

Summer Webinar Series: 2013 Investment and Vacation Home Buyers Survey

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Methodology

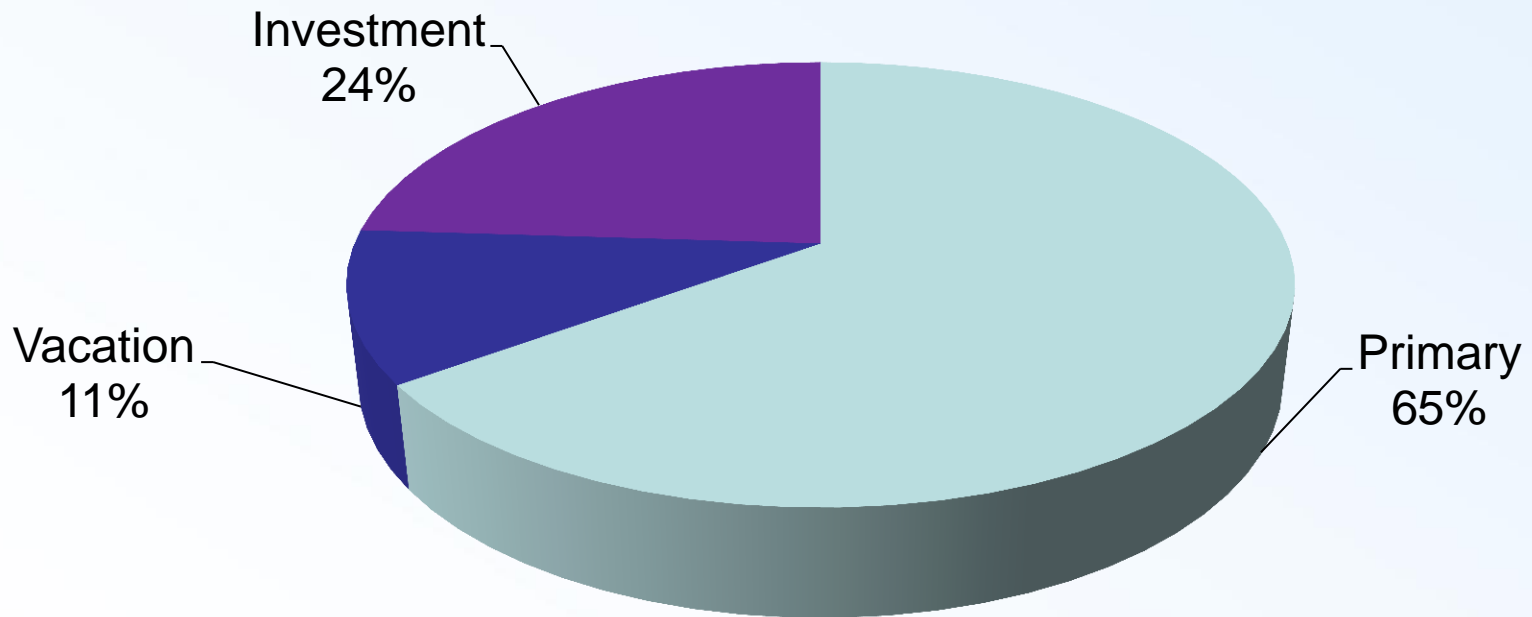
- Online panel
- Based on representative panel of U.S. households
- 2,326 households responded—represents 2,751 home purchases



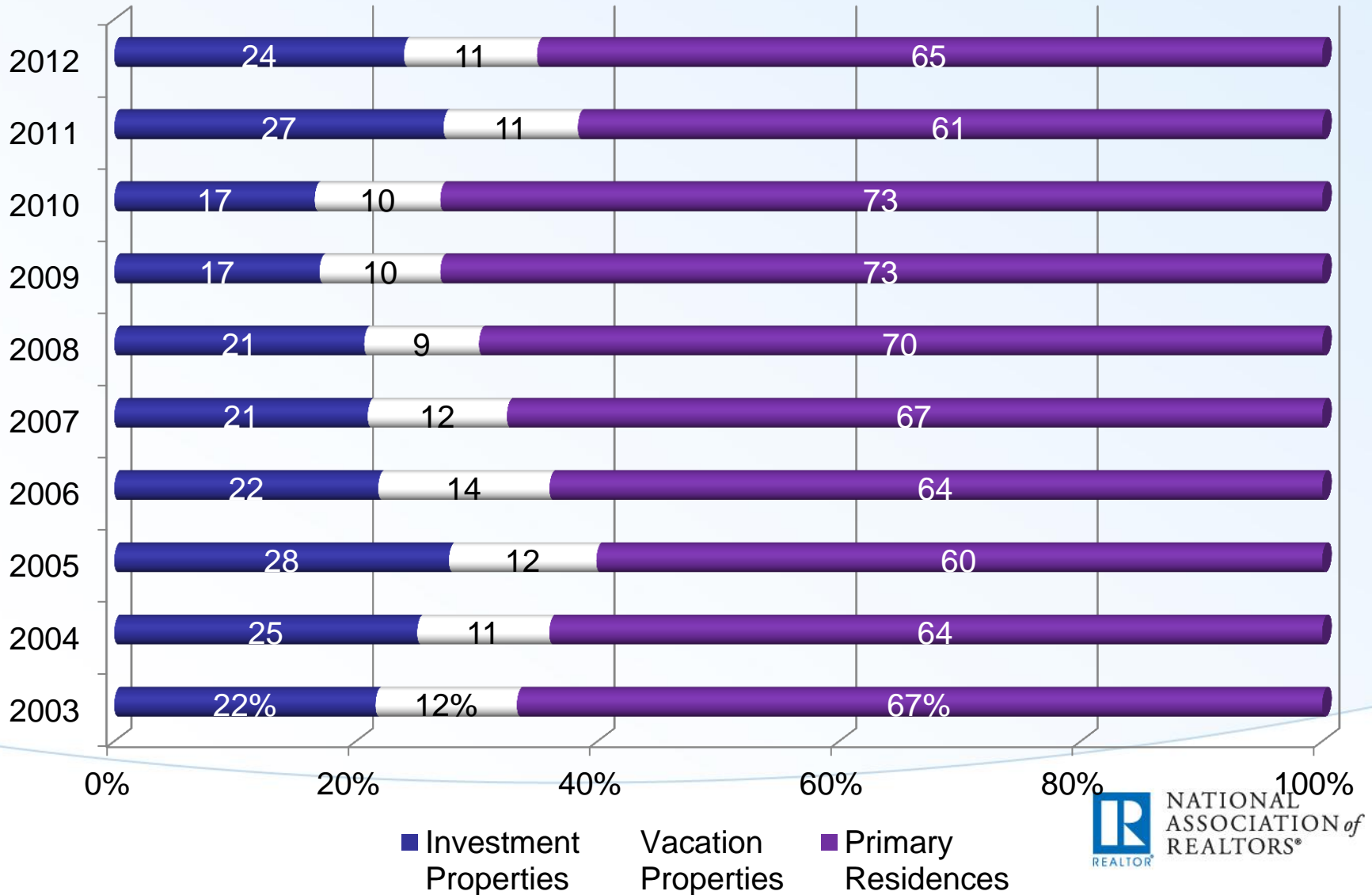
Share of Sales



Share of Home Sales



Share of Sales 2012-2003



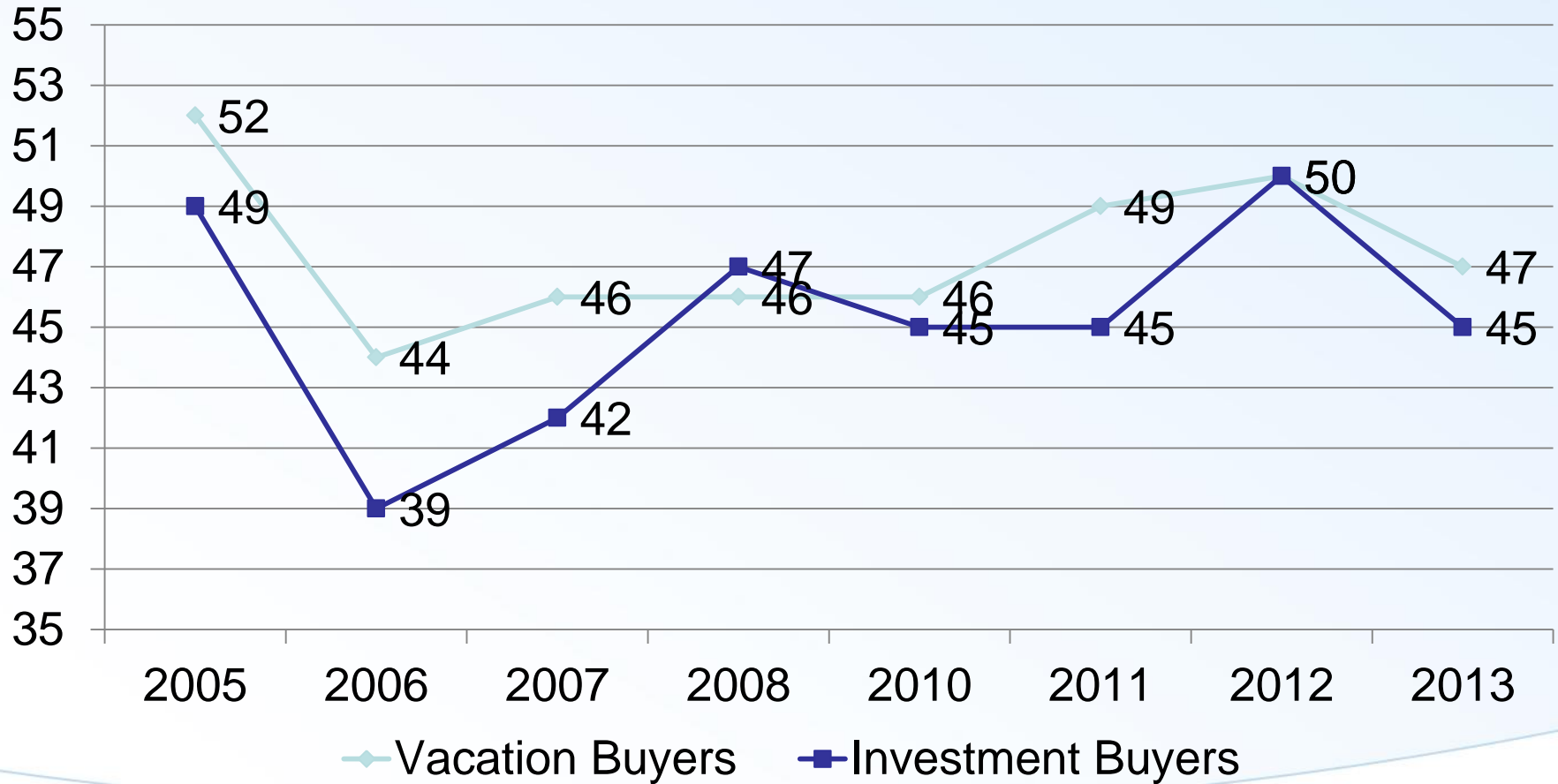


Buyer Characteristics

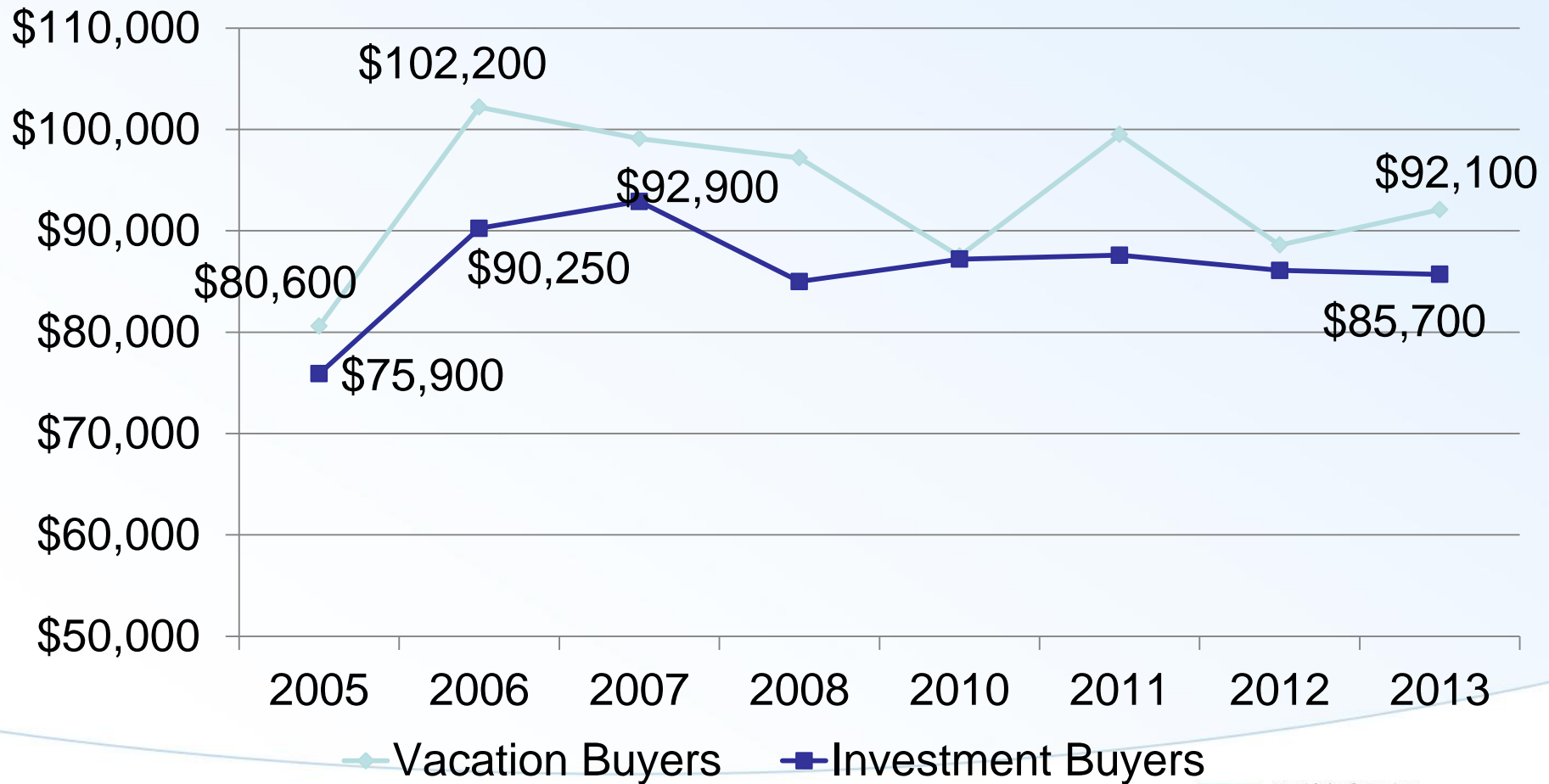
Buyer Demographics

	Primary Buyers	Vacation Buyers	Investment Buyers
Median Age	40	47	45
Median Household Income	\$76,600	\$92,100	\$85,700
Percent With 2 Income Earners	49%	48%	48%
<i>Racial/Ethnic Background</i>			
White/Caucasian	84%	78%	75%
Asian/Pacific Islander	7	10	14
Black/African American	6	10	8
Hispanic/Latino	4	4	4

Age Vacation and Investment Buyers 2005-2013



Income Vacation and Investment Buyers 2005-2013



Property Characteristics



Property Differences

	Primary Buyers	Vacation Buyers	Investment Buyers
Median Distance to Primary	NA	435	21
<i>Location</i>			
Small town	18%	21%	25%
Rural area	18	17	20
Suburb/Subdivision	45	21	28
Urban area/Central City	18	21	20
Resort area	1	19	7
<i>Type of Home</i>			
Detached single-family	82%	60%	58%
Townhouse or row house	5	10	12
Condo/duplex	5	12	10

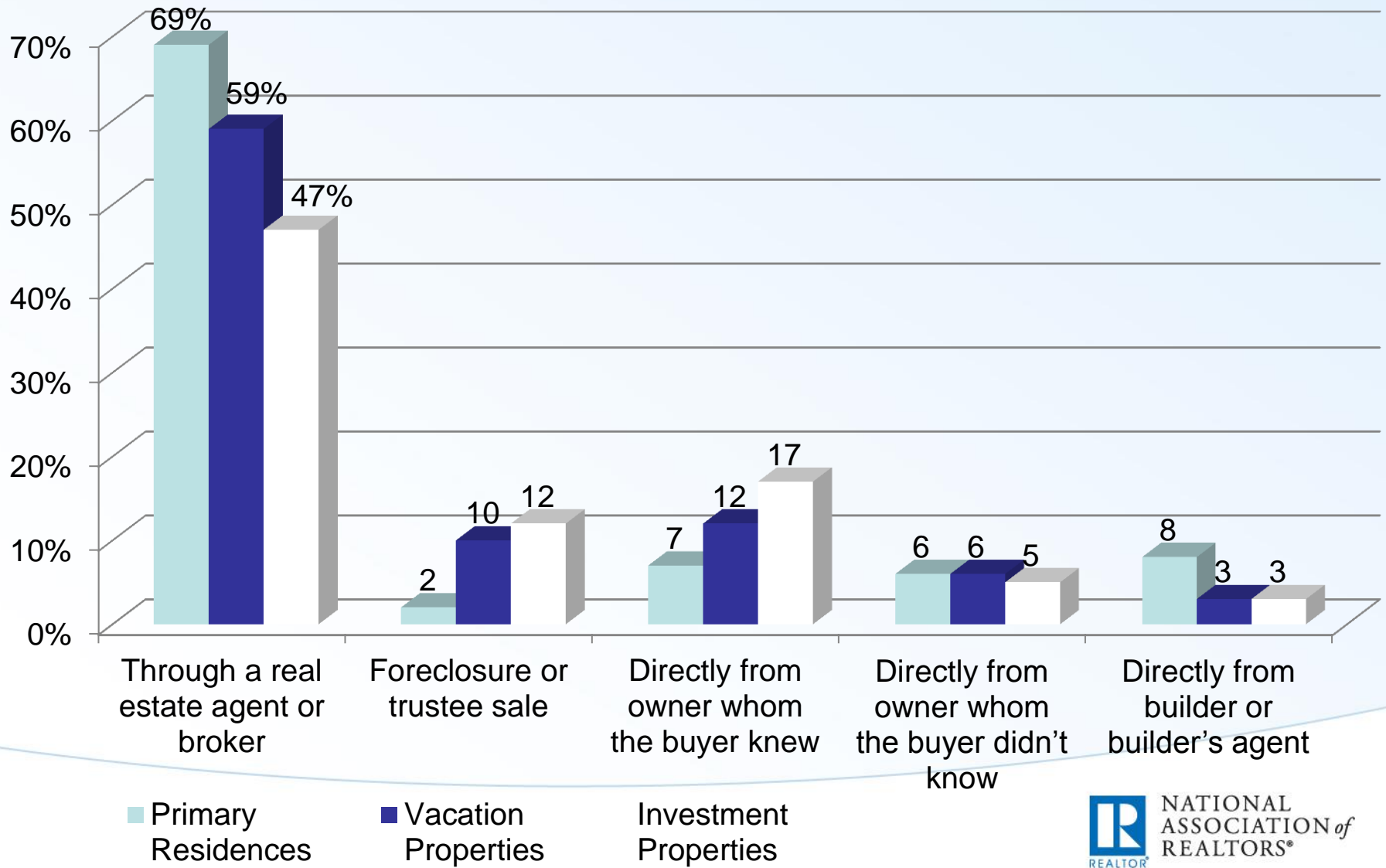
Purchasing and Financing



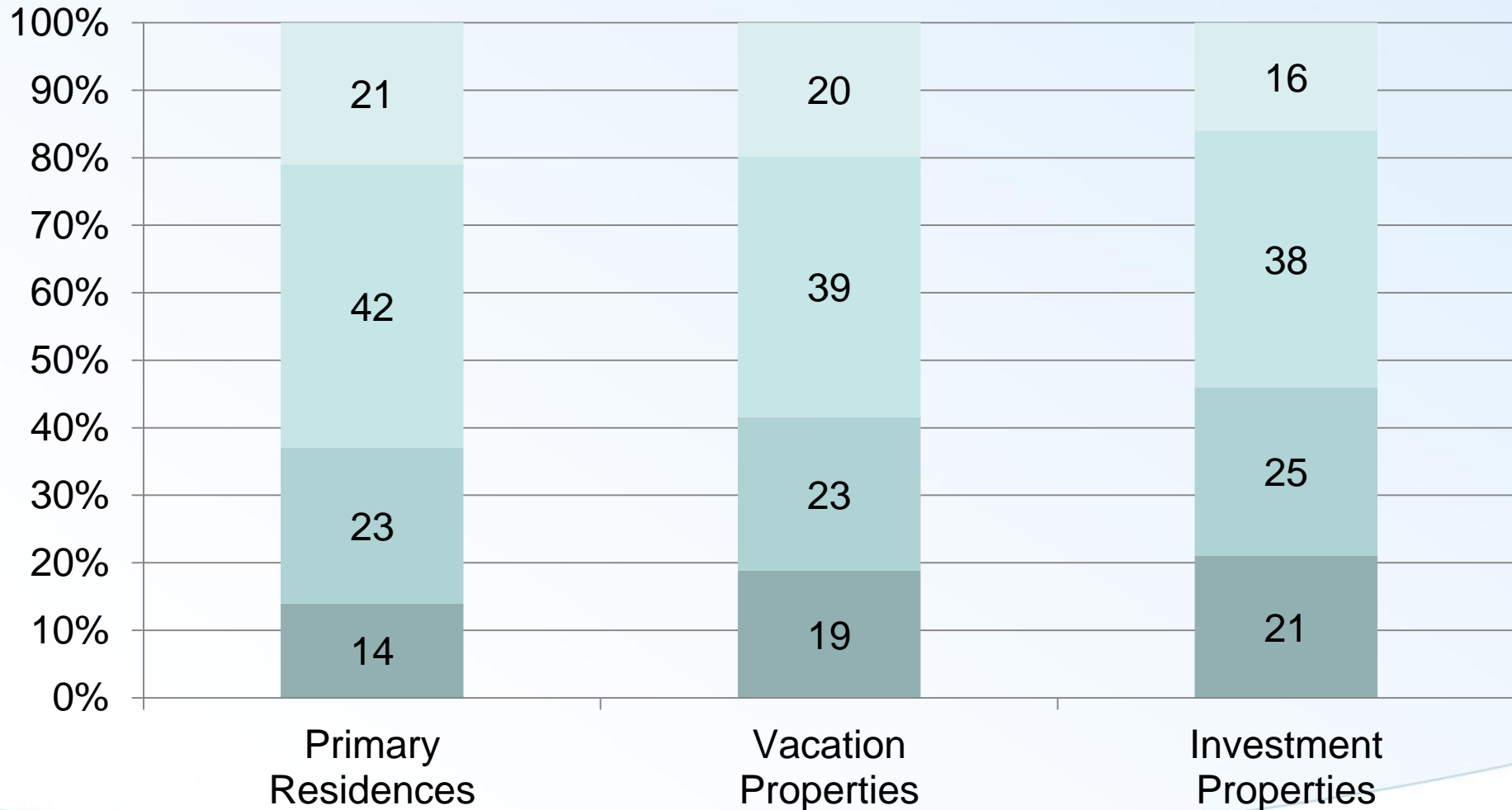
First Step in the Home Search

	Primary Buyers	Vacation Buyers	Investment Buyers
Looked online for properties for sale	30%	26%	21%
Looked online for information about the home buying process	14	18	10
Contacted a real estate agent	13	15	15
Talked with a friend or relative about the home buying process	8	7	13
Drove-by homes/neighborhoods	7	6	10
Visited open houses	6	8	7

How Buyer Purchased the Home

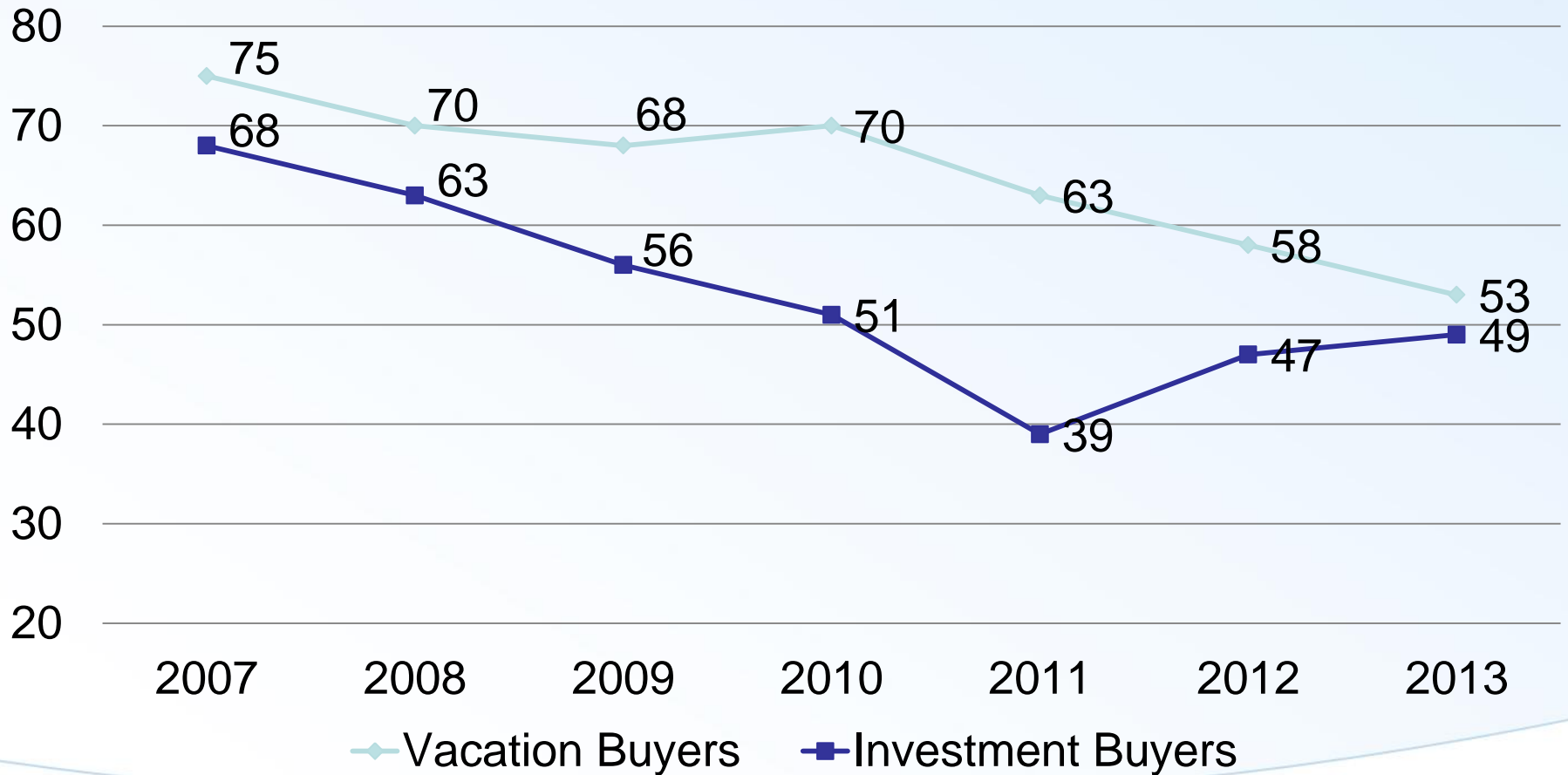


Difficulty of Financing



- Less difficult than expected
- Not difficult/nothing beyond what expected
- Somewhat more difficult than expected
- Much more difficult than expected

Investment and Vacation Buyers Used a Mortgage 2007-2013



Percent of Home Financed

	Vacation Buyers	Investment Buyers
Less than 70%	44	43
70% to 79%	23	24
80% to 89%	19	18
90% to 94%	7	3
95% to 99%	3	5
100% – Financed the entire purchase price with a mortgage	5	8

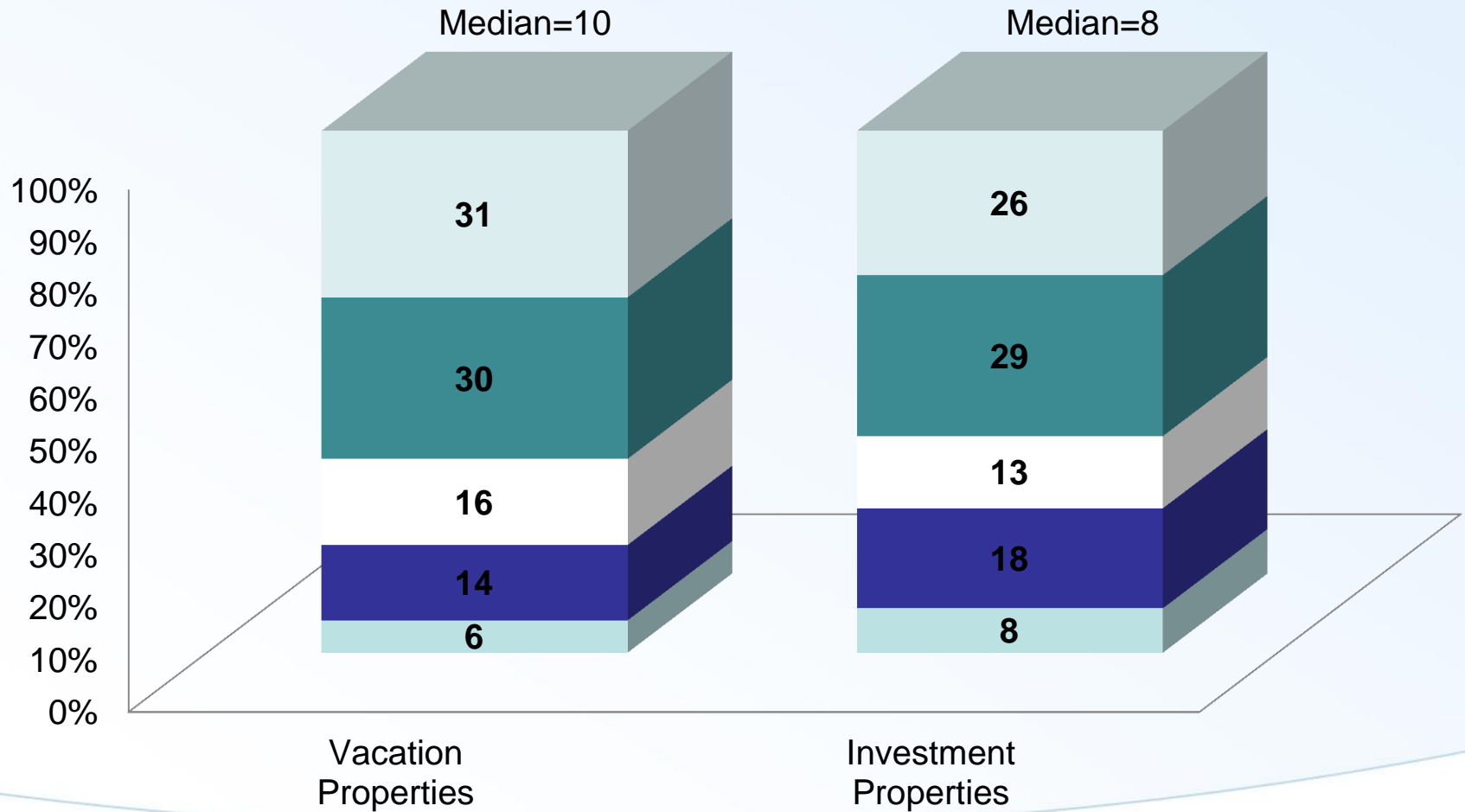
Motivation and Expectations



Reasons for Purchasing Home

	Vacation Properties	Investment Properties
To use for vacations or as a family retreat	80%	20%
To use as principal residence in the future	27	8
To rent to others	23	55
To diversify investments/Good investment opportunity	23	30
For a family member, friend or relative	11	16
Because the buyer had extra money to spend	11	7
For the tax benefits	10	15

Length of Time Plan on Owning



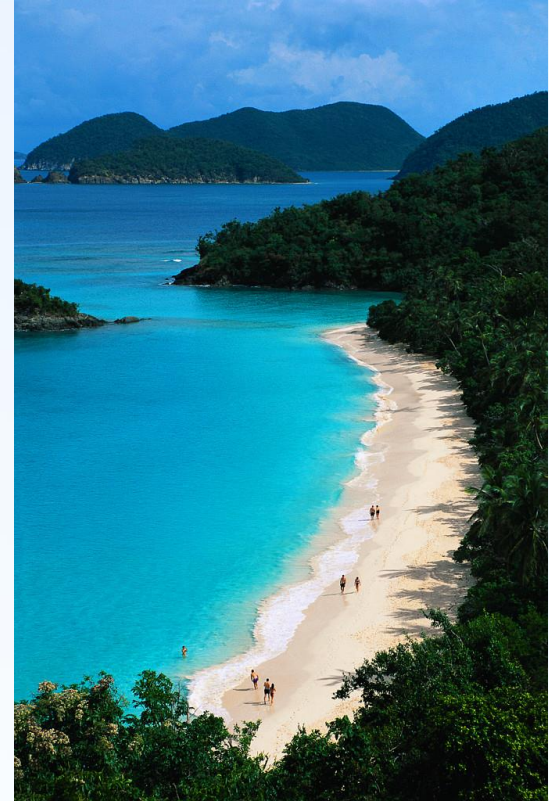
■ Less than 1 year
■ 11 or more years

■ 1 to less than 6 years
■ Don't know

■ 6 to less than 11 years

Outlook of Buyers

- 47% of investment buyers and 37% of vacation buyers are likely to buy an investment property again in the next 2 years
- 31% of investment buyers and 29% of vacation buyers are likely to buy a vacation property again in the next 2 years
- 78% of vacation buyers and 78% of investment buyers think it's a good time to purchase real estate



Where to find NAR Research

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