



National Association of REALTORS®

2014
PROFILE OF HOME BUYERS
AND SELLERS

The Voice for Real Estate®



Types of Recent Home Buyers

November 7, 2014

National Association of REALTORS®
Research Division

The Voice for Real Estate®



Introduction

- » Survey conducted with recent home buyers who purchased a home between July 2013– June 2014
- » Seller information gathered from those home buyers who sold a home
- » Mailed 72,206 questionnaires- response rate of 9.4%
- » Names obtained from Experian
- » Data in the presentation is based on medians or the typical buyer in the category and is not all-encompassing

Demographic Changes

	2010 Profile	2011 Profile	2012 Profile	2013 Profile	2014 Profile
Median Age	39	45	42	42	44
Gross HH Income	\$72,200	\$80,900	\$78,600	\$83,300	\$84,500
Household Composition	58% married couples, 20% single females, 12% single males, 8% unmarried couples	64% married couples, 18% single females, 10% single males, 7% unmarried couples	65% married couples, 16% single females, 9% single males, 8% unmarried couples	66% married couples, 16% single females, 9% single males, 7% unmarried couples	65% married couples, 16% single females, 9% single males, 8% unmarried couples
Children in Home	35%	36%	41%	40%	35%
Own a 2 nd Home	14%	19%	19%	19%	21%



Married with Kids

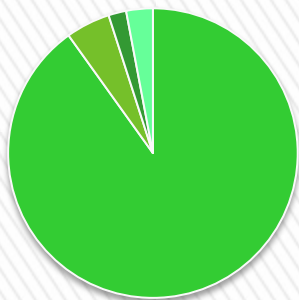
Fast Facts of Buyers:

- Median Age: 36
- Median Income: \$103,300
- 30% are first-time buyers
- 83% are buyers of previously owned homes
- 87% bought through an agent/broker
- Median square feet home purchased: 2,300

Unique to This Type of Buyer:

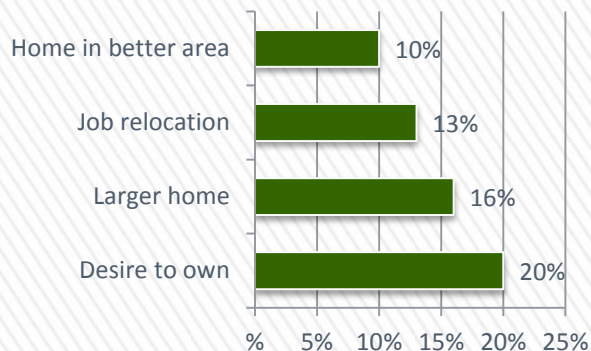
- Quality of school district and convenience to school among top four neighborhood features— behind quality of the neighborhood and convenience to job
- Among compromises listed when purchasing a home: quality and distance to school are the least likely to be compromised on
- Typical house had 4 bedrooms and 2 bathrooms—larger than most homes purchased by other buyer types

Type of Home Purchased



- Single Family, 91%
- Townhouse, 5%
- Apt/condo, 2%
- Other, 3%

Reasons to Purchase Home



13% of buyers bought multi-generational home

Reasons:

- Children over 18 moving back into house-25%
- Cost savings-23%
- Health/caretaking of aging parents-21%
- Spend more time w/aging parents-15%

Single Females



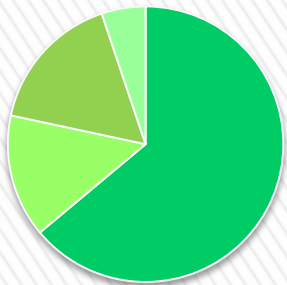
Fast Facts of Buyers:

- Median Age: 52
- Median Income: \$54,800
- 35% are first-time buyers
- 88% are buyers of previously owned homes
- 89% bought through an agent/broker
- Median square feet home purchased: 1,500

Unique to This Type of Buyer:

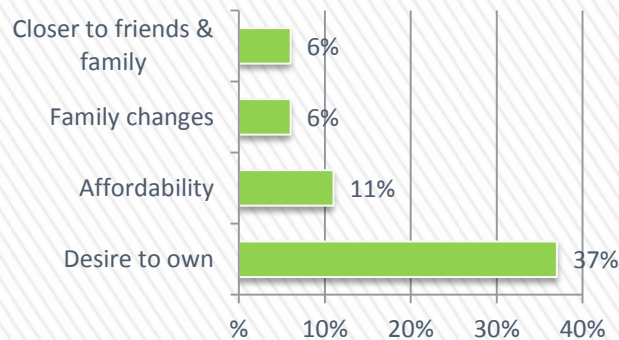
- Most likely to report that the factor that could cause them to move in the future is a life change such as addition to family, marriage, children moving out or retirement—55% report this is a possibility.
- Single females in comparison to other household compositions place a high importance on convenience to friends/family as a neighborhood factor
- More than half make financial sacrifices to purchase home
- Most likely to view their home as a financial investment that is better than stocks
- Share of single females has dropped from 22% in 2006 to 16% in 2014

Type of Home Purchased



- Single-family, 62%
- Townhouse, 14%
- Apt/condo, 16%
- Other, 5%

Reasons to Purchase Home



13% of buyers bought multi-generational home

Reasons:

- Cost savings-24%
- Children over 18 moving back into house-23%
- Health/caretaking of aging parents-18%
- Spend more time w/aging parents-8%



Single Males

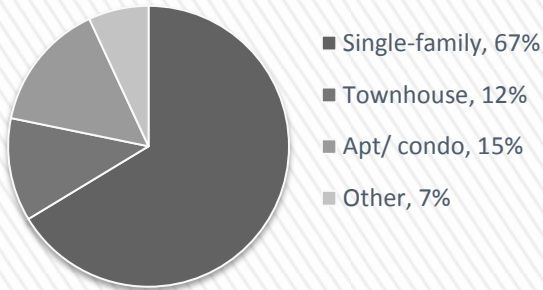
Fast Facts of Buyers:

- Median Age: 47
- Median Income: \$65,800
- 40% are first-time buyers
- 89% are buyers of previously owned homes
- 89% bought through an agent/broker
- Median square feet home purchased: 1,570

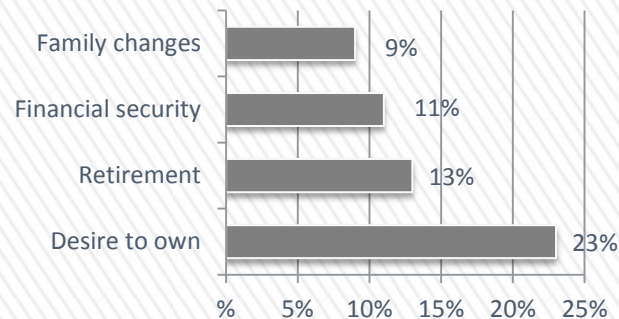
Unique to This Type of Buyer:

- Most likely to find the home they ultimately purchased from their real estate agent—40% of single males find their home this way
- Single males in comparison to other household compositions place a high importance on conveniences to entertainment/leisure activities as a neighborhood factor
- Share of single males has dropped from 12% in 2010 to 9% in 2014

Type of Home Purchased



Reasons to Purchase Home



16% of buyers bought multi-generational home

Reasons:

- Cost savings-36%
- Children over 18 moving back into house-17%
- Health/caretaking of aging parents-14%
- Spend more time w/aging parents-6%





Unmarried Couples

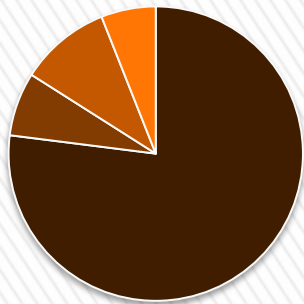
Fast Facts of Buyers:

- Median Age: 33
- Median Income: \$80,800
- 39% are first-time buyers
- 90% are buyers of previously owned homes
- 92% bought through an agent/broker
- Median square feet home purchased: 1,640

Unique to This Type of Buyer:

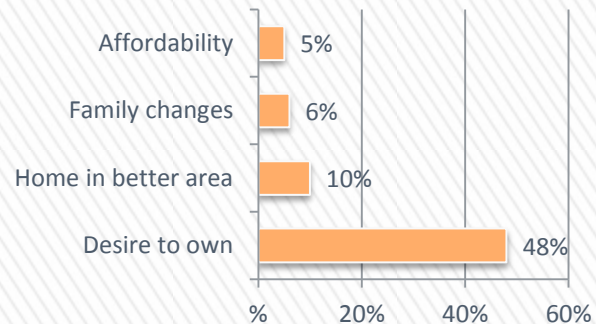
- Unmarried couples in comparison to other household compositions place a high importance of the affordability of home as a neighborhood factor
- Unmarried couples are more likely to use referrals when finding an agent than other types of buyers.
- Most likely to rely on savings for their downpayment for a home—occurred for 79% of buyers
- Most optimistic their home is a good financial investment—83%
- Accounts for 8% of recent home buyers

Type of Home Purchased



- Single-family, 77%
- Townhouse, 7%
- Apt/ condo, 10%
- Other, 6%

Reasons to Purchase Home



7% of buyers bought multi-generational home

Reasons:

- Cost savings-36%
- Health/caretaking of aging parents-22%
- Spend more time w/aging parents-14%
- Children over 18 moving back into house-3%

First-time Buyers



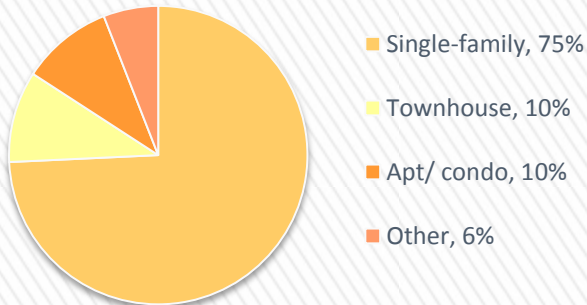
Fast Facts of Buyers:

- Median Age: 31
- Median Income: \$68,300
- 88% are buyers of previously owned homes
- 90% bought through an agent/broker
- Median square feet home purchased: 1,570

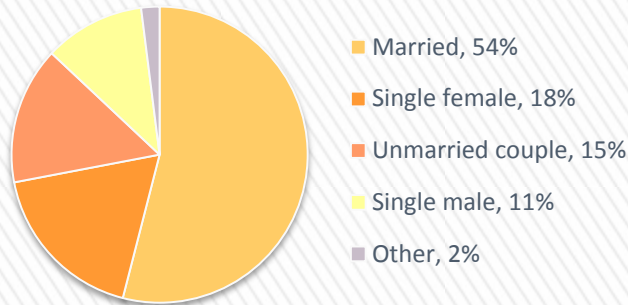
Unique to This Type of Buyer:

- The historical share of first-time primary residence buyers is 40%-- the current share of first-time buyers is the lowest since 1987 at 33%.
- 75% of first-time buyers made a compromise on their home purchase—most commonly the size and price of home
- 48% of these buyers first learned about the home they ultimately purchased online
- 83% benefited from their agent helping the buyer understand the process

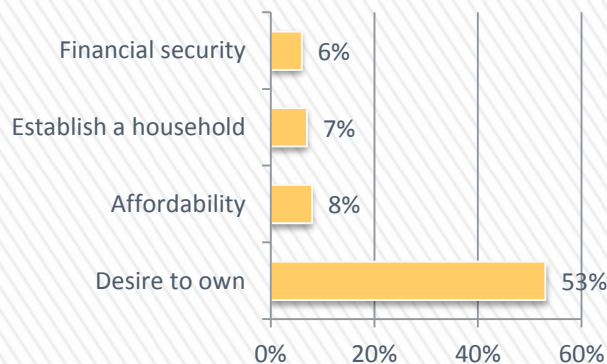
Type of Home Purchased



Household Composition of Buyers



Reasons to Purchase Home



12% of buyers bought multi-generational home

Reasons:

- Cost savings-33%
- Health/caretaking of aging parents-19%
- Children over 18 moving back into house-14%
- Spend more time w/aging parents-14%



Repeat Buyers

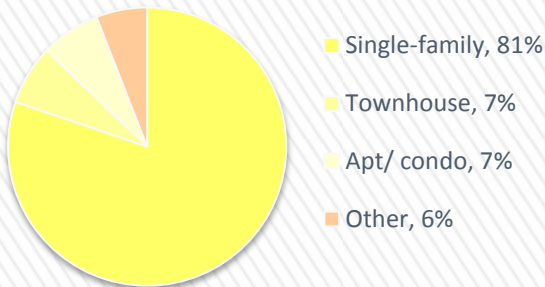
Fast Facts of Buyers:

- Median Age: 53
- Median Income: \$95,000
- 82% are buyers of previously owned homes
- 87% bought through an agent/broker
- Median square feet home purchased: 2,030

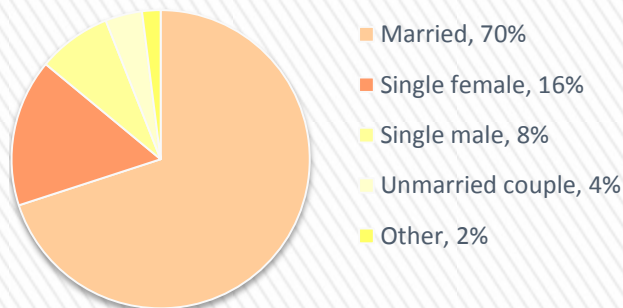
Unique to This Type of Buyer:

- 58% benefited from their agent pointing out unnoticed features/faults with property
- While 47% used primary residence proceeds for their downpayment, 57% used savings--43% of these buyers saved for 6 months or less,
- 27% of repeat buyers never intend on moving from the home they recently purchased

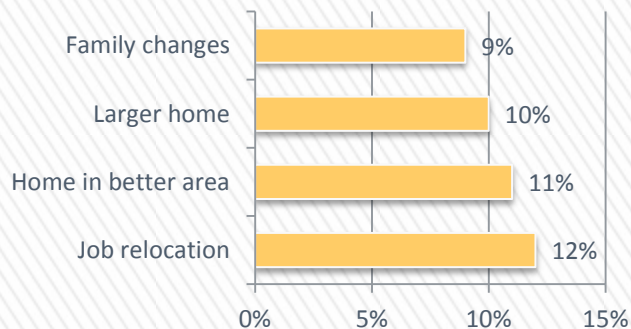
Type of Home Purchased



Household Composition of Buyers



Reasons to Purchase Home



14% of buyers bought multi-generational home

Reasons:

- Children over 18 moving back into house-27%
- Cost savings-21%
- Health/caretaking of aging parents-19%
- Spend more time w/aging parents-9%





Buyers of Multi-Generational Housing

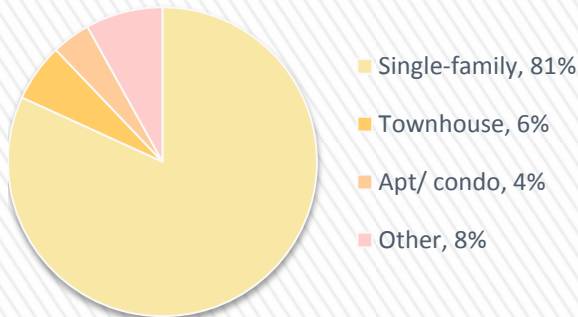
Fast Facts of Buyers:

- Median Age: 52
- Median Income: \$84,700
- 30% are first-time buyers
- 83% are buyers of previously owned homes
- 85% bought through an agent/broker
- Median square feet home purchased: 2,100

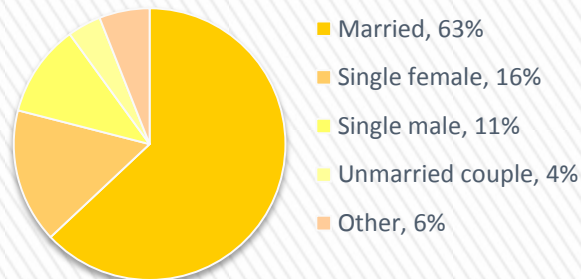
Unique to This Type of Buyer:

- Buyers of multi-generational home buyers are more ethnically diverse than buyers who don't buy multi-generational homes—25% are a race other than white/Caucasian compared to 14% who do not buy a multi-generational home
- The median household size for multi-generational home buyers is 3 compared to 2 for non-buyers
- 39% have children under the age of 18 in the home

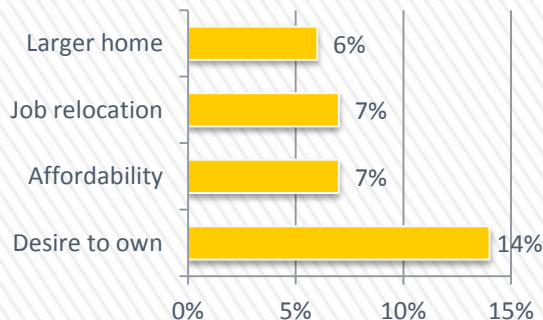
Type of Home Purchased



Household Composition of Buyers



Reasons to Purchase Home

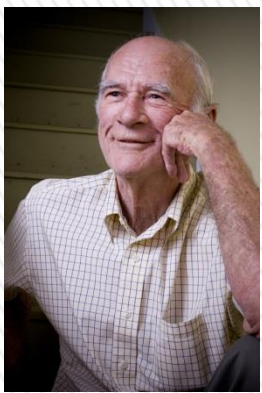


13% bought multi-generational home

Reasons:

- Cost savings-24%
- Children over 18 moving back into house-23%
- Health/caretaking of aging parents-18%
- Spend more time w/aging parents-10%





Buyers of Senior Housing or in Active Adult Communities

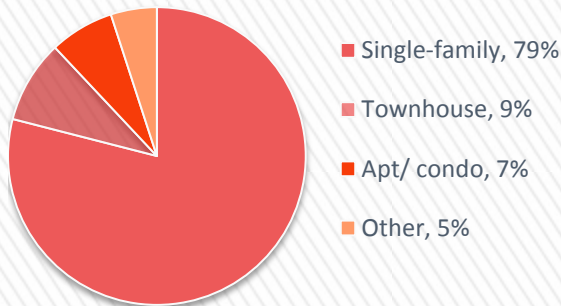
Fast Facts of Buyers:

- Median Age: 64
- Median Income: \$69,000
- 20% are first-time buyers
- 77% are buyers of previously owned homes
- 82% bought through an agent/broker
- Median square feet home purchased: 1,700

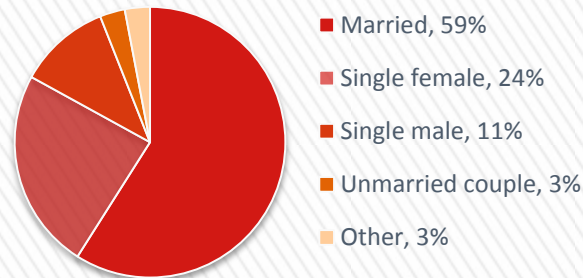
Unique to This Type of Buyer:

- 13% of buyers bought in senior housing or in active adult communities
- 41% of these buyers considered home in a planned community important to their neighborhood choice
- 33% of these buyers considered convenience to health facilities important to the neighborhood they purchased in
- The typical buyer plans on living in the home for 15 years
- The typical home purchased was built in 1999

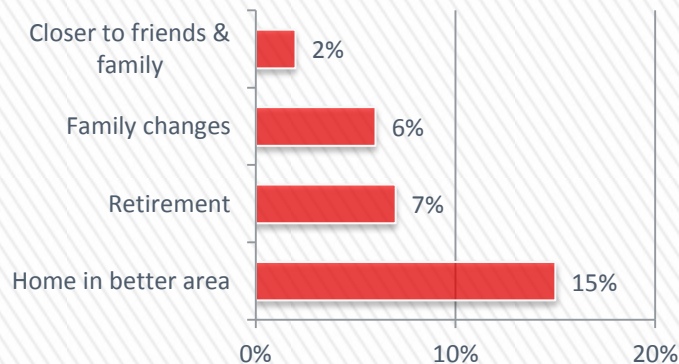
Type of Home Purchased



Household Composition of Buyers



Reasons to Purchase Home





Buyers Who Found Commuting Costs Very Important

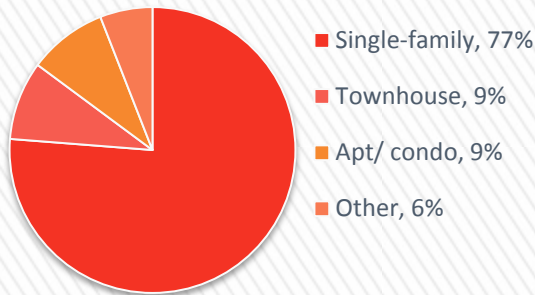
Fast Facts of Buyers:

- Median Age: 38
- Median Income: \$80,500
- 43% are first-time buyers
- 84% are buyers of previously owned homes
- 90% bought through an agent/broker
- Median square feet home purchased: 1,800

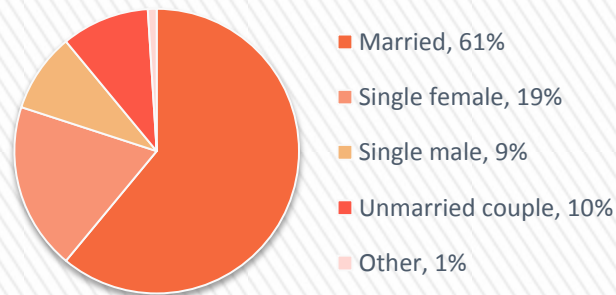
Unique to This Type of Buyer:

- 52% found a home's heating and cooling costs very important compared to 36% of all buyers
- 32% found a home's energy efficient appliances to be very important compared to 23% of all buyers
- The typical home they purchased was built in 1989
- 76% rated convenience to job as most important in their neighborhood choice—highest among all other neighborhood factors

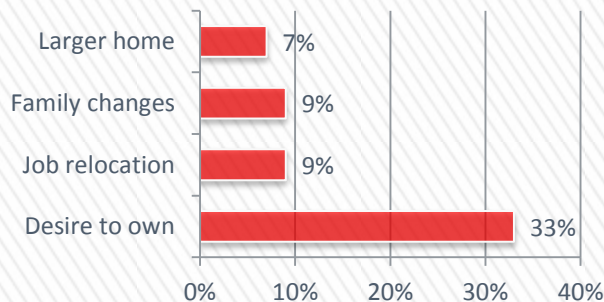
Type of Home Purchased



Household Composition of Buyers



Reasons to Purchase Home



14% bought multi-generational home

Reasons:

- Cost savings-26%
- Children over 18 moving back into house-21%
- Health/caretaking of aging parents-18%
- Spend more time w/aging parents-11%





Buyers Who Downsized Their Home

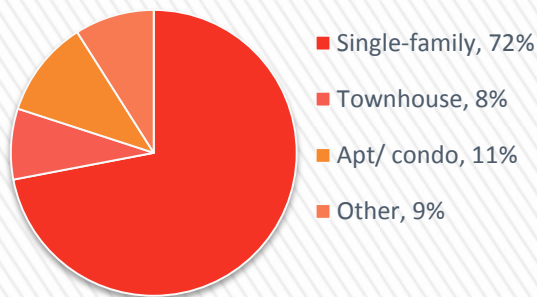
Fast Facts of Buyers:

- Median Age: 59
- Median Income: \$86,300
- 2% are first-time buyers
- 82% are buyers of previously owned homes
- 87% bought through an agent/broker
- Median square feet home purchased: 1,700

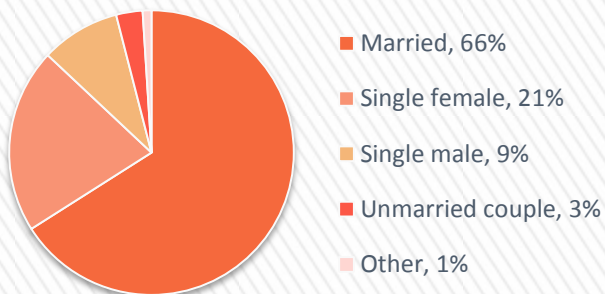
Unique to This Type of Buyer:

- Buyer typically downsized from a home that was 2,500 square feet
- Buyer typically bought a home built in 1995
- 44% of these buyers considered convenience to friends/family important to the neighborhood they purchased in
- 43% considered affordability of home important to the neighborhood they purchased in

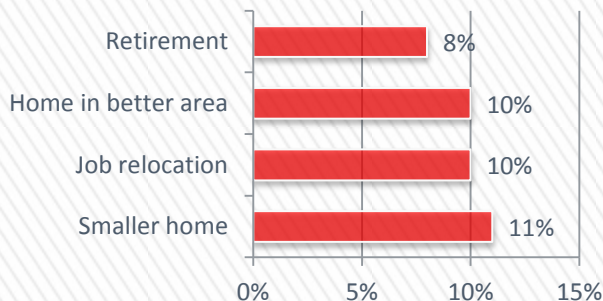
Type of Home Purchased



Household Composition of Buyers



Reasons to Purchase Home



12% bought multi-generational home

Reasons:

- Children over 18 moving back into house-30%
- Cost savings-25%
- Health/caretaking of aging parents-13%
- Spend more time w/aging parents-5%

