

Summer Webinar Series:

Home Buyer and Seller Generational Trends

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Home Buyer and Seller Generational Trends



- Survey conducted with recent home buyers who purchased a home between July 2011– June 2012
- Seller information gathered from those home buyers who sold a home
- Mailed 93,502 questionnaires
 - Received 8,501 responses
 - Response rate of 9.1%
- Names obtained from Experian

Home Buyers and What They Bought



Age of Home Buyers

	Year Born:	Age in 2012:	Percent in Category	Median Age in Group
Millennials/Gen Y/Gen Next:	1980-2000	32 and younger	28%	28
Gen X:	1965-1979	33 to 47	31	39
Younger Boomers:	1955-1964	48 to 57	18	53
Older Boomers:	1946-1954	58 to 66	14	62
Silent Generation:	1925-1945	67 to 87	10	71
G.I. Generation:	1900-1924	88 and older	<1%	90

Adult Composition of Buyers

Composition	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and Older
Married Couple	63%	71%	61%	65%	63%	48%
Single Female	12	14	20	19	20	22
Single Male	10	6	10	10	10	26
Unmarried Couple	14	8	6	4	4	4
Other	1	1	3	3	2	*

* Less than 1 percent



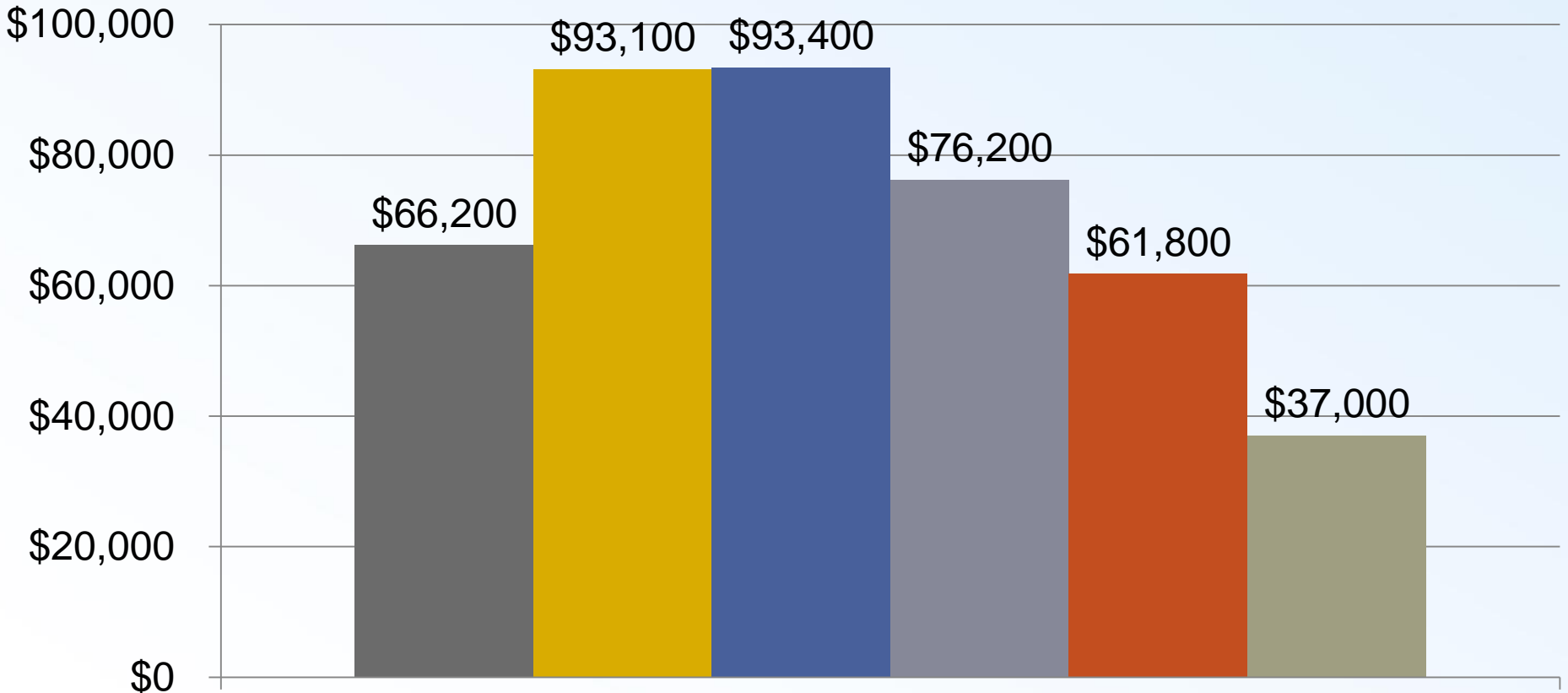
Number of Children Under the Age of 18 Residing in Household

	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and Older
None	55%	30%	70%	91%	97%	74%
One	24	23	18	6	2	4
Two	15	31	8	2	*	9
Three or More	6	15	5	2	1	13

* Less than 1 percent



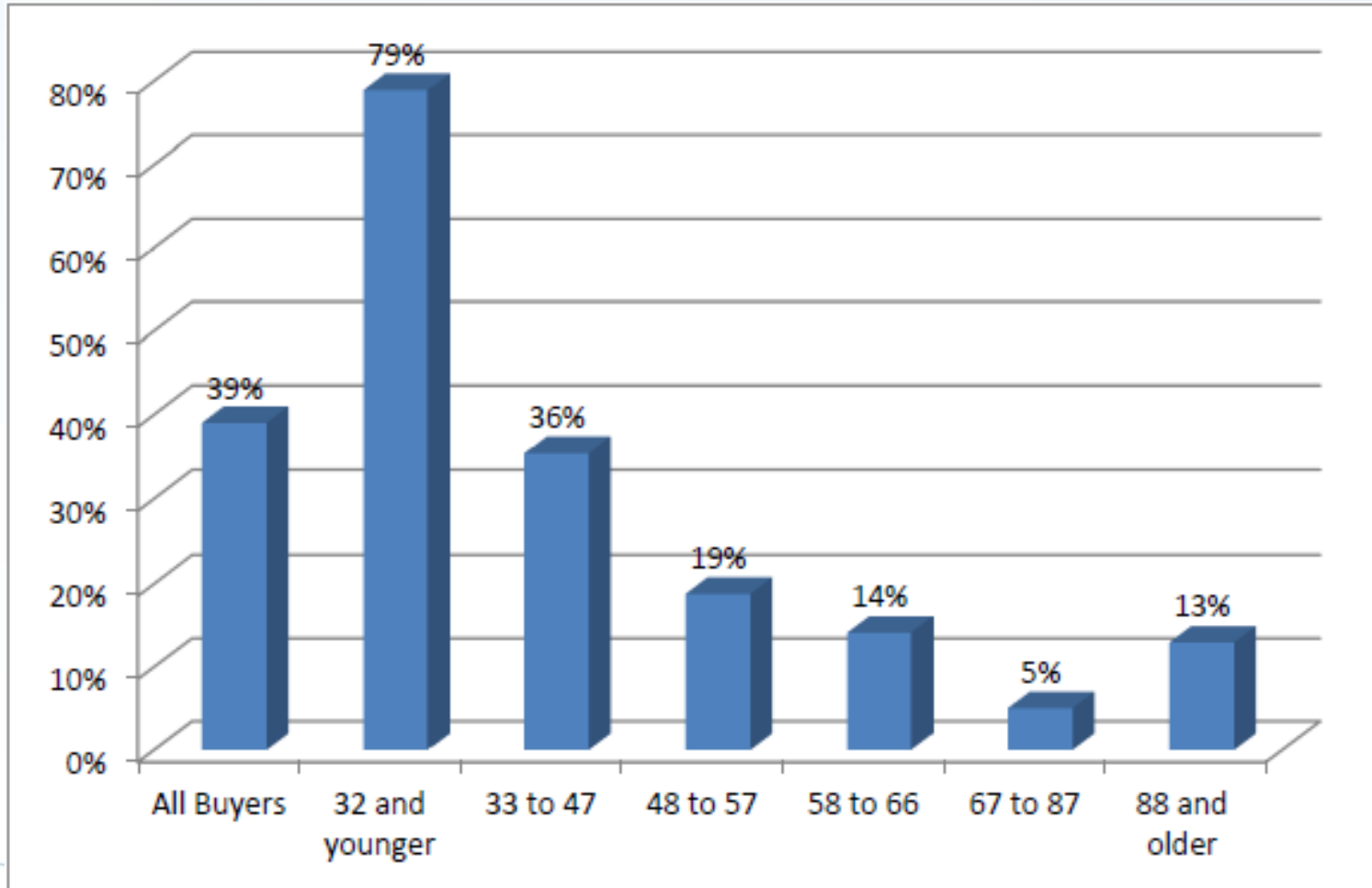
Household Income of Home Buyers



Median Income

■ 32 and Younger ■ 33 to 47 ■ 48 to 57 ■ 58 to 66 ■ 67 to 87 ■ 88 and older

First-Time Home Buyers in Age Group



Primary Reasons for Buying a Home

	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and Older
Desire to own a Home of My Own	50%	32%	21%	14%	7%	*
Desire for Larger Home	9	17	9	7	6	4
Job-related Relocation	6	13	13	8	*	9
Change in Family Situation	10	7	9	9	5	*
Desire to be Closer to Family	1	3	4	13	24	39

* Less than 1 percent

Characteristics of Home Purchased

	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and Older
Previously Owned	85%	84%	84%	82%	82%	83%
Detached Single Family	80	85	80	76	68	61
Median Price	\$165,000	\$235,000	\$200,000	\$185,000	168,000	191,000
Median Square Foot	1,700	2,100	2,000	1,800	1,750	1,500
Median Year Built	1986	1991	1993	1995	1997	1991

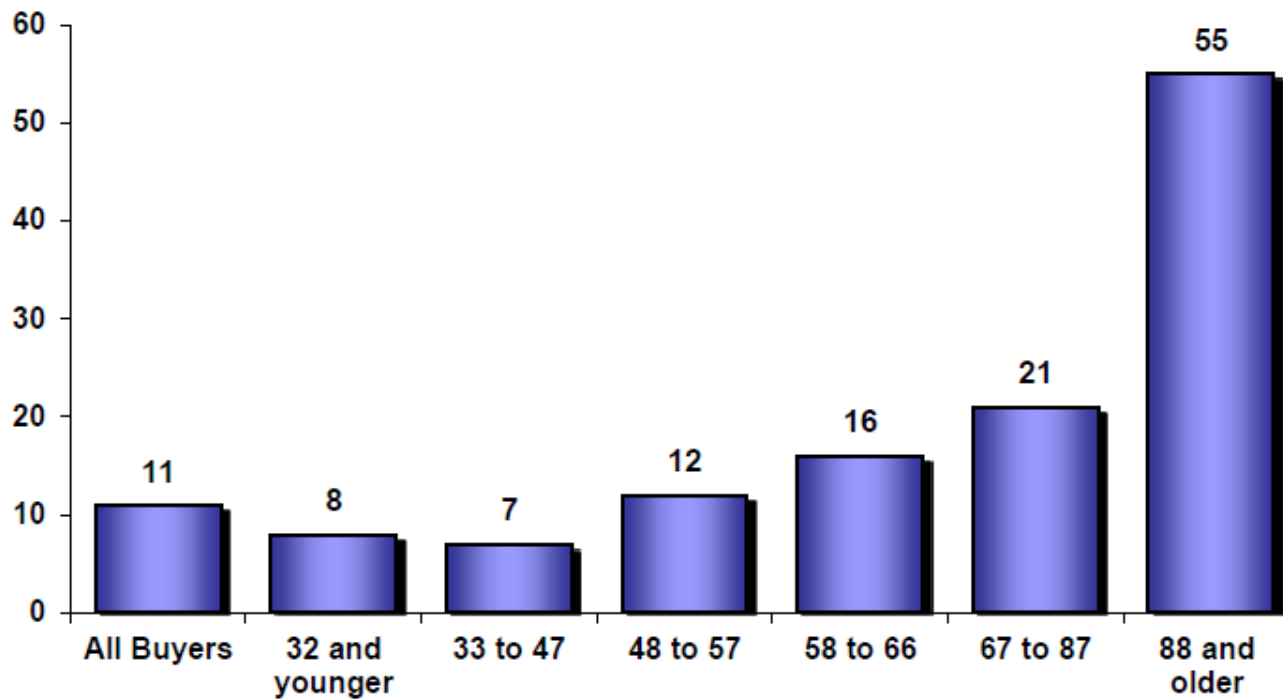
Senior Related Housing

	All buyers over 48	AGE OF HOME BUYER			
		48 to 57	58 to 66	67 to 87	88 and older
Share who purchased a home in senior related housing	14%	6%	14%	27%	26%
Buyers over 50 who purchased senior related housing:					
Type of home purchased					
Detached single-family home	63%	65%	67%	60%	57%
Townhouse/row house	9	16	5	8	29
Apartment/condo in building with 5 or more units	11	8	12	11	14
Duplex/apartment/condo in 2 to 4 unit building	7	7	10	4	*
Other	10	4	7	16	*
Location					
Suburb/ Subdivision	45%	45%	49%	41%	100%
Small town	21	21	14	27	*
Urban/ Central city	11	18	11	8	*
Rural area	7	8	7	7	*
Resort/ Recreation area	16	9	20	17	*

* Less than 1 percent

DISTANCE BETWEEN HOME PURCHASED AND PREVIOUS RESIDENCE

(Median Miles)



Neighborhood Choice

	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and Older
Quality of the Neighborhood	68%	65%	55%	56%	52%	30%
Convenient to Job	62	48	43	25	4	*
Overall Affordability of Homes	48	37	35	38	27	32
Convenient to Friends/Family	44	29	28	37	45	46
Convenient to Schools	29	36	15	4	3	*

* Less than 1 percent

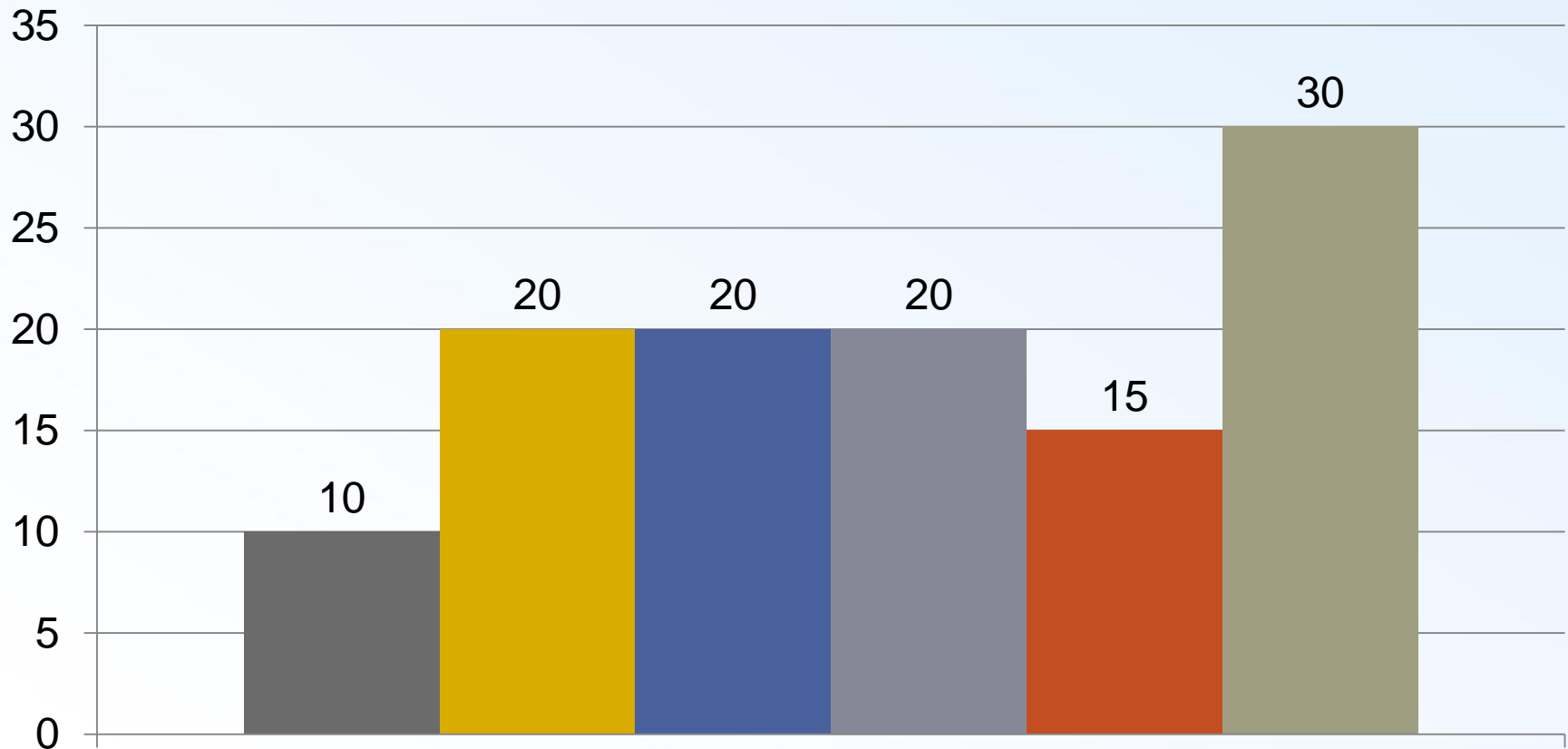
Environmentally Friendly Features Considered “Very Important”

	AGE OF HOME BUYER						
	All Buyers	32 and younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and older
Heating and cooling costs	39%	37%	37%	40%	42%	40%	27%
Commuting costs	37	43	38	40	28	15	15
Energy efficient appliances	24	21	21	25	28	28	14
Energy efficient lighting	24	23	21	25	27	28	30
Landscaping for energy conservation	11	7	10	14	16	15	*
Environmentally friendly community features	11	8	10	11	14	16	30

* Less than 1 percent



Expected Length of Tenure in Home Purchased



Median

- 32 and Younger
- 33 to 47
- 48 to 57
- 58 to 66
- 67 to 87
- 88 and Older

Search Process



First Step Taken During Home Buying Process

	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and Older
Looked Online for Properties	42%	46%	47%	38%	29%	23%
Contacted a Real Estate Agent	14	15	18	25	28	18
Drove-By homes	5	8	8	10	13	23
Visited Open Houses	2	3	4	4	6	*
Looked in Newspapers, Magazines, Home Buyers Guide	1	1	2	1	3	23

Information Sources Used in Home Search

	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and Older
Internet	96%	96%	89%	85%	66%	44%
Real Estate Agent	87	87	86	90	89	91
Yard Sign	47	55	54	53	53	33
Open house	40	50	44	45	38	67
Print Home Advertisement	22	25	31	35	34	21



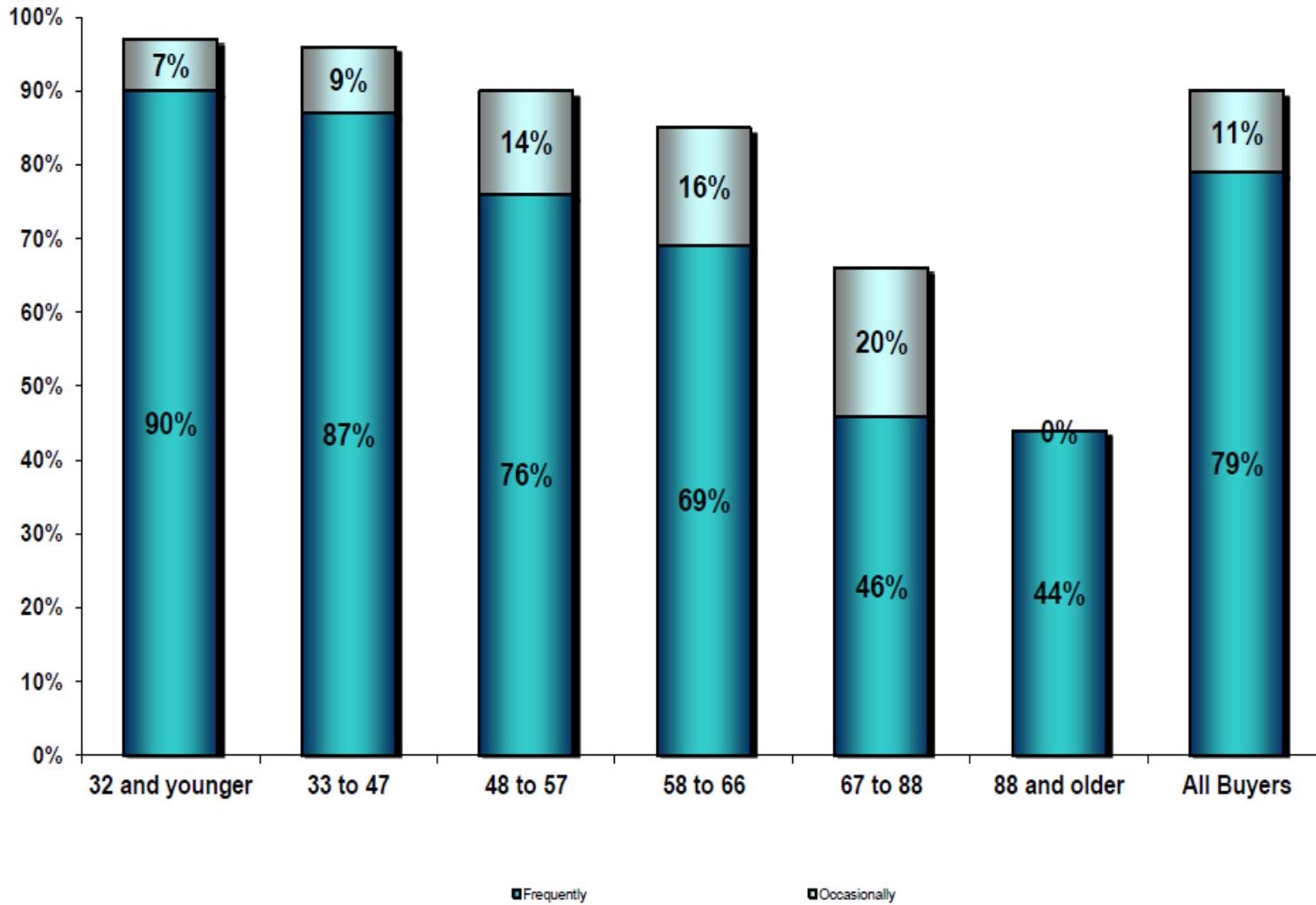
Where the Buyer Found the Home they Purchased

	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and older
Internet	49%	47%	44%	32%	23%	21%
Real Estate Agent	32	31	32	41	41	29
Yard Sign/Open house	8	9	11	11	13	17
Friend/Relative	6	5	6	6	11	33
Home Builder or Their Agent	4	5	4	5	5	*

* Less than 1 percent



USE OF INTERNET TO SEARCH FOR HOMES



Actions Taken as a Result of Internet Home Search

Younger buyers are more likely to:

- Drive the home or view the home
- Request more information
- Be pre-qualified for a mortgage online
- Look for more info on how to get a mortgage and general home buyer tips.



Satisfaction in Buying Process

	AGE OF HOME BUYER						
	All Buyers	32 and younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and older
Very Satisfied	61%	56%	60%	62%	69%	73%	55%
Somewhat Satisfied	31	35	32	30	24	21	18
Somewhat Dissatisfied	6	6	6	6	5	6	27
Very Dissatisfied	2	3	2	3	3	1	*

* Less than 1 percent



Benefits Provided by Real Estate Agent During Home Purchase

	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and Older
Helped Buyer Understand the Process	76%	59%	50%	54%	43%	35%
Provided a Better List of Service Providers	46	45	39	39	42	24
Negotiated Better Sales Contract Terms	48	44	40	38	33	40
Negotiated a Better Price	37	36	32	35	34	30
Shortened Buyer's Home Search	30	26	24	30	34	20

Home Buyer Found Real Estate Agent

	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and Older
Referred by Friend, Neighbor, or Relative	50%	43%	30%	31%	28%	45%
Internet Web Site	11	9	13	11	9	*
Used Agent Previously to Buy/Sell a Home	4	11	14	14	16	*
Saw Contact Info on For Sale/ Open House Sign	6	6	7	7	7	5
Mobile or Tablet Application	*	*	*	*	*	15

* Less than 1 percent

Most Important Factors when Choosing an Agent

	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and Older
Agent is Honest and Trustworthy	29%	27%	21%	18%	18%	30%
Reputation of Agent	20	21	22	21	23	15
Agent is a Friend or Family Member	17	15	13	14	14	35



Would Buyer use Real Estate Agent Again or Recommend to Others

	AGE OF HOME BUYER						
	All Buyers	32 and younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and older
Definitely	74%	72%	75%	71%	78%	80%	75%
Probably	15	16	15	16	13	13	5
Probably Not	5	6	5	5	5	4	20
Definitely Not	4	4	4	6	2	3	*
Don't Know	2	2	2	2	3	1	*

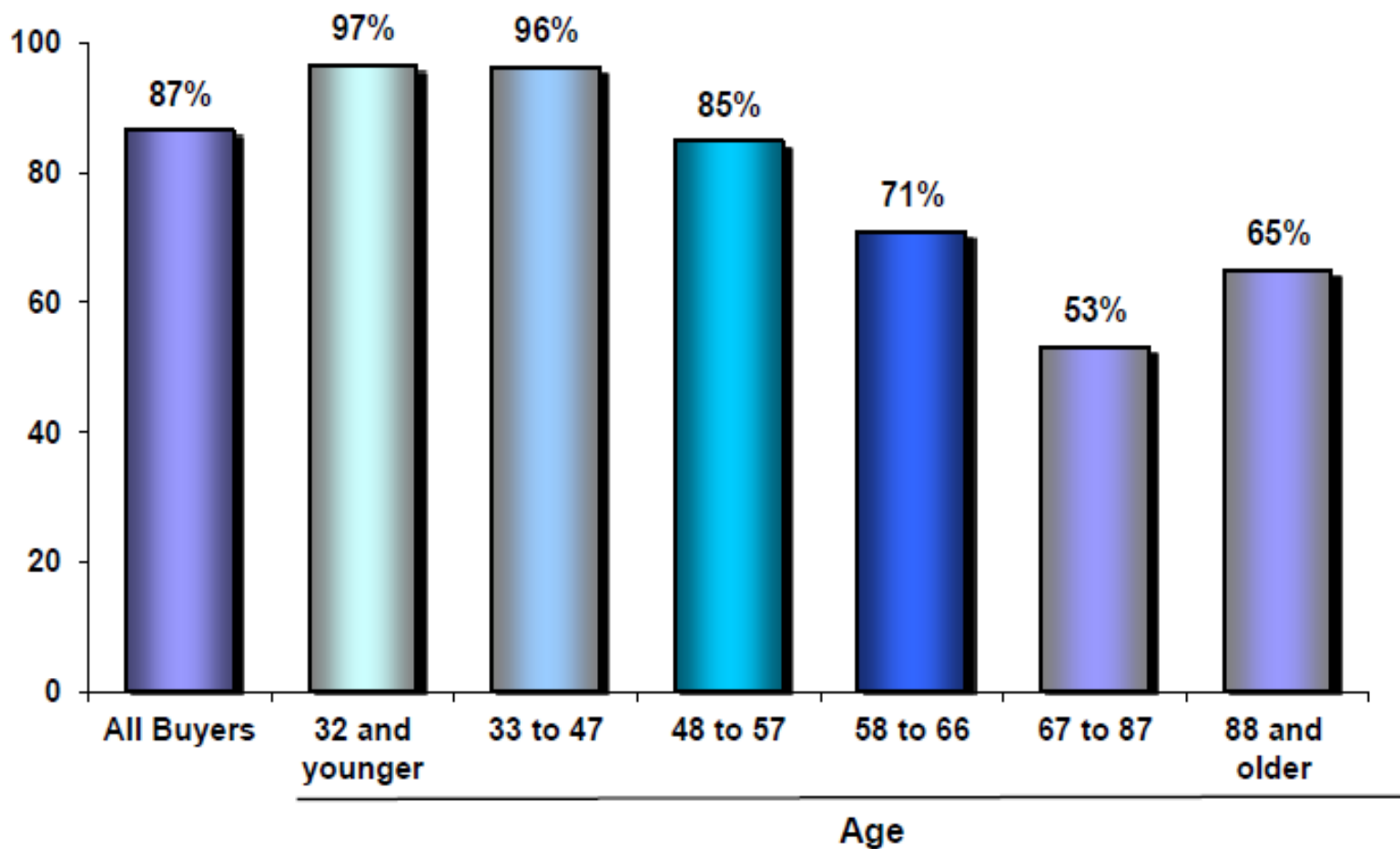
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Financing the Home Purchase

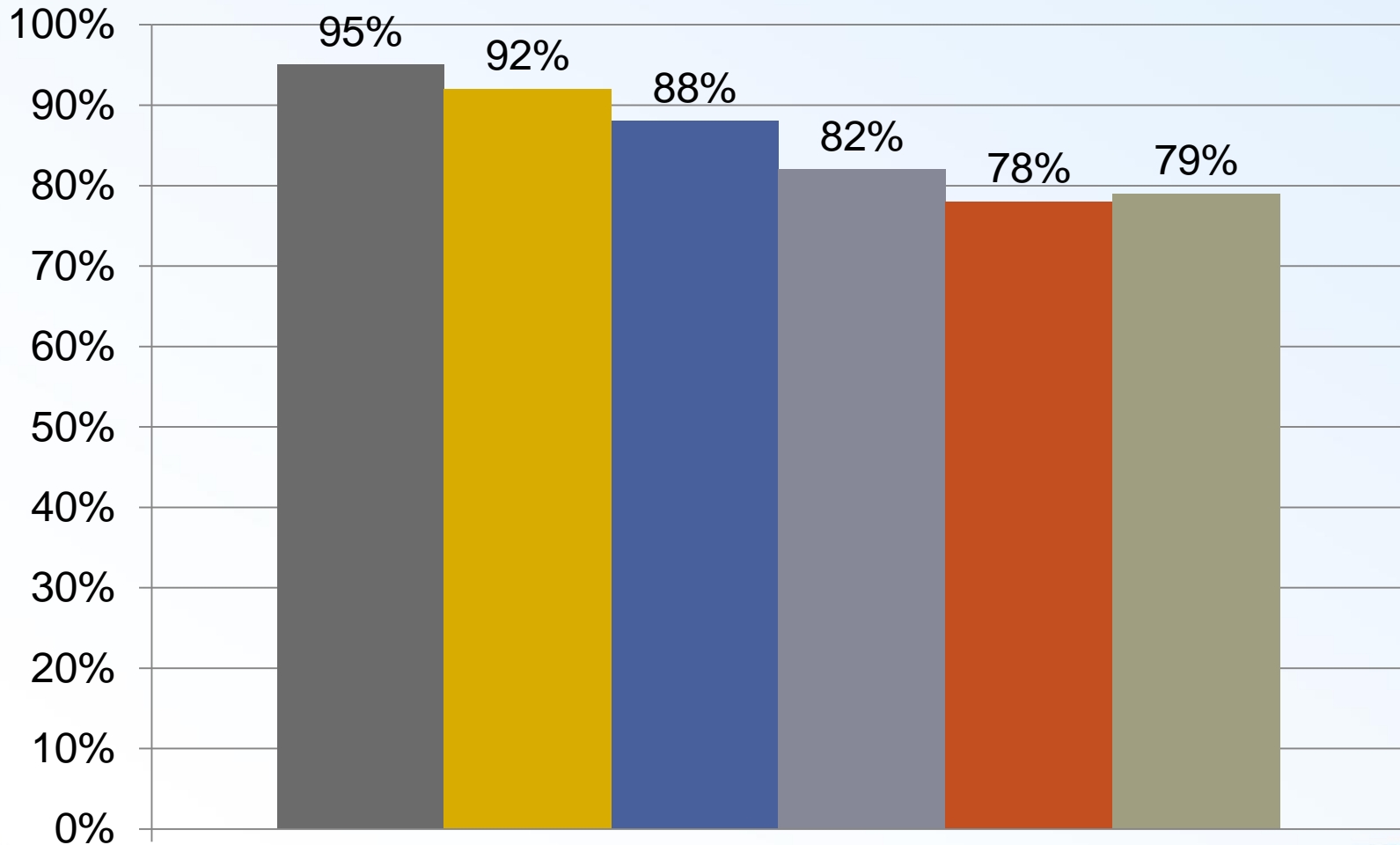


BUYERS WHO FINANCED THEIR HOME PURCHASE, BY AGE

(Percent of Respondents)



Percent of Home Financed



Median Percent Financed

■ 32 and Younger ■ 33 to 47

■ 48 to 57

■ 58 to 66

■ 67 to 87

■ 88 and Older



Sources of Down Payment

	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and Older
Savings	80%	71%	54%	50%	44%	62%
Proceeds from Sale of Primary Residence	7	24	31	40	51	45
Gift from Relative or Friend	27	15	7	3	2	10
401k/ Pension Fund Including Loan	8	13	12	7	2	*
Sale of Stocks or Bonds	7	8	9	7	12	*

Sacrifices Made to Purchase Home

AGE OF HOME BUYER

	All Buyers	AGE OF HOME BUYER					
		32 and younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and older
Cut spending on luxury items or non-essential items	32%	42%	37%	29%	20%	12%	14%
Cut spending on entertainment	26	35	29	24	15	7	14
Cut spending on clothes	20	27	22	18	12	5	9
Canceled vacation plans	13	11	16	14	9	7	*
Sold a vehicle or decided not to purchase a vehicle	6	7	7	7	5	2	*
Earned extra income through a second job	6	9	6	4	2	2	13
Other	5	4	4	5	6	4	13
Did not need to make any sacrifices	53	42	48	56	68	80	61

* Less than 1 percent



Difficulty of Mortgage Application and Approval Process

	AGE OF HOME BUYER						
	All Buyers	32 and younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and older
Much more difficult than expected	17%	16%	16%	15%	18%	20%	23%
Somewhat more difficult than expected	23	26	25	22	17	12	15
Not difficult/No more difficult than expected	44	41	46	45	47	44	54
Easier than expected	17	17	14	18	18	24	8



Buyers' View of Homes as a Financial Investment

	AGE OF HOME BUYER						
	All Buyers	32 and younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and older
Good financial investment	78%	85%	79%	74%	74%	64%	50%
Better than stocks	46	51	45	43	44	36	17
About as good as stocks	23	25	25	24	22	20	33
Not as good as stocks	9	9	10	7	8	8	*
Not a good financial investment	6	3	6	9	8	10	17
Don't know	16	12	15	17	18	26	33

* Less than 1 percent



Home Sellers and What They Sold



Age of Home Sellers

	Year Born:	Age in 2012:	Percent in Category	Median Age in Group
Millennials/Gen Y/Gen	1980-2000	32 and younger	9%	30
Gen X:	1965-1979	33 to 47	30	40
Younger Boomers:	1955-1964	48 to 57	21	53
Older Boomers:	1946-1954	58 to 66	21	62
Silent Generation:	1925-1945	67 to 87	19	72
G.I. Generation:	1900-1924	88 and older	<1%	90

Characteristics of Home Sellers

	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and Older
Median Income	\$97,700	\$115,400	\$114,000	\$82,200	\$62,600	\$32,000
First-time Seller	84%	46%	26%	21%	18%	50%



Adult Composition of Home Seller Households

	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and older
Married Couple	91%	86%	70%	70%	67%	*
Single Female	4	7	17	18	20	29
Single Male	3	3	7	7	7	71
Unmarried Couple	2	4	5	3	4	*
Other	*	*	2	2	2	*



Number of Children Under the Age of 18 Residing in Home Seller Household

	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and Older
Percent that have Children Under 18 Residing in Household	71%	81%	29%	6%	4%	*

** Less than 1 percent*



Proximity of Home Sold to Home Purchased

	AGE OF HOME SELLER						
	All Sellers	32 and younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and older
Same state	68%	75%	70%	70%	61%	61%	71%
Same region	15%	13	12	13	21	16	29
Other region	17%	12	18	17	18	23	*

* Less than 1 percent



Size of Home Purchased Compared to Home Recently Sold

	Size of home sold	Size of home purchased	Difference
32 and younger	1,500	2,450	950
33 to 47	1,850	2,600	750
48 to 57	2,200	2,200	0
58 to 66	2,000	1,940	-60
67 to 87	2,000	1,800	-200
88 and older	1,600	1,400	-200

Price of Home Purchased Compared to Home Recently Sold

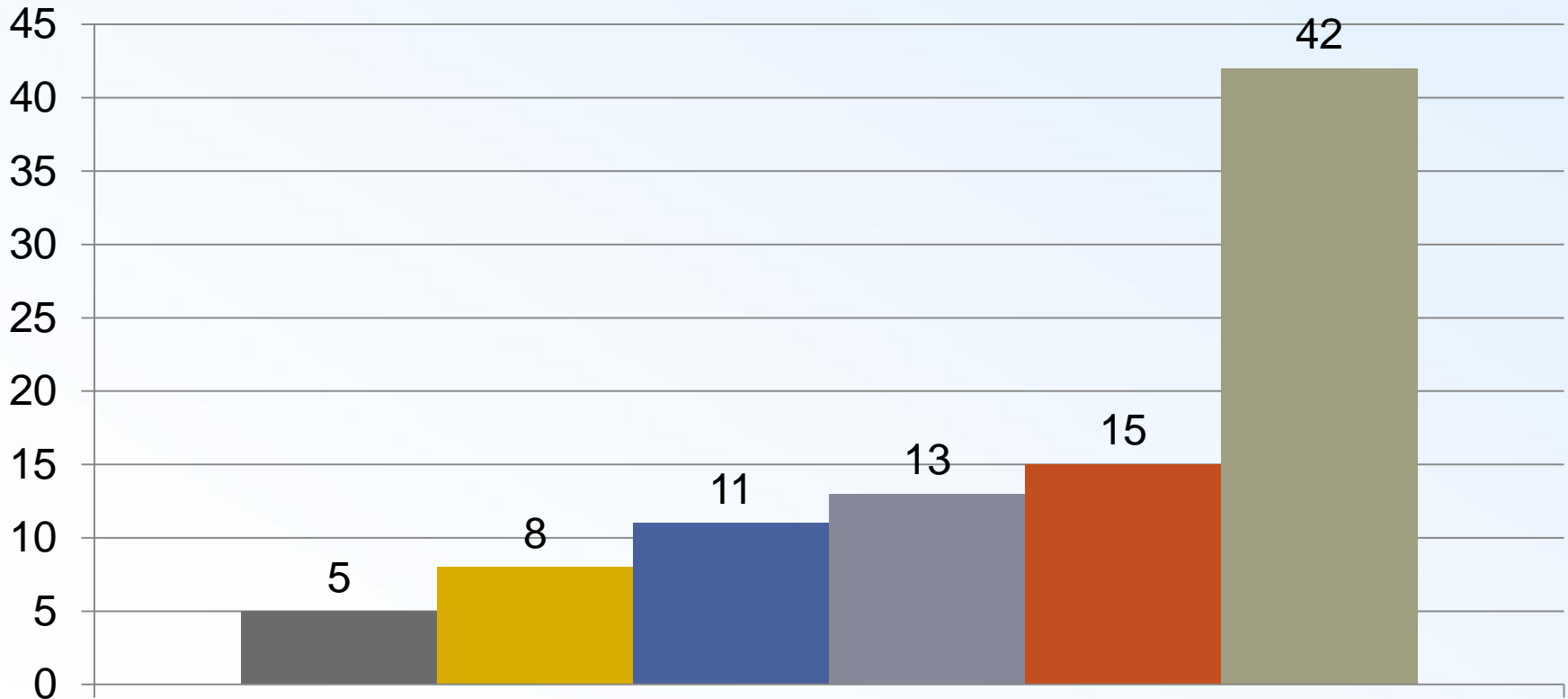
	Price of home sold	Price of home purchased	Difference
32 and younger	\$152,900	\$250,000	\$97,100
33 to 47	\$205,000	\$278,000	\$73,000
48 to 57	\$245,000	\$259,000	\$14,000
58 to 66	\$220,000	\$208,700	-\$11,300
67 to 87	\$199,800	\$175,700	-\$24,100
88 and older	\$151,900	\$181,800	\$29,900

Primary Reason for Selling Previous Home

	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and Older
Job Relocation	26%	27%	18%	11%	*	*
Home is too Small	37	29	10	5	6	*
Want to Move Closer to Friends/Family	5	4	6	20	30	29
Neighborhood has Become Less Desirable	11	14	10	11	6	57
Change in Family Situation	10	6	14	9	6	*

* Less than 1 percent

Tenure in Previous Home

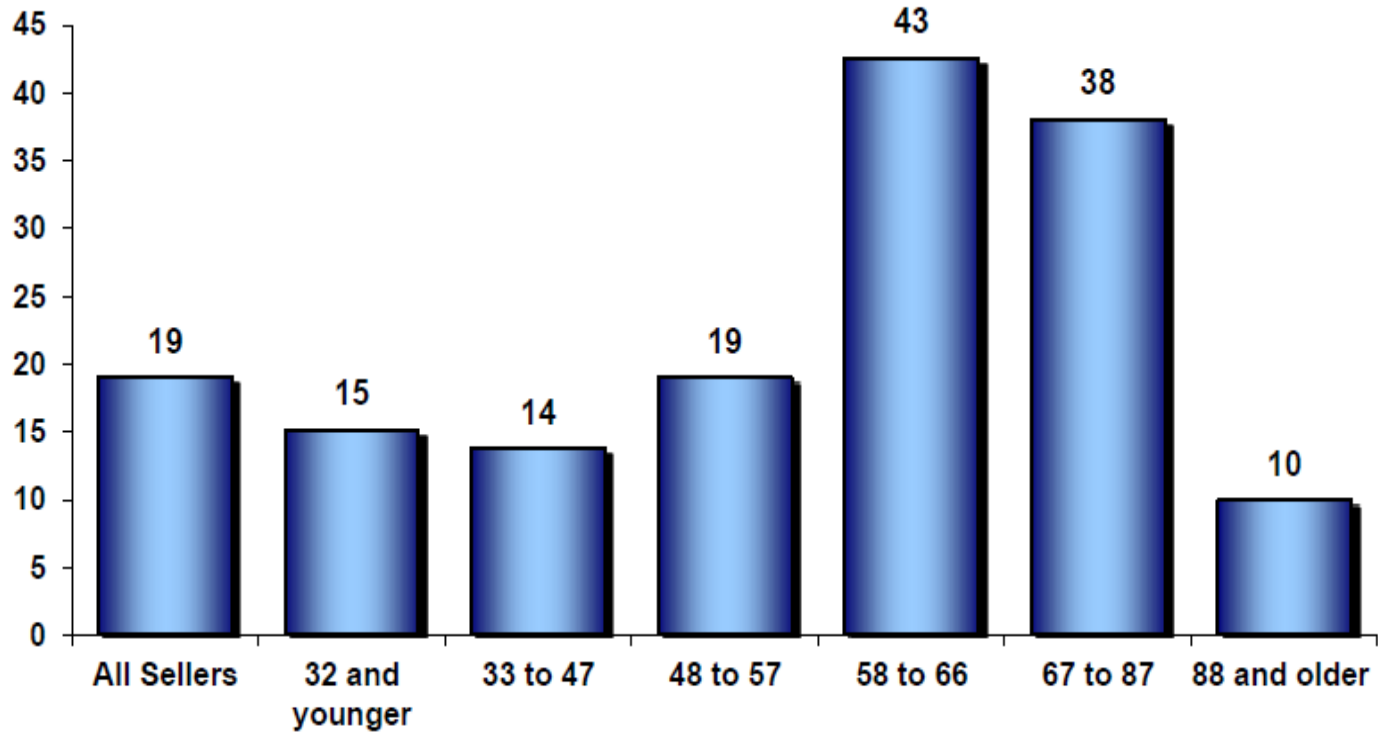


Median

- 32 and Younger
- 33 to 47
- 48 to 57
- 58 to 66
- 67 to 87
- 88 and Older

DISTANCE BETWEEN HOME PURCHASED AND HOME RECENTLY SOLD

(Median Miles)



Satisfaction with the Selling Process

	AGE OF HOME SELLER						
	All Sellers	32 and younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and older
Very Satisfied	54%	42%	49%	52%	61%	65%	38%
Somewhat Satisfied	30	38	34	32	25	24	*
Somewhat Dissatisfied	10	12	10	9	9	8	63
Very Dissatisfied	6	7	7	7	5	4	*

* Less than 1 percent



Method Used to Find Real Estate Agent

	32 and Younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and Older
Referred by Friend/Neighbor/Relative	34%	40%	38%	37%	36%	43%
Used Agent Previously to Buy or Sell a Home	25	22	26	21	22	*
Personal Contact by Agent	3	4	4	6	7	*
Referred through Employer or Relocation Company	6	8	4	3	*	*
Saw Contact info on For Sale/ Open House Sign	6	3	4	5	4	*

* Less than 1 percent

Did Seller Use the Same Real Estate Agent for Their Purchase?

	AGE OF HOME SELLER						
	All Sellers	32 and younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and older
Yes	47%	59%	49%	50%	42%	38%	*
No	53	41	51	50	58	62	100

* Less than 1 percent



Level of Service Provided by the Real Estate Agent

	AGE OF HOME SELLER						
	All Sellers	32 and younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and older
A broad range of services and management of most aspects of the home sale	80%	67%	80%	83%	84%	83%	*
A limited set of services as requested by the seller	8	23	6	6	6	8	43
The agent listed the home on the MLS and performed few if any additional services	12	11	14	11	9	9	57

* Less than 1 percent

Would Seller Use Real Estate Agent Again or Recommend to Others

	AGE OF HOME SELLER						
	All Sellers	32 and younger	33 to 47	48 to 57	58 to 66	67 to 87	88 and older
Definitely	66%	53%	65%	65%	74%	72%	*
Probably	18	24	18	20	14	16	14
Probably Not	7	10	9	5	6	5	57
Definitely Not	7	9	7	9	4	4	*
Don't Know/ Not Sure	2	3	1	2	2	3	29

* Less than 1 percent

Next up on the Summer Webinar Series

- July 23rd: 2013 Home Features Survey
- July 30th: 2013 Commercial Member Profile, and 2013 Member Profile
- August 6th: 2013 Investment and Vacation Home Buyer Survey

Where to find NAR Research

- Jessica Lautz: jlautz@realtors.org, 202-383-1155
- NAR Research www.realtor.org/research-and-statistics
- Economists' Outlook Blog:
economistsoutlook.blogs.realtor.org
- FaceBook: facebook.com/narresearchgroup
- Twitter: twitter.com/NAR_Research