 55 percent, while single males and unmarried couples were most likely to live with friends and family before buying. Those with children under the age of 18 living at home were equally likely to rent and own prior to buying, while those without children were more likely to own their previous home.

PRIMARY REASON FOR HOME PURCHASE AND TIMING OF PURCHASE

Exhibits 1–28 through 1–30

For first-time home buyers, 64 percent purchased for the desire to own a home of their own, compared to just 11 percent for repeat buyers. Repeat home buyers bought for the following reasons: the desire to be closer to friends and family (13 percent), desire for a larger home (11 percent), desire for a home in a better area (10 percent), and a job-related relocation (nine percent).

Fifty percent of all buyers said that the timing was just right and they were ready to purchase a home. The second most common reason was that the buyer did not have much choice and they had to purchase the home when they did (17 percent), followed by that it was the best time because of the availability of homes for sale (12 percent).

OWNERSHIP OF MULTIPLE HOMES

Exhibit 1–31

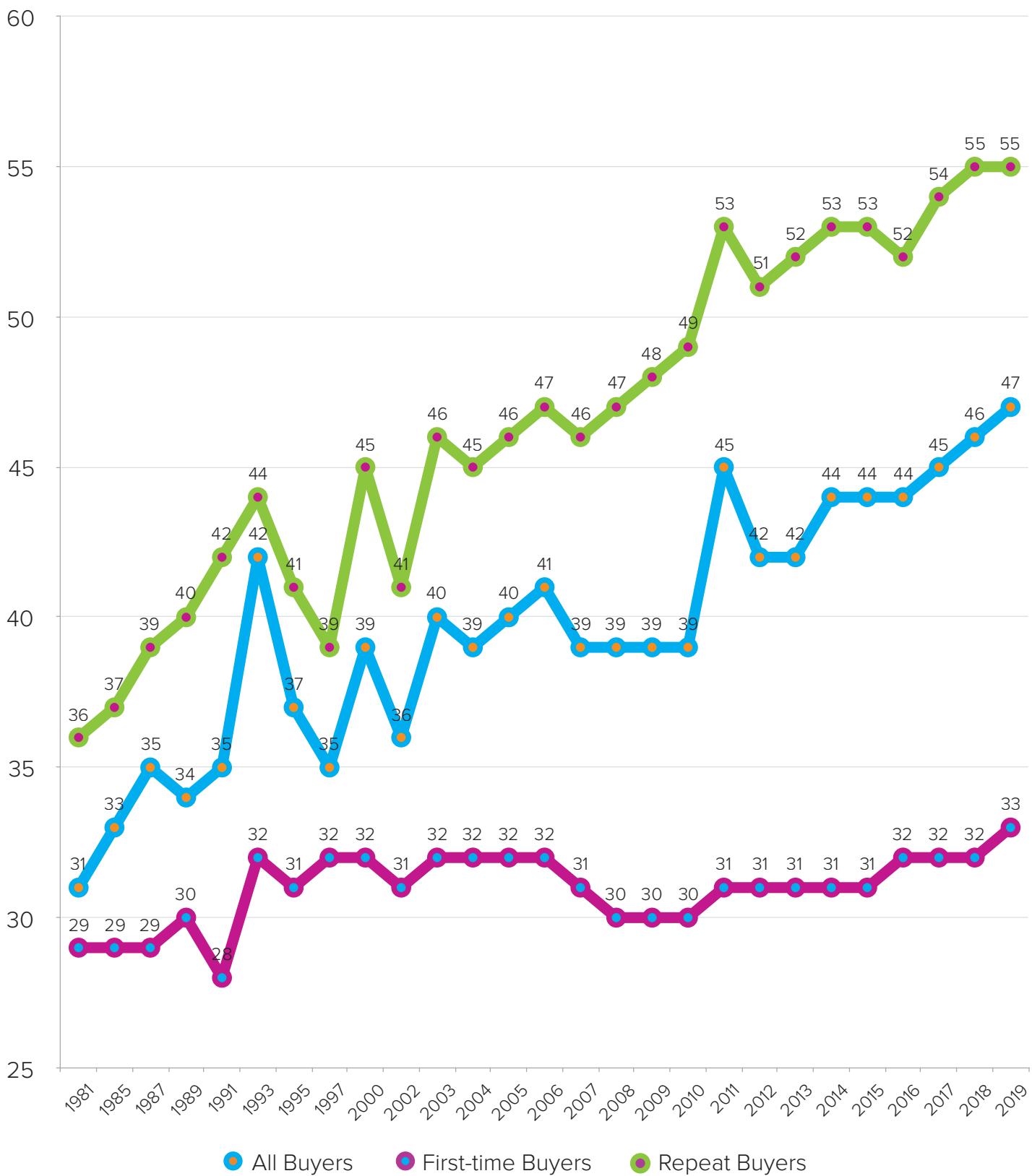
In 2019, the number of recent home buyers who own more than one home was 14 percent, down from 17 percent in 2018. The ability of a buyer to own an additional home besides the home they just purchased speaks to the tightened credit conditions as buyers who have higher incomes and own more than one property are more commonly making home purchases. Owning more than one property was the most common for buyers aged 65 years and older at 19 percent.

“The Profile of Home Buyers and Sellers has collected data on the median age of home buyers since 1981. The median age increased this year to a peak of 47 years old. Also the highest since 1981, the median age for repeat buyers held steady again this year at 55 years. The median age for first-time buyers increased to 33 years in 2019—the highest in the dataset.”

CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

Exhibit 1–1: Median Age of Home Buyers, 1981–2019

(Median Age)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 1–2: Age of Home Buyers, by Region

(Percentage Distribution)

BUYERS WHO PURCHASED A HOME IN THE

	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
18 to 24 years	3%	2%	2%	2%	2%
25 to 34 years	25%	31%	29%	22%	21%
35 to 44 years	20%	22%	20%	18%	20%
45 to 54 years	15%	14%	14%	16%	15%
55 to 64 years	17%	17%	15%	18%	19%
65 to 74 years	16%	10%	15%	17%	18%
75 years or older	5%	3%	5%	6%	5%
Median age (years)	47	42	44	49	49

Exhibit 1–3: Household Income of Home Buyers, by Region, 2018

(Percentage Distribution)

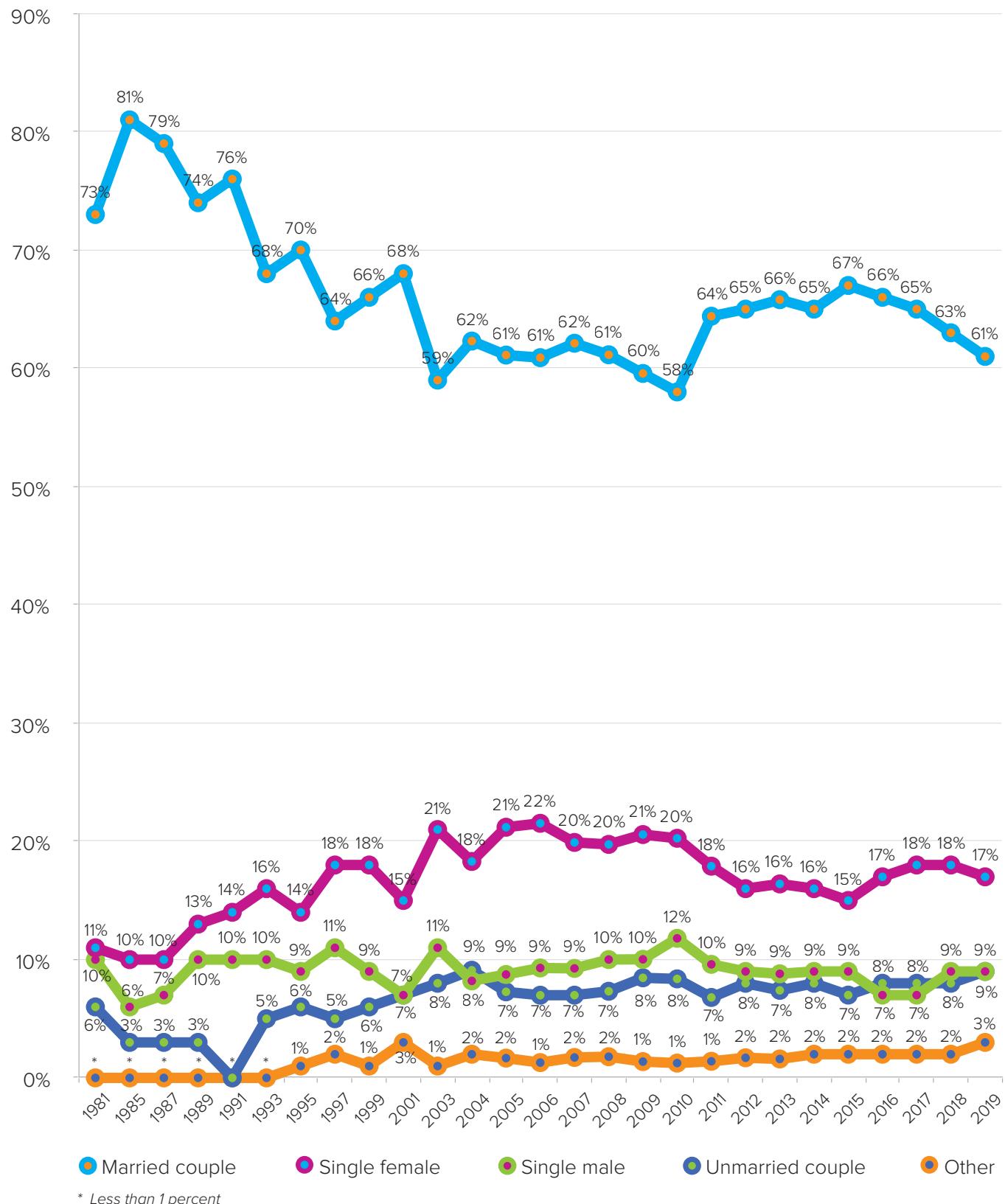
BUYERS WHO PURCHASED A HOME IN THE

	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than \$25,000	3%	3%	3%	3%	3%
\$25,000 to \$34,999	4%	5%	6%	4%	3%
\$35,000 to \$44,999	6%	4%	7%	6%	5%
\$45,000 to \$54,999	8%	7%	10%	8%	7%
\$55,000 to \$64,999	7%	8%	8%	7%	6%
\$65,000 to \$74,999	8%	8%	9%	7%	8%
\$75,000 to \$84,999	8%	6%	10%	8%	8%
\$85,000 to \$99,999	11%	10%	12%	12%	12%
\$100,000 to \$124,999	15%	16%	15%	15%	15%
\$125,000 to \$149,999	9%	10%	8%	9%	10%
\$150,000 to \$174,999	6%	7%	4%	6%	7%
\$175,000 to \$199,999	4%	6%	3%	4%	4%
\$200,000 or more	11%	12%	6%	9%	13%
Median income (2018)	\$93,200	\$98,500	\$82,000	\$93,800	\$97,500

CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

Exhibit 1–4: Adult Composition of Home Buyer Households, 1981–2019

(Percentage Distribution)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 1–5: Number of Children Under the Age of 18 Residing in Household

(Percentage Distribution of Households)

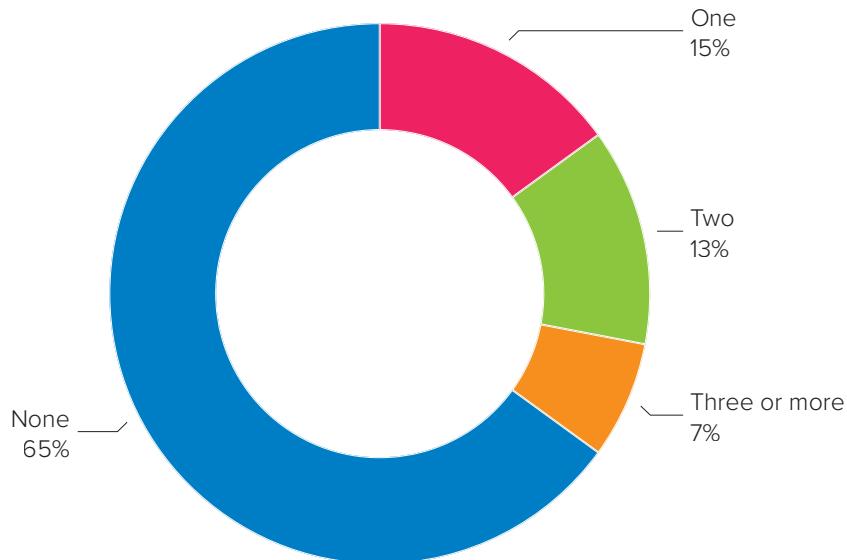
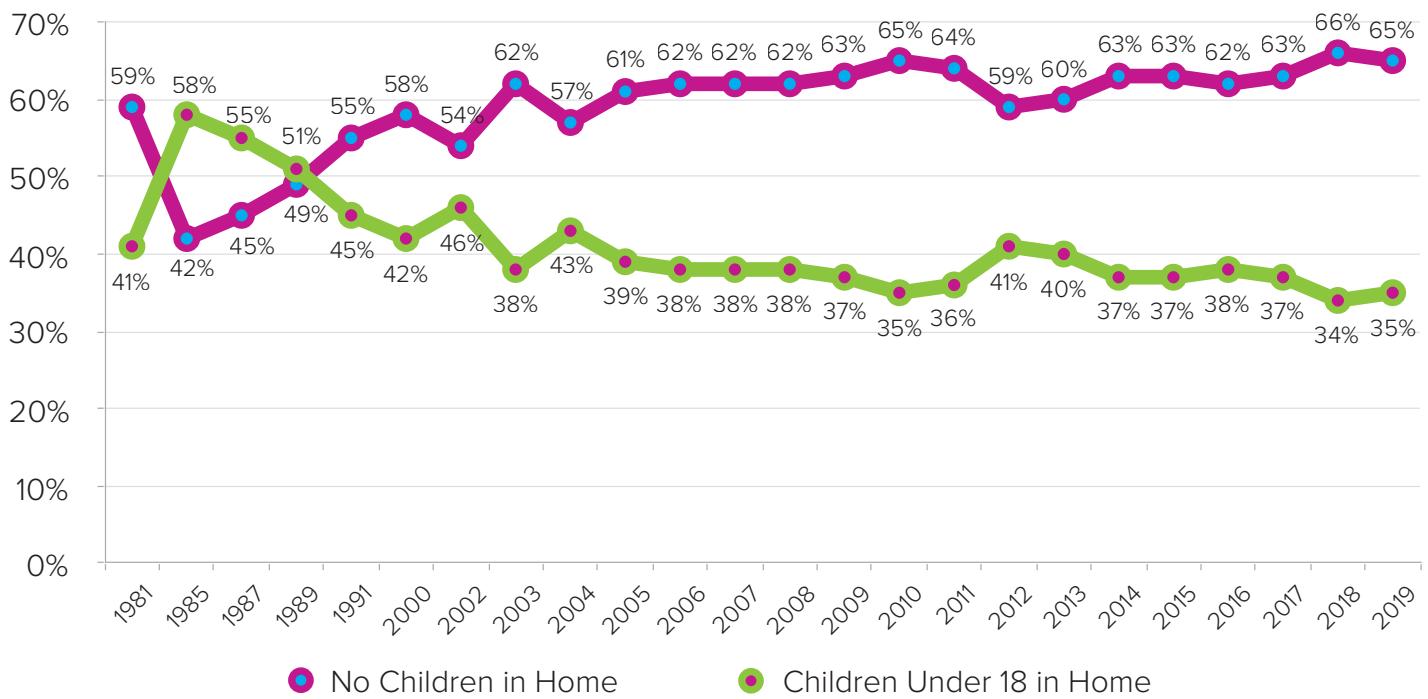


Exhibit 1–6: Share of Home Buyers with Children Under the Age of 18 in Home

(Percentage Distribution)



CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

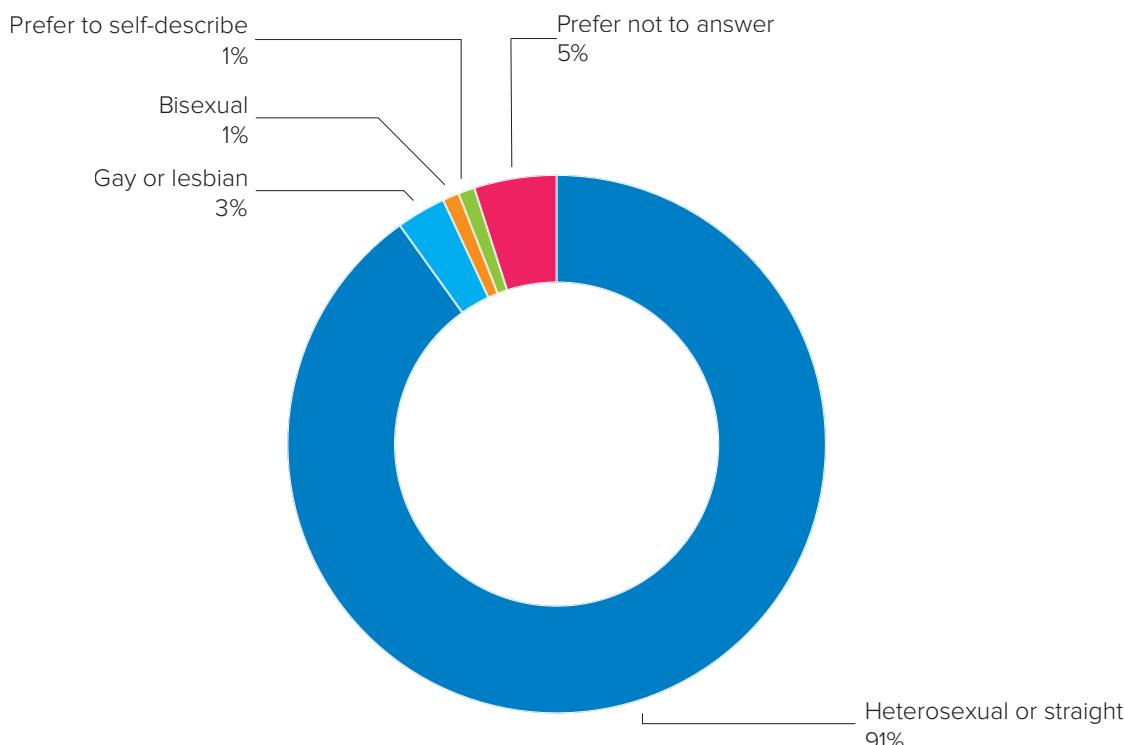
Exhibit 1–7: Home Purchased Was a Multi-Generational Home (Will Home Adult Siblings, Adult Children, Parents, and/or Grandparents)

(Percent of Respondents)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Multi-generational household	12%	12%	12%	10%	8%	39%	16%	11%
REASONS FOR PURCHASE:								
Health/Caretaking of aging parents	28%	30%	22%	21%	13%	43%	27%	29%
Children/relatives over 18 moving back into the house	20%	19%	28%	20%	15%	19%	21%	20%
Cost Savings	18%	14%	22%	21%	15%	33%	18%	17%
To spend more time with aging parents	16%	18%	11%	13%	5%	23%	16%	16%
Children/relatives over 18 never left home	14%	13%	7%	11%	38%	20%	15%	13%
Wanted a larger home that multiple incomes could afford together	11%	8%	5%	15%	25%	31%	11%	11%
None of the above	25%	26%	27%	31%	10%	13%	20%	27%
Other	10%	8%	10%	24%	17%	6%	9%	11%

Exhibit 1–8: Home Buyer Sexual Orientation

(Percentage Distribution)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 1–9: Home Buyer Identifies as Transgender

(Percentage Distribution)

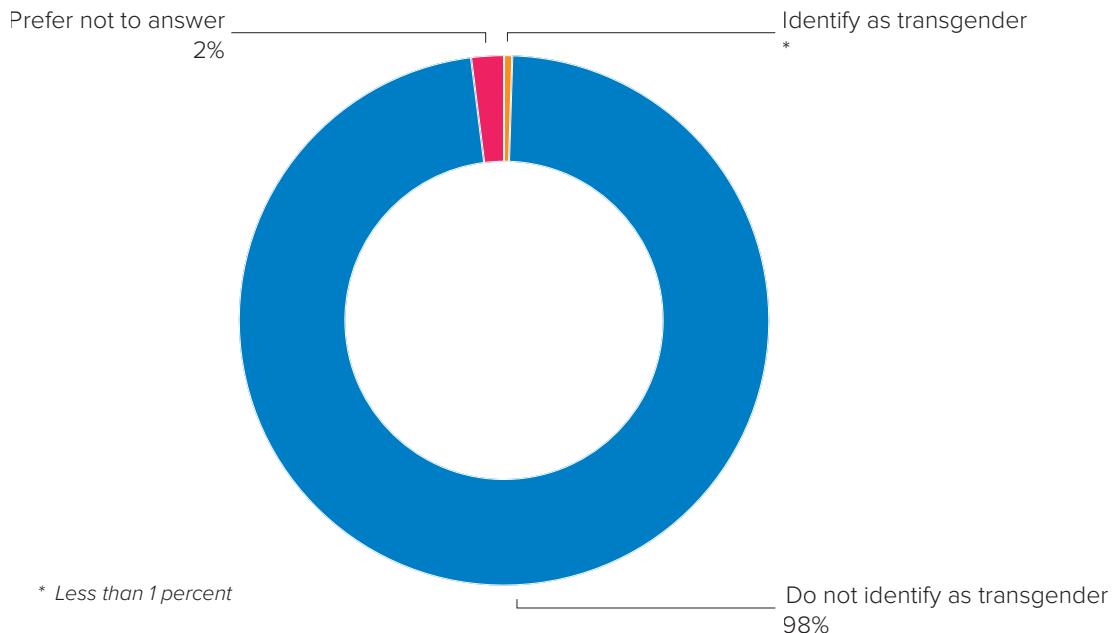


Exhibit 1–10: Race/Ethnicity of Home Buyers, by Region

(Percent of Respondents)

BUYERS WHO PURCHASED A HOME IN THE

	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
White/Caucasian	84%	90%	91%	82%	77%
Hispanic/Latino/Mexican/Puerto Rican	7%	4%	3%	8%	12%
Asian/Pacific Islander	5%	4%	3%	3%	9%
Black/African-American	4%	3%	3%	7%	3%
Other	3%	1%	3%	3%	3%

Note: Respondents were permitted to select as many races and ethnicities as they felt applicable.

The percentage distribution may therefore sum to more than 100 percent.

CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

Exhibit 1–11: Race/Ethnicity of Home Buyers, by Adult Composition of Household

(Percent of Respondents)

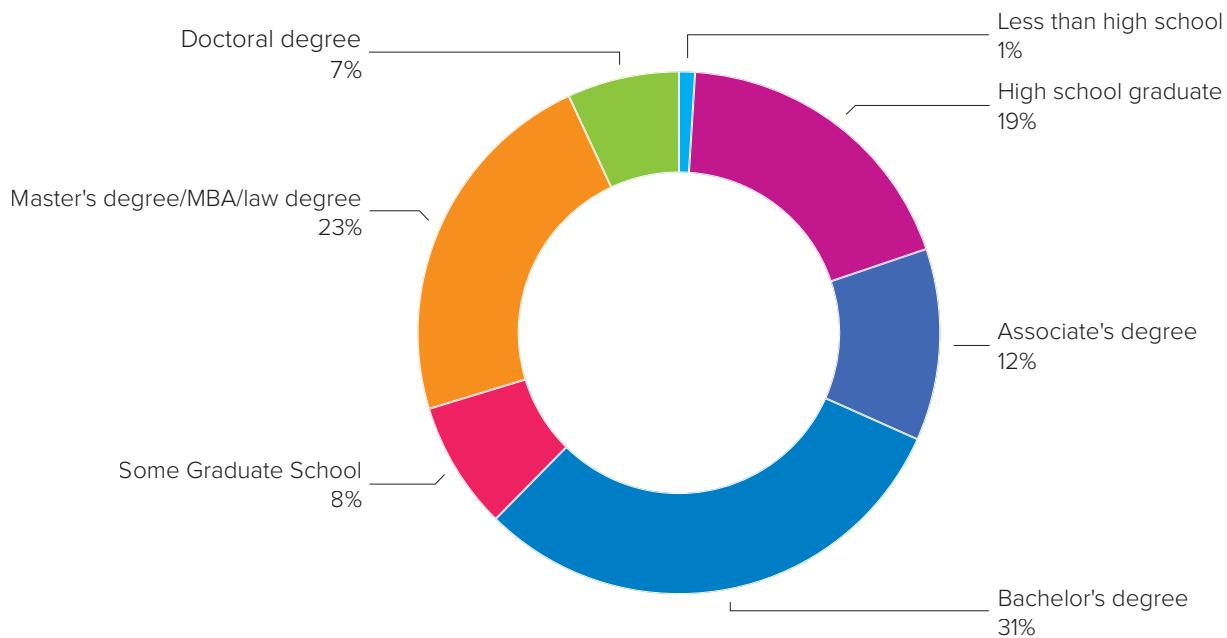
	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
White/Caucasian	84%	84%	83%	88%	85%	79%	78%	87%
Hispanic/Latino/Mexican/Puerto Rican	7%	7%	7%	5%	7%	13%	11%	5%
Asian/Pacific Islander	5%	6%	2%	3%	4%	3%	6%	4%
Black/African-American	4%	3%	8%	5%	3%	1%	6%	3%
Other	3%	3%	2%	3%	3%	8%	3%	3%

Note: Respondents were permitted to select as many races and ethnicities as they felt applicable.

The percentage distribution may therefore sum to more than 100 percent.

Exhibit 1–12: Highest Education Achieved by Household Head

(Percentage Distribution)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 1–13: Primary Language Spoken in Home Buyer Household, by Region

(Percentage Distribution)

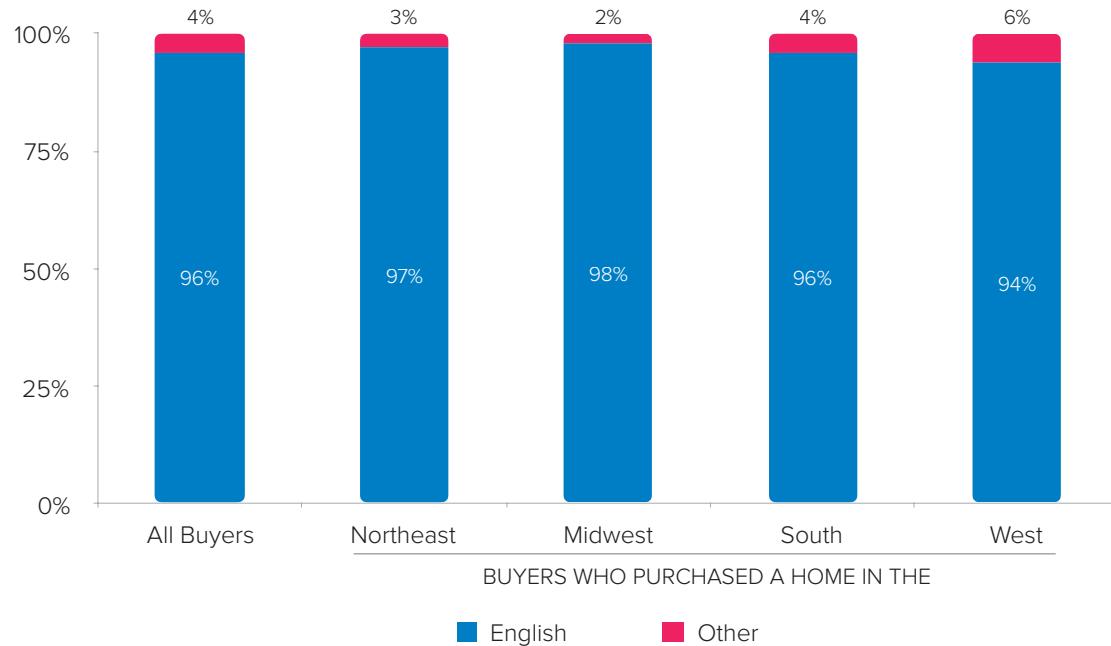
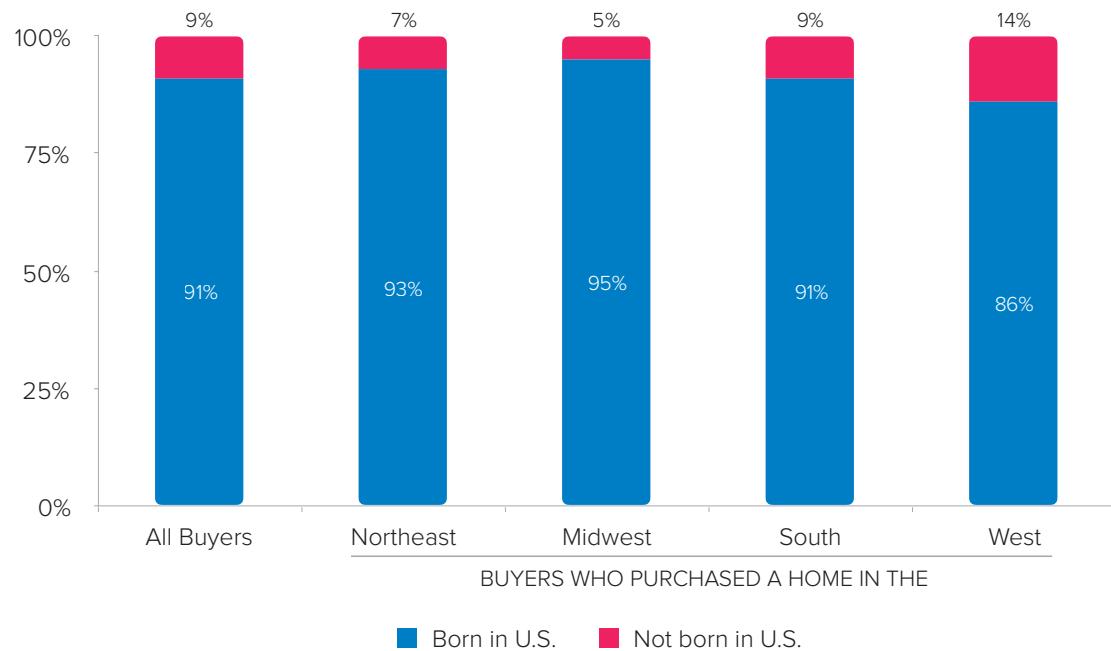


Exhibit 1–14: National Origin of Home Buyers, by Region

(Percentage Distribution)



CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

Exhibit 1–15: Self or Spouse/Partner is Active Military or Veteran

(Percentage Distribution)

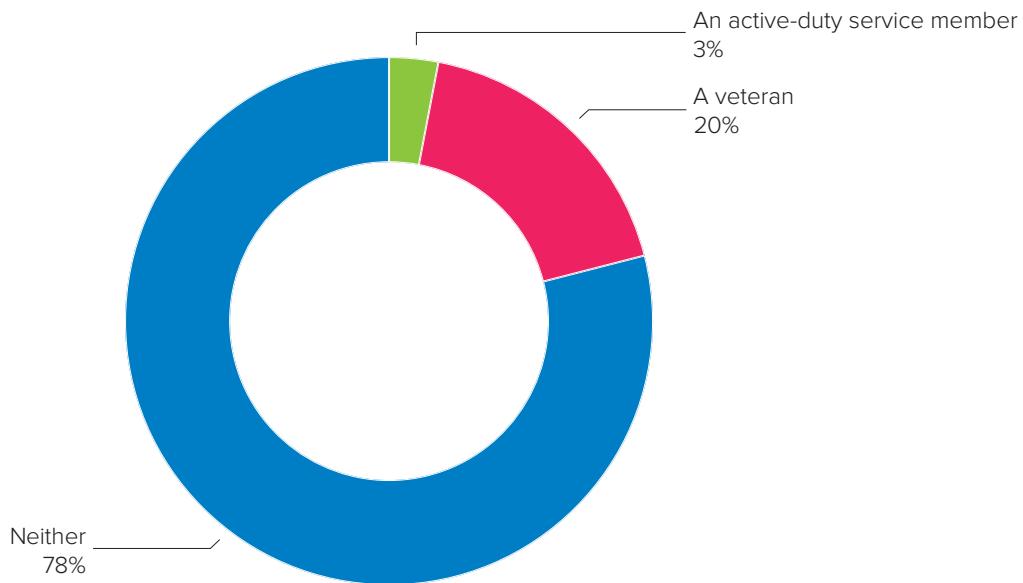
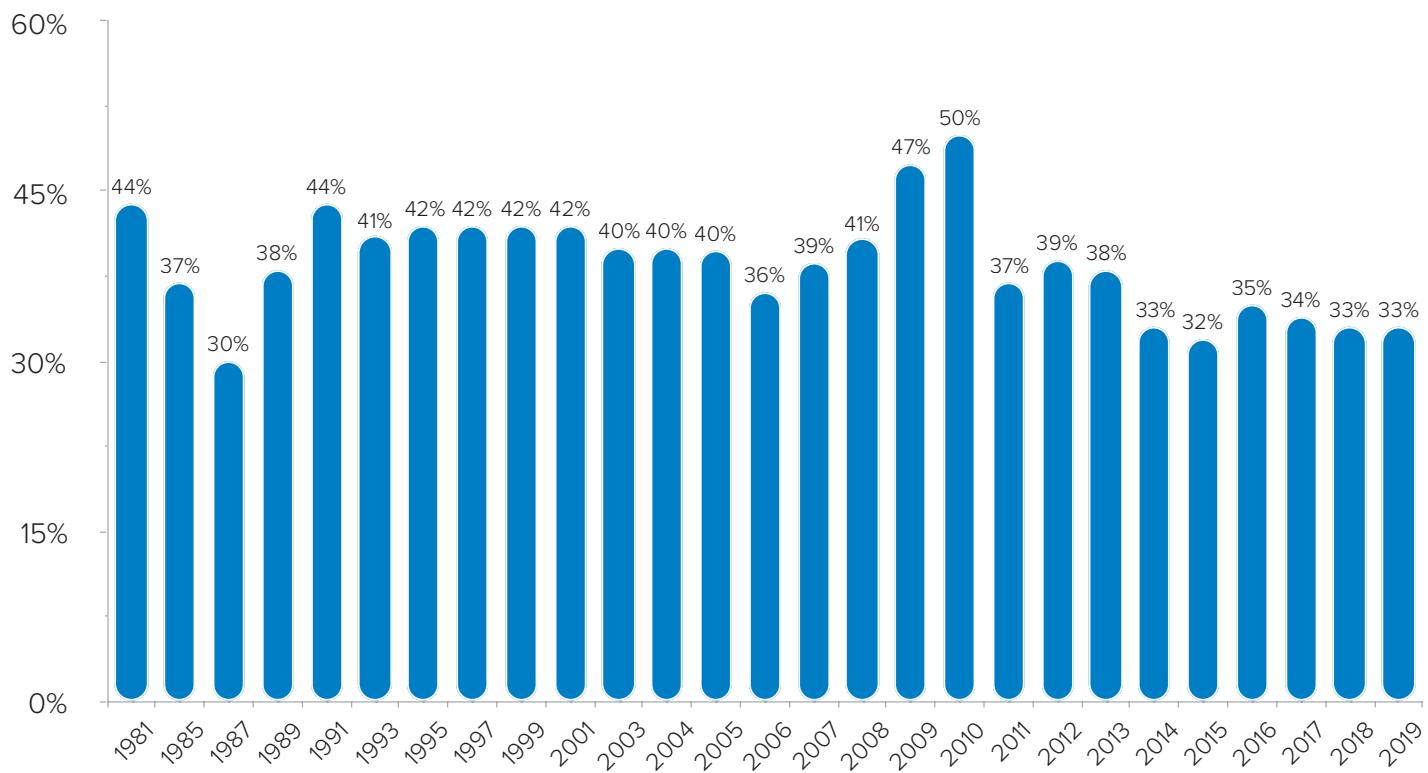


Exhibit 1–16: First-Time Home Buyers

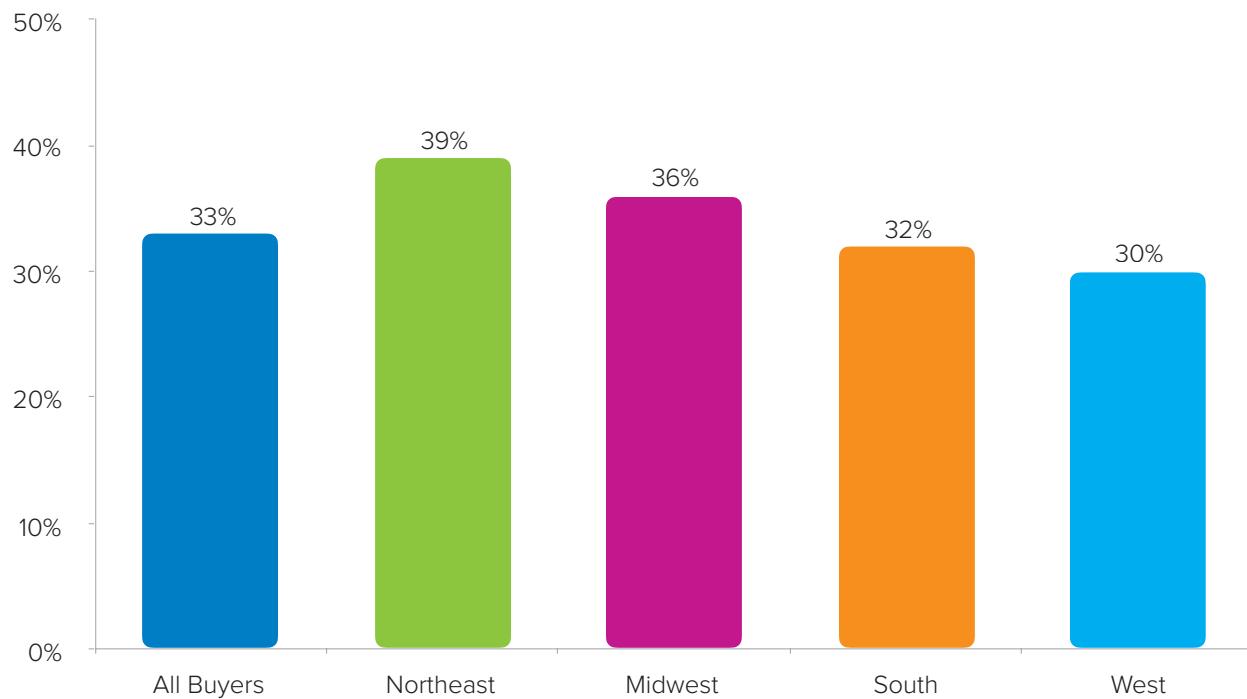
(Percent of all Home Buyers)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 1–17: First-Time Home Buyers, by Region

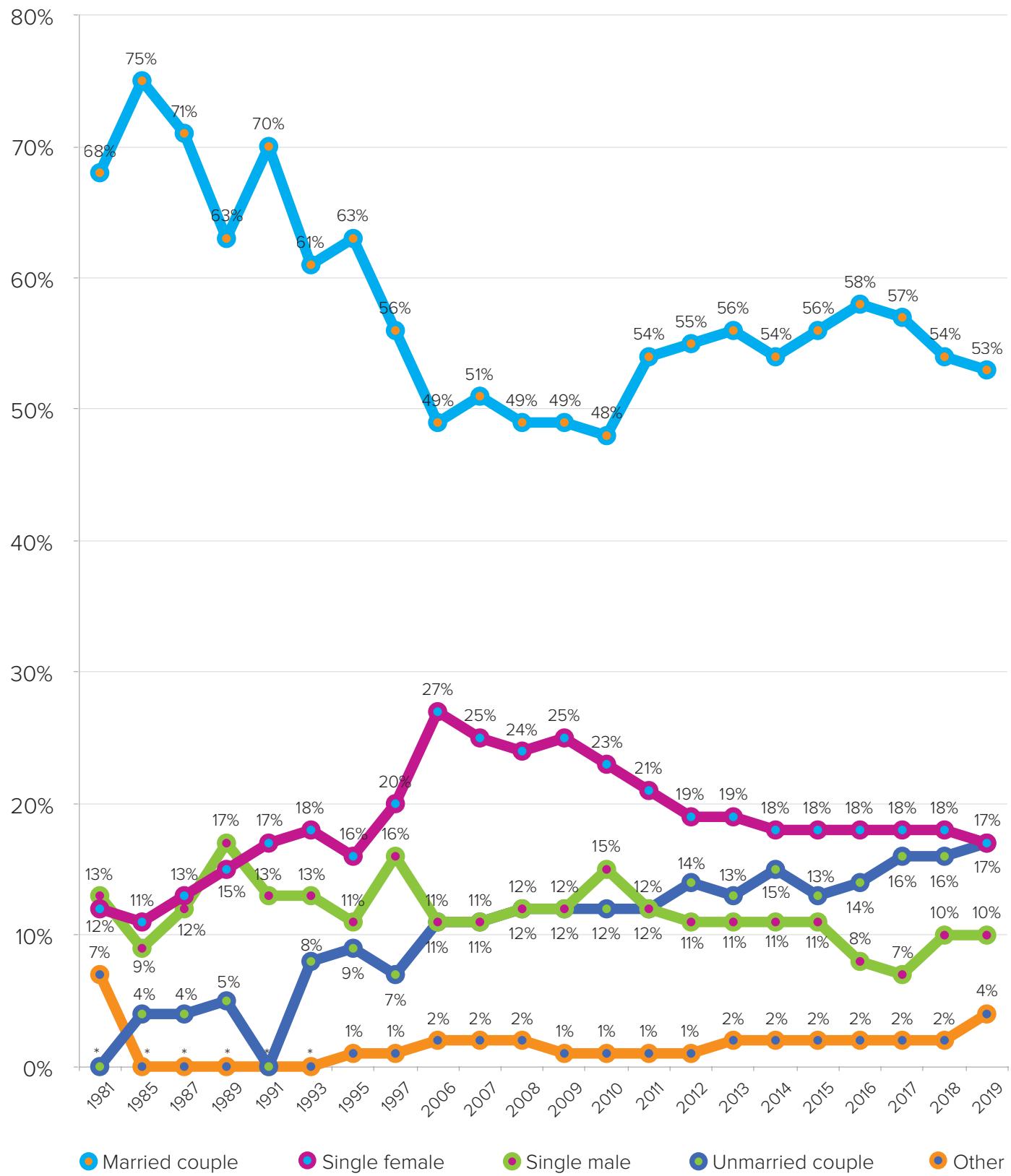
(Percent of all Home Buyers)



CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

Exhibit 1–18: Household Composition of First-Time Home Buyers

(Percentage Distribution of Households)

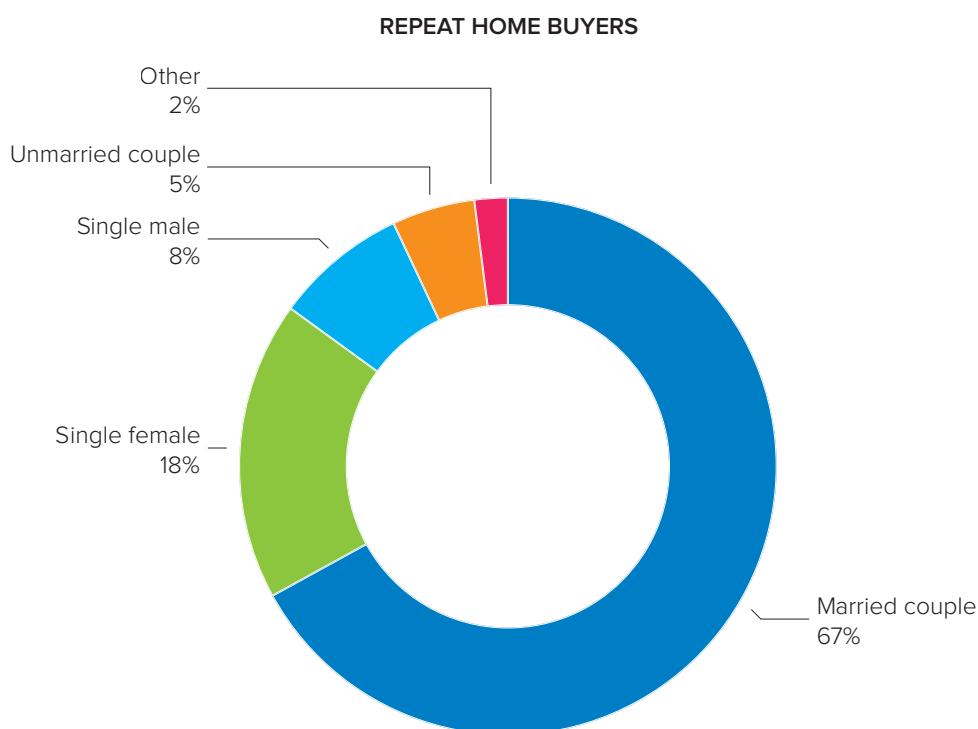
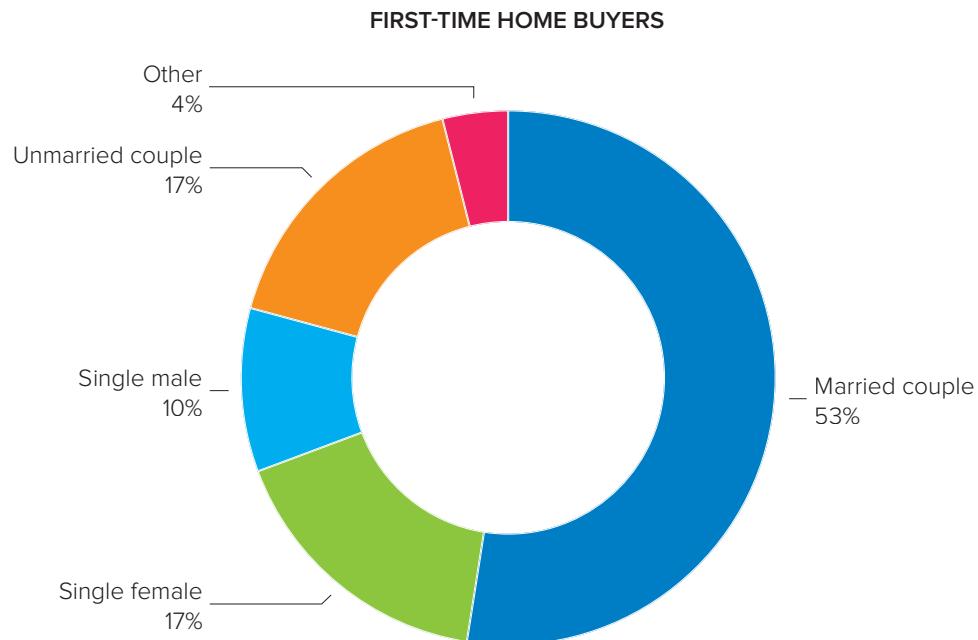


* Less than 1 percent

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 1–19: First-Time and Repeat Home Buyers, by Household Type

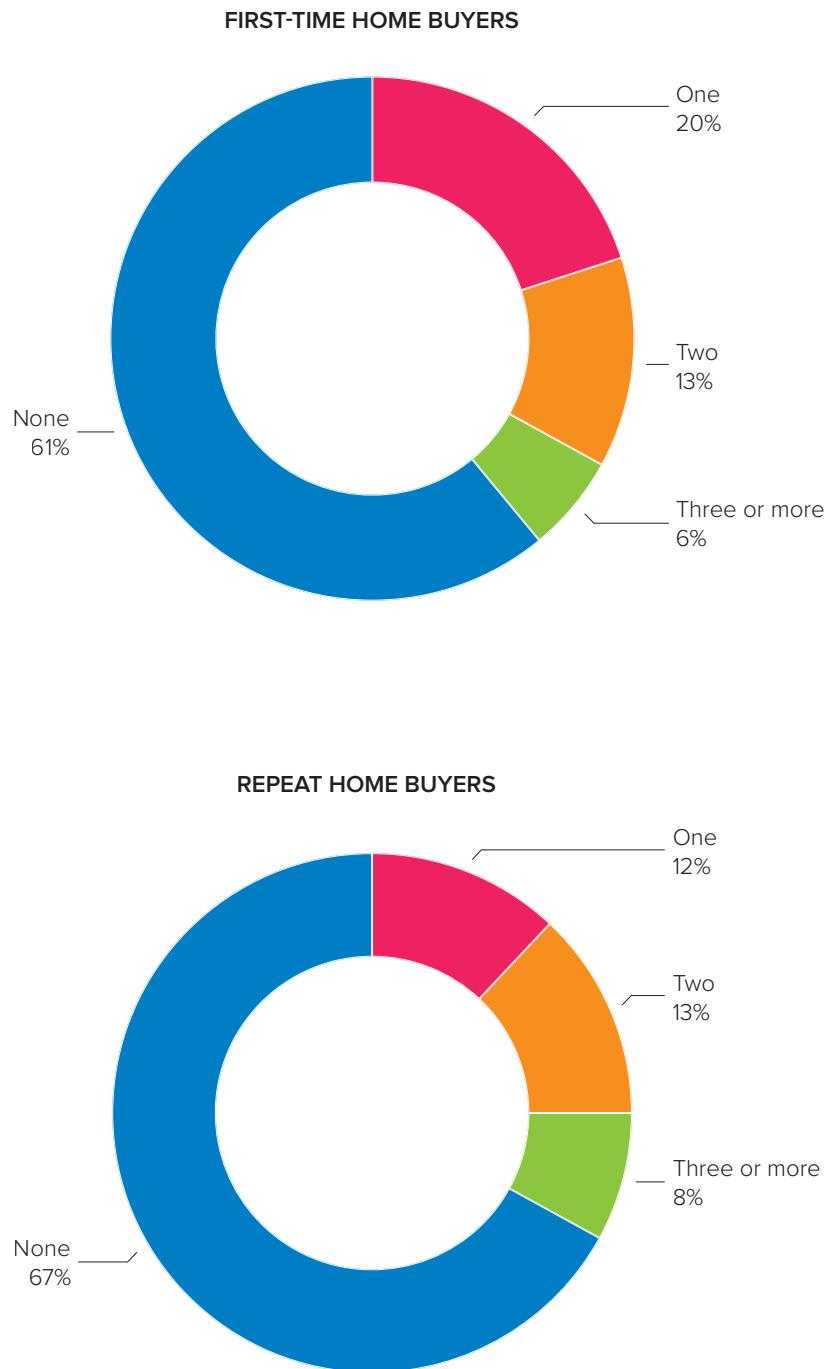
(Percentage Distribution of Households)



CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

Exhibit 1–20: First-Time and Repeat Home Buyers, by Children in Household

(Percentage Distribution of Households)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 1–21: Age of First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
18 to 24 years	3%	7%	*
25 to 34 years	25%	52%	11%
35 to 44 years	20%	21%	19%
45 to 54 years	15%	9%	18%
55 to 64 years	17%	7%	22%
65 to 74 years	16%	3%	22%
75 years or older	5%	1%	7%
Median age (years)	47	33	55
Married couple	46	33	54
Single female	54	34	60
Single male	52	33	58
Unmarried couple	34	30	46
Other	51	32	64

* Less than 1 percent

Exhibit 1–22: Household Income of First-Time and Repeat Buyers, 2018

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Less than \$25,000	3%	4%	2%
\$25,000 to \$34,999	4%	6%	3%
\$35,000 to \$44,999	6%	8%	5%
\$45,000 to \$54,999	8%	10%	7%
\$55,000 to \$64,999	7%	9%	6%
\$65,000 to \$74,999	8%	9%	7%
\$75,000 to \$84,999	8%	9%	8%
\$85,000 to \$99,999	11%	12%	11%
\$100,000 to \$124,999	15%	14%	16%
\$125,000 to \$149,999	9%	8%	10%
\$150,000 to \$174,999	6%	4%	7%
\$175,000 to \$199,999	4%	2%	5%
\$200,000 or more	11%	5%	13%
Median income (2018)	\$93,200	\$79,400	\$101,600
Married couple	\$106,900	\$88,200	\$113,200
Single female	\$65,000	\$57,700	\$67,100
Single male	\$72,800	\$66,300	\$75,000
Unmarried couple	\$91,700	\$82,800	\$103,800
Other	\$62,500	\$54,200	\$84,100

CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

Exhibit 1–23: Race/Ethnicity of First-Time and Repeat Buyers

(Percent of Respondents)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
White/Caucasian	84%	76%	88%
Hispanic/Latino/Mexican/Puerto Rican	7%	11%	5%
Asian/Pacific Islander	5%	7%	3%
Black/African-American	4%	7%	3%
Other	3%	4%	2%

Note: Respondents were permitted to select as many races and ethnicities as they felt applicable.

The percentage distribution may therefore sum to more than 100 percent.

Exhibit 1–24: Primary Language Spoken in First-Time and Repeat Buyer Households

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
English	96%	93%	98%
Other	4%	7%	2%

Exhibit 1–25: National Origin of First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Born in U.S.	91%	86%	93%
Not born in U.S.	9%	14%	7%

Exhibit 1–26: Prior Living Arrangement of First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Owned previous home	48%	3%	71%
Rented an apartment or house	38%	71%	22%
Lived with parents/relatives/friends, paid rent	6%	11%	3%
Lived with parents/relatives/friends, did not pay rent	6%	12%	3%
Rented the home ultimately purchased	2%	4%	1%

Note: After selling their previous home, buyers may have rented a home or apartment before purchasing their next home. A first-time buyer could have acquired ownership of their previous home (as an inheritance or gift, for example) without having been the buyer of the home. Thus, a first-time buyer could have owned a home prior to their first home purchase.

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 1–27: Prior Living Arrangement, by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Owned previous home	48%	55%	47%	38%	23%	30%	43%	51%
Rented an apartment or house	38%	36%	36%	39%	55%	44%	43%	35%
Lived with parents/relatives/friends, paid rent	6%	4%	7%	8%	10%	11%	5%	6%
Lived with parents/relatives/friends, did not pay rent	6%	4%	8%	12%	8%	11%	5%	6%
Rented the home ultimately purchased	2%	2%	1%	2%	3%	4%	3%	1%

Note: After selling their previous home, buyers may have rented a home or apartment before purchasing their next home. A first-time buyer could have acquired ownership of their previous home (as an inheritance or gift, for example) without having been the buyer of the home. Thus, a first-time buyer could have owned a home prior to their first home purchase.

Exhibit 1–28: Primary Reason for Purchasing a Home, First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Desire to own a home of their own	29%	64%	11%
Desire to be closer to family/friends/relatives	9%	2%	13%
Desire for larger home	9%	3%	11%
Change in family situation (e.g. marriage, birth of child, divorce, etc.)	8%	7%	8%
Desire for a home in a better area	7%	2%	10%
Job-related relocation or move	7%	3%	9%
Desire for smaller home	6%	*	8%
Retirement	5%	1%	6%
Desire to be closer to job/school/transit	3%	1%	4%
Establish a household	3%	5%	1%
Financial security	2%	3%	2%
Affordability of homes	2%	2%	2%
Desire for a newly built or custom-built home	2%	*	3%
Desire for better home for pet(s)	1%	2%	1%
Purchased home for family member or relative	1%	1%	1%
Greater number of homes on the market for sale/better choice	*	*	*
Other	8%	4%	10%

* Less than 1 percent

CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

Exhibit 1–29: Primary Reason for Purchasing a Home, by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD					CHILDREN IN HOME		
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Desire to own a home of their own	29%	23%	32%	40%	46%	27%	30%	28%
Desire to be closer to family/friends/relatives	9%	10%	13%	4%	2%	13%	4%	12%
Desire for larger home	9%	11%	3%	5%	7%	3%	16%	5%
Change in family situation (e.g. marriage, birth of child, divorce, etc.)	8%	5%	13%	13%	9%	21%	10%	6%
Desire for a home in a better area	7%	8%	4%	7%	7%	5%	7%	7%
Job-related relocation or move	7%	9%	2%	3%	4%	6%	9%	5%
Desire for smaller home	6%	6%	8%	4%	2%	2%	2%	8%
Retirement	5%	6%	4%	3%	1%	1%	1%	7%
Desire to be closer to job/school/transit	3%	4%	3%	2%	1%	1%	5%	2%
Establish a household	3%	3%	1%	1%	6%	*	3%	2%
Financial security	2%	2%	3%	3%	3%	6%	2%	3%
Affordability of homes	2%	2%	2%	3%	3%	1%	1%	2%
Desire for a newly built or custom-built home	2%	2%	1%	1%	*	1%	2%	2%
Desire for better home for pet(s)	1%	1%	4%	*	2%	*	1%	2%
Purchased home for family member or relative	1%	1%	1%	1%	1%	3%	1%	1%
Greater number of homes on the market for sale/better choice	*	*	*	*	*	2%	*	*
Other	8%	8%	6%	8%	6%	6%	6%	8%

* Less than 1 percent

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 1–30: Primary Reason for the Timing of Home Purchase, First-Time and Repeat Buyers

(Percentage Distribution)

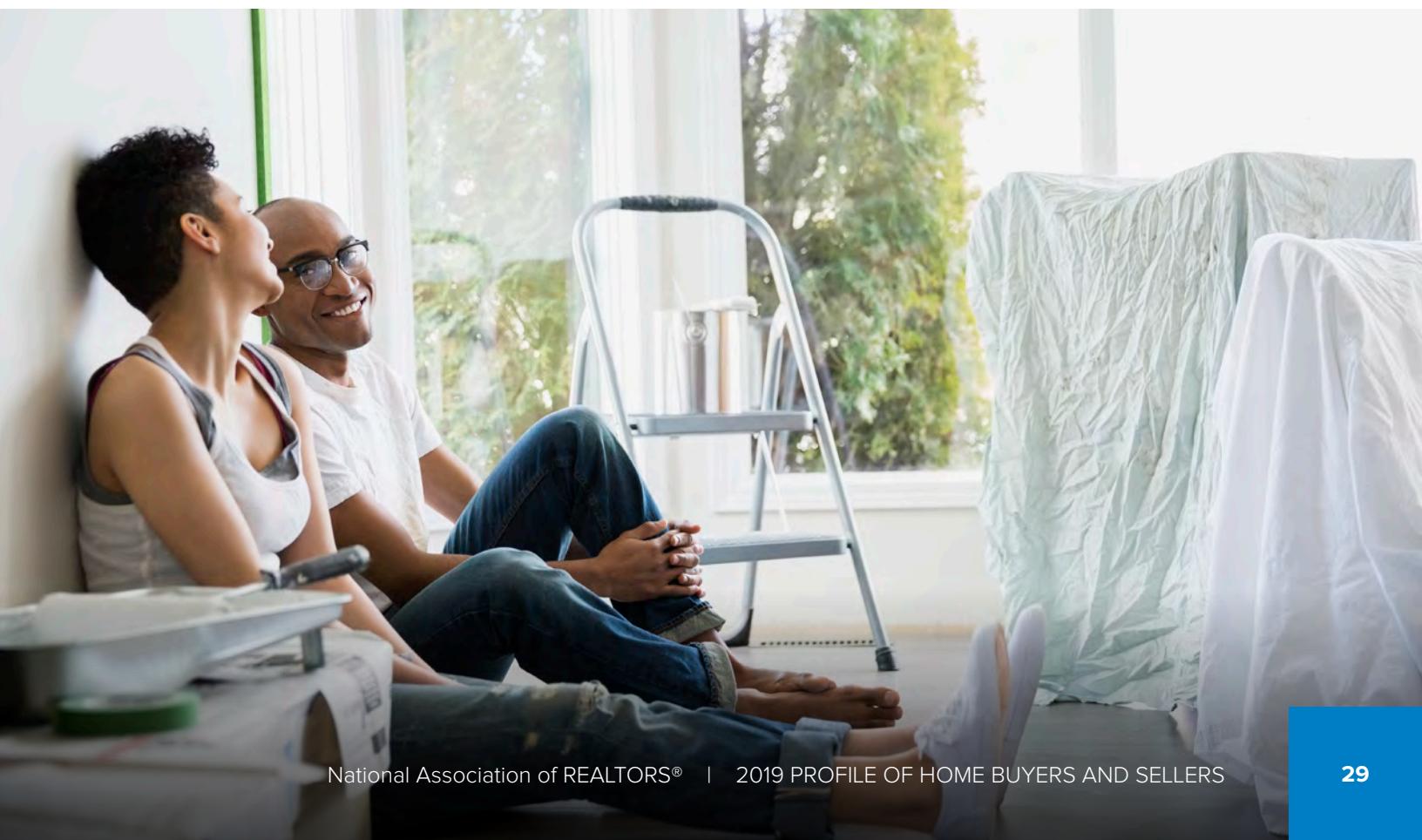
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
It was just the right time, the buyer was ready to buy a home	50%	58%	46%
Did not have much choice, had to purchase	17%	17%	17%
It was the best time because of availability of homes for sale	12%	9%	14%
It was the best time because of affordability of homes	5%	5%	4%
It was the best time because of mortgage financing options available	3%	4%	2%
The buyer wished they had waited	3%	2%	3%
Other	11%	5%	14%

Exhibit 1–31: Other Homes Owned, by Age

(Percentage Distribution)

	ALL BUYERS	18 TO 24	25 TO 44	45 TO 64	65 OR OLDER
Recently purchased home only	86%	96%	90%	81%	81%
One or more investment properties	8%	3%	7%	10%	8%
Previous homes that buyer is trying to sell	3%	*	1%	4%	5%
One or more vacation homes	3%	*	1%	5%	7%
Other	2%	*	1%	3%	3%

* Less than 1 percent





CHAPTER 2:

Characteristics of Homes Purchased

When choosing to purchase either a new or previously-owned home, buyers typically chose one or the other for specific reasons. For example, buyers of new homes typically were looking to avoid renovations or plumbing and electrical problems, as well as have the ability to choose and customize design features. Buyers of previously-owned homes were looking for a better price and overall value in a home.

Due to a lack of new home construction, the share of new homes purchased fell to a new all-time low of 13 percent (it held steady at 16 percent from 2011 through 2015). Previously-owned home purchases increased to 87 percent from 86 percent last year. By way of comparison, in 1981 new home purchases made up 18 percent of the market share and previously-owned homes were 82 percent. New home purchases reached a high of 29 percent in 1989 and 28 percent in 2003. Since 2007, new home purchases have been on the decline.

The most frequently purchased housing type among all buyers was a detached single-family home. Single females and single males were the most likely to have purchased a townhouse or row house, over any other household type. The share of senior-related housing purchases was 12 percent in 2019, down slightly from last year.

Overall, buyers expected that they will live in their homes for 15 years. The expected tenure increased with age, and was also higher among repeat buyers. The biggest factor that would cause a buyer to move from their newly purchased home was due to life changes, including additions to their family, marriage, children moving out, or retirement. While 27 percent of buyers reported that life changes could cause them to move, 20 percent of recent buyers said that this was their forever home and had no intention of moving.

CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

NEW AND PREVIOUSLY OWNED HOMES PURCHASED

Exhibits 2–1 through 2–3

Due to a lack of new home construction, the share of new homes purchased fell to a new all-time low of 13 percent (it held steady at 16 percent from 2011 through 2015). Previously-owned home purchases increased to 87 percent from 86 percent last year. In comparison, in 1981 new home purchases accounted for 18 percent of the market share and previously-owned homes were 82 percent. New home purchases were most common in the South at 18 percent of all homes sold (up from 17 percent last year), and just seven percent of new homes sold in the Northeast and Midwest.

Buyers chose to purchase new and previously-owned homes for different reasons. Purchasers of new homes were looking to avoid renovations and problems with plumbing or electricity (39 percent). New home buyers also liked having the ability to choose and customize design features in their home (32 percent), and having the amenities of new home construction communities (21 percent). Buyers who chose a previously-owned home were considering overall value (33 percent), a better price (31 percent), and a home with more charm and character (20 percent).

TYPE OF HOME PURCHASED

Exhibits 2–4 through 2–7

The most common type of home purchased continued to be the detached single-family home, which made up 83 percent of all homes purchased, slightly up from 82 percent from last year. Six percent of recent buyers purchased townhomes or row homes, and most frequently these homes were located in urban and central city, resort and recreation areas. The most popular location to purchase a single-family home was in a small town.

Townhomes continued to be more common among first-time home buyers, compared to repeat buyers. Single female and single male buyers were more likely to purchase a townhouse or condo than married couples and unmarried couples. Among buyers with children under the age of 18 in the home, 89 percent purchased a detached single-family home, as opposed to 80 percent of buyers who had no children in their home.

Since 1981, the Profile of Home Buyers and Sellers has been tracking data on the type of homes purchased. In 1981, 76 percent of home buyers purchased detached single-family homes, 16 percent bought condos, and eight bought townhomes. In 1985, the share of detached single-family homes purchased was at its highest, at 88 percent, and in 2007, it was at its lowest at 74 percent. For most of the 1980s and 1990s, detached single-family homes ranged in the low to mid 80 percentiles. By 2005 through 2012, the share of detached single-family homes sold ranged in the mid-to-high 70 percentiles. Since 2007, condo sales have steadily decreased from 11 percent to five percent in 2019.

LOCATION OF HOME PURCHASED

Exhibits 2–8 through 2–10

Among all regions, the largest percentages of homes were located in the suburbs or subdivisions, and in small towns. In the Northeast, 32 percent of recent buyers purchased a home in a small town, compared to 18 percent in the South. Fifty-eight percent of buyers who purchased new homes did so in a suburb or subdivision. The location of buyers' previously sold homes was similar to the location of their recently purchased homes. Sixty-seven percent of all buyers purchased homes that were located in the suburbs or a subdivision and subsequently sold a home that was also located in the suburbs or in a subdivision.

SENIOR HOUSING AND ACTIVE ADULT COMMUNITIES

Exhibit 2–11

Senior-related housing decreased slightly to 12 percent of buyers over the age of 50 this year. For buyers over 50 who recently purchased senior-related housing, 60 percent purchased a detached single-family home and 53 percent (up from 46 percent last year) bought in a suburb or subdivision. Both categories were lower for buyers in senior-related housing than other types of buyers. Other home types purchased include townhomes and row homes at nine percent, and condos at 20 percent. The location of senior-related housing showed that other than in suburbs and subdivisions, 21 percent of buyers purchased in small towns (down from 22 percent last year), and 12 percent in resort or recreational areas.

DISTANCE BETWEEN HOME PURCHASED AND PREVIOUS RESIDENCE

Exhibit 2–12

The distance between the home that buyers recently purchased and their previous residence was a median of 15 miles. Regionally, buyers in the Northeast and Midwest moved the shortest distance—just a median of 10 miles to their current residence. Buyers in the West also moved a median of 15 miles, and those in the South moved the greatest distance, a median of 20 miles to their recently purchased home.

2019 PROFILE OF HOME BUYERS AND SELLERS

FACTORS INFLUENCING NEIGHBORHOOD CHOICE

Exhibits 2–13 and 2–14

Some of the factors that influenced recent home buyers' neighborhood choice have remained consistent from last year. Quality of the neighborhood (63 percent), convenience to job (46 percent), and overall home affordability (44 percent) were the three most important factors to recent home buyers when choosing a neighborhood. In urban or central city locations and resort or recreational areas, convenience to entertainment or leisure activities were more important factors than in any other location.

While walkability is important to 20 percent of all buyers, among those in urban areas, 30 percent cited walkability as important. Similarly, large lots/acreage was important to 20 percent of all buyers, but important to 47 percent of buyers in rural areas.

Single females, more than any other household composition, cited the convenience to friends and family as an influencing factor in their neighborhood choice, at 50 percent. Over half of recent buyers with children under the age of 18 living in their home cited quality of the school district as an influencing factor in their neighborhood choice. However, for single buyers and unmarried couples, convenience to vet/outdoor space was more important than quality and convenience to schools.

PRICE OF HOME PURCHASED

Exhibits 2–15 through 2–18

Prices of homes that were purchased increased this year to a median of \$257,000, encompassing all buyers. The most expensive homes were found in the West, where the median home price of a home purchased was \$360,000, down from \$362,400 last year. Homes in the Midwest were the most affordable at a median of \$194,750.

New homes were typically more expensive than previously-owned homes. The median price for a new home was \$329,750 (up from \$329,200 last year) and the median price for a previously-owned home was \$245,000 (up from \$239,800 last year). First-time buyers commonly purchased a home that was less expensive than the home that repeat buyers purchased. Repeat buyers purchased homes that had a median price of \$287,000, whereas first-time buyers purchased homes that had a median price of \$215,000 (up from \$280,000 and \$203,700 last year, respectively).

Recent buyers typically purchased their home for a median of 98 percent of the asking price for their home. Fourteen percent of buyers paid more than the asking price for their home. Home buyers in the Midwest were able to get the largest discounts, where 11 percent paid less than 90 percent of the asking price for their homes.

SIZE OF HOME PURCHASED

Exhibits 2–19 through 2–23

Recent homes purchased had a median size of 1,850 square feet this year. The size of homes that repeat buyers purchased was typically larger than homes purchased by first-time buyers. The median home size for first-time buyers was 1,620 square feet, and 2,000 square feet for repeat buyers. Single females and single males purchased the smallest sized homes, with medians of 1,500 square feet. Married couples and households with children under 18 purchased the largest homes compared to any other household composition, with a median of 2,020 square feet and 2,080 square feet, respectively.

The largest homes purchased were detached single-family homes, with a median of 1,940 square feet. In the South, the median home purchased was 2,000 square feet, which was larger than in any other region. The most expensive price per square foot was found in apartments/condos in buildings with five or more units. The price per square foot in these homes was \$160. The next most expensive was townhouses or rowhouses at \$150 per square foot. The typical home purchased this year had a median of three bedrooms and two bathrooms. Among households that have children under the age of 18 living in their home, there were a median of four bedrooms in the house.

YEAR HOME WAS BUILT

Exhibit 2–24

This year, the homes purchased were slightly older than in previous years. The typical home purchased was built in 1990. The South had the newest homes purchased, where the typical purchased home was built in 1999. The oldest built homes were found in the Northeast, where the median year built was 1972.

ENVIRONMENT FEATURES AND COMMUTING COSTS

Exhibits 2–25 through 2–28

Commuting costs were only somewhat important for 35 percent of buyers, and 32 percent said commuting costs were not important to them when they recently purchased their home. Most recent buyers thought their home's environmentally friendly features were at least somewhat important to them. The most important environmental feature to buyers in all regions was heating and cooling costs, which 85 percent of buyers found at least somewhat important. As the home's age increases, buyers place less importance on environmentally friendly features compared to buyers of newer homes.

CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

CHARACTERISTICS OF HOME ON WHICH BUYER COMPROMISED

Exhibits 2–29 through 2–31

When deciding on a home to purchase, recent buyers made compromises on some home characteristics. The most common compromise made was the price of the home at 25 percent, followed by the condition of the home at 23 percent. Twenty-nine percent of buyers said that they made no compromises when purchasing their home. Single male buyers were the least likely to make compromises when choosing their home at 34 percent.

EXPECTED LENGTH OF TENURE IN HOME PURCHASED

Exhibits 2–32 through 2–35

The expected tenure in homes has remained at a median of 15 years. First-time and repeat buyers intended to stay in their homes for the same length of time as the previous year at 10 years and 15 years respectively. Buyers between the ages of 18 to 44 had the shortest expected tenure of 10 years, compared to buyers aged 45 to 64 who expect to stay in their homes for 20 years.

While buyers estimate the timeframe that they will live in their homes, there are factors which could cause buyers to move. Twenty-seven percent of buyers said that they would potentially move because of a life change such as an addition to the family, marriage, children moving out, or retirement. Buyers between the ages of 18 and 24 were more likely than any other age group to potentially move because of a job change. Households with no children, as well as single females, were the most likely at 21 and 22 percent, respectively, to say that they are never moving and that this is their forever home.



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 2–1: New and Previously Owned Homes Purchased, 1981–2019

(Percentage Distribution)

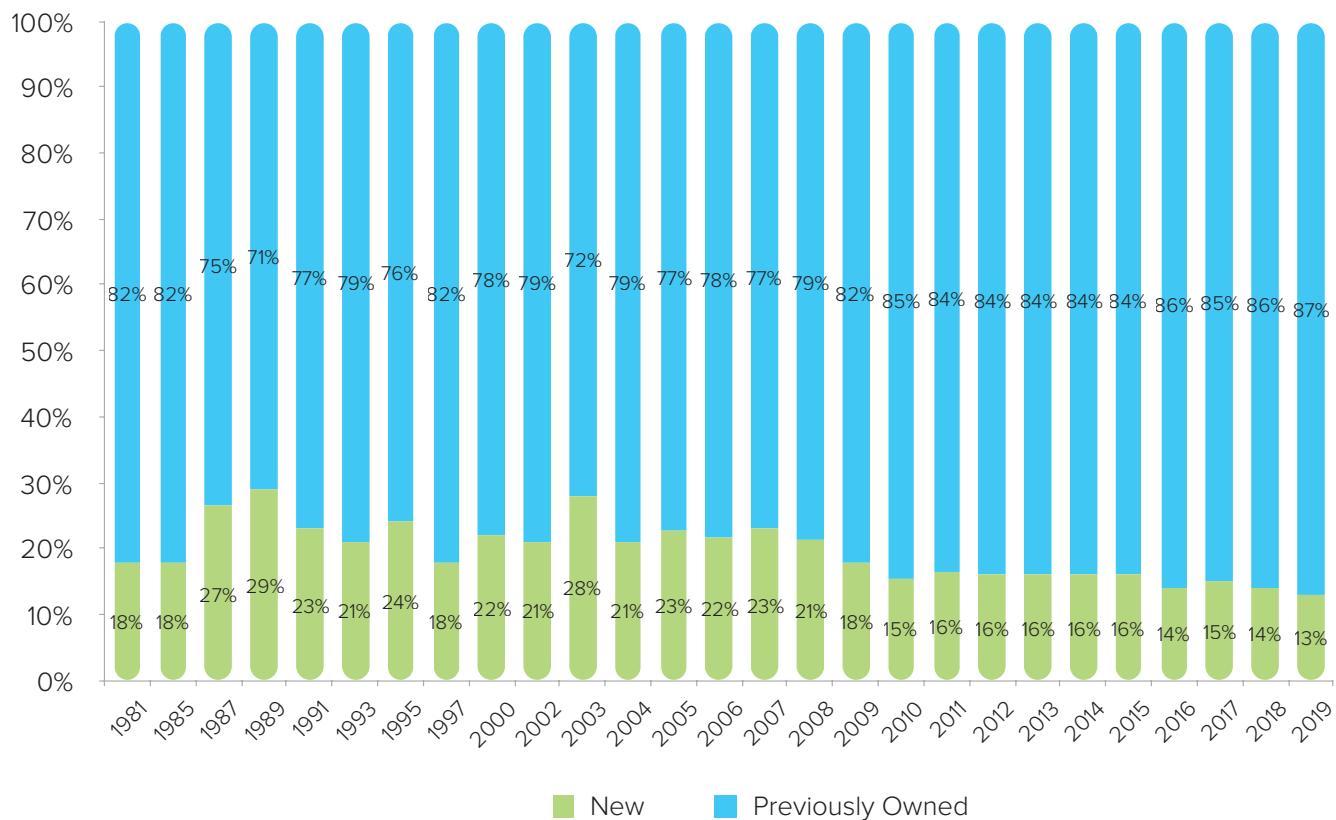
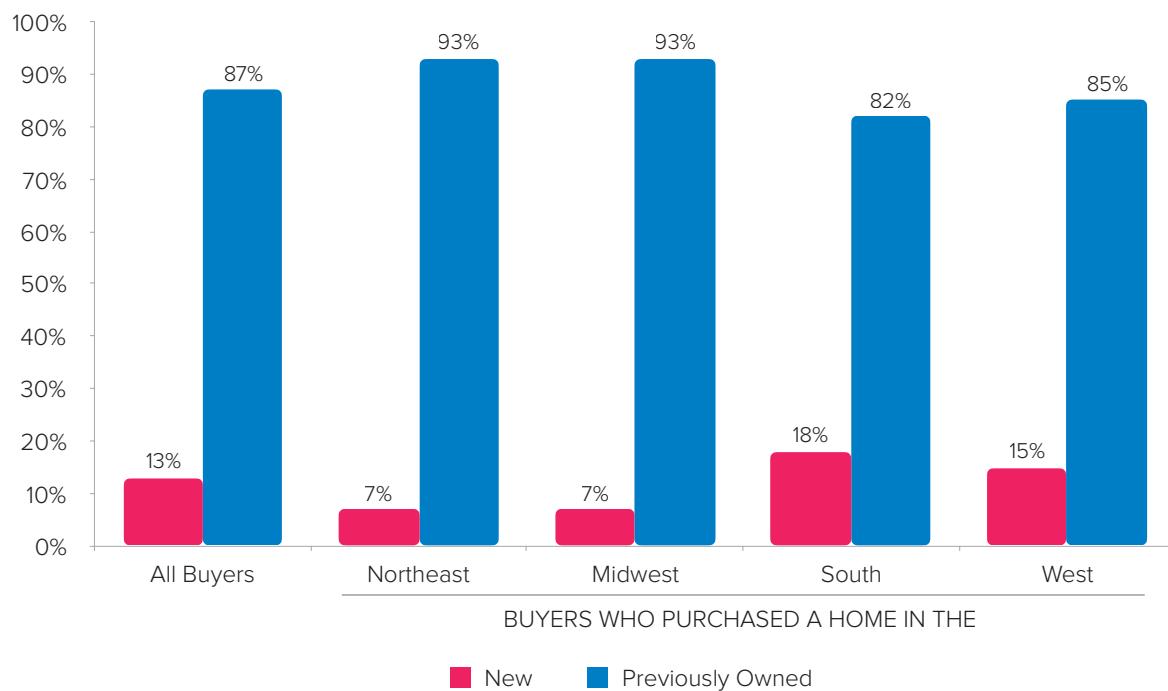


Exhibit 2–2: New and Previously Owned Homes Purchased, by Region

(Percentage Distribution)



CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

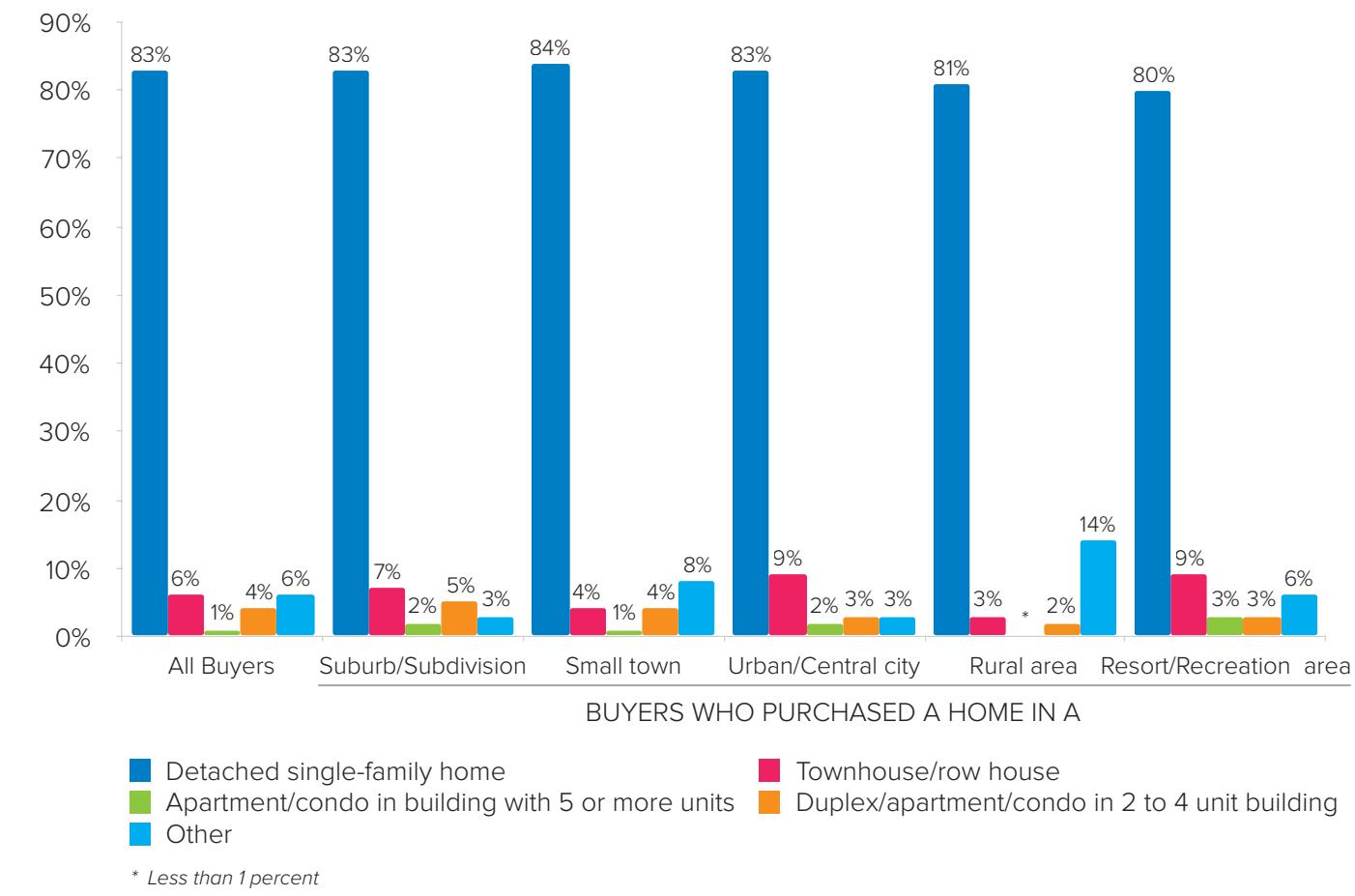
Exhibit 2–3: Why New and Previously Owned Homes Purchased

(Percent of Respondents)

NEW HOME:	
Avoid renovations or problems with plumbing or electricity	39%
Ability to choose and customize design features	32%
Amenities of new home construction communities	21%
Green/energy efficiency	10%
Lack of inventory of previously owned home	9%
Smart home features	3%
Other	19%
PREVIOUSLY OWNED HOME:	
Better overall value	33%
Better price	31%
More charm and character	20%
Lack of inventory of new homes	10%
Other	20%

Exhibit 2–4: Type of Home Purchased, by Location

(Percentage Distribution)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 2–5: Type of Home Purchased by First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percentage Distribution)

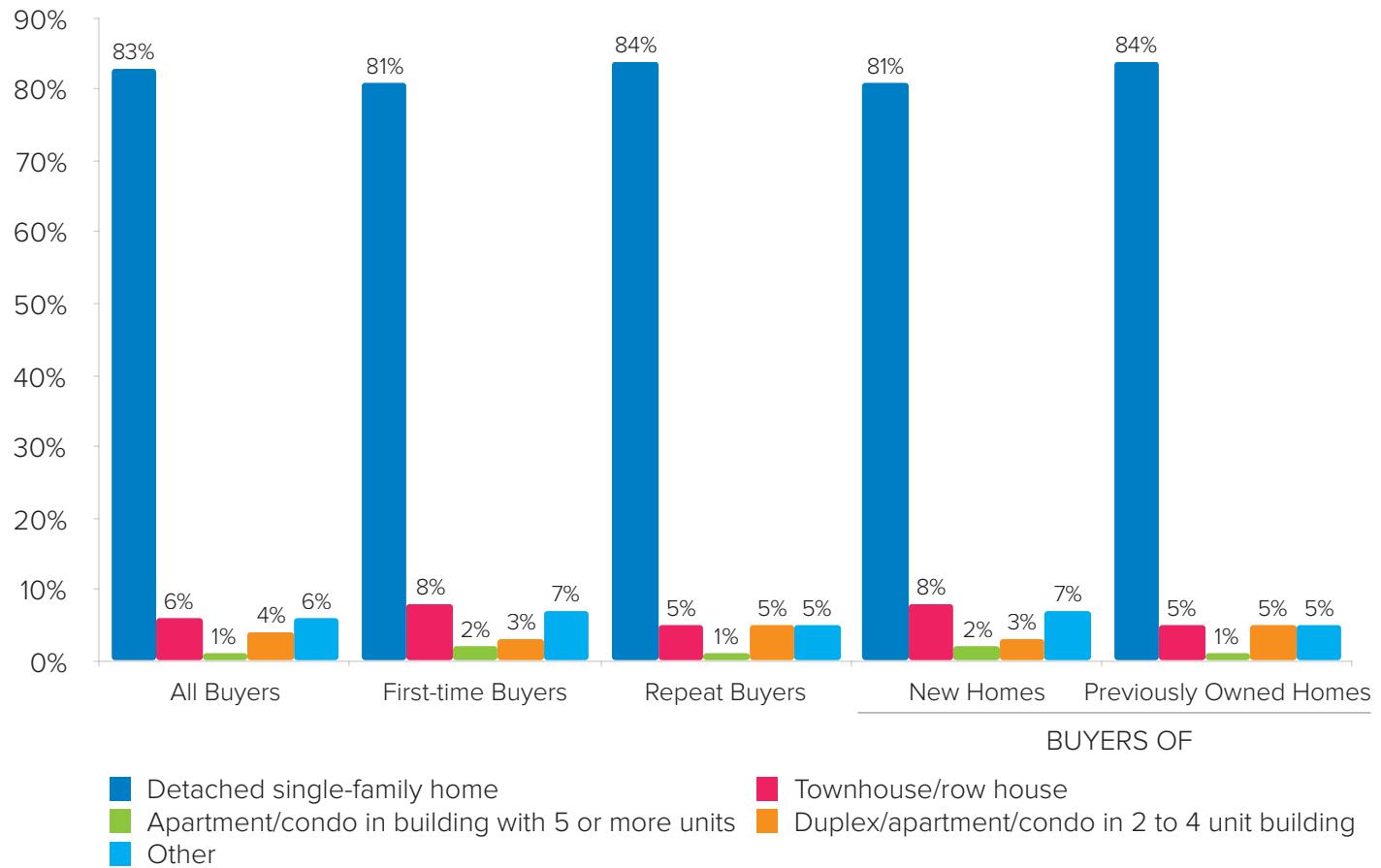


Exhibit 2–6: Type of Home Purchased, by Adult Composition of Household

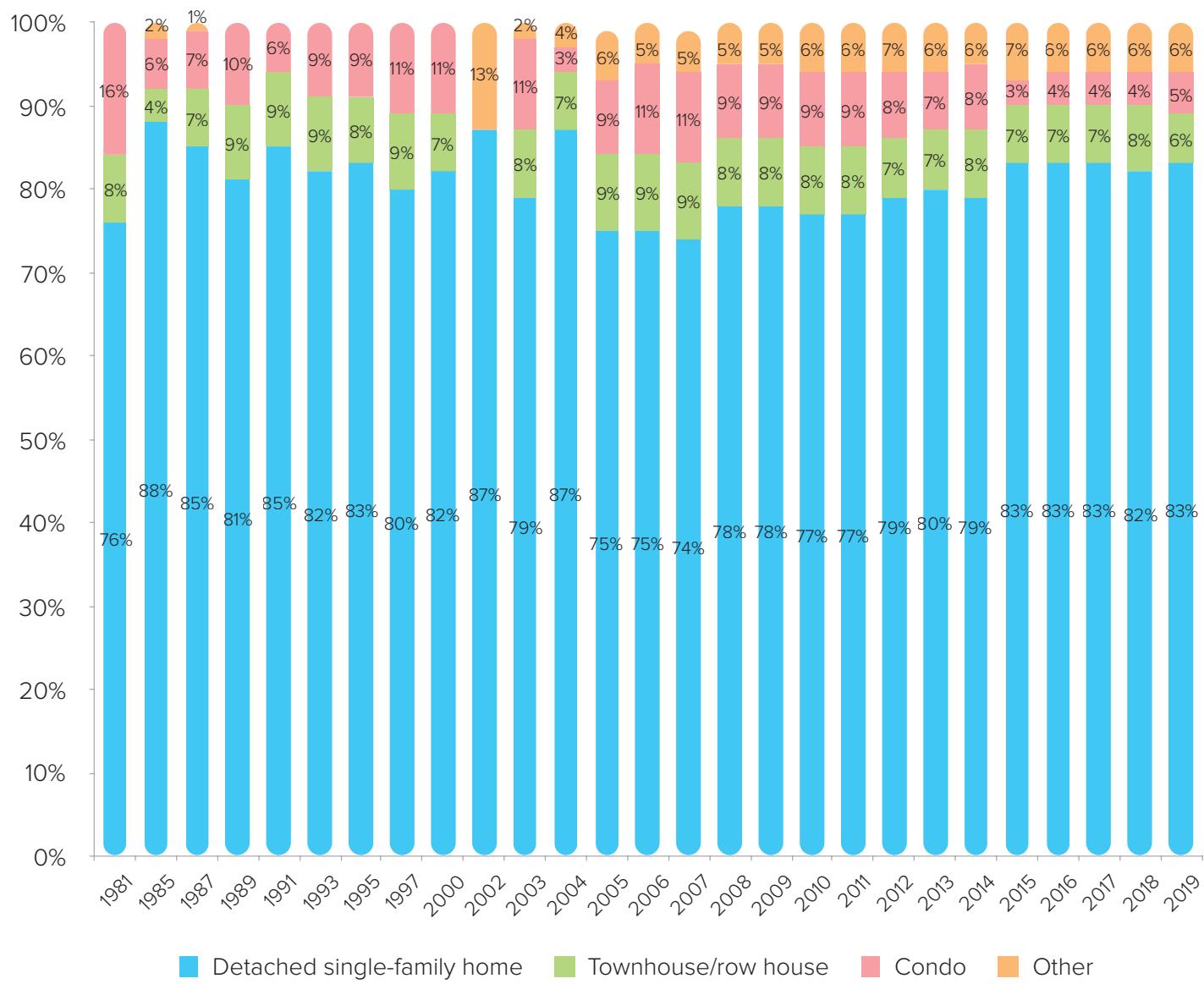
(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Detached single-family home	83%	87%	70%	78%	86%	78%	89%	80%
Townhouse/row house	6%	5%	11%	9%	6%	6%	4%	7%
Apartment/condo in building with 5 or more units	1%	1%	3%	2%	2%	1%	1%	2%
Duplex/apartment/condo in 2 to 4 unit building	4%	3%	10%	4%	2%	6%	1%	6%
Other	6%	5%	6%	8%	5%	9%	5%	6%

CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2–7: Type of Home Purchased, 1981–2019

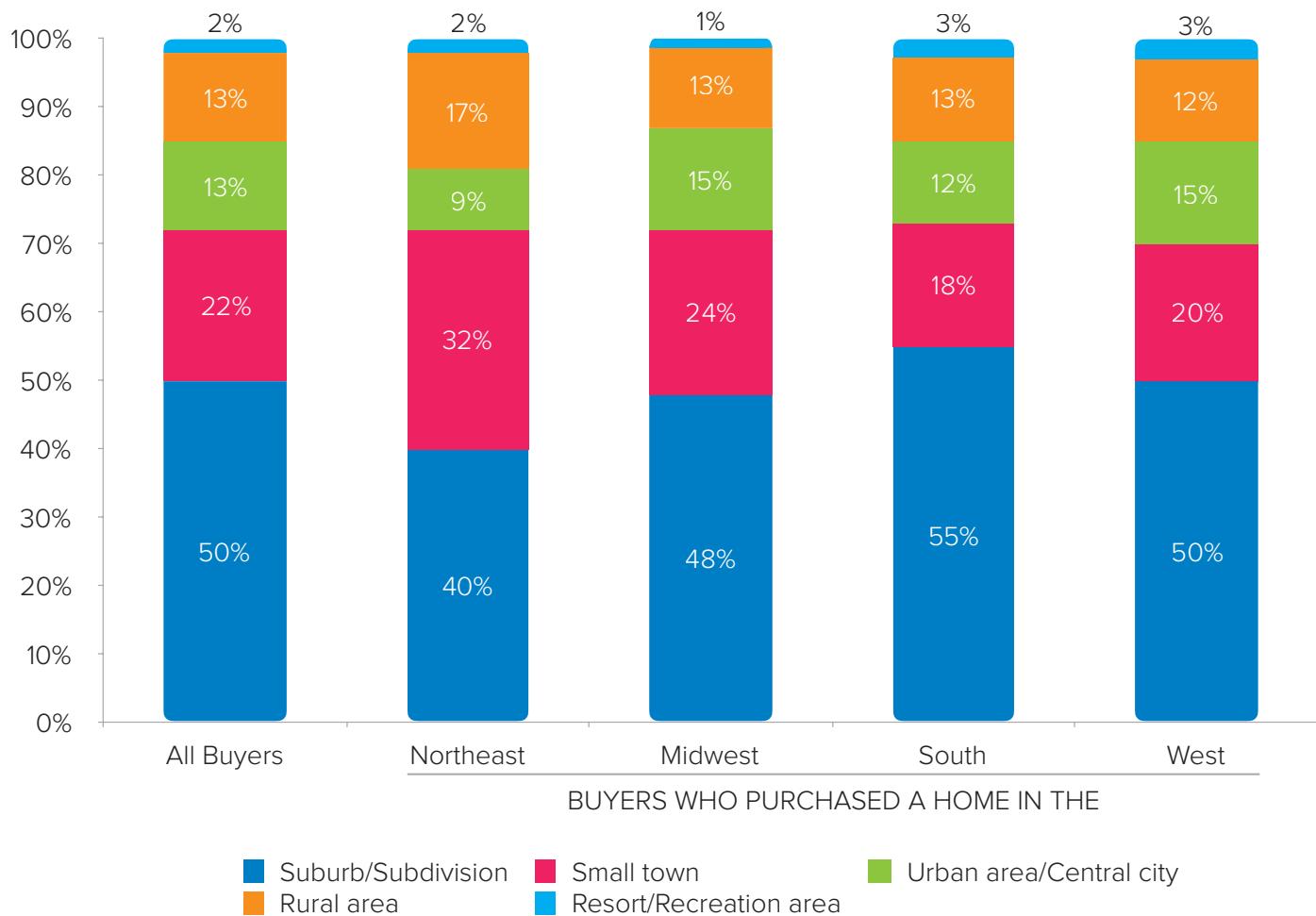
(Percentage Distribution)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 2–8: Location of Home Purchased, by Region

(Percentage Distribution)



CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2–9: Location of Home Purchased by First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percentage Distribution)

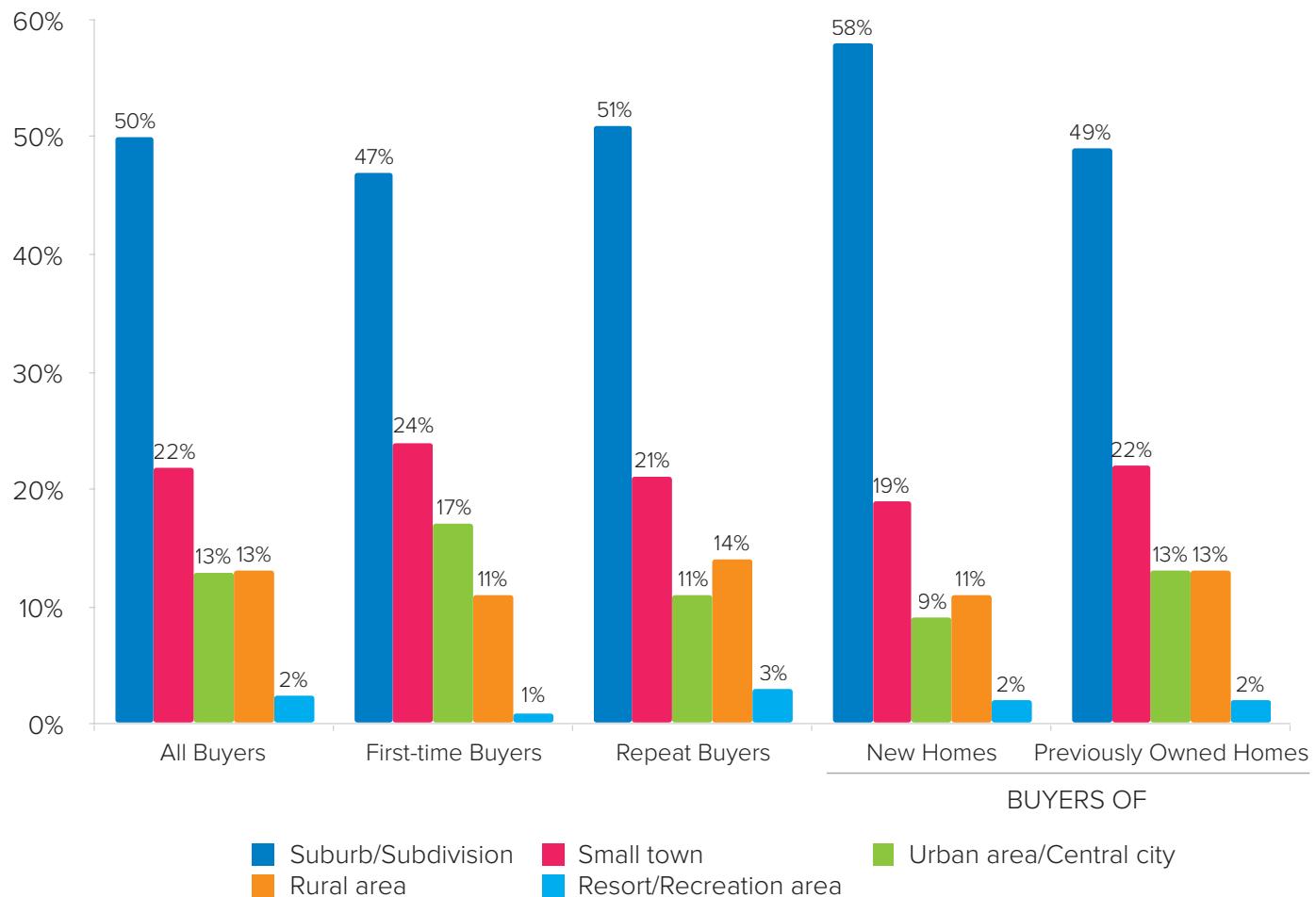


Exhibit 2–10: Location of Home Purchased Versus Location of Home Sold

(Percentage Distribution Among Those that Sold a Home)

LOCATION OF HOME PURCHASED

LOCATION OF HOME SOLD	SUBURB/ SUBDIVISION	SMALL TOWN	URBAN/ CENTRAL CITY	RURAL AREA	RESORT/ RECREATION AREA
Suburb/Subdivision	67%	30%	34%	40%	44%
Small town	10%	33%	13%	17%	17%
Urban area/Central city	11%	16%	40%	11%	4%
Rural area	9%	16%	12%	31%	17%
Resort/Recreation area	3%	5%	2%	1%	19%

2019 PROFILE OF HOME BUYERS AND SELLERS

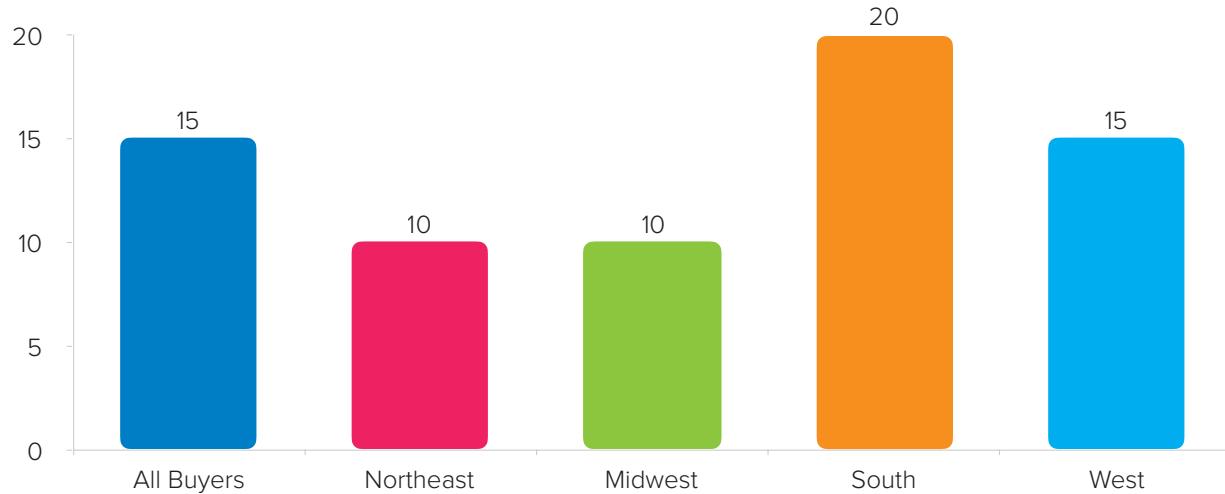
Exhibit 2–11: Senior-Related Housing by Type of Home Purchased and Location

(Percentage Distribution)

ALL BUYERS OVER 50	
Share who purchased a home in senior-related housing	12%
BUYERS OVER 50 WHO PURCHASED SENIOR-RELATED HOUSING:	
Type of home purchased	
Detached single-family home	60%
Townhouse/row house	9%
Apartment/condo in building with 5 or more units	3%
Duplex/apartment/condo in 2 to 4 unit building	17%
Other	11%
LOCATION	
Suburb/Subdivision	53%
Small town	21%
Urban/Central city	6%
Rural area	9%
Resort/Recreation area	12%

Exhibit 2–12: Distance Between Home Purchased and Previous Residence

(Median Miles)



CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2–13: Factors Influencing Neighborhood Choice, by Location

(Percent of Respondents)

	BUYERS WHO PURCHASED A HOME IN A					
	ALL BUYERS	SUBURB/ SUBDIVISION	SMALL TOWN	URBAN/ CENTRAL CITY	RURAL AREA	RESORT/ RECREATION AREA
Quality of the neighborhood	63%	70%	60%	64%	46%	49%
Convenient to job	46%	50%	41%	50%	39%	20%
Overall affordability of homes	44%	45%	44%	46%	38%	28%
Convenient to friends/family	41%	44%	41%	40%	33%	18%
Convenient to shopping	30%	34%	27%	32%	17%	26%
Design of neighborhood	28%	33%	27%	25%	17%	35%
Quality of the school district	26%	32%	22%	18%	20%	10%
Convenient to entertainment/leisure activities	23%	25%	18%	32%	11%	36%
Convenient to schools	22%	24%	21%	19%	19%	8%
Convenient to parks/recreational facilities	21%	23%	19%	25%	12%	26%
Availability of larger lots or acreage	20%	17%	17%	8%	47%	20%
Walkability	20%	21%	18%	30%	8%	19%
Convenient to vet/outdoor space for pet	18%	18%	15%	19%	21%	17%
Convenient to health facilities	15%	15%	15%	16%	11%	19%
Access to bike paths	9%	10%	8%	14%	4%	10%
Home in a planned community	8%	11%	7%	4%	5%	24%
Convenient to airport	8%	9%	6%	10%	4%	10%
Convenient to public transportation	5%	5%	4%	14%	1%	6%
Other	8%	7%	6%	7%	12%	14%

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 2–14: Factors Influencing Neighborhood Choice, by Adult Composition of Household and Children in Household

(Percent of Respondents)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Quality of the neighborhood	63%	64%	63%	57%	62%	68%	63%	64%
Convenient to job	46%	46%	41%	42%	61%	43%	55%	42%
Overall affordability of homes	44%	41%	47%	50%	45%	55%	42%	45%
Convenient to friends/family	41%	40%	50%	33%	42%	36%	38%	43%
Convenient to shopping	30%	29%	32%	28%	29%	40%	27%	31%
Design of neighborhood	28%	29%	27%	27%	32%	18%	28%	29%
Quality of the school district	26%	32%	14%	11%	24%	19%	52%	12%
Convenient to entertainment/leisure activities	23%	22%	22%	23%	31%	23%	18%	26%
Convenient to schools	22%	26%	15%	9%	18%	19%	52%	6%
Convenient to parks/recreational facilities	21%	23%	17%	16%	20%	20%	23%	20%
Availability of larger lots or acreage	20%	24%	9%	15%	24%	18%	26%	17%
Walkability	20%	20%	21%	16%	17%	25%	18%	21%
Convenient to vet/outdoor space for pet	18%	16%	22%	11%	27%	23%	15%	20%
Convenient to health facilities	15%	15%	16%	11%	11%	21%	8%	18%
Access to bike paths	9%	9%	7%	11%	8%	7%	9%	9%
Home in a planned community	8%	9%	10%	7%	3%	13%	6%	10%
Convenient to airport	8%	8%	7%	10%	6%	6%	6%	9%
Convenient to public transportation	5%	5%	8%	5%	6%	8%	5%	6%
Other	8%	7%	9%	10%	8%	3%	6%	8%

CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2–15: Price of Home Purchased, by Region

(Percentage Distribution)

	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than \$75,000	4%	4%	6%	4%	1%
\$75,000 to \$99,999	3%	4%	6%	2%	1%
\$100,000 to \$124,999	5%	4%	9%	4%	1%
\$125,000 to \$149,999	6%	8%	11%	5%	2%
\$150,000 to \$174,999	7%	8%	11%	7%	2%
\$175,000 to \$199,999	8%	9%	9%	9%	4%
\$200,000 to \$249,999	15%	15%	16%	18%	12%
\$250,000 to \$299,999	12%	10%	12%	13%	11%
\$300,000 to \$349,999	10%	10%	8%	10%	13%
\$350,000 to \$399,999	7%	6%	4%	8%	10%
\$400,000 to \$499,999	10%	10%	4%	10%	14%
\$500,000 or more	13%	12%	5%	9%	29%
Median price	\$257,000	\$240,000	\$194,750	\$248,350	\$360,000

Exhibit 2–16: Price of Home Purchased, New and Previously Owned Homes

(Percentage Distribution)

	ALL BUYERS	NEW HOME	PREVIOUSLY OWNED HOME
Less than \$75,000	4%	2%	4%
\$75,000 to \$99,999	3%	1%	4%
\$100,000 to \$124,999	5%	1%	5%
\$125,000 to \$149,999	6%	2%	7%
\$150,000 to \$174,999	7%	2%	7%
\$175,000 to \$199,999	8%	5%	8%
\$200,000 to \$249,999	15%	15%	16%
\$250,000 to \$299,999	12%	12%	12%
\$300,000 to \$349,999	10%	14%	9%
\$350,000 to \$399,999	7%	10%	7%
\$400,000 to \$499,999	10%	15%	9%
\$500,000 or more	13%	20%	13%
Median price	\$257,000	\$329,750	\$245,000

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 2–17: Price of Home Purchased, First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Less than \$75,000	4%	5%	3%
\$75,000 to \$99,999	3%	5%	2%
\$100,000 to \$124,999	5%	7%	4%
\$125,000 to \$149,999	6%	9%	4%
\$150,000 to \$174,999	7%	8%	6%
\$175,000 to \$199,999	8%	9%	7%
\$200,000 to \$249,999	15%	18%	14%
\$250,000 to \$299,999	12%	11%	13%
\$300,000 to \$349,999	10%	9%	10%
\$350,000 to \$399,999	7%	4%	9%
\$400,000 to \$499,999	10%	6%	11%
\$500,000 or more	13%	8%	16%
Median price	\$257,000	\$215,000	\$287,000
Married couple	\$294,000	\$231,100	\$320,000
Single female	\$200,450	\$166,370	\$218,000
Single male	\$189,920	\$180,570	\$196,630
Unmarried couple	\$227,660	\$215,870	\$250,000
Other	\$225,000	\$186,500	\$272,600

Exhibit 2–18: Purchase Price Compared with Asking Price, by Region

(Percentage Distribution)

BUYERS WHO PURCHASED A HOME IN THE					
PERCENT OF ASKING PRICE:	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than 90%	8%	10%	11%	9%	4%
90% to 94%	13%	18%	13%	15%	10%
95% to 99%	35%	33%	37%	35%	33%
100%	30%	25%	27%	31%	33%
101% to 110%	12%	13%	11%	9%	18%
More than 110%	2%	1%	2%	1%	3%
Median (purchase price as a percent of asking price)	98%	98%	98%	98%	100%

CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2–19: Size of Home Purchased, First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
1,000 sq ft or less	*	1%	*	*	*
1,001 to 1,500 sq ft	16%	26%	12%	6%	18%
1,501 to 2,000 sq ft	28%	31%	26%	23%	28%
2,001 to 2,500 sq ft	25%	24%	26%	27%	24%
2,501 to 3,000 sq ft	13%	10%	14%	18%	12%
3,001 to 3,500 sq ft	9%	5%	12%	13%	9%
3,501 sq ft or more	9%	4%	11%	13%	8%
Median (sq ft)	1,850	1,620	2,000	2,125	1,800

* Less than 1 percent

Exhibit 2–20: Size of Home Purchased, by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
1,000 sq ft or less	*	*	1%	*	*	*	*	*
1,001 to 1,500 sq ft	16%	10%	29%	32%	21%	17%	12%	18%
1,501 to 2,000 sq ft	28%	23%	39%	32%	31%	35%	20%	31%
2,001 to 2,500 sq ft	25%	27%	20%	21%	26%	22%	25%	25%
2,501 to 3,000 sq ft	13%	15%	5%	8%	14%	14%	15%	12%
3,001 to 3,500 sq ft	9%	13%	4%	4%	5%	8%	13%	7%
3,501 sq ft or more	9%	12%	2%	2%	3%	4%	13%	6%
Median (sq ft)	1,850	2,020	1,500	1,500	1,700	1,750	2,080	1,750

* Less than 1 percent

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 2–21: Home Size and Price per Square Foot, by Region

(Median)

BUYERS WHO PURCHASED A HOME IN THE

	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
All homes purchased					
Square feet	1,850	1,790	1,775	2,000	1,780
Price per square foot	\$140	\$140	\$110	\$130	\$190
Detached single-family home					
Square feet	1,940	1,800	1,800	2,010	1,900
Price per square foot	\$140	\$150	\$110	\$125	\$190
Townhouse or row house					
Square feet	1,600	1,700	1,600	1,730	1,340
Price per square foot	\$150	\$140	\$130	\$140	\$210
Duplex/apartment/condo in 2-4 unit building					
Square feet	1,500	1,660	1,500	1,340	1,460
Price per square foot	\$120	\$150	\$110	\$130	\$160
Apartment/condo in building with 5 or more units					
Square feet	1,190	1,210	1,570	1,160	1,130
Price per square foot	\$160	\$190	\$100	\$170	\$190

Exhibit 2–22: Number of Bedrooms and Bathrooms, by First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percentage Distribution)

BUYERS OF

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
One bedroom	1%	1%	*	*	1%
Two bedrooms	16%	17%	15%	10%	17%
Three bedrooms or more	83%	82%	84%	90%	82%
Median number of bedrooms	3	3	3	3	3
One full bathroom	18%	30%	12%	2%	21%
Two full bathrooms	61%	59%	62%	62%	60%
Three full bathrooms or more	21%	11%	26%	36%	19%
Median number of full bathrooms	2	2	2	2	2

* Less than 1 percent

CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2–23: Number of Bedrooms and Bathrooms, by Adult Household Composition and Children in Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
One bedroom	1%	*	1%	2%	*	1%	*	1%
Two bedrooms	16%	10%	31%	30%	15%	10%	5%	22%
Three bedrooms or more	83%	90%	68%	68%	85%	89%	95%	78%
Median number of bedrooms	3	3	3	3	3	3	4	3
One full bathroom	18%	12%	27%	33%	27%	21%	16%	19%
Two full bathrooms	61%	60%	64%	59%	61%	63%	57%	63%
Three full bathrooms or more	21%	28%	9%	9%	12%	16%	28%	18%
Median number of full bathrooms	2	2	2	2	2	2	2	2

* Less than 1 percent

Exhibit 2–24: Year Home Built, by Region

(Percentage Distribution)

	BUYERS WHO PURCHASED A HOME IN THE				
	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
2019	5%	2%	2%	6%	6%
2018	8%	5%	3%	11%	8%
2017 through 2012	6%	3%	4%	7%	8%
2011 through 2006	8%	6%	6%	10%	7%
2005 through 2000	12%	7%	12%	14%	13%
1999 through 1984	20%	17%	17%	23%	18%
1983 through 1958	24%	25%	25%	20%	27%
1957 through 1915	15%	25%	25%	7%	12%
1914 and older	3%	10%	5%	1%	1%
Median	1990	1972	1978	1999	1993

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 2–25: Importance of Commuting Costs

(Percentage Distribution)

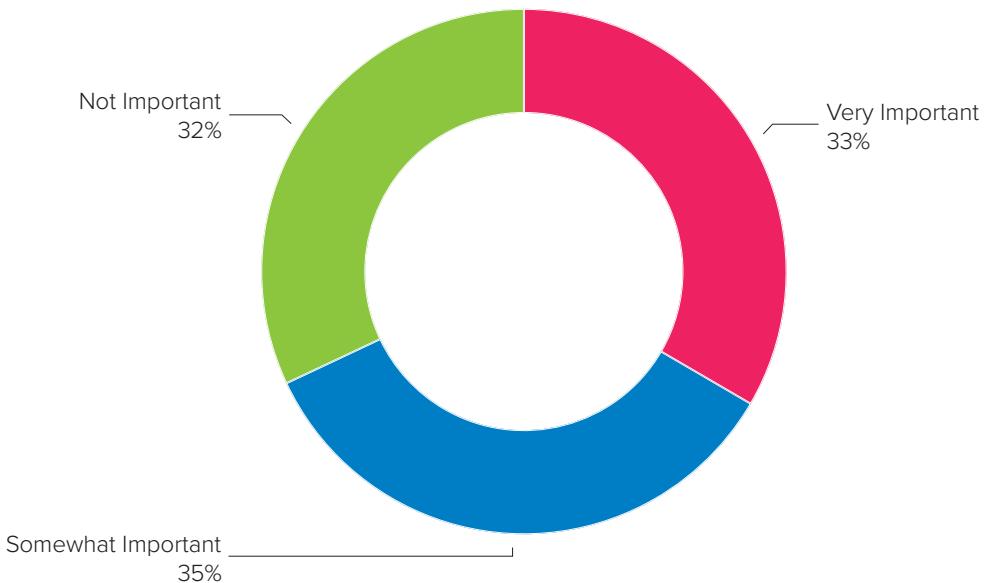
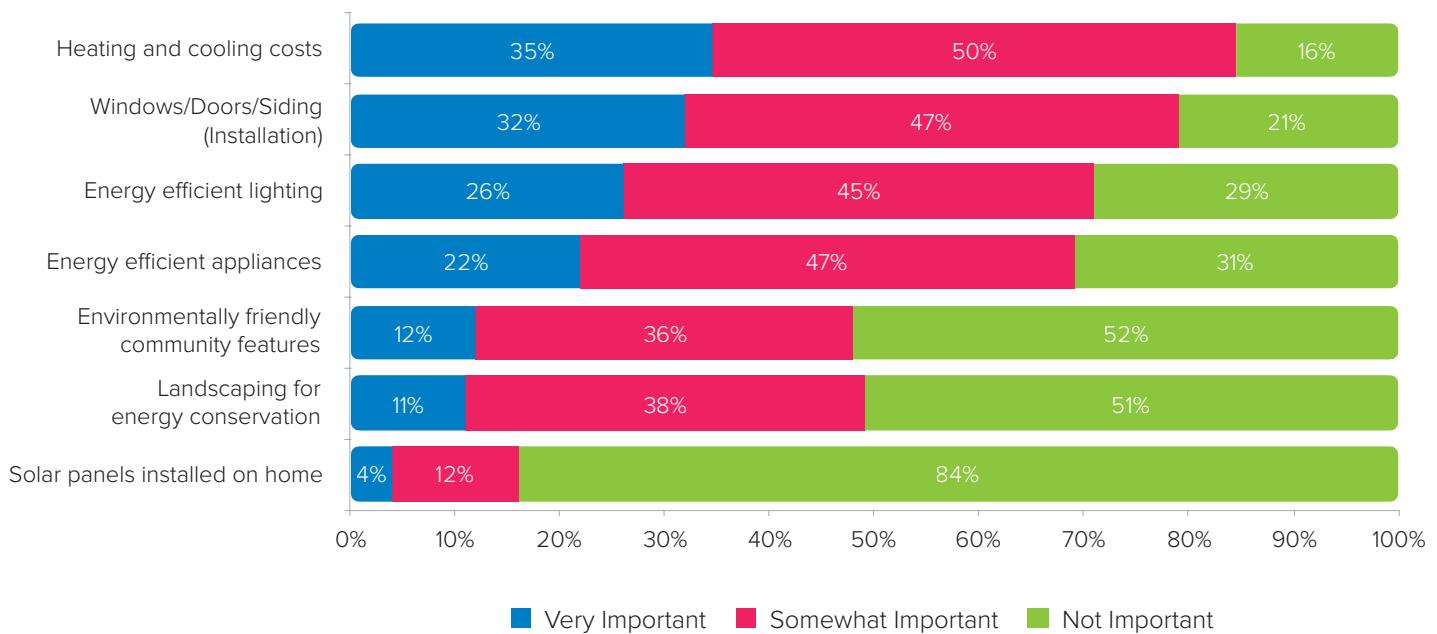


Exhibit 2–26: Importance of Home's Environmentally Friendly Features

(Percentage Distribution)



CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2–27: Environmentally Friendly Features Considered “Very Important,” by Region

(Percentage Distribution)

	BUYERS WHO PURCHASED A HOME IN THE				
	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
Heating and cooling costs	35%	39%	31%	37%	32%
Windows/Doors/Siding (Installation)	32%	35%	35%	30%	32%
Energy efficient lighting	26%	24%	20%	29%	26%
Energy efficient appliances	22%	22%	18%	26%	21%
Environmentally friendly community features	12%	12%	9%	13%	14%
Landscaping for energy conservation	11%	10%	7%	12%	16%
Solar panels installed on home	4%	4%	2%	3%	10%

Exhibit 2–28: Environmentally Friendly Features Considered "Very Important," by Year Home Was Built

(Percentage Distribution)

	ALL BUYERS	2019	2018	2017 THROUGH 2012	2011 THROUGH 2006	2005 THROUGH 2000	1999 THROUGH 1984	1983 THROUGH 1958	1957 THROUGH 1915	1914 AND OLDER
Heating and cooling costs	39%	41%	47%	46%	39%	31%	29%	33%	28%	41%
Energy efficient lighting	33%	36%	44%	37%	28%	27%	20%	20%	21%	24%
Energy efficient appliances	30%	37%	43%	34%	27%	23%	15%	17%	16%	22%
Windows/Doors/Siding (Installation)	27%	39%	48%	38%	34%	28%	27%	31%	32%	34%
Environmentally friendly community features	16%	16%	21%	17%	12%	11%	10%	10%	12%	14%
Landscaping for energy conservation	15%	21%	15%	15%	12%	12%	10%	10%	9%	10%
Solar panels installed on home	5%	4%	7%	6%	3%	2%	4%	6%	3%	7%

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 2–29: Characteristics of Home on Which Buyer Compromised, by Location

(Percent of Respondents)

	BUYERS WHO PURCHASED A HOME IN A					
	ALL BUYERS	SUBURB/ SUBDIVISION	SMALL TOWN	URBAN/ CENTRAL CITY	RURAL	RESORT/ RECREATION AREA
Price of home	25%	27%	21%	29%	22%	16%
Condition of home	23%	21%	24%	25%	27%	19%
Size of home	19%	18%	20%	27%	18%	16%
Style of home	16%	16%	18%	16%	17%	12%
Lot size	15%	16%	15%	13%	12%	8%
Distance from job	13%	14%	11%	11%	20%	2%
Distance from friends or family	7%	7%	8%	5%	11%	5%
Quality of the neighborhood	7%	6%	5%	14%	4%	3%
Quality of the schools	3%	4%	2%	6%	2%	2%
Distance from school	2%	1%	1%	3%	3%	2%
None—made no compromises	29%	28%	31%	28%	27%	48%
Other compromises not listed	8%	8%	9%	6%	9%	11%

Exhibit 2–30: Characteristics of Home on Which Buyer Compromised, First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percent of Respondents)

	BUYERS OF					
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES	
Price of home	25%	26%	24%	25%	25%	
Condition of home	23%	26%	21%	5%	26%	
Size of home	19%	23%	18%	14%	20%	
Style of home	16%	18%	15%	13%	17%	
Lot size	15%	17%	13%	21%	14%	
Distance from job	13%	18%	11%	15%	13%	
Distance from friends or family	7%	10%	6%	6%	7%	
Quality of the neighborhood	7%	10%	5%	6%	7%	
Quality of the schools	3%	6%	2%	3%	3%	
Distance from school	2%	2%	2%	2%	2%	
None—made no compromises	29%	22%	33%	36%	28%	
Other compromises not listed	8%	8%	8%	8%	8%	

CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2–31: Characteristics of Home on Which Buyer Compromised, by Adult Composition of Household

(Percent of Respondents)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Price of home	25%	26%	23%	21%	26%	26%	26%	24%
Condition of home	23%	22%	25%	23%	21%	30%	24%	22%
Size of home	19%	20%	20%	17%	18%	19%	22%	18%
Style of home	16%	16%	16%	12%	18%	29%	18%	16%
Lot size	15%	16%	9%	14%	19%	9%	16%	14%
Distance from job	13%	13%	10%	12%	22%	7%	19%	11%
Distance from friends or family	7%	7%	6%	9%	9%	8%	7%	7%
Quality of the neighborhood	7%	6%	8%	8%	9%	11%	6%	7%
Quality of the schools	3%	4%	2%	3%	4%	2%	5%	3%
Distance from school	2%	2%	1%	*	1%	1%	4%	1%
None—made no compromises	29%	29%	32%	34%	21%	32%	23%	32%
Other compromises not listed	8%	8%	10%	6%	10%	16%	8%	9%

* Less than 1 percent

Exhibit 2–32: Expected Length of Tenure in Home Purchased, First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percentage Distribution)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
1 year or less	1%	1%	1%	2%	1%
2 to 3 years	5%	5%	5%	5%	5%
4 to 5 years	14%	18%	12%	14%	14%
6 to 7 years	4%	6%	3%	3%	4%
8 to 10 years	20%	23%	19%	19%	21%
11 to 15 years	10%	6%	12%	12%	10%
16 or more years	45%	38%	48%	42%	45%
Don't Know	1%	1%	1%	3%	1%
Median	15	10	15	15	15

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 2–33: Expected Length of Tenure in Home Purchased, by Age

(Percentage Distribution)

	ALL BUYERS	18 TO 24	25 TO 44	45 TO 64	65 OR OLDER
1 year or less	1%	*	1%	1%	1%
2 to 3 years	5%	8%	5%	4%	4%
4 to 5 years	14%	22%	19%	10%	8%
6 to 7 years	4%	4%	6%	3%	1%
8 to 10 years	20%	30%	22%	17%	19%
11 to 15 years	10%	6%	8%	10%	17%
16 or more years	45%	30%	39%	54%	46%
Don't Know	1%	*	1%	1%	2%
Median	15	10	10	20	15

* Less than 1 percent

Exhibit 2–34: Factors that Could Cause Buyer To Move, by Age

(Percent of Respondents)

	ALL BUYERS	18 TO 24	25 TO 44	45 TO 64	65 OR OLDER
Move with life changes (addition to family, marriage, children move out, retirement, etc.)	27%	38%	29%	29%	17%
Never moving-forever home	20%	5%	13%	23%	31%
Move with job or career change	12%	21%	19%	9%	1%
Household member's health	9%	*	1%	7%	28%
Downsize/smaller house	8%	1%	6%	12%	6%
Want a larger home	8%	15%	14%	3%	2%
Want nicer home/added features	6%	6%	9%	5%	2%
May desire better area/neighborhood	4%	6%	5%	4%	2%
Will flip home	1%	1%	1%	1%	1%
Other	6%	7%	3%	6%	9%

* Less than 1 percent

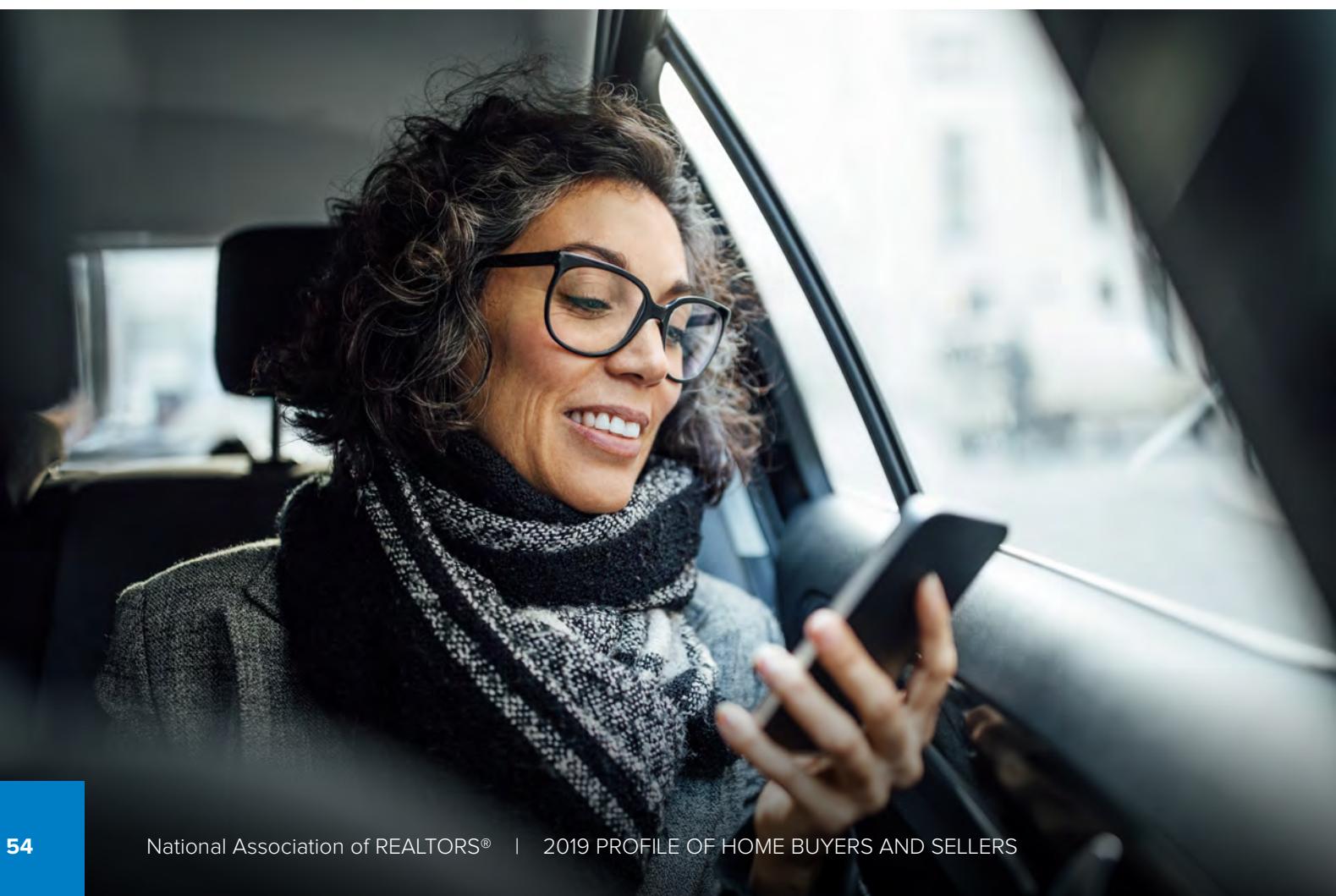
CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2–35: Factors That Could Cause Buyer To Move, by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Move with life changes (addition to family, marriage, children move out, retirement, etc.)	27%	24%	39%	32%	22%	34%	28%	27%
Never moving—forever home	20%	20%	22%	15%	16%	20%	17%	21%
Move with job or career change	12%	13%	6%	11%	15%	10%	16%	10%
Household member's health	9%	9%	10%	7%	2%	6%	2%	12%
Downsize/smaller house	8%	10%	5%	4%	5%	4%	10%	6%
Want a larger home	8%	8%	5%	7%	18%	2%	10%	7%
Want nicer home/added features	6%	5%	5%	6%	11%	7%	8%	5%
May desire better area/neighborhood	4%	4%	3%	7%	6%	8%	5%	4%
Will flip home	1%	1%	1%	2%	1%	3%	1%	1%
Other	6%	5%	4%	8%	5%	6%	3%	7%

* Less than 1 percent



CHAPTER 3:

The Home Search Process

Starting the home buying process online continues to be the first step that many home buyers are taking. Forty-four percent of recent buyers first looked online for properties for sale, while 93 percent of all recent buyers go online at some point during the home search process.

Since 1987, NAR has collected data on how many weeks buyers searched for the home they bought and how many homes they viewed. While the number of weeks increased with time, home buyers have viewed roughly the same number of homes for the past three decades. In 2019, home buyers searched for a median of 10 weeks. By comparison, in 1987 home buyers searched for a median of just seven weeks. From 1989 to 2007, buyers typically searched for a home for eight weeks, with 2001 as the exception at just seven weeks. From 2009 to 2013, the search time jumped up to twelve weeks, then came back down to 10 weeks in 2014 and remained there for the last five years.

Buyers viewed a median of nine homes in 2019, compared to 12 homes in 1987. Home buyers continued to view a median of 12 homes from 1991 through 1995 and again in 2009 through 2011. There was a brief period from 2004 to 2006 when buyers only looked at a median of nine homes, which occurred again in 2019. In all other years, home buyers viewed a median of 10 homes before purchasing.

Fifty-five percent of buyers who used the internet during their home search process ultimately found the home that they purchased through the internet. Seventy-one percent of buyers who used their mobile device to search found their home through a mobile application.

Real estate agents remain a vital part of the home search process and are the second most frequented information source for home buyers, after the internet. With tightened inventory conditions in many areas of the country, finding the right property remained the most difficult step in the home buying process. Overall, home buyers continued to be at least somewhat satisfied with the home buying process at 94 percent.

CHAPTER 3: THE HOME SEARCH PROCESS

THE FIRST STEP IN THE HOME BUYING PROCESS

Exhibits 3–1 and 3–2

Forty-four percent of home buyers looked online for properties for sale as their first step in the home buying process, while 16 percent of buyers first contacted a real estate agent. Repeat home buyers were more likely than first-time buyers to look online for properties for sale as a first step. First-time home buyers were more likely to look online for information about the home buying process at 18 percent compared to repeat buyers at nine percent. Across all age groups, reading books or guides about the home buying process was not a step taken this year.

INFORMATION SOURCES

Exhibits 3–3 through 3–6

Throughout the home search process, online websites and real estate agents continue to be the two most used resources. An increased percentage of home buyers were using mobile or tablet search devices at 73 percent. The use of yard signs and open houses as information sources remained relatively the same compared to last year, both of which have historically been used most frequently, after online websites and real estate agents.

Online websites, real estate agents, mobile or tablet search devices, and online video sites were the most used information sources. Only fourteen percent of recent home buyers rarely used, or did not use, a real estate agent. Online websites were seen as the most useful information source during the home search process at 87 percent.

“Ninety-four percent of buyers are at least somewhat satisfied with the buying process.”

THE SEARCH PROCESS

Exhibits 3–7 through 3–10

The typical search period stayed the same from last year's report at 10 weeks for a buyer to find a home. This 10-week search period has remained consistent since 2014. Buyers typically looked at a median of nine homes before finding a home to purchase. In the most recent report, buyers in the Northeast searched for the longest period at 12 weeks.

Buyers who used an agent typically spent two weeks searching before they contacted an agent. First-time buyers and buyers who used an agent all searched for a median amount of 10 weeks, while repeat buyers searched for a median of nine weeks.

The internet has become the main source where buyers are finding the home that they purchased. Today, 52 percent of recent buyers (up from 50 percent last year) found their home through the internet. In 2001, only eight percent of buyers found their home through the internet. Finding a home through a real estate agent has shifted from being the most common source for finding a property to the second most common source. Sources such as yard signs, friends, relatives and neighbors, or home builders, remain at last year's levels, but have declined throughout the years with the rise of the internet as an information source.

Among all buyers, the most difficult step in the home buying process was finding the right home to purchase at 55 percent. For 19 percent of buyers, the most difficult step was the paperwork, and 18 percent cited the most difficult step as understanding the process and steps involved. While 18 percent of recent buyers had no difficult steps, this was much more common among repeat buyers and buyers of new homes.

INTERNET USAGE TRENDS

Exhibits 3–11 and 3–12

The share of home buyers who used the internet to search for a home was 93 percent, slightly down from last year. The *Profile of Home Buyers and Sellers* started collecting data on the use of the internet for the home search process in 1995, when only two percent of buyers looked online. In 1997, that number jumped to 18 percent of home buyers who used the internet in their search. That number doubled over the years and by 2009, 90 percent of buyers used the internet at some point in their search. That share dropped a few percentage points in the next several years until 2012 when it slowly started going back up.

As a result of searching for a home on the internet, 65 percent of buyers walked through the homes that they viewed online, and 41 percent looked at the exterior of these homes and drove through the neighborhoods. First-time buyers were the most likely to request more information as a result of searching online.

2019 PROFILE OF HOME BUYERS AND SELLERS

CHARACTERISTICS OF INTERNET SEARCHERS AND SOURCES USED

Exhibits 3–13 through 3–16

Comparing buyers who used the internet during their home search to those who do not, it is interesting to see how the demographics vary. Typically, a buyer who used the internet in their home search was 45 years-old and had a median household income in 2018 of \$93,600. In comparison, the typical buyer who did not use the internet to search for a home was 66 years old and had a median household income in 2018 of \$69,060 (up from \$68,300 in 2017). The typical buyer who did not use the internet during their home search spent only four weeks searching and visited four homes, compared to those who did use the internet and searched for 10 weeks and visited 10 homes.

Among buyers who did not use the internet in their home search process, real estate agents were the most used information source at 65 percent (identical to the year prior). Additionally, they used yard signs and open houses as information sources. Those who did not use the internet to search used home builders and home books or magazines more often in their home search than those who used the internet to search. Buyers who did use the internet used two sources more than any other: real estate agents (88 percent) and mobile or tablet search devices (76 percent), of which the latter has decreased slightly from last year.

Fifty-five percent of buyers who used the internet during their home search process ultimately found the home that they purchased through the internet. Forty percent of buyers who did not use the internet during their home search process found their home through a real estate agent, compared to only 28 percent of buyers who did use the internet. Buyers who did not use the internet found their home more frequently through a yard sign, through a friend, relative or neighbor, through a builder or builder's agent, or directly from the sellers than those who used the internet to search.

It is evident that while a majority of home buyers are using the internet during the home search process, online search cannot replace the role of the real estate agent in the transaction. Of home buyers who used the internet to search for homes, 91 percent ultimately purchased their home through a real estate agent, an increase from last year. Interestingly, there was a larger percentage of buyers who used the internet and still purchased their home through an agent (91 percent), than buyers who did not use the internet and purchased through an agent during their search (63 percent).

WEBSITE FEATURES AND MOBILE SEARCH

Exhibits 3–17 and 3–18

Among buyers who used the internet during their home search, buyers found photos (87 percent) and detailed information about properties for sale (85 percent) to be very useful. The next most useful website features included: floor plans, virtual tours, real estate agent contact information, and detailed information about recently sold properties.

Using mobile devices is becoming more common among all home buyers. Seventy-one percent of buyers who used their mobile device to search found their home through a mobile application (down from 76 percent last year). First-time buyers found their homes through a mobile application (72 percent) slightly more than repeat buyers (71 percent).

SATISFACTION IN BUYING PROCESS

Exhibit 3–19

Sixty-three percent of recent buyers were very satisfied with their recent home buying process. Thirty-one percent of buyers were somewhat satisfied with the buying process. Only seven percent of recent buyers were dissatisfied with the buying process.

“Among all buyers, the most difficult step in the home buying process was finding the right home to purchase at 55 percent.”

CHAPTER 3: THE HOME SEARCH PROCESS

Exhibit 3–1: First Step Taken During the Home Buying Process, First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Looked online for properties for sale	44%	34%	49%
Contacted a real estate agent	16%	12%	17%
Looked online for information about the home buying process	12%	18%	9%
Contacted a bank or mortgage lender	7%	11%	5%
Talked with a friend or relative about home buying process	6%	11%	3%
Drove-by homes/neighborhoods	5%	3%	5%
Visited open houses	4%	3%	4%
Looked up information about different neighborhoods or areas (schools, local lifestyle/nightlife, parks, public transportation)	1%	1%	2%
Contacted builder/visited builder models	1%	1%	2%
Attended a home buying seminar	1%	*	*
Contacted a home seller directly	1%	1%	1%
Looked in newspapers, magazines, or home buying guides	*	1%	*
Read books or guides about the home buying process	*	*	*
Other	2%	1%	2%

* Less than 1 percent

Exhibit 3–2: First Step Taken During the Home Buying Process, by Age

(Percentage Distribution)

	ALL BUYERS	18 TO 24	25 TO 44	45 TO 64	65 OR OLDER
Looked online for properties for sale	44%	39%	43%	47%	42%
Contacted a real estate agent	16%	18%	12%	17%	21%
Looked online for information about the home buying process	12%	10%	17%	8%	6%
Contacted a bank or mortgage lender	7%	14%	7%	7%	4%
Talked with a friend or relative about home buying process	6%	11%	7%	4%	5%
Drove-by homes/neighborhoods	5%	1%	4%	4%	6%
Visited open houses	4%	2%	3%	4%	5%
Looked up information about different neighborhoods or areas (schools, local lifestyle/nightlife, parks, public transportation)	1%	1%	2%	1%	2%
Contacted builder/visited builder models	1%	1%	1%	1%	3%
Attended a home buying seminar	1%	*	2%	*	*
Contacted a home seller directly	1%	2%	1%	1%	1%
Looked in newspapers, magazines, or home buying guides	*	1%	*	*	1%
Read books or guides about the home buying process	*	1%	*	*	*
Other	2%	*	1%	3%	2%

* Less than 1 percent

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 3–3: Information Sources Used in Home Search, by First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percent of Respondents)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	BUYERS OF NEW HOMES	BUYERS OF PREVIOUSLY OWNED HOMES
Online website	93%	95%	93%	91%	94%
Real estate agent	87%	86%	87%	79%	87%
Mobile or tablet search device	73%	80%	69%	64%	74%
Open house	51%	49%	51%	48%	51%
Yard sign	39%	37%	39%	36%	39%
Online video site	35%	30%	39%	35%	36%
Home builder	15%	10%	18%	63%	8%
Print newspaper advertisement	11%	8%	11%	13%	9%
Home book or magazine	7%	6%	9%	14%	7%
Billboard	4%	4%	4%	14%	2%
Relocation company	3%	1%	2%	4%	2%
Television	3%	2%	2%	6%	2%

Exhibit 3–4: Information Sources Used in Home Search, by Age

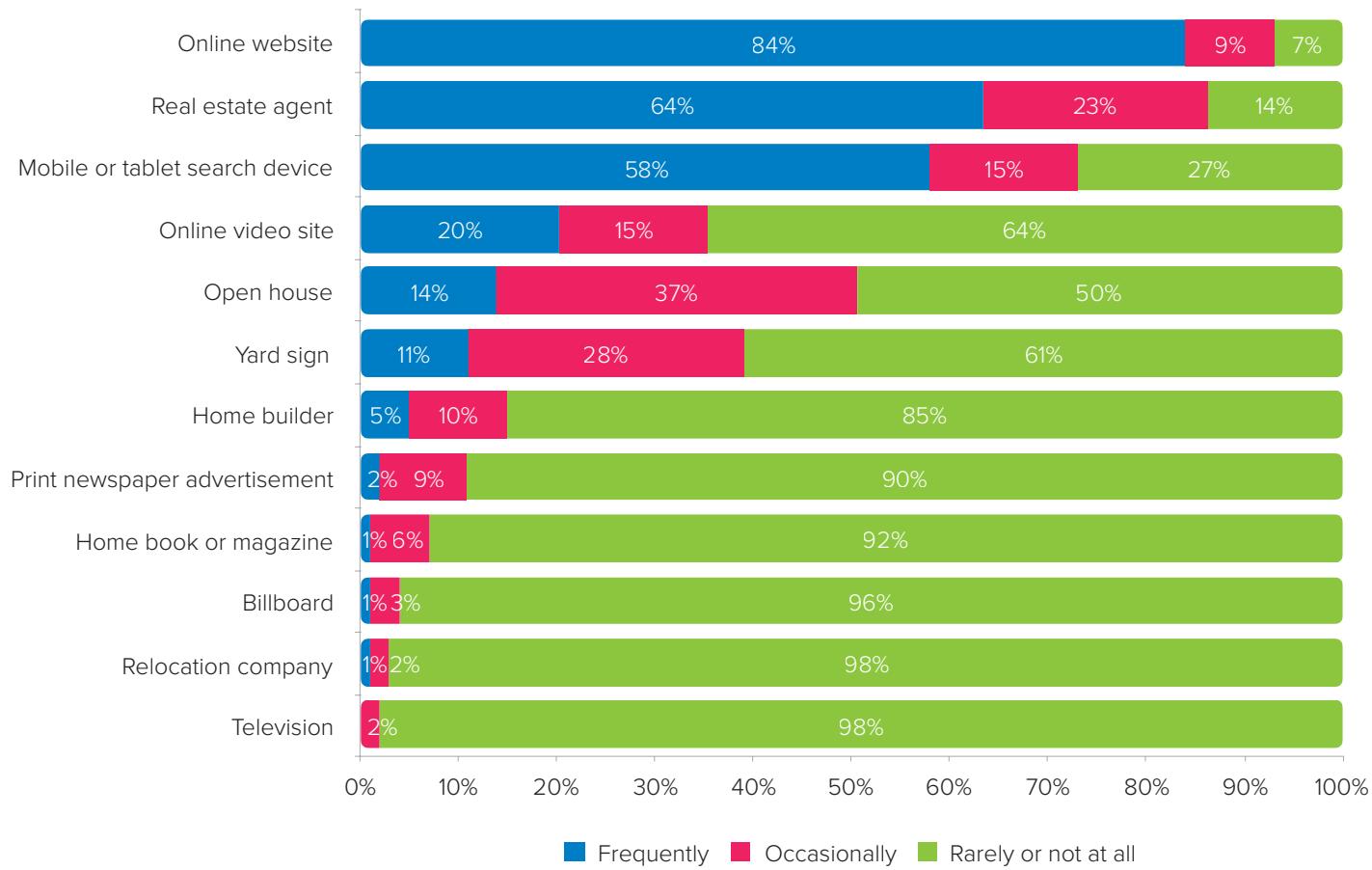
(Percent of Respondents)

	ALL BUYERS	18 TO 24	25 TO 44	45 TO 64	65 OR OLDER
Online website	93%	94%	98%	95%	84%
Real estate agent	87%	87%	86%	87%	86%
Mobile or tablet search device	73%	82%	84%	70%	50%
Open house	51%	41%	55%	49%	43%
Yard sign	39%	35%	38%	40%	39%
Online video site	35%	27%	27%	43%	45%
Home builder	15%	3%	13%	15%	21%
Print newspaper advertisement	11%	9%	8%	10%	16%
Home book or magazine	7%	7%	6%	10%	8%
Billboard	4%	5%	4%	4%	4%
Relocation company	3%	1%	3%	2%	1%
Television	3%	1%	2%	3%	2%

CHAPTER 3: THE HOME SEARCH PROCESS

Exhibit 3–5: Frequency of Use of Different Information Sources

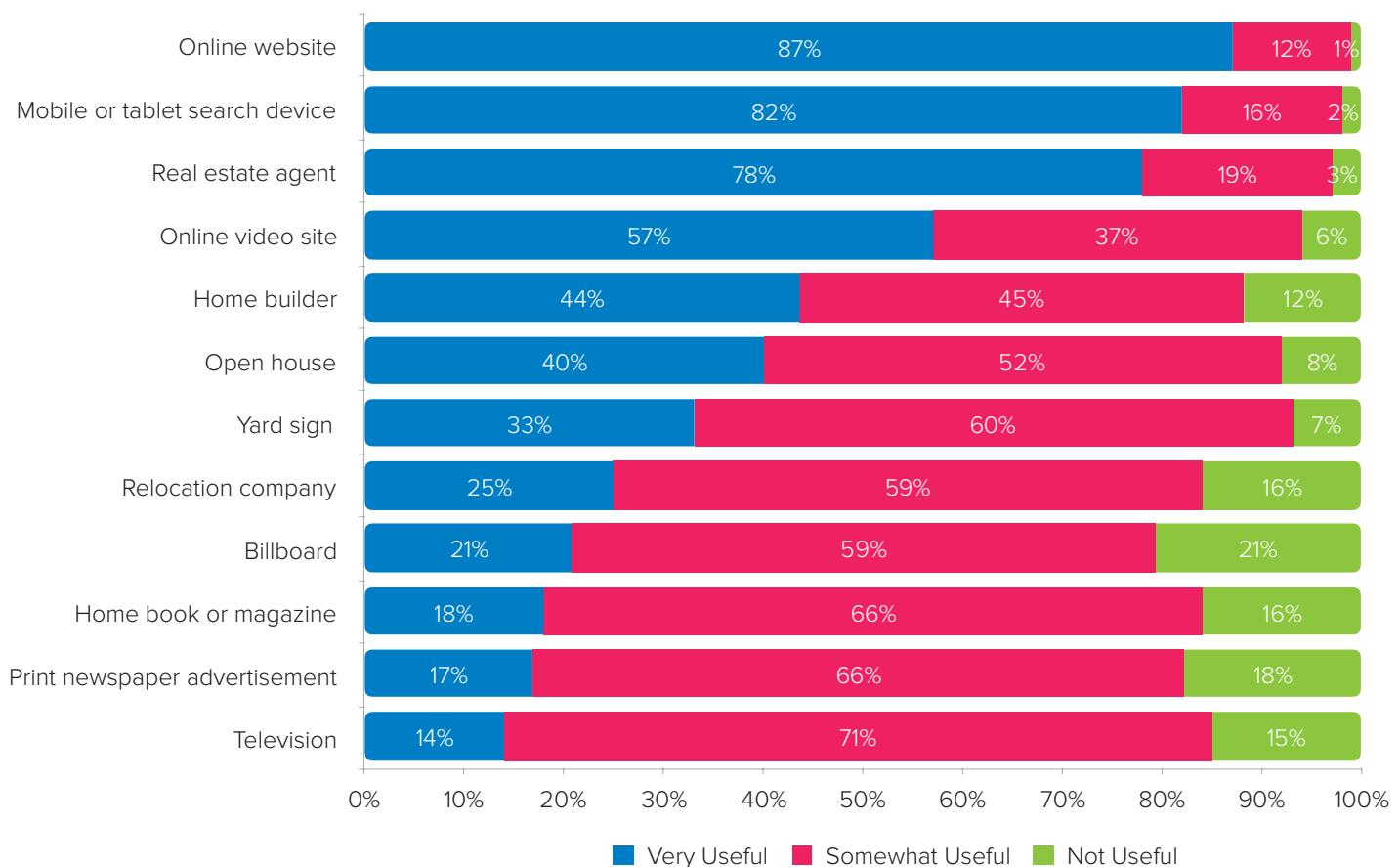
(Percentage Distribution)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 3–6: Usefulness of Information Sources

(Percentage Distribution Among Buyers that Used Each Source)



CHAPTER 3: THE HOME SEARCH PROCESS

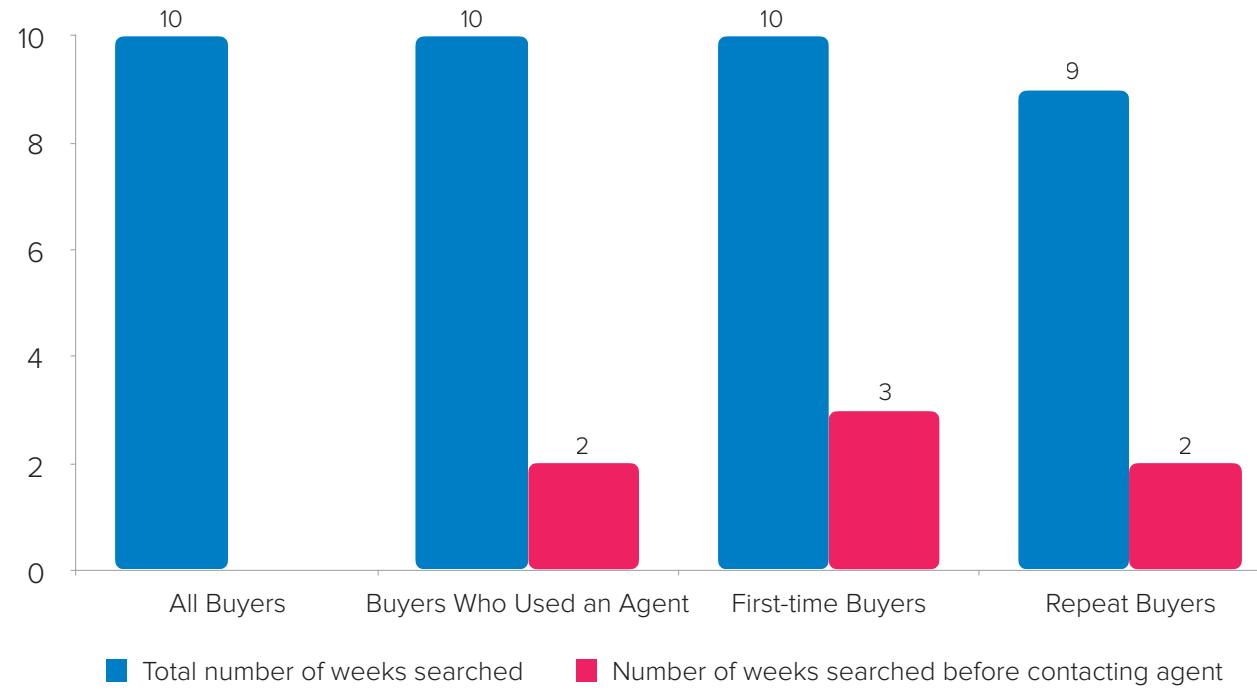
Exhibit 3–7: Length of Search, by Region

(Median)

NUMBER OF WEEKS SEARCHED	ALL BUYERS	BUYERS WHO PURCHASED A HOME IN THE			
		NORTHEAST	MIDWEST	SOUTH	WEST
2001	7	7	7	7	7
2003	8	10	8	8	6
2004	8	12	8	8	8
2005	8	10	8	8	6
2006	8	12	8	8	8
2007	8	12	8	8	8
2008	10	12	10	8	10
2009	12	12	10	10	12
2010	12	14	10	10	12
2011	12	12	10	10	12
2012	12	12	12	10	12
2013	12	12	10	10	12
2014	10	12	10	10	10
2015	10	12	10	10	10
2016	10	12	10	10	9
2017	10	12	9	8	8
2018	10	12	10	10	10
2019	10	12	10	9	9
Number of homes viewed	9	8	8	9	10

Exhibit 3–8: Length of Search for Buyers Who Used an Agent, First-Time and Repeat Buyers

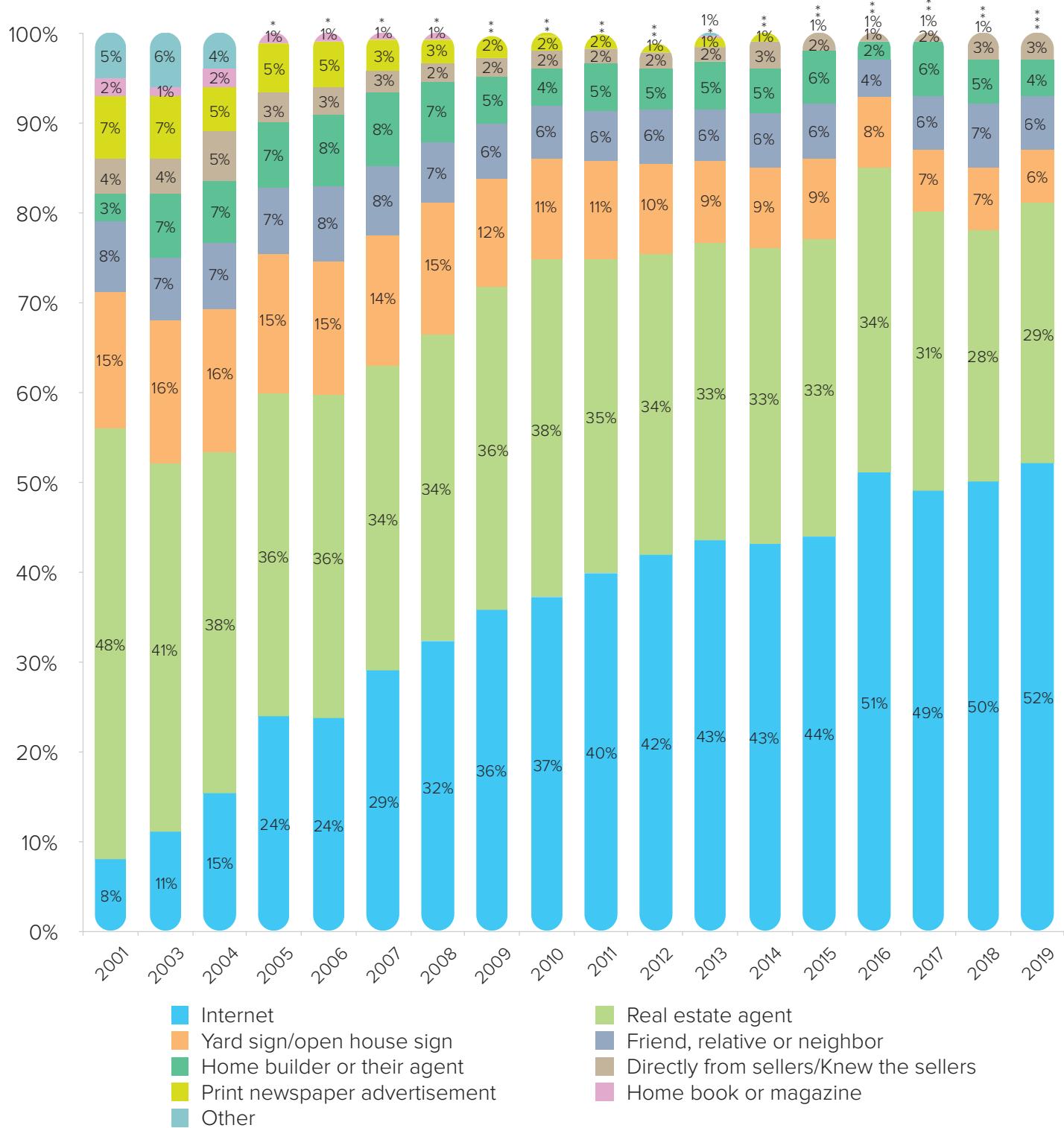
(Median Weeks)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 3–9: Where Buyer Found the Home They Purchased, 2001–2019

(Percentage Distribution)



CHAPTER 3: THE HOME SEARCH PROCESS

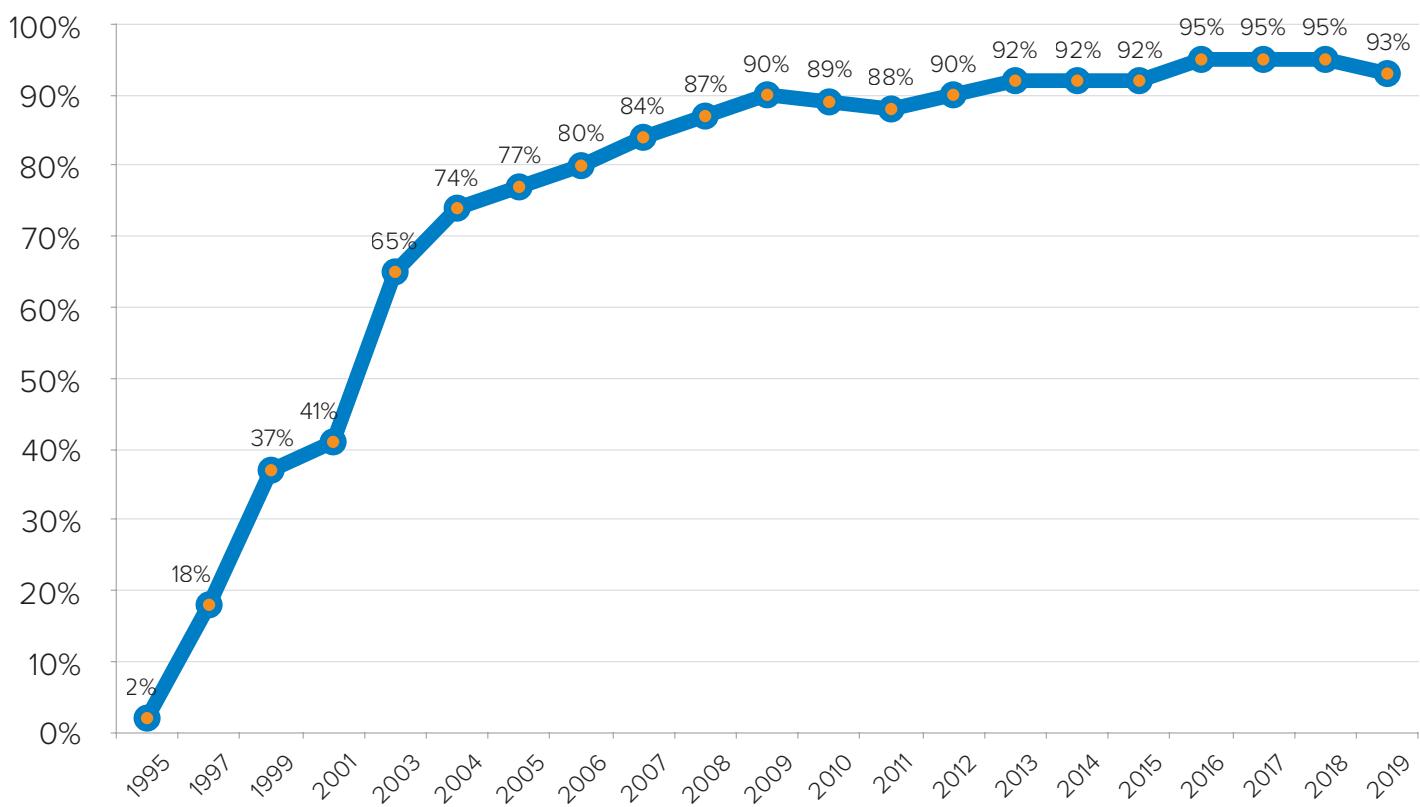
Exhibit 3–10: Most Difficult Steps of Home Buying Process by First-Time and Repeat Buyers and Buyers of New and Previously Owned Homes

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Finding the right property	55%	58%	54%	48%	57%
Paperwork	19%	25%	15%	17%	19%
Understanding the process and steps	18%	37%	9%	14%	19%
Saving for the down payment	13%	26%	7%	10%	14%
Getting a mortgage	8%	11%	7%	9%	8%
Appraisal of the property	5%	6%	4%	3%	5%
No difficult steps	18%	10%	23%	27%	17%
Other	6%	4%	6%	5%	6%

Exhibit 3–11: Buyer Use of Internet in Home Search Process, 1995–2019

(Percentage Distribution)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 3–12: Actions Taken as a Result of Internet Home Search, First-Time and Repeat Buyers

(Percent of Respondents Among Buyers Who Used the Internet)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Walked through home viewed online	65%	62%	66%
Saw exterior of homes/neighborhood, but did not walk through home	41%	40%	41%
Found the agent used to search for or buy home	34%	37%	32%
Requested more information	28%	35%	25%
Pre-qualified for a mortgage online	20%	26%	18%
Looked for more information on how to get a mortgage and general home buyers tips	16%	31%	8%
Applied for a mortgage online	16%	20%	14%
Found a mortgage lender online	11%	16%	8%
Contacted builder/developer	7%	4%	8%

Exhibit 3–13: Characteristics of Home Searchers and Search Activity, by Use of Internet

(Percentage Distribution)

HOUSEHOLD COMPOSITION	USED INTERNET TO SEARCH	DID NOT USE INTERNET TO SEARCH
Married couple	63%	50%
Single female	17%	21%
Single male	8%	17%
Unmarried couple	9%	6%
Other	3%	5%
Median age (years)	45	66
Median income (2018)	\$93,600	\$69,060
LENGTH OF SEARCH (MEDIAN WEEKS)		
All buyers	10	4
First-time buyers	10	2
Repeat buyers	10	4
Buyers using an agent	10	4
Before contacting agent	3	1
Number of Homes Visited (median)	10	4

CHAPTER 3: THE HOME SEARCH PROCESS

Exhibit 3–14: Information Sources Used in Home Search, by Use of Internet

(Percent of Respondents)

	USED INTERNET TO SEARCH	DID NOT USE INTERNET TO SEARCH
Online website	100%	NA
Real estate agent	88%	65%
Mobile or tablet search device	76%	NA
Open house	52%	27%
Yard sign	40%	26%
Online video site	38%	NA
Print newspaper advertisement	20%	14%
Home builder	15%	17%
Home book or magazine	7%	8%
Billboard	4%	5%
Relocation company	3%	1%
Television	2%	2%

NA = Not Applicable



2019 PROFILE OF HOME BUYERS AND SELLERS

EXHIBIT 3-15: Where Buyers Found the Home They Purchased, by Use of Internet

(Percentage Distribution)

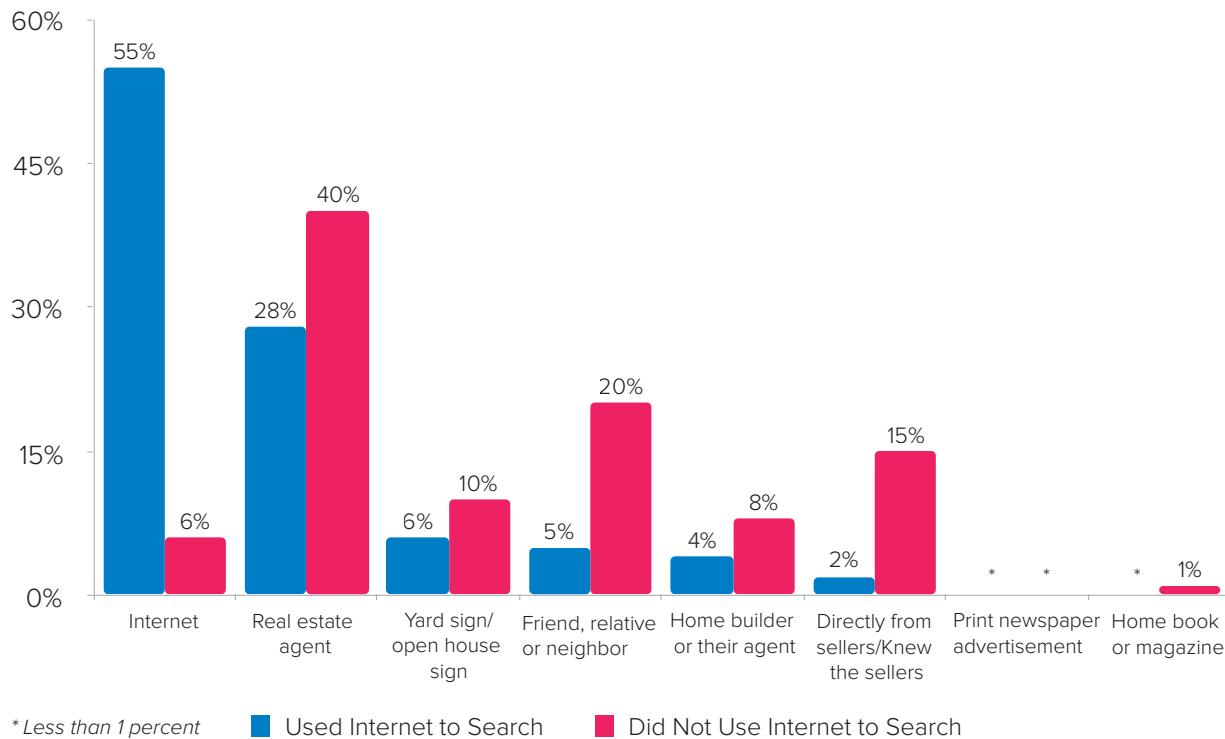
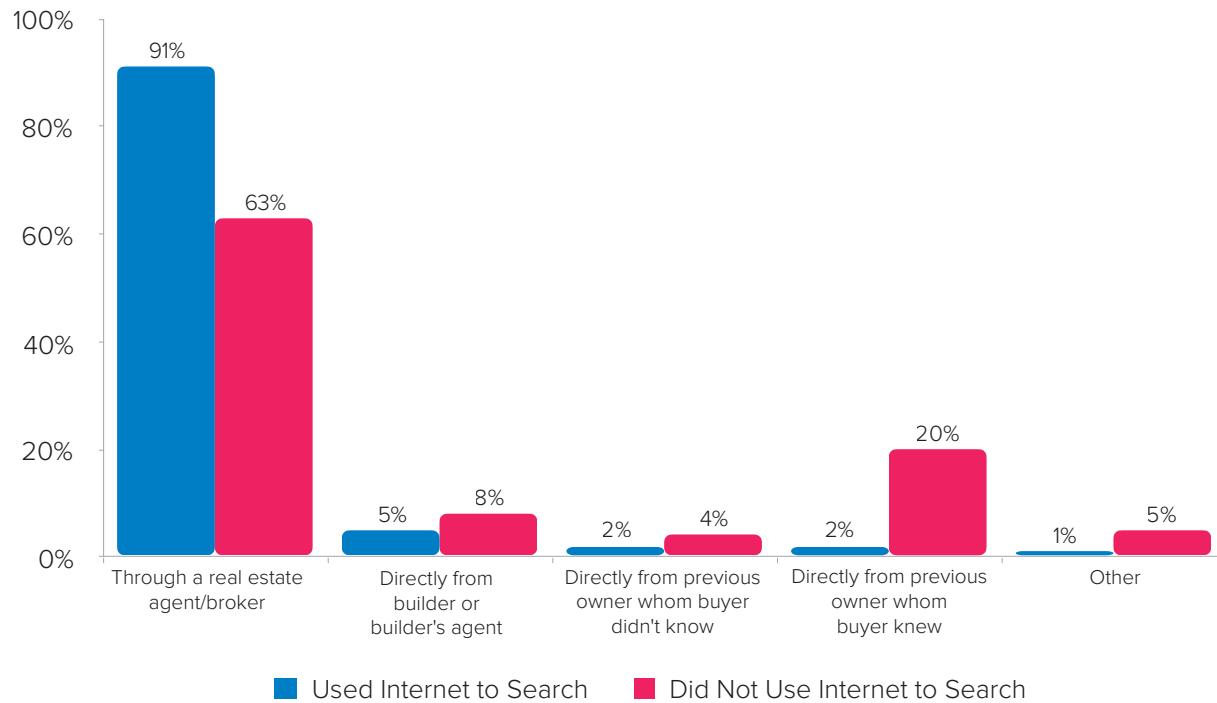


EXHIBIT 3-16: Method of Home Purchase, by Use of Internet

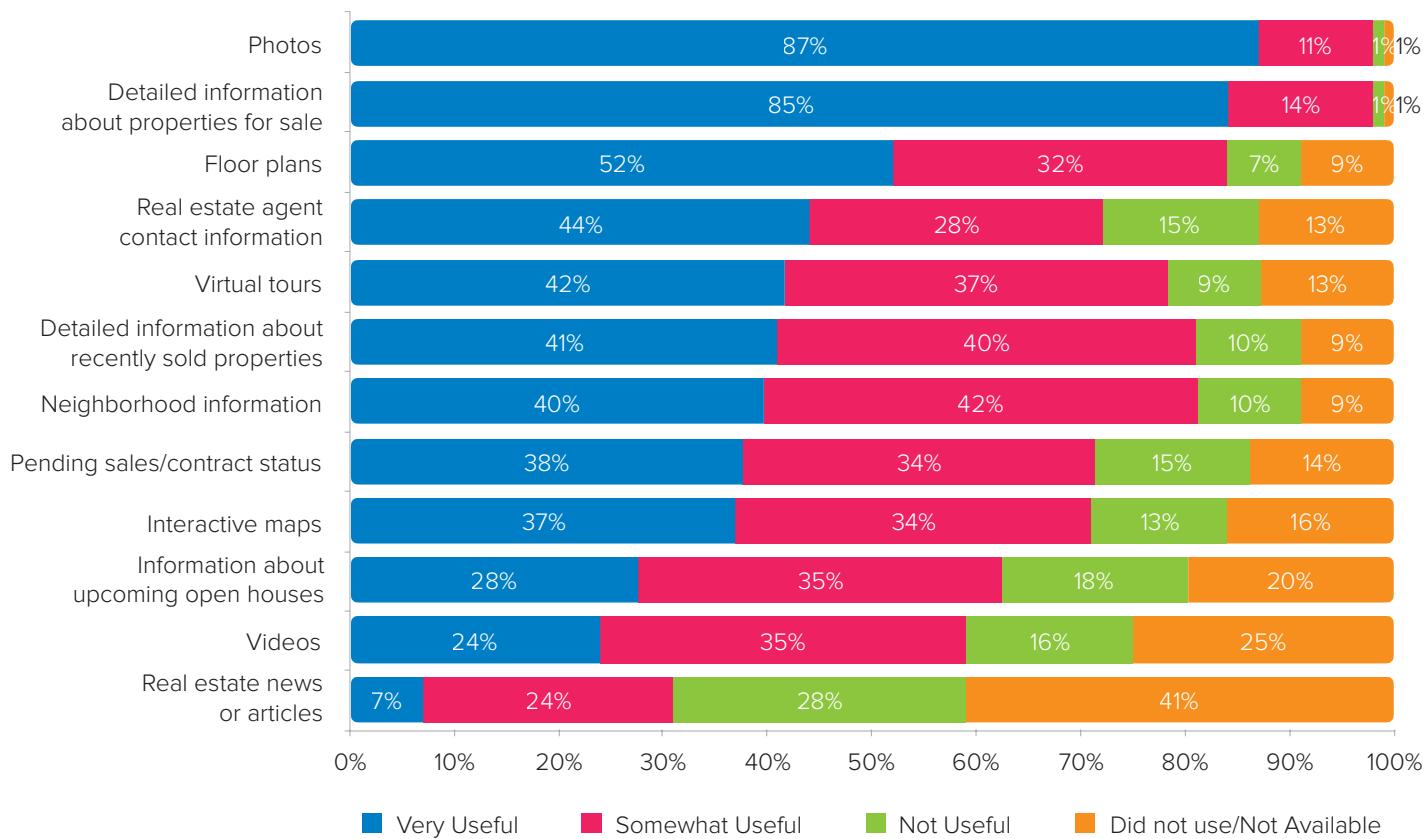
(Percentage Distribution)



CHAPTER 3: THE HOME SEARCH PROCESS

Exhibit 3–17: Value of Website Features

(Percentage Distribution Among Buyers Who Used the Internet)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 3–18: Mobile Search by First-Time and Repeat Buyers

(Percent of Respondents Among Those Who Used Mobile Search)

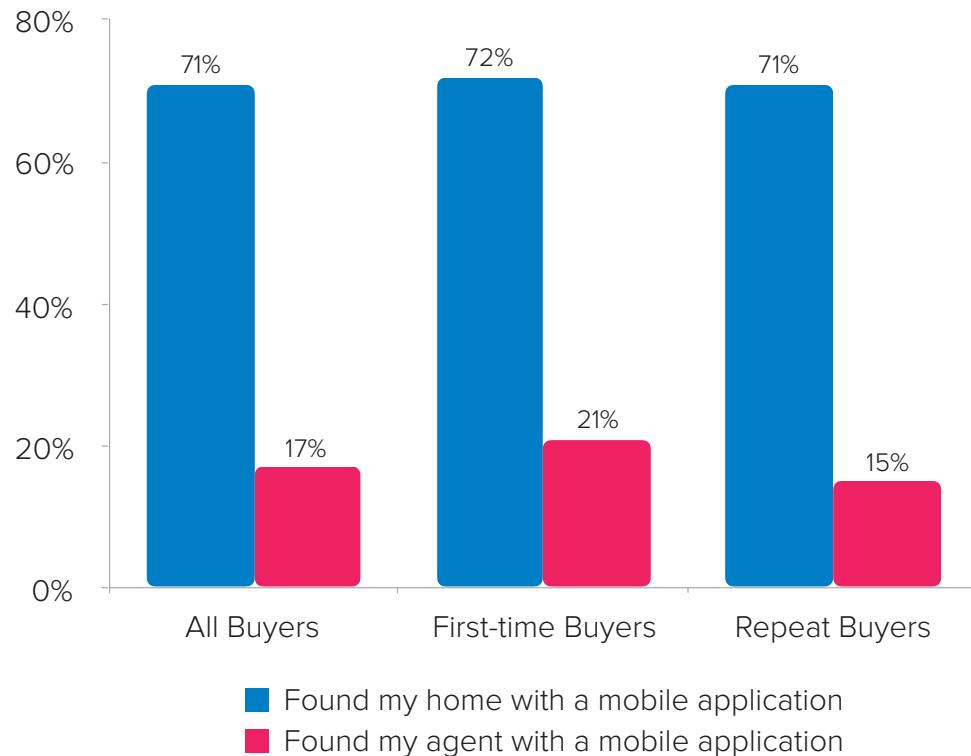
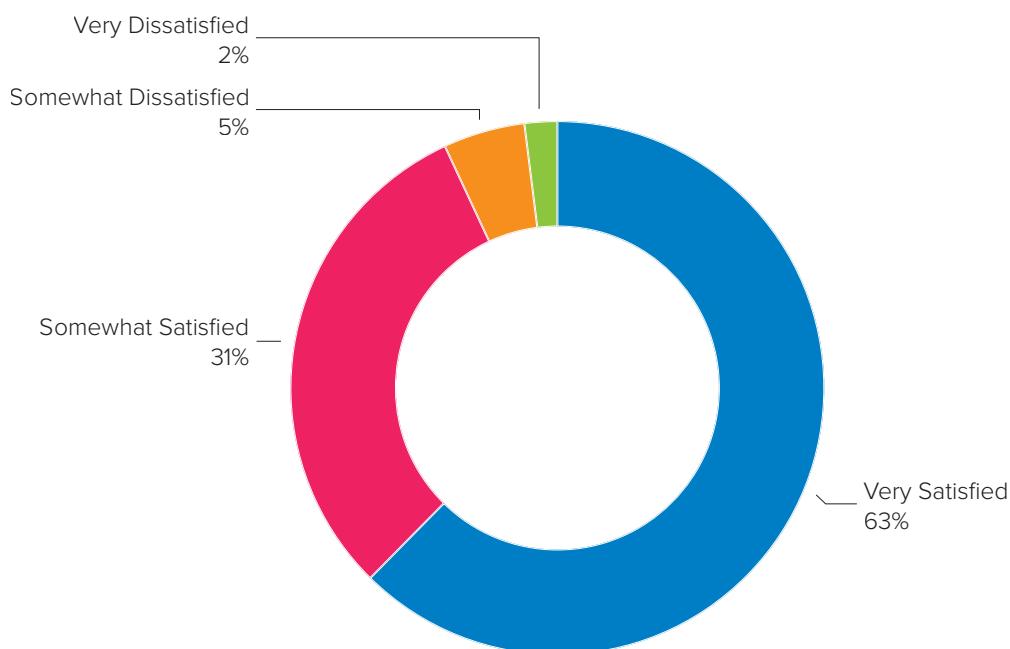


Exhibit 3–19: Satisfaction With Buying Process

(Percentage Distribution)





CHAPTER 4:

Home Buying and Real Estate Professionals

Making the home purchase through a real estate agent is a consistent real estate trend that continued again this year. Eighty-nine percent of buyers in 2019 purchased their home through a real estate agent or broker, five percent directly from a builder or builder's agent, and five percent from the previous owner. Looking back to 1981, 82 percent purchased through an agent, eight percent directly through a builder or builder's agent, and 10 percent from the previous owner. In 1987 and 2000, purchases directly from the owner were at a peak of 15 percent. In 1987 and 2000, seven in 10 buyers purchased through an agent. Since then, the share of those working with an agent to purchase a home has steadily grown over the years, peaking at 89 percent in 2011 and 2012 and hovering in the high 80 percent range before returning to peak at 89 percent this year.

By household composition, unmarried couples tended to purchase their homes through real estate agents and brokers at a higher rate than any other household composition. Thirty-six percent of buyers of new homes purchased their home directly from a builder or builder's agent, but many used a real estate agent to purchase a newly built home. The majority of buyers who purchased a previously owned home bought their home through a real estate agent or broker; buying directly from the previous owner was the next most common purchase method.

Approximately two-thirds of recent buyers signed a disclosure agreement either at first meeting, when the contract was written, or at some other time. The most common arrangement was a written arrangement, followed by an oral arrangement. The most common compensation structure for real estate agents was payment through the seller, which was the case for over half of recent home buyers.

With tight housing inventory in many areas of the country, what buyers wanted most from their agent was to help them find the right home to purchase. Buyers were also looking for help to negotiate the terms of sale and with price negotiations. The most common way that buyers found their real estate agent was through a referral by a friend, neighbor, or relative. Buyers typically interviewed only one real estate agent before working with them, and the most important factor was that the agent was honest and trustworthy. Another important factor was the agent's experience. Recent buyers were overall very satisfied with their real estate agent's skills and qualities, and definitely would use their agent again or recommend them to others.

CHAPTER 4: HOME BUYING AND REAL ESTATE PROFESSIONALS

METHOD OF HOME PURCHASE

Exhibits 4–1 through 4–4

Recent home buyers most commonly purchased their homes through a real estate agent or broker, at 89 percent. Five percent purchased directly from the builder or builder's agent, while five percent purchased directly through the previous owner. By comparison, in 1981, 82 percent purchased through an agent, eight percent directly through a builder or builder's agent, and 10 percent from the previous owner. Buyers in the Northeast and Midwest had the highest percentage who purchased their homes through real estate agents or brokers.

Compared to buyers of previously owned homes, buyers of new homes purchased directly from the builder or builder's agent at a much higher rate: 36 percent of new home buyers did so, which was down from 39 percent in 2018. Unmarried couples (94 percent) and single females (90 percent) were the household compositions that most frequently purchased through a real estate agent or broker.

AGENT REPRESENTATION AND COMPENSATION

Exhibits 4–5 through 4–7

Sixty-one percent of recent buyers signed an agent representation disclosure, either at the first meeting, when the contract was written, or at some other time. The most common arrangement was a written agreement at 39 percent, followed by an oral agreement at 19 percent. Only 28 percent of buyers had no representation arrangement with their agent, which is down from last year.

Generally real estate agents were compensated through the seller at 55 percent, whereas only 21 percent of agents were compensated by the buyer only. When the agent was compensated by the buyer, they were most commonly paid a percentage of the sales price as opposed to a flat fee.

“When asked if they would use their real estate agent again or recommend them to others, 90 percent of buyers would at least probably recommend their agent to others. Buyers have typically already recommended their agent once since purchasing their home.”

WHAT BUYERS WANT FROM AGENTS AND BENEFITS PROVIDED

Exhibits 4–8 through 4–11

Most important to recent buyers when looking for a real estate agent was finding someone who could help them find the right home to purchase (52 percent). Buyers were also looking for someone who could help them negotiate the terms of sale (12 percent) and help with price negotiations (11 percent).

First-time buyers were more interested in receiving help from their agent in determining how much they could afford than repeat buyers. More buyers of new homes (10 percent) wanted help with paperwork compared to other buyer types. Married couples wanted to negotiate the terms of sale (13 percent) more than any other household composition. Single males and unmarried couples wanted help to find the right home (both 54 percent) more than other household compositions.

There were many benefits for buyers using a real estate agent, with the foremost reported as being the buyer(s) receiving help in understanding the buying process (61 percent). Pointing out unnoticed features or faults with the property was the next most important benefit (60 percent), especially to first-time home buyers (62 percent). Also important to buyers was negotiating better sales terms, providing a better list of service providers, and gaining improved knowledge of search areas, as benefits that their real estate agent provided.

FINDING A REAL ESTATE AGENT

Exhibits 4–12 through 4–15

Referrals were still by far the most common way for buyers to find the real estate agent that they worked with. Forty-one percent of buyers used an agent that was referred to them by a friend, neighbor, or relative. Recent buyers also chose to work with agents that they had previously used to buy or sell a home (12 percent). Compared to repeat buyers, first-time buyers were more likely to find their agent through a referral (51 percent) or more likely to have inquired about a specific property online (8 percent). Married couples were the most likely to use an agent that they had previously used to buy or sell a home (14 percent).

Seventy-five percent interviewed only one real estate agent during their home search. Compared with first-time buyers, repeat buyers were more likely to only interview one agent (77 percent), whereas only 69 percent of first-time buyers only interviewed one agent. Nineteen percent of first-time buyers interviewed two agents before deciding on the one to work with. Buyers typically reached out to their agent by phone (38 percent), in person (20 percent), and by e-mail (13 percent). Agents commonly responded to buyers on their first attempted contact.

2019 PROFILE OF HOME BUYERS AND SELLERS

FACTORS WHEN CHOOSING AN AGENT

Exhibits 4–16 through 4–20

The most important factor to recent buyers when choosing an agent was finding an agent that was trustworthy and honest at 19 percent. Other important factors when choosing an agent included the agent's experience and their reputation.

When searching for an agent, buyers were looking for someone who was honest and had integrity, was responsive, had knowledge of the purchase process, and who had knowledge of the real estate market. Having an honest agent with integrity was the most important to buyers, as 97 percent of respondents considered this very important. Recent buyers also found it very important that their agent was responsive, had knowledge of the purchase process and real estate market, and had good communication and negotiation skills. Single females, more than any other household composition, considered it very important for their agent to have skills with technology, at 52 percent.

Overall, 74 percent of buyers felt that it was important that their agent call them personally to inform them of any activity. It was important for buyers that agents send postings as soon as a property was listed, the price changed, or it went under contract, and that they were able to communicate with their agent through text message.

SATISFACTION WITH AGENT

Exhibits 4–21 through 4–23

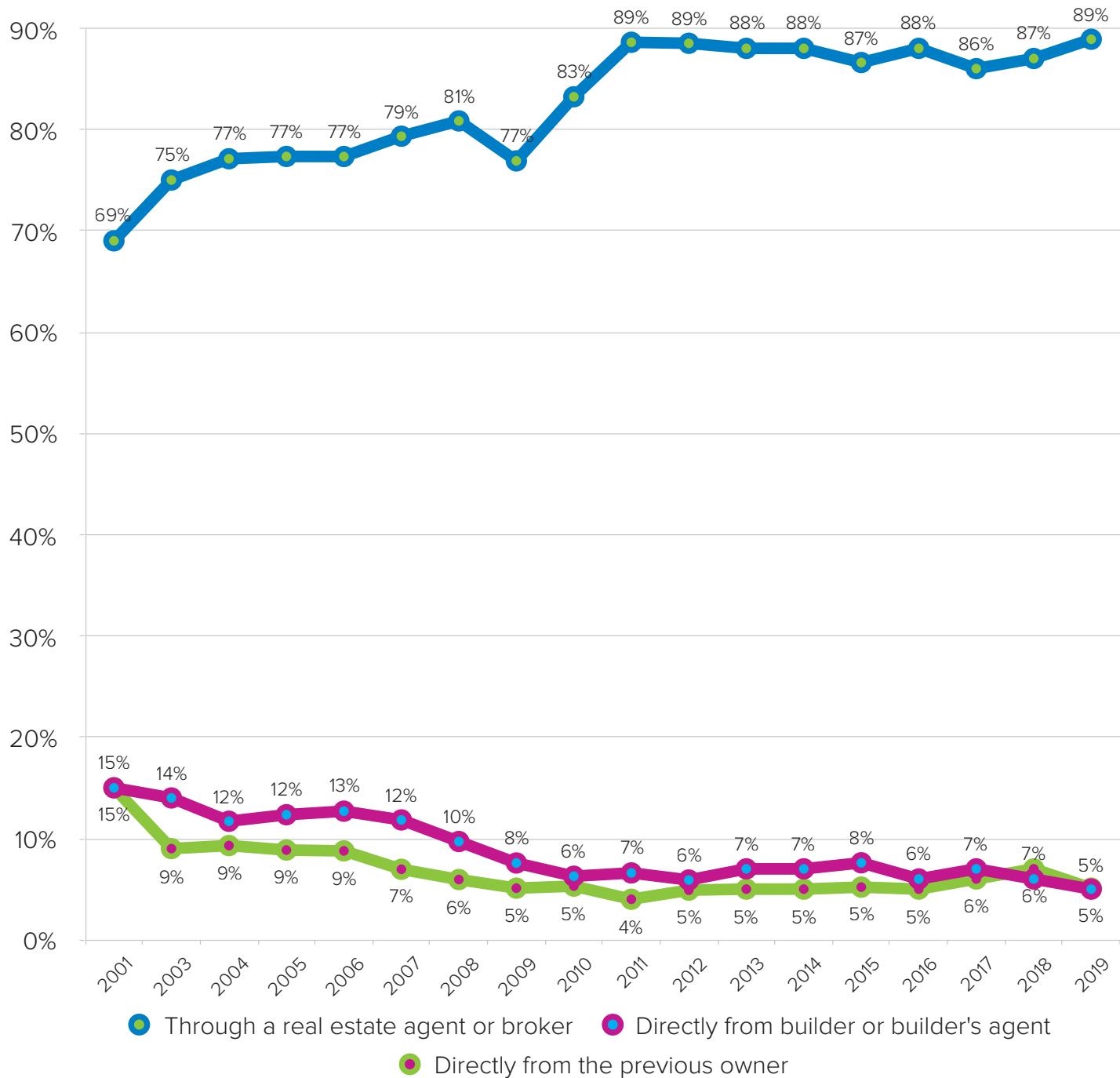
In general, buyers were very satisfied with their real estate agent's skill and qualities, with 90 percent saying that they were very satisfied with their knowledge of the purchase process, as well as 89 percent saying that they were very satisfied with their agent's responsiveness. When asked if they would use their real estate agent again or recommend them to others, 90 percent of buyers would at least probably recommend their agent to others. Buyers have typically already recommended their agent once since purchasing their home.



CHAPTER 4: HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4–1: Method of Home Purchase, 2001–2019

(Percentage Distribution)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 4–2: Method of Home Purchase, by Region

(Percentage Distribution)

BUYERS WHO PURCHASED A HOME IN THE

	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
Through a real estate agent or broker	89%	90%	90%	88%	89%
Directly from builder or builder's agent	5%	3%	3%	7%	6%
Directly from the previous owner	5%	6%	6%	4%	5%
Knew previous owner	3%	4%	4%	2%	4%
Did not know previous owner	2%	2%	2%	2%	1%

Exhibit 4–3: Method of Home Purchase, New and Previously Owned Homes

(Percentage Distribution)

BUYERS OF

	ALL BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Through a real estate agent or broker	89%	62%	93%
Directly from builder or builder's agent	5%	36%	NA
Directly from the previous owner	5%	1%	6%
Knew previous owner	3%	1%	4%
Did not know previous owner	2%	NA	2%

NA = Not Applicable

Exhibit 4–4: Method of Home Purchase, by Adult Composition of Household

(Percentage Distribution)

ADULT COMPOSITION OF HOUSEHOLD

	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Through a real estate agent or broker	89%	88%	90%	88%	94%	93%
Directly from builder or builder's agent	5%	6%	3%	5%	1%	2%
Directly from the previous owner	5%	5%	5%	5%	3%	5%
Knew previous owner	3%	3%	3%	4%	2%	4%
Did not know previous owner	2%	2%	2%	1%	1%	1%

CHAPTER 4: HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4–5: Agent Representation Disclosure, First-Time and Repeat Buyers

(Percentage Distribution)

DISCLOSURE STATEMENT SIGNED?	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Yes, at first meeting	27%	21%	29%
Yes, when contract was written	23%	23%	23%
Yes, at some other time	11%	10%	11%
No	20%	23%	18%
Don't know	20%	23%	18%

Exhibit 4–6: Buyer Representative Arrangement with Agent, First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Yes, a written arrangement	39%	34%	41%
Yes, an oral arrangement	19%	21%	17%
No	28%	25%	29%
Don't know	15%	20%	12%

Exhibit 4–7: How Real Estate Agent Was Compensated

(Percentage Distribution)

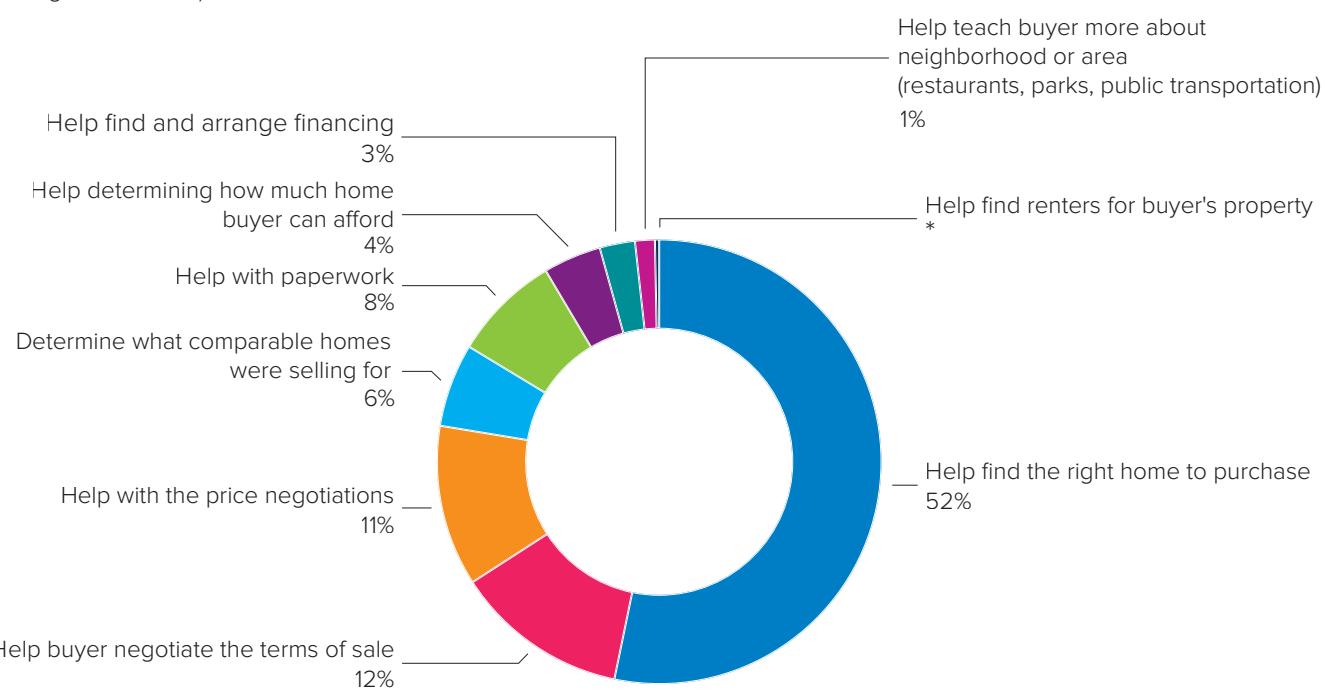
	ALL TYPES OF REPRESENTATION	TYPE OF AGENT REPRESENTATION	
		BUYER ONLY	SELLER OR SELLER AND BUYER
Paid by seller	55%	58%	52%
Paid by buyer and seller	12%	11%	12%
Paid by buyer only	21%	23%	19%
Percent of sales price	74%	78%	69%
Flat fee	3%	4%	3%
Per task fee	*	*	1%
Other	*	*	*
Don't know	22%	18%	28%
Other	2%	1%	3%
Don't know	11%	8%	15%

*Less than 1 percent

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 4–8: What Buyers Want Most From Real Estate Agents

(Percentage Distribution)



* Less than 1 percent

Exhibit 4–9: What Buyers Want Most From Real Estate Agents, First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Help find the right home to purchase	52%	51%	52%	54%	52%
Help buyer negotiate the terms of sale	12%	12%	13%	9%	13%
Help with the price negotiations	11%	9%	12%	8%	12%
Help with paperwork	8%	8%	7%	10%	7%
Determine what comparable homes were selling for	6%	5%	7%	6%	6%
Help determining how much home buyer can afford	4%	7%	3%	4%	4%
Help find and arrange financing	3%	5%	2%	4%	2%
Help teach buyer more about neighborhood or area (restaurants, parks, public transportation)	1%	1%	2%	2%	1%
Help find renters for buyer's property	*	*	*	*	*
Other	3%	3%	3%	3%	3%

* Less than 1 percent

CHAPTER 4: HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4–10: What Buyers Want Most From Real Estate Agents, by Adult Composition of Household

(Percentage Distribution)

	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Help find the right home to purchase	52%	51%	52%	54%	54%	62%
Help buyer negotiate the terms of sale	12%	13%	11%	9%	12%	11%
Help with the price negotiations	11%	12%	10%	9%	11%	11%
Help with paperwork	8%	8%	8%	10%	7%	2%
Determine what comparable homes were selling for	6%	6%	5%	6%	6%	5%
Help determining how much home buyer can afford	4%	4%	4%	5%	4%	4%
Help find and arrange financing	3%	2%	4%	5%	2%	2%
Help teach buyer more about neighborhood or area (restaurants, parks, public transportation)	1%	2%	1%	*	*	*
Help find renters for buyer's property	*	*	1%	*	1%	*
Other	3%	3%	4%	2%	2%	2%

* Less than 1 percent

Exhibit 4–11: Benefits Provided by Real Estate Agent During Home Purchase Process, First-Time and Repeat Buyers

(Percent of Respondents)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Helped buyer understand the process	61%	82%	50%
Pointed out unnoticed features/faults with property	60%	62%	59%
Negotiated better sales contract terms	48%	54%	46%
Provided a better list of service providers (e.g. home inspector)	47%	50%	46%
Improved buyer's knowledge of search areas	45%	50%	42%
Negotiated a better price	37%	39%	37%
Shortened buyer's home search	30%	34%	28%
Provided better list of mortgage lenders	22%	26%	19%
Expanded buyer's search area	20%	23%	19%
Narrowed buyer's search area	16%	16%	15%
None of the above	5%	3%	6%
Other	2%	1%	3%

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 4–12: How Buyer Found Real Estate Agent, First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Referred by (or is) a friend, neighbor or relative	41%	51%	35%
Used agent previously to buy or sell a home	12%	2%	18%
Inquired about specific property viewed online	7%	8%	6%
Referred by another real estate agent/broker	6%	6%	6%
Website (without a specific reference)	5%	5%	5%
Visited an open house and met agent	5%	5%	5%
Personal contact by agent (telephone, e-mail, etc.)	4%	4%	4%
Saw contact information on For Sale/Open House sign	3%	2%	3%
Referred through employer or relocation company	2%	1%	3%
Walked into or called office and agent was on duty	1%	1%	2%
Mobile or tablet application	1%	2%	1%
Direct mail (newsletter, flyer, postcard, etc.)	*	*	*
Saw the agent's social media page without a connection	*	*	*
Newspaper, Yellow Pages or home book ad	*	*	*
Advertising specialty (calendar, magnet, etc.)	*	*	*
Crowdsourcing through social media/knew the person through social media	*	*	*
Other	11%	11%	11%

*Less than 1 percent

CHAPTER 4: HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4–13: How Buyer Found Real Estate Agent, by Adult Composition of Household

(Percentage Distribution)

	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	ADULT COMPOSITION OF HOUSEHOLD OTHER
Referred by (or is) a friend, neighbor or relative	41%	40%	45%	39%	40%	44%
Used agent previously to buy or sell a home	12%	14%	10%	12%	10%	9%
Inquired about specific property viewed online	7%	6%	7%	9%	10%	15%
Referred by another real estate agent/broker	6%	7%	7%	6%	5%	6%
Website (without a specific reference)	5%	6%	5%	6%	3%	5%
Visited an open house and met agent	5%	5%	4%	4%	6%	1%
Personal contact by agent (telephone, e-mail, etc.)	4%	3%	5%	6%	5%	5%
Saw contact information on For Sale/ Open House sign	3%	2%	2%	3%	2%	2%
Referred through employer or relocation company	2%	3%	1%	2%	3%	*
Walked into or called office and agent was on duty	1%	1%	*	2%	2%	2%
Mobile or tablet application	1%	1%	2%	1%	2%	3%
Direct mail (newsletter, flyer, postcard, etc.)	*	*	*	1%	*	*
Saw the agent's social media page without a connection	*	*	1%	*	*	*
Newspaper, Yellow Pages or home book ad	*	*	*	*	*	*
Advertising specialty (calendar, magnet, etc.)	*	*	*	*	*	*
Crowdsourcing through social media/knew the person through social media	*	*	1%	*	*	*
Other	11%	12%	10%	10%	11%	8%

*Less than 1 percent

Exhibit 4–14: How Many Times Buyer Contacted Agent Before Received Response and Original Form of Contact

(Median, Percentage Distribution)

Phone call	38%
Talked to them in person	20%
E-mail	13%
Ask a friend to put me in touch	10%
Inquiry for more information through 3rd party website	8%
Text message	8%
Through agent's website	2%
Social Media (FaceBook, Twitter, LinkedIn, etc.)	2%
Number of Times Contacted (median)	1

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 4–15: Number of Real Estate Agents Interviewed by First-Time and Repeat Buyers

(Percentage Distribution)

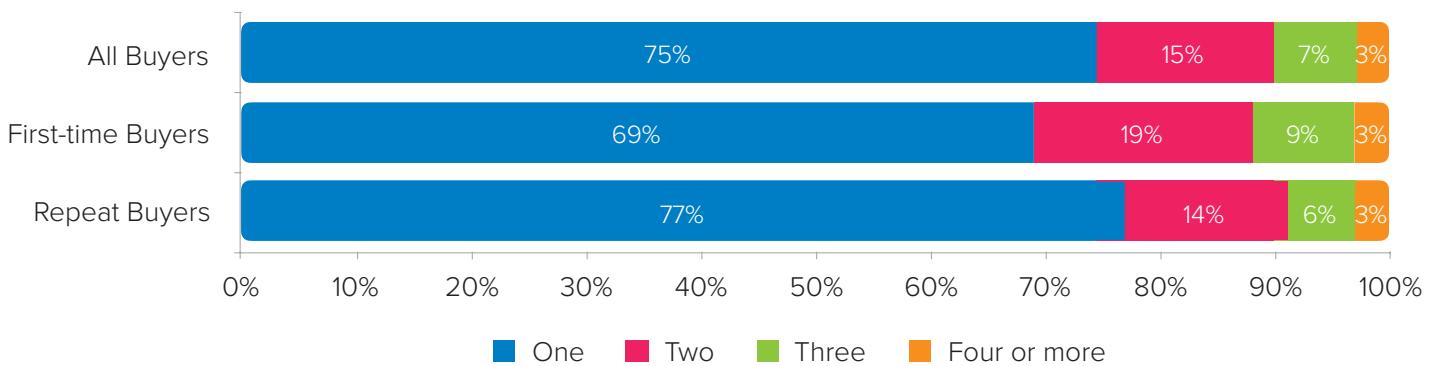
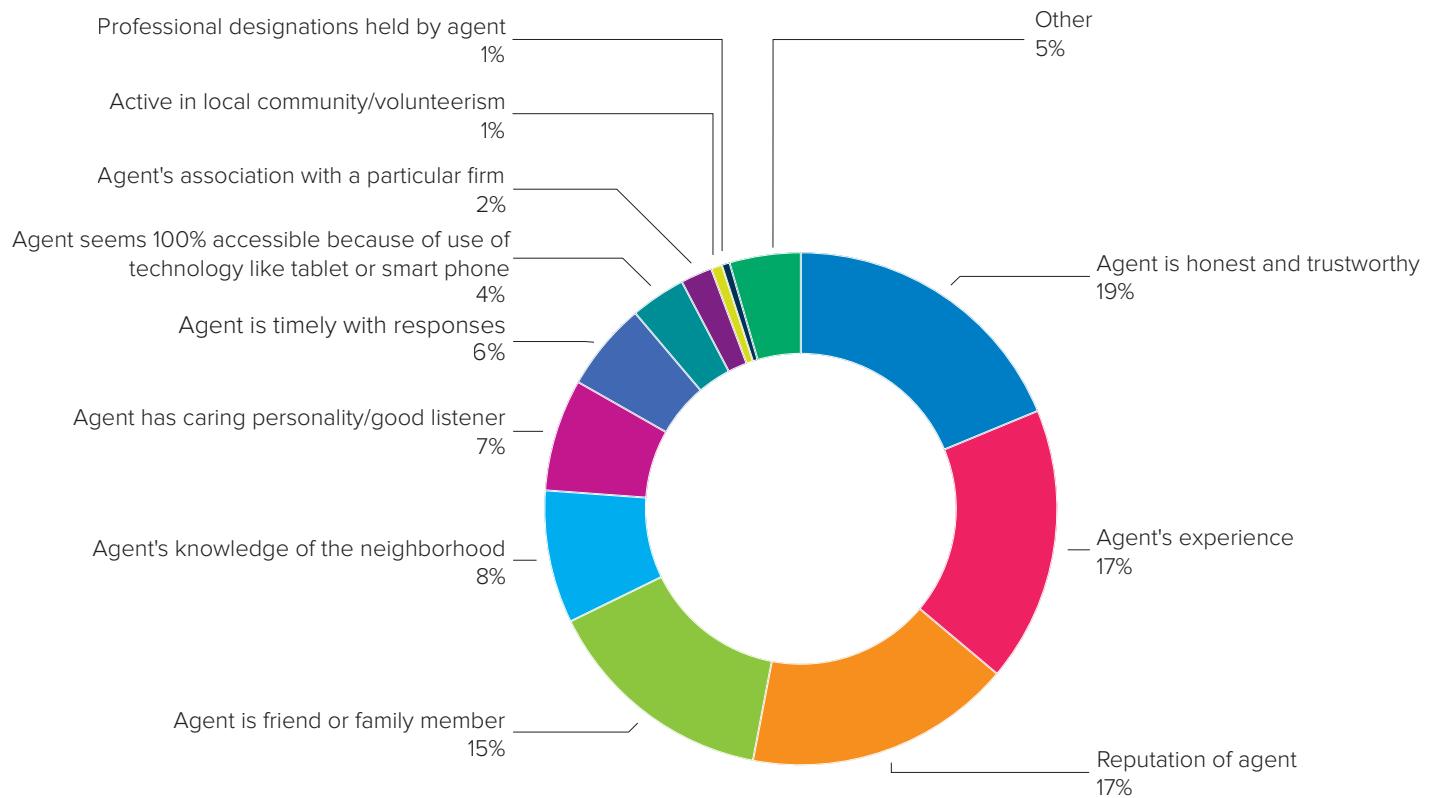


Exhibit 4–16: Most Important Factors When Choosing an Agent

(Percentage Distribution)



CHAPTER 4: HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4–17: Importance of Real Estate Agent Skills and Qualities

(Percentage Distribution)

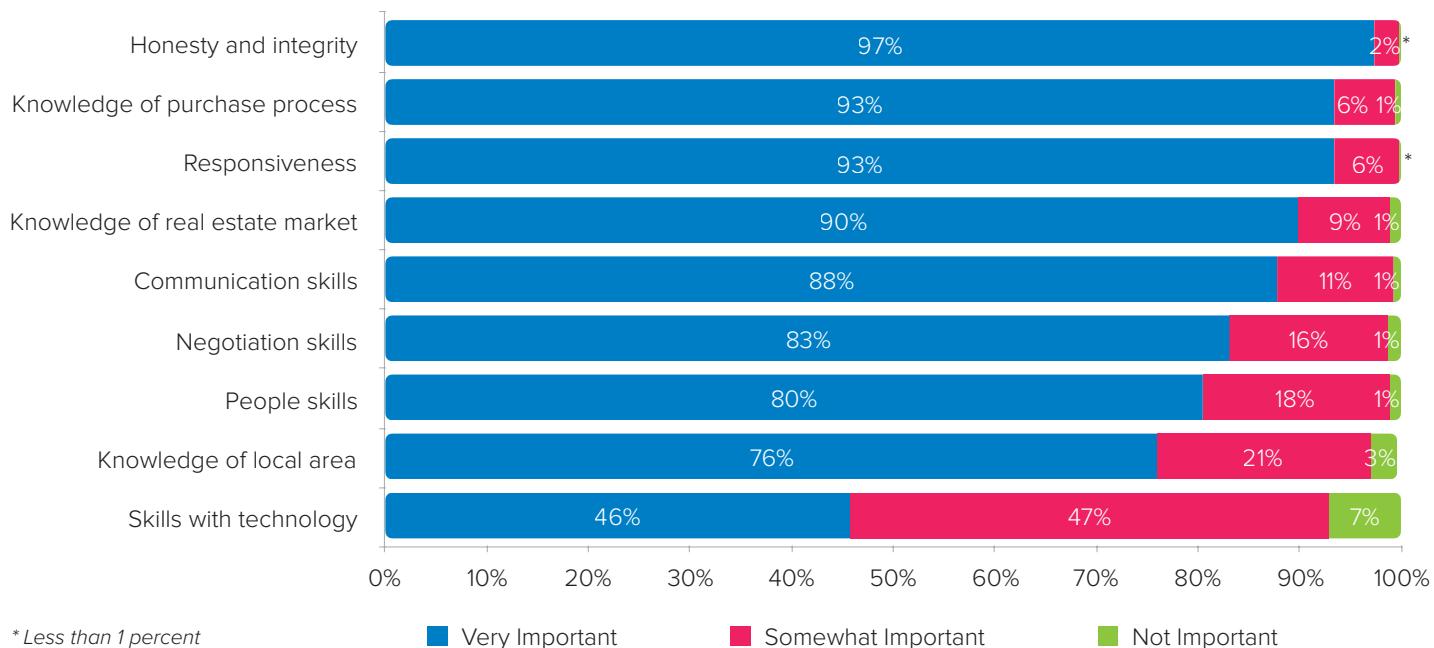


Exhibit 4–18: Agent Skills and Qualities Considered "Very Important" by First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percent of Respondents)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Honesty and integrity	97%	97%	97%	97%	97%
Knowledge of purchase process	93%	95%	93%	89%	94%
Responsiveness	93%	94%	93%	94%	93%
Knowledge of real estate market	90%	90%	90%	91%	90%
Communication skills	88%	89%	87%	85%	88%
Negotiation skills	83%	86%	82%	80%	83%
People skills	80%	80%	81%	82%	80%
Knowledge of local area	76%	72%	78%	83%	75%
Skills with technology	46%	47%	45%	48%	45%

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 4–19: Agent Skills and Qualities Considered "Very Important" by Adult Composition of Household

(Percentage Distribution)

ADULT COMPOSITION OF HOUSEHOLD

	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Honesty and integrity	97%	98%	99%	97%	97%	95%
Knowledge of purchase process	93%	93%	97%	91%	96%	85%
Responsiveness	93%	93%	96%	93%	93%	89%
Knowledge of real estate market	90%	90%	94%	85%	89%	93%
Communication skills	88%	87%	93%	84%	87%	86%
Negotiation skills	83%	82%	89%	76%	85%	79%
People skills	80%	81%	85%	74%	76%	82%
Knowledge of local area	76%	76%	80%	73%	70%	81%
Skills with technology	46%	44%	52%	47%	47%	50%

Exhibit 4–20: Importance of Agent Communications

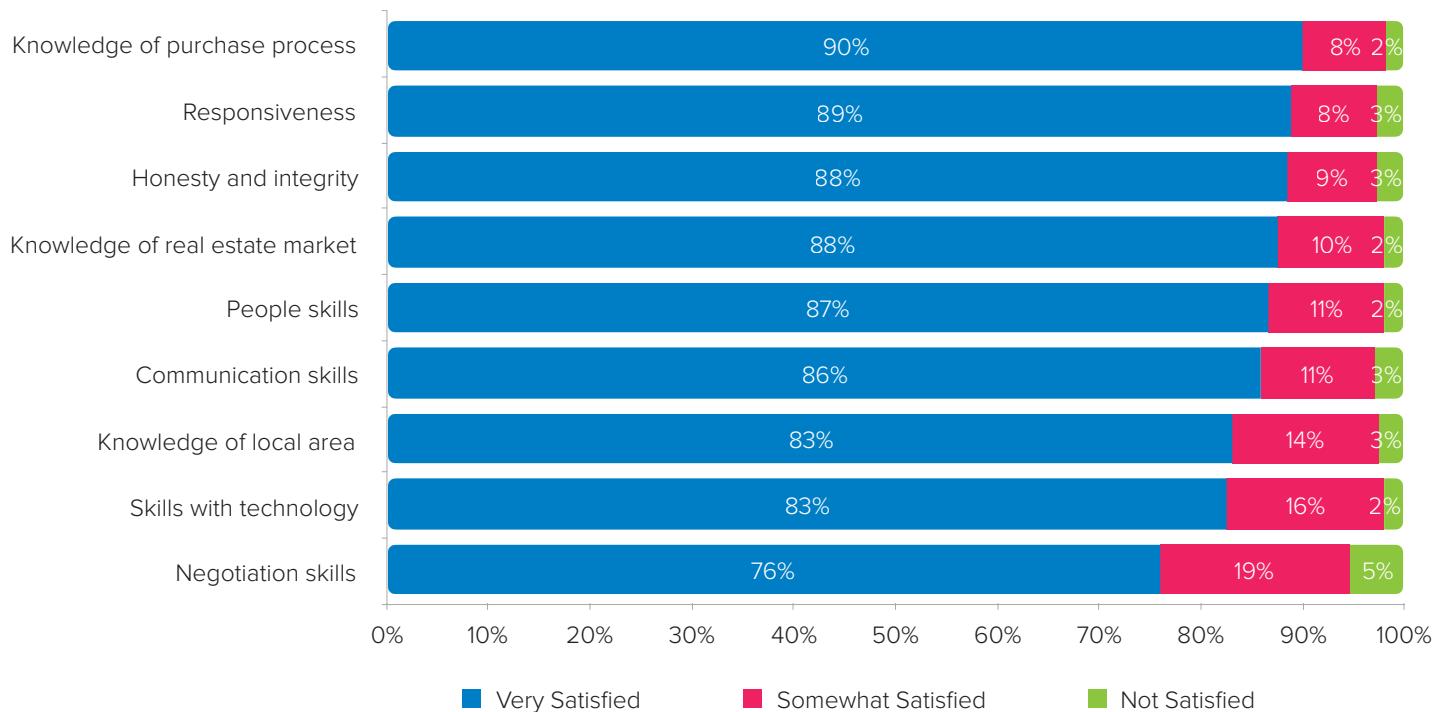
(Percent of Respondents)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Calls personally to inform of activities	74%	73%	74%
Sends postings as soon as a property is listed/the price changes/under contract	71%	71%	71%
Sends property info and communicates via text message	68%	74%	66%
Sends emails about specific needs	53%	60%	50%
Can send market reports on recent listings and sales	51%	49%	52%
Has a website	30%	28%	31%
Has a mobile site to show properties	30%	30%	30%
Active in local community/volunteerism	13%	13%	13%
Is active on social media	13%	14%	12%
Sends an email newsletter	8%	11%	7%
Advertises in newspapers	3%	2%	4%
Has a blog	1%	1%	1%

CHAPTER 4: HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4–21: Satisfaction With Real Estate Agent Skills and Qualities

(Percentage Distribution)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 4–22: Would Buyer Use Real Estate Agent Again or Recommend to Others

(Percentage Distribution)

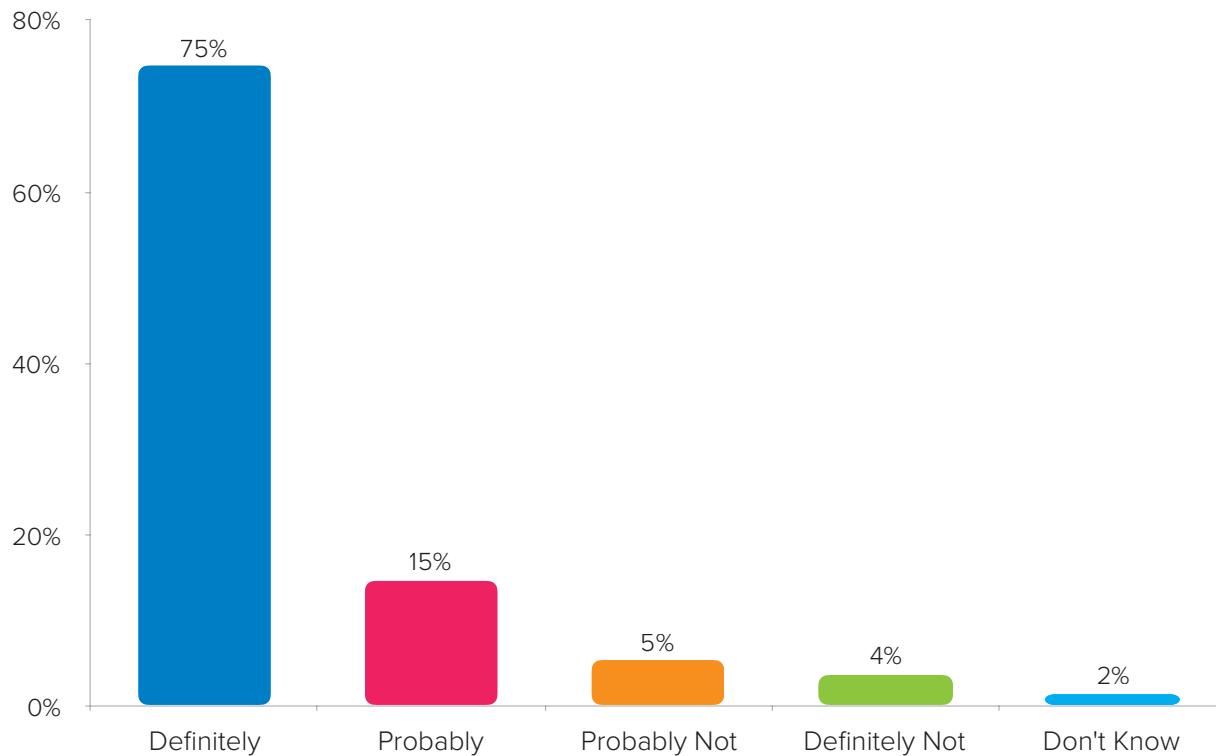


Exhibit 4–23: How Many Times Buyer Recommended Agent

(Percentage Distribution)

None	37%
One time	15%
Two times	19%
Three times	11%
Four or more times	19%
Times recommended since buying (median)	1



CHAPTER 5:

Financing the Home Purchase

While many share the desire to own their own home, financing the purchase has a variety of obstacles, according to this year's survey responses. NAR has collected data since 1989 on the median percent of the downpayment that was financed for all buyers, as well as first-time and repeat buyers alike. Eighty-six percent of all buyers financed their homes last year, consistent with previous years. Younger buyers were more likely to finance their home purchase.

In 2019, the median downpayment was 12 percent for all buyers, six percent for first-time buyers, and 16 percent for repeat buyers. Comparing this to previous years, in 1989 the median percent of the downpayment for all buyers was 20 percent, 10 percent for first-time buyers, and 23 percent for repeat buyers. Between 1991 and 1999, the median percent of a downpayment was closer to 10 percent for all buyers, peaking back up to 18 percent in 2001. In 2006 to 2008, the median downpayment was nine percent followed by eight percent in 2009 and 2010. For all buyers, the median percent downpayment remained steady at 10 percent from 2013 until 2017 but rose to 13 percent last year, the highest it's been since 2005.

For repeat buyers, the median percent downpayment hovered around a steady 20 percent through 2005, with a peak at its highest percent of downpayment at 25 percent in 2001. In 2006 it began decreasing and hit its lowest at 11 percent in 2016. The percent downpayment for repeat buyers bounced back up to 16 percent in 2018 and remained there in 2019. For first-time buyers, the median downpayment has been 10 percent or below since 1989. The percent of the downpayment dropped to its lowest point in 2005 and 2006 at just two percent. The median downpayment for first-time buyers increased to six percent in 2014, until rising to seven percent last year and dipping back to six percent in 2019.

Savings remained a key source of the downpayment for home buyers, both for first-time and repeat buyers alike. Sixty percent of recent home buyers used their savings to finance their home purchase. Overall, this is still above the historical norm of 55 percent since 2000 when the report began tracking sources of the downpayment. Fifty-nine percent of buyers did not need to make any financial sacrifices to purchase their home. For those who did, the most common sacrifices buyers reported were cutting spending on luxury goods, entertainment, and clothes.

While the number of home buyers who reported that obtaining a mortgage was more difficult than expected (31 percent in 2019) was considerably higher in the 2009 and 2010 reports, it has steadily decreased in the last few years. Conventional financing was the most common mortgage type, followed by FHA loans, primarily among first-time home buyers again this year.

CHAPTER 5: FINANCING THE HOME PURCHASE

BUYERS WHO FINANCED THEIR HOME

Exhibits 5–1 through 5–4

Eighty-six percent of all buyers financed their homes this year, down slightly from 88 percent last year. Consistent with previous years, younger buyers were more likely to finance their home purchase. Ninety-six percent of buyers aged 18 to 44 years old financed, whereas only 65 percent of buyers over the age of 65 years financed their home.

First-time home buyers were more likely to finance their home at 94 percent than repeat buyers at 82 percent. Nearly all married couples that were first-time home buyers financed their homes at 95 percent compared to only 78 percent of single female repeat buyers.

This year, 13 percent of buyers, down slightly from the last four years, financed 100 percent of the entire purchase price with a mortgage. The median percent financed for first-time buyers was 94 percent compared to 84 percent for repeat buyers, which was about the same as last year. The median percent financed for all buyers across the board was 88 percent.

In 2019, the median downpayment was 12 percent for all buyers, six percent for first-time buyers, and 16 percent for repeat buyers. In 1989, the median downpayment for all buyers was 20 percent, 10 percent for first-time buyers, and 23 percent for repeat buyers.

SOURCES OF DOWNPAYMENT

Exhibits 5–5 and 5–6

Sixty percent of recent home buyers used their savings to finance their home purchase, remaining nearly flat from 58 percent last year and 59 percent in 2017. Overall, this is still above the historical norm of 55 percent since 2000. For all buyers, the proceeds from the sale of a primary residence was the next most commonly cited way of financing a home purchase at 38 percent, down from 39 percent last year. For repeat buyers, proceeds from the sale of a primary residence was the most common way to finance a home purchase at 54 percent, up from 47 percent in 2014 and more than double the 25 percent in 2012. This is likely due to the increase in property values, allowing buyers to use equity from their previous home at higher rates. For first-time buyers, they cited using savings (78 percent) and a gift from relative or friend (27 percent). An additional five percent of first-time buyers used a loan from friends or family.

Unmarried couples surpassed single males with the highest percent of savings used for the downpayment at 73 percent. Seventy-four percent of single males used savings for the downpayment in 2015, which declined to 65 percent in 2019 but is up from 62 percent in 2018. Married couples and single females were the most likely to use proceeds from the sale of a primary home (43 percent and 38 percent respectively).

EXPENSES THAT DELAYED SAVING FOR A DOWNPAYMENT OR HOME PURCHASE

Exhibits 5–7 through 5–9

More than a quarter of buyers (28 percent) were delayed in purchasing a home by more than five years if they had debt that impeded them. The median length of time buyers waited to buy a home while saving for the downpayment and paying down debt was four years, up from three years in 2018. Buyers were asked what difficulties they encountered in their home search and home buying process. The share that cited their most difficult step in the home buying process was saving for a downpayment was 13 percent again this year. These buyers were asked what expenses made saving for a downpayment difficult. Fifty-one percent of all buyers reported student loans, 45 percent reported credit card debt, and 38 percent car loans.

For first-time home buyers, 26 percent said saving for a downpayment was the most difficult step in the process. Of that share, 58 percent said student loan debt delayed them in saving for a home. Among the seven percent of repeat buyers who reported that saving for a downpayment was the most difficult task, 46 percent reported credit card debt delayed them in saving for a home. Twenty-three percent of unmarried couples reported saving for a downpayment was the most difficult task in the home buying process. Of that 23 percent, 59 percent reported student loans delayed their savings and 59 percent reported credit card debt delayed their savings.

SACRIFICES MADE TO PURCHASE HOME

Exhibits 5–10 and 5–11

Some buyers chose to make financial sacrifices in order to make a home purchase. Fifty-nine percent of buyers did not need to make any sacrifices. For all buyers, the most common sacrifices reported were a cut in spending on luxury or non-essential items (28 percent), a cut in spending on entertainment (21 percent), and a cut in spending on clothes (16 percent). First-time buyers were more likely to make sacrifices than repeat buyers—59 percent compared to 32 percent made sacrifices, respectively. Unmarried couples reported making the most financial sacrifices at 54 percent.

“Buyers continue to see purchasing a home as a good financial investment. Eighty-one percent reported the view that a home purchase is a good investment and 40 percent said it was better than owning stock.”

2019 PROFILE OF HOME BUYERS AND SELLERS

DIFFICULTY OF MORTGAGE APPLICATION AND APPROVAL PROCESS AND SOLD A DISTRESSED PROPERTY

Exhibits 5–12 through 5–16

Eleven percent of buyers said the mortgage application process was much more difficult than expected and 22 percent said it was easier than expected. Forty-seven percent of buyers said that the mortgage application and approval process was no more difficult than expected. Twenty-five percent of first-time buyers said that the mortgage application and approval process was somewhat more difficult than expected, compared to 17 percent of repeat buyers. Single males and single females were equally more likely than other groups to report the process was easier than expected at 24 percent.

Five percent of successful home buyers did have a mortgage application rejected from a mortgage lender before securing a mortgage. They typically had a median of one rejection. The most common reasons for the buyer reporting they were rejected was because of their debt to income ratio (35 percent), low credit score (21 percent), because their income was unable to be verified (14 percent), insufficient downpayment (12 percent), or not enough money in reserves (nine percent).

Twenty-four percent of all buyers reported having student loan debt. That number jumps to 39 percent for first-time buyers and drops to 16 percent for repeat buyers. The median amount of student loan debt for all buyers was \$30,000, \$30,000 for first-time buyers and \$30,000 for repeat buyers.

Nine percent of recent buyers had a distressed property sale in the past—either a short sale or a foreclosure—and the typical year for a distressed sale was in 2011.

TYPE OF MORTGAGE LOAN

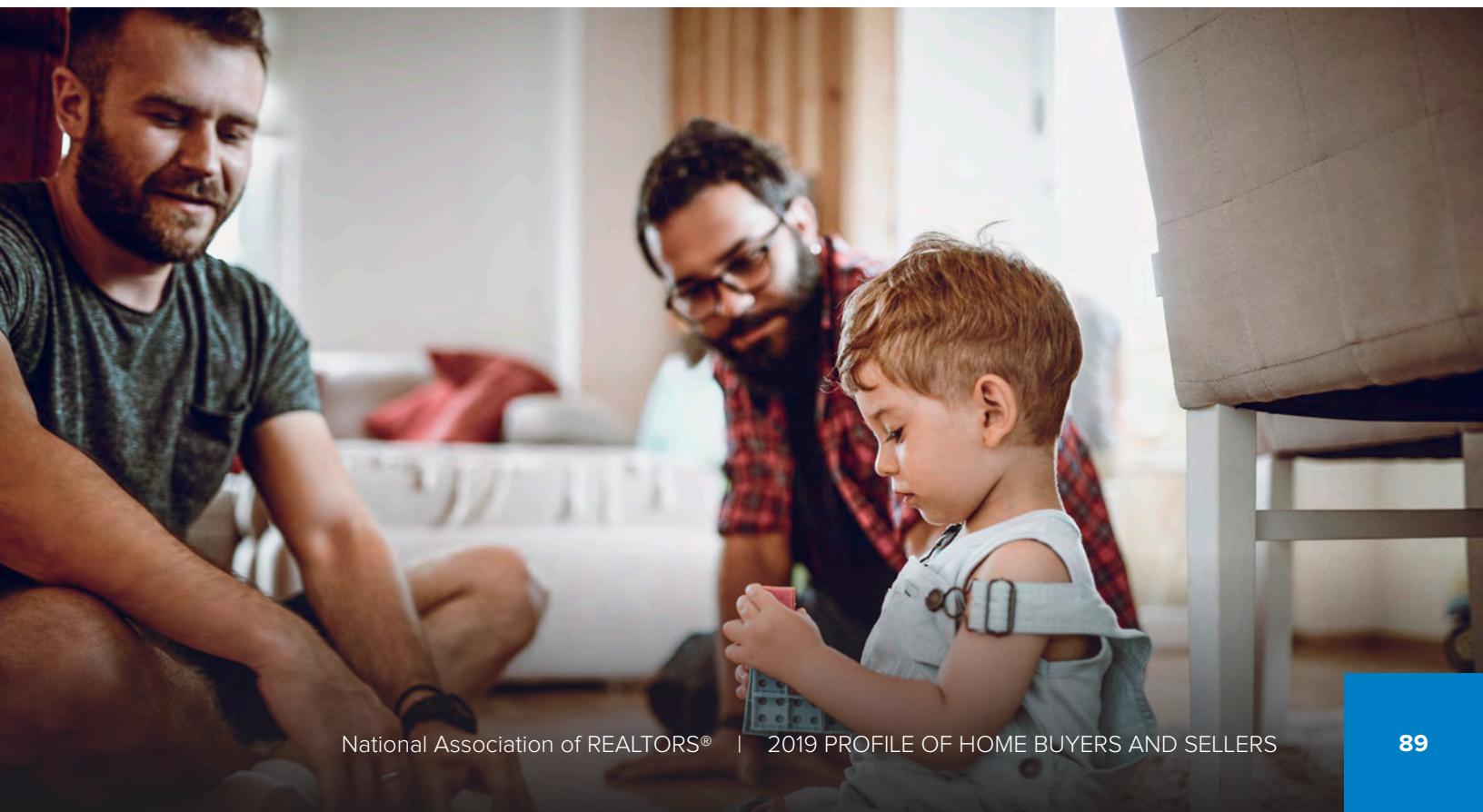
Exhibits 5–17 and 5–18

Eighty-nine percent of all buyers used a fixed-rate mortgage. Sixty-two percent of buyers chose a conventional loan to finance their home, slightly down from last year. Seventeen percent of buyers reported securing a FHA loan and 13 percent chose a VA loan. First-time buyers sought FHA loans more commonly than repeat buyers at 24 percent compared to 12 percent. Repeat buyers largely used conventional loans at 68 percent, compared to 54 percent of first-time buyers.

BUYERS' VIEW OF HOMES AS A FINANCIAL INVESTMENT

Exhibits 5–19 and 5–20

Buyers continue to see purchasing a home as a good financial investment. Eighty-one percent reported the view that a home purchase is a good investment and 40 percent said it was better than owning stock. Only six percent reported that it was not a good financial investment. Eighty-one percent of first-time buyers see owning a home as a sound financial endeavor compared to 80 percent of repeat buyers. Unmarried couples are most likely to feel their home is a good financial investment at 86 percent.



CHAPTER 5: FINANCING THE HOME PURCHASE

Exhibit 5–1: Buyers Who Financed Their Home Purchase, by Age

(Percentage Distribution)

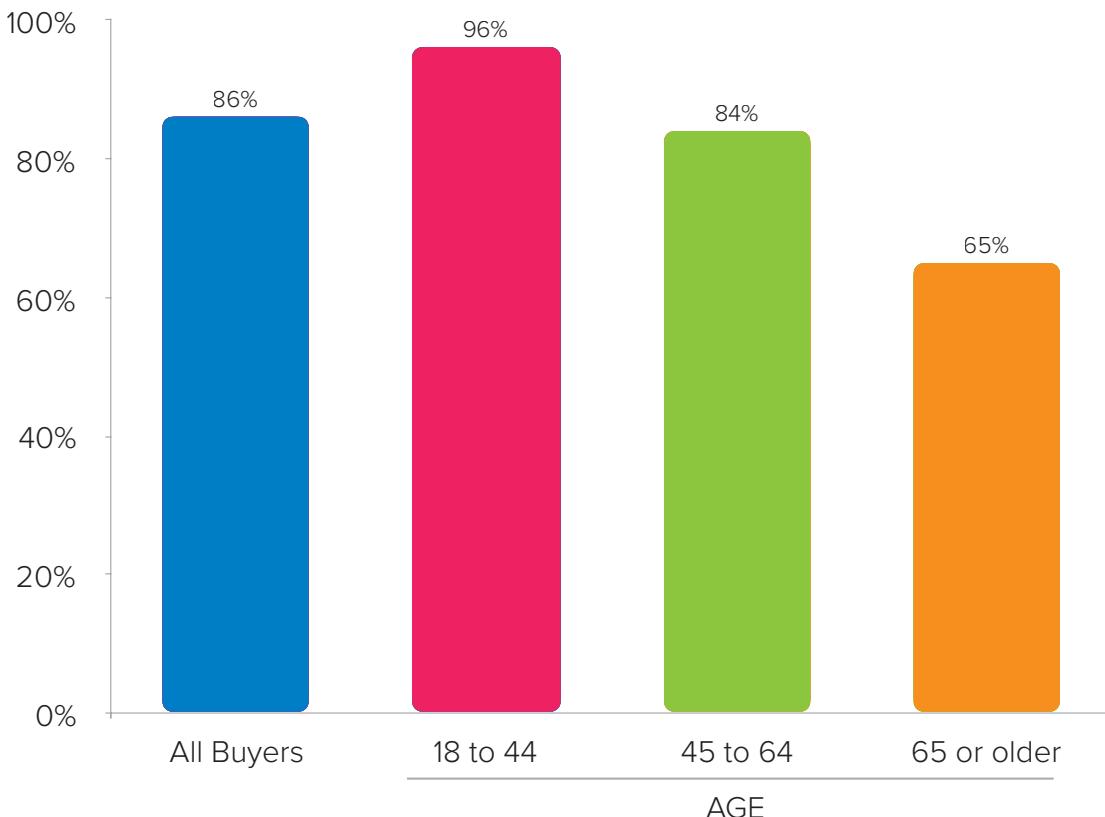


Exhibit 5–2: Buyers Who Financed Their Home Purchase, by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD					
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
All Buyers	86%	86%	83%	84%	91%	93%
First-time Buyers	94%	95%	94%	84%	94%	100%
Repeat Buyers	82%	82%	78%	84%	87%	86%

2019 PROFILE OF HOME BUYERS AND SELLERS

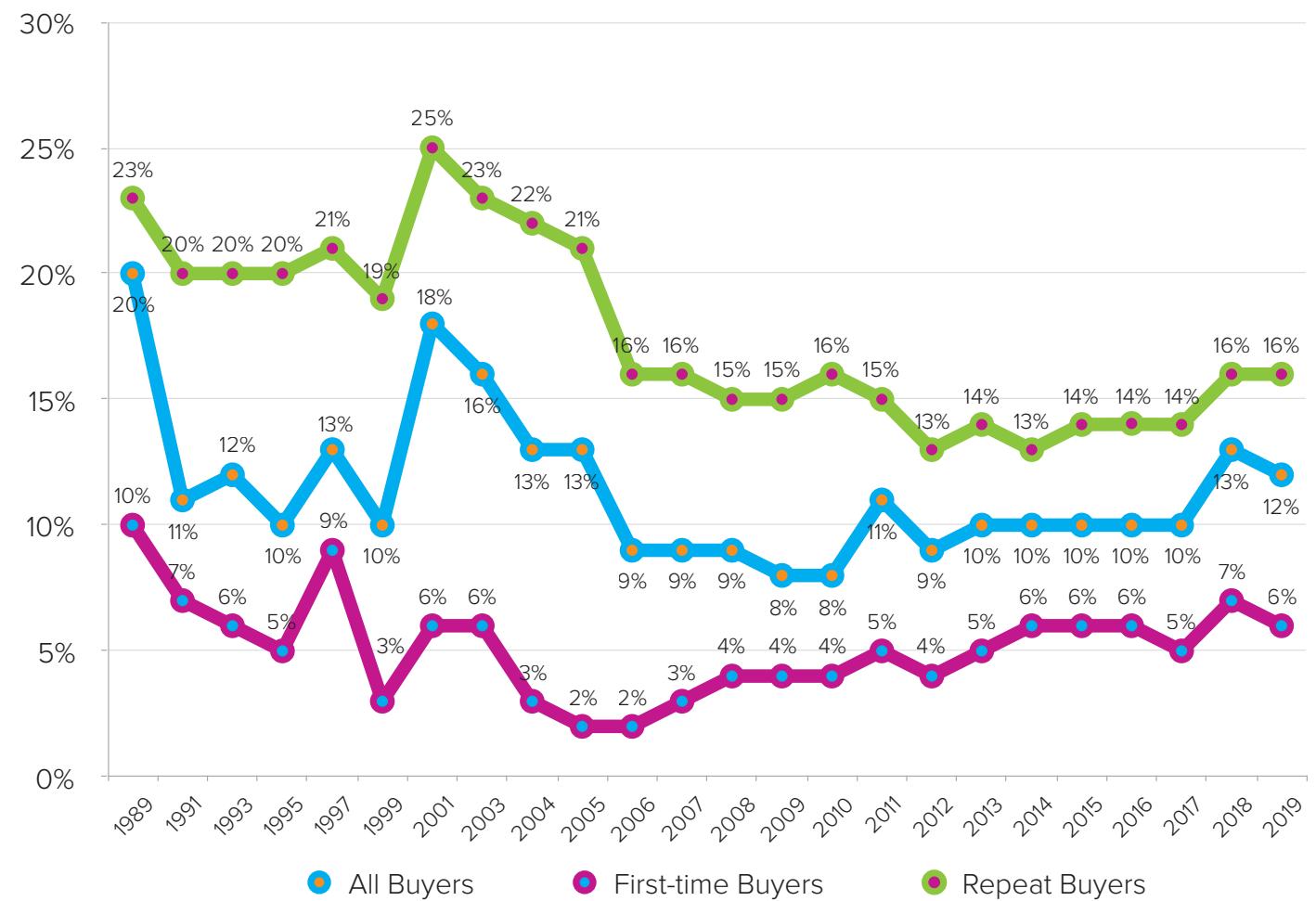
Exhibit 5–3: Percent of Home Financed by First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	BUYERS OF NEW HOMES	BUYERS OF PREVIOUSLY OWNED HOMES
Less than 50%	11%	7%	13%	14%	10%
50% to 59%	4%	2%	5%	5%	4%
60% to 69%	5%	2%	6%	6%	5%
70% to 79%	13%	8%	15%	14%	13%
80% to 89%	23%	19%	25%	22%	23%
90% to 94%	13%	16%	11%	13%	13%
95% to 99%	19%	28%	14%	14%	20%
100%—Financed the entire purchase price with a mortgage	13%	19%	10%	12%	13%
Median percent financed	88%	94%	84%	85%	88%

Exhibit 5–4: Median Percent Downpayment by First-Time and Repeat Buyers, 1989–2019

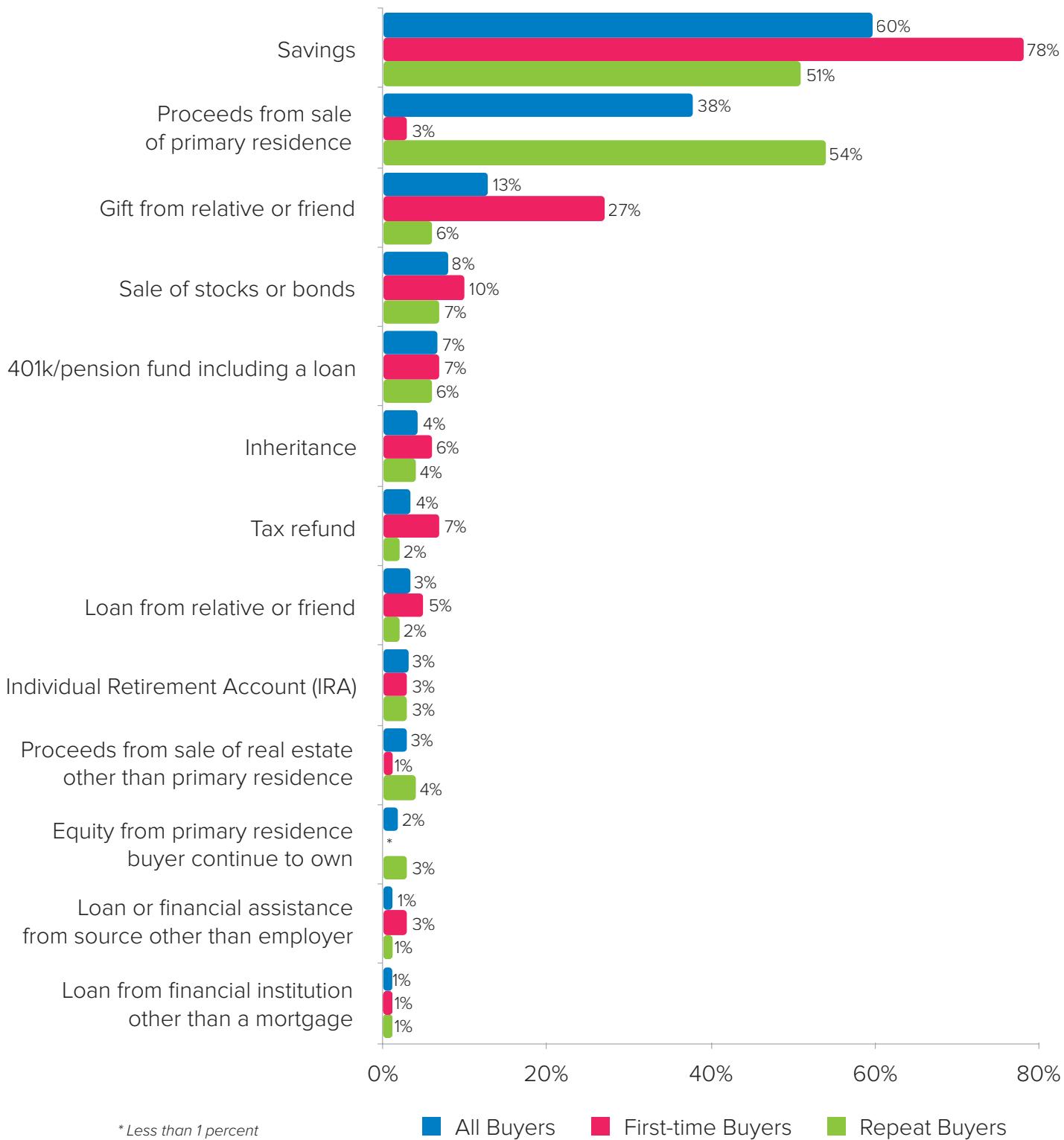
(Percentage Distribution)



CHAPTER 5: FINANCING THE HOME PURCHASE

Exhibit 5–5: Sources of Downpayment, First-Time and Repeat Buyers

(Percent of Respondents Among Those Who Made a Downpayment)



* Less than 1 percent

■ All Buyers

■ First-time Buyers

■ Repeat Buyers

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 5–6: Sources of Downpayment, by Adult Composition of Household

(Percent of Respondents Among Those Who Made a Downpayment)

	ADULT COMPOSITION OF HOUSEHOLD					
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Savings	60%	59%	52%	65%	73%	60%
Proceeds from sale of primary residence	38%	43%	38%	24%	20%	19%
Gift from relative or friend	13%	11%	11%	13%	26%	19%
Sale of stocks or bonds	8%	8%	6%	11%	8%	6%
401k/pension fund including a loan	7%	7%	8%	6%	7%	4%
Inheritance	4%	4%	4%	5%	6%	5%
Tax refund	4%	4%	3%	3%	4%	2%
Loan from relative or friend	3%	3%	4%	3%	6%	4%
Individual Retirement Account (IRA)	3%	3%	3%	4%	1%	2%
Proceeds from sale of real estate other than primary residence	3%	3%	4%	1%	2%	1%
Equity from primary residence buyer continue to own	2%	2%	1%	1%	1%	1%
Loan or financial assistance from source other than employer	1%	1%	3%	*	2%	5%
Loan from financial institution other than a mortgage	1%	1%	1%	1%	*	1%
Loan or financial assistance through employer	*	1%	*	*	*	*
Other	3%	2%	3%	4%	2%	14%

* Less than 1 percent

Exhibit 5–7: Years Debt Delayed Home Buyers From Saving for a Downpayment or Buying a Home

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
One year	15%	14%	18%
Two years	19%	21%	15%
Three years	13%	14%	13%
Four years	7%	6%	8%
Five years	18%	20%	15%
More than five years	28%	25%	31%
Median	4	4	4

CHAPTER 5: FINANCING THE HOME PURCHASE

Exhibit 5–8: Expenses That Delayed Saving for a Downpayment or Saving for a Home Purchase, by First-Time and Repeat Buyers

(Percent of Respondents Who Reported Saving for a Downpayment was Difficult)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Share Saving for Downpayment was Most Difficult Task in Buying Process:	13%	26%	7%
DEBT THAT DELAYED SAVING:			
Student Loans	51%	58%	38%
Credit card debt	45%	44%	46%
Car loan	38%	41%	33%
Health care costs	18%	19%	17%
Child care expenses	16%	15%	16%
Other	16%	13%	21%
Median Years Debt Delayed Home Purchase Among Those Who Had Difficulty Saving	2	2	3

Exhibit 5–9: Expenses That Delayed Saving for a Downpayment or Saving for a Home Purchase, by Adult Composition of Household

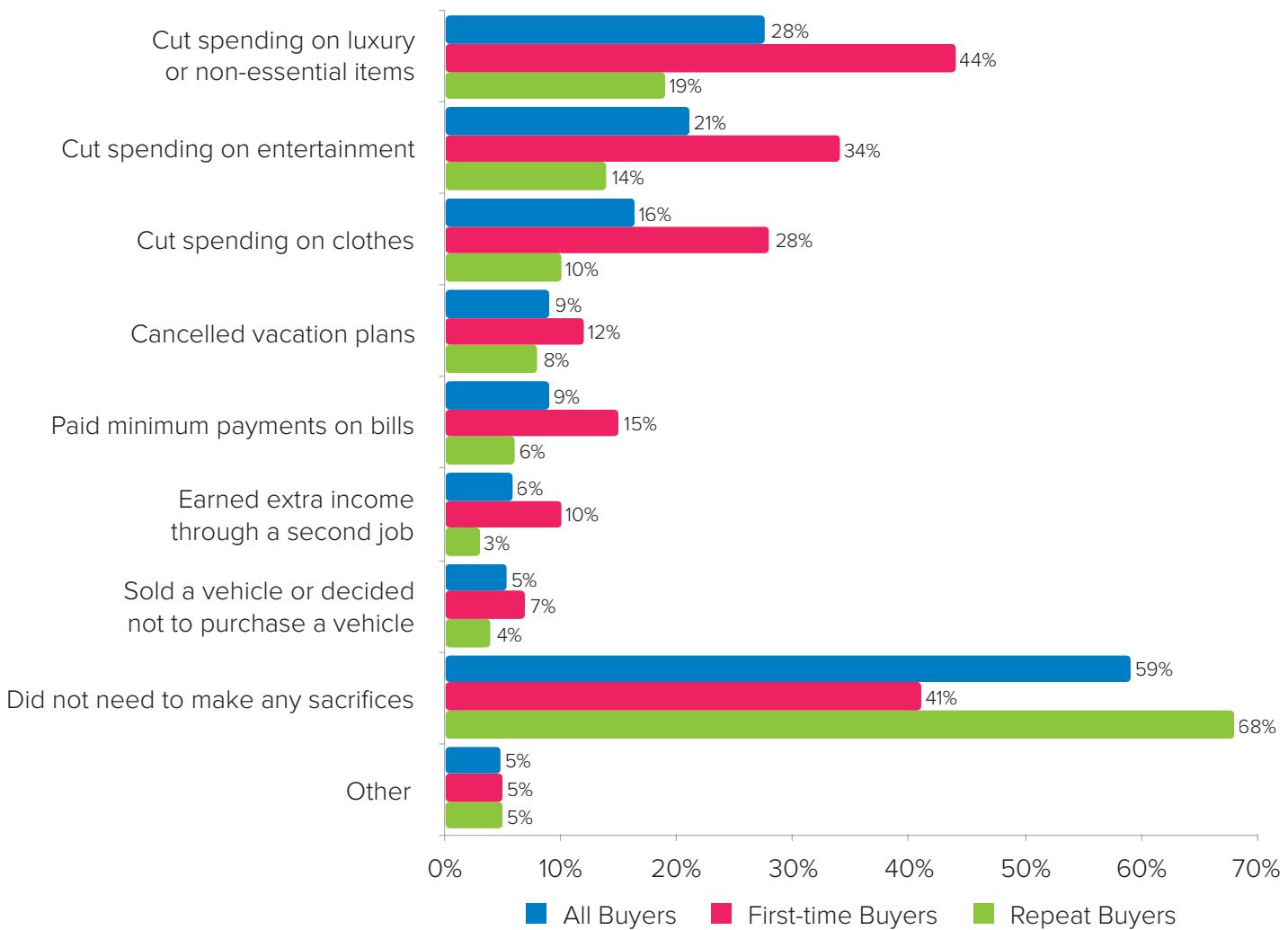
(Percent of Respondents Who Reported Saving for a Downpayment Was Difficult)

	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Share Saving for Downpayment was Most Difficult Task in Buying Process:	13%	13%	11%	12%	23%	12%
DEBT THAT DELAYED SAVING:						
Student Loans	51%	55%	37%	33%	59%	31%
Credit card debt	45%	45%	46%	17%	59%	31%
Car loan	38%	40%	25%	39%	48%	21%
Health care costs	18%	25%	10%	9%	7%	8%
Child care expenses	16%	20%	8%	2%	10%	15%
Other	16%	12%	30%	28%	9%	46%
Median Years Debt Delayed Home Purchase Among Those Who Had Difficulty Saving	2	3	2	1	2	0

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 5–10: Sacrifices Made To Purchase Home, by First-Time and Repeat Buyers

(Percent of Respondents)



CHAPTER 5: FINANCING THE HOME PURCHASE

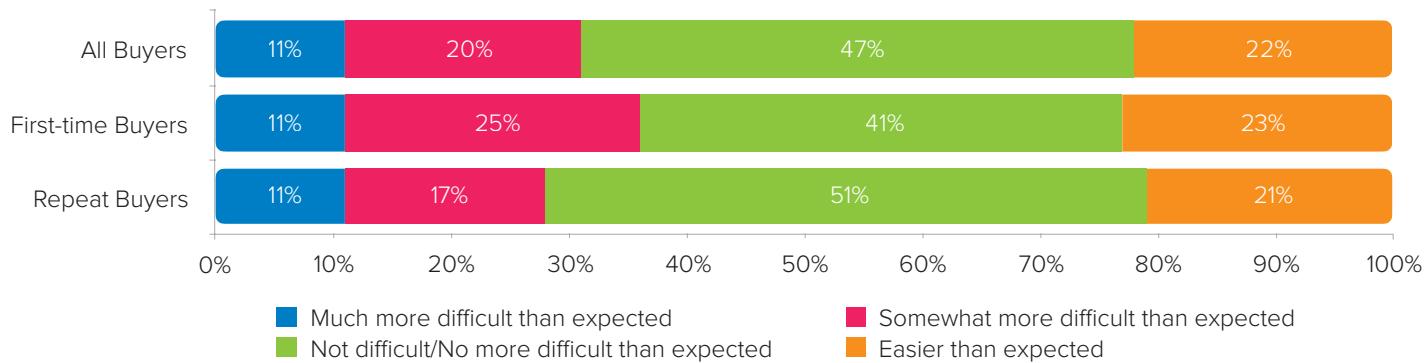
Exhibit 5–11: Sacrifices Made To Purchase Home, by Adult Composition of Household

(Percent of Respondents)

	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Cut spending on luxury or non-essential items	28%	25%	31%	23%	40%	35%
Cut spending on entertainment	21%	18%	26%	17%	33%	25%
Cut spending on clothes	16%	13%	25%	11%	25%	22%
Cancelled vacation plans	9%	9%	8%	10%	13%	6%
Paid minimum payments on bills	9%	7%	10%	6%	18%	21%
Earned extra income through a second job	6%	5%	10%	4%	7%	5%
Sold a vehicle or decided not to purchase a vehicle	5%	5%	5%	5%	6%	4%
Did not need to make any sacrifices	59%	62%	54%	66%	46%	50%
Other	5%	4%	5%	5%	4%	18%

Exhibit 5–12: Difficulty of Mortgage Application and Approval Process, by First-Time and Repeat Buyers

(Percentage Distribution Among Those Who Financed Their Home Purchase)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 5–13: Difficulty of Mortgage Application and Approval Process, by Adult Composition of Household

(Percentage Distribution Among Those Who Financed Their Home Purchase)

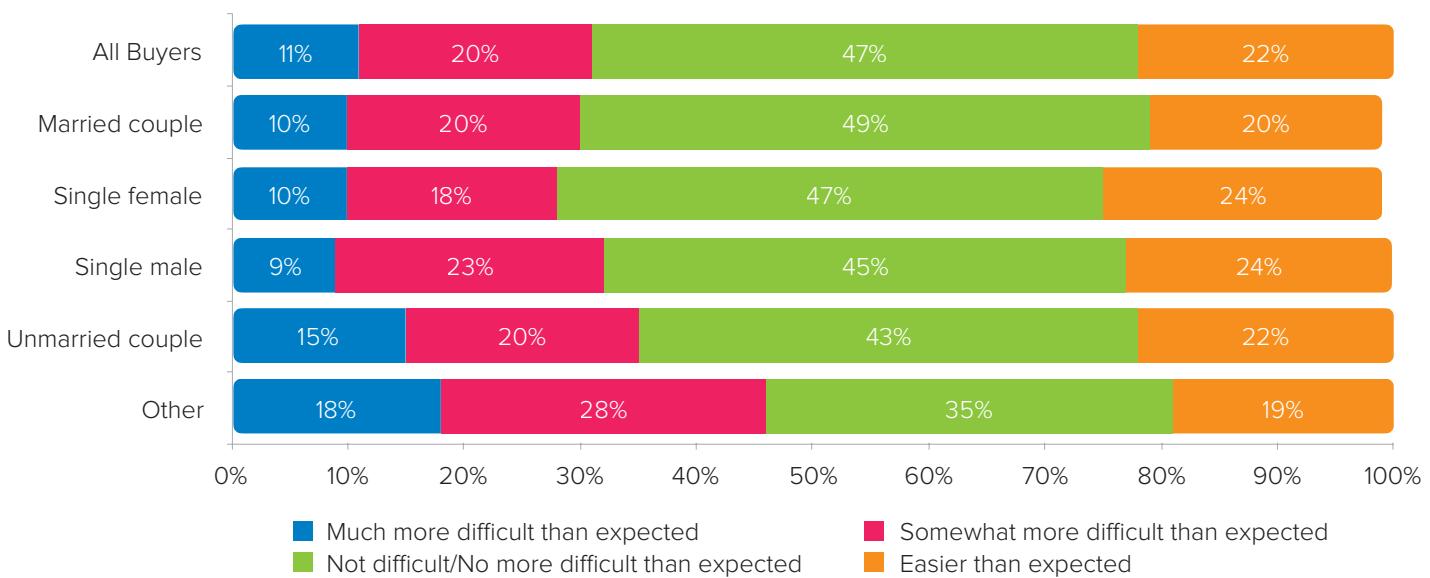


Exhibit 5–14: Buyer Mortgage Application Had Been Rejected From Mortgage Lender

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Have had application denied	5%	6%	4%
Median number of times application was denied	1	1	1
BUYER REASONS WHY REJECTED BY MORTGAGE LENDER			
Debt to income ratio	35%	43%	28%
Low credit score	21%	28%	15%
Income was unable to be verified	14%	14%	15%
Insufficient downpayment	12%	12%	11%
Not enough money in reserves	9%	13%	6%
Too soon after refinancing another property	*	*	1%
Don't know	4%	7%	2%
Other	34%	21%	44%

* Less than 1 percent

CHAPTER 5: FINANCING THE HOME PURCHASE

Exhibit 5–15: Buyers Who Have Student Loan Debt

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Have student loan debt	24%	39%	16%
Under \$10,000	17%	17%	17%
\$10,000 to \$24,999	26%	25%	27%
\$25,000 to \$49,999	23%	25%	21%
\$50,000 to \$74,999	15%	15%	16%
\$75,000 or more	19%	19%	19%
Median amount of student loan debt	\$30,000	\$30,000	\$30,000

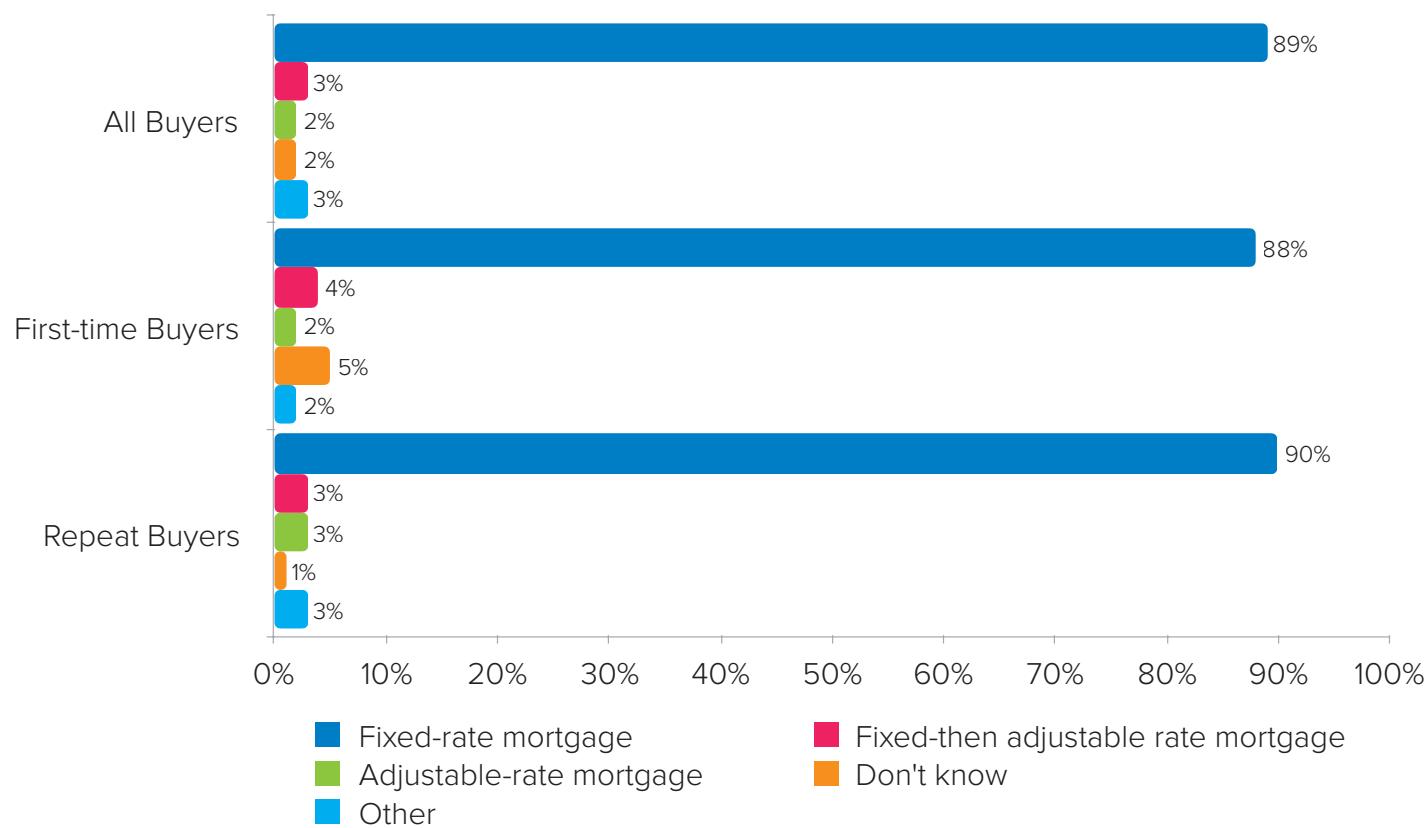
Exhibit 5–16: Buyer Previously Sold a Distressed Property (Short Sale or Foreclosure)

(Percentage Distribution)

	ALL BUYERS
Previously had a distressed property sale	9%
Median year of sale	2011

Exhibit 5–17: Type of Mortgage, First-Time and Repeat Buyers

(Percentage Distribution Among Those Who Financed Their Home Purchase)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 5–18: Type of Loan, First-Time and Repeat Buyers

(Percentage Distribution Among Those Who Financed Their Home Purchase)

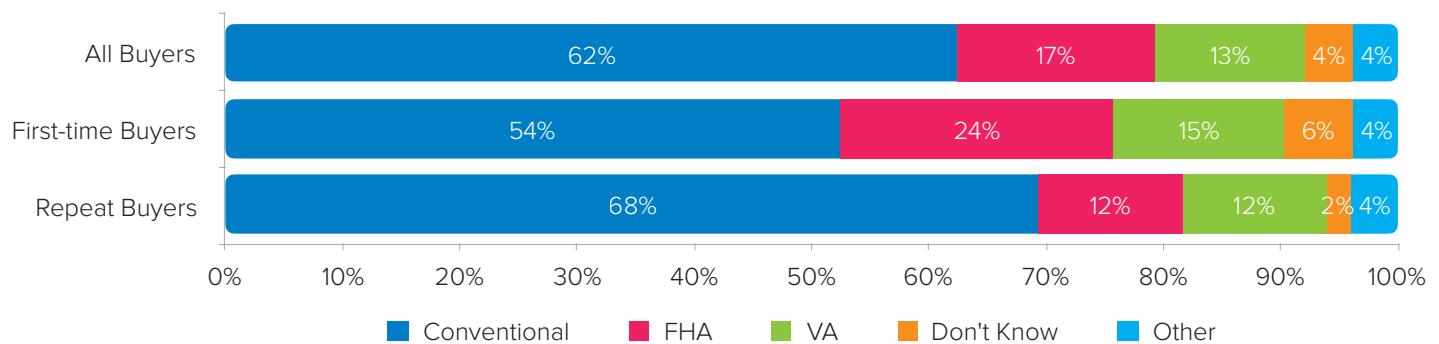


Exhibit 5–19: Buyers' View of Homes as a Financial Investment, First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percentage Distribution)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Good financial investment	81%	81%	80%	83%	81%
Better than stocks	40%	41%	39%	40%	40%
About as good as stocks	29%	29%	28%	29%	29%
Not as good as stocks	12%	11%	13%	14%	12%
Not a good financial investment	6%	4%	6%	5%	6%
Don't know	14%	14%	14%	12%	14%

Exhibit 5–20: Buyers' View of Homes as a Financial Investment, by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD					
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Good financial investment	81%	80%	78%	83%	86%	69%
Better than stocks	40%	39%	40%	44%	41%	35%
About as good as stocks	29%	27%	29%	27%	35%	25%
Not as good as stocks	12%	14%	9%	12%	10%	9%
Not a good financial investment	6%	7%	4%	3%	3%	13%
Don't know	14%	13%	18%	14%	10%	17%



CHAPTER 6:

Home Sellers and their Selling Experience

NAR has collected data on the median tenure in the home since 1985. In 2019, the median tenure for sellers was 10 years. In 1985, the median tenure was just five years. In the last 30 years, sellers have remained in the same home for longer periods of time. From 1987 to 2008, sellers stayed in the home for a median of six years, with the only exception of 1997 when the median tenure bumped up to seven years. After 2008, the median tenure in the home began to increase by one year each year. By 2011, the median tenure reached nine years, where it remained for three consecutive years, and jumped up again in 2014 to 10 years. It decreased to nine years again in 2015 but rose in 2016 to a median of 10 years, dipped slightly to 9 in 2017 and 2018, and increased yet again in 2019 to 10 years.

Tightened inventory continues to cause prices to increase in many areas of the country. While housing inventory was reduced in many areas, sellers saw a favorable market where they received a median of 99 percent of their asking price and sold their homes typically within three weeks.

Increased home prices have lowered the share of home sellers who report they delayed the sale of their home because their home was worth less than their mortgage. That share of sellers dropped from eight percent in the 2018 report to seven percent in 2019. However, sellers who purchased their home 11 to 15 years ago continue to report stalling their home sale at higher rates—17 percent of sellers reported delaying their home sale.

The typical seller had \$60,000 in equity in their home when their home sold, in comparison to the purchase price of their home.

CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

HOME SELLER CHARACTERISTICS

Exhibits 6–1 through 6–6

The typical age of home sellers was 57 this year, up from 46 in 2009. The median income in 2018 for the typical household was \$102,900, up from \$98,800 just last year. Incomes in the Northeast and South were typically higher than in the Midwest and West.

The share of married couples selling their home was 72 percent this year, up slightly from 71 percent last year. From 2004 to 2010, the share of married couples selling their homes stayed between 71 and 75 percent. Single females who sold their home decreased this year to 16 percent. Of all homes sold on the market, 67 percent did not have children under the age of 18 residing in the home.

For all sellers, 91 percent identified as White or Caucasian and 98 percent of households speak English as their primary language.

HOME SELLING SITUATION

Exhibits 6–7 and 6–8

For repeat buyers, 35 percent sold their home in 2019, 35 percent in 2018, 14 percent sold in 2017 or earlier, and only six percent have not been able to sell yet. Five percent did not plan to sell their home. More than two-thirds (69 percent) were repeat sellers, and the share of first-time home sellers was 31 percent.

HOME SOLD VS. HOME PURCHASED

Exhibits 6–9 through 6–20

The majority of home sellers in 2019 reported they purchased a home in the same state as they sold a home at 70 percent. Seventeen percent of home sellers moved to another region of the country, and 13 percent remained in the same region but moved to a nearby state. Half of the homes sold (51 percent) were located in the suburbs or a subdivision. Thirty-four percent of the homes sold this year were located in the South region, 25 percent were in the Midwest region, 26 percent were in the West region, and 14 percent were in the Northeast.

Detached single-family homes were the most common homes sold at 82 percent. Townhome and row houses sold at five percent and multi-unit apartments or condos buildings sold at four percent. Townhomes and condos were more common in urban and central city areas at 10 percent and 12 percent, respectively.

Forty-four percent of sellers traded up and purchased a home that was larger in size than what they previously owned, 30 percent bought a home that was similar in size, and 26 percent traded down and purchased a home that was smaller in size. For sellers 75 years in age and older, they bought a home 400 square feet smaller than the home they sold. For sellers 55 years in age and older, they purchased a similar-sized home. For sellers who were 44 years and younger, they purchased a home 700 square

feet larger. The typical home had three bedrooms and two bathrooms, the same as in the year prior.

Forty-eight percent of all sellers purchased a home that was newer in age than their previous home. Twenty-eight percent purchased a home the same age, and 24 percent purchased an older home. Forty-four percent of sellers traded up to purchase a more expensive home than the home they just sold, 30 percent purchased a less expensive home, and 26 percent purchased a home similar in price. Sellers who are 64 and younger typically bought a more expensive home than the one they just sold. Sellers aged 18 to 34 bought the most expensive trade-ups this year by an increase of \$110,000. Sellers aged 65 and over typically bought a less expensive home.

For all sellers, the most commonly cited reason for selling their home was the desire to move closer to friends and family (16 percent), followed by the home was too small (13 percent), and a job relocation (11 percent). This is the first time since the data has been collected since 2005 that the desire to sell to move closer to friends and family has been the top reason to move.

Since 2013, the top reason to move was the home was too small. For sellers that moved the greatest distances, the primary reason was to relocate for a job. For sellers moving within 10 miles, the most common reason was the home was too small followed by a change in family situation, and the neighborhood became less desirable. The most common reasons among seller experience: for first-time sellers, 25 percent said their home was too small and repeat sellers wanted to be closer to friends and family (19 percent).

SELLER STALLED HOME SALE

Exhibits 6–21 and 6–22

Seven percent of recent sellers stalled or delayed their home sale because their home was worth less than their mortgage. Ninety-three percent were able to sell when they wanted to. Thirteen percent of first-time sellers stalled but lived in the home, compared to five percent for repeat sellers. Twenty percent of those who purchased their home 11 to 15 years ago reported stalling or waiting to sell the home. In 2014, 17 percent of sellers wanted to sell earlier but were unable to because their home was worth less than their mortgage.

TENURE IN HOME

Exhibits 6–23 through 6–25

The median number of years a seller remained in their home was 10 years. That number was still higher than reported in 2001 to 2008 where the tenure in the home was only six years. The highest tenure in a home was for detached single-family homes, where sellers typically lived for 10 years, followed by mobile or manufactured homes which also sold typically after 10 years. Sellers who were 18 to 34 years of age had the shortest tenure in their homes—selling within five years, compared to those over 75 years of age who remained in their homes typically 19 years or more. In 1985, the median tenure was just five years, doubling to 10 years this year.

2019 PROFILE OF HOME BUYERS AND SELLERS

DISTANCE MOVED

Exhibits 6-26 and 6-27

The purchasing habits of sellers led them to buy close to where they previously lived, moving a median of 20 miles away. In the Northeast and Midwest, sellers typically moved within 5 miles compared to 31 miles in the South and 25 miles in the West. This trend varied with age, where sellers between 35 to 44 years only moved within 12 miles. Sellers of 65 to 74 years moved over 100 miles away 42 percent of the time.

METHOD OF SALE

Exhibits 6-28 through 6-31

Eighty-nine percent of home sellers worked with a real estate agent to sell their home. The share of FSBO sales was at eight percent this year, which is lower than the historical norm. From 2001 to 2008, FSBO sales ranged from 12 percent to 14 percent. Working with an agent was highest in the South and West at 91 and 89 percent respectively, and lowest in the Northeast and Midwest at 88 percent. Inversely, FSBO sales were highest in the Midwest and Northeast at nine percent and closer to six percent in the other regions.

The method of sale tends to differ in conjunction with the relationship between the buyer and seller. If the buyer and seller know each other, the sale can be either an arms-length transaction consistent with local market conditions or it may involve considerations that would be not be relevant in the absence of a prior relationship.

Of all home sellers, only eight percent reported that they knew the buyer of their home. Among sellers that knew the buyer, four percent were assisted by an agent. In contrast, 58 percent of FSBO sellers said they knew the buyer of their home before the transaction.

SALES PRICE AND TIME ON THE MARKET

Exhibits 6-32 through 6-36

For recently sold homes, the final sales price was a median of 99 percent of the final listing price. In the West, the median final sales price was as high as 100 percent of the listing price compared to 98 percent in the Midwest. For all sellers, time on market was a median of three weeks. In the Northeast, South and West, it was a median of three weeks, and just two weeks in the Midwest. Time on the market and the ratio of sales price to listing price have a strong relationship; generally, the longer a home is on the market the greater the discount from the listing price upon sale. Homes that were on the market for two weeks or less received a median of 100 percent of their asking price. Twenty-eight percent of sellers who sold their home in less than a week, sold for more than the asking price. Homes that were on the market for 17 weeks or more typically received just 93 percent of the sale price compared to the listing price. Forty-six percent of sellers reported their home was on the market for two weeks or less.

Homes which are on the market longer tend to reduce their listing price. Ninety-two percent of homes that were listed on the market for less than one week did not reduce their asking price. For homes that were listed for three to four weeks, 43 percent reduced their asking price overall and 33 percent reduced the asking price only once. For homes on the market for 17 weeks or more, only 13 percent were sold at the initial asking price.

INCENTIVES TO PROSPECTIVE BUYERS

Exhibits 6-37 and 6-38

Thirty-four percent of all sellers offered incentives to attract buyers. This varies by region, and was the most common in the South, West, and Midwest and less likely in the Northeast. Home warranty policies followed by assistance with closing costs were the top two listed incentives when selling a home. As might be expected, the longer a home is on the market, the more likely the seller is to add an incentive. For homes that were listed on the market for over 17 weeks, 53 percent offered some kind of incentive compared to only 18 percent of homes that were listed for less than one week.

EQUITY BY TENURE

Exhibit 6-39

This year, home sellers cited that they sold their homes for a median of \$60,000 more than they purchased it, up from \$55,500 the year prior. This accounted for a 31 percent price gain, up from 29 percent the year before. Generally, the longer a seller is in the home the greater the increase attributable to price appreciation. Sellers who owned their homes for six to seven years reported roughly selling their homes for \$72,200 more than they purchased it. That number dropped to \$35,000 between 11 and 15 years, and then increased again. Homes sold after 21 years reported a price gain of \$162,000.

SATISFACTION WITH THE SALES PROCESS

Exhibit 6-40

Sixty-six percent of sellers were ‘very satisfied’ with the selling process. Twenty-six percent were somewhat satisfied. Eight percent were dissatisfied with the process.

“The median number of years a seller remained in their home was 10 years. That number was still higher than reported in 2001 to 2008 where the tenure in the home was only six years.”

CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6–1: Age of Home Sellers, by Region

(Percentage Distribution)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
18 to 34 years	12%	17%	13%	10%	12%
35 to 44 years	18%	17%	21%	17%	18%
45 to 54 years	15%	16%	15%	16%	13%
55 to 64 years	22%	23%	21%	21%	26%
65 to 74 years	24%	21%	24%	27%	24%
75 years or older	8%	7%	7%	9%	7%
Median age (years)	57	55	55	58	58

Exhibit 6–2: Household Income of Home Sellers, 2018

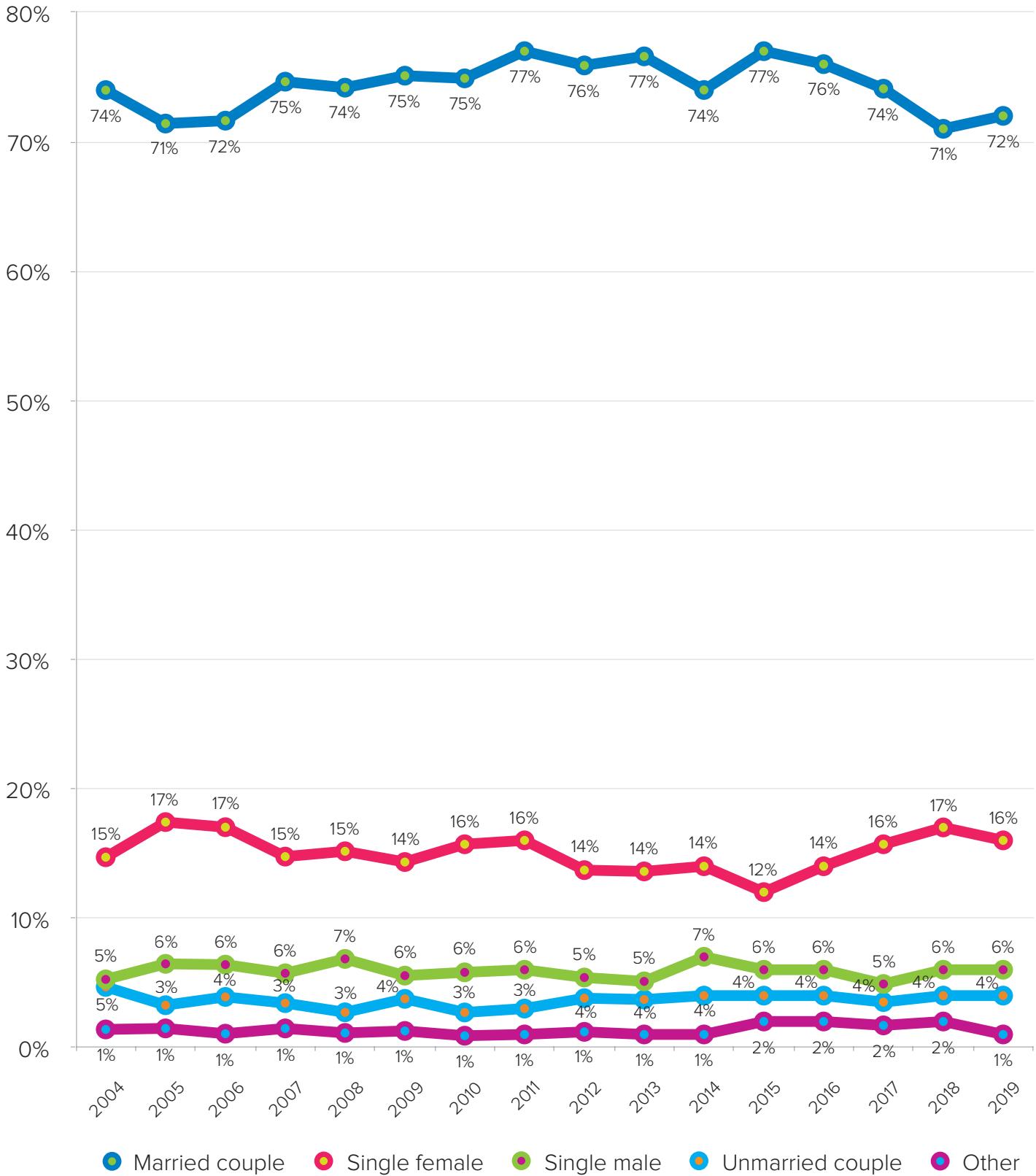
(Percentage Distribution)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than \$25,000	3%	4%	2%	2%	3%
\$25,000 to \$34,999	4%	4%	4%	3%	3%
\$35,000 to \$44,999	4%	3%	4%	4%	6%
\$45,000 to \$54,999	6%	4%	5%	6%	7%
\$55,000 to \$64,999	6%	7%	7%	4%	6%
\$65,000 to \$74,999	7%	5%	8%	7%	7%
\$75,000 to \$84,999	7%	5%	7%	7%	7%
\$85,000 to \$99,999	11%	9%	12%	13%	9%
\$100,000 to \$124,999	17%	15%	20%	17%	15%
\$125,000 to \$149,999	10%	12%	8%	10%	10%
\$150,000 to \$174,999	7%	6%	7%	9%	6%
\$175,000 to \$199,999	5%	7%	4%	5%	5%
\$200,000 or more	13%	19%	11%	11%	15%
Median income (2018)	\$102,900	\$115,000	\$101,300	\$105,900	\$103,300

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 6–3: Adult Composition of Home Seller Households, 2004–2019

(Percentage Distribution)



CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6–4: Number of Children Under the Age of 18 Residing in Home Seller Household

(Percentage Distribution of Home Seller Households)

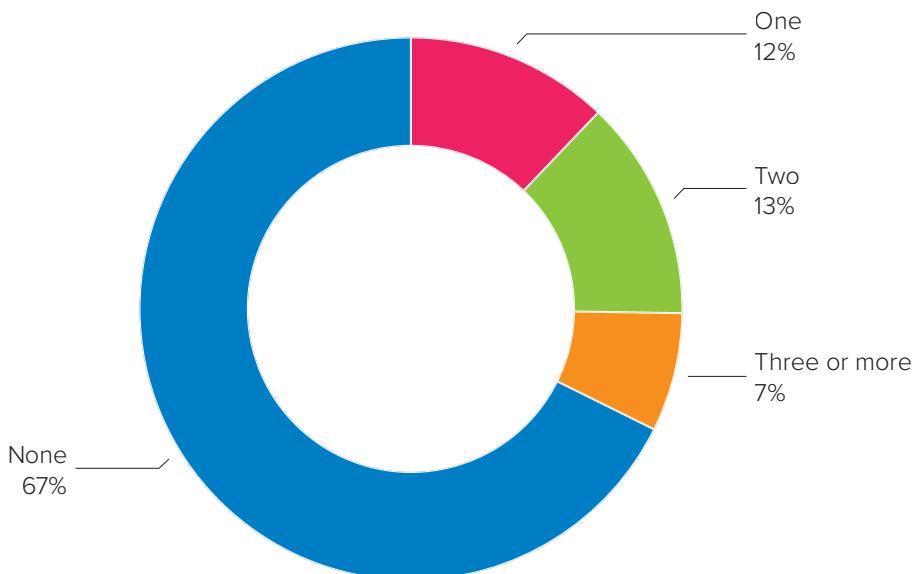


Exhibit 6–5: Race/Ethnicity of Home Sellers, by Region

(Percent of Respondents)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
White/Caucasian	91%	95%	96%	90%	87%
Hispanic/Latino/Mexican/Puerto Rican	4%	2%	1%	3%	7%
Asian/Pacific Islander	3%	2%	2%	2%	4%
Black/African-American	2%	1%	1%	3%	2%
Other	2%	1%	2%	3%	3%

Note: Respondents were permitted to select as many races and ethnicities as they felt applicable.

The percentage distribution may therefore sum to more than 100 percent.

Exhibit 6–6: Primary Language Spoken in Home Seller Household, by Region

(Percentage Distribution)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
English	98%	98%	98%	98%	98%
Other	2%	2%	2%	2%	2%

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 6–7: Home Selling Situation Among Repeat Buyers

(Percentage Distribution)

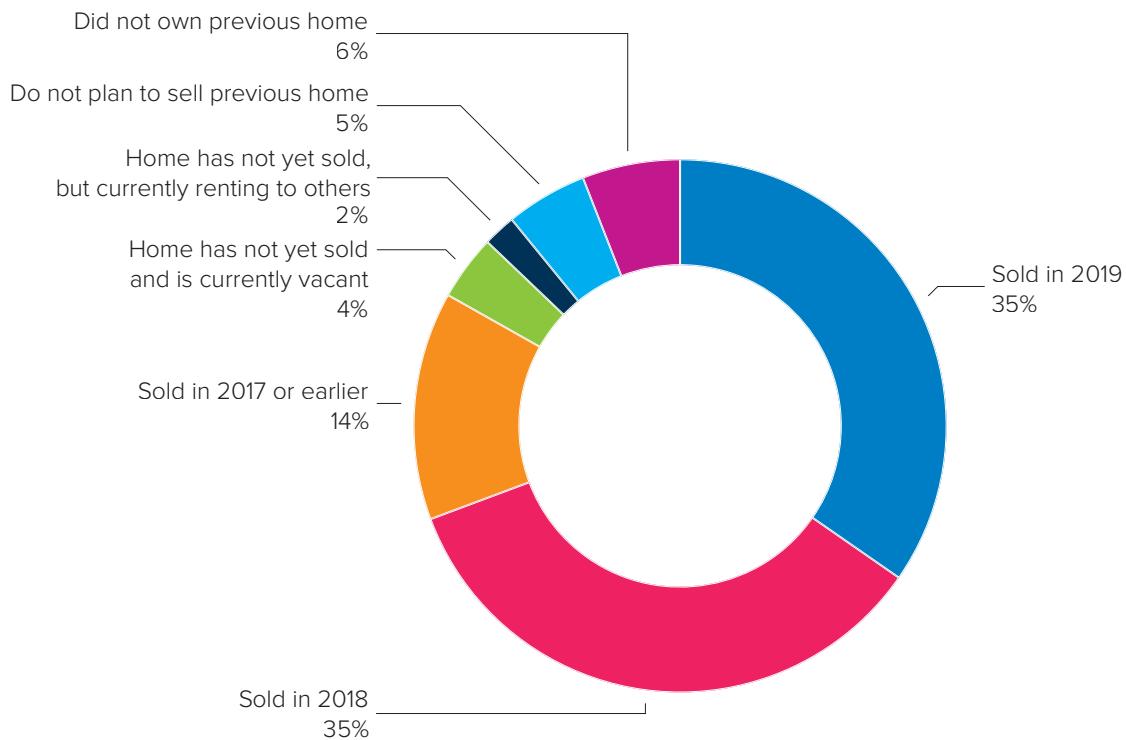
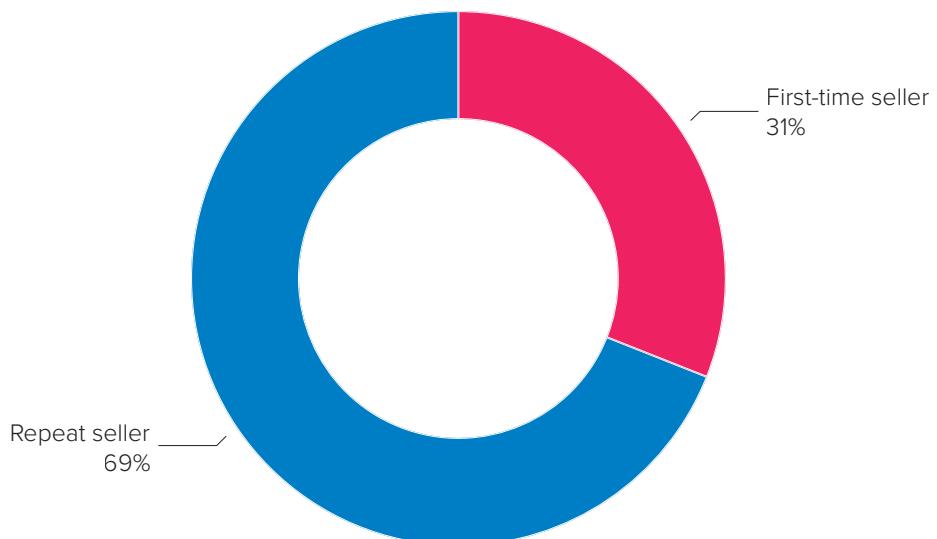


Exhibit 6–8: First-Time or Repeat Seller

(Percentage Distribution)



CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6–9: Homes Sold and for Sale, by Region

(Percentage Distribution)

	HOMES SOLD	HOME HAS NOT YET SOLD AND IS CURRENTLY VACANT	HOME HAS NOT YET SOLD, BUT CURRENTLY RENTING TO OTHERS
Northeast	14%	15%	20%
Midwest	25%	28%	32%
South	34%	42%	32%
West	26%	16%	16%

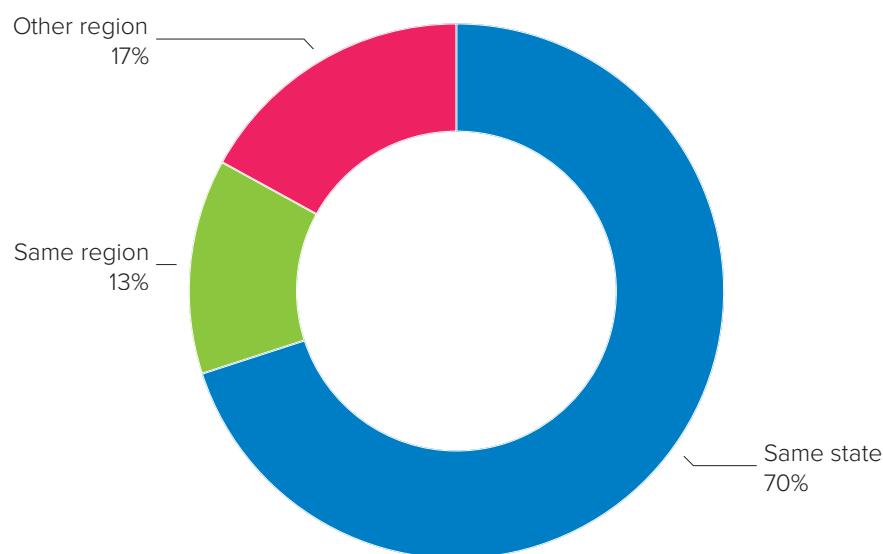
Exhibit 6–10: Location of Home Sold

(Percentage Distribution)

	HOMES SOLD	HOME HAS NOT YET SOLD AND IS CURRENTLY VACANT	HOME HAS NOT YET SOLD, BUT CURRENTLY RENTING TO OTHERS
Suburb/Subdivision	51%	39%	60%
Small town	17%	19%	13%
Urban area/Central city	15%	13%	13%
Rural area	14%	23%	11%
Resort/Recreation area	3%	6%	2%

Exhibit 6–11: Proximity of Home Sold to Home Purchased

(Percentage Distribution)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 6–12: Type of Home Sold, by Location

(Percentage Distribution)

	SELLERS WHO SOLD A HOME IN A					
	ALL SELLERS	SUBURB/ SUBDIVISION	SMALL TOWN	URBAN/ CENTRAL CITY	RURAL AREA	RESORT/ RECREATION AREA
Detached single-family home	82%	85%	86%	71%	86%	68%
Townhouse/row house	5%	6%	5%	10%	*	8%
Apartment/condo in a building with 5 or more units	4%	3%	2%	12%	1%	6%
Duplex/apartment/condo in 2 to 4 unit building	3%	3%	2%	5%	1%	1%
Other	5%	2%	6%	2%	12%	16%

* Less than 1 percent

Exhibit 6–13: Size of Home Purchased Compared to Home Recently Sold

(Percentage Distribution)

SIZE OF HOME SOLD	SIZE OF HOME PURCHASED					
	1,000 SQ FT OR LESS	1,001 SQ FT TO 1,500 SQ FT	1,501 SQ FT TO 2,000 SQ FT	2,001 SQ FT TO 2,500 SQ FT	2,501 SQ FT TO 3,000 SQ FT	MORE THAN 3,000 SQ FT
1,000 SQ FT OR LESS	*	*	*	*	*	*
1,001 TO 1,500 SQ FT	*	3%	6%	4%	2%	2%
1,501 TO 2,000 SQ FT	*	2%	7%	6%	4%	4%
2,001 TO 2,500 SQ FT	*	2%	5%	8%	4%	6%
2,501 TO 3,000 SQ FT	*	1%	3%	3%	3%	4%
MORE THAN 3,000 SQ FT	*	1%	3%	4%	3%	9%

* Less than 1 percent

■ 44% Trading Up ■ 30% Remaining at the Same Size Range ■ 26% Trading Down

Exhibit 6–14: Size of Home Purchased Compared to Home Recently Sold, by Age of Seller

(Median Square Feet)

	SIZE OF HOME SOLD	SIZE OF HOME PURCHASED	DIFFERENCE
18 to 34 years	1,500	2,200	700
35 to 44 years	1,800	2,500	700
45 to 54 years	2,100	2,100	0
55 to 64 years	2,000	2,000	0
65 to 74 years	1,900	1,900	0
75 years or older	2,200	1,800	-400

CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6–15: Number of Bedrooms and Bathrooms by Adult Composition of Household and Children in Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL SELLERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
One bedroom	1%	1%	1%	5%	4%	*	*	2%
Two bedrooms	15%	12%	23%	20%	25%	23%	11%	17%
Three bedrooms or more	84%	87%	76%	74%	72%	77%	88%	82%
Median number of bedrooms	3	3	3	3	3	3	3	3
One full bathroom	16%	15%	17%	21%	25%	32%	18%	15%
Two full bathrooms	60%	60%	60%	62%	63%	58%	57%	61%
Three full bathrooms or more	24%	26%	23%	17%	12%	10%	25%	23%
Median number of full bathrooms	2	2	2	2	2	2	2	2

* Less than 1 percent

Exhibit 6–16: Age of Home Purchased Compared to Home Recently Sold

(Percentage Distribution)

YEAR HOME SOLD WAS BUILT	YEAR PURCHASED HOME WAS BUILT							
	2019 AND 2018	2011 THROUGH 2006	2005 THROUGH 2000	1999 THROUGH 1984	1983 THROUGH 1958	1957 THROUGH 1915	1914 AND OLDER	
2019 AND 2018	*	*	*	*	*	*	*	*
2011 THROUGH 2006	*	8%	*	2%	2%	1%	*	*
2005 THROUGH 2000	*	4%	3%	6%	2%	*	*	*
1999 THROUGH 1984	*	6%	4%	9%	3%	1%	*	*
1983 THROUGH 1958	*	8%	5%	5%	5%	1%	1%	
1957 THROUGH 1915	*	2%	2%	2%	5%	3%	*	*
1914 AND OLDER	*	1%	*	*	1%	*	*	*

* Less than 1 percent

 48% Purchased a Newer Home  28% Purchased a Home the Same Age  24% Purchased Older Home

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 6–17: Price of Home Purchased Compared to Home Recently Sold

(Percentage Distribution)

PRICE OF HOME SOLD	PRICE OF HOME PURCHASED									
	LESS THAN \$100,000	\$100,000 TO \$149,999	\$150,000 TO \$199,999	\$200,000 TO \$249,999	\$250,000 TO \$299,999	\$300,000 TO \$349,999	\$350,000 TO \$399,999	\$400,000 TO \$499,999	\$400,000 OR MORE	
LESS THAN \$100,000	2%	1%	1%	*	*	*	*	*	*	
\$100,000 TO \$149,999	1%	2%	2%	2%	1%	1%	1%	*	*	
\$150,000 TO \$199,999	1%	2%	3%	3%	3%	1%	1%	1%	*	
\$200,000 TO \$249,999	*	1%	2%	3%	3%	2%	1%	2%	1%	
\$250,000 TO \$299,999	*	1%	2%	2%	2%	2%	1%	1%	1%	
\$300,000 TO \$349,999	*	*	1%	1%	2%	2%	2%	2%	2%	
\$350,000 TO \$399,999	*	*	*	1%	1%	1%	1%	2%	2%	
\$400,000 TO \$499,999	*	*	*	1%	1%	1%	1%	2%	3%	
\$500,000 OR MORE	*	*	*	1%	1%	1%	1%	3%	9%	

* Less than 1 percent

■ 44% Trading Up ■ 26% Remaining at the Same Price Range ■ 30% Trading Down

Exhibit 6–18: Price of Home Purchased Compared to Home Recently Sold, by Age of Seller

(Median)

	PRICE OF HOME SOLD	PRICE OF HOME PURCHASED	DIFFERENCE
18 to 34 years	\$210,000	\$320,000	\$110,000
35 to 44 years	\$278,900	\$348,700	\$69,800
45 to 54 years	\$295,000	\$325,000	\$30,000
55 to 64 years	\$293,600	\$295,000	\$1,400
65 to 74 years	\$280,000	\$271,700	-\$8,300
75 years or older	\$304,200	\$272,100	-\$32,100

CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6–19: Primary Reason for Selling Previous Home, by Miles Moved

(Percentage Distribution)

	ALL SELLERS	10 MILES OR LESS	11 TO 20 MILES	21 TO 50 MILES	51 TO 100 MILES	101 TO 500 MILES	501 MILES OR MORE
Want to move closer to friends or family	16%	9%	21%	23%	26%	32%	29%
Home is too small	13%	20%	13%	4%	2%	1%	*
Job relocation	11%	3%	10%	23%	32%	25%	48%
Change in family situation (e.g., marriage, birth of a child, divorce)	10%	13%	10%	7%	3%	6%	2%
Neighborhood has become less desirable	10%	13%	6%	7%	3%	8%	*
Home is too large	9%	12%	7%	4%	1%	3%	1%
Moving due to retirement	6%	3%	8%	12%	14%	11%	5%
Want to move closer to current job	5%	5%	10%	5%	2%	2%	4%
Upkeep of home is too difficult due to health or financial limitations	4%	4%	5%	7%	2%	3%	*
Can not afford the mortgage and other expenses of owning home	1%	1%	2%	2%	1%	1%	1%
Schools became less desirable	1%	1%	1%	1%	*	*	*
Other	14%	17%	8%	6%	14%	8%	10%

* Less than 1 percent

Exhibit 6–20: Primary Reason for Selling Previous Home, by First-Time and Repeat Sellers

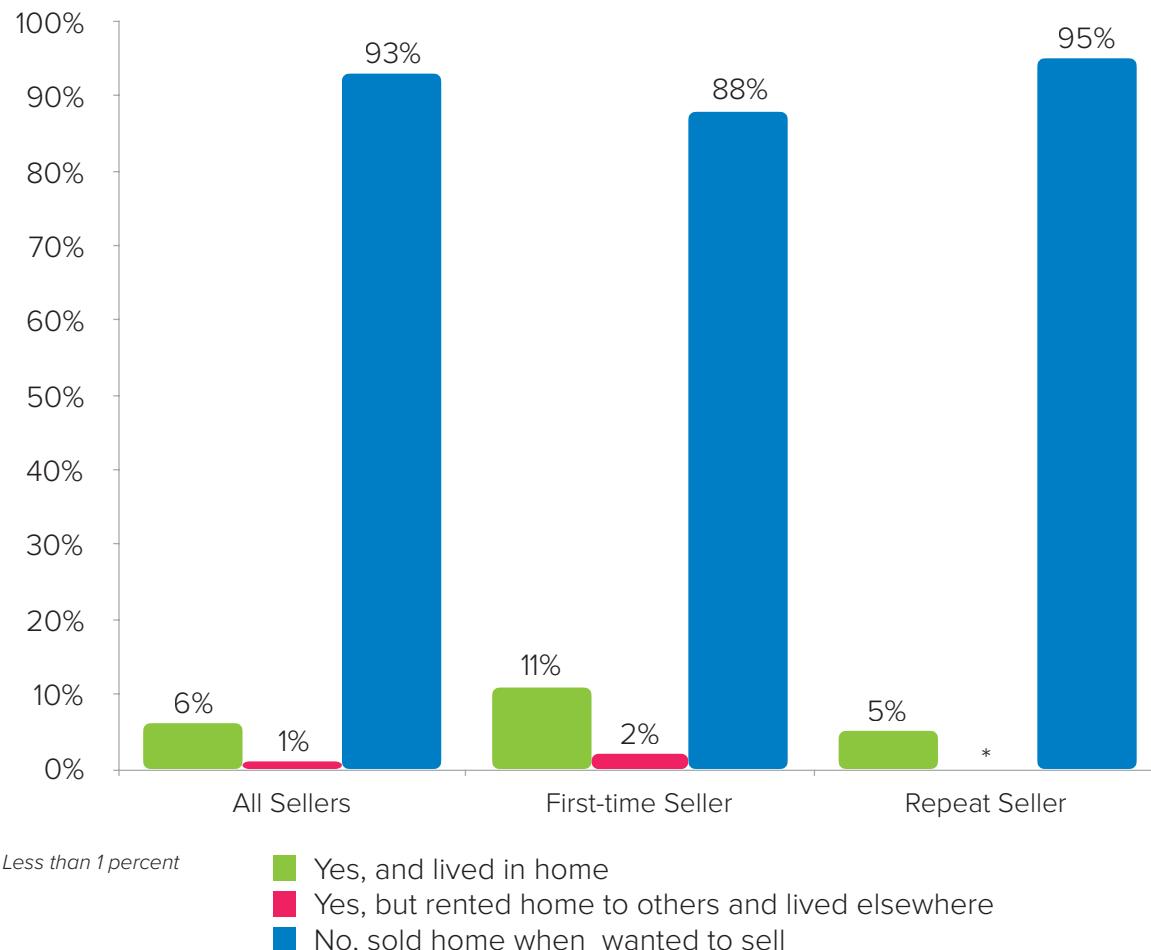
(Percentage Distribution)

	ALL SELLERS	FIRST-TIME SELLER	REPEAT SELLER
Want to move closer to friends or family	16%	10%	19%
Home is too small	13%	25%	8%
Job relocation	11%	14%	10%
Change in family situation (e.g., marriage, birth of a child, divorce)	10%	14%	9%
Neighborhood has become less desirable	10%	11%	10%
Home is too large	9%	3%	11%
Moving due to retirement	6%	3%	7%
Want to move closer to current job	5%	5%	4%
Upkeep of home is too difficult due to health or financial limitations	4%	2%	5%
Can not afford the mortgage and other expenses of owning home	1%	2%	1%
Schools became less desirable	1%	2%	1%
Other	14%	10%	15%

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 6–21: Seller Wanted To Sell Earlier but Waited or Stalled Because Home Was Worth Less than Mortgage, by First-Time and Repeat Sellers

(Percentage Distribution)



CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6–22: Seller Wanted To Sell Earlier but Waited or Stalled Because Home Was Worth Less than Mortgage, by Tenure in Home

(Percentage Distribution)

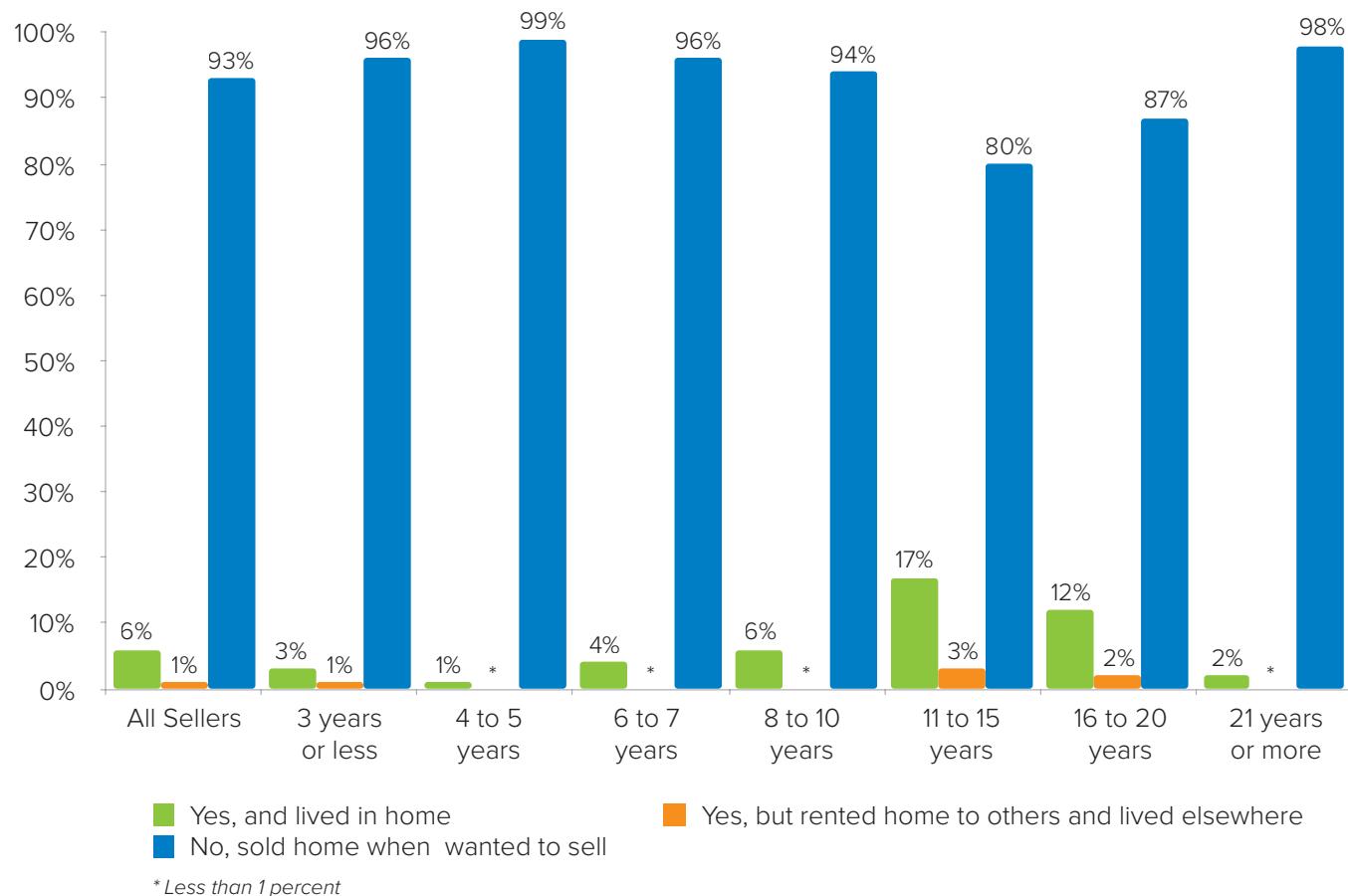


Exhibit 6–23: Tenure in Previous Home

(Percentage Distribution)

	ALL TYPES	CABIN/ COTTAGE	DUPLEX/ APARTMENT/ CONDO IN 2-4 UNIT STRUCTURE	APARTMENT/ CONDO IN BUILDING WITH 5 OR MORE UNITS	TOWNHOUSE/ ROW HOUSE	DETACHED SINGLE-FAMILY HOME	MOBILE/ MANUFACTURED HOME	OTHER
1 year or less	4%	*	5%	8%	9%	6%	4%	3%
2 to 3 years	13%	12%	12%	19%	16%	16%	12%	6%
4 to 5 years	14%	59%	18%	19%	20%	14%	13%	11%
6 to 7 years	11%	*	8%	7%	10%	4%	12%	8%
8 to 10 years	10%	*	16%	15%	6%	14%	10%	8%
11 to 15 years	16%	*	15%	19%	20%	25%	15%	11%
16 to 20 years	12%	24%	15%	10%	10%	10%	12%	22%
21 years or more	19%	6%	10%	3%	9%	12%	21%	31%
Median	10	5	8	7	6	10	10	6

* Less than 1 percent

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 6–24: Tenure in Previous Home, by Age of Seller

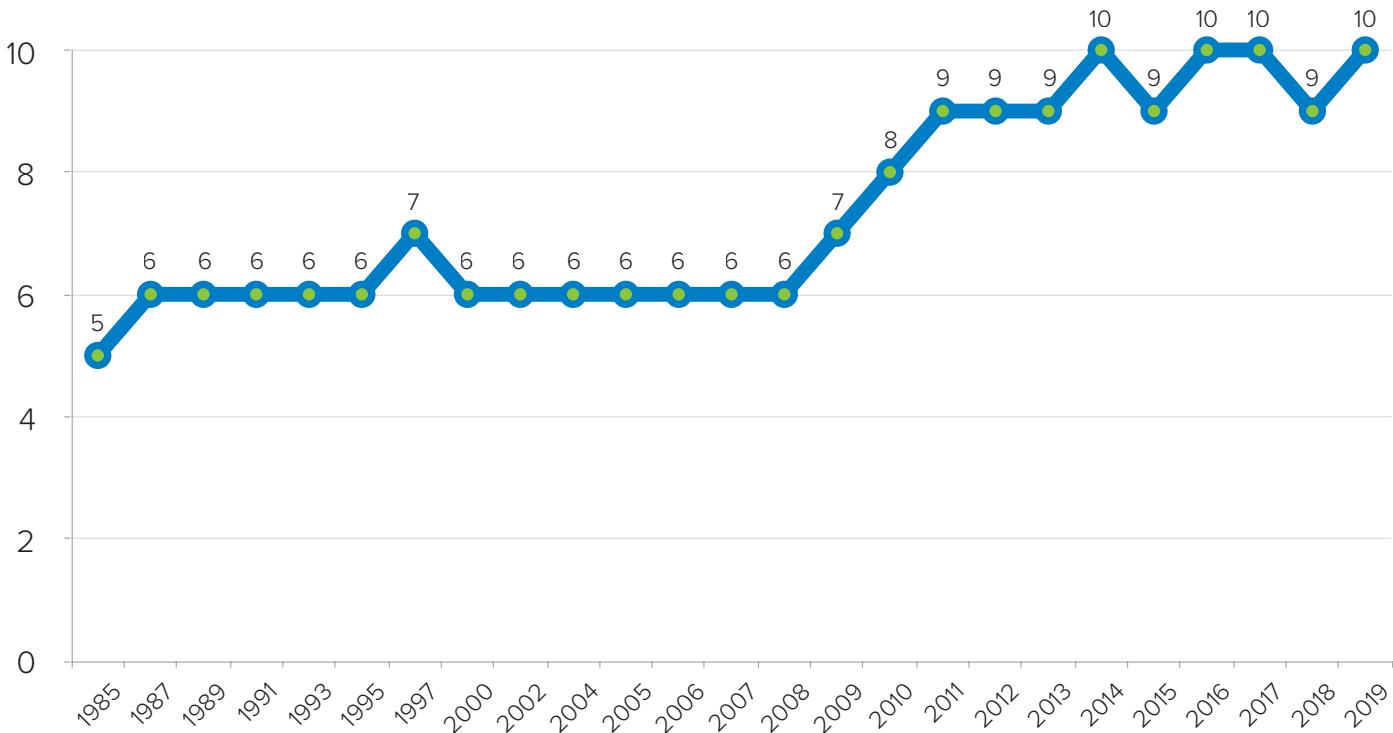
(Percentage Distribution)

	ALL SELLERS	18 TO 34 YEARS	35 TO 44 YEARS	45 TO 54 YEARS	55 TO 64 YEARS	65 TO 74 YEARS	75 YEARS OR OLDER
1 year or less	4%	4%	4%	6%	4%	2%	8%
2 to 3 years	13%	27%	12%	14%	10%	11%	6%
4 to 5 years	14%	40%	17%	11%	10%	8%	3%
6 to 7 years	11%	15%	19%	9%	11%	8%	5%
8 to 10 years	10%	9%	22%	9%	7%	5%	5%
11 to 15 years	16%	4%	20%	26%	15%	16%	10%
16 to 20 years	12%	NA	5%	18%	16%	15%	18%
21 years or more	19%	NA	NA	7%	26%	35%	45%
Median	10	5	7	11	12	15	19

NA = Not Applicable

Exhibit 6–25: Median Seller Tenure in Home, 1985–2019

(Median Years)



CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6–26: Distance Between Home Purchased and Home Recently Sold, by Region

(Median Miles)

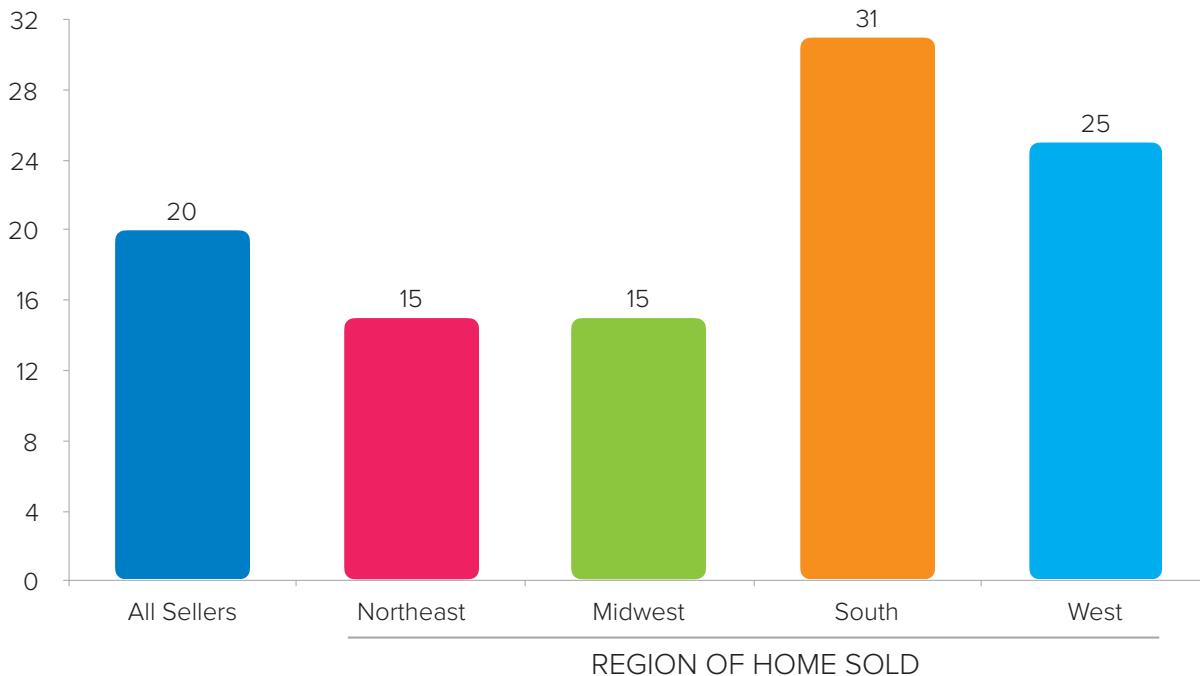


Exhibit 6–27: Distance Between Home Purchased and Home Recently Sold, by Age

(Percentage Distribution)

	ALL SELLERS	18 TO 34 YEARS	35 TO 44 YEARS	45 TO 54 YEARS	55 TO 64 YEARS	65 TO 74 YEARS	75 YEARS OR OLDER
5 miles or less	23%	25%	33%	29%	16%	20%	24%
6 to 10 miles	15%	17%	15%	16%	14%	13%	14%
11 to 15 miles	8%	7%	10%	8%	7%	5%	5%
16 to 20 miles	5%	7%	7%	6%	5%	5%	3%
21 to 50 miles	12%	15%	11%	14%	14%	9%	12%
51 to 100 miles	5%	5%	3%	3%	7%	7%	5%
101 to 500 miles	13%	11%	8%	7%	17%	16%	18%
501 to 1,000 miles	8%	7%	5%	7%	8%	12%	6%
1,001 miles or more	10%	5%	8%	10%	12%	14%	13%
Median (miles)	15	16	12	15	40	45	31

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 6–28: Method Used To Sell Home, by Region

(Percentage Distribution)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
Sold home using an agent or broker	89%	88%	88%	91%	89%
Seller used agent/broker only	88%	87%	86%	90%	88%
Seller first tried to sell it themselves, but then used an agent	1%	1%	2%	1%	1%
For-sale-by-owner (FSBO)	8%	9%	9%	6%	6%
Seller sold home without using a real estate agent or broker	7%	8%	9%	6%	5%
First listed with an agent, but then sold home themselves	1%	1%	*	*	1%
Sold home to a homebuying company	1%	2%	1%	1%	2%
Other	2%	1%	2%	2%	3%

* Less than 1 percent

Exhibit 6–29: Method Used To Sell Home, by Seller Urgency

(Percentage Distribution)

	SELLER NEEDED TO SELL			
	ALL SELLERS	VERY URGENTLY	SOMEWHAT URGENTLY	NOT URGENTLY
Sold home using an agent or broker	89%	91%	92%	87%
Seller used agent/broker only	88%	89%	90%	86%
Seller first tried to sell it themselves, but then used an agent	1%	2%	2%	1%
For-sale-by-owner (FSBO)	8%	6%	5%	10%
Seller sold home without using a real estate agent or broker	7%	6%	5%	9%
First listed with an agent, but then sold home themselves	1%	*	*	1%
Sold home to a homebuying company	1%	2%	2%	1%
Other	2%	1%	2%	2%

* Less than 1 percent

Exhibit 6–30: Method of Sale, by Buyer and Seller Relationship

(Percentage Distribution)

BUYER AND SELLER RELATIONSHIP	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER
All sellers	8%	92%
Sold home using an agent or broker	4%	96%
Seller used agent/broker only	3%	97%
Seller first tried to sell it themselves, but then used an agent	28%	72%
For-sale-by-owner (FSBO)	58%	42%
Sold home without using a real estate agent or broker	60%	40%
First listed with an agent, but then sold home themselves	18%	82%
Other	33%	67%

CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6–31: Method Used To Sell Home, 2001–2019

(Percentage Distribution)

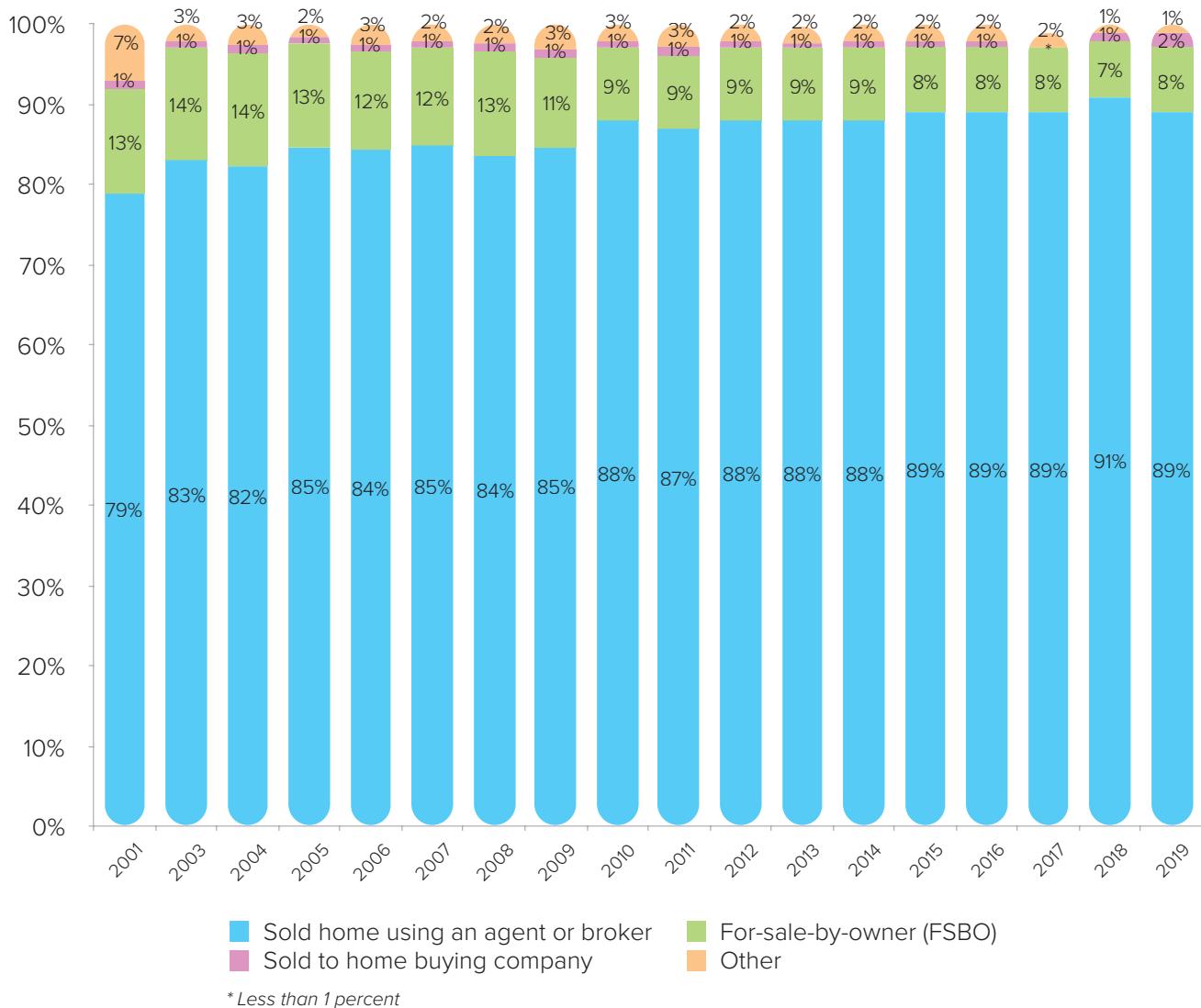


Exhibit 6–32: Sales Price Compared with Listing Price, by Region

(Percentage Distribution of Sales Price as a Percent of Listing Price)

SELLERS WHO SOLD A HOME IN THE

	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than 90%	7%	8%	7%	7%	7%
90% to 94%	13%	13%	17%	12%	12%
95% to 99%	35%	34%	37%	39%	28%
100%	27%	26%	26%	27%	30%
101% to 110%	14%	17%	12%	12%	19%
More than 110%	3%	2%	2%	3%	4%
Median (sales price as a percent of listing price)	99%	99%	98%	99%	100%

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 6–33: Sales Price Compared with Listing Price, by Seller Urgency

(Percentage Distribution of Sales Price as a Percent of Listing Price)

	SELLER NEEDED TO SELL			
	ALL SELLERS	VERY URGENTLY	SOMEWHAT URGENTLY	NOT URGENTLY
Less than 90%	7%	12%	7%	5%
90% to 94%	13%	10%	18%	10%
95% to 99%	35%	34%	32%	38%
100%	27%	29%	24%	30%
101% to 110%	14%	12%	16%	13%
More than 110%	3%	3%	2%	3%
Median (sales price as a percent of listing price)	99%	99%	99%	99%

Exhibit 6–34: Number of Weeks Recently Sold Home Was on the Market, by Region

(Percentage Distribution)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than 1 week	11%	9%	15%	9%	11%
1 to 2 weeks	35%	38%	37%	35%	32%
3 to 4 weeks	14%	12%	11%	14%	17%
5 to 6 weeks	7%	5%	7%	6%	8%
7 to 8 weeks	7%	7%	6%	8%	7%
9 to 10 weeks	3%	3%	3%	3%	3%
11 to 12 weeks	6%	4%	6%	8%	6%
13 to 16 weeks	4%	3%	3%	5%	5%
17 to 24 weeks	5%	8%	4%	5%	4%
25 to 36 weeks	4%	5%	2%	5%	3%
37 to 52 weeks	2%	4%	3%	1%	1%
53 or more weeks	2%	2%	2%	2%	1%
Median weeks	3	3	2	3	3

CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6–35: Sales Price Compared with Listing Price, by Number of Weeks Home Was on the Market

(Percentage Distribution of Sales Price as a Percent of Listing Price)

	ALL SELLERS	LESS THAN 1 WEEK	1 TO 2 WEEKS	3 TO 4 WEEKS	5 TO 8 WEEKS	9 TO 16 WEEKS	17 OR MORE WEEKS
Less than 90%	7%	2%	2%	5%	7%	8%	27%
90% to 94%	13%	3%	4%	12%	16%	28%	31%
95% to 99%	35%	17%	30%	40%	54%	42%	33%
100%	27%	51%	38%	28%	15%	14%	6%
101% to 110%	14%	25%	24%	10%	6%	5%	2%
More than 110%	3%	3%	3%	5%	3%	3%	1%
Median (sales price as a percent of listing price)	99%	100%	100%	99%	97%	96%	93%

* Less than 1 percent

Exhibit 6–36: Number of Times Asking Price Was Reduced, by Number of Weeks Home Was on the Market

(Percentage Distribution)

	ALL SELLERS	LESS THAN 1 WEEK	1 TO 2 WEEKS	3 TO 4 WEEKS	5 TO 8 WEEKS	9 TO 16 WEEKS	17 OR MORE WEEKS
None, did not reduce the asking price	60%	92%	86%	57%	44%	28%	13%
One	23%	8%	13%	33%	35%	32%	32%
Two	10%	*	1%	8%	16%	23%	27%
Three	4%	*	*	2%	4%	11%	15%
Four or more	3%	*	*	*	*	6%	13%

* Less than 1 percent

Exhibit 6–37: Incentives Offered To Attract Buyers, by Region

(Percent of Respondents)

	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
None	66%	74%	66%	62%	66%
Home warranty policies	17%	5%	19%	20%	19%
Assistance with closing costs	14%	13%	12%	17%	12%
Credit toward remodeling or repairs	8%	7%	9%	7%	8%
Other incentives, such as a car, flat screen TV, etc.	3%	2%	3%	4%	3%
Assistance with condo association fees	1%	2%	*	1%	*
Other	4%	4%	3%	4%	5%

* Less than 1 percent

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 6–38: Incentives Offered To Attract Buyers, by Number of Weeks Home Was on the Market

(Percent of Respondents)

	ALL SELLERS	LESS THAN 1 WEEK	1 TO 2 WEEKS	3 TO 4 WEEKS	5 TO 8 WEEKS	9 TO 16 WEEKS	17 OR MORE WEEKS
None	66%	82%	71%	68%	62%	59%	47%
Home warranty policies	17%	10%	14%	19%	19%	21%	26%
Assistance with closing costs	14%	6%	12%	11%	16%	16%	23%
Credit toward remodeling or repairs	8%	3%	6%	8%	6%	11%	14%
Other incentives, such as a car, flat screen TV, etc.	3%	3%	2%	3%	3%	3%	7%
Assistance with condo association fees	1%	*	*	*	*	1%	2%
Other	4%	3%	3%	3%	5%	2%	8%

* Less than 1 percent

Exhibit 6–39: Equity Earned in Home Recently Sold, by Tenure in Home

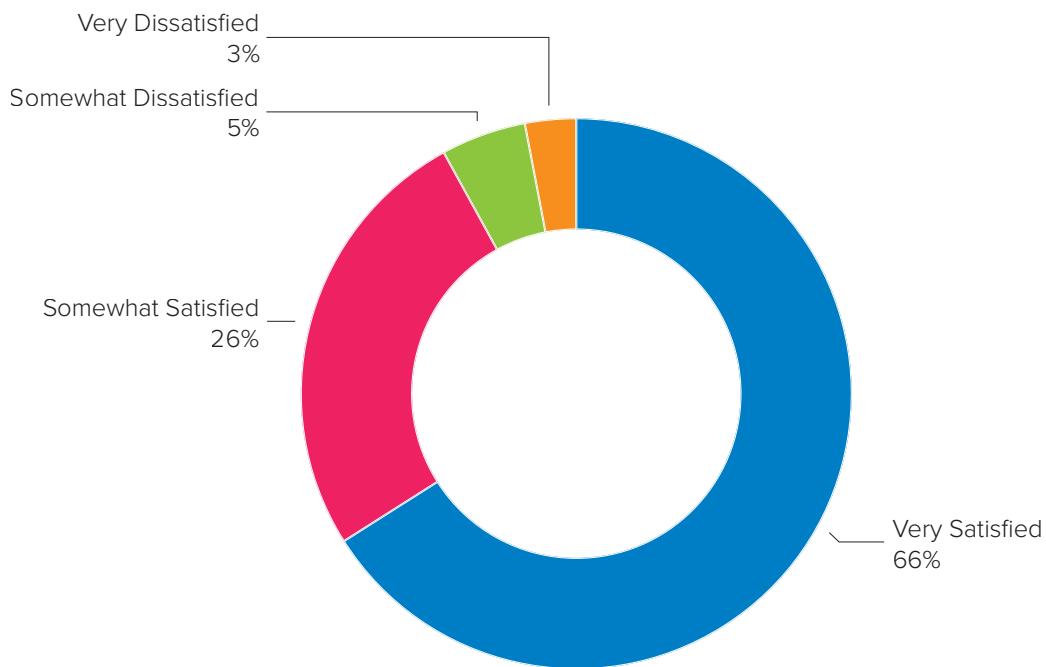
(Median)

TENURE IN HOME	DOLLAR VALUE	PERCENT
1 year or less	\$22,900	11%
2 to 3 years	\$26,200	12%
4 to 5 years	\$48,700	22%
6 to 7 years	\$72,200	34%
8 to 10 years	\$67,800	37%
11 to 15 years	\$35,000	16%
16 to 20 years	\$87,900	49%
21 years or more	\$162,000	168%
Median	\$60,000	31%

CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6–40: Satisfaction with the Selling Process

(Percentage Distribution)



CHAPTER 7:

Home Selling and Real Estate Professionals

While the home search process has shifted toward digital technology, the need for a trusted real estate agent to help sell a home is still paramount. Personal relationships and connections remained the most important feature of the agent-buyer/seller bond. Real estate agents were most commonly referred by a friend, neighbor, or relative.

Sellers placed a high importance on the reputation of the agent when looking to hire, and trustworthiness and honesty were at the top of the list. In 2006 when data collection started on the level of service provided by real estate agents, 83 percent of agents provided a broad range of services and the management of most aspects of the home, nine percent provided limited services as requested by the seller, and eight percent listed the home on the MLS with few other services provided. Those numbers have by-and-large remained the same over the last decade. In 2019, 85 percent of agents also provided a broad range of services and the management of most aspects of the home, eight percent provided limited services as requested by the seller, and seven percent listed the home on the MLS with few other services provided.

Sellers placed high priority on the following five tasks: market the home to potential buyers (21 percent), sell the home within a specific timeframe (20 percent), price the home competitively (19 percent), help fix the home to sell for more (16 percent), and find a buyer for home (13 percent).

Client referrals and repeat business were the predominant ways sellers found their real estate agent. Most sellers—70 percent—said that they would definitely (48 percent) or probably (22 percent) recommend their agent for future services.

CHAPTER 7: HOME SELLING AND REAL ESTATE PROFESSIONALS

FINDING A REAL ESTATE AGENT

Exhibits 7–1 through 7–4

Sixty-six percent of recent sellers used an agent that was referred to them or used an agent they had worked with in the past to buy or sell a home. Nearly half of first-time sellers worked with an agent that was referred to them by a friend or family member to sell their home (46 percent). For repeat buyers, many used an agent they previously worked with (30 percent).

Seventy-five percent of recent sellers contacted only one agent before finding the right agent they worked with to sell their home, the same as last year.

Fifty-three percent of recent home sellers used the same real estate agent to represent them purchasing their home as selling their home. That number jumps to 79 percent for all sellers within 10 miles of their home purchase. If the seller was more than 11 miles away, they typically used a different agent for each real estate transaction.

HOME LISTED ON MULTIPLE LISTING SERVICE AND LEVEL OF SERVICE

Exhibits 7–5 and 7–6

Very close to last year's number, 89 percent of sellers listed their homes on the Multiple Listing Service (MLS), which is the number one source for sellers to list their home. Only four percent opted not to list on a MLS.

Real estate agents provide a wide range of services and conduct the management of most aspects of the home sale. Eighty-five percent of sellers reported that their agents provided the lion's share of these services. This is the highest share recorded in this historical series. Eight percent of sellers note that their agent only provided a limited set of services and seven percent said their agent listed the home on a MLS but performed few other services.

By way of comparison, in 2006 when data collection started on the level of service provided by real estate agents, those numbers were nearly identical. Eighty-three percent of agents provided a broad range of services and the management of most aspects of the home, nine percent provided limited services as requested by the seller, and eight percent listed the home on the MLS with few other services provided in 2006.

WHAT SELLERS MOST WANT AND LEVEL OF SERVICE

Exhibits 7–7 and 7–8

Sellers placed high priority on the following five tasks: market the home to potential buyers (21 percent), sell the home within a specific timeframe (20 percent), price the home competitively (19 percent), help fix the home to sell for more (16 percent), and find a buyer for the home (13 percent). This is the first time there has been as high a priority placed on sellers needing assistance with helping to fix up the home for sale.

The reputation of the real estate agent was by far the most important factor when sellers selected an agent to sell their home (35 percent). Sellers also placed value on the agent's trustworthiness and honesty (19 percent) and whether the agent was a friend or family member (15 percent).

METHODS USED TO MARKET THE HOME

Exhibit 7–9

Real estate agents listed homes on MLSs first and foremost (87 percent). They also posted yard signs (65 percent), hosted an open house (53 percent), listed on realtor.com (53 percent), listed the home on their own website (51 percent), and listed on their company's website (45 percent). Real estate agents also listed homes on social media (23 percent, up from 20 percent last year).

AGENT'S PERFORMANCE AND COMPENSATION

Exhibits 7–10 through 7–13

Agents received their compensation predominantly from sellers at 75 percent. Of that compensation, 92 percent of sellers paid a percent of the sales price. Only a small fraction paid a flat fee (three percent), and only 11 percent of overall compensation was paid by both the buyer and seller. Seven percent of sellers reported buyers paying as the only means of compensation.

The real estate agent most often initiated the discussion of compensation (73 percent). The client initiated the discussion and the agent was able and willing to negotiate 14 percent of the time. In one percent of cases, the client did not know that commissions and fees could be negotiated.

Client referrals and repeat business were the predominant sources of business for real estate agents. Most sellers—70 percent—said that they would definitely (48 percent) or probably (22 percent) recommend their agent for future services. Regardless of distance moved, recommendations remained strong. The typical seller (67 percent) has recommended their agent at least once since selling their home. Twenty-six percent of sellers recommended their agent four or more times since selling their home.

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 7–1: Method Used To Find Real Estate Agent, by First-Time or Repeat Seller

(Percentage Distribution)

	ALL SELLERS	FIRST-TIME SELLER	REPEAT SELLER
Referred by (or is) a friend, neighbor or relative	39%	46%	38%
Used agent previously to buy or sell a home	27%	23%	30%
Personal contact by agent (telephone, email, etc.)	5%	5%	5%
Internet website (without a specific reference)	4%	3%	5%
Visited an open house and met agent	3%	3%	3%
Referred by another real estate or broker	3%	3%	3%
Saw contact information on For Sale/Open House sign	2%	1%	2%
Referred through employer or relocation company	2%	4%	2%
Direct mail (newsletter, flyer, postcard, etc.)	1%	1%	2%
Walked into or called office and agent was on duty	1%	1%	1%
Crowdsourcing through social media/knew the person through social media	1%	1%	*
Newspaper, Yellow pages or home book ad	*	*	*
Advertising specialty (calendar, magnet, etc.)	*	*	*
Saw the person's social media page without a connection	*	*	*
Other	10%	10%	9%

* Less than 1 percent

Exhibit 7–2: Method Used To Find Real Estate Agent, by Miles Moved

(Percentage Distribution)

	ALL SELLERS	10 MILES OR LESS	11 TO 20 MILES	21 TO 50 MILES	51 TO 100 MILES	101 TO 500 MILES	501 MILES OR MORE
Referred by (or is) a friend, neighbor or relative	39%	39%	47%	45%	37%	38%	40%
Used agent previously to buy or sell a home	27%	30%	28%	14%	29%	29%	17%
Personal contact by agent (telephone, email, etc.)	5%	5%	5%	8%	3%	4%	4%
Internet website (without a specific reference)	4%	4%	3%	3%	2%	5%	14%
Visited an open house and met agent	3%	4%	4%	1%	1%	2%	2%
Referred by another real estate or broker	3%	3%	3%	2%	5%	4%	4%
Saw contact information on For Sale/Open House sign	2%	2%	1%	*	1%	2%	4%
Referred through employer or relocation company	2%	*	1%	8%	5%	6%	4%
Direct mail (newsletter, flyer, postcard, etc.)	1%	1%	2%	3%	1%	1%	1%
Walked into or called office and agent was on duty	1%	1%	*	*	2%	2%	1%
Crowdsourcing through social media/knew the person through social media	1%	1%	*	*	1%	*	*
Newspaper, Yellow pages or home book ad	*	*	*	*	1%	1%	*
Advertising specialty (calendar, magnet, etc.)	*	*	*	*	*	*	*
Saw the person's social media page without a connection	*	*	*	*	*	*	*
Other	10%	9%	6%	11%	13%	9%	10%

* Less than 1 percent

CHAPTER 7: HOME SELLING AND REAL ESTATE PROFESSIONALS

Exhibit 7–3: Number of Agents Contacted Before Selecting One To Assist With Sale of Home

(Percentage Distribution)

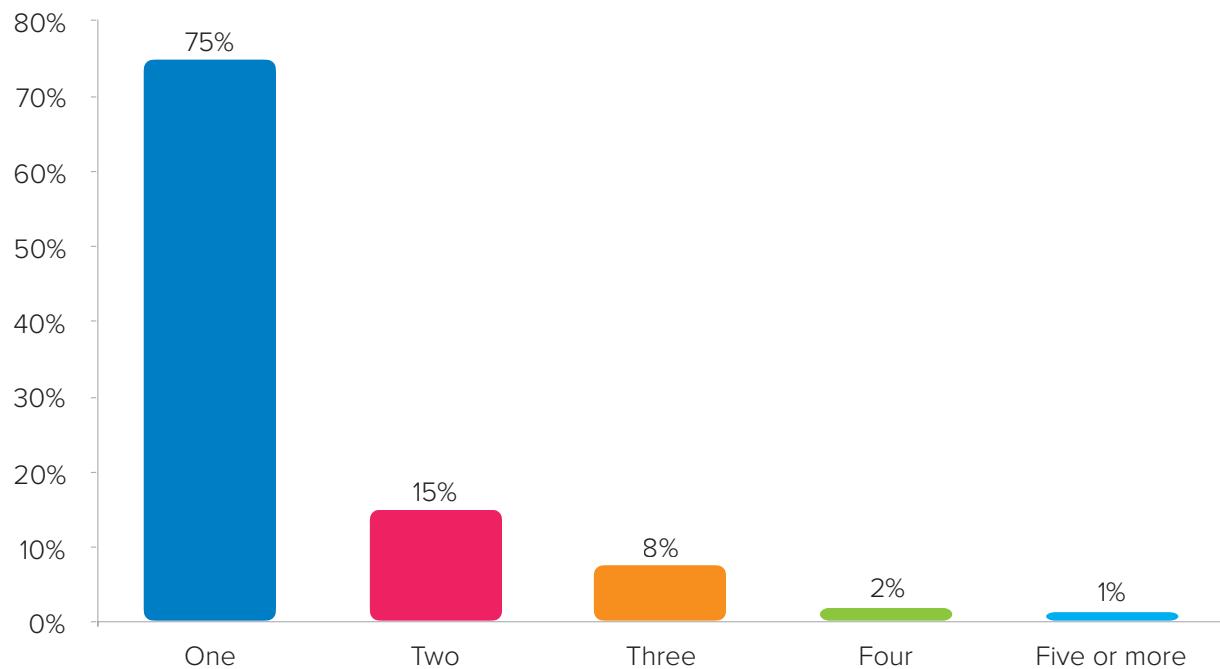
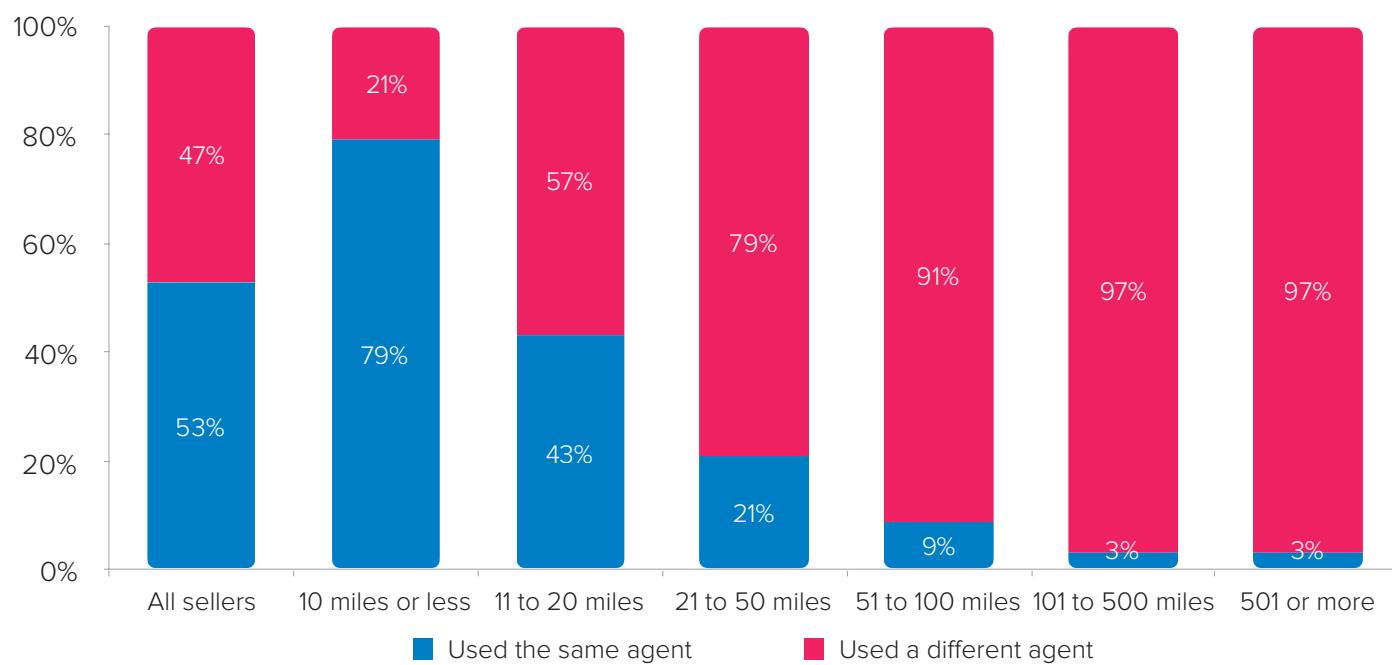


Exhibit 7–4: Seller Used Same Real Estate Agent for Their Home Purchase, by Miles Moved

(Percentage Distribution Among Sellers Who Used an Agent to Purchase a Home)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 7–5: Home Listed on Multiple Listing Service

(Percentage Distribution)

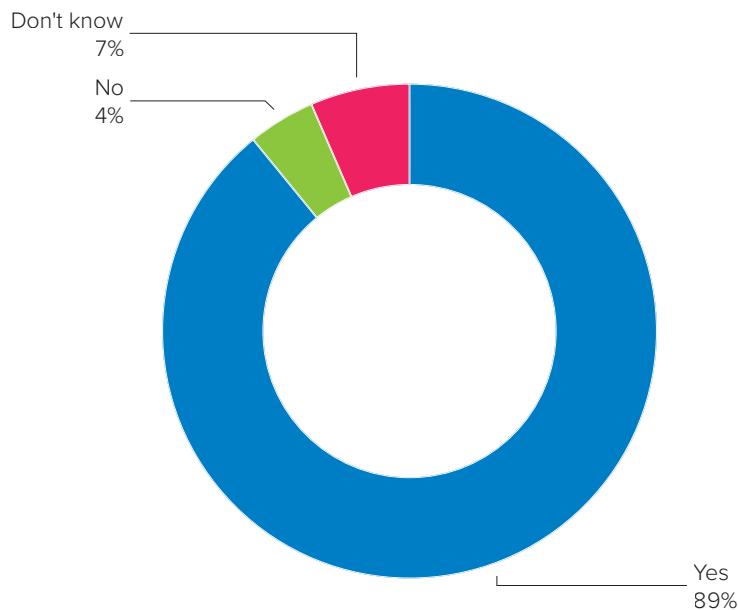
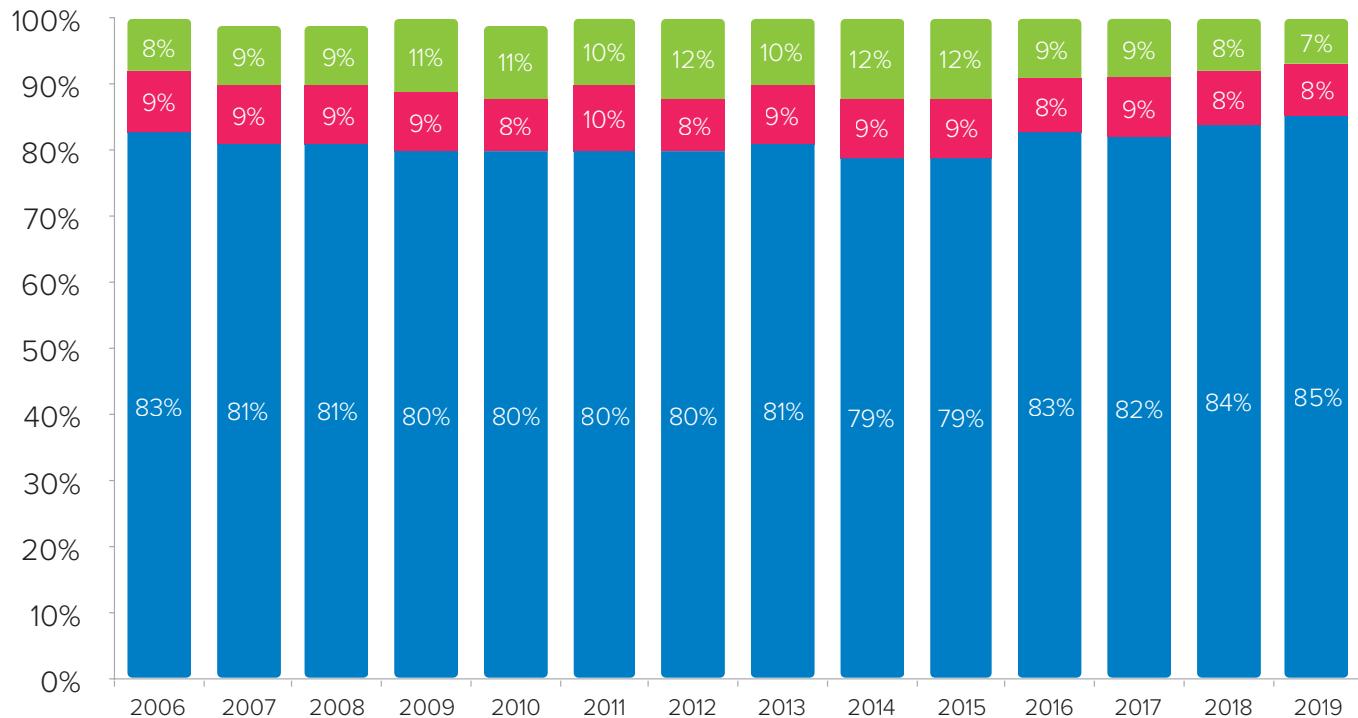


Exhibit 7–6: Level of Service Provided by the Real Estate Agent

(Percentage Distribution)



- The agent listed the home on the MLS and performed few if any additional services
- A limited set of services as requested by the seller
- A broad range of services and management of most aspects of the home sale

CHAPTER 7: HOME SELLING AND REAL ESTATE PROFESSIONALS

Exhibit 7–7: What Sellers Most Want from Real Estate Agents, by Level of Service Provided by the Agent

(Percentage Distribution)

	ALL SELLERS	A BROAD RANGE OF SERVICES AND MANAGEMENT OF MOST ASPECTS OF THE HOME SALE	A LIMITED SET OF SERVICES AS REQUESTED BY THE SELLER	THE AGENT LISTED THE HOME ON THE MLS AND PERFORMED FEW IF ANY ADDITIONAL SERVICES
Help seller market home to potential buyers	21%	21%	25%	23%
Help sell the home within specific timeframe	20%	20%	23%	14%
Help price home competitively	19%	20%	11%	14%
Help seller find ways to fix up home to sell it for more	16%	17%	12%	11%
Help find a buyer for home	13%	13%	14%	20%
Help with negotiation and dealing with buyers	5%	5%	1%	9%
Help with paperwork/inspections/preparing for settlement	3%	3%	9%	3%
Help seller see homes available to purchase	2%	2%	4%	5%
Help create and post videos to provide tour of my home	1%	1%	1%	*
Other	1%	1%	1%	*

* Less than 1 percent

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 7–8: Most Important Factor in Choosing a Real Estate Agent To Sell Home, by Level of Service Provided by the Agent

(Percentage Distribution)

LEVEL OF SERVICE SOUGHT FROM THE AGENT BY THE SELLER

	ALL SELLERS	A BROAD RANGE OF SERVICES AND MANAGEMENT OF MOST ASPECTS OF THE HOME SALE	A LIMITED SET OF SERVICES AS REQUESTED BY THE SELLER	THE AGENT LISTED THE HOME ON THE MLS AND PERFORMED FEW IF ANY ADDITIONAL SERVICES
Reputation of agent	35%	37%	24%	23%
Agent is honest and trustworthy	19%	19%	18%	14%
Agent is friend or family member	15%	14%	15%	14%
Agent's knowledge of the neighborhood	11%	11%	10%	17%
Agent has caring personality/good listener	5%	5%	3%	5%
Agent's association with a particular firm	4%	4%	13%	6%
Agent seems 100% accessible because of use of technology like tablet or smartphone	4%	4%	2%	3%
Agent's commission	3%	3%	2%	2%
Professional designations held by agent	1%	1%	1%	3%
Other	5%	3%	12%	14%

CHAPTER 7: HOME SELLING AND REAL ESTATE PROFESSIONALS

Exhibit 7–9: Methods Real Estate Agent Used To Market Home

(Percent of Respondents Among Sellers Who Used an Agent)

	ALL HOMES
Multiple Listing (MLS) website	87%
Yard sign	65%
Open house	53%
Realtor.com	53%
Real estate agent website	51%
Third party aggregators	51%
Real estate company website	45%
Social networking websites (e.g. Facebook, Twitter, etc.)	23%
Video	10%
Direct mail (flyers, postcards, etc.)	10%
Other websites with real estate listings	7%
Online Classified Ads	6%
Print newspaper advertisement	5%
Real estate magazine	4%
Real estate magazine website	4%
Video hosting websites	4%
Television	1%
Other	4%

Exhibit 7–10: How Real Estate Agent Was Compensated

(Percentage Distribution)

Paid by seller	75%
Percent of sales price	92%
Flat fee	3%
Per task fee	*
Other	*
Don't Know	4%
Paid by buyer and seller	11%
Paid by buyer only	7%
Other	3%
Don't Know	5%

* Less than 1 percent

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 7–11: Negotiating the Commission Rate or Fee with the Real Estate Agent

(Percentage Distribution)

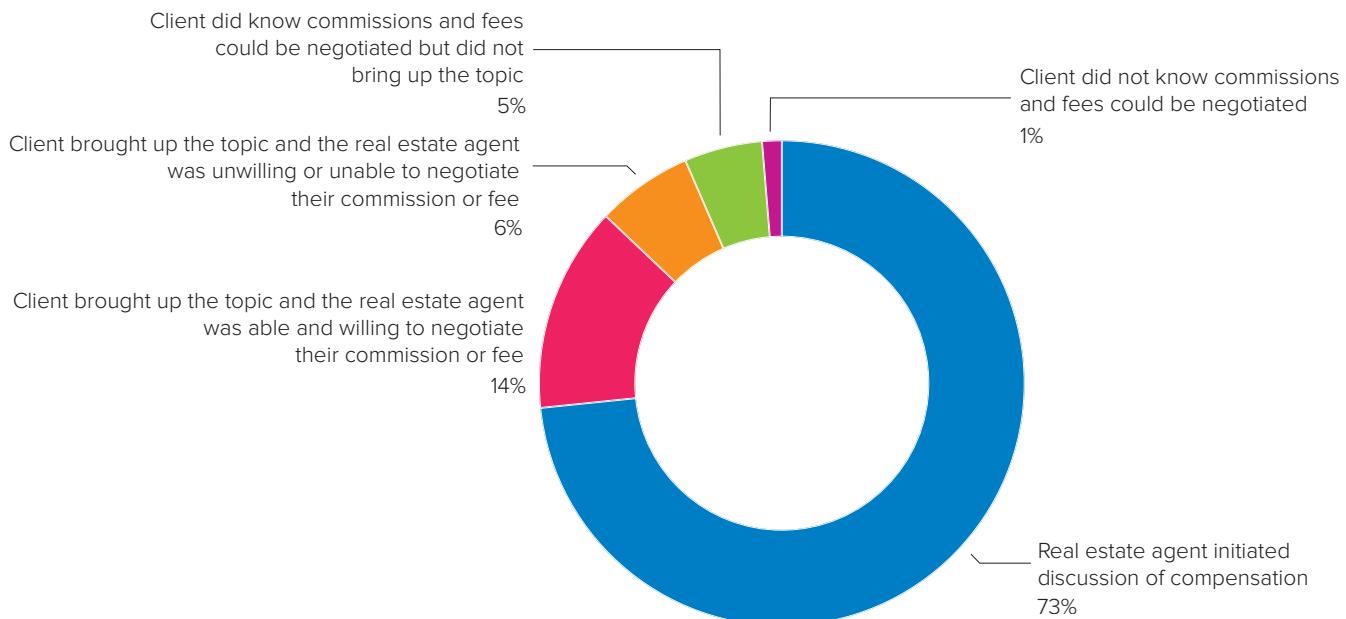


Exhibit 7–12 : Would Seller Use Real Estate Agent Again or Recommend to Others

(Percentage Distribution)

	ALL SELLERS	10 MILES OR LESS	11 TO 20 MILES	21 TO 50 MILES	51 TO 100 MILES	101 TO 500 MILES	501 MILES OR MORE
Definitely	48%	46%	46%	41%	46%	49%	45%
Probably	22%	22%	15%	30%	22%	19%	20%
Probably Not	5%	4%	3%	8%	4%	6%	4%
Definitely Not	9%	9%	15%	9%	8%	11%	11%
Don't Know/ Not Sure	16%	18%	22%	12%	20%	15%	20%

Exhibit 7–13: How Many Times Seller Recommended Agent

(Percentage Distribution)

	ALL SELLERS
None	33%
One time	13%
Two times	18%
Three times	10%
Four or more times	26%
Times recommended since buying (median)	1



CHAPTER 8: For-Sale-by-Owner (FSBO) Sellers

In 1981, FSBO home sales accounted for 15 percent of all sales, and agent-assisted sales accounted for 85 percent. FSBO sales have declined over time and in 2019, FSBOs accounted for eight percent of total home sales. In 2019, 58 percent of FSBO sellers knew the buyers for their homes and 42 percent did not know the buyer.

FSBO sellers that knew the buyer predominantly sold to a friend, relative, or neighbor. FSBOs typically sold for less than the selling price of other homes. For FSBO sellers, those who did not know the buyer tended to have higher median household incomes compared to those knew the buyer.

Where FSBO sellers knew the buyer, the time on market for the home was usually less than a week, and sellers received 101 percent of the asking price.

CHAPTER 8: FOR-SALE-BY-OWNER (FSBO) SELLERS

FSBO AND AGENT ASSISTED SALES, BY LOCATION AND OVER TIME

Exhibits 8–1 and 8–2

Eighty-nine percent of sellers sold with the assistance of a real estate agent, slightly down from last year, and only eight percent were FSBO sales. In 1981, FSBO sales accounted for as much as 15 percent of sales but have steadily decreased over time. This year, five percent of buyers knew the sellers and three percent of FSBOs buyers and sellers had no previous relationship. FSBO sales were highest in rural areas at 12 percent and resort or recreation areas at 11 percent, compared to only six percent in the suburbs.

CHARACTERISTICS OF SELLERS AND HOMES SOLD

Exhibits 8–3 through 8–6

The median age for FSBO sellers was 60 years, compared to 56 for all agent-assisted sellers. Sixty-five percent of FSBO sellers were married couples and the median income for all FSBO sellers was \$94,000. For FSBO sellers, those who did not know the buyer tended to have higher median household incomes compared to those who did know the buyer. Those who sold through agent-assisted only had the highest median income of \$106,940.

A majority of all homes sold were detached single-family homes at 83 percent. FSBO homes were also predominantly detached single-family homes at 82 percent (up from 76 percent in 2018), yet were also more likely to be mobile or manufactured homes at eight percent compared to only two percent of agent-assisted sales. Among agent-assisted sales, 83 percent of all homes sold were detached single-family homes, which is slightly up from last year. Twenty-two percent of FSBO sales were located in rural areas compared to only 12 percent of agent-assisted sales which were in rural areas. Most agent-assisted sales were located in suburban areas at 52 percent.

FSBOs typically sell for less than the selling price of other homes; FSBO homes sold at a median of \$200,000 in 2019 (which held steady from the same price in 2018), and still far lower than the median selling price of all homes at \$275,000. Agent-assisted only homes sold for a median of \$282,000. FSBOs typically received 100 percent of their asking price, whereas agent-assisted sales typically received 98 percent of the asking price. Sellers who began as a FSBO, then ended up working with an agent, received 97 percent of the asking price, but had to reduce their price the most before arriving at a final listing price.

THE SELLING PROCESS FOR FSBO SALES

Exhibits 8–7 through 8–10

FSBO sellers priced their homes using a number of different sources to determine the asking price. For FSBO sellers who knew their buyers, the most common ways they priced their

homes were by comparisons to recent home sales in their area (37 percent), by the profit the seller needed from the sale (27 percent), by appraisals (25 percent), from an online home evaluation tool (12 percent), and to cover what was owed on the home (12 percent). For FSBO sellers who did not know their buyers, the most common ways they determined their home price were comparisons to recent home sales in their area (72 percent), by appraisals (22 percent), by online home evaluation tools (21 percent), and by the profit the seller needed from the sale (16 percent).

FSBO homes sold more quickly on the market than agent-assisted homes. Most FSBO homes typically sold in less than two weeks. For sellers that knew the buyer, their homes sold in less than a week (46 percent, up from 40 percent in 2018). The median number of weeks FSBOs were on the market was two, up from one week in 2018. Agent-assisted homes generally sold in a median number of three weeks. For sellers that started as FSBO and then were agent-assisted, the median number of weeks on the market was eight.

Seventy-nine percent of those who were first FSBO, then sold with an agent needed to sell at least somewhat urgently. FSBO sellers who knew the buyer were more likely to not need to sell urgently (54 percent). It was not common for FSBOs to use incentives to sell their homes (79 percent of all FSBOs did not offer any incentives). Nineteen percent of sellers who knew the buyer used no incentives. Agent-assisted sellers offered home warranty policies (19 percent) and assistance with closing costs (14 percent) to help sell their homes, which is consistent with last year.

REASONS OF FSBOS, MARKETING, AND SELLERS EXPERIENCE

Exhibits 8–11 through 8–16

For 68 percent of FSBO sellers that knew the buyer the main reason to sell via FSBO was because they sold to a relative, friend, or neighbor. Of FSBO sellers that sold to someone they knew, 14 percent did not want to pay a commission or fee. For FSBO sellers that did not know the buyer, 63 percent sold this way because they did not want to pay a commission or fee, and 12 percent because the buyers contacted the sellers directly. Of all sellers, 93 percent sold when they wanted to list on the market. Sellers that started as FSBOs and then received assistance from an agent were the most likely to want to sell but were delayed because their home was worth less than the mortgage. Yard signs, open houses, and using friends, relatives, and neighbors were the most common marketing methods for FSBOs. When FSBO sellers knew the buyer, 76 percent did not need to market their home. Both getting the right price, as well as preparing and fixing the home up for sale, were the two most difficult steps for FSBO sellers.

For FSBO sellers who knew the buyer, 37 percent said they would use an agent to sell their current home. Of FSBO sellers who did not know the buyer, 48 percent said they would sell their current home themselves. Seven in 10 successful FSBO sellers were satisfied with the process of selling their home.

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 8–1: FSBO and Agent-Assisted Sales, 2003–2019

(Percentage Distribution)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
All FSBO (For-sale-by-owner)	14%	14%	13%	12%	12%	13%	11%	9%	10%	9%	9%	9%	8%	8%	8%	7%	8%
Seller knew buyer	5%	5%	5%	5%	5%	6%	5%	5%	4%	3%	4%	4%	3%	4%	3%	4%	5%
Seller did not know buyer	9%	10%	8%	7%	7%	7%	6%	5%	6%	6%	6%	5%	5%	4%	5%	3%	3%
Agent-assisted	83%	82%	85%	84%	85%	84%	85%	88%	87%	88%	88%	88%	89%	89%	89%	91%	89%
Other	4%	4%	2%	3%	3%	3%	4%	3%	3%	2%	3%	2%	3%	3%	2%	2%	3%

Exhibit 8–2: FSBO and Agent-Assisted Sales, by Location

(Percentage Distribution)

SELLERS WHO SOLD A HOME IN A

	ALL SELLERS	SUBURB/ SUBDIVISION	SMALL TOWN	URBAN/ CENTRAL CITY	RURAL AREA	RESORT/ RECREATION AREA
For-sale-by-owner (FSBO)	8%	6%	9%	5%	12%	11%
Seller knew buyer	5%	3%	6%	3%	8%	8%
Seller did not know buyer	3%	3%	3%	2%	4%	4%
Agent-assisted	89%	91%	89%	91%	83%	84%
Other	3%	3%	2%	4%	5%	5%

Exhibit 8–3: Characteristics of FSBO and Agent-Assisted Sellers

(Percentage Distribution)

	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Median age	57	60	60	60	56	57	41
Median income (2018)	\$104,970	\$94,000	\$93,330	\$102,780	\$105,890	\$106,940	\$89,500
HOUSEHOLD COMPOSITION							
Married couple	72%	65%	58%	75%	73%	73%	77%
Single female	16%	21%	22%	19%	16%	16%	19%
Single male	6%	9%	12%	4%	5%	5%	*
Unmarried couple	4%	2%	3%	1%	5%	5%	4%
Other	1%	3%	5%	*	1%	1%	*

* Less than 1 percent

CHAPTER 8: FOR-SALE-BY-OWNER (FSBO) SELLERS

Exhibit 8–4: Type of Home Sold, FSBO and Agent-Assisted Sellers

(Percentage Distribution)

	FSBO				
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	AGENT-ASSISTED
Detached single-family home	83%	82%	84%	81%	83%
Townhouse/row house	6%	2%	1%	1%	6%
Duplex/apartment/condo in 2 to 4 unit building	3%	1%	1%	1%	3%
Apartment/condo in a building with 5 or more units	4%	2%	2%	1%	5%
Mobile/manufactured home	2%	8%	3%	14%	2%
Other	2%	6%	9%	1%	2%

Exhibit 8–5: Location of Home Sold, FSBO and Agent-Assisted Sellers

(Percentage Distribution)

	FSBO				
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	AGENT-ASSISTED
Suburb/Subdivision	51%	44%	36%	55%	52%
Small town	17%	19%	22%	15%	17%
Urban area/Central city	15%	10%	10%	8%	15%
Rural area	14%	22%	25%	18%	12%
Resort/Recreation area	3%	5%	6%	4%	3%

2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 8–6: Selling Price, FSBO and Agent-Assisted Sellers

(Percentage Distribution)

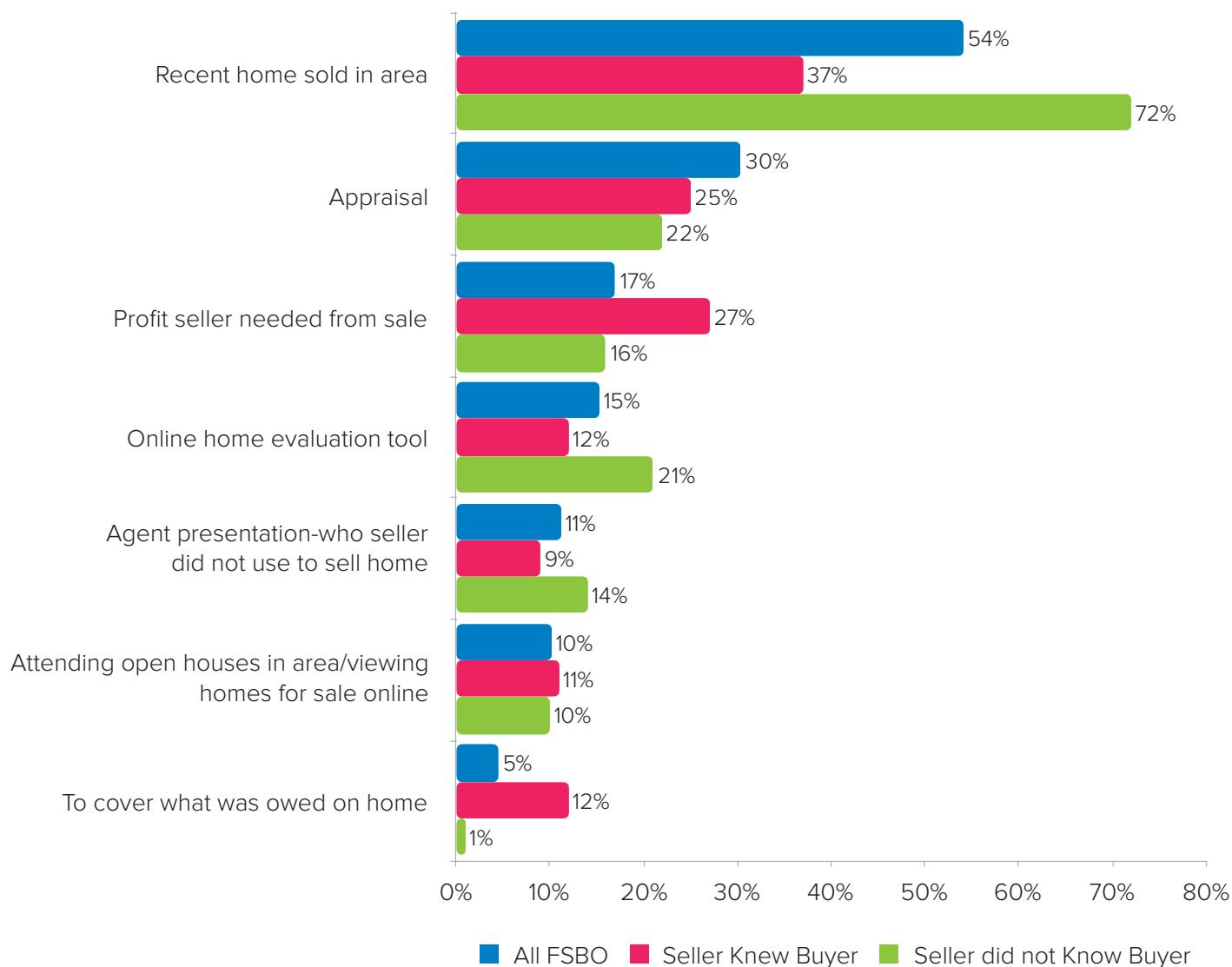
	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Median selling price	\$275,000	\$200,000	\$180,000	\$251,000	\$280,000	\$282,000	\$261,000
SALES PRICE COMPARED WITH ASKING PRICE:							
Less than 90%	7%	8%	8%	7%	7%	7%	*
90% to 94%	13%	11%	11%	11%	13%	13%	34%
95% to 99%	35%	28%	18%	40%	36%	36%	34%
100%	27%	43%	57%	24%	26%	26%	14%
101% to 110%	14%	7%	7%	7%	15%	15%	10%
More than 110%	3%	4%	*	10%	3%	3%	7%
Median (sales price as a percent of asking price)	98%	100%	101%	98%	98%	98%	97%
NUMBER OF TIMES ASKING PRICE WAS REDUCED:							
None	60%	73%	73%	75%	58%	58%	41%
One	23%	20%	20%	19%	24%	24%	22%
Two	10%	5%	5%	4%	11%	11%	4%
Three	4%	1%	*	*	4%	4%	30%
Four or more	3%	2%	2%	1%	2%	2%	4%

* Less than 1 percent

CHAPTER 8: FOR-SALE-BY-OWNER (FSBO) SELLERS

Exhibit 8–7: How FSBO Seller Determined Asking Price of Home Sold

(Percent of Respondents)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 8–8: Time on the Market, FSBO and Agent-Assisted Sellers

(Percentage Distribution)

	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Less than 1 week	11%	29%	46%	8%	9%	9%	12%
1 to 2 weeks	35%	29%	26%	35%	36%	36%	23%
3 to 4 weeks	14%	18%	16%	23%	13%	14%	4%
5 to 6 weeks	7%	4%	*	8%	7%	7%	*
7 to 8 weeks	7%	4%	*	8%	7%	7%	27%
9 to 10 weeks	3%	2%	1%	3%	3%	3%	4%
11 to 12 weeks	6%	7%	8%	6%	6%	6%	4%
13 to 16 weeks	4%	2%	2%	3%	4%	4%	23%
17 to 24 weeks	5%	2%	*	4%	5%	6%	*
25 to 36 weeks	4%	1%	*	1%	4%	4%	*
37 to 52 weeks	2%	1%	1%	*	2%	2%	*
53 or more weeks	2%	*	*	*	2%	2%	4%
Median weeks	3	2	1	3	3	3	8

* Less than 1 percent

Exhibit 8–9: Seller Urgency, FSBO and Agent-Assisted Sellers

(Percentage Distribution)

SELLERS NEEDED TO SELL:	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Very urgently	15%	13%	15%	10%	15%	15%	24%
Somewhat urgently	41%	27%	31%	23%	41%	41%	55%
Not urgently	44%	60%	54%	67%	43%	44%	21%

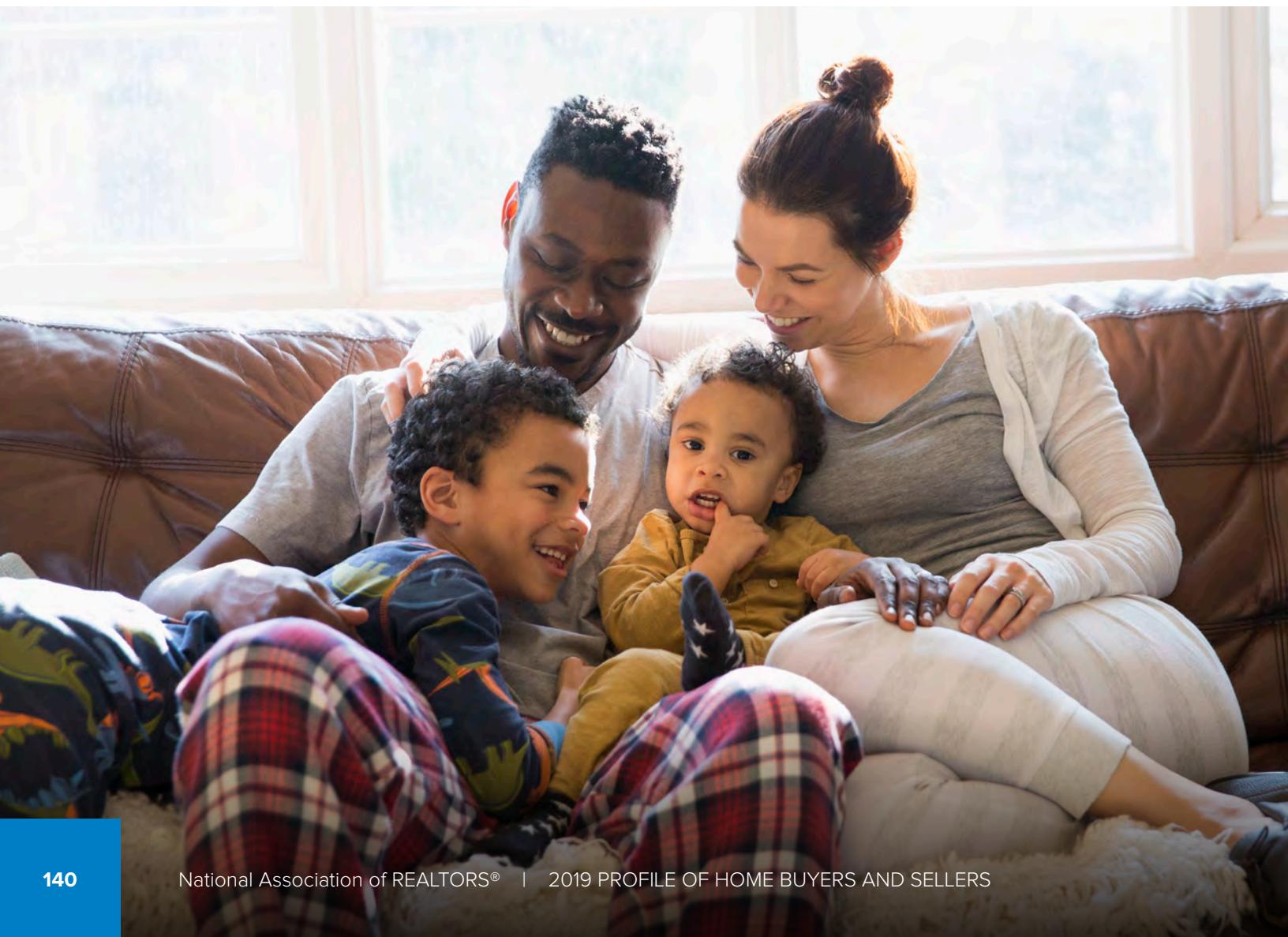
CHAPTER 8: FOR-SALE-BY-OWNER (FSBO) SELLERS

Exhibit 8–10: Incentives Offered To Attract Buyers, FSBO and Agent-Assisted Sellers

(Percent of Respondents)

	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
None	66%	79%	19%	24%	64%	36%	28%
Home warranty policies	17%	5%	1%	10%	19%	19%	*
Assistance with closing costs	14%	6%	4%	8%	14%	14%	14%
Credit toward remodeling or repairs	8%	4%	5%	*	8%	8%	7%
Other incentives, such as a car, flat screen TV, etc.	3%	4%	4%	3%	3%	3%	7%
Assistance with condo association fees	1%	*	*	*	1%	1%	4%
Other	4%	6%	7%	6%	4%	4%	4%

* Less than 1 percent



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 8–11: Most Important Reason for Selling Home as FSBO

(Percentage Distribution)

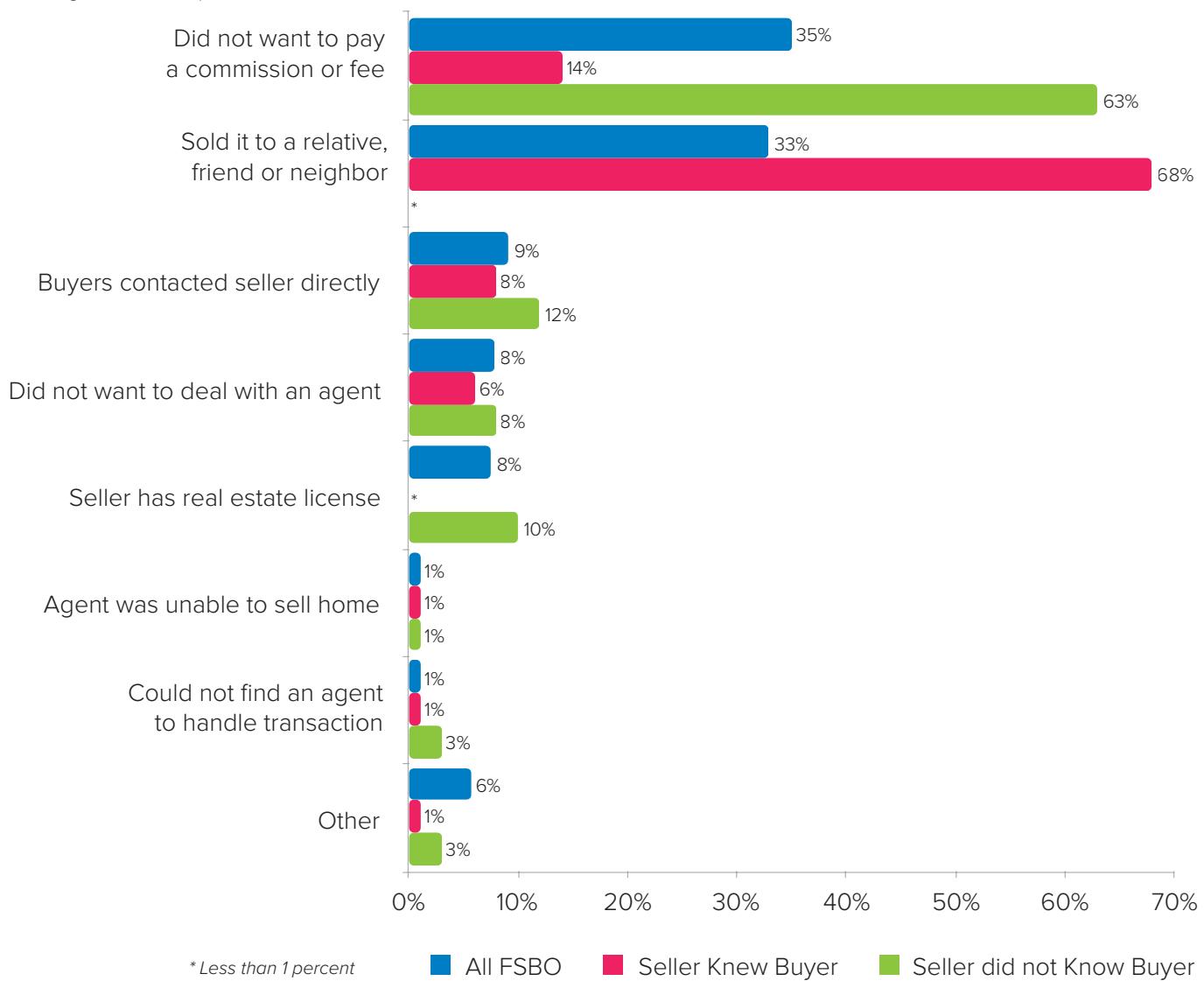


Exhibit 8–12: Seller Wanted To Sell Earlier but Waited or Stalled Because Home Was Worth Less Than Mortgage

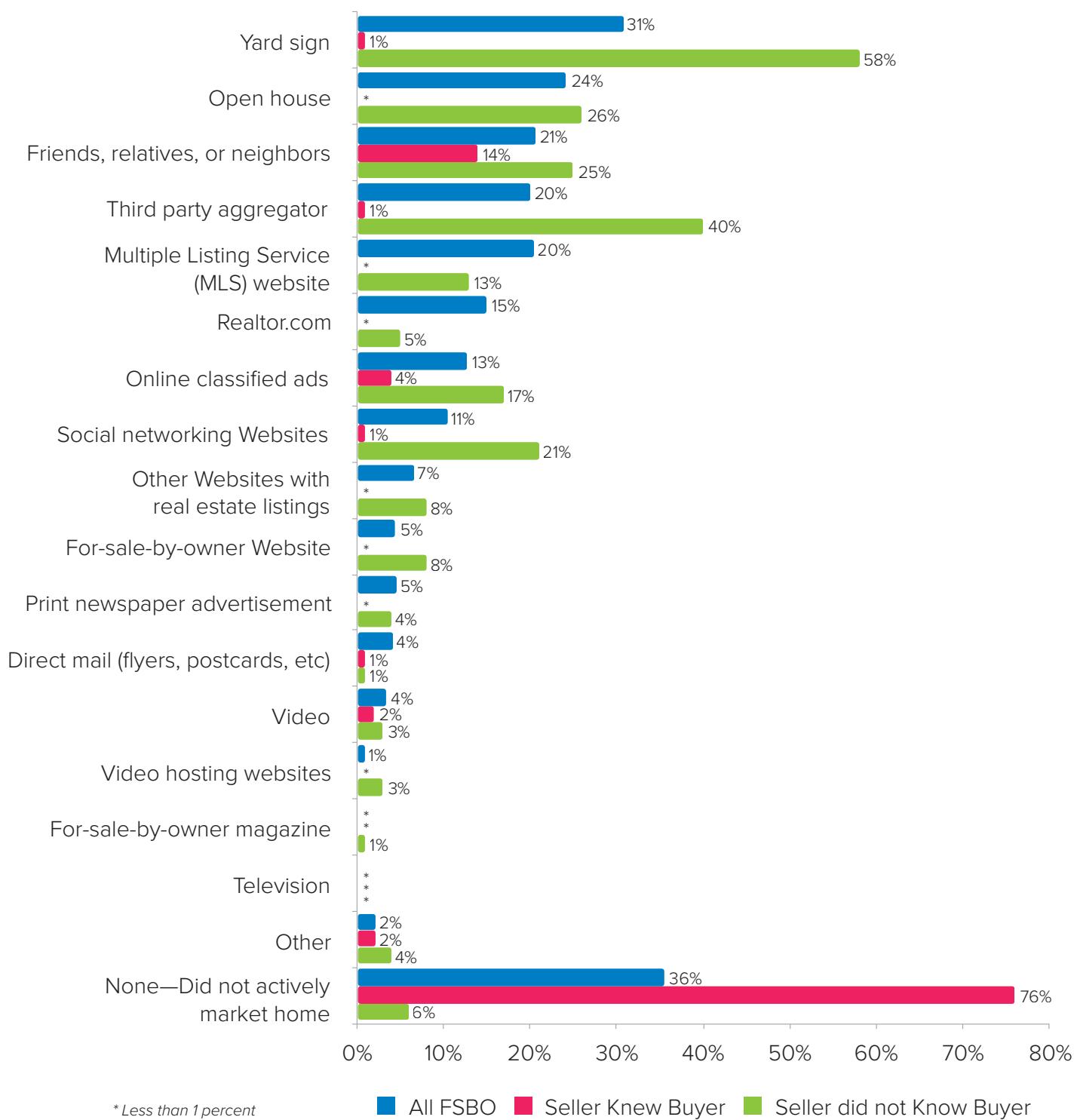
(Percentage Distribution)

	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Yes, and lived in home	7%	4%	5%	3%	6%	6%	4%
Yes, but rented home to others and lived elsewhere	1%	2%	1%	1%	1%	1%	4%
No, sold home when wanted to sell	93%	94%	94%	96%	93%	93%	93%

CHAPTER 8: FOR-SALE-BY-OWNER (FSBO) SELLERS

Exhibit 8–13: Method Used by FSBO Sellers To Market Home

(Percent of Respondents)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 8–14: Most Difficult Task for FSBO Sellers

(Percentage of Distribution)

	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER
Getting the price right	19%	21%	6%
Preparing or fixing up the home for sale	13%	12%	22%
Selling within the length of time planned	7%	*	3%
Having enough time to devote to all aspects of the sale	5%	2%	8%
Attracting potential buyers	5%	1%	8%
Understanding and performing paperwork	3%	3%	4%
Helping buyer obtain financing	1%	2%	*
Other	4%	4%	1%
None/Nothing	42%	54%	47%

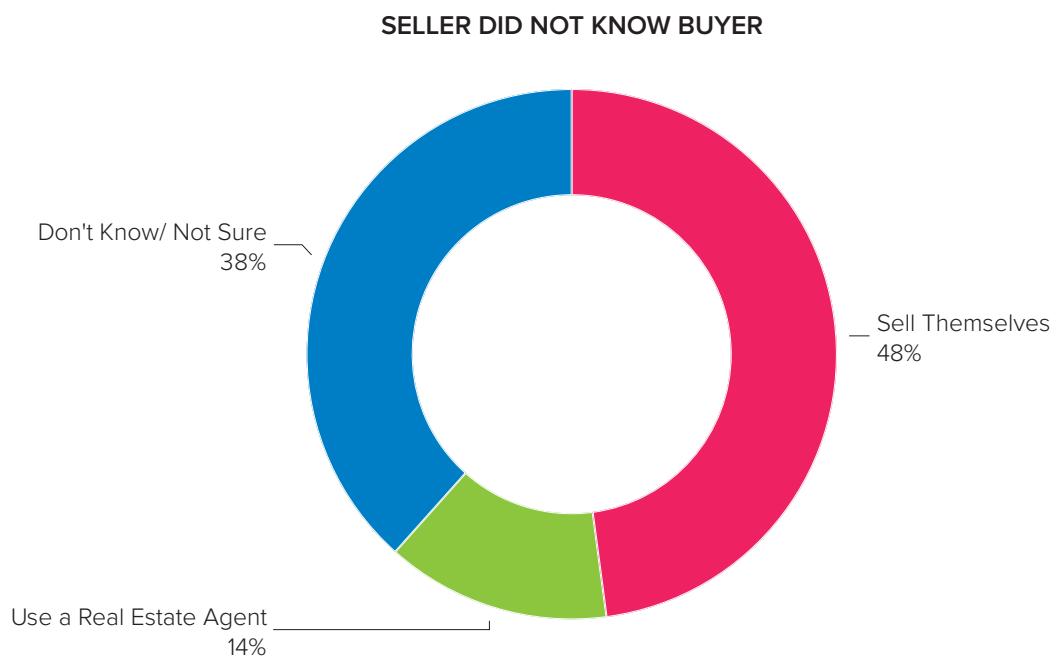
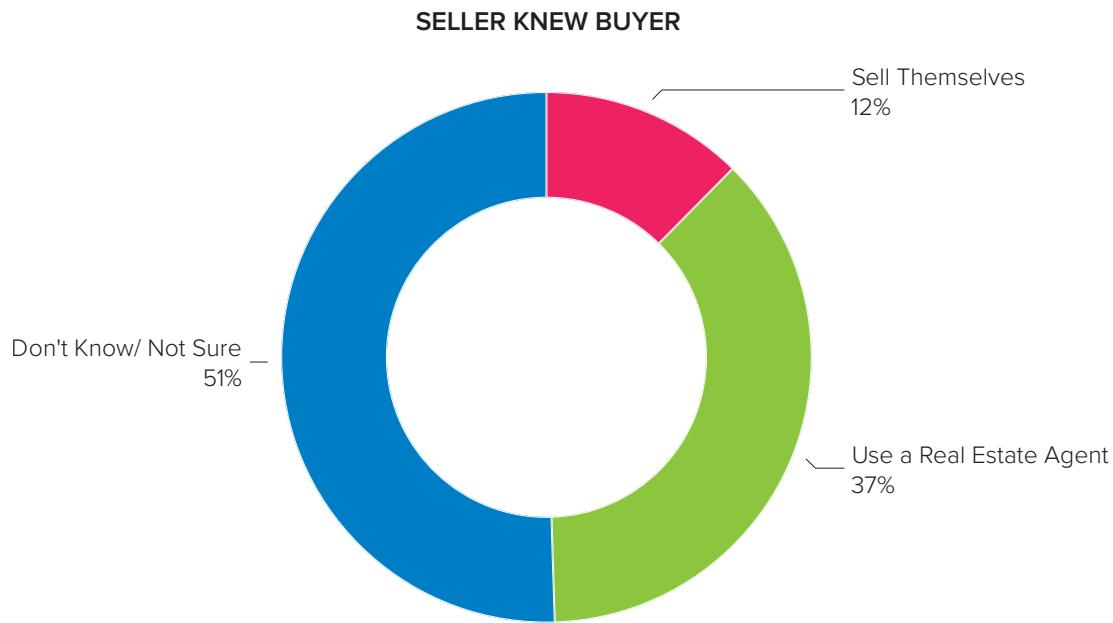
* Less than 1 percent



CHAPTER 8: FOR-SALE-BY-OWNER (FSBO) SELLERS

Exhibit 8–15: How FSBO Sellers Will Sell Their Current Home

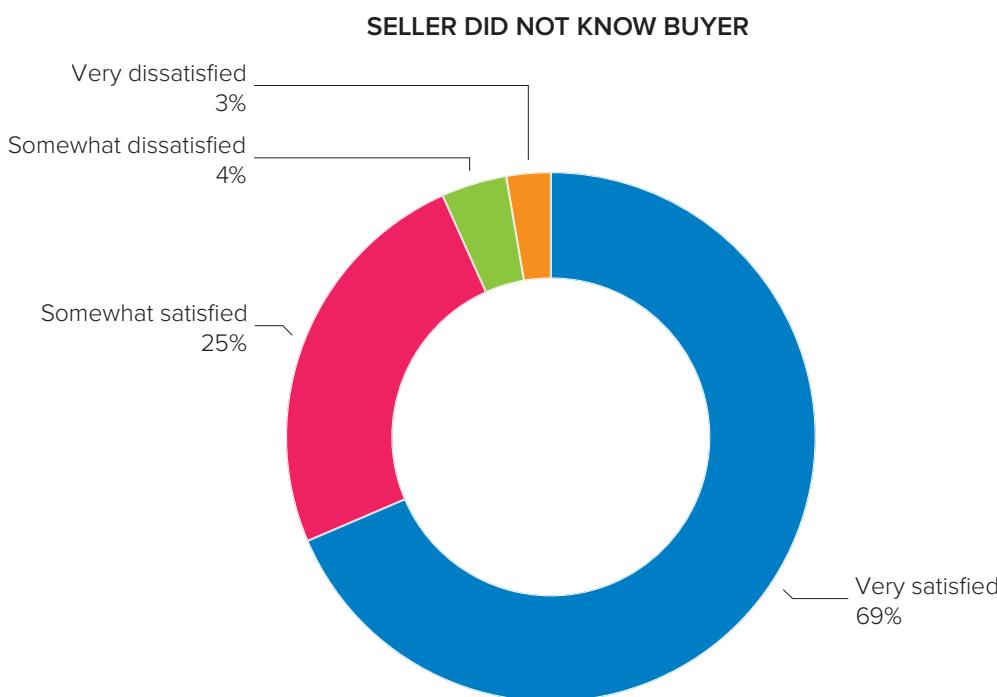
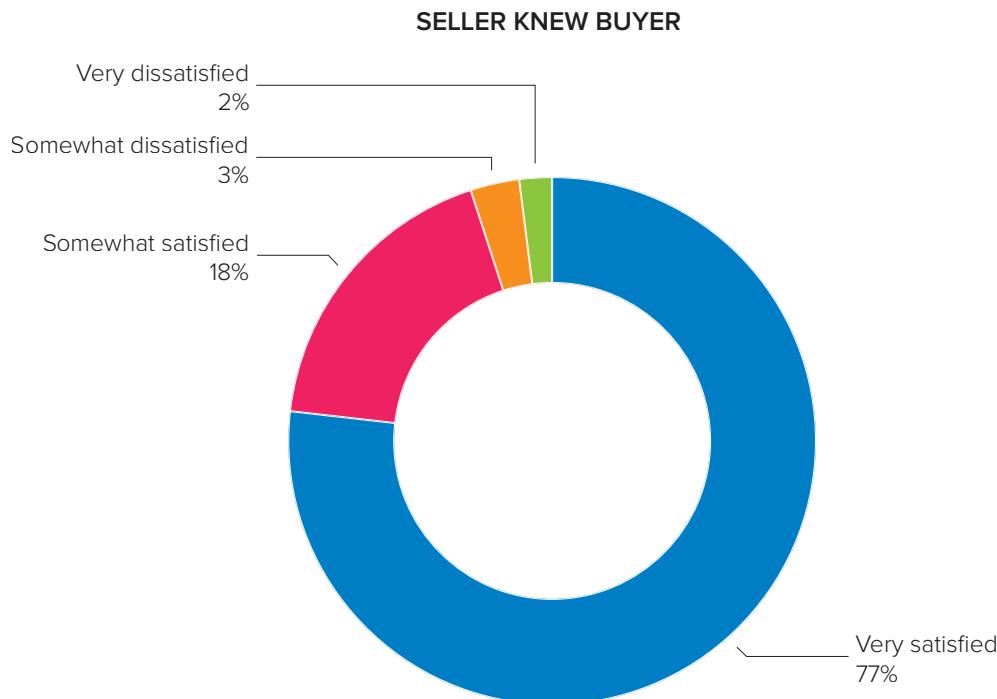
(Percentage Distribution)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 8–16: FSBO Sellers Satisfaction Process of Selling Home

(Percentage Distribution)





CHAPTER 9: Aspiring Buyers

The NATIONAL ASSOCIATION OF REALTORS®'s *Profile of Home Buyers and Sellers* has traditionally only measured successful home buyers who had a real estate transaction in the last year, however this year a new chapter was added on aspiring home buyers. There are many Americans who aspire to enter homeownership and are unable to largely due to financial reasons. With this in mind, this year's report tracked non-owners (both renters and those living with someone else) over the same timeframe. This data illuminates the reasons why non-owners are not homeowners, their outlook on the economy, and their aspirations to own.

CHAPTER 9: ASPIRING BUYERS

DEMOGRAPHIC CHARACTERISTICS OF NON-OWNERS

Exhibit 9–1

Among non-owners, 74 percent of those surveyed are currently renters and 26 percent currently live with someone else without paying housing costs. The largest share of non-owners are Millennials at 49 percent, however, 26 percent are Gen Xers and 12 percent are Younger Boomers. Fifty-nine percent of non-owners are single, never married, and 25 percent are married.

FINANCIAL SITUATION AND OUTLOOK

Exhibits 9–2 through 9–6

Making the largest financial purchase in one's life relies on the financial strength to do so. Fifty-seven percent of non-owners believe it would be at least somewhat difficult to become a homeowner based on their current financial situation. Twenty-two percent believe it would not be at all difficult. When asked about their personal quality of life and personal financial situation in the next six months, 34 percent and 42 percent, respectively, believed it would get better. However, 12 percent of each believed their financial situation and their quality of life would get worse in the next six months. Further, when asked about their personal financial stress, 31 percent of non-owners believed they would feel more stress, 50 percent believed they would feel the same, and 18 percent believed they would feel less stress.

When looking at the U.S. as a whole, 41 percent of non-owners believe the economic conditions in the country will be the same in six months, 25 percent believe it will be better, and 34 percent believe it will be worse. Seventy-five percent of those surveyed believe the U.S. is not in a recession, while 25 percent believe the U.S. is in a recession. About half believe the economy in the U.S. is improving, while half believe it is not improving.

DESIRE TO OWN A HOME

Exhibits 9–7 through 9–12

Among recent buyers, the majority cited that owning a home is a good financial investment. The same is true of non-owners. Seventy-eight percent of non-owners believe homeownership is a good financial decision. Among the 78 percent who believe ownership is a good financial decision, 73 percent think it is easier to save money and build assets, and 20 percent believe it is less risky than renting a home. Among the 22 percent who believe ownership is not a good financial decision, 44 percent cited they believe renting is less risky than owning, and 27 percent had a bad experience owning a home or watched a family member or friend have a bad experience.

Overwhelmingly, non-owners believe homeownership is part of their American Dream, at 75 percent. Additionally, 81 percent of non-owners want to own a home in the future. When asked why they do not own a home now, 40 percent reported they cannot afford to currently buy a home and 15 percent said they need the flexibility of renting rather than owning. Further, non-owners were asked when they could become an owner in the future. Thirty-one percent believe they will become an owner when they get married or start a family, 30 percent believe they will become an owner when there is an improvement in their financial situation, 16 percent will purchase when they have the desire to settle in one location, and 12 percent when they have better or more stable employment.



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 9–1: Non-Owner Demographics

(Percent of Respondents)

CURRENT LIVING SITUATION	
Rent	74%
Living with someone else	26%
GENERATION	
Millennials	49%
Gen Xers	26%
Younger Boomers	12%
Older Boomers	8%
Silent Generation	6%
Median Age	37
MARITAL STATUS	
Single	59%
Married	25%
Divorced/Separated	13%
Widowed	3%
CHILDREN IN HOME	
Children under age of 18 in home	27%
No children in home	73%
HOUSEHOLD INCOME	
Under \$20,000	14%
Between \$20,000 and \$30,000	14%
Between \$30,000 and \$40,000	13%
Between \$40,000 and \$50,000	12%
Between \$50,000 and \$75,000	18%
Between \$75,000 and \$100,000	13%
Between \$100,000 and \$200,000	13%
Between \$200,000 and \$250,000	2%
Over \$250,000	1%
Median Income	\$47,500
RACE/ETHNICITY	
White	71%
Black	19%
Hispanic	13%
Asian	3%
Native American	3%
Other	5%

CHAPTER 9: ASPIRING BUYERS

Exhibit 9–2: Difficulty To Become an Owner Given Household Financial Situation Among Non-Homeowners

(Percentage Distribution)

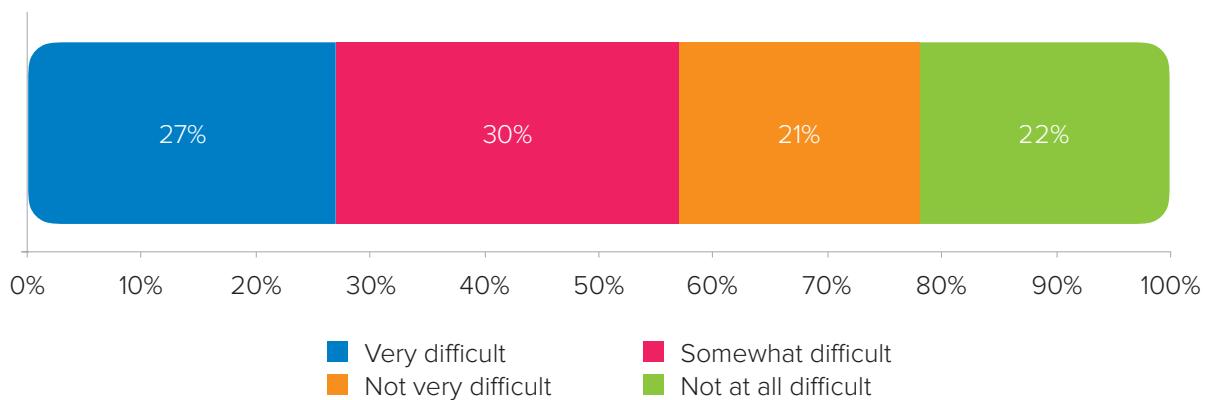
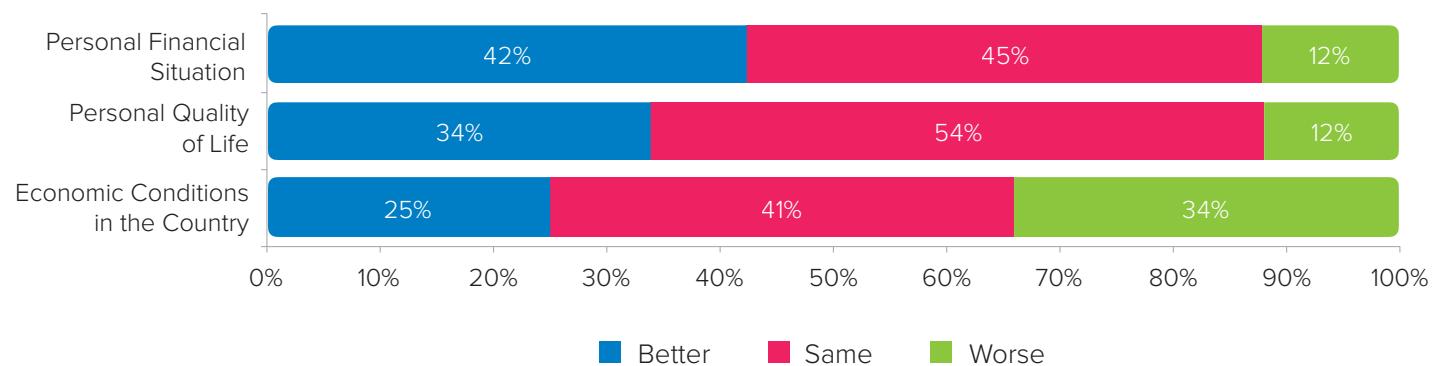


Exhibit 9–3: Next 6 Months Financial Outlook Among Non-Homeowners

(Percent of Respondents)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 9–4: Personal Financial Stress Among Non-Homeowners

(Percentage Distribution)

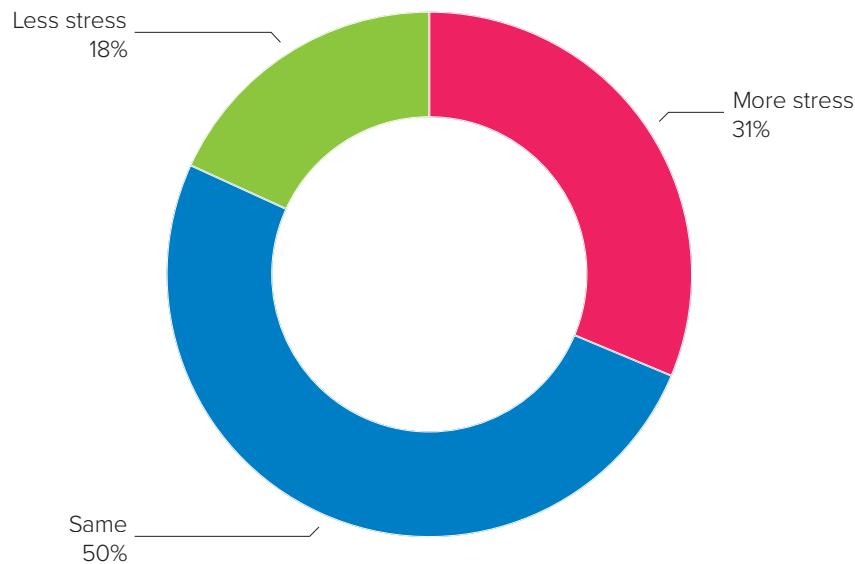
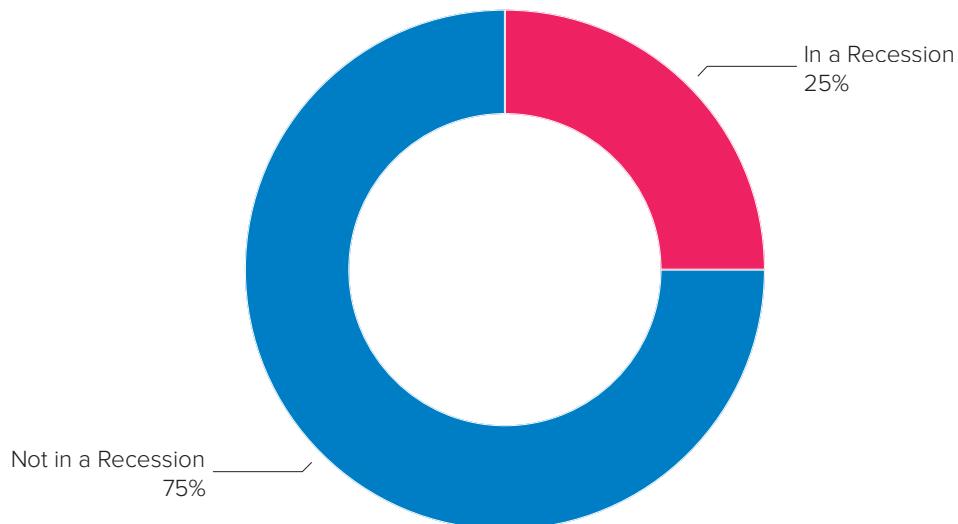


Exhibit 9–5: Believe U.S. Economy in a Recession Among Non-Homeowners

(Percentage Distribution)



CHAPTER 9: ASPIRING BUYERS

Exhibit 9–6: Believe U.S. Economy is Improving Among Non-Homeowners

(Percentage Distribution)

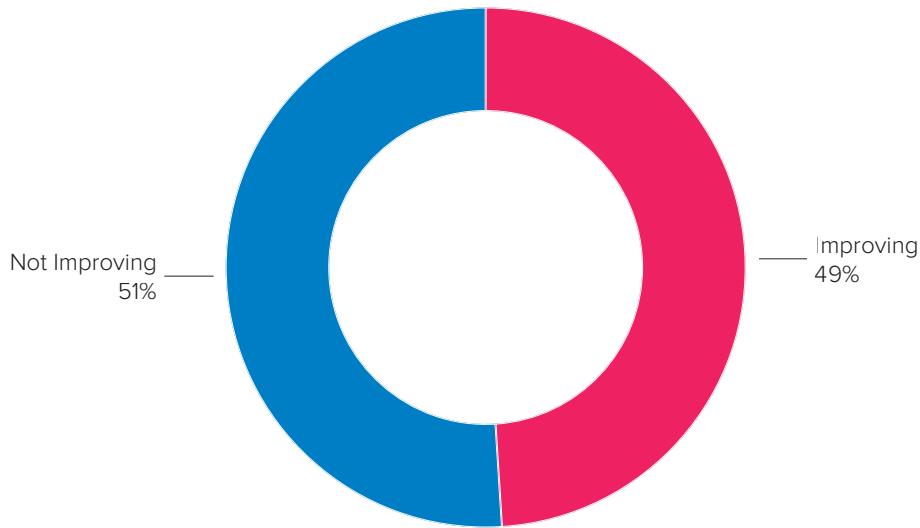
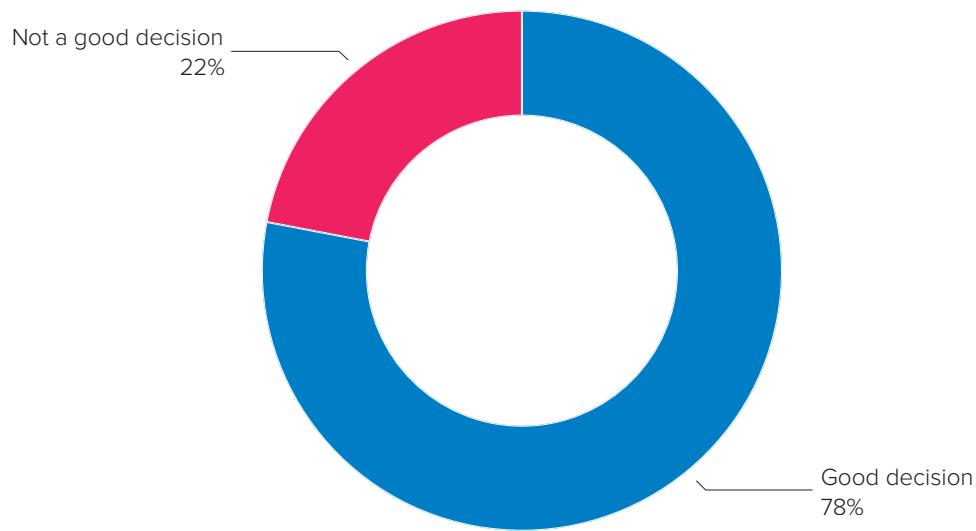


Exhibit 9–7: Believe Ownership is Good Financial Decision Among Non-Homeowners

(Percentage Distribution)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 9–8: Main Reason Believe Ownership Beliefs Among Non-Homeowners

(Percentage Distribution)

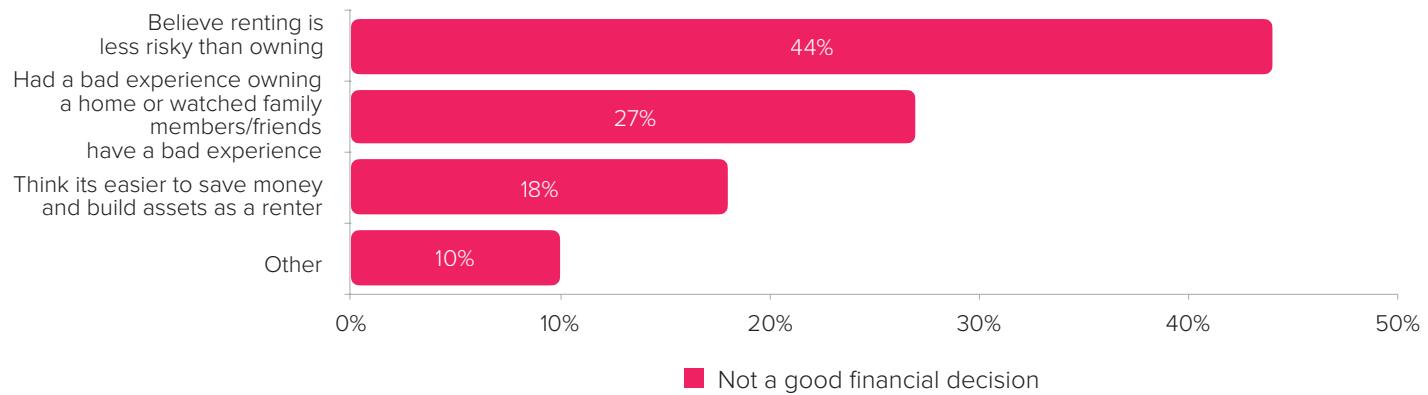
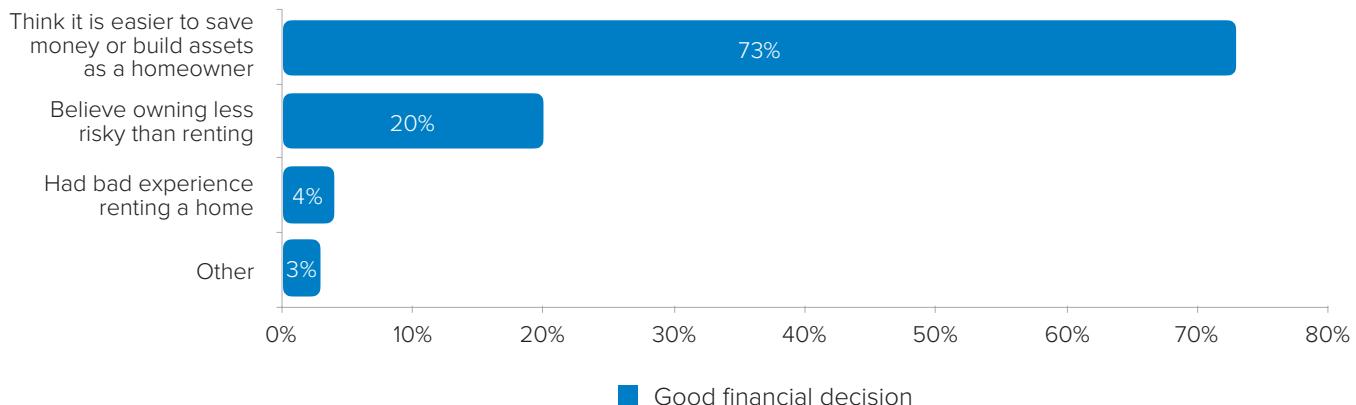
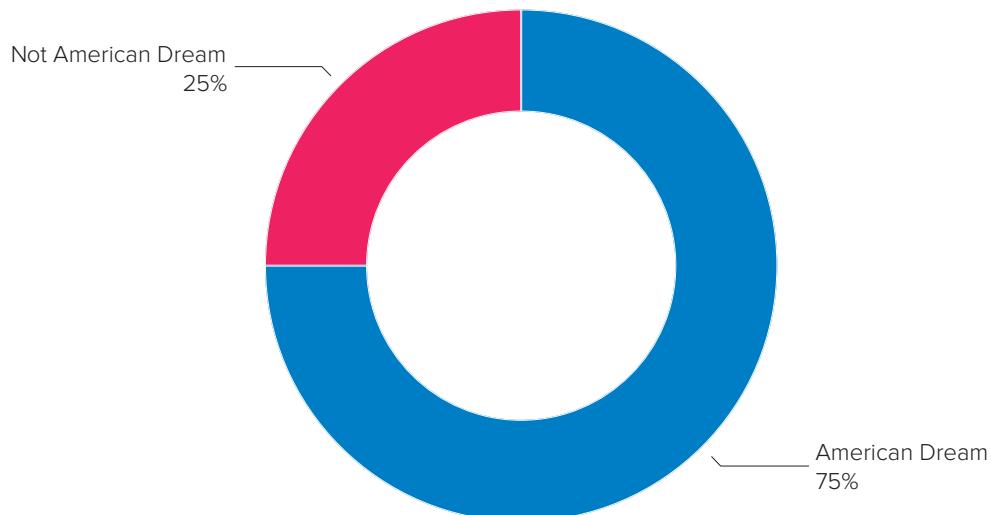


Exhibit 9–9: Believe Ownership is Part of Personal American Dream Among Non-Homeowners

(Percentage Distribution)



CHAPTER 9: ASPIRING BUYERS

Exhibit 9–10: Ever Want To Own in the Future Among Non-Homeowners

(Percentage Distribution)

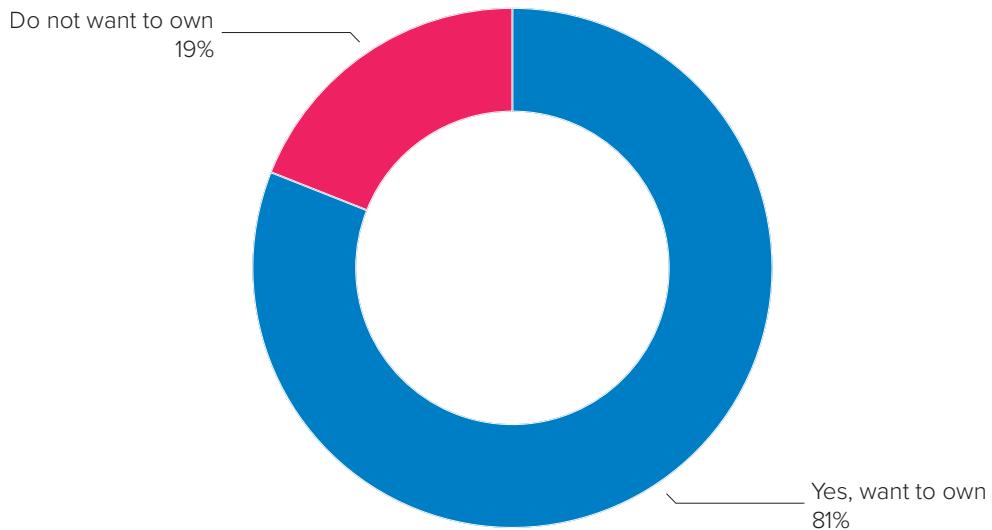
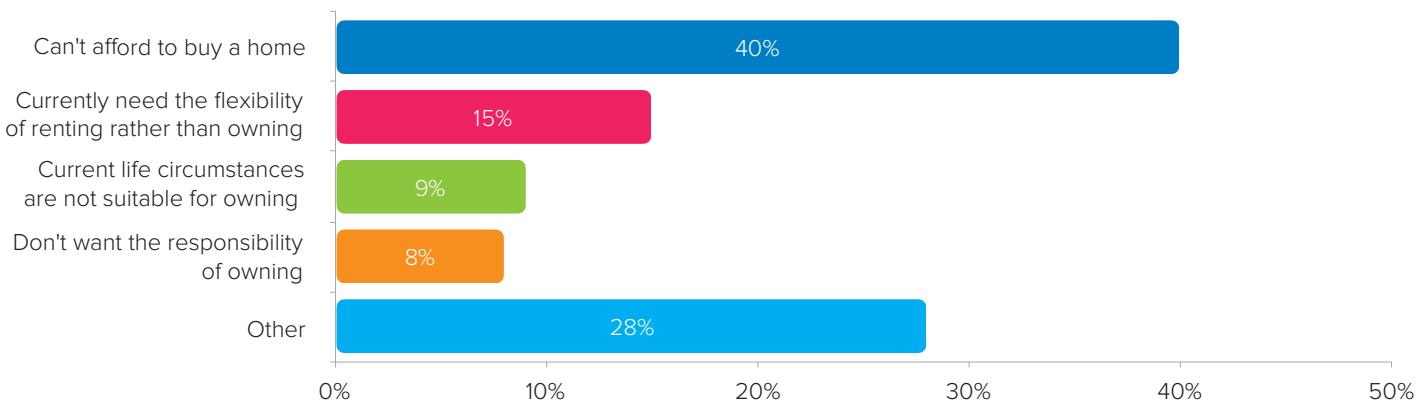


Exhibit 9–11: Main Reason Do Not Currently Own Among Non-Homeowners

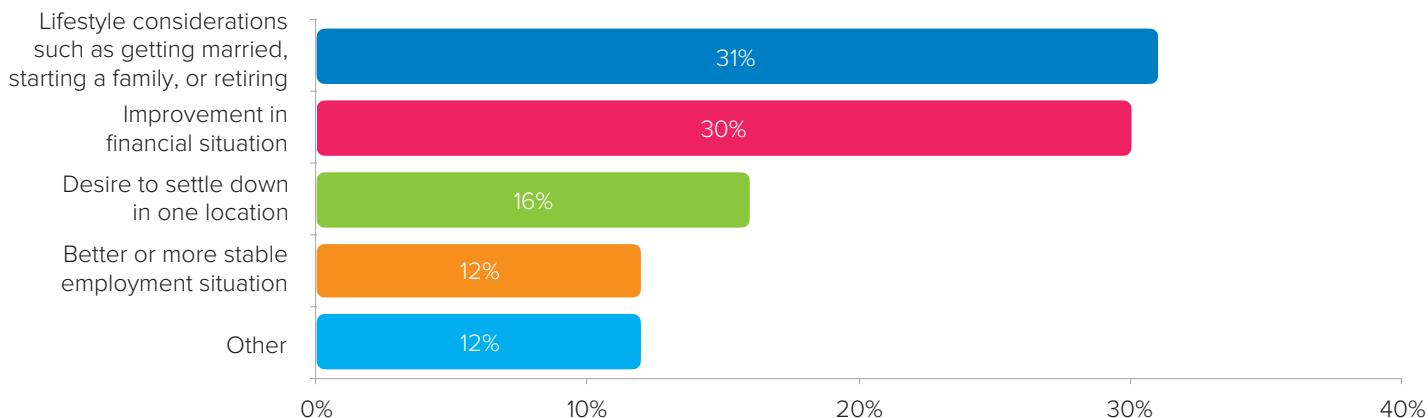
(Percentage Distribution)



2019 PROFILE OF HOME BUYERS AND SELLERS

Exhibit 9–12: Main Reason Would Become an Owner in the Future Among Non-Homeowners

(Percentage Distribution)



2019 PROFILE OF HOME BUYERS AND SELLERS

METHODOLOGY AMONG RECENT BUYERS AND SELLERS (CHAPTERS 1 THROUGH 8)

In July 2019, NAR mailed out a 125-question survey using a random sample weighted to be representative of sales on a geographic basis to 159,750 recent home buyers. The recent home buyers had to have purchased a primary residence home between July of 2018 and June of 2019. A total 5,870 responses were received from primary residence buyers. After accounting for undeliverable questionnaires, the survey had an adjusted response rate of 3.7 percent.

Respondents had the option to fill out the survey via hard copy or online. The online survey was available in English and Spanish.

Consumer names and addresses were obtained from Experian, a firm that maintains an extensive database of recent home buyers derived from county records. Information about sellers comes from those buyers who also sold a home.

All information in this profile is characteristic of the 12-month period ending June 2019, with the exception of income data, which are reported for 2018. In some sections comparisons are also given for results obtained in previous surveys. Not all results are directly comparable due to changes in questionnaire design and sample size. Some results are presented for the four U.S. Census regions: Northeast, Midwest, South, and West. The median is the primary statistical measure used throughout this report. Due to rounding and omissions for space, percentage distributions may not add to 100 percent.

Data gathered in the report is based on primary residence home buyers. From the *Realtors Confidence Index*, 85 percent of home buyers were primary residence buyers, which accounts for 5,063,450 homes sold in 2018. Using that calculation, the sample at the 95 percent confidence level has a confidence interval of plus-or-minus 1.28%.

METHODOLOGY AMONG ASPIRING BUYERS (CHAPTER 9)

The survey was conducted by an established survey research firm, TechnoMetrica Market Intelligence. Each month, July of 2018 to June of 2019, a sample of U.S. households was surveyed via random-digit dial, including cell phones and land lines. Using a computer-assisted telephone interviewing (CATI) system, TechnoMetrica conducts interviews from their call center in Ramsey, NJ.

Regional quotas are used, based on four census regions and nine census divisions.

The data compiled for this report is based on 10,863 completed telephone interviews of qualified households survey respondents over a 12-month period from July of 2018 to June of 2019 who own, rent or live with someone else. Approximately 900 interviews are conducted each month. For this chapter, only data from those who rent or live with someone else was used for a total of 3,802 responses. For the annual results, the margin of error for the survey is +/-1.6 percentage points at the 95% confidence level, based on non-owner households.



2019 PROFILE OF HOME BUYERS AND SELLERS

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