



# 2016 Veterans & Active Military Home Buyers and Sellers Profile

National Association of REALTORS®  
Research Department



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**2016 Veterans & Active Military Home Buyers and Sellers Profile**

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## Introduction

In the *2015 Profile of Home Buyers and Sellers*, for the first time recent buyers and sellers were asked the following in the questionnaire: "Are you or your spouse or partner currently: 1) an active-duty service member; 2) a veterans; or 3) neither." Of all home buyers, 18 percent identified as veterans and three percent as active-military. Of all home sellers, 21 percent identified as veterans and one percent as active-military. Collecting the question allowed greater insight into how each population of buyers and sellers differs and is similar to those who have never served in the military.

These home buyers and sellers have specific attributes that are often impacted by their service that makes buying and selling a different experience for them. Active service members are often moving due to a job relocation. Both veterans and active-service members move longer distances than the typical home buyer. When active-service members buy, they have a strong priority to be near their workplace.

Demographics also play a role in their home purchase and home sale. Veterans and active-service members are more likely to be married than those who have not served in the military. Active-military members are more racially diverse and are the most likely to purchase a multi-generational home.

The home search process is slightly different for those who are in active-service and for veterans. The internet plays a crucial role in breaching the longer distances of their move. The search time is compressed for these buyers in comparison to those who have never served, just eight weeks compared to 10 weeks.

Veteran and active-service member needs are similar to those who have never served when working with both buying and selling agents. They want someone who they can trust and who has a good reputation. Both veterans and active-military want the buyers agent to help them find the right home to purchase and want a sellers agent to market their home to potential buyers and find a buyer for their home. Active-service members rely on referrals from employers or a relocation company at higher shares in finding their agent. Both veterans and active-service members are less likely to use the same agent to buy and to sell their home, as they are more likely to move out of the state and region.

Seventy-four percent of active-service members used savings to finance their home purchase compared to 52 percent of veterans and 65 percent of those who have never served. When financing their home purchase, 74 percent of active-service members and 54 percent of veterans use a VA loan. Only 15 percent of active-service members and 35 percent of veterans used conventional loans to finance their home purchase. Military buyers see purchasing a home as a good financial investment.

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## **Highlights**

### **Characteristics of Home Buyers**

- Eighteen percent of veterans were first-time home buyers and 38 percent for active-service military.
- The typical buyer was 44 years old, and has a median household income of \$86,100. The typical veteran home buyer was 61 with a median income of \$84,000 and the typical active-service military was 34 with an income of \$76,800.
- Sixty-seven percent of recent buyers were married couples, 15 percent were single females, nine percent were single males, and seven percent were unmarried couples. Seventy-eight percent of veterans and 77 percent of active-service military were married couples.
- Sixty-four percent of active-service military had children living at home, compared to 63 percent of all buyers and 74 percent of veterans that reported having no children under the age of 18 living in the home.
- Thirteen percent of home buyers purchased a multi-generational home, to take care of aging parents, for cost savings, and because children over the age of 18 moving back. Fifteen percent of veterans and 21 percent of active-service military purchased multi-generational homes.
- The race and ethnicity of veterans and active-service military are more diverse than compared to all home buyers. Active-service military identified as Hispanic or Latino at 12 percent and Asian or Pacific Islander at eight percent compared to six and five percent of all buyer respectively.
- At 30 percent, the primary reason for purchasing a home was the desire to own a home of their own. The primary reason for the home purchase for active-service military was a job relocation at 33 percent. Veterans were more likely to want to be closer to friends and family (14 percent) and retirement (11 percent).

### **Characteristics of Homes Purchased**

- Buyers of new homes made up 16 percent and buyers of previously owned homes made up 84 percent. Nineteen percent of veterans bought new homes as did 21 percent of active-service military.
- There was only a median of 14 miles between the homes that recent buyers purchased and the homes that they moved from. For veterans, there was a median of 75 miles between the home purchased and previous residence and 28 miles for active-service military.
- Forty-three percent of veterans bought senior-related housing, compared to only 14 percent of all buyers. Whereas only two percent of active-service military bought senior-related housing.
- Veterans buying new homes were looking to choose and customize design at 34 percent and 62 percent of active-service military will looking to avoid renovation problems with new homes.

- Detached single-family homes continue to be the most common home type for all recent buyer types.
- Home prices increased slightly this year to a median of \$220,000 among all buyers. That number was also \$220,000 for veterans and \$226,000 for active-service military.
- For veterans, the typical home was 1,980 square feet built in 1997 and for active-service military it was 2,170 built in 2000.
- For veterans, heating and cooling cost was also the most important environmental factor at 36 percent. For active-service military, commuting costs were the most important fact at 47 percent, compared to 31 percent of buyers who have never served.
- Convenience to a job was the most important factor for active-service military at 57 percent compared to 46 percent of buyers who have never served, and 31 percent of veterans.
- Overall, buyers expect to live in their homes for a median of 14 years, while 26 percent say that they are never moving. Veterans expect to stay in their home for 15 years and active-service military expect only a median of 10 years.

### **The Home Search Process**

- For the first step in the home search process 38 percent of veterans looked online and 17 percent contacted a real estate agent. For active-service military 40 percent looked online and 20 percent contacted a real estate agent.
- Buyers typically searched for 10 weeks and looked at a median of 10 homes. Veterans and active-service military both searched for only eight weeks and viewed 10 homes.
- Photos and detailed information about properties for sale were the most useful sources of information online for veterans and active-service military.
- Sixty-five percent of active-service military considered buying a foreclosure, compared to 42 percent of buyers who have never served and 34 percent of veterans.
- Sixty percent of both veterans and active-service military were very satisfied with the home buying process.

### **Home Buying and Real Estate Professionals**

- Eighty-five percent of veterans and 86 percent of active-service military purchased their home through a real estate agent.
- Forty-eight percent of veterans and 50 percent of active-service military wanted an agent to help them find the right home.
- Forty-one percent of buyers used an agent that was referred to them by a friend, neighbor, or relative. For veterans, that share was 31 percent and 28 percent for active-service military. Veterans and active-service military are more likely to use referrals through their employers and relocation companies through the military.
- Nearly seven in ten buyers interviewed only one real estate agent during their home search, which was the same for both veterans and active-service military.

- Eighty-seven percent for veterans and 85 percent for active-service military would use their agent again or recommend their agent to others.

## **Financing the Home Purchase**

- Eighty-one percent of veterans and 97 percent of active-service military financed their home; of the home purchase, 95 percent for veterans and 100 percent for active-service military was financed.
- Fifty-two percent for veterans and 74 percent for active-service military used savings for the downpayment, 42 percent and 21 percent respectively cited the sale of a previous or a primary residence.
- Thirteen percent of all buyers cited that saving for a downpayment was most difficult step in the home buying process. This number was significantly lower at five percent for veterans and three percent for active-service military.
- Fifty-four percent of veterans and 74 percent for active-service military cited using VA loans to finance their home purchase.
- Seventy-five percent of veterans and 79 percent of active-service military considered their home a good financial investment.

## **Home Sellers and Their Selling Experience**

- The typical veteran home seller was 66 years old with a median income of \$94,000 and the typical active-service military seller was 45 years old with a median income of \$98,900.
- Eighty-three percent of veterans and 94 percent of active-service military sellers were married couples.
- Seventy-five percent of sellers who have never served moved within the same state. Only 52 percent of veterans and 37 percent of active-service military stayed within the same state.
- The most common reason cited by veterans to sell was to be closer to friends and family (23 percent). For active-service members they typically sold for job relocation (43 percent).
- Veterans typically lived in their home nine years before selling but for active-service military it was only six years.
- Twenty percent of active-service military wanted to sell earlier but waited or stalled because the home was worth less than the mortgage, compared to 14 percent of sellers who have never served and 12 percent of veterans.
- Eighty-nine percent of veterans and 94 percent for active-service military worked with an agent to sell their home.
- For recently sold homes, the final sales price was a median 98 percent of the final listing price, as was the same for both veterans and active-service military.
- Recently sold homes were on the market for a median of four weeks. For veterans, time on the market was also four weeks and for active-service military it jumped up to eight weeks.
- Ninety percent of veterans and 94 percent of active-service military were satisfied with the selling process.

## Home Selling and Real Estate Professionals

- Sixty-eight percent of veterans and 63 percent for active-service military contacted only one agent before deciding who to work with to sell their home.
- Ninety-two percent for veterans and 100 percent for active-service military listed their home on the Multiple Listing Service (MLS).
- Fifty-one percent of all buyers used the same real estate agent to sell their home. While many veterans and active-service military move across state lines, only 33 percent of veterans and 32 percent of active-service military used the same agent to purchase and sell their home.
- Seventy-one percent of veterans and 55 percent of active-service military said they would definitely recommend their agent.
- The typical veteran seller recommended their agent twice since selling their home. Thirty-eight percent of active-service military have recommended their agent at least one time.

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**CHAPTER 1: CHARACTERISTICS OF HOME BUYERS**

Eighteen percent of buyers identified they or a spouse/partner is a veteran. Three percent identified that they or a spouse/partner is an active-service military. Veteran home buyers were typically 61 years old compared to active-service members that were typically 34 years old. Veterans had higher median household incomes of \$84,000 whereas active-service members had a median household income of \$76,800 a year. Married couples accounted for 78 percent of veterans and 77 percent of active-service members, higher than those who have never served at 64 percent.

Active-service members were the largest group of home buyers who purchased a multi-generational home at 21 percent, followed by veterans at 15 percent those who have not served at 12 percent.

The most common reasons for recently purchasing their home differed slightly between veterans and active-service members. Veterans cited the desire to own a home of their own as the top reason (21 percent), followed by the desire to be closer to friends and family (14 percent), and retirement (11 percent). Active-service members cited a job-related relocation as the top reason (33 percent), followed by the desire to own a home of their own (32 percent), and the desire for a larger home (nine percent).

*DEMOGRAPHIC CHARACTERISTICS OF HOME BUYERS*

*Exhibits 1-1 through 1-5*

Veteran home buyers were typically 61 years old compared to active-service members that were typically 34 years old. Thirty-eight percent of active-service members were age 25 to 34 years compared to 33 percent of veterans who were age 65 to 74 years. The distribution of veteran home buyers increases as age increases, while the proportion of active-service members decreases as age increases.

Veterans typically had household incomes with a median of \$84,000 whereas the typical household income of active-service member home buyers was \$76,800. Those who have never served typically had household incomes of \$86,500.

Married couples accounted for 78 percent of veterans and 77 percent of active-service members. Among those who have not served, 64 percent were married. Among veterans, 13 percent were single males buyers. Among those who have never served, 17 percent were single female buyers.

Overwhelmingly, 74 percent of veterans had no children under the age of 18 living at home. Thirty-two percent of active-service military members had two children, 17 percent had one child, and 15 percent had three or more children living in the home. Among those who have never served, 61 percent had no children under the age of 18 at home.

Active-service members were the largest group of home buyers who purchased a multi-generational home at 21 percent, followed by veterans at 15 percent compared to only 12 percent of those who have never served. Active-service members reported the two main reasons for purchasing a multi-generational home was children over the age of 18 moving back home and to spend time with aging parents, both at 15 percent. Veterans reported buying a multi-generational home to take care of aging parents at 14 percent and to accommodate for children over 18 years that never left the home.

#### *RACE, ETHNICITY, LANGUAGE AND NATIONAL ORIGIN OF BUYERS*

##### *Exhibits 1-6 through 1-8*

Active-service members showed to be the most racially diverse group of home buyers in 2015. Twenty-seven percent of active-service members home buyers identified as Hispanic/Latino, black/African American, or Asian/Pacific Islander. Only 14 percent of veterans and 18 percent of those who have never served identified as a race other than White/Caucasian.

English was the primary language spoken across all groups; 99 percent for veterans compared to 93 percent for active-service members. The majority of recent home buyers were born in the U.S. Foreign buyers were most common among active-service members at 14 percent and only four percent for veterans.

#### *DEMOGRAPHIC CHARACTERISTICS OF FIRST-TIME AND REPEAT HOME BUYERS*

##### *Exhibits 1-9 through 1-14*

Thirty-eight percent of active-service members were first-time home buyers compared to 36 percent of those who have not served. Veterans tend to be older and thus only 18 percent identified as first-time home buyers.

For most recent home buyers, they either own their previous residence (46 percent) or rented an apartment or house (43 percent). Veterans were more likely to own their previous residence (54 percent) whereas active-service members were more likely to rent their previous residence (60 percent).

The most common reasons for recently purchasing their home differed slightly between veterans and active-service members. Veterans cited the desire to own a home of their own as the top reason (21 percent), followed by the desire to be closer to friends and family (14 percent), and retirement (11 percent). Active-service members cited a job-related relocation as the top reason (33 percent), followed by the desire to own a home of their own (32 percent), and the desire for a larger home (nine percent).

When looking at the timing of purchasing their home, all buyers said that it was just the right time and they were ready to buy a home. Among veterans and active-service members, the second most common reason for the timing of their purchase was that they did not have much choice, and had to purchase when they did.

The majority of buyers owned only the home that they recently purchased. Active-service members were the most likely to also own one or more investment properties (16 percent). Veterans were the largest share who owned one or more vacation homes at five percent.

## CHARACTERISTICS OF HOME BUYERS

- Exhibit 1-1 AGE OF HOME BUYERS
- Exhibit 1-2 HOUSEHOLD INCOME OF HOME BUYERS
- Exhibit 1-3 ADULT COMPOSITION OF HOME BUYER HOUSEHOLDS
- Exhibit 1-4 NUMBER OF CHILDREN UNDER THE AGE OF 18 RESIDING IN HOUSEHOLD  
HOME PURCHASED WAS A MULTI-GENERATIONAL HOME (WILL HOME ADULT SIBLINGS, ADULT  
CHILDREN, PARENTS, AND/OR GRANDPARENTS)
- Exhibit 1-5 RACE/ETHNICITY OF HOME BUYERS
- Exhibit 1-6 PRIMARY LANGUAGE SPOKEN IN HOME BUYER HOUSEHOLD
- Exhibit 1-7 NATIONAL ORIGIN OF HOME BUYERS
- Exhibit 1-9 FIRST-TIME HOME BUYERS
- Exhibit 1-10 PRIOR LIVING ARRANGEMENT
- Exhibit 1-11 PRIMARY REASON FOR PURCHASING A HOME
- Exhibit 1-12 PRIMARY REASON FOR THE TIMING OF HOME PURCHASE
- Exhibit 1-13 OTHER HOMES OWNED

## CHARACTERISTICS OF HOME BUYERS

Exhibit 1-1

### AGE OF HOME BUYERS

(Percentage Distribution)

|                           | All Buyers | Military Status |                        |                             |
|---------------------------|------------|-----------------|------------------------|-----------------------------|
|                           |            | Veterans        | Active-Service Members | Those Who Have Never Served |
| <b>18 to 24 years</b>     | 3%         | 1%              | 13%                    | 3%                          |
| <b>25 to 34 years</b>     | 28         | 11              | 38                     | 31                          |
| <b>35 to 44 years</b>     | 20         | 12              | 27                     | 22                          |
| <b>45 to 54 years</b>     | 15         | 15              | 13                     | 16                          |
| <b>55 to 64 years</b>     | 17         | 19              | 4                      | 16                          |
| <b>65 to 74 years</b>     | 14         | 33              | 3                      | 10                          |
| <b>75 years or older</b>  | 4          | 9               | 2                      | 3                           |
| <b>Median age (years)</b> | 44         | 61              | 34                     | 40                          |

## CHARACTERISTICS OF HOME BUYERS

Exhibit 1-2

### HOUSEHOLD INCOME OF HOME BUYERS

(Percentage Distribution)

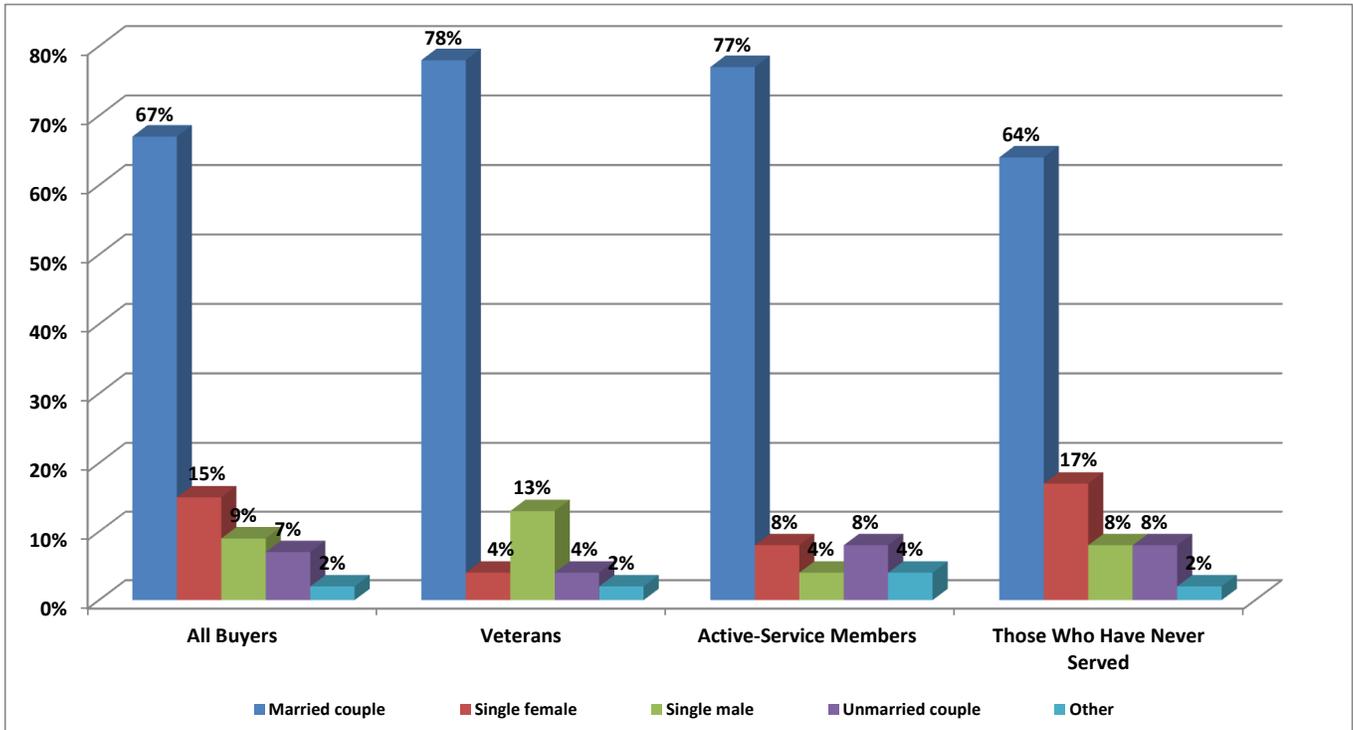
|                             | Military Status |                 |                        |                             |    |
|-----------------------------|-----------------|-----------------|------------------------|-----------------------------|----|
|                             | All Buyers      | Veterans        | Active-Service Members | Those Who Have Never Served |    |
| Less than \$25,000          | 3%              |                 | 3%                     | 1%                          | 3% |
| \$25,000 to \$34,999        | 5               |                 | 4                      | 6                           | 5  |
| \$35,000 to \$44,999        | 7               |                 | 6                      | 8                           | 7  |
| \$45,000 to \$54,999        | 7               |                 | 8                      | 6                           | 7  |
| \$55,000 to \$64,999        | 9               |                 | 9                      | 15                          | 9  |
| \$65,000 to \$74,999        | 9               |                 | 11                     | 12                          | 9  |
| \$75,000 to \$84,999        | 9               |                 | 10                     | 11                          | 9  |
| \$85,000 to \$99,999        | 10              |                 | 9                      | 10                          | 10 |
| \$100,000 to \$124,999      | 15              |                 | 13                     | 13                          | 16 |
| \$125,000 to \$149,999      | 9               |                 | 12                     | 10                          | 8  |
| \$150,000 to \$174,999      | 5               |                 | 6                      | 2                           | 6  |
| \$175,000 to \$199,999      | 3               |                 | 2                      | 2                           | 4  |
| \$200,000 or more           | 8               |                 | 7                      | 3                           | 8  |
| <b>Median income (2014)</b> | <b>\$86,100</b> | <b>\$84,000</b> | <b>\$76,800</b>        | <b>\$86,500</b>             |    |

# CHARACTERISTICS OF HOME BUYERS

Exhibit 1-3

## ADULT COMPOSITION OF HOME BUYER HOUSEHOLDS

(Percentage Distribution)

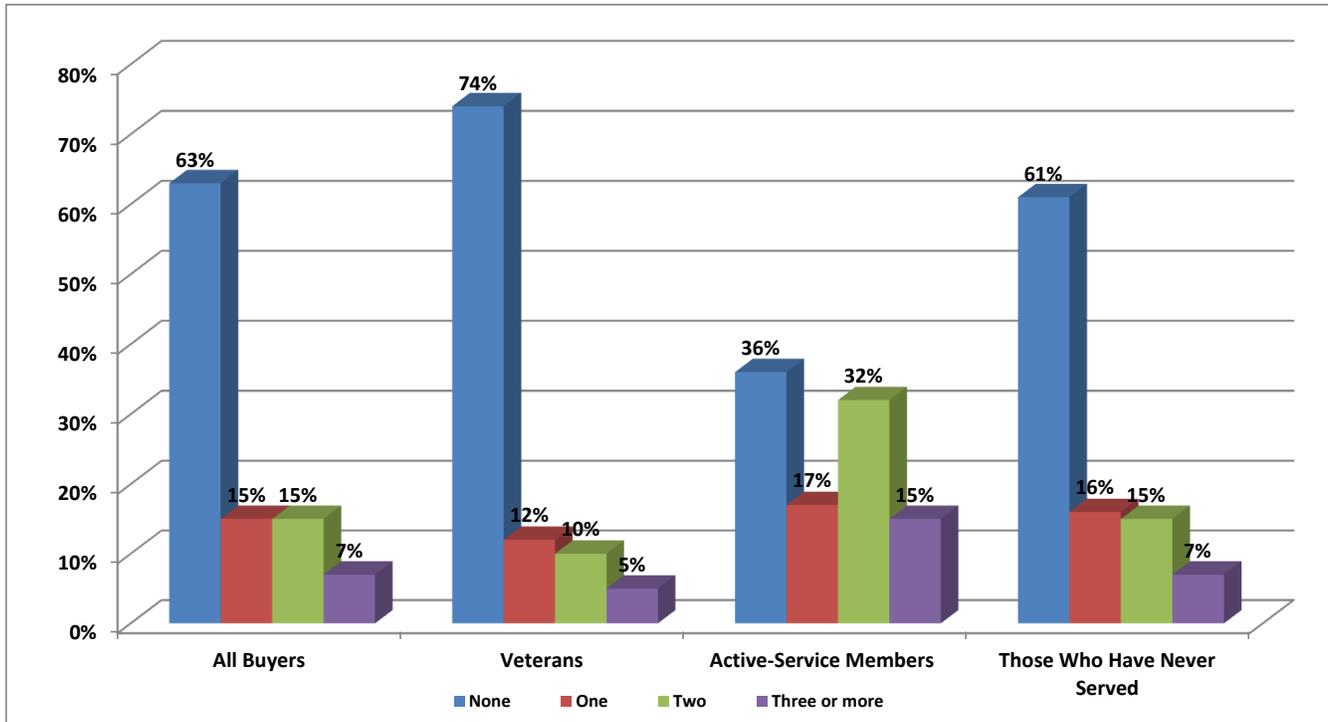


# CHARACTERISTICS OF HOME BUYERS

Exhibit 1-4

## NUMBER OF CHILDREN UNDER THE AGE OF 18 RESIDING IN HOUSEHOLD

(Percentage Distribution of Households)



CHARACTERISTICS OF HOME BUYERS

Exhibit 1-5

**HOME PURCHASED WAS A MULTI-GENERATIONAL HOME (WILL HOME ADULT SIBLINGS, ADULT CHILDREN, PARENTS, AND/OR GRANDPARENTS)**

(Percent of Respondents)

|  | All Buyers | Military Status |                        |                             |
|--|------------|-----------------|------------------------|-----------------------------|
|  |            | Veterans        | Active-Service Members | Those Who Have Never Served |
| <b>Multi-generational household</b>                              | 13%        | 15%             | 21%                    | 12%                         |
| <b>Reasons for purchase:</b>                                     |            |                 |                        |                             |
| Health/Caretaking of aging parents                               | 21%        | 14%             | 6%                     | 24%                         |
| Cost Savings   | 15         | 12              | 12                     | 16                          |
| Children/relatives over 18 moving back into the house            | 11         | 10              | 15                     | 12                          |
| To spend more time with aging parents                            | 7          | 5               | 15                     | 8                           |
| Children/relatives over 18 never left home                       | 7          | 12              | 12                     | 6                           |
| Wanted a larger home that multiple incomes could afford together | 5          | 8               | *                      | 4                           |
| None of the above  | 29         | 32              | 27                     | 28                          |
| Other  | 5          | 8               | 15                     | 4                           |

CHARACTERISTICS OF HOME BUYERS

Exhibit 1-6

**RACE/ETHNICITY OF HOME BUYERS**

*(Percent of Respondents)*

|                               | All Buyers | Military Status |                        |                             |
|-------------------------------|------------|-----------------|------------------------|-----------------------------|
|                               |            | Veterans        | Active-Service Members | Those Who Have Never Served |
| <b>White/Caucasian</b>        | 85%        | 89%             | 78%                    | 85%                         |
| <b>Hispanic/Latino</b>        | 6          | 4               | 12                     | 7                           |
| <b>Black/African-American</b> | 5          | 6               | 6                      | 4                           |
| <b>Asian/Pacific Islander</b> | 5          | 2               | 8                      | 5                           |
| <b>Other</b>                  | 2          | 2               | 1                      | 2                           |

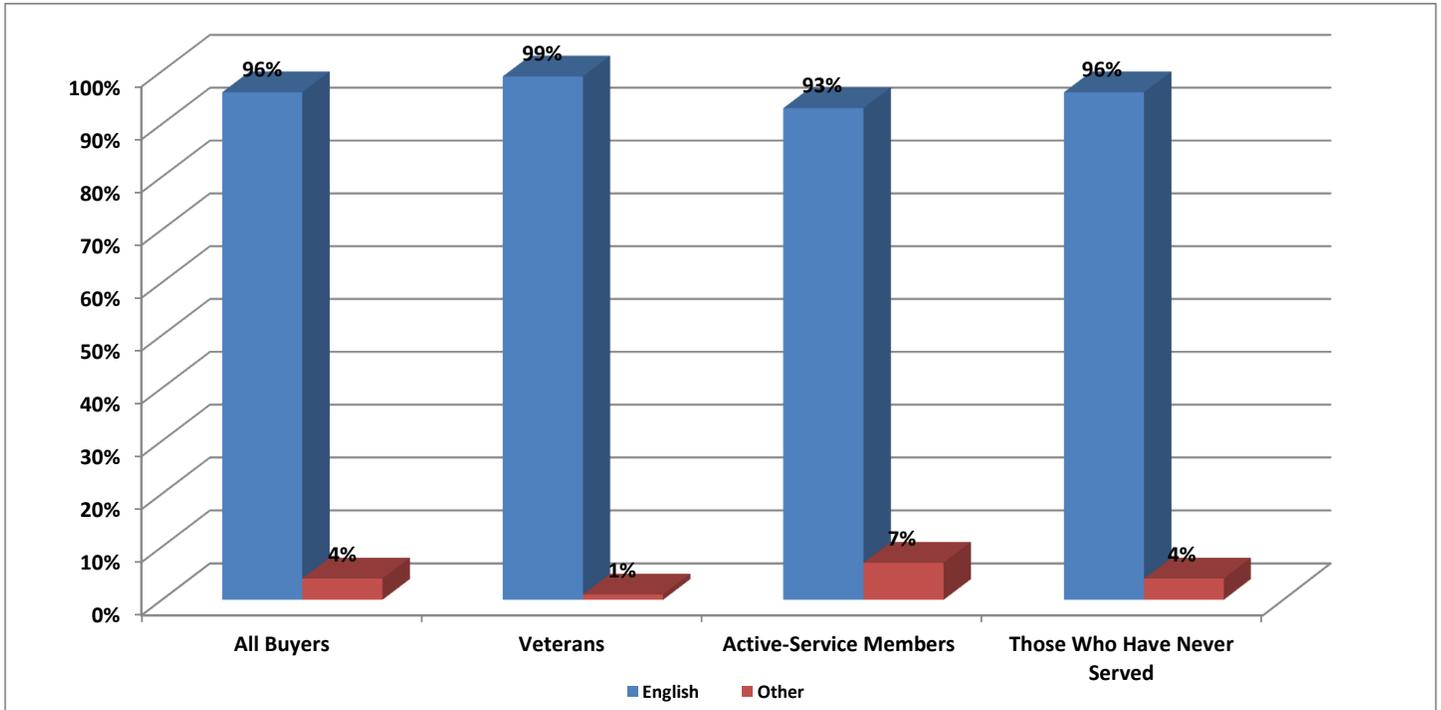
*Note: Respondents were permitted to select as many races and ethnicities as they felt applicable. The percentage distribution may therefore sum to more than 100 percent.*

## CHARACTERISTICS OF HOME BUYERS

Exhibit 1-7

### PRIMARY LANGUAGE SPOKEN IN HOME BUYER HOUSEHOLD

(Percentage Distribution)

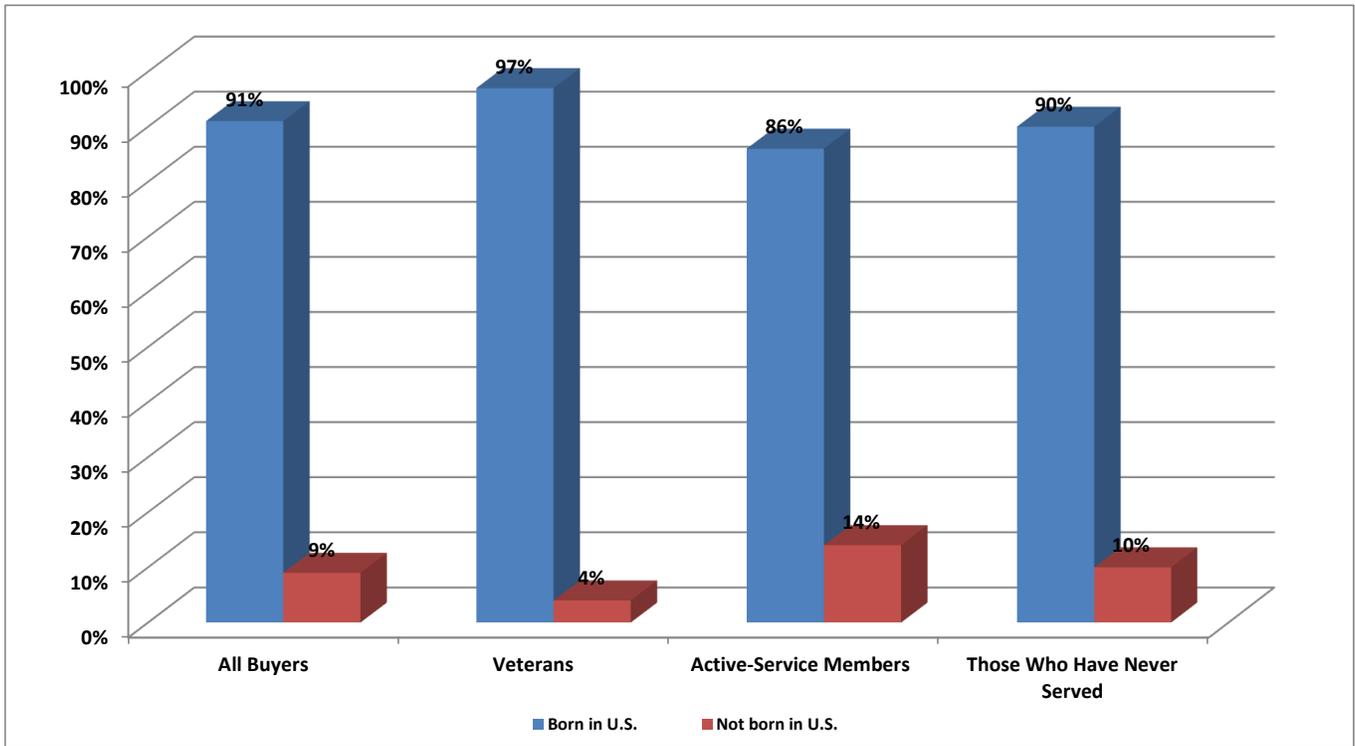


## CHARACTERISTICS OF HOME BUYERS

Exhibit 1-8

### NATIONAL ORIGIN OF HOME BUYERS

(Percentage Distribution)

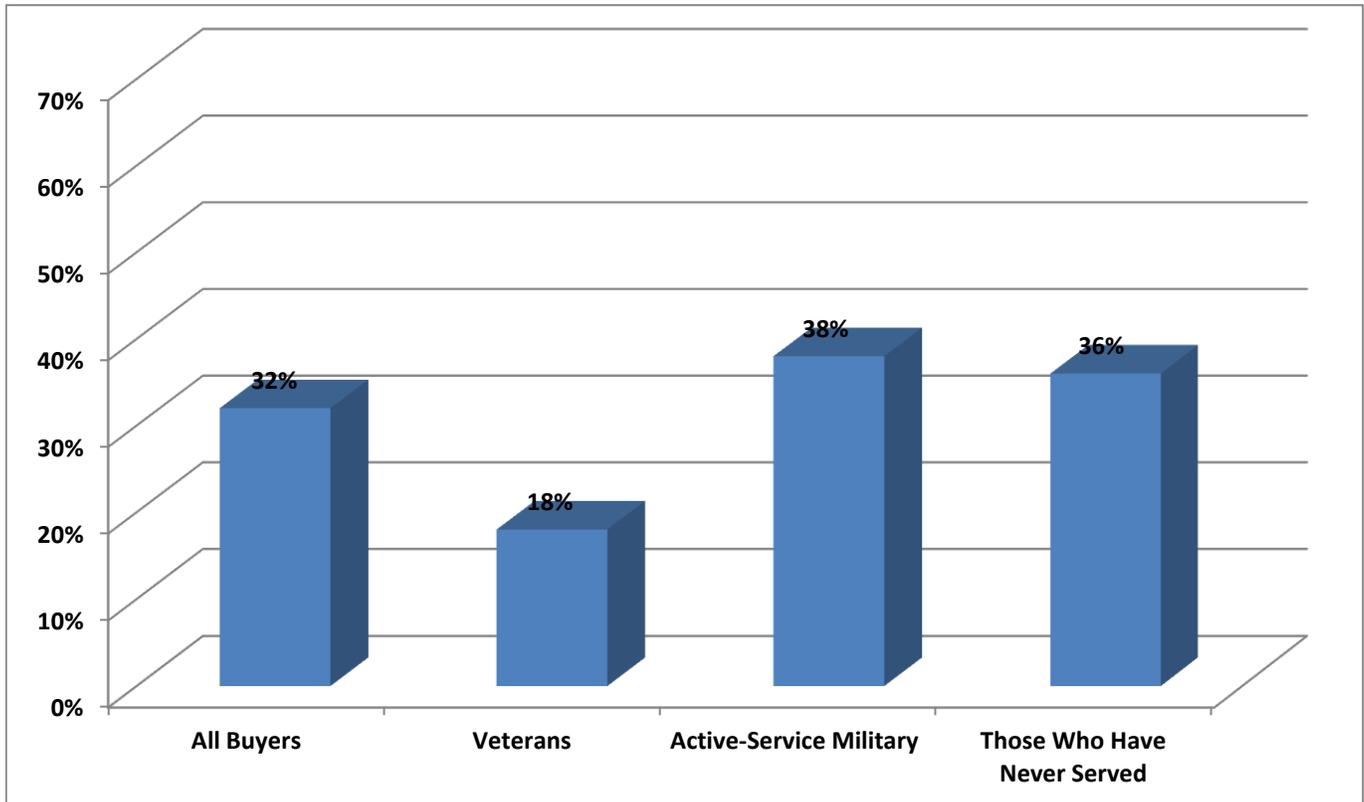


## CHARACTERISTICS OF HOME BUYERS

Exhibit 1-9

### FIRST-TIME HOME BUYERS

(Percent of all Home Buyers)



## CHARACTERISTICS OF HOME BUYERS

Exhibit 1-10

### PRIOR LIVING ARRANGEMENT

(Percentage Distribution)

|   | All Buyers | Military Status |                        |                             |
|---|------------|-----------------|------------------------|-----------------------------|
|   |            | Veterans        | Active-Service Members | Those Who Have Never Served |
| <b>Owned previous residence</b>                   | 46%        | 54%             | 29%                    | 45%                         |
| <b>Rented an apartment or house</b>               | 43         | 40              | 60                     | 43                          |
| <b>Lived with parents, relatives or friends</b>   | 10         | 5               | 9                      | 11                          |
| <b>Rented the home buyer ultimately purchased</b> | 2          | 1               | 2                      | 2                           |

*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.*

## CHARACTERISTICS OF HOME BUYERS

Exhibit 1-11

### PRIMARY REASON FOR PURCHASING A HOME

(Percentage Distribution)

|  | All Buyers | Military Status |                        |                             |
|--|------------|-----------------|------------------------|-----------------------------|
|  |            | Veterans        | Active-Service Members | Those Who Have Never Served |
| Desire to own a home of my own                               | 30%        | 21%             | 32%                    | 31%                         |
| Desire for larger home                                       | 10         | 7               | 9                      | 11                          |
| Job-related relocation or move                               | 8          | 8               | 33                     | 8                           |
| Desire to be closer to family/friends/relatives              | 7          | 14              | *                      | 5                           |
| Change in family situation                                   | 7          | 5               | 2                      | 8                           |
| Desire for smaller home                                      | 6          | 8               | 3                      | 5                           |
| Desire for a home in a better area                           | 6          | 5               | 1                      | 6                           |
| Affordability of homes                                       | 6          | 3               | 5                      | 3                           |
| Retirement   | 5          | 11              | 1                      | 4                           |
| Desire to be closer to job/school/transit                    | 4          | 2               | 2                      | 4                           |
| Financial security   | 2          | 2               | 2                      | 2                           |
| Desire for a newly built or custom-built home                | 2          | 2               | 1                      | 2                           |
| Establish household  | 2          | 1               | 1                      | 2                           |
| Tax benefits   | 1          | 1               | 2                      | 1                           |
| Greater number of homes on the market for sale/better choice | *          | *               | 1                      | *                           |
| Other  | 7          | 9               | 3                      | 6                           |

\* Less than 1 percent

## CHARACTERISTICS OF HOME BUYERS

Exhibit 1-12

### PRIMARY REASON FOR THE TIMING OF HOME PURCHASE

(Percentage Distribution)

|  | All Buyers | Military Status |                        |                             |
|--|------------|-----------------|------------------------|-----------------------------|
|  |            | Veterans        | Active-Service Members | Those who Have Never Served |
| It was just the right time for, was ready to buy a home                  | 46%        | 44%             | 46%                    | 47%                         |
| Did not have much choice, had to purchase when did                       | 16         | 16              | 23                     | 16                          |
| It was the best time for because of affordability of homes               | 11         | 7               | 12                     | 8                           |
| It was the best time for because of mortgage financing options available | 9          | 8               | 3                      | 9                           |
| It was the best time for because of availability of homes for sale       | 8          | 13              | 8                      | 10                          |
| Other  | 9          | 9               | 5                      | 2                           |
| Wish had waited  | 2          | 2               | 3                      | 10                          |

## CHARACTERISTICS OF HOME BUYERS

Exhibit 1-13

### OTHER HOMES OWNED

(Percent of Respondents)

|   | All Buyers | Military Status |                        |                             |
|---|------------|-----------------|------------------------|-----------------------------|
|   |            | Veterans        | Active-Service Members | Those Who Have Never Served |
| Recently purchased home only                | 81%        | 78%             | 73%                    | 82%                         |
| One or more investment properties           | 10         | 10              | 16                     | 9                           |
| Previous homes that buyer is trying to sell | 3          | 4               | 3                      | 3                           |
| One or more vacation homes                  | 4          | 5               | 3                      | 3                           |
| Primary residence                           | 3          | 2               | 4                      | 3                           |
| Other                                       | 2          | 2               | 3                      | 2                           |

**NATIONAL ASSOCIATION OF REALTORS®**  
**2016 Veterans & Active Military Home Buyers and Sellers Profile**

**Chapter 2: Characteristics of Homes Purchased**

This year 16 percent of buyers purchased new homes. Nineteen percent of veterans and 21 percent of active-service members bought new homes. A smaller share of those who have never served purchased new homes than veterans and active-service members.

Fourteen percent of buyers over the age of 50 purchased senior-related housing. That share drops to just two percent of active-service members and jumps to 43 percent for veterans.

The distance between the home that buyers recently purchased and their previous residence was a median of 14 miles. For veterans, the distance was 75 miles and 28 miles for active-service members, both higher than the median for those who have never served at 10 miles.

Quality of the neighborhood (56 percent) was also the top neighborhood factor for veterans, followed by overall affordability of homes and convenient to friends and family, both at 36 percent. For active-service members, the top neighborhood factor was convenience to job (57 percent), followed by quality of the neighborhood (50 percent) and overall affordability of homes (46 percent).

Active-service members reported that a move with a job or career was the number one reason for moving in the future at 53 percent compared to veterans that reported that they were never moving and this was their forever home at 30 percent. Among those who have never served 40 percent indicated they would move with life changes.

*NEW AND PREVIOUSLY OWNED HOMES PURCHASED*

*Exhibits 2-1 through 2-2*

Nineteen percent of veterans and 21 percent of active-service members bought new homes. A smaller share of those who have never served purchased new homes than veterans and active-service members at 16 percent.

Buyers chose to purchase new and previously owned homes for different reasons. Purchasers of new homes are looking to avoid renovations and problems with plumbing or electricity (34 percent) and the ability to choose and customize design features in their home (30 percent). Buyers who chose a previously owned home were considering a better price (32 percent) and overall value (29 percent). Active-service members were the most likely to purchase a new home to avoid renovations or plumbing and electrical problems at 62 percent. For veterans, 34 percent bought new homes for the ability to choose and customize design features.

## *TYPE OF HOME PURCHASED AND LOCATION*

### *Exhibits 2-3 through 2-4*

The most common type of home purchased continues to be the detached single-family home, which made up 83 percent of all homes purchased, 84 percent for veterans and 87 percent for active-service members. The most popular location to purchase a home was in the suburbs or in a subdivision, 52 percent for all buyers and veterans and 53 for active-service members. Veterans were the most likely to purchase in a small town and least likely to live in an urban area or central city. Active-service members were the most likely to purchase in rural areas.

## *SENIOR HOUSING AND ACTIVE ADULT COMMUNITIES*

### *Exhibit 2-5*

Fourteen percent of buyers over the age of 50 purchased senior-related housing. That share drops to just two percent of active-service members and jumps to 43 percent for veterans. Among those who purchased senior-related housing, veterans bought detached single-family homes at 81 percent. They also were the most likely to purchase in a small town (24 percent) and active-service members were the most likely to purchase in an urban or city central area (22 percent).

## *DISTANCE BETWEEN HOME PURCHASED AND PREVIOUS RESIDENCE*

### *Exhibit 2-6*

The distance between the home that buyers recently purchased and their previous residence was a median of 14 miles. For veterans, the distance was 75 miles and 28 miles for active-service members, both higher than the median for all buyers and higher than those who have never served.

## *FACTORS INFLUENCING NEIGHBORHOOD CHOICE*

### *Exhibits 2-7*

Quality of the neighborhood (59 percent), convenience to job (44 percent), and overall home affordability (38 percent) were the three most important factors to recent home buyers when choosing a neighborhood.

Quality of the neighborhood (56 percent) was also the top neighborhood factor for veterans, followed by overall affordability of homes and convenient to friends and family, both at 36 percent. For active-service members, the top neighborhood factor was convenience to job (57 percent), followed by quality of the neighborhood (50 percent) and overall affordability of homes (46 percent).

## *PRICE OF HOME PURCHASED*

### *Exhibits 2-8 through 2-9*

Home prices of homes that were purchased increased this year to a median of \$220,000 for all buyers, which was closely consistent for both veterans and those who have never served at \$220,000 and active-service members at \$226,000.

Recent buyers typically purchased their home for a median of 98 percent of the asking price for their home, which was closely consistent for both veterans and active-service members. Ten percent of all buyers paid more than the asking price for their home, 12

percent of those who have not served, nine percent for veteran buyers, and only eight percent for active-service military.

#### *SIZE OF HOME PURCHASED AND YEAR HOME WAS BUILT*

##### *Exhibits 2-10 through 2-12*

Recent homes purchased had a median size of 1,900 square feet. Veterans purchased homes at a median of 1,980 and active-service members purchased the largest homes at a median of 2,170 square feet. Homes for all buyers typically had three bedrooms and two bathrooms, with the exception of active-service members who purchased homes with a median of four bedrooms.

The typical home purchased was built in 1991. Veteran and active-service military buyers purchased newer homes typically built in 1997 and 2000, respectively.

#### *ENVIRONMENT FEATURES AND COMMUTING COSTS*

##### *Exhibits 2-13*

To the majority of recent home buyers, heating and cooling costs were the most important environmentally friendly factors at 35 percent. Thirty percent of buyers said that commuting costs were also important to them when they recently purchased their home. Veterans also said that heating and cooling costs were the most important factor at 36 percent. Active-service members, on the other hand, said that commuting costs were the most important factor at 47 percent compared to only 25 percent of veterans who are more commonly retired.

#### *CHARACTERISTICS OF HOME ON WHICH BUYER COMPROMISED*

##### *Exhibits 2-14*

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 20 percent, followed by the condition of the home at 19 percent. Thirty-five percent of buyers said that they made no compromises when purchasing their home. For veteran buyers, the condition of the home was more frequently compromised (20 percent), followed by the price of the home (19 percent). For active-service members, buyers compromise on the size of the home (24 percent) and the price of the home (23 percent). Veterans were more likely not to make any compromises at 41 percent than active-service members at 26 percent.

#### *EXPECTED LENGTH OF TENURE IN HOME PURCHASED*

##### *Exhibits 2-15 and 2-16*

For veteran buyers, the expected length of time is 15 years compared to 10 years for active-service buyers. While buyers can estimate the timeframe that they will live in their homes, there are factors which could cause buyers to move. Forty 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. Active-service members reported that a move with a job or career was the number one reason for moving in the future at 53 percent compared to veterans that reported that they were never moving and this was their forever home at 30 percent. Among those who have never served 40 percent indicated they would move with life changes.

## CHARACTERISTICS OF HOMES PURCHASED

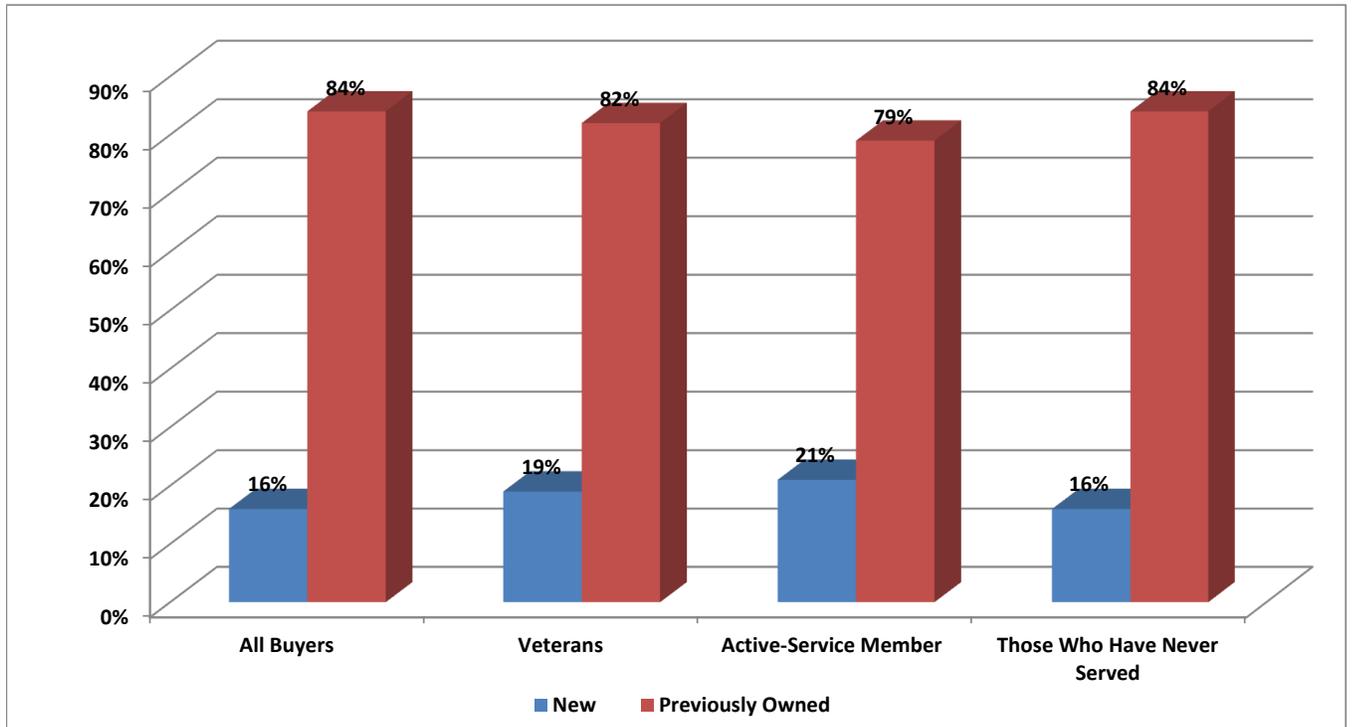
|              |   |
|--------------|---|
| Exhibit 2-1  | NEW AND PREVIOUSLY OWNED HOMES PURCHASED                      |
| Exhibit 2-2  | WHY NEW AND PREVIOUSLY OWNED HOMES PURCHASED                  |
| Exhibit 2-3  | TYPE OF HOME PURCHASED  |
| Exhibit 2-4  | LOCATION OF HOME PURCHASED                                    |
| Exhibit 2-5  | SENIOR-RELATED HOUSING BY TYPE OF HOME PURCHASED AND LOCATION |
| Exhibit 2-6  | DISTANCE BETWEEN HOME PURCHASED AND PREVIOUS RESIDENCE        |
| Exhibit 2-7  | FACTORS INFLUENCING NEIGHBORHOOD CHOICE                       |
| Exhibit 2-8  | PRICE OF HOME PURCHASED                                       |
| Exhibit 2-9  | PURCHASE PRICE COMPARED WITH ASKING PRICE                     |
| Exhibit 2-10 | SIZE OF HOME PURCHASED  |
| Exhibit 2-11 | NUMBER OF BEDROOMS AND BATHROOMS                              |
| Exhibit 2-12 | YEAR HOME BUILT   |
| Exhibit 2-13 | ENVIRONMENTALLY FRIENDLY FEATURES CONSIDERED "VERY IMPORTANT" |
| Exhibit 2-14 | CHARACTERISTICS OF HOME ON WHICH BUYER COMPROMISED            |
| Exhibit 2-15 | EXPECTED LENGTH OF TENURE IN HOME PURCHASED                   |
| Exhibit 2-16 | FACTORS THAT COULD CAUSE BUYER TO MOVE                        |

## CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2-1

### NEW AND PREVIOUSLY OWNED HOMES PURCHASED

(Percentage Distribution)



## CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2-2

### WHY NEW AND PREVIOUSLY OWNED HOMES PURCHASED

(Percentage Distribution)

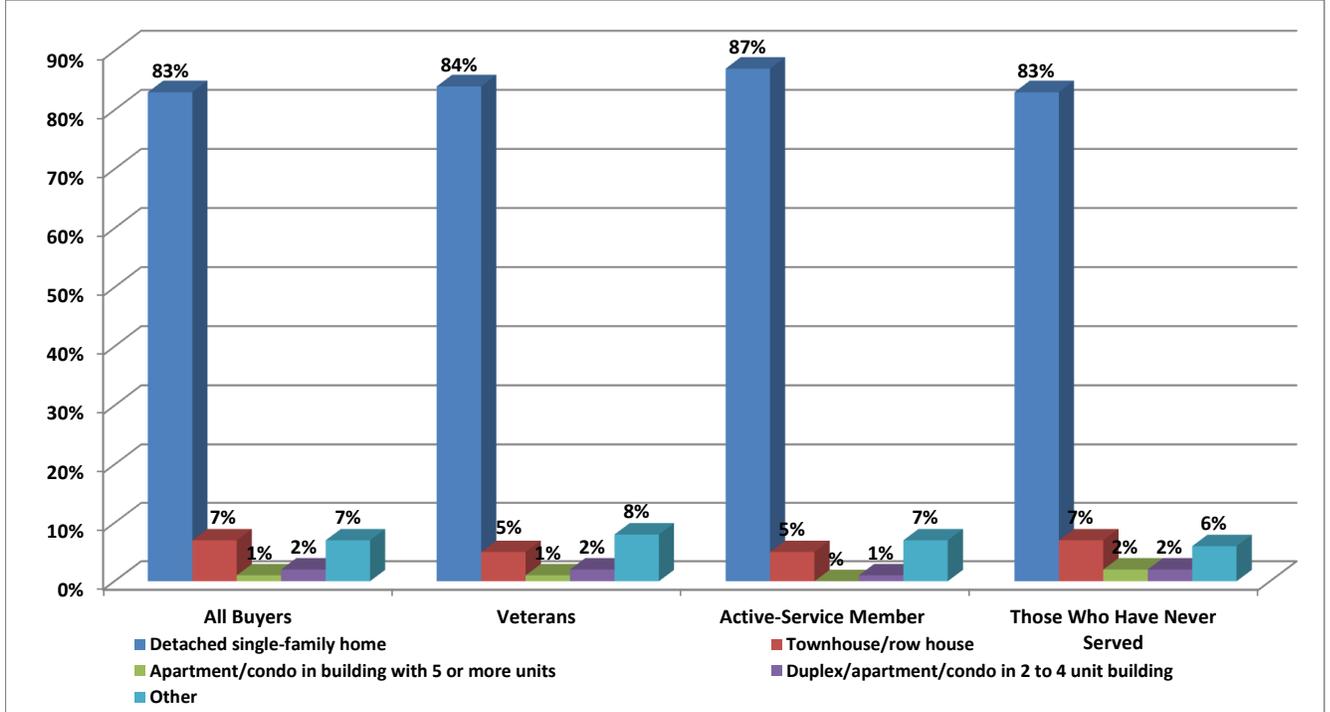
|  | All Buyers | Military Status |                       |                             |
|--|------------|-----------------|-----------------------|-----------------------------|
|  |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| <b>New Home:</b>   |            |                 |                       |                             |
| Avoid renovations or problems with plumbing or electricity | 34%        | 30%             | 62%                   | 35%                         |
| Ability to choose and customize design features            | 30         | 34              | 21                    | 29                          |
| Amenities of new home construction communities             | 17         | 19              | 18                    | 17                          |
| Green/energy efficiency                                    | 11         | 10              | 8                     | 11                          |
| Lack of inventory of previously owned home                 | 7          | 7               | 3                     | 8                           |
| Other  | 12         | 12              | 8                     | 13                          |
| <b>Previously Owned Home:</b>                              |            |                 |                       |                             |
| Better price   | 32%        | 34%             | 38%                   | 31%                         |
| Better overall value                                       | 29         | 29              | 26                    | 31                          |
| More charm and character                                   | 19         | 18              | 17                    | 19                          |
| Lack of inventory of new homes                             | 9          | 7               | 8                     | 9                           |
| Other  | 17         | 16              | 12                    | 17                          |

# CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2-3

## TYPE OF HOME PURCHASED

(Percentage Distribution)

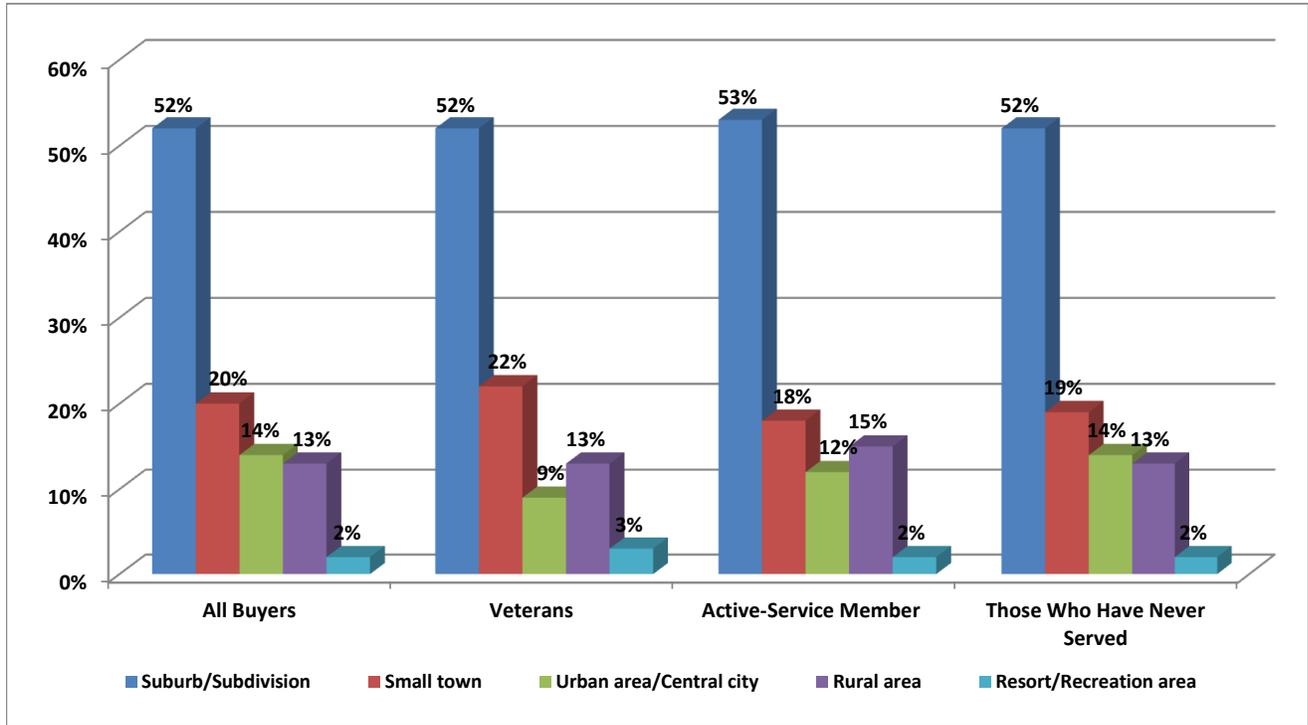


## CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2-4

### LOCATION OF HOME PURCHASED

(Percentage Distribution)



## CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2-5

### SENIOR-RELATED HOUSING BY TYPE OF HOME PURCHASED AND LOCATION

(Percentage Distribution)

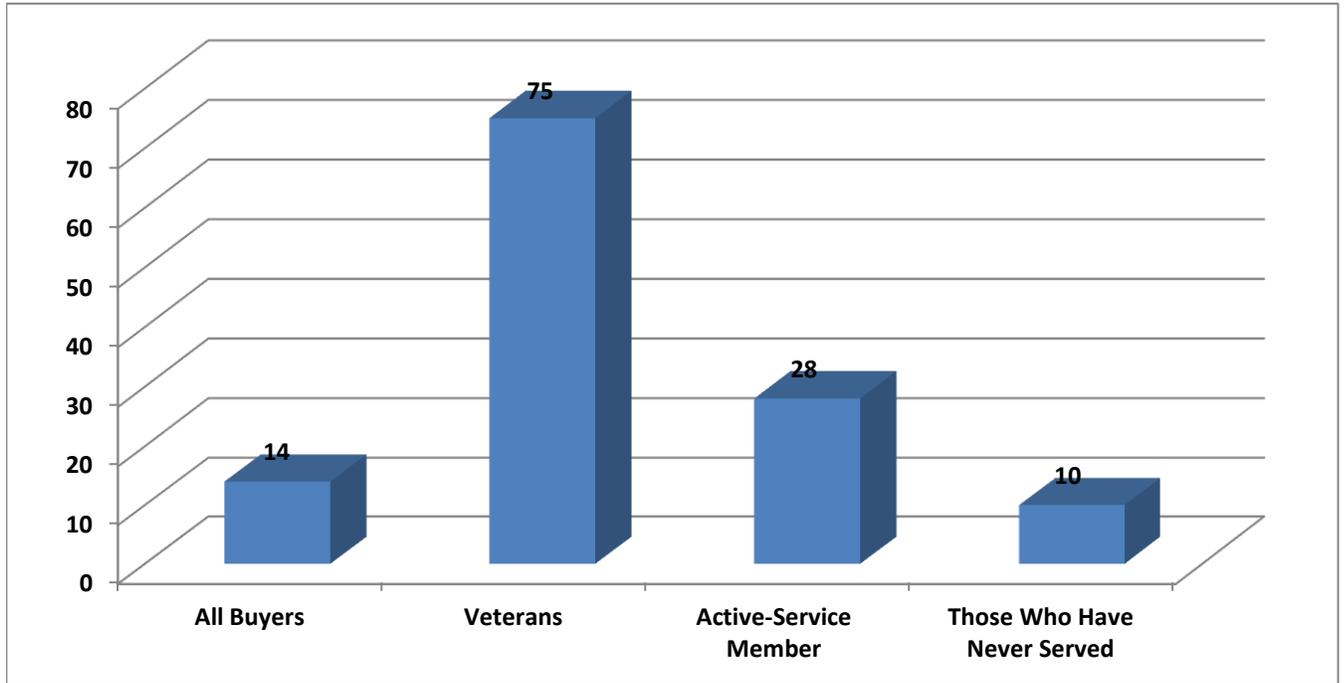
|   | All buyers over<br>49 | Military Status |                       |                                |
|---|-----------------------|-----------------|-----------------------|--------------------------------|
|   |                       | Veterans        | Active-Service Member | Those Who Have<br>Never Served |
| <b>Share who purchased a home in senior-related housing</b> | 14%                   | 43%             | 2%                    | 11%                            |
| <b>Buyers over 50 who purchased senior-related housing:</b> |                       |                 |                       |                                |
| <b>Type of home purchased</b>                               |                       |                 |                       |                                |
| Detached single-family home                                 | 67%                   | 81%             | 83%                   | 80%                            |
| Townhouse/row house   | 7                     | 6               | 17                    | 8                              |
| Apartment/condo in building with 5 or more units            | 4                     | 1               | *                     | 3                              |
| Duplex/apartment/condo in 2 to 4 unit building              | 6                     | 2               | *                     | 3                              |
| Other   | 15                    | 10              | *                     | 8                              |
| <b>Location</b>   |                       |                 |                       |                                |
| Suburb/ Subdivision   | 57%                   | 51%             | 44%                   | 50%                            |
| Small town  | 21                    | 24              | *                     | 21                             |
| Urban/ Central city   | 8                     | 8               | 22                    | 13                             |
| Rural area  | 3                     | 13              | 17                    | 12                             |
| Resort/ Recreation area                                     | 12                    | 4               | 17                    | 4                              |

## CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2-6

### **DISTANCE BETWEEN HOME PURCHASED AND PREVIOUS RESIDENCE**

*(Median Miles)*



## CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2-7

### FACTORS INFLUENCING NEIGHBORHOOD CHOICE

(Percent of Respondents)

|  | All Buyers | Military Status |                       |                             |
|--|------------|-----------------|-----------------------|-----------------------------|
|  |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| Quality of the neighborhood                    | 59%        | 56%             | 50%                   | 61%                         |
| Convenient to job                              | 44         | 31              | 57                    | 46                          |
| Overall affordability of homes                 | 38         | 36              | 46                    | 39                          |
| Convenient to friends/family                   | 35         | 36              | 19                    | 36                          |
| Design of neighborhood                         | 26         | 25              | 21                    | 26                          |
| Convenient to shopping                         | 25         | 32              | 20                    | 23                          |
| Quality of the school district                 | 25         | 17              | 34                    | 27                          |
| Convenient to schools                          | 20         | 12              | 30                    | 22                          |
| Convenient to entertainment/leisure activities | 20         | 21              | 15                    | 20                          |
| Availability of larger lots or acreage         | 18         | 17              | 20                    | 18                          |
| Convenient to parks/recreational facilities    | 17         | 14              | 18                    | 18                          |
| Convenient to health facilities                | 11         | 17              | 10                    | 10                          |
| Home in a planned community                    | 9          | 14              | 16                    | 7                           |
| Convenient to public transportation            | 5          | 2               | 7                     | 5                           |
| Convenient to airport                          | 5          | 5               | 6                     | 5                           |
| Other  | 5          | 5               | 6                     | 5                           |

## CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2-8

### PRICE OF HOME PURCHASED

(Percentage Distribution)

|                        | Military Status  |                  |                       |                             |
|------------------------|------------------|------------------|-----------------------|-----------------------------|
|                        | All Buyers       | Veterans         | Active-Service Member | Those Who Have Never Served |
| Less than \$75,000     | 4%               | 4%               | 7%                    | 4%                          |
| \$75,000 to \$99,999   | 5                | 5                | 1                     | 5                           |
| \$100,000 to \$124,999 | 6                | 5                | 5                     | 7                           |
| \$125,000 to \$149,999 | 10               | 11               | 9                     | 10                          |
| \$150,000 to \$174,999 | 9                | 9                | 11                    | 9                           |
| \$175,000 to \$199,999 | 9                | 8                | 7                     | 9                           |
| \$200,000 to \$249,999 | 15               | 19               | 19                    | 14                          |
| \$250,000 to \$299,999 | 12               | 11               | 8                     | 12                          |
| \$300,000 to \$349,999 | 8                | 10               | 9                     | 7                           |
| \$350,000 to \$399,999 | 5                | 4                | 3                     | 6                           |
| \$400,000 to \$499,999 | 6                | 6                | 12                    | 6                           |
| \$500,000 or more      | 10               | 7                | 10                    | 10                          |
| <b>Median price</b>    | <b>\$220,000</b> | <b>\$220,000</b> | <b>\$226,000</b>      | <b>\$220,000</b>            |

## CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2-9

### PURCHASE PRICE COMPARED WITH ASKING PRICE

(Percentage Distribution)

| Percent of asking price:                                    | All Buyers | Military Status |                       |                             |
|---|------------|-----------------|-----------------------|-----------------------------|
|   |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| Less than 90%   | 10%        | 8%              | 8%                    | 10%                         |
| 90% to 94%  | 17         | 23              | 12                    | 17                          |
| 95% to 99%  | 36         | 31              | 38                    | 37                          |
| 100%  | 26         | 29              | 35                    | 25                          |
| 101% to 110%  | 9          | 8               | 8                     | 10                          |
| More than 110%  | 1          | 1               | *                     | 2                           |
| <b>Median (purchase price as a percent of asking price)</b> | 98%        | 98%             | 99%                   | 98%                         |

## CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2-10

### SIZE OF HOME PURCHASED

(Percentage Distribution)

|                             | Military Status |          |                       |                             |
|-----------------------------|-----------------|----------|-----------------------|-----------------------------|
|                             | All Buyers      | Veterans | Active-Service Member | Those Who Have Never Served |
| <b>1,000 sq ft or less</b>  | *               | *        | *                     | *                           |
| <b>1,001 to 1,500 sq ft</b> | 13              | 10       | 6                     | 14                          |
| <b>1,501 to 2,000 sq ft</b> | 28              | 28       | 21                    | 27                          |
| <b>2,001 to 2,500 sq ft</b> | 27              | 30       | 30                    | 26                          |
| <b>2,501 to 3,000 sq ft</b> | 15              | 14       | 19                    | 14                          |
| <b>3,001 to 3,500 sq ft</b> | 9               | 9        | 12                    | 9                           |
| <b>3,501 sq ft or more</b>  | 9               | 8        | 12                    | 9                           |
| <b>Median (sq ft)</b>       | 1,900           | 1,980    | 2,170                 | 1,900                       |

\* Less than 1 percent

## CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2-11

### NUMBER OF BEDROOMS AND BATHROOMS

(Percentage Distribution)

|                                 | Military Status |          |                       |                             |
|---------------------------------|-----------------|----------|-----------------------|-----------------------------|
|                                 | All Buyers      | Veterans | Active-Service Member | Those Who Have Never Served |
| One bedroom                     | *               | *        | *                     | 1%                          |
| Two bedrooms                    | 13              | 15       | 6                     | 13                          |
| Three bedrooms or more          | 87              | 85       | 94                    | 87                          |
| Median number of bedrooms       | 3               | 3        | 4                     | 3                           |
| One full bathroom               | 15              | 10       | 10                    | 16                          |
| Two full bathrooms              | 63              | 68       | 58                    | 62                          |
| Three full bathrooms or more    | 22              | 23       | 32                    | 22                          |
| Median number of full bathrooms | 2               | 2        | 2                     | 2                           |

\* Less than 1 percent

## CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2-12

### YEAR HOME BUILT

(Median)

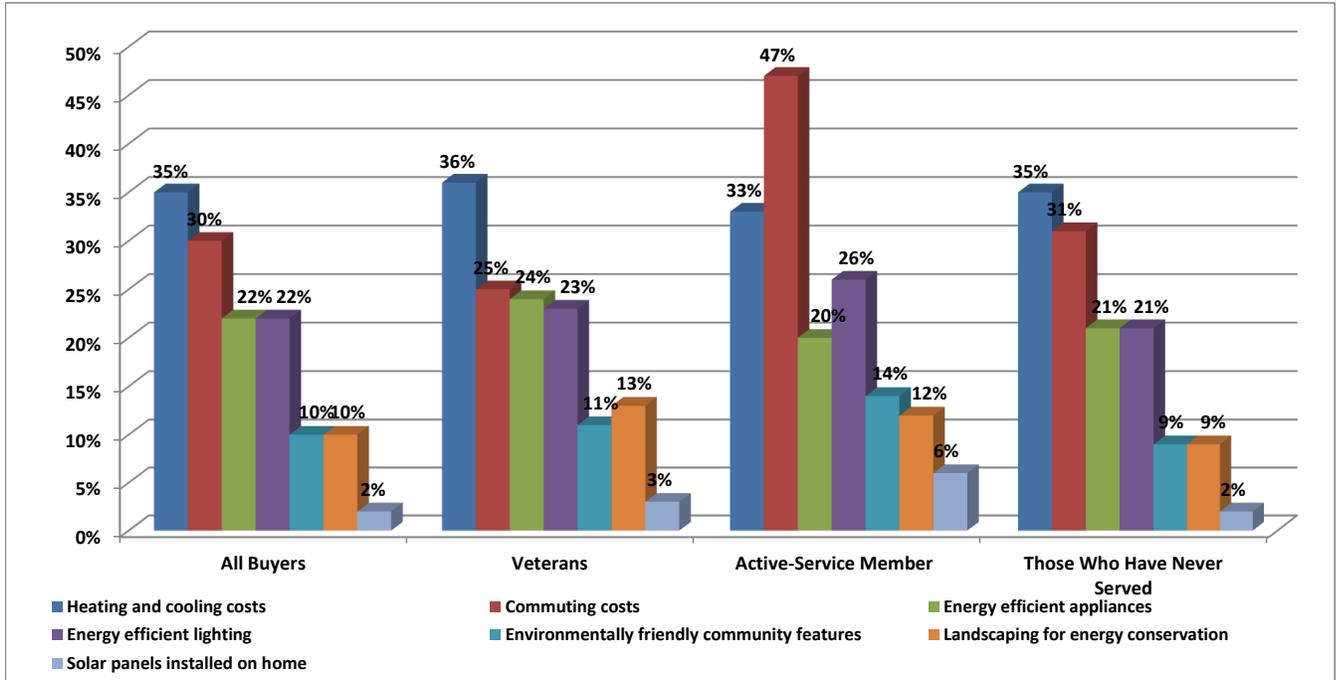
|                          | Military Status |          |                       |                             |
|--------------------------|-----------------|----------|-----------------------|-----------------------------|
|                          | All Buyers      | Veterans | Active-Service Member | Those Who Have Never Served |
| <b>2014</b>              | 15%             | 16%      | 21%                   | 15%                         |
| <b>2013 through 2010</b> | 3               | 4        | 4                     | 3                           |
| <b>2009 through 2006</b> | 8               | 10       | 10                    | 7                           |
| <b>2005 through 2001</b> | 11              | 13       | 15                    | 11                          |
| <b>2000 through 1986</b> | 21              | 24       | 17                    | 20                          |
| <b>1985 through 1960</b> | 25              | 21       | 18                    | 26                          |
| <b>1959 through 1912</b> | 15              | 11       | 13                    | 16                          |
| <b>1911 or earlier</b>   | 3               | 2        | 3                     | 3                           |
| <b>Median</b>            | 1991            | 1997     | 2000                  | 1989                        |

## CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2-13

### ENVIRONMENTALLY FRIENDLY FEATURES CONSIDERED "VERY IMPORTANT"

(Percent of Respondents)



## CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2-14

### CHARACTERISTICS OF HOME ON WHICH BUYER COMPROMISED

(Percent of Respondents)

|                                 | All Buyers | Military Status |                       |                             |
|---------------------------------|------------|-----------------|-----------------------|-----------------------------|
|                                 |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| Price of home                   | 20%        | 19%             | 23%                   | 20%                         |
| Condition of home               | 19         | 20              | 16                    | 18                          |
| Size of home                    | 17         | 17              | 24                    | 17                          |
| Lot size                        | 14         | 15              | 20                    | 13                          |
| Distance from job               | 13         | 8               | 22                    | 14                          |
| Style of home                   | 13         | 10              | 21                    | 14                          |
| Distance from friends or family | 6          | 5               | 5                     | 6                           |
| Quality of the neighborhood     | 6          | 5               | 9                     | 6                           |
| Quality of the schools          | 4          | 3               | 9                     | 4                           |
| Distance from school            | 2          | 1               | 5                     | 2                           |
| None - Made no compromises      | 35         | 41              | 26                    | 34                          |
| Other compromises not listed    | 7          | 6               | 9                     | 8                           |

\* Less than 1 percent

## CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2-15

### EXPECTED LENGTH OF TENURE IN HOME PURCHASED

(Percentage Distribution)

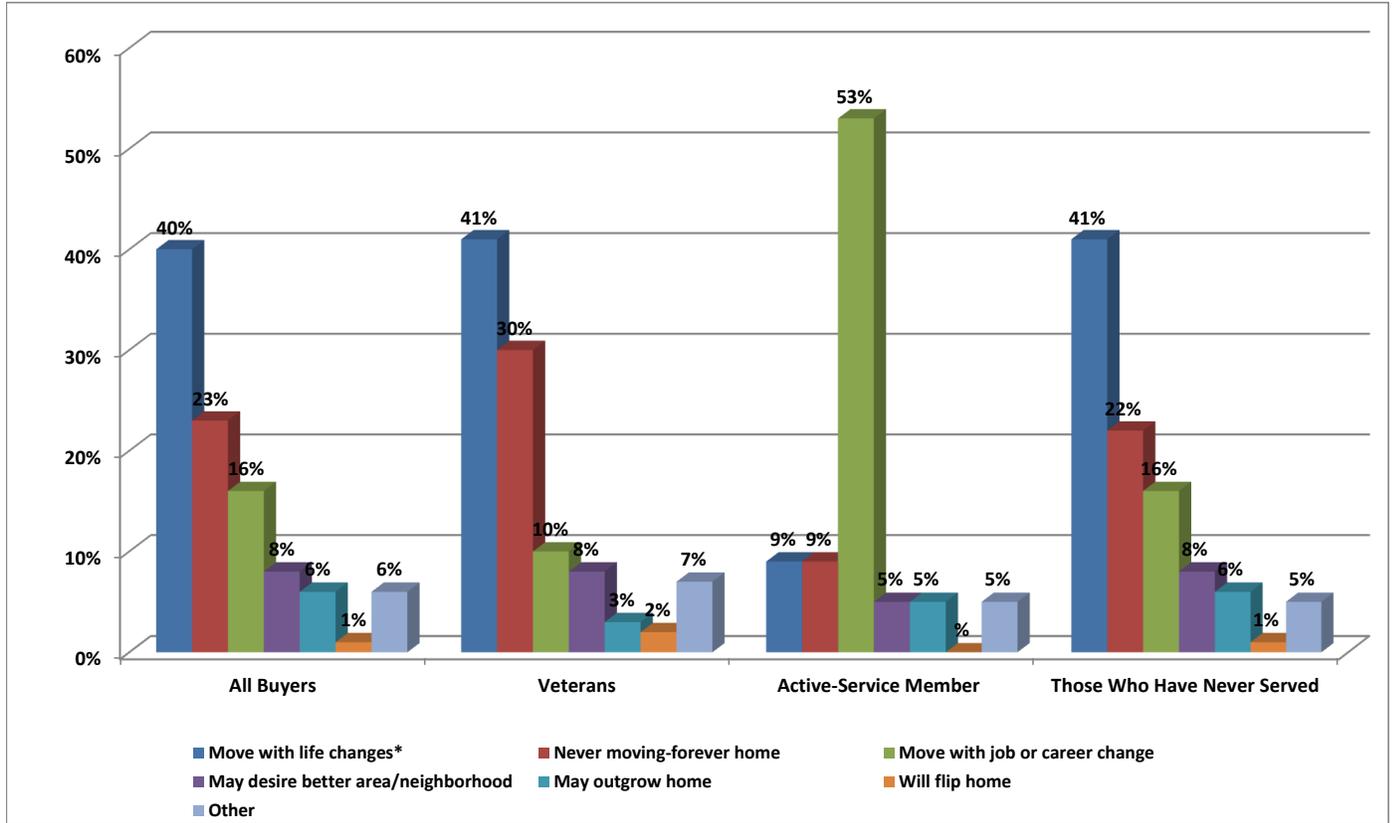
|                         | All Buyers | Military Status |                       |                             |    |
|-------------------------|------------|-----------------|-----------------------|-----------------------------|----|
|                         |            | Veterans        | Active-Service Member | Those Who Have Never Served |    |
| <b>1 year or less</b>   | 2%         |                 | 1%                    | 3%                          | 2% |
| <b>2 to 3 years</b>     | 4          |                 | 8                     | 11                          | 3  |
| <b>4 to 5 years</b>     | 9          |                 | 7                     | 11                          | 9  |
| <b>6 to 7 years</b>     | 2          |                 | 1                     | 2                           | 3  |
| <b>8 to 10 years</b>    | 14         |                 | 11                    | 15                          | 15 |
| <b>11 to 15 years</b>   | 6          |                 | 5                     | 5                           | 6  |
| <b>16 or more years</b> | 26         |                 | 26                    | 16                          | 26 |
| <b>Don't Know</b>       | 38         |                 | 42                    | 39                          | 37 |
| <b>Median</b>           | 14         |                 | 15                    | 10                          | 15 |

## CHARACTERISTICS OF HOMES PURCHASED

Exhibit 2-16

### FACTORS THAT COULD CAUSE BUYER TO MOVE

(Percentage Distribution)



\*Life changes: addition to family, marriage, children move out, retirement, etc.

**NATIONAL ASSOCIATION OF REALTORS®  
2016 Veterans & Active Military Home Buyers and Sellers Profile**

**Chapter 3: The Home Search Process**

Searching online is the first step that most buyers take in the home search process. Real estate agents remain a vital part of the home search process, and are the most frequently used information source for veterans and active-service military buyers.

For both veterans and active-service members, they searched only eight weeks looking at 10 homes each, compared to those who never served who searched for 10 weeks.

When looking during the home search process, active-service members were more likely to consider purchasing a home that was in foreclosure than veterans and among those who have not served. Across all groups, the most difficult step in the home buying process was finding the right property, however this was cited more frequently among active-service members.

*THE FIRST STEP IN THE HOME BUYING PROCESS AND INFORMATION SOURCES*

*Exhibits 3-1 through 3-3*

Among all home buyers, the first step taken was to look online for properties. Thirty-eight percent of veteran buyers and 40 percent of active-service members also looked online first for properties for sale. Veterans also commonly contacted a real estate agent (17 percent) and contacted a bank or mortgage lender (12 percent) as a first step. Active-service members also contacted an agent (20 percent) and drove by neighborhoods (15 percent) as a first step.

For both veterans and active-service members, real estate agents were the most frequently used information source in the home search process followed by online websites.

The length of the home search for all buyers was 10 weeks viewing 10 homes. For both veterans and active-service members, they searched only eight weeks looking at 10 homes each, compared to those who never served who searched for 10 weeks and viewed 10 homes.

*FINDING THE PURCHASED HOME*

*Exhibit 3-4 and 3-6*

Similar to the info sources used, most buyers typically found the home they purchased through the internet. Veterans found their homes slightly more often from a real estate agent, followed by finding the home online.

When looking during the home search process, active-service members were more likely to consider purchasing a home that was in foreclosure compared to veterans and those who have never served. Across all groups, the most difficult step in the home buying process was finding the right property. Finding the right property was most difficult among active-service members. Veterans were most likely to not have difficult steps.

## *WEBSITE AND MOBILE SEARCH*

### *Exhibit 3-7 through 3-10*

As a result of an internet home search, buyers most often walked through the home that they viewed online. Veterans found their agent as a result of searching online for properties and active-service members requested more information from online searches. The most important website feature to both veterans and active-service military were photos at 84 percent for both veterans and active-service members equally. Detailed information about properties was the second most important website feature for both veterans and active-service military.

Using mobile applications during the home search was common for veteran and active-service military buyers. Fifty-two percent of both veteran and active-service members found their homes through a mobile application. Forty percent of active-service members did not search on a mobile device. Veterans were more likely to find their agent through the use of a mobile device more than any other group at 26 percent.

## *SATISFACTION IN BUYING PROCESS*

### *Exhibit 3-11*

All military home buyers were overall very satisfied with their home buying process. Both veterans and active-service members reported being very satisfied with the home buying process at 60 percent and 29 and 30 percent respectively were somewhat satisfied.

## THE HOME SEARCH PROCESS

- Exhibit 3-1 FIRST STEP TAKEN DURING THE HOME BUYING PROCESS
- Exhibit 3-2 INFORMATION SOURCES USED IN HOME SEARCH
- Exhibit 3-3 LENGTH OF SEARCH
- Exhibit 3-4 WHERE BUYER FOUND THE HOME THEY PURCHASED
- Exhibit 3-5 BUYER INTEREST IN PURCHASING A HOME IN FORECLOSURE
- Exhibit 3-6 MOST DIFFICULT STEPS OF HOME BUYING PROCESS
- Exhibit 3-7 USE OF INTERNET TO SEARCH FOR HOMES
- Exhibit 3-8 ACTIONS TAKEN AS A RESULT OF INTERNET HOME SEARCH
- Exhibit 3-9 VALUE OF WEB SITE FEATURES
- Exhibit 3-10 MOBILE SEARCH
- Exhibit 3-11 SATISFACTION IN BUYING PROCESS

THE HOME SEARCH PROCESS

Exhibit 3-1

**FIRST STEP TAKEN DURING THE HOME BUYING PROCESS**

(Percentage Distribution)

|   | All Buyers | Military Status |                       |                             |
|---|------------|-----------------|-----------------------|-----------------------------|
|   |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| Looked online for properties for sale   | 42%        | 38%             | 40%                   | 43%                         |
| Contacted a real estate agent   | 14         | 17              | 20                    | 14                          |
| Looked online for information about the home buying process   | 13         | 12              | 5                     | 13                          |
| Contacted a bank or mortgage lender   | 7          | 12              | 5                     | 6                           |
| Drove-by homes/neighborhoods  | 7          | 2               | 15                    | 7                           |
| Talked with a friend or relative about home buying process  | 5          | 3               | *                     | 5                           |
| Visited open houses   | 3          | 1               | *                     | 3                           |
| Looked up information about different neighborhoods or areas (schools, local lifestyle/nightlife, parks, public transportation) | 2          | 2               | 10                    | 2                           |
| Contacted builder/visited builder models  | 2          | 3               | *                     | 2                           |
| Contacted a home seller directly  | *          | *               | *                     | 1                           |
| Looked in newspapers, magazines, or home buying guides  | *          | 3               | *                     | *                           |
| Attended a home buying seminar  | *          | *               | *                     | 1                           |
| Read books or guides about the home buying process  | *          | *               | *                     | *                           |
| Other   | 6          | 9               | 5                     | 5                           |

\* Less than 1 percent

THE HOME SEARCH PROCESS

Exhibit 3-2

**INFORMATION SOURCES USED IN HOME SEARCH**

*(Percent of Respondents)*

|   | All Buyers | Military Status |                       |                             |
|---|------------|-----------------|-----------------------|-----------------------------|
|   |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| Online website                          | 89%        | 86%             | 91%                   | 89%                         |
| Real estate agent                       | 87         | 86              | 95                    | 88                          |
| Mobile or tablet website or application | 57         | 49              | 51                    | 59                          |
| Mobile or tablet search engine          | 54         | 45              | 57                    | 56                          |
| Yard sign                               | 51         | 48              | 36                    | 51                          |
| Open house                              | 48         | 42              | 47                    | 48                          |
| Online video site                       | 29         | 33              | 36                    | 28                          |
| Home builder                            | 20         | 22              | 24                    | 19                          |
| Print newspaper advertisement           | 20         | 20              | 23                    | 20                          |
| Home book or magazine                   | 13         | 15              | 18                    | 12                          |
| Billboard                               | 6          | 5               | 8                     | 5                           |
| Television                              | 3          | 2               | 4                     | 4                           |
| Relocation company                      | 3          | 3               | 12                    | 4                           |

# THE HOME SEARCH PROCESS

Exhibit 3-3

## LENGTH OF SEARCH

(Median)

|  | Military Status |          |                       |                             |
|--|-----------------|----------|-----------------------|-----------------------------|
|  | All Buyers      | Veterans | Active-Service Member | Those Who Have Never Served |
| <b>Number of Weeks Searched</b>                            | 10              | 8        | 8                     | 10                          |
| <b>Number of Weeks Searched Before Contacting an Agent</b> | 2               | 3        | 2                     | 2                           |
| <b>Number of homes viewed</b>                              | 10              | 10       | 10                    | 10                          |

THE HOME SEARCH PROCESS

Exhibit 3-4

**WHERE BUYER FOUND THE HOME THEY PURCHASED**

(Percentage Distribution)

|  | All Buyers | Military Status |                       |                             |
|--|------------|-----------------|-----------------------|-----------------------------|
|  |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| Internet                               | 44%        | 37%             | 47%                   | 46%                         |
| Real estate agent                      | 33         | 38              | 33                    | 31                          |
| Yard sign/open house sign              | 9          | 10              | 4                     | 8                           |
| Friend, relative or neighbor           | 6          | 6               | 7                     | 6                           |
| Home builder or their agent            | 6          | 6               | 7                     | 5                           |
| Directly from sellers/Knew the sellers | 2          | 2               | *                     | 2                           |
| Print newspaper advertisement          | 1          | *               | *                     | 1                           |
| Home book or magazine                  | *          | *               | 1                     | *                           |
| Other                                  | *          | *               | *                     | *                           |

\* Less than 1 percent

THE HOME SEARCH PROCESS

Exhibit 3-5

**BUYER INTEREST IN PURCHASING A HOME IN FORECLOSURE**

*(Percent of Respondents)*

|  | All Buyers | Military Status |                       |                             |
|--|------------|-----------------|-----------------------|-----------------------------|
|  |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| <b>Did not consider purchasing a home in foreclosure</b>         | 59%        | 66%             | 45%                   | 58%                         |
| <b>Considered purchasing a home in foreclosure, but did not:</b> |            |                 |                       |                             |
| <b>Could not find the right home</b>                             | 23         | 18              | 27                    | 24                          |
| <b>The process was too difficult or complex</b>                  | 11         | 10              | 13                    | 11                          |
| <b>The home was in poor condition</b>                            | 10         | 8               | 7                     | 10                          |
| <b>The home price was too high</b>                               | 4          | 3               | 6                     | 4                           |
| <b>The neighborhood was undesirable</b>                          | 4          | 4               | 5                     | 4                           |
| <b>Financing options were not attractive</b>                     | 3          | 3               | 3                     | 3                           |

## THE HOME SEARCH PROCESS

Exhibit 3-6

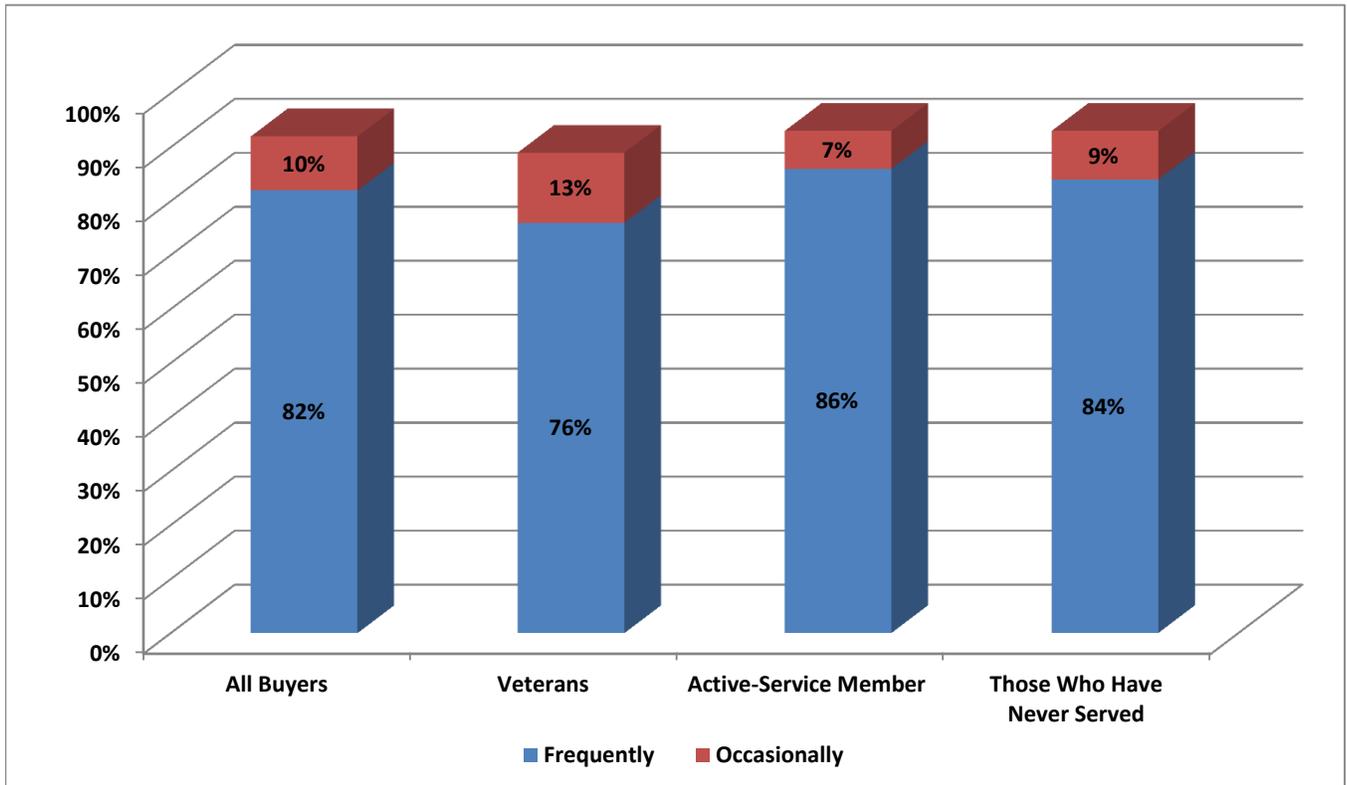
### **MOST DIFFICULT STEPS OF HOME BUYING PROCESS**

*(Percent of Respondents)*

|  | All Buyers | Military Status |                       |                             |
|--|------------|-----------------|-----------------------|-----------------------------|
|  |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| <b>Finding the right property</b>          | 51%        | 49%             | 56%                   | 51%                         |
| <b>Paperwork</b>                           | 23         | 24              | 21                    | 23                          |
| <b>Understanding the process and steps</b> | 14         | 10              | 18                    | 15                          |
| <b>Getting a mortgage</b>                  | 13         | 14              | 12                    | 12                          |
| <b>Saving for the down payment</b>         | 13         | 4               | 5                     | 15                          |
| <b>Appraisal of the property</b>           | 5          | 5               | 4                     | 6                           |
| <b>No difficult steps</b>                  | 17         | 22              | 11                    | 16                          |
| <b>Other</b>                               | 6          | 6               | 4                     | 6                           |

# THE HOME SEARCH PROCESS

Exhibit 3-7  
**USE OF INTERNET TO SEARCH FOR HOMES**



THE HOME SEARCH PROCESS

Exhibit 3-8

**ACTIONS TAKEN AS A RESULT OF INTERNET HOME SEARCH**

*(Percent of Respondents Among Buyers Who Used the Internet)*

|   | All Buyers | Military Status |                       |                             |
|---|------------|-----------------|-----------------------|-----------------------------|
|   |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| Walked through home viewed online   | 65%        | 67%             | 56%                   | 64%                         |
| Saw exterior of homes/neighborhood, but did not walk through home                 | 38         | 31              | 30                    | 39                          |
| Found the agent used to search for or buy home                                    | 33         | 39              | 32                    | 32                          |
| Requested more information  | 27         | 26              | 35                    | 27                          |
| Contacted builder/developer   | 17         | 17              | 16                    | 17                          |
| Looked for more information on how to get a mortgage and general home buyers tips | 14         | 9               | 15                    | 15                          |
| Pre-qualified for a mortgage online   | 13         | 15              | 18                    | 12                          |
| Applied for a mortgage online   | 10         | 11              | 17                    | 10                          |
| Found a mortgage lender online  | 8          | 8               | 13                    | 8                           |

THE HOME SEARCH PROCESS

Exhibit 3-9

**VALUE OF WEB SITE FEATURES**

*(Percentage Ranking Feature "Very Useful" Among Buyers Who Used the Internet)*

|   | All Buyers | Military Status |                       |                             |
|---|------------|-----------------|-----------------------|-----------------------------|
|   |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| Photos  | 87%        | 84%             | 84%                   | 86%                         |
| Detailed information about properties for sale      | 84         | 79              | 82                    | 83                          |
| Interactive maps                                    | 45         | 40              | 54                    | 44                          |
| Virtual tours                                       | 42         | 40              | 41                    | 42                          |
| Real estate agent contact information               | 42         | 47              | 38                    | 41                          |
| Neighborhood information                            | 40         | 36              | 51                    | 41                          |
| Detailed information about recently sold properties | 37         | 32              | 50                    | 38                          |
| Pending sales/contract status                       | 33         | 28              | 30                    | 34                          |
| Information about upcoming open houses              | 24         | 19              | 25                    | 25                          |
| Videos  | 22         | 20              | 26                    | 21                          |
| Real estate news or articles                        | 8          | 8               | 9                     | 8                           |

## THE HOME SEARCH PROCESS

Exhibit 3-10

### MOBILE SEARCH

*(Percent of Respondents Among those Who Used Mobile Search)*

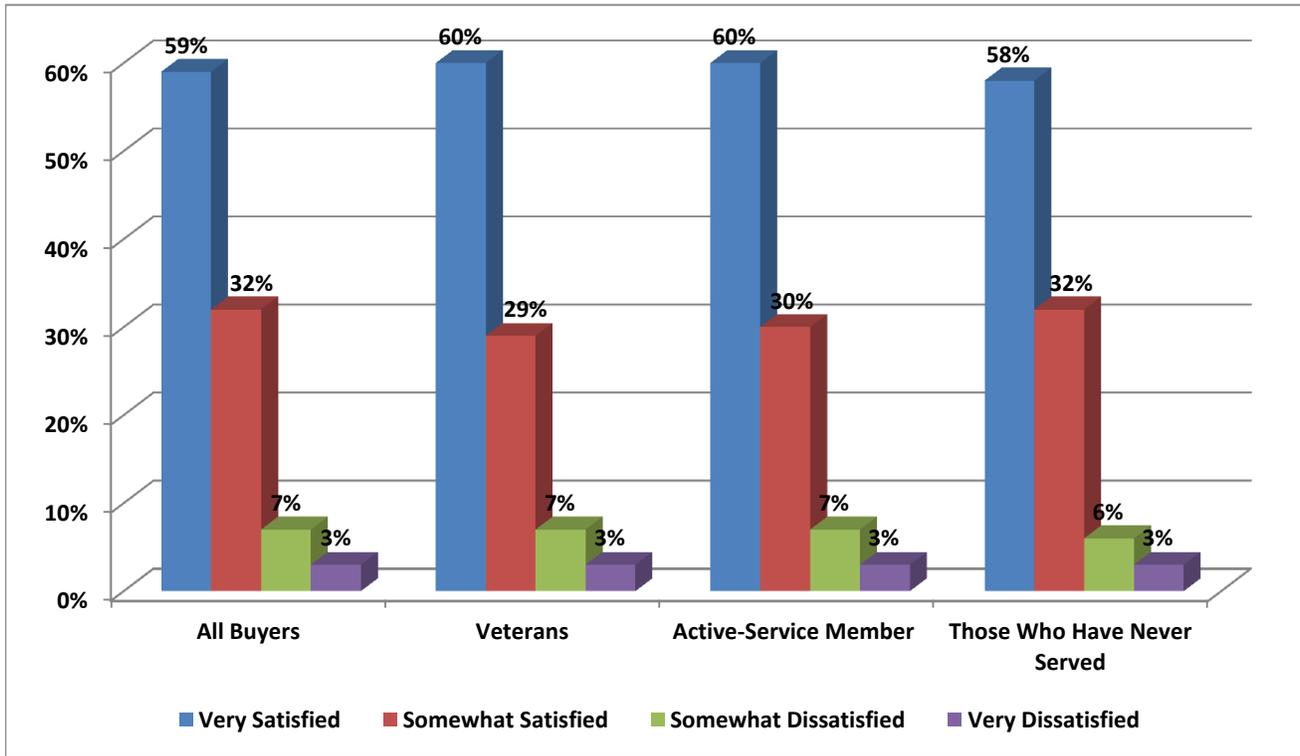
|  | All Buyers | Military Status |                       |                             |
|--|------------|-----------------|-----------------------|-----------------------------|
|  |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| <b>Found my home with a mobile application</b>     | 66%        | 52%             | 52%                   | 45%                         |
| <b>Found my agent with a mobile application</b>    | 13         | 26              | 12                    | 7                           |
| <b>Did not search for homes on a mobile device</b> | 27         | 27              | 40                    | 52                          |

# THE HOME SEARCH PROCESS

Exhibit 3-11

## SATISFACTION IN BUYING PROCESS

(Percentage Distribution)



**NATIONAL ASSOCIATION OF REALTORS®**  
**2016 Veterans & Active Military Home Buyers and Sellers Profile**

**Chapter 4: Home Buying and Real Estate Professionals**

Purchasing a home through a real estate agent is the most common purchase method for recent buyers. When choosing an agent to work with, buyers wanted help finding the right home, negotiating sales terms, and negotiating prices. Veteran buyers also want an agent who will determine what comparable homes were selling for.

Referrals remain the primary way that buyers are finding their agent. For veterans and active-service members, referrals by friends, neighbors, or relatives were slightly lower than the typical buyer. Active-service members found their agents through a referral by an employer or a relocation company at higher rates at 17 percent.

Buyers were overall very satisfied with their agent's skills and qualities, such as honesty and integrity, and knowledge of the purchase process. The majority of buyers would definitely recommend or use their agent again.

*METHOD OF HOME PURCHASE*

*Exhibits 4-1 to 4-4*

Buyers from all groups typically used a real estate agent or broker to purchase their home. Eighty-five percent of veterans and 86 percent of active-service members purchased their home through an agent. Neither veterans nor active-service members were likely to buy directly from the owner.

When working with an agent, whether or not buyers signed an agent representation disclosure agreement varied by group. Nineteen percent of veteran buyers did not sign a disclosure agreement, while 33 percent signed a disclosure at their first meeting. For active-service members, 24 percent signed at the first meeting and 21 did not sign an agreement at all. Buyer representation arrangements were typically written agreements.

All buyers primarily wanted their agent's help to find the right home to purchase. Veterans were also looking for help determining what comparable homes were selling for (13 percent) and active-service members wanted help with price negotiations (11 percent).

*AGENT BENEFITS AND CONTACT METHOD*

*Exhibits 4-5 to 4-8*

Working with a real estate agent during the home buying process has many benefits. The benefit that most buyers cited was help understanding the purchase process for both veterans and active-service members. Veterans also cited that agents helped to point out unnoticed features/faults with property and active-service members also cited receiving an improved knowledge of the search areas.

Referrals are the most common way buyers find their real estate agent at 41 percent. For veterans and active-service members, referrals by friends, neighbors, or relatives were slightly lower than the typical buyer at 31 and 28 percent respectively. Veterans also found their agents through the internet and for sale/open house signs. Active-service members found their agents through a referral by an employer or a relocation company at higher rates than other buyers. It was most common for a buyer to initially contact their agent by phone. Among veterans they were more likely than others to talk to an agent in person. Active-service members were more likely than other buyers to e-mail their prospective agent.

When interviewing agents to work with, buyers often interviewed only one real estate agent. The same was true for both veterans and active-service members. Active-service members were slightly more likely to interview two agents before selecting the one they worked with.

#### *CHOOSING A REAL ESTATE AGENT*

*Exhibits 4-9 to 4-11*

When choosing an agent to work with, the agent's reputation was the most important factor for veterans (25 percent). The most important factor for active-service members was having an agent that is honest and trustworthy (28 percent). Buyers also looked for agents who were responsive, had knowledge of the purchase process, and knowledge of the real estate market.

When communicating with their agent, recent buyers found it important that their agent personally calls to inform them of activities. Text messages, market reports, and properties shown on a mobile site were more important to veterans than active-service members, who slightly preferred an email newsletter.

#### *SATISFACTION AND RECOMMENDATION OF AGENT*

*Exhibits 4-12 to 4-14*

All recent buyers were satisfied with their real estate agent's skills and qualities. Veterans were most satisfied with their agent's honesty and integrity (86 percent), knowledge of the real estate market (85 percent), and responsiveness (85 percent). Active-service members were most satisfied with their agent's knowledge of the purchase process (90 percent), honesty and integrity (88 percent), and responsiveness (86 percent).

The majority of recent buyers would definitely use their agent again or recommend their agent to others. Eighty-seven percent of veterans and 85 percent of active-service military buyers would definitely or probably use again or recommend their agent to others.

Since purchasing, veterans and active-service military buyers have recommended their agent once. Veterans are the most likely to recommended their agent four or more times since purchasing.

## HOME BUYING AND REAL ESTATE PROFESSIONALS

- Exhibit 4-1 METHOD OF HOME PURCHASE
- Exhibit 4-2 AGENT REPRESENTATION DISCLOSURE
- Exhibit 4-3 BUYER REPRESENTATIVE ARRANGEMENT WITH AGENT
- Exhibit 4-4 WHAT BUYERS WANT MOST FROM REAL ESTATE AGENTS
- Exhibit 4-5 BENEFITS PROVIDED BY REAL ESTATE AGENT DURING HOME PURCHASE PROCESS
- Exhibit 4-6 HOW BUYER FOUND REAL ESTATE AGENT
- Exhibit 4-7 HOW TIMES CONTACTED AGENT BEFORE RECEIVED RESPONSE AND ORIGINAL FORM OF CONTACT
- Exhibit 4-8 NUMBER OF REAL ESTATE AGENTS INTERVIEWED
- Exhibit 4-9 MOST IMPORTANT FACTORS WHEN CHOOSING AN AGENT
- Exhibit 4-10 AGENT SKILLS AND QUALITIES CONSIDERED 'VERY IMPORTANT'
- Exhibit 4-11 IMPORTANCE OF AGENT COMMUNICATIONS
- Exhibit 4-12 SATISFACTION WITH REAL ESTATE AGENT SKILLS AND QUALITIES
- Exhibit 4-13 WOULD BUYER USE REAL ESTATE AGENT AGAIN OR RECOMMEND TO OTHERS
- Exhibit 4-14 HOW MANY TIMES BUYER RECOMMENDED TYPICAL AGENT

HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4-1

**METHOD OF HOME PURCHASE**

*(Percentage Distribution)*

|   | <b>Military Status</b> |                 |                              |  |
|---|------------------------|-----------------|------------------------------|--|
|   | <b>All Buyers</b>      | <b>Veterans</b> | <b>Active-Service Member</b> | <b>Those Who Have<br/>Never Served</b> |
| <b>Through a real estate agent or broker</b>    | 87%                    | 85%             | 86%                          | 87%                                    |
| <b>Directly from builder or builder's agent</b> | 8                      | 10              | 9                            | 7                                      |
| <b>Directly from the previous owner</b>         | 5                      | 4               | 5                            | 5                                      |
| <b>Knew previous owner</b>                      | 3                      | 2               | 3                            | 3                                      |
| <b>Did not know previous owner</b>              | 2                      | 2               | 2                            | 2                                      |

## HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4-2

### AGENT REPRESENTATION DISCLOSURE

(Percentage Distribution)

| Disclosure Statement Signed?          | All Buyers | Military Status |                       |                             |
|---------------------------------------|------------|-----------------|-----------------------|-----------------------------|
|                                       |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| <b>Yes, at first meeting</b>          | 27%        | 33%             | 24%                   | 25%                         |
| <b>Yes, when contract was written</b> | 22         | 20              | 18                    | 22                          |
| <b>Yes, at some other time</b>        | 12         | 11              | 15                    | 12                          |
| <b>No</b>                             | 22         | 19              | 21                    | 23                          |
| <b>Don't know</b>                     | 18         | 17              | 22                    | 18                          |

## HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4-3

### BUYER REPRESENTATIVE ARRANGEMENT WITH AGENT

(Percentage Distribution)

|                                   | All Buyers | Military Status |                       |                             |
|-----------------------------------|------------|-----------------|-----------------------|-----------------------------|
|                                   |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| <b>Yes, a written arrangement</b> | 40%        | 40%             | 44%                   | 39%                         |
| <b>Yes, an oral arrangement</b>   | 18         | 16              | 12                    | 18                          |
| <b>No</b>                         | 29         | 31              | 30                    | 30                          |
| <b>Don't know</b>                 | 13         | 14              | 12                    | 13                          |

## HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4-4

### WHAT BUYERS WANT MOST FROM REAL ESTATE AGENTS

(Percentage Distribution)

|  | All Buyers | Military Status |                       |                             |
|--|------------|-----------------|-----------------------|-----------------------------|
|  |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| Help find the right home to purchase   | 53%        | 48%             | 50%                   | 52%                         |
| Help buyer negotiate the terms of sale   | 12         | 11              | 8                     | 12                          |
| Help with the price negotiations   | 11         | 11              | 11                    | 11                          |
| Determine what comparable homes were selling for   | 7          | 13              | 9                     | 7                           |
| Help with paperwork  | 6          | 6               | 9                     | 6                           |
| Help determining how much home buyer can afford  | 4          | 3               | 4                     | 4                           |
| Help find and arrange financing  | 4          | 3               | 3                     | 4                           |
| Help teach buyer more about neighborhood or area (restaurants, parks, public transportation) | 1          | 2               | 6                     | 1                           |
| Help find renters for buyer's property   | *          | *               | 1 *                   |                             |
| Other  | 2          | 3               | 1                     | 2                           |

\*Less than 1 percent

## HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4-5

### **BENEFITS PROVIDED BY REAL ESTATE AGENT DURING HOME PURCHASE PROCESS**

*(Percent of Respondents)*

|  | All Buyers | Military Status |                       |                             |     |
|--|------------|-----------------|-----------------------|-----------------------------|-----|
|  |            | Veterans        | Active-Service Member | Those Who Have Never Served |     |
| <b>Helped buyer understand the process</b>                 | 60%        |                 | 54%                   | 55%                         | 60% |
| <b>Pointed out unnoticed features/faults with property</b> | 55         | 48              | 48                    | 49                          | 55  |
| <b>Negotiated better sales contract terms</b>              | 48         | 43              | 43                    | 31                          | 47  |
| <b>Provided a better list of service providers</b>         | 47         | 44              | 44                    | 46                          | 46  |
| <b>Improved buyer's knowledge of search areas</b>          | 45         | 41              | 41                    | 51                          | 45  |
| <b>Negotiated a better price</b>                           | 37         | 33              | 33                    | 32                          | 36  |
| <b>Shortened buyer's home search</b>                       | 30         | 37              | 37                    | 40                          | 28  |
| <b>Provided better list of mortgage lenders</b>            | 22         | 19              | 19                    | 25                          | 22  |
| <b>Expanded buyer's search area</b>                        | 20         | 16              | 16                    | 28                          | 16  |
| <b>Narrowed buyer's search area</b>                        | 17         | 20              | 20                    | 18                          | 20  |
| <b>None of the above</b>                                   | 6          | 9               | 9                     | 8                           | 7   |
| <b>Other</b>   | 2          | 1               | 1                     | 2                           | 2   |

## HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4-6

### HOW BUYER FOUND REAL ESTATE AGENT

(Percentage Distribution)

|   | All Buyers | Military Status |                       |                             |
|---|------------|-----------------|-----------------------|-----------------------------|
|   |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| Referred by (or is) a friend, neighbor or relative                      | 41%        | 31%             | 28%                   | 43%                         |
| Used agent previously to buy or sell a home                             | 12         | 11              | 5                     | 12                          |
| Internet Web site (without a specific reference)                        | 10         | 14              | 15                    | 9                           |
| Visited an open house and met agent                                     | 5          | 4               | 4                     | 5                           |
| Saw contact information on For Sale/Open House sign                     | 5          | 8               | 2                     | 4                           |
| Referred by another real estate agent/broker                            | 5          | 5               | 1                     | 5                           |
| Personal contact by agent (telephone, e-mail, etc.)                     | 4          | 6               | 4                     | 4                           |
| Referred through employer or relocation company                         | 3          | 3               | 17                    | 3                           |
| Walked into or called office and agent was on duty                      | 2          | 3               | *                     | 2                           |
| Search engine   | 1          | 1               | 1                     | 1                           |
| Newspaper, Yellow Pages or home book ad                                 | *          | *               | 1                     | *                           |
| Advertising specialty (calendar, magnet, etc.)                          | *          | 1               | *                     | *                           |
| Crowdsourcing through social media/knew the person through social media | *          | *               | 1                     | *                           |
| Direct mail (newsletter, flyer, postcard, etc.)                         | *          | *               | *                     | *                           |
| Mobile or tablet application  | 1          | 1               | 3                     | 1                           |
| Saw the agent's social media page without a connection                  | *          | *               | *                     | *                           |
| Other   | 10         | 12              | 18                    | 10                          |

\*Less than 1 percent

HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4-7

**HOW TIMES CONTACTED AGENT BEFORE RECEIVED RESPONSE AND ORIGINAL FORM OF CONTACT**

*(Median, Percentage Distribution)*

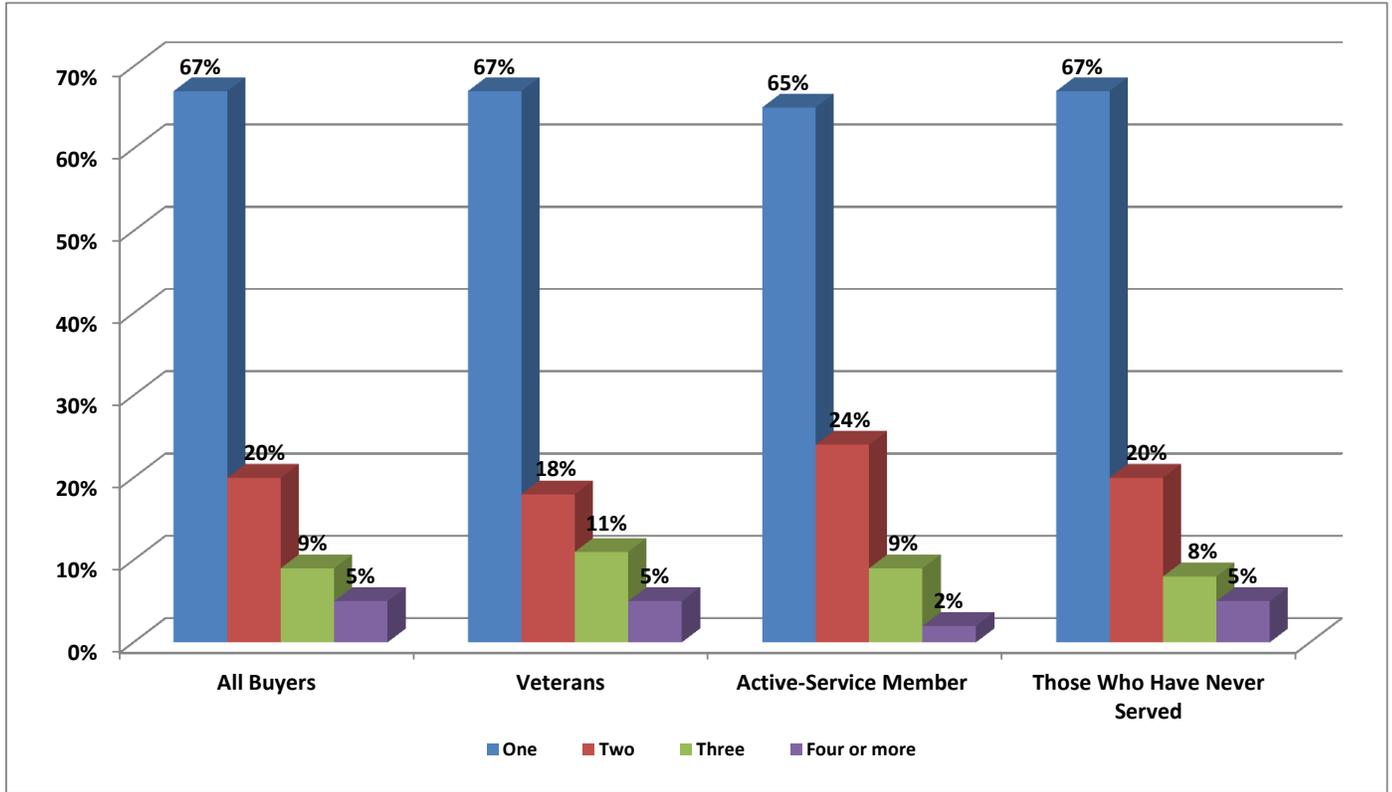
|  | All Buyers | Military Status |                       |                             |
|--|------------|-----------------|-----------------------|-----------------------------|
|  |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| Phone call                                       | 44%        | 43%             | 46%                   | 43%                         |
| Talked to them in person                         | 20         | 22              | 10                    | 20                          |
| E-mail   | 17         | 18              | 24                    | 17                          |
| Contacted friend/family                          | 9          | 7               | 4                     | 10                          |
| Web form on home listing website                 | 5          | 5               | 7                     | 5                           |
| Text message                                     | 3          | 1               | 2                     | 3                           |
| Through agent's website                          | 2          | 4               | 4                     | 2                           |
| Social Media (FaceBook, Twitter, LinkedIn, etc.) | 1          | 1               | 3                     | 1                           |
| <b>Number of Times Contacted (median)</b>        | <b>1</b>   | <b>1</b>        | <b>1</b>              | <b>1</b>                    |

# HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4-8

## NUMBER OF REAL ESTATE AGENTS INTERVIEWED

(Percentage Distribution)



HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4-9

**MOST IMPORTANT FACTORS WHEN CHOOSING AN AGENT**

(Percentage Distribution)

|  | All Buyers | Military Status |                       |                             |
|--|------------|-----------------|-----------------------|-----------------------------|
|  |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| Reputation of agent  | 23%        | 25%             | 24%                   | 22%                         |
| Agent is honest and trustworthy  | 21         | 21              | 28                    | 21                          |
| Agent is friend or family member   | 16         | 14              | 10                    | 16                          |
| Agent's knowledge of the neighborhood  | 13         | 14              | 13                    | 13                          |
| Agent has caring personality/good listener   | 8          | 8               | 7                     | 9                           |
| Agent is timely with responses   | 7          | 6               | 11                    | 7                           |
| Agent seems 100% accessible because of use of technology like tablet or smartphone | 5          | 5               | 3                     | 5                           |
| Agent's association with a particular firm   | 3          | 4               | 1                     | 3                           |
| Professional designations held by agent  | 1          | 1               | *                     | 2                           |
| Other  | 1          | 1               | *                     | 1                           |

\*Less than 1 percent

## HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4-10

### AGENT SKILLS AND QUALITIES CONSIDERED 'VERY IMPORTANT'

(Percent of Respondents)

|  | All Buyers | Military Status |                       |                             |
|--|------------|-----------------|-----------------------|-----------------------------|
|  |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| <b>Honesty and integrity</b>           | 97%        | 97%             | 96%                   | 97%                         |
| <b>Responsiveness</b>                  | 93         | 93              | 96                    | 93                          |
| <b>Knowledge of purchase process</b>   | 92         | 91              | 94                    | 92                          |
| <b>Knowledge of real estate market</b> | 90         | 90              | 87                    | 90                          |
| <b>Communication skills</b>            | 86         | 85              | 88                    | 86                          |
| <b>Negotiation skills</b>              | 83         | 80              | 83                    | 83                          |
| <b>People skills</b>                   | 79         | 79              | 77                    | 79                          |
| <b>Knowledge of local area</b>         | 77         | 81              | 79                    | 77                          |
| <b>Skills with technology</b>          | 46         | 48              | 49                    | 45                          |

## HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4-11

### IMPORTANCE OF AGENT COMMUNICATIONS

(Percent of Respondents)

|  | All Buyers | Military Status |                       |                             |     |
|--|------------|-----------------|-----------------------|-----------------------------|-----|
|  |            | Veterans        | Active-Service Member | Those Who Have Never Served |     |
| <b>Calls personally to inform of activities</b>  | 78%        |                 | 79%                   | 80%                         | 77% |
| <b>Sends postings as soon as a property is listed/the price changes/under contract</b> | 68         | 65              | 63                    | 68                          | 68  |
| <b>Sends property info and communicates via text message</b>                           | 55         | 53              | 46                    | 55                          | 55  |
| <b>Sends emails about specific needs</b>   | 54         | 50              | 49                    | 55                          | 55  |
| <b>Can send market reports on recent listings and sales</b>                            | 51         | 50              | 46                    | 51                          | 51  |
| <b>Has a web page</b>  | 29         | 34              | 30                    | 28                          | 28  |
| <b>Has a mobile site to show properties</b>  | 27         | 32              | 25                    | 27                          | 27  |
| <b>Is active on Facebook/Twitter</b>   | 12         | 15              | 13                    | 11                          | 11  |
| <b>Sends an email newsletter</b>   | 9          | 10              | 13                    | 9                           | 9   |
| <b>Advertises in newspapers</b>  | 5          | 8               | 4                     | 5                           | 5   |
| <b>Has a blog</b>  | 2          | 2               | 4                     | 1                           | 1   |

## HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4-12

### SATISFACTION WITH REAL ESTATE AGENT SKILLS AND QUALITIES

(Percent Ranking 'Very Satisfied')

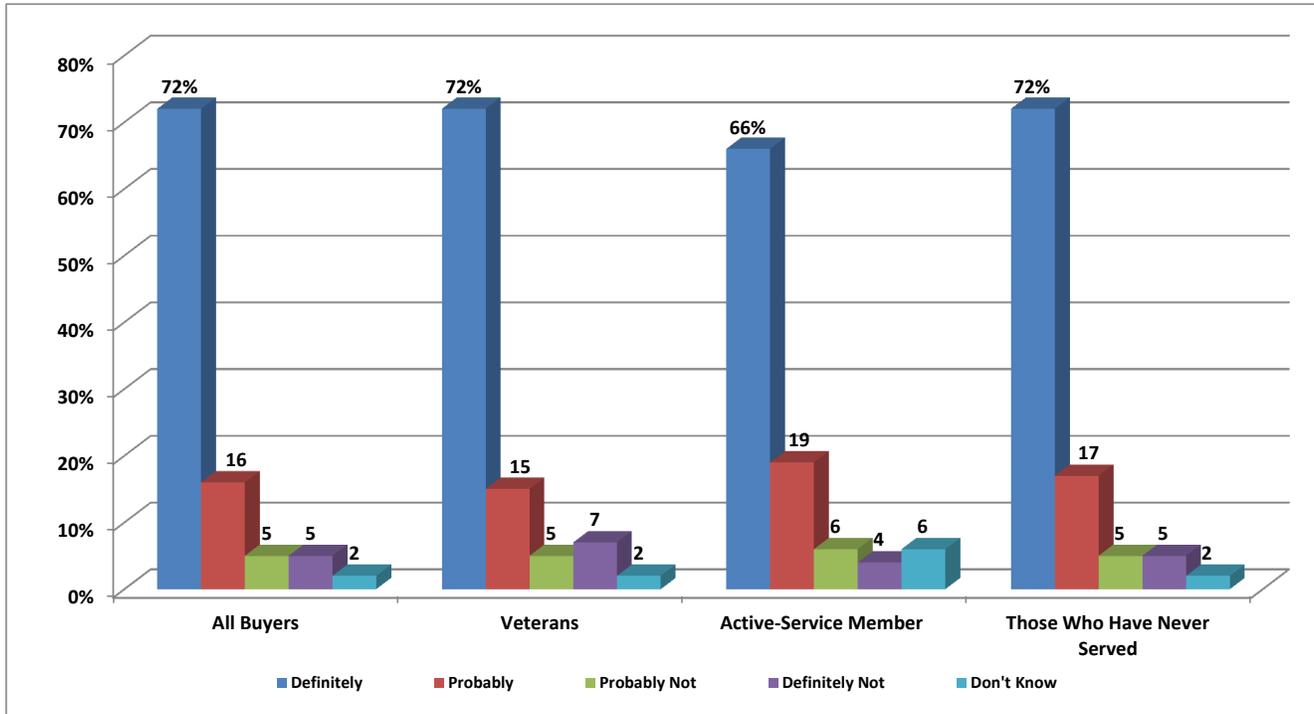
|  | Military Status |          |                       |                             |
|--|-----------------|----------|-----------------------|-----------------------------|
|  | All Buyers      | Veterans | Active-Service Member | Those Who Have Never Served |
| <b>Honesty and integrity</b>           | 88%             | 86%      | 88%                   | 87%                         |
| <b>Knowledge of purchase process</b>   | 87              | 84       | 90                    | 87                          |
| <b>Knowledge of real estate market</b> | 86              | 85       | 80                    | 85                          |
| <b>People skills</b>                   | 85              | 82       | 80                    | 85                          |
| <b>Responsiveness</b>                  | 85              | 85       | 86                    | 84                          |
| <b>Communication skills</b>            | 82              | 81       | 77                    | 82                          |
| <b>Knowledge of local area</b>         | 82              | 82       | 79                    | 82                          |
| <b>Skills with technology</b>          | 80              | 77       | 83                    | 80                          |
| <b>Negotiation skills</b>              | 75              | 73       | 64                    | 75                          |

# HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4-13

## WOULD BUYER USE REAL ESTATE AGENT AGAIN OR RECOMMEND TO OTHERS

(Percentage distribution)



## HOME BUYING AND REAL ESTATE PROFESSIONALS

Exhibit 4-14

### HOW MANY TIMES BUYER RECOMMENDED TYPICAL AGENT

(Percentage distribution)

|  | Military Status |          |                       |                             |
|--|-----------------|----------|-----------------------|-----------------------------|
|  | All Buyers      | Veterans | Active-Service Member | Those Who Have Never Served |
| <b>None</b>                                    | 36%             | 41%      | 38%                   | 35%                         |
| <b>One time</b>                                | 15              | 13       | 18                    | 15                          |
| <b>Two times</b>                               | 19              | 17       | 16                    | 20                          |
| <b>Three times</b>                             | 11              | 8        | 13                    | 11                          |
| <b>Four or more times</b>                      | 19              | 20       | 16                    | 19                          |
| <b>Times recommended since buying (median)</b> | <b>1</b>        | <b>1</b> | <b>1</b>              | <b>1</b>                    |

## **NATIONAL ASSOCIATION OF REALTORS 2016 Veterans & Active Military Home Buyers and Sellers Profile**

### **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. Eighty-six percent of all buyers financed their homes last year. Ninety-seven percent of active-service members financed, whereas only 81 percent of veteran buyers financed their home.

Seventy-four percent of active-service members used savings to finance their home purchase compared to 52 percent of veterans and 65 percent of those who have never served. Veterans were twice as likely as active-service members to use the proceeds from a previous sale as the source of their downpayment.

Sixteen percent of buyers said that the mortgage application process was more difficult than expect and 17 percent said it was easier. Forty-seven percent of active-service members, the highest among buyer types, said the mortgage application process was easier than expected. Eighteen percent of veterans said the mortgage application process was more difficult compared to only ten percent of active-service members.

Seventy-four percent of active-service members and 54 percent of veterans reported using a VA loan when financing the home purchase. Only 15 percent of active-service members and 35 percent of veterans used conventional loans to finance their home purchase. Military buyers see purchasing a home as a good financial investment.

#### *Buyers Who Financed Their Home Exhibits 5-1 and 5-2*

Eighty-six percent of all buyers financed their homes last year. Ninety-seven percent of active-service members financed, whereas only 81 percent of veteran buyers financed their home. The typical amount financed by veteran home buyers was 95 percent. Active-service member home buyers typically financed 100 percent of their mortgage.

#### *Sources of Downpayment Exhibits 5-3 and 5-4*

Sixty percent of recent home buyers used their savings to finance their home purchase. Seventy-four percent of active-service members used savings compared to 52 percent of veterans. 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. Veterans were twice as likely as active-service members to use the proceeds from a previous sale as the source of their downpayment.

Forty-six percent of all buyers saved for six months or less for their downpayment. About two-thirds of veterans and active-service military saved six months or less for a downpayment. Seventeen percent of active-service members reported saving for the downpayment for one to five years, which is higher than other groups.

### *Debt Delay and Sources of Debt*

#### *Exhibits 5-5 and 5-6*

For all buyers, the median period of time that debt delayed home buyers from saving for a downpayment was four years; that number increases to five years for veterans. For veterans, 57 percent were delayed for five years or more by debt from saving for a downpayment. Thirty-three percent of active-service members were delayed for four years.

Thirteen percent of all buyers reported that saving for the downpayment was the most difficult task. For veterans it was only five percent and three percent for active-service members. Fifty-one percent of all buyers reported that student loan debt delayed buying a home. For veterans, 26 percent were delayed by credit card debt compared to 43 percent of active-service members.

### *Sacrifices Made to Purchase Home*

#### *Exhibit 5-7*

Some buyers chose to make financial sacrifices in order to make a home purchase. Fifty-four 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 (33 percent), a cut in spending on entertainment (25 percent), and a cut in spending on clothes (20 percent). Sixty-eight percent of veterans and 54 percent of active-service members did not need to make sacrifices. Thirty-four percent of active-service members cut spending on luxury items.

### *Difficulty of Mortgage Application and Approval Process and Sold a Distressed Property*

#### *Exhibits 5-8 and 5-9*

Sixteen percent of buyers said that the mortgage application process was more difficult than expect and 17 percent said it was easier. The bulk of buyers said that the mortgage application and approval process was no more difficult than expected at 43 percent. Forty-seven percent of active-service members, the highest among buyer types, said the mortgage application process was easier than expected. Eighteen percent of veterans said the mortgage application process was more difficult compared to only ten percent of active-service members.

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 2010. Among veterans 10 percent sold a distressed property in the past and the typical year was in 2010. For active-service members, only four percent sold a distressed property and the typical year was in 2012.

### *Student Loan Debt*

#### *Exhibit 5-10*

Twenty-five percent of all buyers reported having student loan debt with a median amount of \$25,000. Only 17 percent of veterans had student loan debt with a median of \$26,100 and 29 percent of active-service members reported having student loan debt of only \$21,400. Among active-service members 37 percent had student loan debt under \$10,000 compared to 21 percent of those who have never served.

### *Type of Mortgage and Loan*

#### *Exhibits 5-11 and 5-12*

Ninety-one percent of all buyers used a fixed rate mortgage, the same for veterans and 92 percent for active-service members. Fifty-nine percent of buyers chose a conventional loan, 23 percent secured a FHA loan, and 11 percent chose a VA loan to finance their home purchase. Seventy-four percent of active-service members and 54 percent of veterans reported using a VA loan when financing their home purchase. Only 15 percent of active-service members and 35 percent of veterans used conventional loans to finance their home purchase.

### *Buyers' View of Homes as a Financial Investment*

#### *Exhibit 5-13*

Eighty percent of home buyers reported the view that a home purchase is a good investment and 43 percent said it was better than owning stock. Only six percent reported that it was not a good financial investment. Seventy-five percent of veterans said owning a home was a good financial investment compared to 78 percent of active-service members.

## FINANCING THE HOME PURCHASE

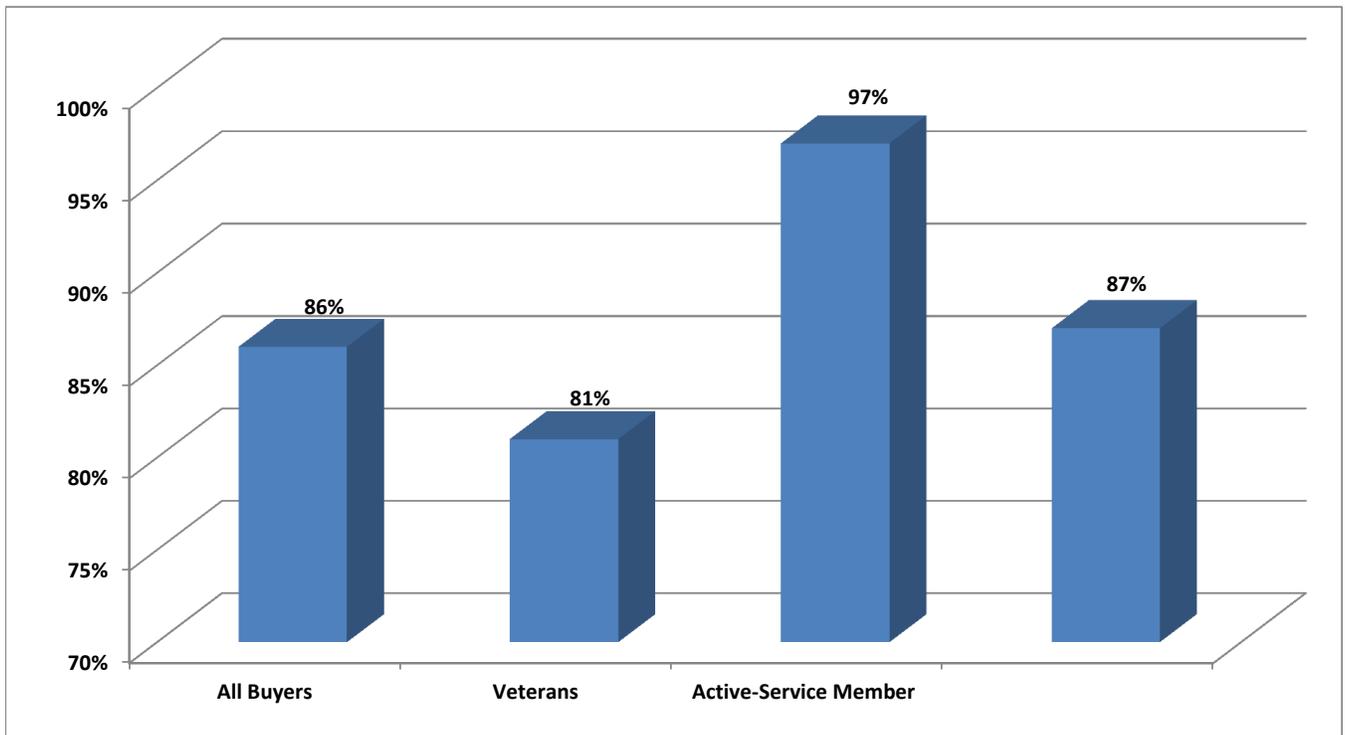
- Exhibit 5-1 BUYERS WHO FINANCED THEIR HOME PURCHASE
- Exhibit 5-2 PERCENT OF HOME FINANCED
- Exhibit 5-3 SOURCES OF DOWNPAYMENT
- Exhibit 5-4 LENGTH OF TIME TO SAVE FOR A DOWNPAYMENT
- Exhibit 5-5 YEARS DEBT DELAYED HOME BUYERS FROM SAVING FOR A DOWNPAYMENT OR BUYING A HOME
- Exhibit 5-6 EXPENSES THAT DELAYED SAVING FOR A DOWNPAYMENT OR SAVING FOR A HOME PURCHASE
- Exhibit 5-7 SACRIFICES MADE TO PURCHASE HOME
- Exhibit 5-8 DIFFICULTY OF MORTGAGE APPLICATION AND APPROVAL PROCESS
- Exhibit 5-9 BUYER PREVIOUSLY SOLD A DISTRESSED PROPERTY (SHORT SALE OR FORECLOSURE)
- Exhibit 5-10 BUYERS WHO HAVE STUDENT LOAN DEBT
- Exhibit 5-11 TYPE OF MORTGAGE
- Exhibit 5-12 TYPE OF LOAN
- Exhibit 5-13 BUYERS' VIEW OF HOMES AS A FINANCIAL INVESTMENT

## FINANCING THE HOME PURCHASE

Exhibit 5-1

### BUYERS WHO FINANCED THEIR HOME PURCHASE

(Percent of Respondents)



## FINANCING THE HOME PURCHASE

Exhibit 5-2

### PERCENT OF HOME FINANCED

(Percentage Distribution)

|   | All Buyers | Military Status |                       |                             |
|---|------------|-----------------|-----------------------|-----------------------------|
|   |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| Less than 50%   | 9%         | 10%             | 1%                    | 8%                          |
| 50% to 59%  | 3          | 4               | 1                     | 3                           |
| 60% to 69%  | 5          | 4               | *                     | 4                           |
| 70% to 79%  | 12         | 9               | 10                    | 14                          |
| 80% to 89%  | 23         | 16              | 8                     | 24                          |
| 90% to 94%  | 15         | 7               | 15                    | 17                          |
| 95% to 99%  | 21         | 12              | 10                    | 22                          |
| 100% – Financed the entire purchase price with a mortgage | 14         | 38              | 55                    | 8                           |
| <b>Median percent financed</b>                            | <b>90%</b> | <b>95%</b>      | <b>100%</b>           | <b>89%</b>                  |

## FINANCING THE HOME PURCHASE

Exhibit 5-3

### SOURCES OF DOWNPAYMENT

(Percent of Respondents Among those who Made a Downpayment)

|   | All Buyers | Military Status |                       |                             |
|---|------------|-----------------|-----------------------|-----------------------------|
|   |            | Veterans        | Active-Service Member | Those who Have Never Served |
| <b>Savings</b>  | 60%        | 52%             | 74%                   | 65%                         |
| <b>Proceeds from sale of primary residence</b>                        | 38         | 42              | 21                    | 33                          |
| <b>Gift from relative or friend</b>                                   | 13         | 4               | 13                    | 16                          |
| <b>401k/pension fund including a loan</b>                             | 8          | 8               | 4                     | 9                           |
| <b>Sale of stocks or bonds</b>  | 8          | 6               | 16                    | 7                           |
| <b>Inheritance</b>  | 5          | 5               | *                     | 4                           |
| <b>Individual Retirement Account (IRA)</b>                            | 4          | 3               | 1                     | 4                           |
| <b>Loan from relative or friend</b>                                   | 3          | 2               | 4                     | 3                           |
| <b>Proceeds from sale of real estate other than primary residence</b> | 2          | 3               | 3                     | 2                           |
| <b>Equity from primary residence buyer continue to own</b>            | 2          | 1               | *                     | 2                           |
| <b>Loan or financial assistance from source other than employer</b>   | 1          | *               | 3                     | 1                           |
| <b>Loan from financial institution other than a mortgage</b>          | 1          | 1               | *                     | 1                           |
| <b>Loan or financial assistance through employer</b>                  | *          | 1               | *                     | *                           |
| <b>Other</b>  | 5          | 4               | 4                     | 5                           |

\* Less than 1 percent

## FINANCING THE HOME PURCHASE

Exhibit 5-4

### LENGTH OF TIME TO SAVE FOR A DOWNPAYMENT

*(Percentage Distribution Among those who Made a Downpayment)*

|                             | Military Status |          |                       |                             |
|-----------------------------|-----------------|----------|-----------------------|-----------------------------|
|                             | All Buyers      | Veterans | Active-Service Member | Those Who Have Never Served |
| <b>6 months or less</b>     | 46%             | 67%      | 64%                   | 44%                         |
| <b>6 to 12 months</b>       | 14              | 9        | 5                     | 14                          |
| <b>12 to 18 months</b>      | 8               | 5        | 6                     | 8                           |
| <b>18 to 24 months</b>      | 7               | 4        | 3                     | 7                           |
| <b>24 months to 5 years</b> | 14              | 8        | 17                    | 15                          |
| <b>More than 5 years</b>    | 10              | 8        | 6                     | 12                          |

## FINANCING THE HOME PURCHASE

Exhibit 5-5

### YEARS DEBT DELAYED HOME BUYERS FROM SAVING FOR A DOWNPAYMENT OR BUYING A HOME

(Percentage Distribution)

|                             | Military Status |          |                       |                             |
|-----------------------------|-----------------|----------|-----------------------|-----------------------------|
|                             | All Buyers      | Veterans | Active-Service Member | Those Who Have Never Served |
| <b>One year</b>             | 16%             | 8%       | *                     | 17%                         |
| <b>Two years</b>            | 19              | 16       | 27                    | 20                          |
| <b>Three years</b>          | 14              | 15       | 13                    | 14                          |
| <b>Four years</b>           | 7               | 4        | 33                    | 8                           |
| <b>Five years</b>           | 20              | 20       | 7                     | 21                          |
| <b>More than five years</b> | 24              | 37       | 20                    | 20                          |
| <b>Median</b>               | 4               | 5        | 4                     | 4                           |

## FINANCING THE HOME PURCHASE

Exhibit 5-6

### EXPENSES THAT DELAYED SAVING FOR A DOWNPAYMENT OR SAVING FOR A HOME PURCHASE

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

|  | All Buyers | Military Status |                       |                             |
|--|------------|-----------------|-----------------------|-----------------------------|
|  |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| <b>Share Saving for Downpayment was Most Difficult Task in Buying Process:</b>       | 13%        | 5%              | 3%                    | 17%                         |
| <b>Debt that Delayed Saving:</b>   |            |                 |                       |                             |
| Student Loans  | 51%        | 4%              | 13%                   | 37%                         |
| Credit card debt   | 47         | 26              | 43                    | 37                          |
| Car loan   | 35         | 8               | 23                    | 25                          |
| Child care expenses  | 18         | 4               | 7                     | 14                          |
| Health care costs  | 13         | 9               | *                     | 11                          |
| Other  | 17         | 62              | 29                    | 26                          |
| <b>Median Years Debt Delayed Home Purchase Among Those Who Had Difficulty Saving</b> | 3          | 5               | 4                     | 3                           |

## FINANCING THE HOME PURCHASE

Exhibit 5-7

### SACRIFICES MADE TO PURCHASE HOME

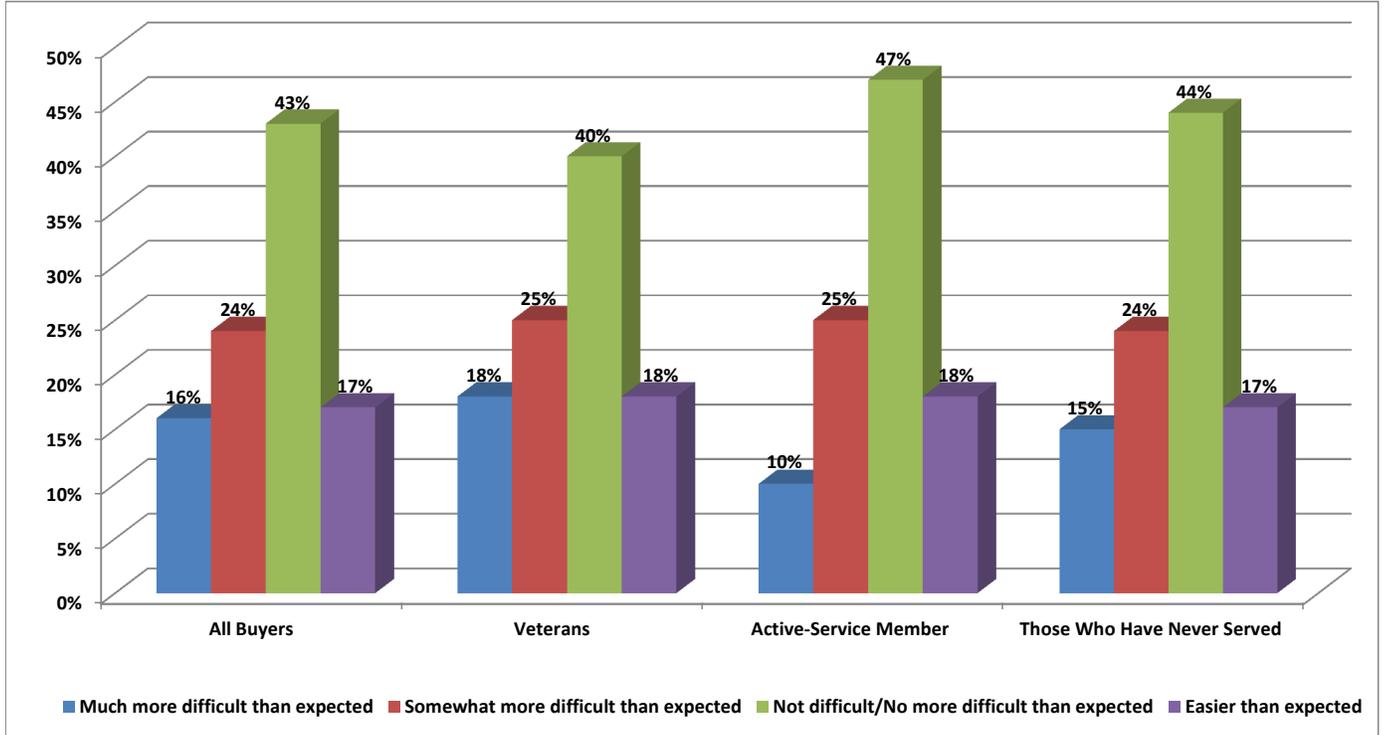
(Percent of Respondents)

|   | All Buyers | Military Status |                       |                             |
|---|------------|-----------------|-----------------------|-----------------------------|
|   |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| Cut spending on luxury items or non-essential items | 33%        | 22%             | 34%                   | 36%                         |
| Cut spending on entertainment                       | 25         | 18              | 31                    | 26                          |
| Cut spending on clothes                             | 20         | 12              | 24                    | 22                          |
| Canceled vacation plans                             | 15         | 10              | 13                    | 16                          |
| Earned extra income through a second job            | 8          | 4               | 4                     | 8                           |
| Sold a vehicle or decided not to purchase a vehicle | 7          | 6               | 7                     | 8                           |
| Other   | 3          | 3               | 1                     | 3                           |
| Did not need to make any sacrifices                 | 54         | 68              | 54                    | 51                          |

# FINANCING THE HOME PURCHASE

Exhibit 5-8

## DIFFICULTY OF MORTGAGE APPLICATION AND APPROVAL PROCESS (Percentage Distribution Among those who Financed their Home Purchase)



FINANCING THE HOME PURCHASE

Exhibit 5-9

**BUYER PREVIOUSLY SOLD A DISTRESSED PROPERTY (SHORT SALE OR FORECLOSURE)**

*(Percentage Distribution)*

|   | All Buyers | Military Status |                       |                             |
|---|------------|-----------------|-----------------------|-----------------------------|
|   |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| <b>Sold distressed property</b>               | 9%         | 10%             | 4%                    | 9%                          |
| <b>Year sold distressed property (median)</b> | 2010       | 2010            | 2012                  | 2010                        |

## FINANCING THE HOME PURCHASE

Exhibit 5-10

### BUYERS WHO HAVE STUDENT LOAN DEBT

(Percentage Distribution)

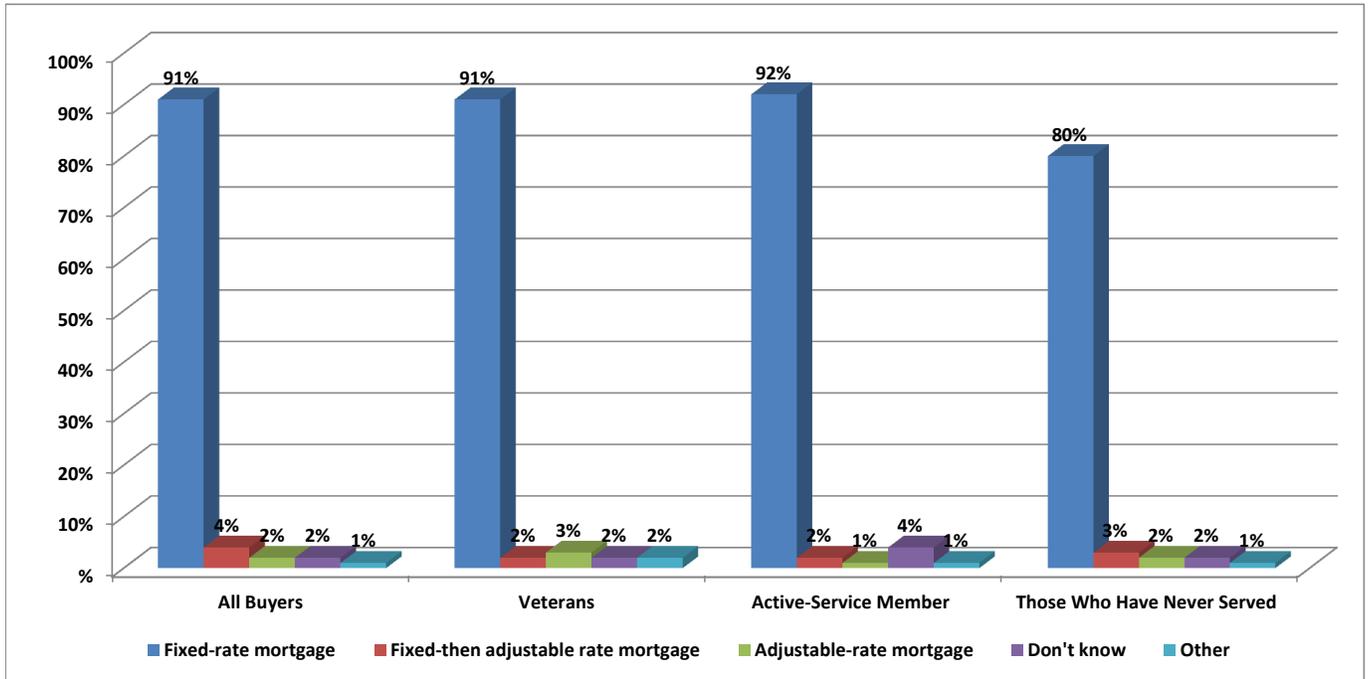
|   | All Buyers | Military Status |                       |                             |
|---|------------|-----------------|-----------------------|-----------------------------|
|   |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| <b>Have student loan debt</b>             | 25%        | 17%             | 29%                   | 27%                         |
| <b>Under \$10,000</b>                     | 21%        | 22%             | 37%                   | 21%                         |
| <b>\$10,000 to \$24,999</b>               | 28         | 26              | 27                    | 29                          |
| <b>\$25,000 to \$49,999</b>               | 22         | 30              | 15                    | 21                          |
| <b>\$50,000 to \$74,999</b>               | 13         | 11              | 15                    | 13                          |
| <b>\$75,000 or more</b>                   | 16         | 11              | 7                     | 17                          |
| <b>Median amount of student loan debt</b> | \$25,000   | \$26,100        | \$21,400              | \$25,000                    |

# FINANCING THE HOME PURCHASE

Exhibit 5-11

## TYPE OF MORTGAGE

(Percentage Distribution Among those who Financed their Home Purchase)

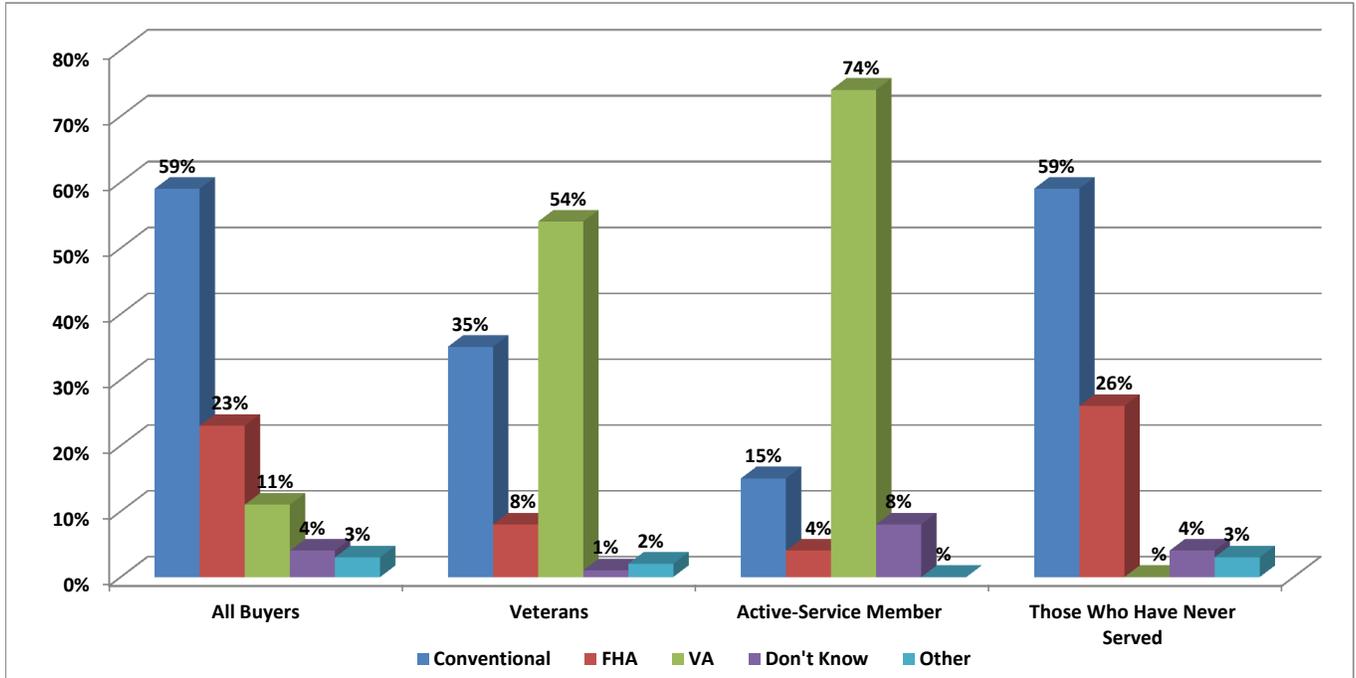


# FINANCING THE HOME PURCHASE

Exhibit 5-12

## TYPE OF LOAN

(Percentage Distribution Among those who Financed their Home Purchase)



## FINANCING THE HOME PURCHASE

Exhibit 5-13

### BUYERS' VIEW OF HOMES AS A FINANCIAL INVESTMENT

(Percentage Distribution)

|  | All Buyers | Military Status |                       |                             |
|--|------------|-----------------|-----------------------|-----------------------------|
|  |            | Veterans        | Active-Service Member | Those Who Have Never Served |
| <b>Good financial investment</b>       | 80%        | 75%             | 79%                   | 81%                         |
| <b>Better than stocks</b>              | 43         | 40              | 46                    | 43                          |
| <b>About as good as stocks</b>         | 25         | 26              | 25                    | 26                          |
| <b>Not as good as stocks</b>           | 12         | 9               | 8                     | 12                          |
| <b>Not a good financial investment</b> | 6          | 8               | 8                     | 5                           |
| <b>Don't know</b>                      | 14         | 17              | 14                    | 14                          |

## **NATIONAL ASSOCIATION OF REALTORS 2016 Veterans & Active Military Home Buyers and Sellers Profile**

### **Chapter 6: Home Sellers and their Selling Experience**

For veterans, moved to be closer to friends and family (23 percent), the upkeep was too difficult due to health or financial reasons (14 percent), and for a job relocation (12 percent). For active-service members, job relocation was the top reason for selling (43 percent), followed by unspecified reasons (13 percent), and the desire to move closer to friends and family or their current job (both at 10 percent).

The median number of years a veteran owned their previous home was nine years compared to only six for active-service members. Among those who have never served, they typically owned their home for nine years.

Veterans sold homes 2,000 square feet but traded up to purchase homes that were 2,550 square feet. Active-service members sold and purchased homes of the same size at 2,200 square feet. Veterans trade down by price from \$250,000 to \$220,000 with a difference of \$30,000. Active-service members traded up slightly on price and purchased a home at \$226,000 up from \$220,000 with an increase of \$6,000.

#### *HOME SELLER CHARACTERISTICS*

*Exhibits 6-1 through 6-6*

The typical veteran home seller was 66 and the active-service member home seller was 45 years. Veteran home sellers had a median household income of \$94,000 and active-service members had a median household income of \$98,900. Among those who did not serve, their typical age was 51 and they had a household income of \$106,600.

Married couples were the highest for veterans and active-service members at 83 and 94 percent, respectively. Veterans had the highest share of single male sellers at 10 percent. Among those who have not served, 75 percent were married couples and 14 percent were single females. For active-service member home sellers, 23 percent have two children and 23 percent had three or more children under the age of 18 living at home, compared to 81 percent of veterans that had no children living at home.

Ninety-six percent of veterans identified as white or Caucasian. Active-service member home sellers reported the most diversity with 10 percent identified as Asian/Pacific Islander. Both military groups reported speaking English as their primary language.

#### *HOME SELLING SITUATION*

*Exhibits 6-7 and 6-8, 6-17*

Repeat sellers made up 63 percent of all sellers, with 37 percent accounting for first-time home sellers. Among veteran sellers, 76 percent were repeat sellers compared to 64 percent of active-service members.

Veteran sellers moved the greatest distances at a median of 125 miles and active-service members also moved great distances compared to all sellers at a median of 70 miles. Among active-service members, 33 percent moved within the same region and

30 percent moved to another region entirely in the United States between the home they purchased and the home they sold. Fifty-two percent of veterans moved within the same state and 27 percent moved to another region.

#### *HOME SOLD VS. HOME PURCHASED*

##### *Exhibits 6-9 through 6-14*

Sixty-eight percent of active-service members moved to a suburb or subdivision and 23 percent to an urban area or city central. Forty-three percent of veterans moved to a suburb and 25 percent to a small town. Eighty-two percent of all homes sold were detached single-family homes. Eighty-five percent of veterans and 81 percent of active-service members also sold detached single-family homes. Active-service members report the highest duplex, apartment, and condo sales compared to all other groups.

Veterans sold homes 2,000 square feet but traded up to purchase homes that were 2,550 square feet. Active-service members sold and purchased homes of the same size at 2,200 square feet. For active-service member sellers, they sold a home with a median of three bedrooms and two bathrooms. Veterans sold homes with a median of four bedrooms and two bathrooms.

For all sellers, the median price of the home sold was \$240,000 and they traded down to a home that was \$220,000 with a difference of \$20,000. Veterans also trade down from \$250,000 to \$220,000 with a difference of \$30,000. Active-service members, traded up slightly and purchased a home at \$226,000 up from \$220,000 with an increase of \$6,000.

For all sellers, the most commonly cited reason for selling their home was that it was too small (16 percent), followed by a job relocation (14 percent), and the desire to move closer to friends and family (13 percent). For veterans, moved to be closer to friends and family (23 percent), the upkeep was too difficult due to health or financial reasons (14 percent), and for a job relocation (12 percent). For active-service members, job relocation was the top reason for selling (43 percent), followed by unspecified reasons (13 percent), and the desire to move closer to friends and family or their current job (both at 10 percent).

#### *SELLER STALLED HOME SALE AND TENURE IN HOME*

##### *Exhibits 6-15 and 6-16*

Fourteen percent of recent sellers stalled or delayed their home sale because their home was worth less than their mortgage. Twenty percent of active-service members stalled or delayed selling their homes compared to only 12 percent of veterans.

The median number of years a veteran owned their previous home was nine years compared to only six for active-service members.

#### *METHOD OF SALE*

##### *Exhibits 6-18*

Eighty-nine percent of home sellers worked with a real estate agent to sell their home, which is consistent veterans and higher for active-service members at 94 percent. For-Sale-By-Owner (FSBO) was low at eight percent this year, which is the lowest recorded

in this data set. FSBO veteran sellers were nine percent compared to seven percent of active-service sellers.

#### *SALES PRICE AND TIME ON THE MARKET*

##### *Exhibits 6-19 through 6-21*

For recently sold homes, the final sales price was a median 98 percent of the final listing price, which is also consistent for veterans and active-service members. For all sellers, time on market was a median of four weeks, consistent for veterans yet time on market for active-service members was eight weeks.

Fifty-seven percent of all sellers did not reduce their asking price, whereas 22 percent reduce once and 12 percent reduce the asking price twice. Fifty-six percent of veterans and 53 percent of active-service members did not reduce their asking price.

#### *INCENTIVES TO PROSPECTIVE BUYERS*

##### *Exhibits 6-22*

Thirty-seven percent of all sellers offered incentives to attract buyers. Active-service members were the most likely to offer incentives at 63 percent compared to only 42 percent of veterans. Active-service members most often offered assistance with closing costs compared to veterans that offered home warranty policies.

#### *SATISFACTION WITH THE SALES PROCESS*

##### *Exhibit 6-23*

Sixty-one percent of sellers were 'very satisfied' with the selling process, up from 58 percent the year prior. Sixty-five percent of veteran sellers were very satisfied with the selling process compared to 55 percent of active-service members.

#### *EQUITY BY TENURE*

##### *Exhibit 6-24*

This year, home sellers cited that they sold their homes for a median of \$40,000 more than they purchased it, up from \$30,100 the year prior. This accounts for a 23 percent price gain up from 17 percent the year before. Generally, the longer a seller is in the home the greater the increase attributable to price appreciation. Veteran sellers cited selling their homes for a median of \$56,000 more than they purchased it with an equity gain of 28 percent. Active-service members sold for \$42,600 more with a 22 percent price gain. Among those who have never served, they typically sold their home for \$38,000 more than they purchased for with a 22 percent price gain.

## HOME SELLERS AND THEIR SELLING EXPERIENCE

- Exhibit 6-1 AGE OF HOME SELLERS
- Exhibit 6-2 HOUSEHOLD INCOME OF HOME SELLERS
- Exhibit 6-3 ADULT COMPOSITION OF HOME SELLER HOUSEHOLDS
- Exhibit 6-4 NUMBER OF CHILDREN UNDER THE AGE OF 18 RESIDING IN HOME SELLER HOUSEHOLD
- Exhibit 6-5 RACE/ETHNICITY OF HOME SELLERS
- Exhibit 6-6 PRIMARY LANGUAGE SPOKEN IN HOME SELLER HOUSEHOLD
- Exhibit 6-7 FIRST-TIME OR REPEAT SELLER
- Exhibit 6-8 PROXIMITY OF HOME SOLD TO HOME PURCHASED
- Exhibit 6-9 LOCATION OF HOME SOLD
- Exhibit 6-10 TYPE OF HOME SOLD
- Exhibit 6-11 SIZE OF HOME PURCHASED COMPARED TO HOME RECENTLY SOLD
- Exhibit 6-12 NUMBER OF BEDROOMS AND BATHROOMS
- Exhibit 6-13 PRICE OF HOME PURCHASED COMPARED TO HOME RECENTLY SOLD
- Exhibit 6-14 PRIMARY REASON FOR SELLING PREVIOUS HOME
- Exhibit 6-15 SELLER WANTED TO SELL EARLIER BUT WAITED OR STALLED BECAUSE HOME WAS WORTH LESS THAN MORTGAGE
- Exhibit 6-16 TENURE IN PREVIOUS HOME
- Exhibit 6-17 DISTANCE BETWEEN HOME PURCHASED AND HOME RECENTLY SOLD
- Exhibit 6-18 METHOD USED TO SELL HOME
- Exhibit 6-19 SALES PRICE COMPARED WITH LISTING PRICE
- Exhibit 6-20 NUMBER OF WEEKS RECENTLY SOLD HOME WAS ON THE MARKET
- Exhibit 6-21 NUMBER OF TIMES ASKING PRICE WAS REDUCED
- Exhibit 6-22 INCENTIVES OFFERED TO ATTRACT BUYERS, BY NUMBER OF WEEKS HOME WAS ON THE MARKET
- Exhibit 6-23 SATISFACTION WITH THE SELLING PROCESS
- Exhibit 6-24 EQUITY EARNED IN HOME RECENTLY SOLD

## HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-1

### AGE OF HOME SELLERS

(Percentage Distribution)

|                          | Military Status |          |                        |                             |
|--------------------------|-----------------|----------|------------------------|-----------------------------|
|                          | All Sellers     | Veterans | Active-Service Members | Those Who Have Never Served |
| <b>18 to 34 years</b>    | 15%             | 5%       | 27%                    | 18%                         |
| <b>35 to 44 years</b>    | 17              | 10       | 21                     | 22                          |
| <b>45 to 54 years</b>    | 15              | 11       | 30                     | 17                          |
| <b>55 to 64 years</b>    | 20              | 19       | 6                      | 22                          |
| <b>65 to 74 years</b>    | 21              | 46       | 6                      | 17                          |
| <b>75 years or older</b> | 5               | 9        | 9                      | 5                           |
| <b>Median age</b>        | 54              | 66       | 45                     | 51                          |

## HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-2

### HOUSEHOLD INCOME OF HOME SELLERS

(Percentage Distribution)

|                             | Military Status |          |                        |                             |
|-----------------------------|-----------------|----------|------------------------|-----------------------------|
|                             | All Sellers     | Veterans | Active-Service Members | Those Who Have Never Served |
| Less than \$25,000          | 2%              | 3%       | *                      | 2%                          |
| \$25,000 to \$34,999        | 4               | 3        | *                      | 4                           |
| \$35,000 to \$44,999        | 5               | 6        | *                      | 4                           |
| \$45,000 to \$54,999        | 6               | 6        | 7                      | 5                           |
| \$55,000 to \$64,999        | 6               | 6        | 10                     | 5                           |
| \$65,000 to \$74,999        | 8               | 11       | 10                     | 7                           |
| \$75,000 to \$84,999        | 8               | 9        | 10                     | 8                           |
| \$85,000 to \$99,999        | 10              | 10       | 14                     | 10                          |
| \$100,000 to \$124,999      | 18              | 14       | 21                     | 19                          |
| \$125,000 to \$149,999      | 12              | 17       | 17                     | 11                          |
| \$150,000 to \$174,999      | 7               | 5        | *                      | 7                           |
| \$175,000 to \$199,999      | 4               | 2        | 7                      | 5                           |
| \$200,000 or more           | 11              | 9        | 3                      | 11                          |
| <b>Median income (2014)</b> | \$104,140       | \$94,000 | \$98,900               | \$106,600                   |

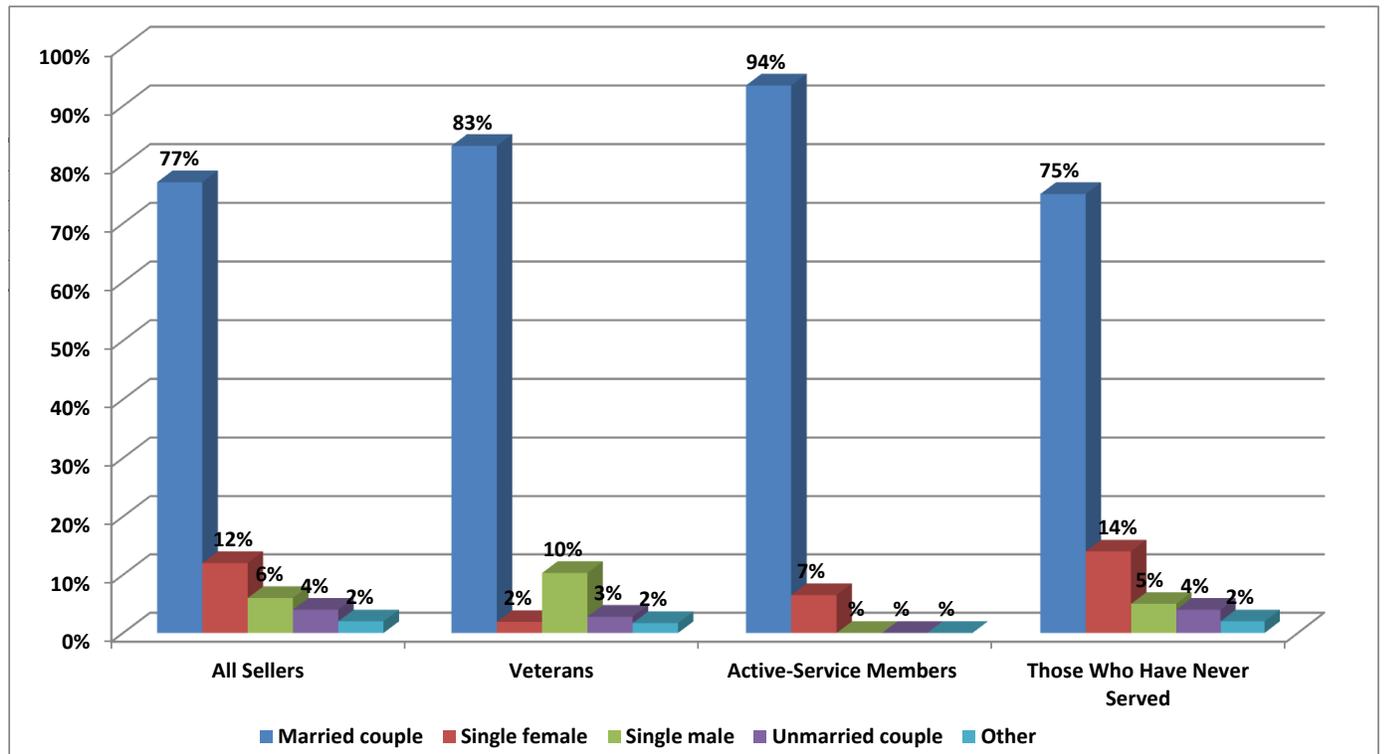
\* Less than 1 percent

# HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-3

## ADULT COMPOSITION OF HOME SELLER HOUSEHOLDS

(Percentage Distribution)

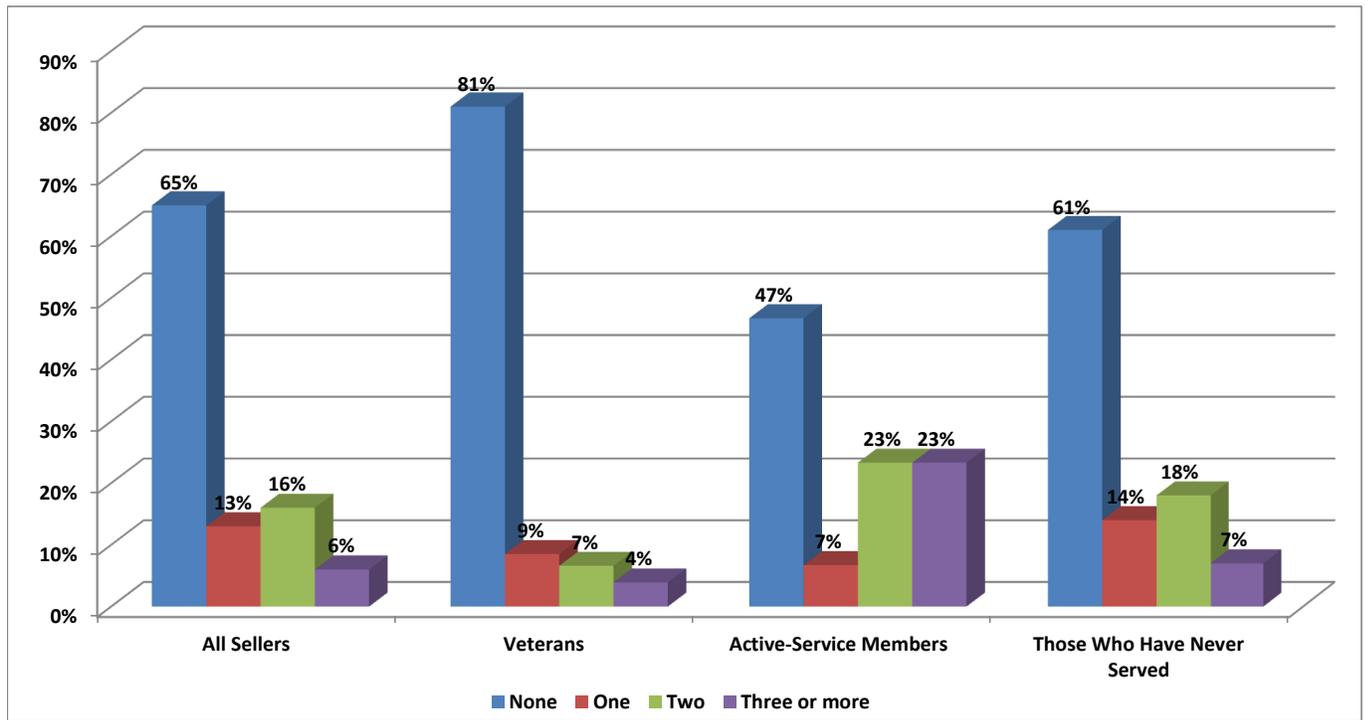


# HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-4

## NUMBER OF CHILDREN UNDER THE AGE OF 18 RESIDING IN HOME SELLER HOUSEHOLD

(Percentage Distribution of Home Seller Households)



## HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-5

### RACE/ETHNICITY OF HOME SELLERS

(Percent of Respondents)

|                               | All Sellers | Military Status |                        |                             |
|-------------------------------|-------------|-----------------|------------------------|-----------------------------|
|                               |             | Veterans        | Active-Service Members | Those Who Have Never Served |
| <b>White/Caucasian</b>        | 91%         | 96%             | 90%                    | 90%                         |
| <b>Black/African-American</b> | 4           | 2               | *                      | 2                           |
| <b>Asian/Pacific Islander</b> | 3           | 2               | 10                     | 4                           |
| <b>Hispanic/Latino</b>        | 2           | 1               | *                      | 5                           |
| <b>Other</b>                  | 1           | 1               | *                      | 1                           |

\* Less than 1 percent

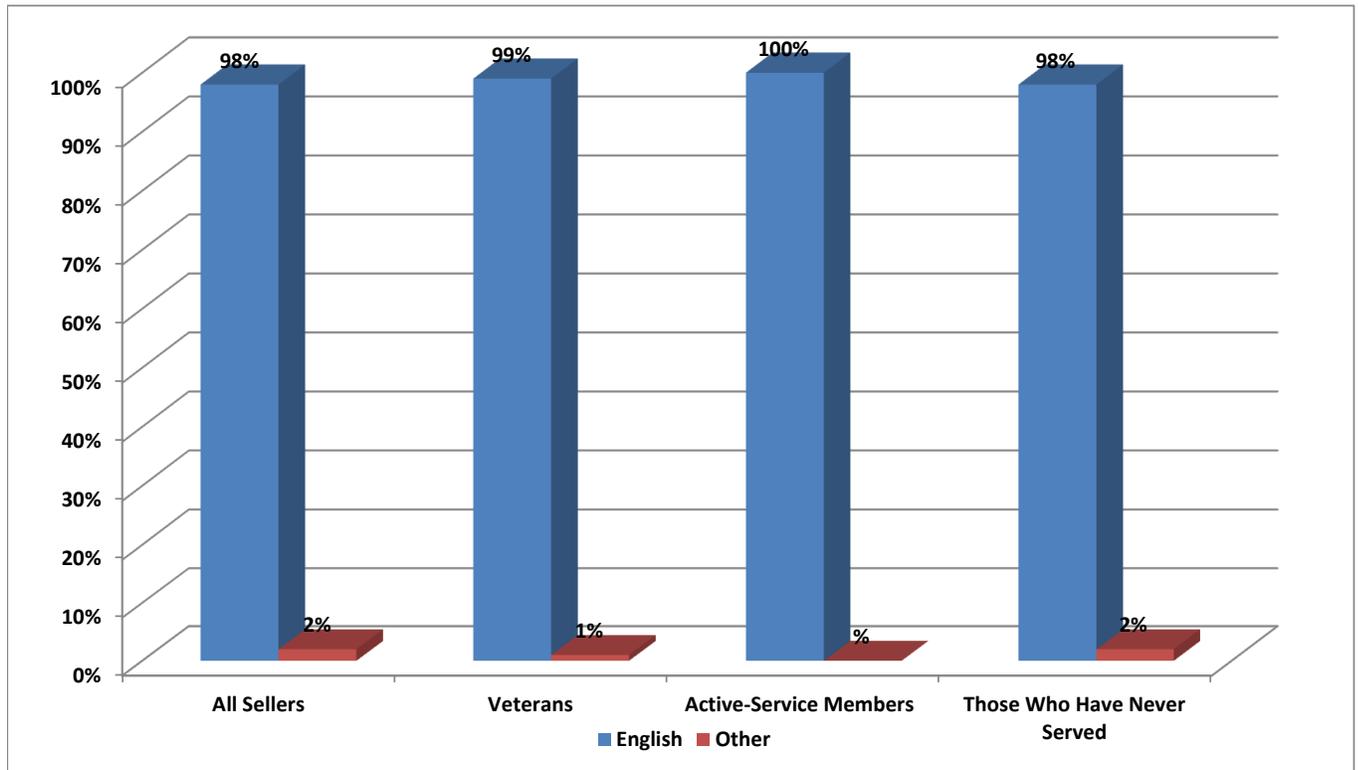
Note: Respondents were permitted to select as many races and ethnicities as they felt applicable. The percentage distribution may therefore sum to more than 100 percent.

# HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-6

## PRIMARY LANGUAGE SPOKEN IN HOME SELLER HOUSEHOLD

(Percentage Distribution)

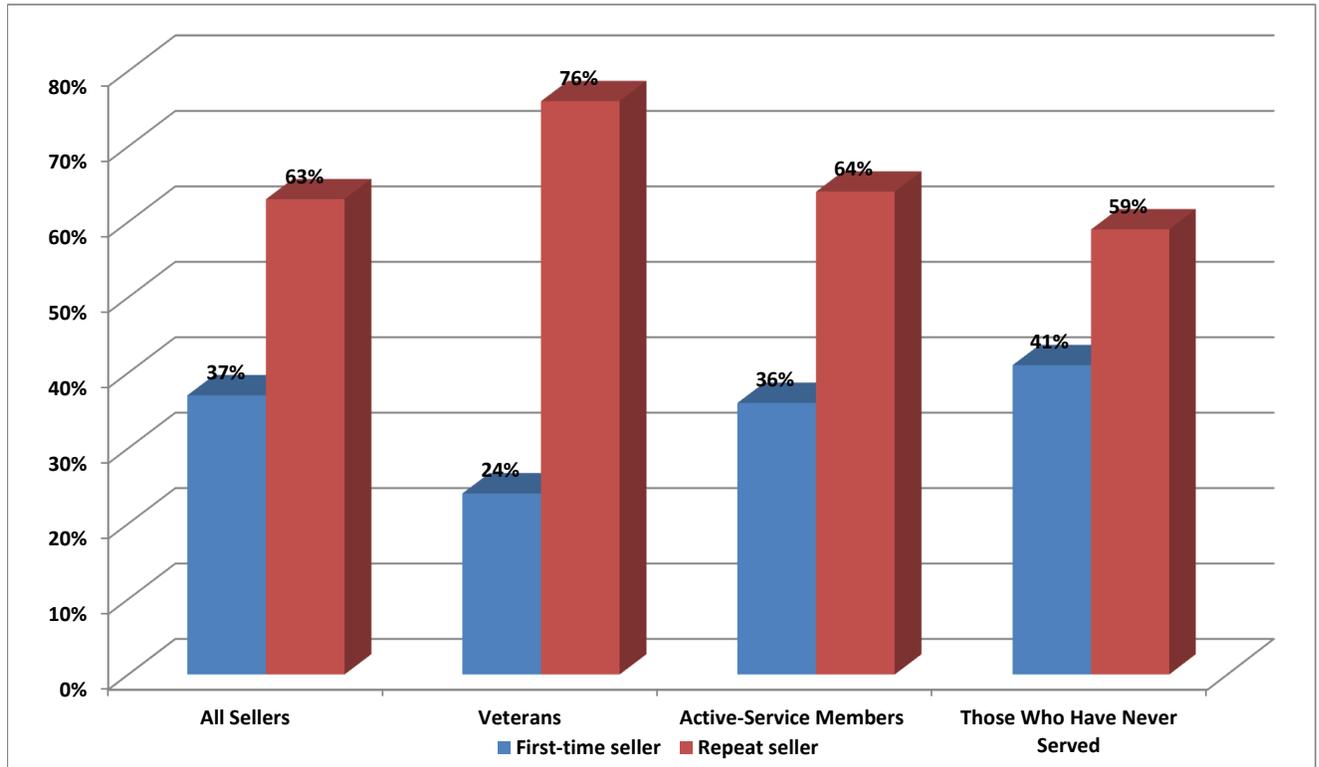


# HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-7

## FIRST-TIME OR REPEAT SELLER

(Percentage Distribution)

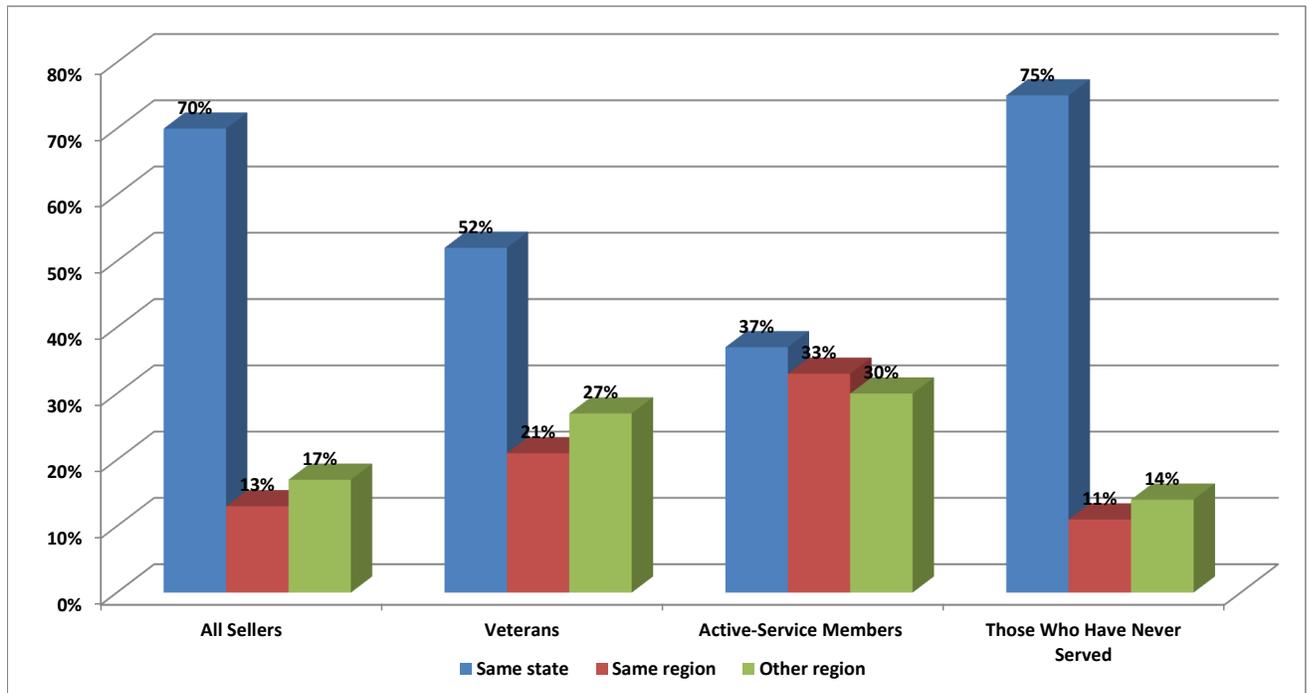


# HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-8

## PROXIMITY OF HOME SOLD TO HOME PURCHASED

(Percentage Distribution)



## HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-9

### LOCATION OF HOME SOLD

(Percentage Distribution)

|                                | All Sellers | Military Status |                        |                             |
|--------------------------------|-------------|-----------------|------------------------|-----------------------------|
|                                |             | Veterans        | Active-Service Members | Those Who Have Never Served |
| <b>Suburb/Subdivision</b>      | 49%         | 43%             | 68%                    | 51%                         |
| <b>Small town</b>              | 19          | 25              | 7                      | 17                          |
| <b>Urban area/Central city</b> | 16          | 11              | 23                     | 17                          |
| <b>Rural area</b>              | 14          | 16              | 3                      | 13                          |
| <b>Resort/Recreation area</b>  | 3           | 5               | *                      | 2                           |

\* Less than 1 percent

## HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-10

### TYPE OF HOME SOLD

(Percentage Distribution)

|   | All Sellers | Military Status |                        |                             |
|---|-------------|-----------------|------------------------|-----------------------------|
|   |             | Veterans        | Active-Service Members | Those Who Have Never Served |
| <b>Detached single-family home</b>                        | 82%         | 85%             | 81%                    | 81%                         |
| <b>Townhouse/row house</b>                                | 6           | 4               | 3                      | 7                           |
| <b>Apartment/condo in a building with 5 or more units</b> | 5           | 3               | 3                      | 6                           |
| <b>Duplex/apartment/condo in 2 to 4 unit building</b>     | 2           | 1               | 7                      | 2                           |
| <b>Other</b>  | 6           | 7               | 6                      | 6                           |

## HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-11

### SIZE OF HOME PURCHASED COMPARED TO HOME RECENTLY SOLD

*(Median Square Feet)*

|                                    | Size of home sold | Size of home purchased | Difference |
|------------------------------------|-------------------|------------------------|------------|
| <b>All Buyers</b>                  | 2,000             | 1,900                  | -100       |
| <b>Veterans</b>                    | 2,000             | 2,550                  | 550        |
| <b>Active-Service Military</b>     | 2,200             | 2,200                  | 0          |
| <b>Those Who Have Never Served</b> | 1,900             | 2,100                  | 200        |

## HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-12

### NUMBER OF BEDROOMS AND BATHROOMS

(Percentage Distribution)

|  | All Sellers | Military Status |                        |                             |
|--|-------------|-----------------|------------------------|-----------------------------|
|  |             | Veterans        | Active-Service Members | Those Who Have Never Served |
| One bedroom                            | 1%          | *               | *                      | 1%                          |
| Two bedrooms                           | 12          | 11              | 17                     | 12                          |
| Three bedrooms or more                 | 88          | 89              | 83                     | 87                          |
| <b>Median number of bedrooms</b>       | <b>3</b>    | <b>4</b>        | <b>3</b>               | <b>3</b>                    |
| One full bathroom                      | 13          | 13              | 7                      | 14                          |
| Two full bathrooms                     | 58          | 50              | 58                     | 60                          |
| Three full bathrooms or more           | 29          | 37              | 35                     | 26                          |
| <b>Median number of full bathrooms</b> | <b>2</b>    | <b>2</b>        | <b>2</b>               | <b>2</b>                    |

\* Less than 1 percent

## HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-13

### PRICE OF HOME PURCHASED COMPARED TO HOME SOLD

*(Median)*

|                                    | Price of home sold | Price of home purchased | Difference |
|------------------------------------|--------------------|-------------------------|------------|
| <b>All Buyers</b>                  | \$240,000          | \$220,000               | -\$20,000  |
| <b>Veterans</b>                    | \$250,000          | \$220,000               | -\$30,000  |
| <b>Active-Service Military</b>     | \$220,000          | \$226,000               | \$6,000    |
| <b>Those Who Have Never Served</b> | \$240,000          | \$270,000               | \$30,000   |

## HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-14

### PRIMARY REASON FOR SELLING PREVIOUS HOME

(Percentage Distribution)

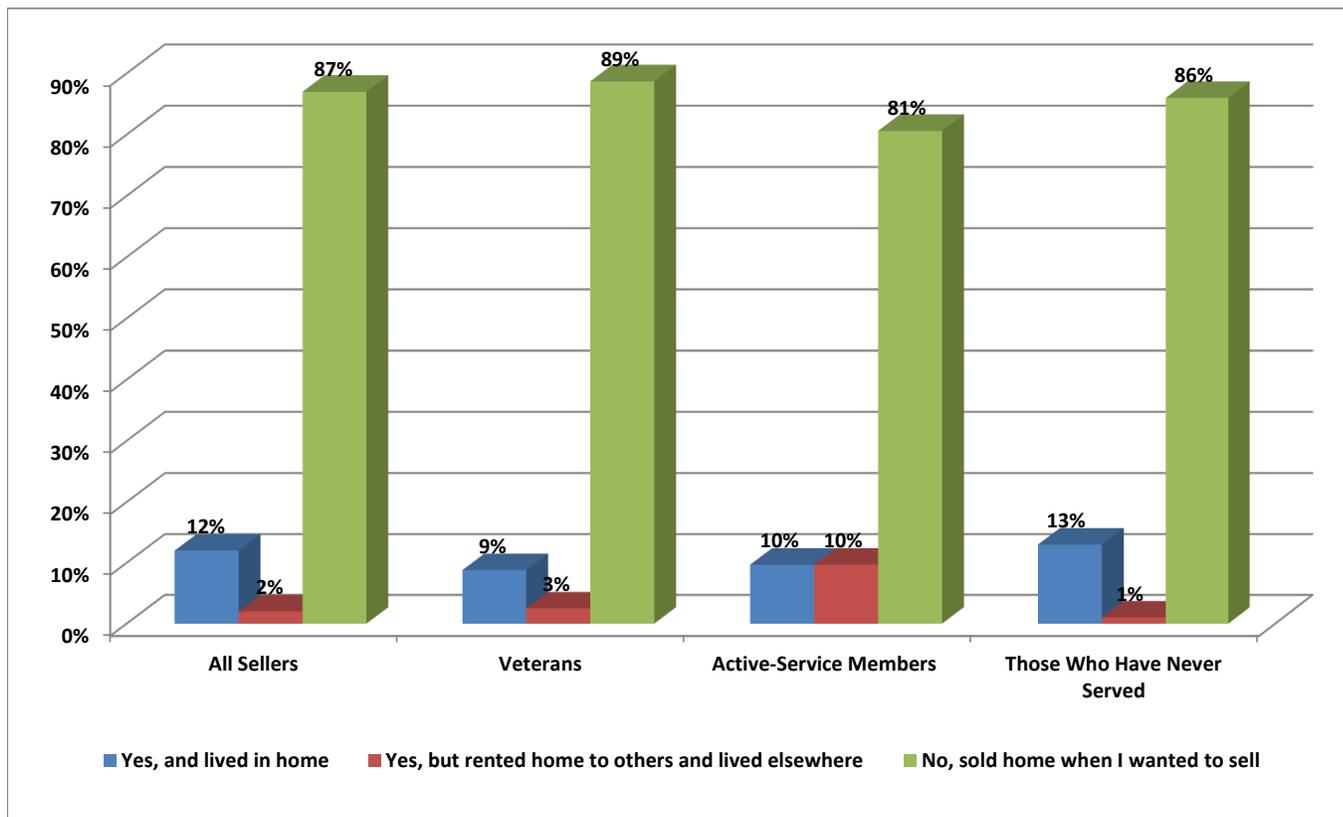
|  | All Sellers | Military Status |                        |                             |     |
|--|-------------|-----------------|------------------------|-----------------------------|-----|
|  |             | Veterans        | Active-Service Members | Those Who Have Never Served |     |
| Home is too small  | 16%         |                 | 10%                    | 7%                          | 18% |
| Job relocation   | 14          |                 | 12                     | 43                          | 15  |
| Want to move closer to friends or family                               | 13          |                 | 23                     | 10                          | 10  |
| Change in family situation (e.g., marriage, birth of a child, divorce) | 10          |                 | 8                      | 3                           | 10  |
| Neighborhood has become less desirable                                 | 10          |                 | 7                      | *                           | 11  |
| Home is too large  | 9           |                 | 6                      | *                           | 9   |
| Moving due to retirement   | 7           |                 | 11                     | 7                           | 6   |
| Upkeep of home is too difficult due to health or financial limitations | 6           |                 | 14                     | 7                           | 4   |
| Want to move closer to current job                                     | 5           |                 | 3                      | 10                          | 6   |
| Can not afford the mortgage and other expenses of owning home          | 2           |                 |                        | *                           | 3   |
| To avoid possible foreclosure  | *           |                 | *                      | *                           | *   |
| Other  | 8           |                 | 5                      | 13                          | 8   |

\* Less than 1 percent

# HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-15

**SELLER WANTED TO SELL EARLIER BUT WAITED OR STALLED BECAUSE HOME WAS WORTH LESS THAN MORTGAGE**  
(Percentage Distribution)



## HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-16

### TENURE IN PREVIOUS HOME

(Percentage Distribution)

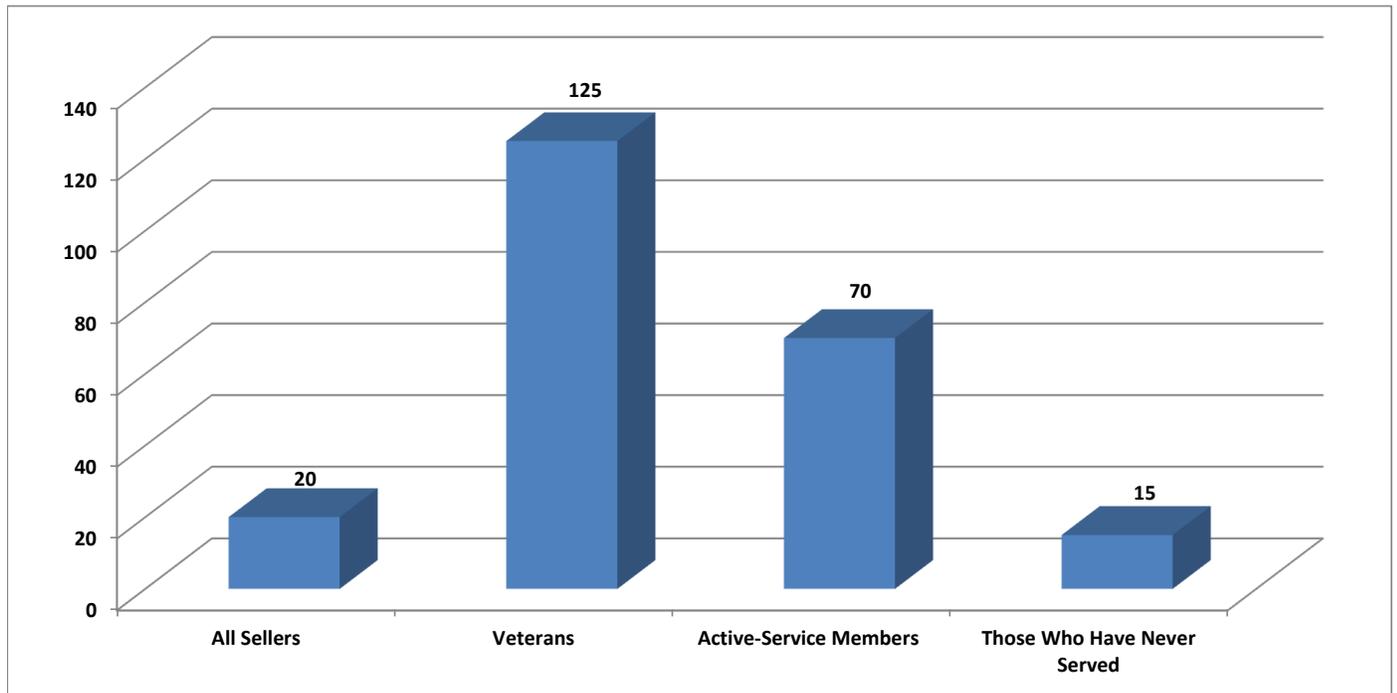
|                         | All Sellers | Military Status |                        |                             |
|-------------------------|-------------|-----------------|------------------------|-----------------------------|
|                         |             | Veterans        | Active-Service Members | Those Who Have Never Served |
| <b>1 year or less</b>   | 4%          | 3%              | *                      | 4%                          |
| <b>2 to 3 years</b>     | 10          | 9               | 7                      | 10                          |
| <b>4 to 5 years</b>     | 13          | 9               | 42                     | 13                          |
| <b>6 to 7 years</b>     | 14          | 17              | 3                      | 14                          |
| <b>8 to 10 years</b>    | 15          | 17              | 23                     | 15                          |
| <b>11 to 15 years</b>   | 19          | 15              | 16                     | 20                          |
| <b>16 to 20 years</b>   | 9           | 10              | *                      | 9                           |
| <b>21 years or more</b> | 16          | 19              | 10                     | 15                          |
| <b>Median</b>           | 9           | 9               | 6                      | 9                           |

\* Less than 1 percent

# HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-17

**DISTANCE BETWEEN HOME PURCHASED AND HOME RECENTLY SOLD**  
(Median Miles)



HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-18

**METHOD USED TO SELL HOME**

(Percentage Distribution)

|   | All Sellers | Military Status |                        |                             |
|---|-------------|-----------------|------------------------|-----------------------------|
|   |             | Veterans        | Active-Service Members | Those Who Have Never Served |
| <b>Sold home using an agent or broker</b>                               | 89%         | 89%             | 94%                    | 90%                         |
| <b>Seller used agent/broker only</b>                                    | 85          | 88              | 87                     | 89                          |
| <b>Seller first tried to sell it themselves, but then used an agent</b> | 4           | 1               | 7                      | 1                           |
| <b>For-sale-by-owner (FSBO)</b>   | 8           | 9               | 7                      | 8                           |
| <b>Seller sold home without using a real estate agent or broker</b>     | 7           | 8               | *                      | 7                           |
| <b>First listed with an agent, but then sold home themselves</b>        | 1           | *               | 7                      | 1                           |
| <b>Sold home to a homebuying company</b>                                | 1           | *               | *                      | 1                           |
| <b>Other</b>  | 2           | 2               | *                      | 2                           |

\* Less than 1 percent

## HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-19

### SALES PRICE COMPARED WITH LISTING PRICE

*(Percentage Distribution of Sales Price as a Percent of List Price)*

|   | Military Status |          |                        |                             |
|---|-----------------|----------|------------------------|-----------------------------|
|   | All Sellers     | Veterans | Active-Service Members | Those Who Have Never Served |
| <b>Less than 90%</b>                                      | 9%              | 10%      | 3%                     | 9%                          |
| <b>90% to 94%</b>   | 15              | 13       | 17                     | 15                          |
| <b>95% to 99%</b>   | 41              | 37       | 50                     | 41                          |
| <b>100%</b>   | 24              | 30       | 13                     | 23                          |
| <b>101% to 110%</b>                                       | 8               | 7        | 13                     | 9                           |
| <b>More than 110%</b>                                     | 3               | 3        | 3                      | 3                           |
| <b>Median (sales price as a percent of listing price)</b> | 98%             | 98%      | 98%                    | 98%                         |

## HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-20

### NUMBER OF WEEKS RECENTLY SOLD HOME WAS ON THE MARKET

(Percentage Distribution)

|                  | All Sellers | Military Status |                        |                             |
|------------------|-------------|-----------------|------------------------|-----------------------------|
|                  |             | Veterans        | Active-Service Members | Those Who Have Never Served |
| Less than 1 week | 6%          | 6%              | *                      | 6%                          |
| 1 to 2 weeks     | 36          | 36              | 30                     | 35                          |
| 3 to 4 weeks     | 12          | 9               | 10                     | 13                          |
| 5 to 6 weeks     | 6           | 7               | 10                     | 6                           |
| 7 to 8 weeks     | 7           | 5               | 10                     | 7                           |
| 9 to 10 weeks    | 5           | 5               | 17                     | 4                           |
| 11 to 12 weeks   | 7           | 6               | *                      | 7                           |
| 13 to 16 weeks   | 4           | 4               | *                      | 5                           |
| 17 to 24 weeks   | 6           | 5               | 17                     | 5                           |
| 25 to 36 weeks   | 5           | 5               | 7                      | 5                           |
| 37 to 52 weeks   | 5           | 6               | *                      | 4                           |
| 53 or more weeks | 3           | 4               | *                      | 3                           |
| Median weeks     | 4           | 4               | 8                      | 4                           |

\* Less than 1 percent

## HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-21

### NUMBER OF TIMES ASKING PRICE WAS REDUCED

(Percentage Distribution)

|  | All Sellers | Military Status |                        |                             |
|--|-------------|-----------------|------------------------|-----------------------------|
|  |             | Veterans        | Active-Service Members | Those Who Have Never Served |
| <b>None, did not reduce the asking price</b> | 57%         | 56%             | 53%                    | 57%                         |
| <b>One</b>                                   | 22          | 24              | 16                     | 21                          |
| <b>Two</b>                                   | 12          | 11              | 25                     | 12                          |
| <b>Three</b>                                 | 6           | 5               | 3                      | 6                           |
| <b>Four or more</b>                          | 4           | 4               | 3                      | 4                           |

## HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-22

### INCENTIVES OFFERED TO ATTRACT BUYERS, BY NUMBER OF WEEKS HOME WAS ON THE MARKET

(Percent of Respondents)

|  | All Sellers | Military Status |                        |                             |
|--|-------------|-----------------|------------------------|-----------------------------|
|  |             | Veterans        | Active-Service Members | Those Who Have Never Served |
| <b>None</b>  | 63%         | 58%             | 37%                    | 65%                         |
| <b>Home warranty policies</b>                                | 21          | 25              | 16                     | 20                          |
| <b>Assistance with closing costs</b>                         | 16          | 15              | 52                     | 15                          |
| <b>Credit toward remodeling or repairs</b>                   | 7           | 7               | 10                     | 7                           |
| <b>Other incentives, such as a car, flat screen TV, etc.</b> | 4           | 2               | *                      | 4                           |
| <b>Assistance with condo association fees</b>                | 1           | 1               | *                      | 1                           |
| <b>Other</b>   | 3           | 5               | 3                      | 2                           |

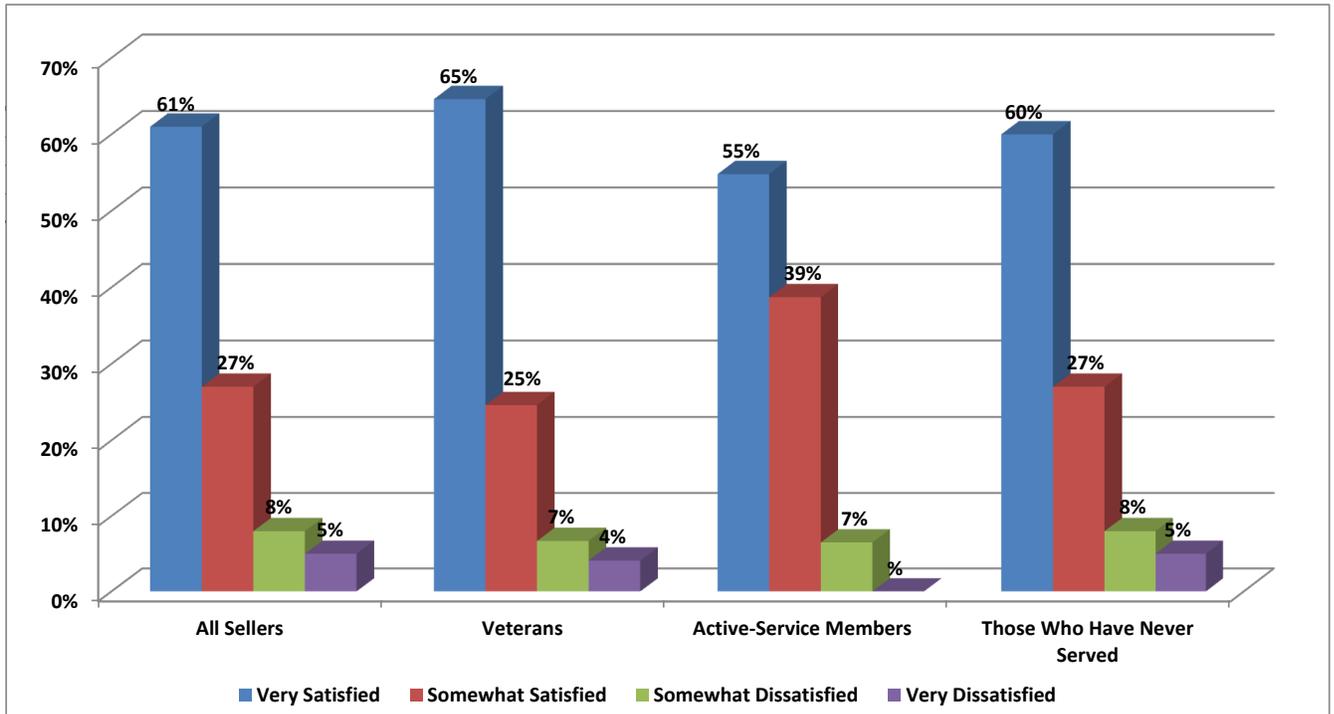
\* Less than 1 percent

# HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-23

## SATISFACTION WITH THE SELLING PROCESS

(Percentage Distribution)



# HOME SELLERS AND THEIR SELLING EXPERIENCE

Exhibit 6-24

## EQUITY EARNED IN HOME RECENTLY SOLD

(Median)

|              | Military Status |          |                        |                             |
|--------------|-----------------|----------|------------------------|-----------------------------|
|              | All Sellers     | Veterans | Active-Service Members | Those Who Have Never Served |
| Dollar Value | \$40,000        | \$56,000 | \$42,600               | \$38,000                    |
| Percent      | 23%             | 28%      | 22%                    | 22%                         |

**NATIONAL ASSOCIATION OF REALTORS®**  
**2016 Veterans & Active Military Home Buyers and Sellers Profile**  
**Chapter 7: Home Selling and Real Estate Professionals**

Referrals continue to be the main method sellers used to find the real estate agent that they worked with. Similar to all sellers, veterans and active-service member sellers found their agent by a referral from a friend, neighbor, or relative. Veteran and active-service members typically did not use the same agent to sell their home, as they did to purchase their home. Ninety-two percent of veterans and 100 percent of active-service member sellers had their homes listed on the Multiple Listing Service (MLS).

Veterans and active-service members were typically given a broad range of services including management of most aspects of the home. Veteran home sellers were looking for help to find a buyer for their home from their real estate agent. Active-service members were looking for help from their agent to market their home to potential buyers. The reputation of their agent was the most important factor when choosing an agent to both veteran and active-service members at 32 percent.

Seventy-one percent of veterans and 55 percent of active-service members would definitely use their agent again or recommend their agent to others.

*FINDING A REAL ESTATE AGENT*

*Exhibit 7-1 through Exhibit 7-3*

Forty-six percent of veteran home sellers found their real estate agent through a referral by a friend, neighbor, or relative, higher than sellers who have never served at 41 percent. Active-service member sellers also often used referrals, at 27 percent. The next most common method to find their real estate agent among veterans was using an agent that they had previously used to buy or sell a home (18 percent), by personal contact (six percent), and referrals from another real estate agent or broker (six percent). Among active-service member sellers the next most common ways to find their agent was using an agent that they had previously used to buy or sell a home, through an internet website, and being referred through their employer or relocation company, all at 17 percent.

Both veterans (68 percent) and active-service members (63 percent) typically contacted only one agent before selecting one to assist with the sale of their home. Fifteen percent of veterans and 33 percent of active-service members contacted two agents before selecting one to work with. Most often veteran and active-service member sellers did not use the same real estate agent for their home purchase. Thirty-three percent of veterans and 32 percent of active-service members did use the same real estate agent for their home purchase, likely as they are moving longer distances than those who have never served.

*HOME LISTED ON MULTIPLE LISTING SERVICE AND LEVEL OF SERVICE*

*Exhibits 7-4 through Exhibit 7-5*

Ninety-one percent of all sellers listed their homes on the Multiple Listing Service (MLS), which is the number one source for sellers to list their home. Only five percent opted not to list on a MLS. Ninety-two percent of veterans' homes were listed on MLS, while only

four percent were not listed on MLS. One-hundred percent of active-service members had their home for sale listed on the MLS.

Among veteran home sellers, 85 percent were provided with a broad range of services and management of most aspects of the home. Eighty percent of active-service members received a broad range of services and management from their real estate agent. Ten percent of veterans and 13 percent of active-service members had agents who performed few if any additional services besides listing their home on the MLS.

#### *WHAT SELLERS MOST WANT AND LEVEL OF SERVICE*

##### *Exhibit 7-6 through 7-7*

Active-service member sellers most often wanted help marketing their home to potential buyers from their real estate agent at 28 percent. Twenty-seven percent of veteran sellers wanted their real estate agent's help to find a buyer for their home.

For both veterans and active-service members the most important factor when choosing a real estate agent to sell their home was the reputation of the agent, both at 32 percent. The second most important factor to veterans was that the agent is a friend or family member (23 percent), and for active-service members, the agent being honest and trustworthy was important at 18 percent.

#### *METHODS USED TO MARKET THE HOME*

##### *Exhibit 7-8*

The method real estate agents most often used to market veterans (89 percent) and active-service members (100 percent) homes' was through the Multiple Listings Service (MLS). Seventy-nine percent of active-service members' homes were marketed on the real estate company website. Agents for both veteran and active-service member sellers used yard signs to market the home at 72 percent.

#### *AGENT'S PERFORMANCE AND COMPENSATION*

##### *Exhibit 7-9 through 7-11*

When negotiating fees, the agent most often initiated the discussion of compensation with 46 percent of veteran and 48 percent of active-service member sellers. Twenty-four percent of active-service member and 19 percent of veteran sellers did not know that the commissions and fees could be negotiated.

Overall, veterans (71 percent) and active-service members (55 percent) would definitely use their real estate agent again or recommend them to others. Client referrals and repeat business are the predominant sources of business for real estate agents. Since selling their home, veterans have recommended their agent twice. Thirty-eight percent of active-service members have recommended their agent.

## HOME SELLING AND REAL ESTATE PROFESSIONALS

- Exhibit 7-1 METHOD USED TO FIND REAL ESTATE AGENT
- Exhibit 7-2 NUMBER OF AGENTS CONTACTED BEFORE SELECTING ONE TO ASSIST WITH SALE OF
- Exhibit 7-3 DID SELLER USE THE SAME REAL ESTATE AGENT FOR THEIR HOME PURCHASE?
- Exhibit 7-4 HOME LISTED ON MULTIPLE LISTING SERVICE
- Exhibit 7-5 LEVEL OF SERVICE PROVIDED BY THE REAL ESTATE AGENT
- Exhibit 7-6 WHAT SELLERS MOST WANT FROM REAL ESTATE AGENTS, BY LEVEL OF SERVICE PROVIDED BY THE AGENT
- Exhibit 7-7 MOST IMPORTANT FACTOR IN CHOOSING A REAL ESTATE AGENT TO SELL HOME, BY LEVEL OF SERVICE PROVIDED BY THE AGENT
- Exhibit 7-8 METHODS REAL ESTATE AGENT USED TO MARKET HOME
- Exhibit 7-9 NEGOTIATING THE COMMISSION RATE OR FEE WITH THE REAL ESTATE AGENT
- Exhibit 7-10 WOULD SELLER USE REAL ESTATE AGENT AGAIN OR RECOMMEND TO OTHERS

HOME SELLING AND REAL ESTATE PROFESSIONALS

Exhibit 7-1

**METHOD USED TO FIND REAL ESTATE AGENT**

(Percentage Distribution)

|   | All Sellers | Military Status |                        |                             |
|---|-------------|-----------------|------------------------|-----------------------------|
|   |             | Veterans        | Active-Service Members | Those Who Have Never Served |
| Referred by (or is) a friend, neighbor or relative                      | 42%         | 46%             | 27%                    | 41%                         |
| Used agent previously to buy or sell a home                             | 24          | 18              | 17                     | 26                          |
| Internet website (without a specific reference)                         | 4           | 3               | 17                     | 5                           |
| Personal contact by agent (telephone, email, etc.)                      | 4           | 6               | *                      | 4                           |
| Referred by another real estate or broker                               | 4           | 6               | *                      | 3                           |
| Visited an open house and met agent                                     | 3           | 3               | *                      | 3                           |
| Saw contact information on For Sale/Open House sign                     | 3           | 2               | *                      | 3                           |
| Referred through employer or relocation company                         | 3           | 3               | 17                     | 3                           |
| Direct mail (newsletter, flyer, postcard, etc.)                         | 1           | *               | *                      | 1                           |
| Walked into or called office and agent was on duty                      | 1           | 1               | 13                     | 1                           |
| Newspaper, Yellow pages or home book ad                                 | 1           | 1               | *                      | 1                           |
| Advertising specialty (calendar, magnet, etc.)                          | 1           | 2               | *                      | 1                           |
| Crowdsourcing through social media/knew the person through social media | *           | *               | *                      | *                           |
| Saw the person's social media page without a connection                 | *           | *               | *                      | *                           |
| Other   | 9           | *               | 10                     | 9                           |

\* Less than 1 percent

## HOME SELLING AND REAL ESTATE PROFESSIONALS

Exhibit 7-2

### NUMBER OF AGENTS CONTACTED BEFORE SELECTING ONE TO ASSIST WITH SALE OF HOME (Percentage Distribution)

|                     | Military Status |          |                        |                             |
|---------------------|-----------------|----------|------------------------|-----------------------------|
|                     | All Sellers     | Veterans | Active-Service Members | Those Who Have Never Served |
| <b>One</b>          | 72%             | 68%      | 63%                    | 74%                         |
| <b>Two</b>          | 15              | 15       | 33                     | 15                          |
| <b>Three</b>        | 9               | 11       | *                      | 8                           |
| <b>Four</b>         | 2               | 4        | 4                      | 2                           |
| <b>Five or more</b> | 1               | 2        | *                      | 1                           |

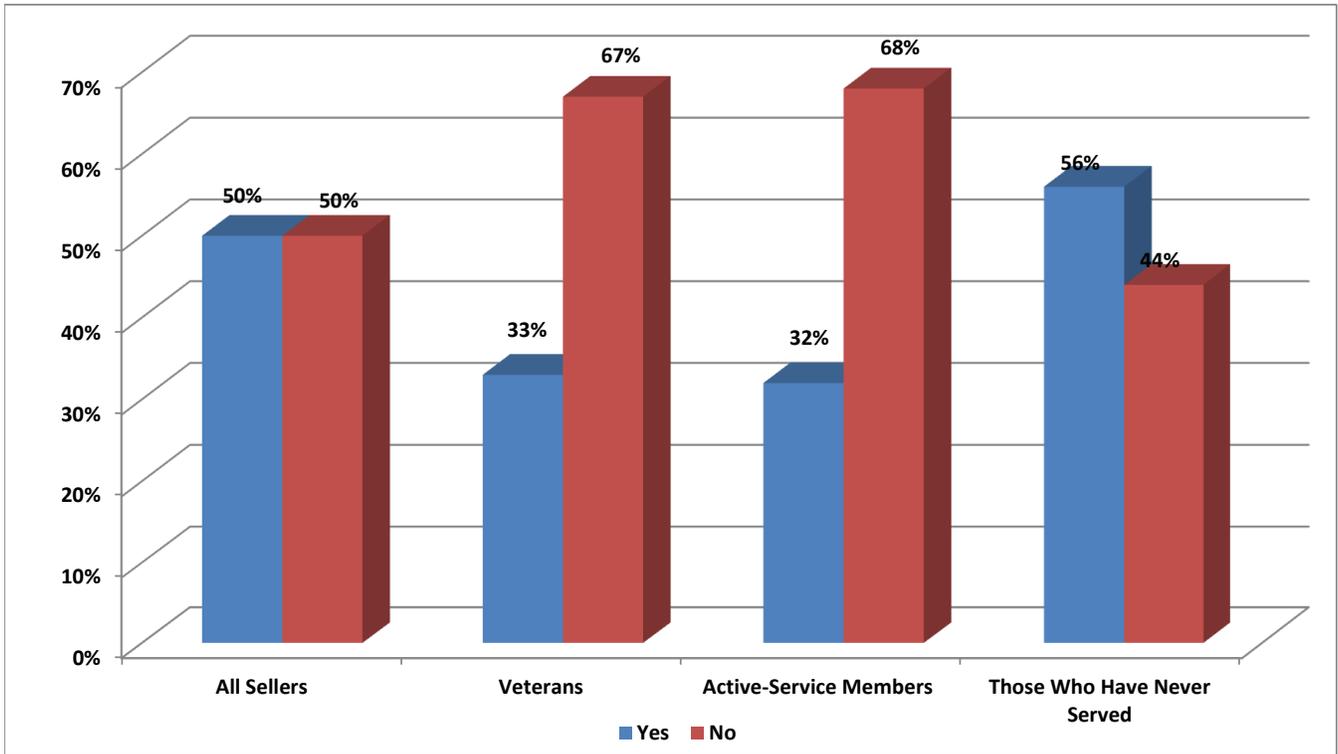
\* Less than 1 percent

# HOME SELLING AND REAL ESTATE PROFESSIONALS

Exhibit 7-3

## DID SELLER USE THE SAME REAL ESTATE AGENT FOR THEIR HOME PURCHASE?

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

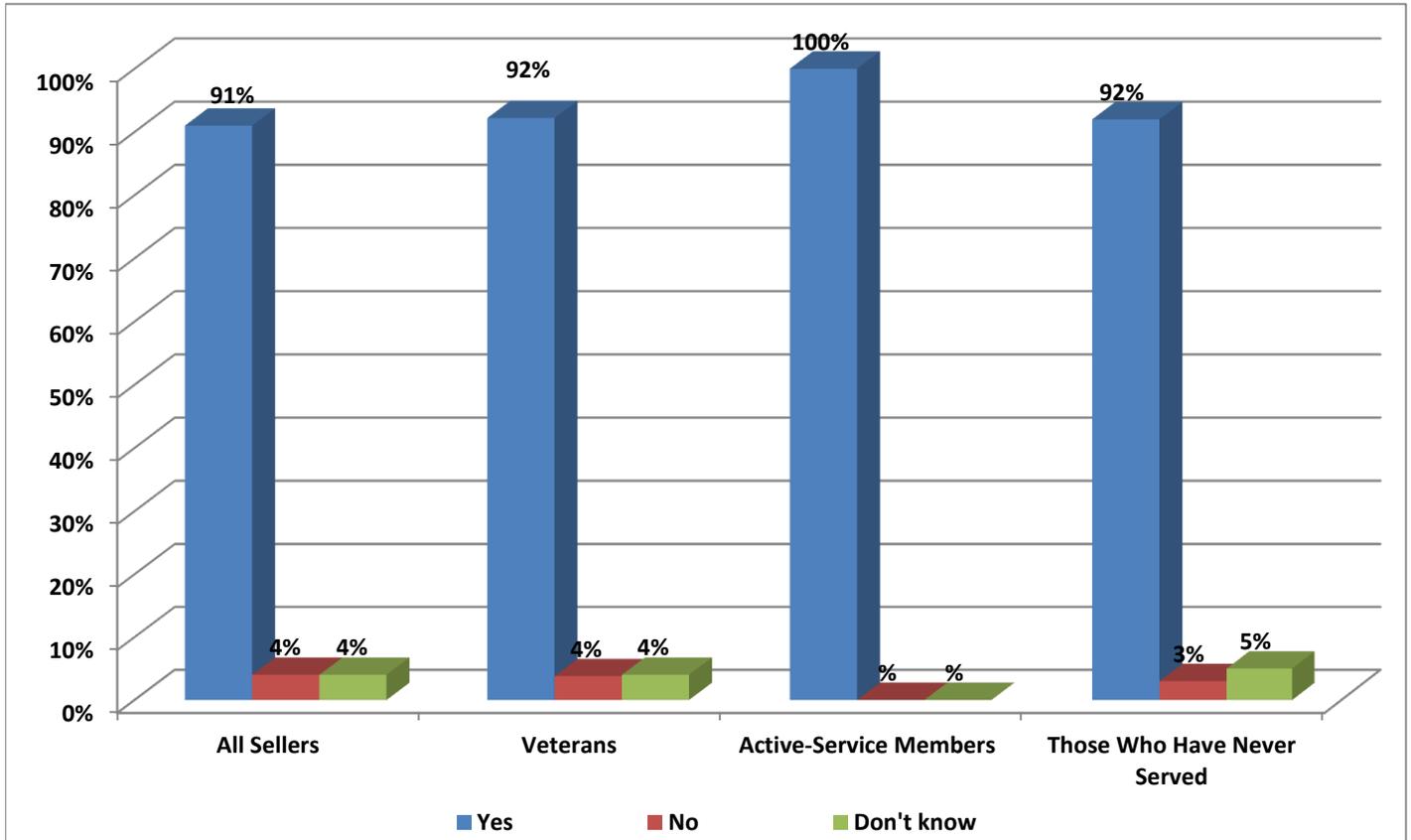


# HOME SELLING AND REAL ESTATE PROFESSIONALS

Exhibit 7-4

## HOME LISTED ON MULTIPLE LISTING SERVICE

(Percentage Distribution)



HOME SELLING AND REAL ESTATE PROFESSIONALS

Exhibit 7-5

**LEVEL OF SERVICE PROVIDED BY THE REAL ESTATE AGENT**

*(Percentage Distribution)*

|  | <b>Military Status</b> |                 |                               |                                    |
|--|------------------------|-----------------|-------------------------------|------------------------------------|
|  | <b>All Sellers</b>     | <b>Veterans</b> | <b>Active-Service Members</b> | <b>Those Who Have Never Served</b> |
| <b>A broad range of services and management of most aspects of the home</b>              | 79%                    | 85%             | 80%                           | 78%                                |
| <b>A limited set of services as requested by the seller</b>                              | 9                      | 5               | 7                             | 10                                 |
| <b>The agent listed the home on the MLS and performed few if any additional services</b> | 12                     | 10              | 13                            | 12                                 |

HOME SELLING AND REAL ESTATE PROFESSIONALS

Exhibit 7-6

**WHAT SELLERS MOST WANT FROM REAL ESTATE AGENTS, BY LEVEL OF SERVICE PROVIDED BY THE AGENT**

*(Percentage Distribution)*

|  | All Sellers | Military Status |                        |                             |
|--|-------------|-----------------|------------------------|-----------------------------|
|  |             | Veterans        | Active-Service Members | Those Who Have Never Served |
| Help seller market home to potential buyers              | 21%         | 21%             | 28%                    | 21%                         |
| Help sell the home within specific timeframe             | 21          | 22              | 17                     | 20                          |
| Help find a buyer for home                               | 17          | 27              | 10                     | 15                          |
| Help price home competitively                            | 16          | 11              | 14                     | 18                          |
| Help seller find ways to fix up home to sell it for more | 14          | 11              | 10                     | 15                          |
| Help with negotiation and dealing with buyers            | 5           | 4               | 21                     | 5                           |
| Help with paperwork/inspections/preparing for settlement | 3           | 3               | *                      | 3                           |
| Help seller see homes available to purchase              | 2           | 1               | *                      | 2                           |
| Help create and post videos to provide tour of my home   | *           | 1               | *                      | *                           |
| Other  | 1           | *               | *                      | 1                           |

\* Less than 1 percent

HOME SELLING AND REAL ESTATE PROFESSIONALS

Exhibit 7-7

**MOST IMPORTANT FACTOR IN CHOOSING A REAL ESTATE AGENT TO SELL HOME, BY LEVEL OF SERVICE PROVIDED BY THE AGENT**

*(Percentage Distribution)*

|   | All Sellers | Military Status |                        |                             |     |
|---|-------------|-----------------|------------------------|-----------------------------|-----|
|   |             | Veterans        | Active-Service Members | Those Who Have Never Served |     |
| <b>Reputation of agent</b>  | 34%         |                 | 32%                    | 32%                         | 35% |
| <b>Agent is honest and trustworthy</b>  | 18          | 18              | 18                     | 18                          | 18  |
| <b>Agent is friend or family member</b>   | 16          | 23              | 14                     | 14                          | 14  |
| <b>Agent's knowledge of the neighborhood</b>  | 15          | 14              | 11                     |                             | 15  |
| <b>Agent has caring personality/good listener</b>   | 4           | 2               | *                      |                             | 4   |
| <b>Agent's association with a particular firm</b>   | 4           | 2               | 7                      |                             | 4   |
| <b>Agent's commission</b>   | 4           | 2               | 11                     |                             | 4   |
| <b>Agent seems 100% accessible because of use of technology like tablet or smartphone</b> | 2           | 2               | *                      |                             | 2   |
| <b>Professional designations held by agent</b>  | 2           | 3               | *                      |                             | 2   |
| <b>Other</b>  | 3           | 2               | 7                      |                             | 3   |

## HOME SELLING AND REAL ESTATE PROFESSIONALS

Exhibit 7-8

### METHODS REAL ESTATE AGENT USED TO MARKET HOME

(Percent of Respondents Among Sellers Who Used an Agent)

|  | Military Status |          |                        |                             |
|--|-----------------|----------|------------------------|-----------------------------|
|  | All Sellers     | Veterans | Active-Service Members | Those Who Have Never Served |
| Multiple Listing (MLS) website                                 | 89%             | 89%      | 100%                   | 89%                         |
| Yard sign  | 69              | 72       | 72                     | 69                          |
| Real estate agent website                                      | 51              | 54       | 35                     | 51                          |
| Open house   | 51              | 52       | 59                     | 49                          |
| Realtor.com  | 50              | 57       | 62                     | 49                          |
| Real estate company website                                    | 43              | 49       | 79                     | 42                          |
| Third party aggregators  | 40              | 42       | 59                     | 39                          |
| Social networking websites (e.g. Facebook, Twitter, etc.)      | 12              | 18       | 21                     | 11                          |
| Print newspaper advertisement                                  | 11              | 11       | *                      | 11                          |
| Direct mail (flyers, postcards, etc.)                          | 10              | 8        | 7                      | 11                          |
| Video  | 9               | 8        | 21                     | 9                           |
| Newspaper website  | 9               | 10       | *                      | 10                          |
| Real estate magazine   | 9               | 16       | 3                      | 8                           |
| Other Web sites with real estate listings (e.g. Google, Yahoo) | 8               | 5        | *                      | 6                           |
| Online Classified Ads  | 6               | 6        | 7                      | 7                           |
| Real estate magazine website                                   | 6               | 4        | 3                      | 6                           |
| Video hosting Web sites (e.g. Youtube, etc.)                   | 2               | *        | *                      | 3                           |
| Television   | 1               | *        | *                      | 1                           |
| Other  | 3               | 4        | *                      | 3                           |

HOME SELLING AND REAL ESTATE PROFESSIONALS

Exhibit 7-9

**NEGOTIATING THE COMMISSION RATE OR FEE WITH THE REAL ESTATE AGENT**

*(Percentage Distribution)*

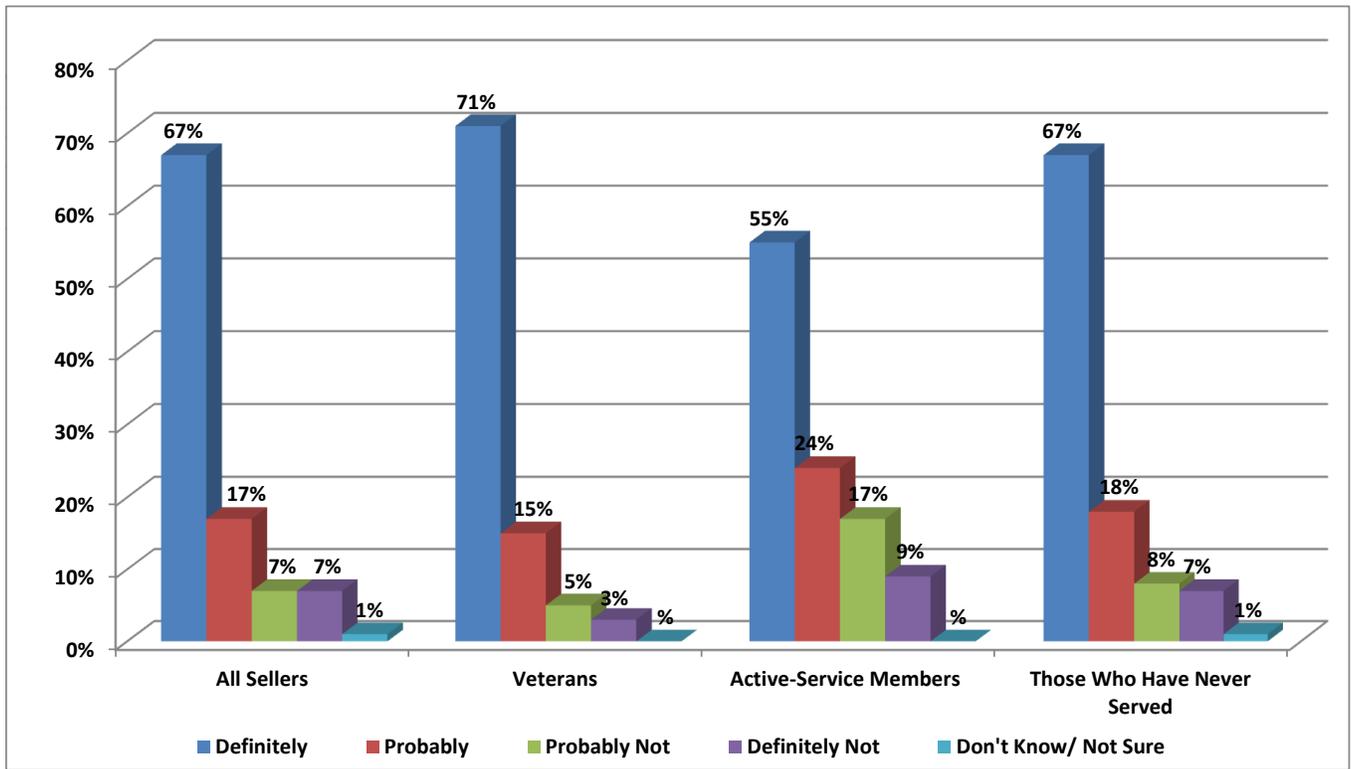
|  | All Sellers | Military Status |                        |                             |
|--|-------------|-----------------|------------------------|-----------------------------|
|  |             | Veterans        | Active-Service Members | Those Who Have Never Served |
| Real estate agent initiated discussion of compensation   | 46%         | 46%             | 48%                    | 46%                         |
| Client brought up the topic and the real estate agent was able and willing to negotiate their commission or fee    | 20          | 19              | 3                      | 21                          |
| Client brought up the topic and the real estate agent was unwilling or unable to negotiate their commission or fee | 8           | 8               | 21                     | 7                           |
| Client did know commissions and fees could be negotiated but did not bring up the topic                            | 10          | 8               | 3                      | 11                          |
| Client did not know commissions and fees could be negotiated   | 16          | 19              | 24                     | 15                          |

# HOME SELLING AND REAL ESTATE PROFESSIONALS

Exhibit 7-10

## WOULD SELLER USE REAL ESTATE AGENT AGAIN OR RECOMMEND TO OTHERS

(Percentage Distribution)



HOME SELLING AND REAL ESTATE PROFESSIONALS

Exhibit 7-13

**HOW MANY TIMES SELLER RECOMMENDED TYPICAL AGENT**

*(Percentage distribution)*

|   | <b>Military Status</b> |                 |                               |                                    |
|---|------------------------|-----------------|-------------------------------|------------------------------------|
|   | <b>All Sellers</b>     | <b>Veterans</b> | <b>Active-Service Members</b> | <b>Those Who Have Never Served</b> |
| <b>None</b>                                     | 38%                    |                 | 38%                           | 62%                                |
| <b>One time</b>                                 | 13                     |                 | 11                            | 14                                 |
| <b>Two times</b>                                | 17                     |                 | 15                            | 7                                  |
| <b>Three times</b>                              | 12                     |                 | 17                            | 14                                 |
| <b>Four or more times</b>                       | 20                     |                 | 19                            | 3                                  |
| <b>Times recommended since selling (median)</b> | <b>1</b>               |                 | <b>2</b>                      | <b>0</b>                           |

## Methodology

In July 2015, NAR mailed out a 128-question survey using a random sample weighted to be representative of sales on a geographic basis to 94,971 recent home buyers. The recent home buyers had to have purchased a primary residence home between July of 2014 and June of 2015. A total of 6,406 responses were received from primary residence buyers. After accounting for undeliverable questionnaires, the survey had an adjusted response rate of 6.7 percent. Eighteen percent of recent home buyers are veterans and three percent are active-duty service members. In the questionnaire, we asked the following to determine veteran and active-duty service: "Are you or your spouse or partner currently: 1) an active-duty service member; 2) a veterans; or 3) neither."

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 2015, with the exception of income data, which are reported for 2014. 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.