REAL ESTATE
Home Buyers' Profiles

#VISUALIZINGTHECRISIS #IreneChiappini #GiuliaSerafin

US HOME BUYERS' INSIGHT

These kind of home buyers and sellers have specific attributes that are often impacted by their service that makes buying and selling a different experience for them. These data come from a **NAR*** research published in May 2016.
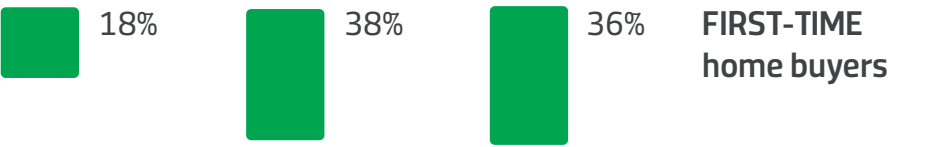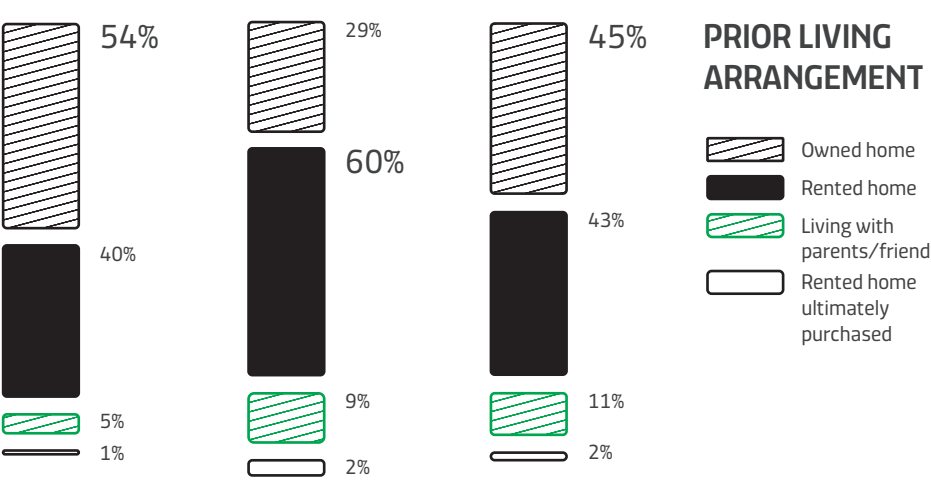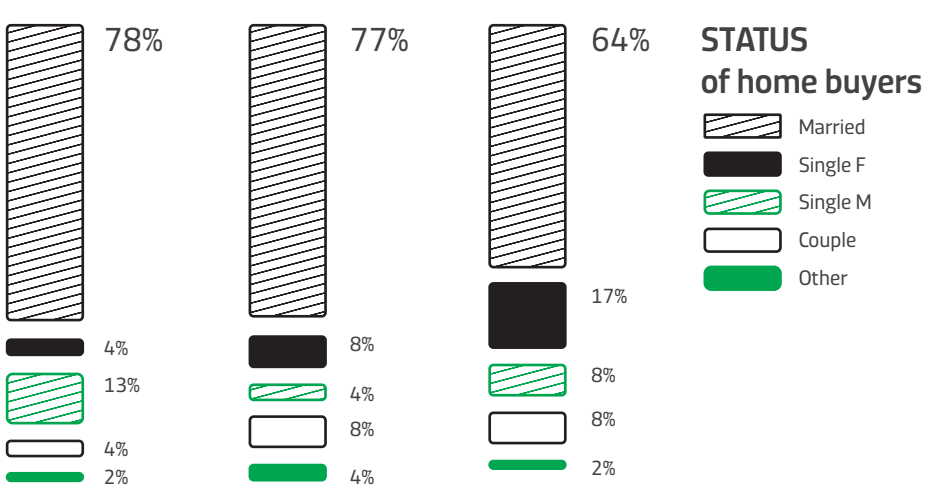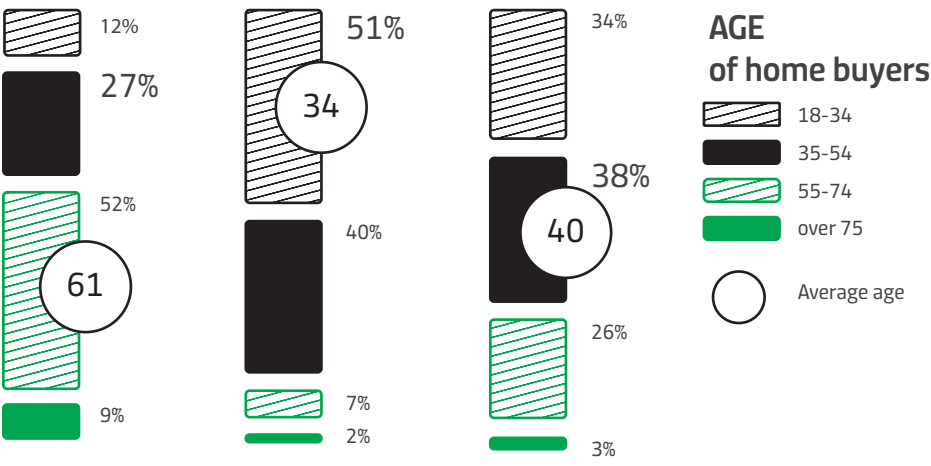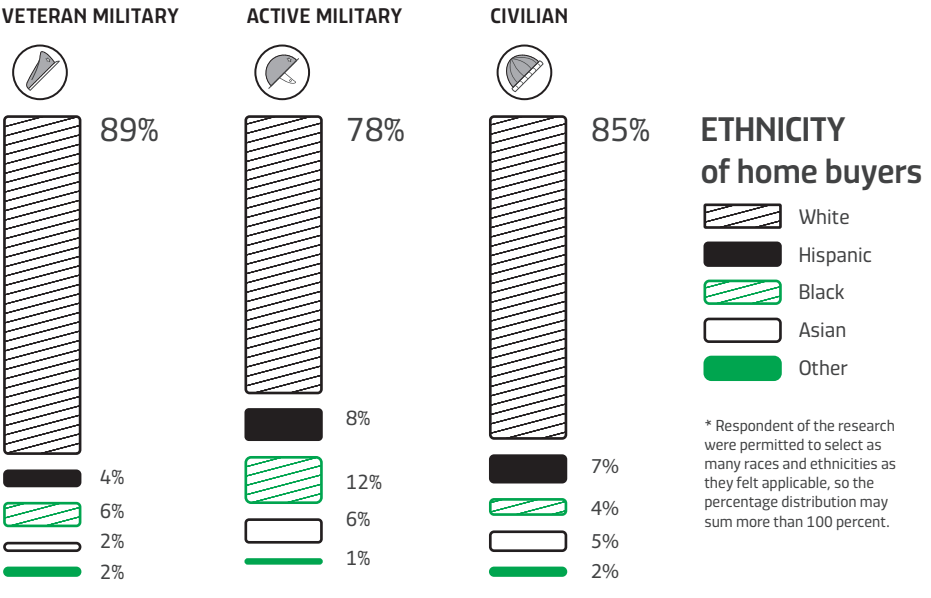
Where does data come from?

*The National Association of Realtors
"The Voice for Real Estate," is America's largest trade association, representing 1.1 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry.

Left columns: VETERAN MILITARY — ACTIVE MILITARY — CIVILIAN

ETHNICITY of home buyers

	VETERAN MILITARY	ACTIVE MILITARY	CIVILIAN
White	89%	78%	85%
Hispanic	4%	8%	7%
Black	6%	12%	4%
Asian	2%	6%	5%
Other	2%	1%	2%

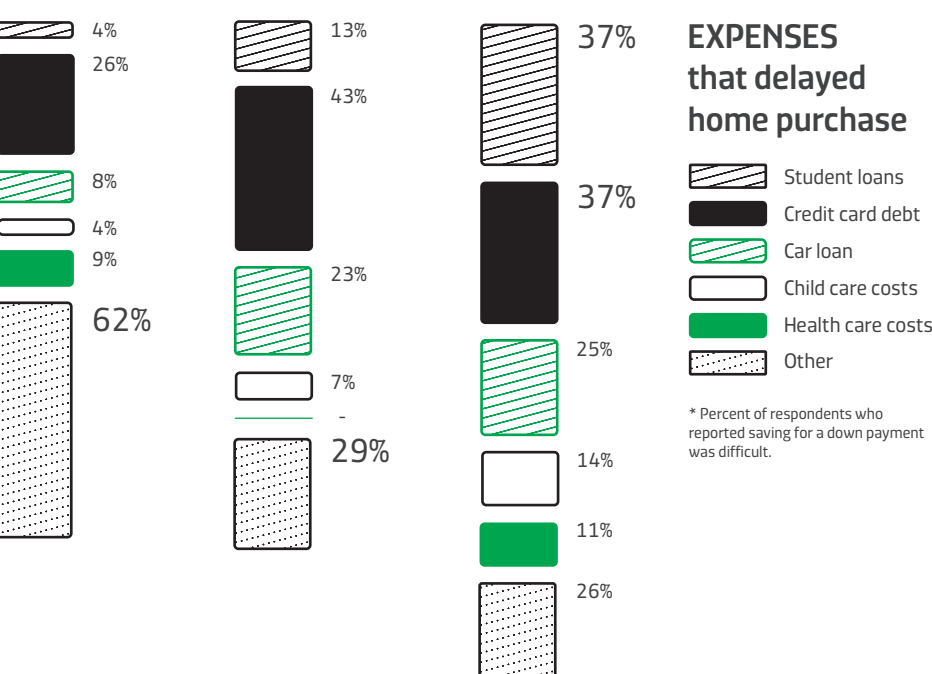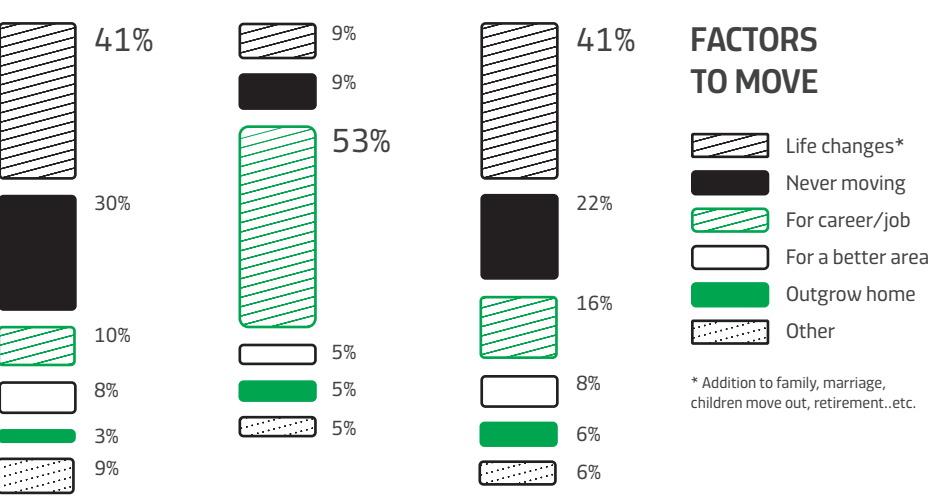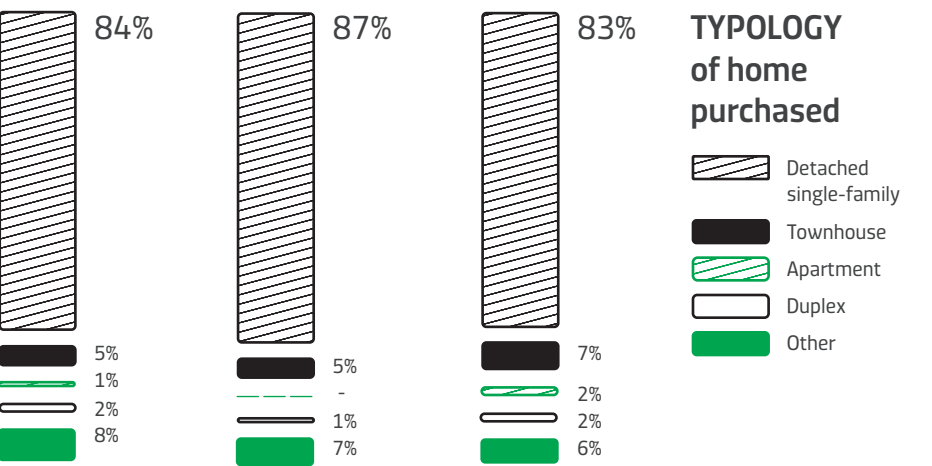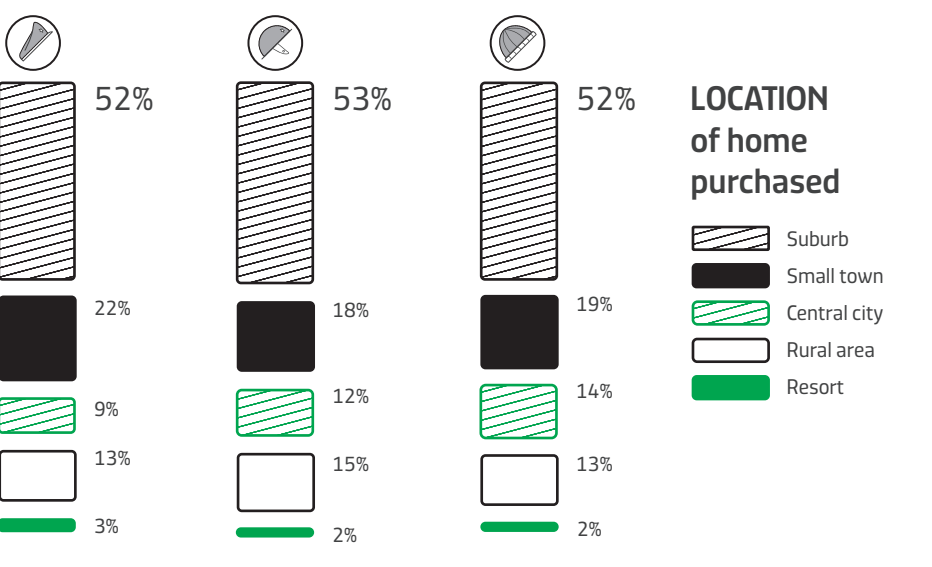* Respondent of the research were permitted to select as many races and ethnicities as they felt applicable, so the percentage distribution may sum more than 100 percent.

AGE of home buyers

	VETERAN MILITARY	ACTIVE MILITARY	CIVILIAN
18-34	12%	51%	34%
35-54	27%	40%	38%
55-74	52%	7%	26%
over 75	9%	2%	3%
Average age	61	34	40

STATUS of home buyers

	VETERAN MILITARY	ACTIVE MILITARY	CIVILIAN
Married	78%	77%	64%
Single F	4%	8%	17%
Single M	13%	4%	8%
Couple	4%	8%	8%
Other	2%	4%	2%

PRIOR LIVING ARRANGEMENT

	VETERAN MILITARY	ACTIVE MILITARY	CIVILIAN
Owned home	54%	29%	45%
Rented home	40%	60%	43%
Living with parents/friends	5%	9%	11%
Rented home ultimately purchased	1%	2%	2%

FIRST-TIME home buyers

VETERAN MILITARY	ACTIVE MILITARY	CIVILIAN
18%	38%	36%

Right columns

LOCATION of home purchased

Suburb	52%	53%	52%
Small town	22%	18%	19%
Central city	9%	12%	14%
Rural area	13%	15%	13%
Resort	3%	2%	2%

TYPOLOGY of home purchased

Detached single-family	84%	87%	83%
Townhouse	5%	5%	7%
Apartment	1%	-	2%
Duplex	2%	1%	2%
Other	8%	7%	6%

FACTORS TO MOVE

Life changes*	41%	9%	41%
Never moving	30%	9%	22%
For career/job	10%	53%	16%
For a better area	8%	5%	8%
Outgrow home	3%	5%	6%
Other	9%	5%	6%

* Addition to family, marriage, children move out, retirement...etc.

EXPENSES that delayed home purchase

Student loans	4%	13%	37%
Credit card debt	26%	43%	37%
Car loan	8%	23%	25%
Child care costs	4%	7%	14%
Health care costs	9%	29%	11%
Other	62%		26%

* Percent of respondents who reported saving for a down payment was difficult.

REAL ESTATE

US Military Homebuyers

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WHO ARE THE HOME BUYERS

VETERAN MILITARY

ACTIVE MILITARY

CIVILIAN

HOME BUYERS
3%
18%
78%

HOME SELLERS
1%
21%
79%

34 years old is the average age of typical active-service buyer was a lot younger than non-military buyers, **40 years old**, and was more likely to be married and have multiple children living in their household.

As a result, they typically bought a larger home that cost more than those purchased by both non-military buyers and veterans.

BOUGHT HOMES AT A RATE
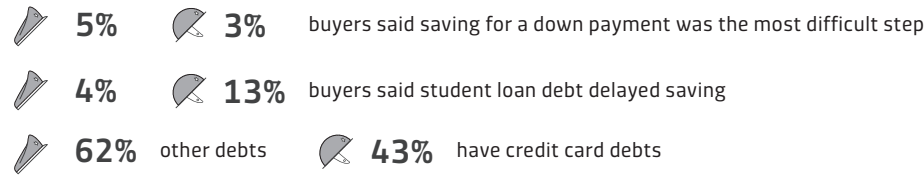51%
34%
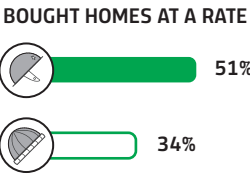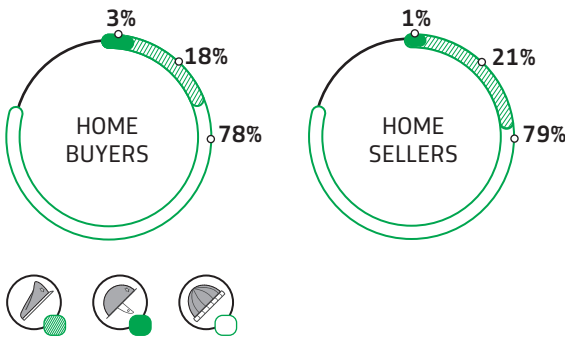
VETERAN AFFAIRS LOANS

Most popular loan type. SAFE AND AFFORDABLE CHOICE:
100% financing **ACTIVE** and **VETERAN MILITARY**
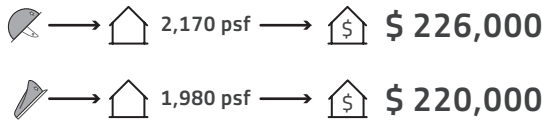
54%
74%

→ leading the majority financing, the entire home purchase

→ putting down a median down payment of **5%**

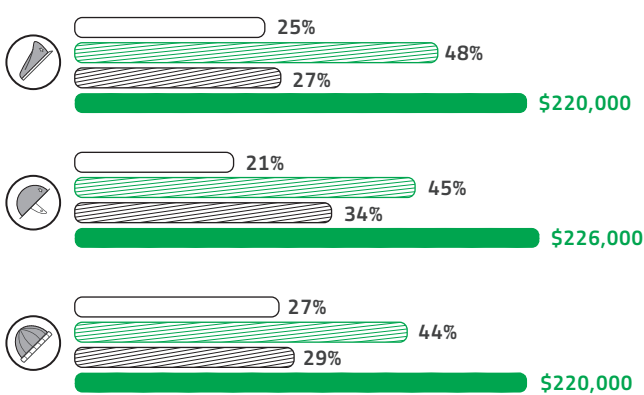→ putting down a median down payment of **11%**

WITH THE ABILITY TO OBTAIN A VA LOAN

5%   **3%**   buyers said saving for a down payment was the most difficult step

4%   **13%**   buyers said student loan debt delayed saving

62% other debts   **43%** have credit card debts

MEDIAN INCOMES $ 85,500

→ 🏠 2,170 psf → $ 226,000

→ 🏠 1,980 psf → $ 220,000

PRICE OF HOME PURCHASED

25%
48%
27%
$220,000

21%
45%
34%
$226,000

27%
44%
29%
$220,000

PRICE RANGES

○ $75,000 to $150,000
● $150,000 to $300,000
● $300,000 to $500,000
● average price

LOWER MEDIAN INCOME
$ 76,800
→ more stable job security
→ marriage and rise family in earlier age
→ more desiderable and achieveble option

SOURCES OF MONEY FOR THEIR DOWN PAYMENTS

ACTIVE MILITARY
52%
2%
6%
8%
28%
4%

VETERAN MILITARY
70%
2%
2%
3%
10%
14%

CIVILIAN
65%
8%
9%
13%
3% 3%

○ savings
● gift from relative or friend
● 401 k/pension fund including loan
● sale of stocks or bonds
● loan from relative or friend
○ other
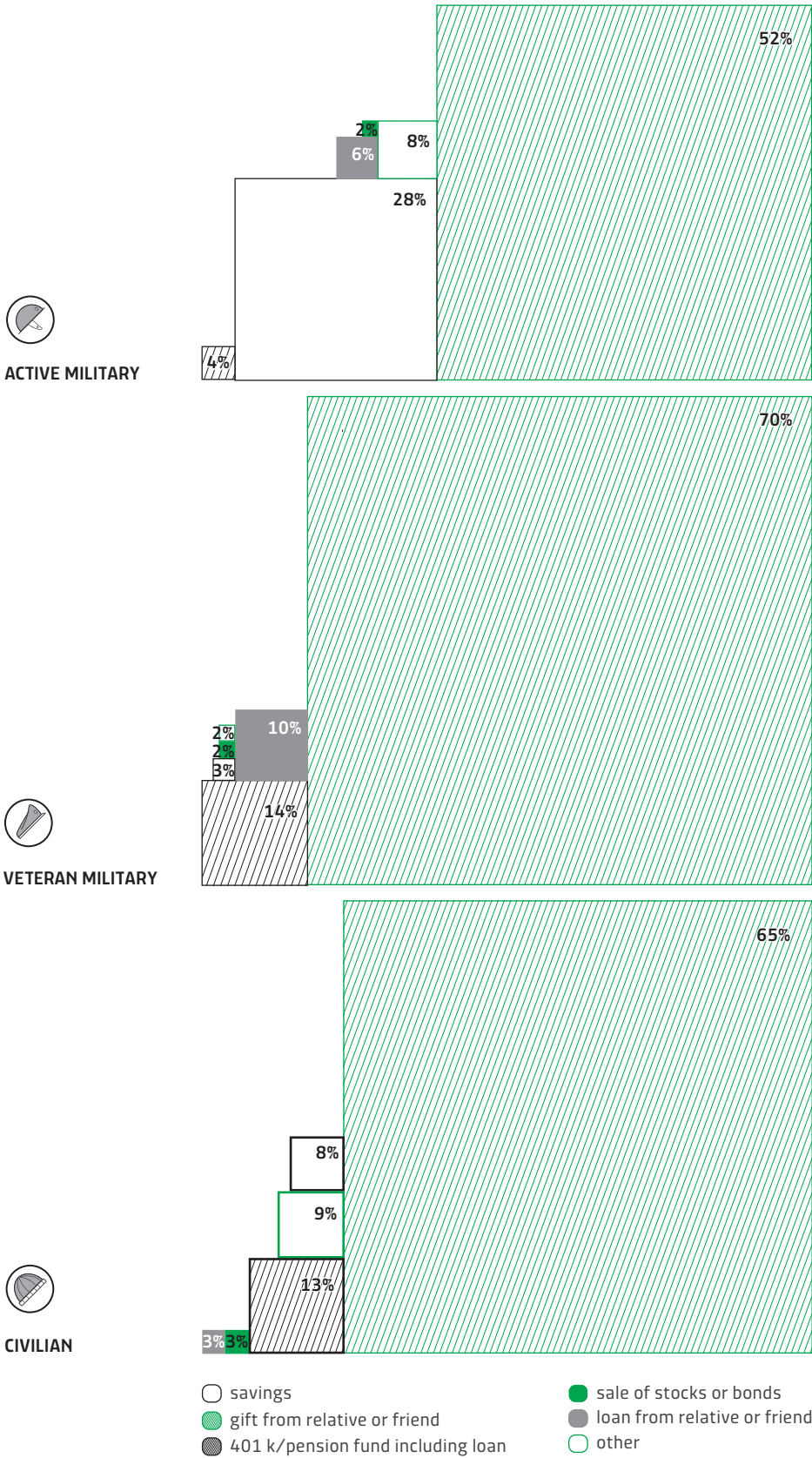
CHARACTERISTICS OF HOME ON WHICH BUYER COMPROMISED

PRICE HOME
19%
23%
20%

SIZE HOME
17%
24%
17%

DISTANCE JOB
8%
22%
14%

OTHER COMPROMISED
38%
2%
25%

STYLE HOME
10%
21%
14%

DISTANCE FAMILY
5%
5%
6%

SCHOOL
3%
9%
4%