

National Association of REALTORS®

# 2018 PROFILE OF HOME BUYERS AND SELLERS





# 2018 PROFILE OF HOME BUYERS AND SELLERS

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# 2018 PROFILE OF HOME BUYERS AND SELLERS

## CONTENTS

Introduction .....	5
Highlights .....	7
Chapter 1: Characteristics of Home Buyers .....	9
Chapter 2: Characteristics of Homes Purchased .....	27
Chapter 3: The Home Search Process .....	51
Chapter 4: Home Buying and Real Estate Professionals .....	67
Chapter 5: Financing the Home Purchase.....	83
Chapter 6: Home Sellers and Their Selling Experience .....	97
Chapter 7: Home Selling and Real Estate Professionals.....	119
Chapter 8: For-Sale-by-Owner (FSBO) Sellers .....	129
Methodology .....	142
List of Exhibits.....	143









## INTRODUCTION

Buying a primary residence for home buyers is a financial decision, but also an emotional decision that involves many lifestyle factors. For most home buyers, the purchase of a primary residence is one of the largest financial transactions they will make. Buyers purchase a home not only for the desire to own a home of their own, but also because of changes in jobs, family situations, and the need for a smaller or larger living area. This annual survey, conducted by the NATIONAL ASSOCIATION OF REALTORS® of recent home buyers and sellers, helps to gain insight into detailed information about their unique experience with this transaction. The information provided supplies understanding, from the consumer level, of the trends that are transpiring. The survey covers information on demographics, housing characteristics, and the experience of consumers in the housing market. Buyers and sellers also provide valuable information on the role that real estate professionals play in home sales transactions.

The *Profile of Home Buyers and Sellers* report has been the leading industry source of trusted insight into consumer behavior for nearly four decades. It has grown and evolved to keep up with changing home buying trends and the need for more information. NAR first administered the survey in 1981 with just 59 questions. In 2018, the survey contained 129 questions. Although the report has evolved, data has been collected for nearly four decades describing the demographic characteristics of home buyers and sellers, buyers and sellers' experience in the home transaction process, as well as market characteristics including the use of real estate agents. One measure of how the market has changed is the manner in which the data is collected. In 1981, only a paper copy of the survey was offered. Today, recent home buyers can take the survey via paper or online, and in English or Spanish. Because of its long history and timely information available each year, the report is valued by REALTORS®, market analysts, and policymakers.

Data is collected from a nationally representative sample of recent home buyers who purchased a primary residence in the 12-month period between July and June. Data is also representative of the geographic distribution of home sales. Consumer names are obtained from Experian, a firm that maintains an extensive database of recent home buyers derived from county records.

Today the data set provides a wealth of data that is used to create a number of spin-off NAR reports including: *Home Buyer and Seller Generational Trends Report*, *Buyer Bios*, *Real Estate in a Digital Age*, *Veterans and Active Military Home Buyers and Sellers Profile*, and *Moving with Kids*.

In 2018, the share of first-time home buyers was 33 percent, a decrease from 34 percent last year. This figure has gravitated away from the historical norm at 40 percent of the market. The median household income increased again this year, likely due to a nationwide increase in home prices caused by a lack of housing inventory, pushing out lower-income buyers. Married and unmarried couples have double the buying power of single home buyers in the market and may be better able to meet the price increases of this housing market.

Tightened inventory is affecting the home search process of buyers. Due to suppressed inventory levels in many areas of the country, buyers are typically purchasing more expensive homes as prices increase. The number of weeks a buyer searched for a home remained at 10 weeks. Buyers continue to report the most difficult task for them in the home buying process was just finding the right home to purchase.

Increased prices are also impacting sellers. Tenure in the home had a slight decline to nine years from 10 years. Historically, tenure in the home has been six to seven years. Sellers may now have the equity and buyer demand to sell their home after stalling or delaying their home sale.

**“The *Profile of Home Buyers and Sellers* report has been the leading industry source of trusted insight into consumer behavior for nearly four decades.”**

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## HIGHLIGHTS

### Characteristics of Home Buyers

- First-time buyers made up 33 percent of all home buyers, a decrease from last year's 34 percent.
- The typical buyer was 46 years old this year, and the median household income for 2017 rose again this year to \$91,600.
- Sixty-three percent of recent buyers were married couples, 18 percent were single females, nine percent were single males, and eight percent were unmarried couples.
- Twelve percent of home buyers purchased a multi-generational home, to take care of aging parents, because of children over the age of 18 moving back home, and for cost-saving.
- Eighty-nine percent of recent home buyers identified as heterosexual, four percent as gay or lesbian, one percent as bisexual, and seven percent preferred not to answer.
- Eighteen percent of recent home buyers were veterans and three percent were active-duty service members.
- At 29 percent, the primary reason for purchasing a home was the desire to own a home of their own.
- Heating and cooling costs were the most important environmental features for recent home buyers, with 84 percent finding these features at least somewhat important.
- Overall, buyers expected to live in their homes for a median of 15 years, while 19 percent said that they were never moving.

### The Home Search Process

- For 44 percent of recent buyers, the first step that they took in the home buying process was to look online at properties for sale, while 17 percent of buyers first contacted a real estate agent.
- Seventy-eight percent of recent buyers found their real estate agent to be a very useful information source. Online websites were seen as the most useful information source at 88 percent.
- Buyers typically searched for 10 weeks and looked at a median of 10 homes.
- The typical buyer who did not use the internet during their home search spent only four weeks searching and visited four homes, compared to those who did use the internet and searched for 10 weeks and visited 10 homes.
- Among buyers who used the internet during their home search, 87 percent of buyers found photos and 85 percent found detailed information about properties for sale very useful.
- Sixty-two percent of recent buyers were very satisfied with their recent home buying process.

### Characteristics of Homes Purchased

- Buyers of new homes made up 14 percent and buyers of previously owned homes made up 86 percent.
  - Most recent buyers who purchased new homes were looking to avoid renovations and problems with plumbing or electricity at 38 percent. Buyers who purchased previously-owned homes were most often considering a better price at 32 percent.
  - Detached single-family homes continued to be the most common home type for recent buyers at 82 percent, followed by eight percent of buyers choosing townhomes or row houses.
  - Senior-related housing stayed the same this year at 13 percent, with 18 percent of buyers typically purchasing condos and 11 percent purchasing a townhouse or row house.
  - There was a median of only 15 miles between the homes that recent buyers purchased and the homes that they moved from.
  - Home prices increased slightly this year to a median of \$250,000 among all buyers. Buyers typically purchased their homes for 99 percent of the asking price.
  - The typical home that was recently purchased was 1,900 square feet, had three bedrooms and two bathrooms, and was built in 1991.
- Eighty-seven percent of buyers recently purchased their home through a real estate agent or broker, and six percent purchased directly from a builder or builder's agent.
  - Having an agent to help them find the right home was what buyers wanted most when choosing an agent at 52 percent.
  - Forty-one percent of buyers used an agent that was referred to them by a friend, neighbor, or relative and 12 percent used an agent that they had worked with in the past to buy or sell a home.
  - Sixty-eight percent of buyers interviewed only one real estate agent during their home search.
  - Ninety percent of buyers would use their agent again or recommend their agent to others.

### Home Buying and Real Estate Professionals



# 2018 PROFILE OF HOME BUYERS AND SELLERS

## HIGHLIGHTS

### Financing the Home Purchase

- Eighty-eight percent of recent buyers financed their home purchase. Those who financed their home purchase typically financed 87 percent.
- First-time buyers who financed their home typically financed 93 percent of their home compared to repeat buyers at 84 percent.
- For 58 percent of buyers, the source of the downpayment came from their savings. Thirty-nine percent of buyers cited using the proceeds from the sale of a primary residence, which was the next most commonly reported way of securing a downpayment.
- For 13 percent of buyers, the most difficult step in the home buying process was saving for a downpayment.
- Of buyers who said saving for a downpayment was difficult, 50 percent of buyers reported that student loans made saving for a downpayment difficult. Thirty-seven percent cited credit card debt, and 35 percent cited car loans as also making saving for a downpayment hard.
- Buyers continue to see purchasing a home as a good financial investment. Eighty-four percent reported they view a home purchase as a good investment.

### Home Sellers and Their Selling Experience

- The typical home seller was 55 years old, with a median household income of \$98,800.
- For all sellers, the most commonly cited reason for selling their home was that it was too small (15 percent), followed by the desire to move closer to friends and family (14 percent), and a job relocation (13 percent).
- Sellers typically lived in their home for nine years before selling, down from last year.
- Ninety-one percent of home sellers worked with a real estate agent to sell their home.
- For recently sold homes, the final sales price was a median of 99 percent of the final listing price.
- Recently sold homes were on the market for a median of three weeks, the same as last year.
- Forty-four percent of all sellers offered incentives to attract buyers.
- This year, home sellers cited that they sold their homes for a median of \$55,500 more than they purchased it.
- Sixty-four percent of sellers were very satisfied with the selling process.

### Home Selling and Real Estate Professionals

- Sixty-three percent of sellers found their agent through a referral from a friend, neighbor, or relative or used an agent they had worked with before to buy or sell a home.
- Seventy-five percent of recent sellers contacted only one agent before finding the right agent they worked with to sell their home.
- Ninety percent of sellers listed their homes on the Multiple Listing Service (MLS), which is the number one source for sellers to list their home.
- Seventy-seven percent of sellers reported that they provided the agent's compensation.
- The typical seller has recommended their agent once since selling their home. Thirty-two percent of sellers recommended their agent three or more times since selling their home.
- Eighty-five percent said that they would definitely (69 percent) or probably (17 percent) recommend their agent for future services.

### For-Sale-by-Owner (FSBO) Sellers

- Only seven percent of recent home sales were FSBO sales again this year. This is a decrease from last year and is the lowest share recorded since this report started in 1981.
- The median age for FSBO sellers is 55 years. Seventy-one percent of FSBO sales were by married couples that have a median household income of \$98,800.
- FSBOs typically sell for less than the selling price of other homes; FSBO homes sold at a median of \$200,000 last year (up from \$190,000 the year prior), and significantly lower than the median of agent-assisted homes at \$264,900.
- FSBO homes sold more quickly on the market than agent-assisted homes. Seventy-three percent of FSBO homes sold in less than two weeks—often because homes were sold to someone the seller knows.
- Seventy-two percent of successful FSBO sellers who knew the buyer were very satisfied with the process of selling their home.



## CHAPTER 1: Characteristics of Home Buyers

The NATIONAL ASSOCIATION OF REALTORS®'s *Profile of Home Buyers and Sellers* report has been the leading industry source of trusted insight into consumer behavior for nearly four decades. The information has been collected since 1981, which allows data trends over the decades.

The share of first-time home buyers has been a key indicator of the market. In 2018, the share of first-time home buyers fell to 33 percent, a decrease from last year at 34 percent. This figure remains below the historical norm of 40 percent of recent primary residence home buyers in the market.

By comparison in 1981, the share of first-time buyers was 44 percent. In 1987, the number fell to an all-time low of 30 percent, but jumped back to 44 percent in 1991. The share remained between 40 and 42 percent from 1993 to 2005 until it took a dip in 2006 to 36 percent. In 2010, with the federal government tax credit to help boost the home sales demand of first-time buyers, the share reached a peak at 50 percent—the highest in NAR's four decades of collecting this data. Since 2011, the share of first-time home buyers has been under the historical norm of 40 percent as buyers face tight inventory, rising home prices, rising rents, and high student debt loads.

The largest share of home buyers continues to be the 25 to 34 age group, accounting for 24 percent of all buyers. The median household income for 2017 increased this year to \$91,600, compared to \$88,800 in last year's report. The share of married couples decreased to 63 percent this year, the share of single females remained steady at 18 percent, and the share of single males increased to nine percent in 2018. Thirty-four percent of all buyers had children under the age of 18 living at home.

As to be expected, 71 percent of first-time home buyers rented their previous living arrangement, whereas 72 percent of repeat buyers owned their previous residence. An increasing share of first-time buyers, 23 percent, moved from a family or friend's home directly into home buying. For first-time home buyers, 66 percent purchased for the desire to own a home of their own.



# CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

## DEMOGRAPHIC CHARACTERISTICS OF HOME BUYERS

### Exhibits 1–1 through 1–7, and Exhibit 1–11

The demographics of home buyers continued to shift over the last several years due to tightened credit conditions and sparse inventory on the market which are driving up home sales prices. The *Profile of Home Buyers and Sellers* has collected data on the median age of home buyers since 1981. The median age increased to a peak of 46 years old. Also the highest since 1981, the median age for repeat buyers increased to 55 years. The median age for first-time buyers stayed at 32 years again this year.

By comparison, the median age for all buyers in 1981 was 31 years. The median age for all buyers had predominantly been in the mid-thirties from 1985 to 2004 with brief years peaking at 41 in 1993, 40 in 2003 and 2005, and 45 in 2011 and 2017. From 2007 through 2010, the median age held steady at 39 years, but was broken in 2011 when it jumped up to 45 years, then reached the oldest median age, at 46 years for all buyers this year, in the history of NAR collecting the data.

Similarly, the median age of first-time buyers was 29 in 1981. The median age for first-time buyers peaked at 36 years in 1993, then remained around 30 to 32 for over 20 years from 1995 to 2018. We see a jump in the median age for all buyers as the median age for repeat buyers has increased over time. In 1981, the median age for repeat buyers was 36. It was only that low once more in 1995, whence it has steadily increased over the years. In 2011, it broke the 50-year mark and rose to a median of 53 years, the highest age in three and a half decades. The median age remained at 53 years in 2014 and 2015, declined to 52 years in 2016, and jumped back up to 54 in 2017, followed by the record high in 2018 at 55 years.

The largest share of home buyers continues to be in the 25 to 34 age group, accounting for 24 percent of all buyers again this year, followed by 35 to 44 years at 22 percent, and 55 to 64 years at 18 percent, with the 45 to 54 age group and the 65 to 74 age group each accounting for 15 percent of total home buyers.

The median household income for 2017 increased this year at \$91,600 compared to \$88,800 in last year's report. Buyers in the Northeast and Midwest regions tended to be younger, while buyers in the West and South regions tended to be older. Buyers in the West region had the highest incomes this year, followed by buyers in the Northeast.

The share of married couples decreased to 63 percent this year, down slightly from 65 percent. The share of single females held steady at 18 percent, and single males increased to nine percent, up from seven percent last year. Unmarried couples remained constant at eight percent this year. Dual incomes from married couples had stronger purchasing power than single buyers, which helps with the rise in home prices.

The *Profile of Home Buyers and Sellers* report has collected data on household composition since 1981, when the share

of married couples accounted for 73 percent of all homes purchased, single females purchased 11 percent of homes, and single males 10 percent. The share of married couples peaked at 81 percent in 1985, then steadily declined over the years.

In 2010, the share of married couples was at a low point at 58 percent of all homes purchased. Single females remained above 20 percent from 2005 to 2010, at which point the share started to decline, hovering at 16 percent from 2012 through 2014. The share of single male buyers hit a 35-year peak in 2010 at 12 percent before steadily declining to seven percent in 2017, but has been increasing to previous levels seen from 2012 to 2015.

Thirty-four percent of all buyers had children under the age of 18 living at home, down from 37 percent last year. In the history of the data set this is the lowest share purchasing with children. Twelve percent of home buyers purchased a multi-generational home—a home that had adult siblings, adult children over the age of 18, parents, and/or grandparents in the household. The top three reasons for purchasing a multi-generational home were to take care of aging parents (26 percent), children over the age of 18 moving back home (22 percent), and cost savings (18 percent).

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

### Exhibits 1–8 through 1–13, and Exhibits 1–20 through 1–22

Up from 83 percent last year, 85 percent of recent home buyers identified their ethnicity as White or Caucasian. The West continued to be more diverse, with 23 percent reporting themselves as a race other than White or Caucasian, and the Midwest reportedly had the least diversity. Single males and single females were also the most diverse, as were families with children under the age of 18 living at home.

Twenty-nine percent of first-time home buyers identified as non-White or Caucasian whereas only 14 percent of repeat buyers did so. Seven percent of first-time buyers, compared to three percent for repeat buyers, reported a language other than English as their primary language. Thirteen percent of first-time home buyers, compared to seven percent for repeat buyers, reported being born outside of the United States.

Ninety-six percent of home buyers spoke English, which is consistent with last year. Ninety-eight percent in the Midwest reported that English was the primary language spoken at home and 94 percent in the West. Ninety-one percent reported that they were born in the United States. Ninety-five percent were U.S.-born in the Midwest and only 87 percent in the West.

Eighty-nine percent of recent home buyers identified as heterosexual, four percent as gay or lesbian, one percent as bisexual, and seven percent preferred not to answer, which is consistent with last year. Recent home buyers also reported that 18 percent were veterans and three percent were active-duty service members.



# 2018 PROFILE OF HOME BUYERS AND SELLERS

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

### Exhibits 1–14 through 1–19

First-time home buyers decreased to 33 percent of the market share (down from 34 percent last year), and are below the historical norm of 40 percent among primary residence home buyers. Since 2011, the share of first-time home buyers has been suppressed. In 2015, it was the lowest share since 1987, when the share of first-time home buyers reported was 30 percent. The Northeast region had the largest share of first-time home buyers at 45 percent and the West had the smallest share at 29 percent.

The share of first-time buyers who were married couples was 54 percent, down from 57 percent last year, and married repeat buyers declined again to 67 percent, down from 69 percent the year before. The share of first-time buyers who were unmarried couples held steady at 16 percent. Thirty-eight percent of first-time buyers reported having children under the age of 18 living at home, compared to 33 percent for repeat buyers. The median age of first-time buyers stayed at 32 years and increased to 55 for repeat buyers (up from 54 years).

The median household income remained the same for first-time buyers and increased for repeat buyers, although the gap between them varies greatly. First-time home buyers reported a median income of \$75,000 and \$100,000 (up from \$97,500 last year) for repeat buyers. Married repeat buyers have the highest income among all buyers at \$110,900. Increased median household income could suggest stricter financing that forces low income buyers out of the market and an increase in home prices which has been restricting who can enter the market.

## PRIOR LIVING ARRANGEMENT

### Exhibits 1–23 and 1–24

Recent home buyers were more likely to own their previous home than rent a home or an apartment. As to be expected, 71 percent of first-time home buyers rented their previous living arrangement and 23 percent lived with friends and family. The share of first-time buyers who lived with friends and family before purchasing has steadily increased. In 1989, only 15 percent of first-time buyers lived with friends or family before buying. In comparison, 72 percent (up from 68 percent in the previous year) of repeat buyers owned their previous residence and 21 percent rented.

With regards to household composition, married couples were more likely than other household types to own their previous residence at 57 percent. Unmarried couples were the most likely to rent a home before making a purchase at 54 percent, while single males and single females were most likely to live with friends and family before buying. Those with children under the age of 18 living at home were equally likely to rent and own prior to buying, while those without children were more likely to own their previous home.

## PRIMARY REASON FOR HOME PURCHASE AND TIMING OF PURCHASE

### Exhibits 1–25 through 1–27

For first-time home buyers, 66 percent purchased for the desire to own a home of their own, compared to just 11 percent for repeat buyers. Repeat home buyers bought for the following reasons: desire for a larger home (12 percent), the desire to be closer to friends and family (12 percent), job-related relocation (11 percent), and the desire for a home in a better area (nine percent).

Forty-nine percent of all buyers said that the timing was just right and they were ready to purchase a home (slightly down from 50 percent last year). The second most common reason was that the buyer did not have much choice and they had to purchase the home when they did (17 percent), followed by that it was the best time because of the availability of homes for sale (11 percent).

## OWNERSHIP OF MULTIPLE HOMES

### Exhibit 1–28

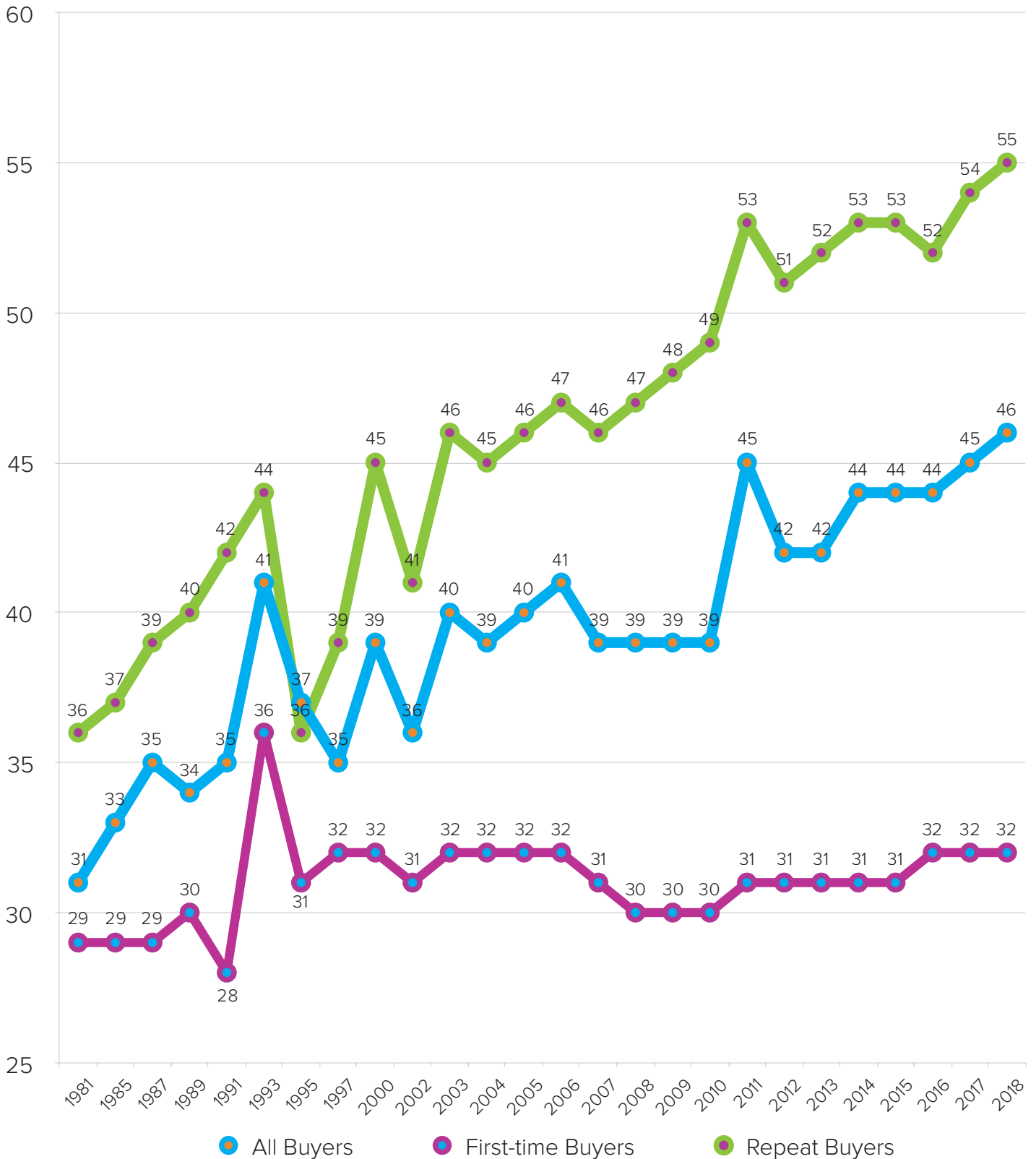
In 2018, the number of recent home buyers who own more than one home was 20 percent, up from 17 percent in 2017. The ability of a buyer to own an additional home besides the home they just purchased speaks to the tightened credit conditions as buyers who have higher incomes and own more than one property are more commonly making home purchases. Owning more than one property was the most common for buyers aged 65 years and older at 29 percent.

**“The *Profile of Home Buyers and Sellers* report has collected data on household composition since 1981, when the share of married couples accounted for 73 percent of all homes purchased, single females purchased 11 percent of homes, and single males 10 percent. The share of married couples peaked at 81 percent in 1985, then steadily declined over the years.”**

# CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

**Exhibit 1–1: Median Age of Home Buyers, 1981–2018**

(Median Age)





# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 1–2: Age of Home Buyers, by Region

(Percentage Distribution)

	BUYERS WHO PURCHASED A HOME IN THE				
	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
18 to 24 years	2%	2%	2%	2%	1%
25 to 34 years	24%	31%	30%	22%	24%
35 to 44 years	22%	22%	20%	20%	23%
45 to 54 years	15%	15%	16%	17%	16%
55 to 64 years	18%	17%	15%	19%	19%
65 to 74 years	15%	11%	12%	15%	13%
75 years or older	5%	2%	5%	5%	4%
Median age (years)	46	42	42	48	45

## Exhibit 1–3: Household Income of Home Buyers, by Region, 2017

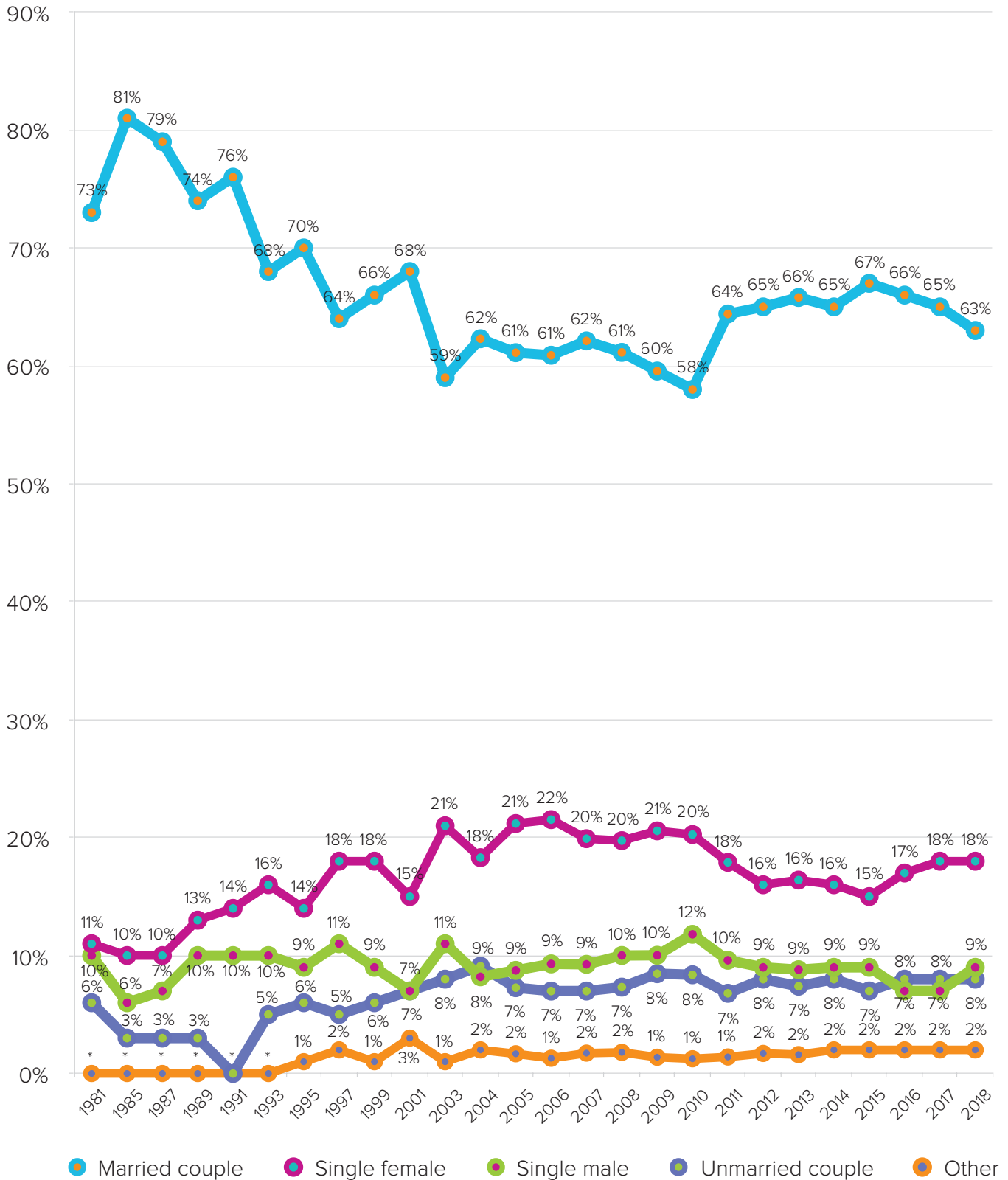
(Percentage Distribution)

	BUYERS WHO PURCHASED A HOME IN THE				
	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than \$25,000	2%	2%	3%	2%	2%
\$25,000 to \$34,999	5%	4%	5%	5%	3%
\$35,000 to \$44,999	6%	6%	8%	6%	4%
\$45,000 to \$54,999	8%	9%	10%	7%	6%
\$55,000 to \$64,999	8%	9%	8%	8%	6%
\$65,000 to \$74,999	9%	9%	7%	10%	8%
\$75,000 to \$84,999	8%	7%	9%	8%	9%
\$85,000 to \$99,999	11%	8%	12%	11%	11%
\$100,000 to \$124,999	15%	15%	14%	15%	14%
\$125,000 to \$149,999	9%	7%	8%	9%	11%
\$150,000 to \$174,999	6%	6%	6%	5%	7%
\$175,000 to \$199,999	4%	5%	3%	5%	5%
\$200,000 or more	9%	11%	5%	8%	12%
Median income (2017)	\$91,600	\$92,500	\$85,000	\$90,500	\$101,800

# CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

## Exhibit 1–4: Adult Composition of Home Buyer Households, 1981–2018

(Percentage Distribution)



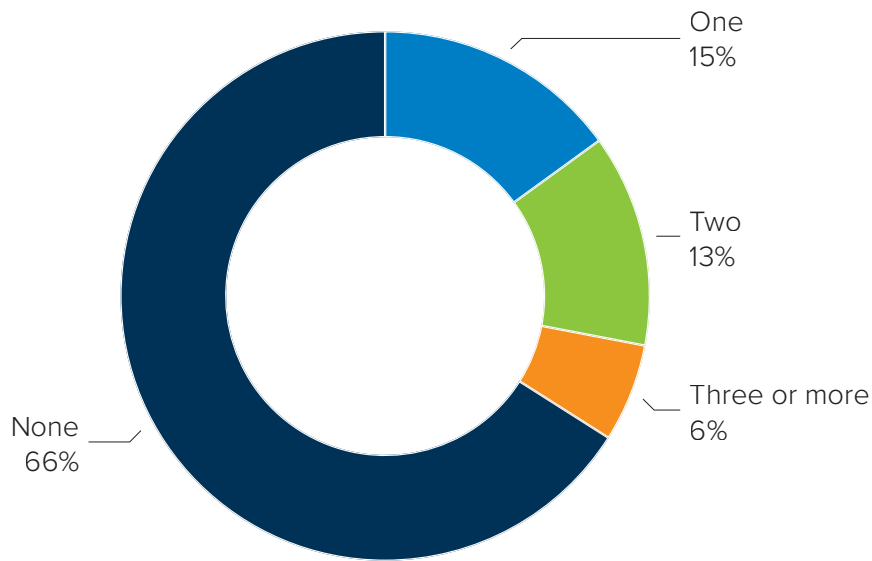
\* Less than 1 percent



# 2018 PROFILE OF HOME BUYERS AND SELLERS

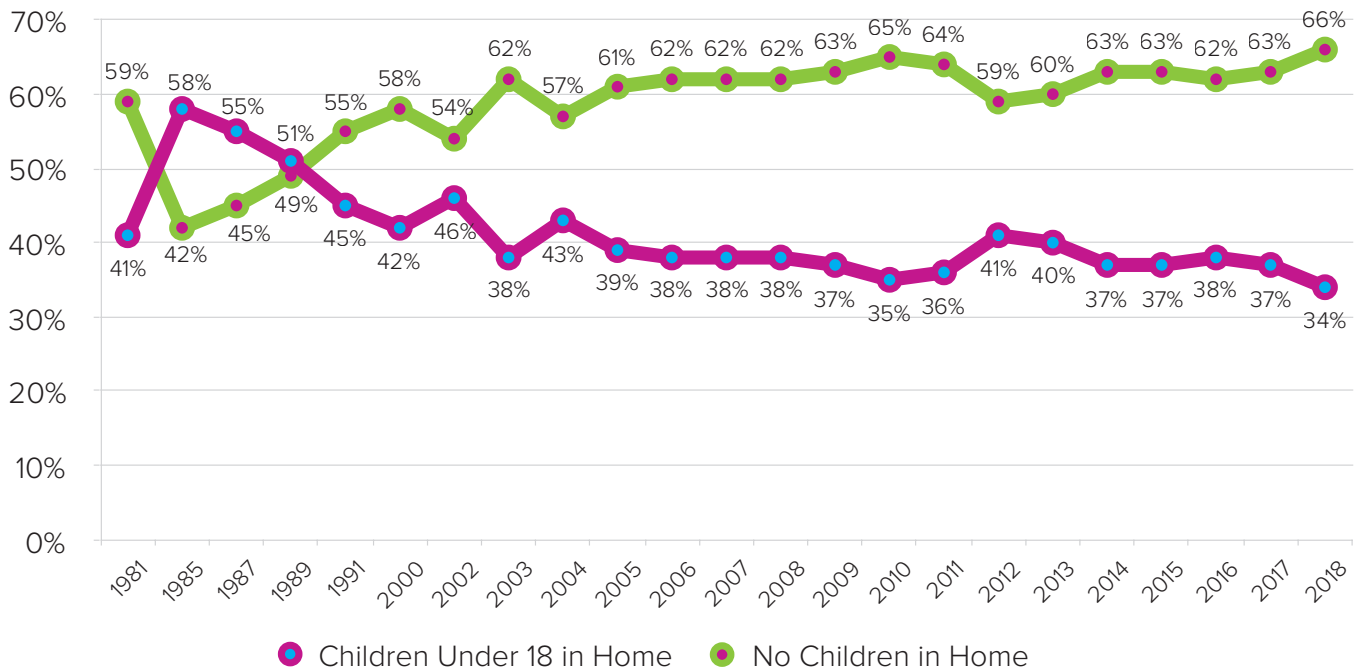
**Exhibit 1–5: Number of Children Under the Age of 18 Residing in Household**

(Percentage Distribution)



**Exhibit 1–6: Share of Home Buyers with Children Under the Age of 18 in Home**

(Percentage Distribution)



# CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

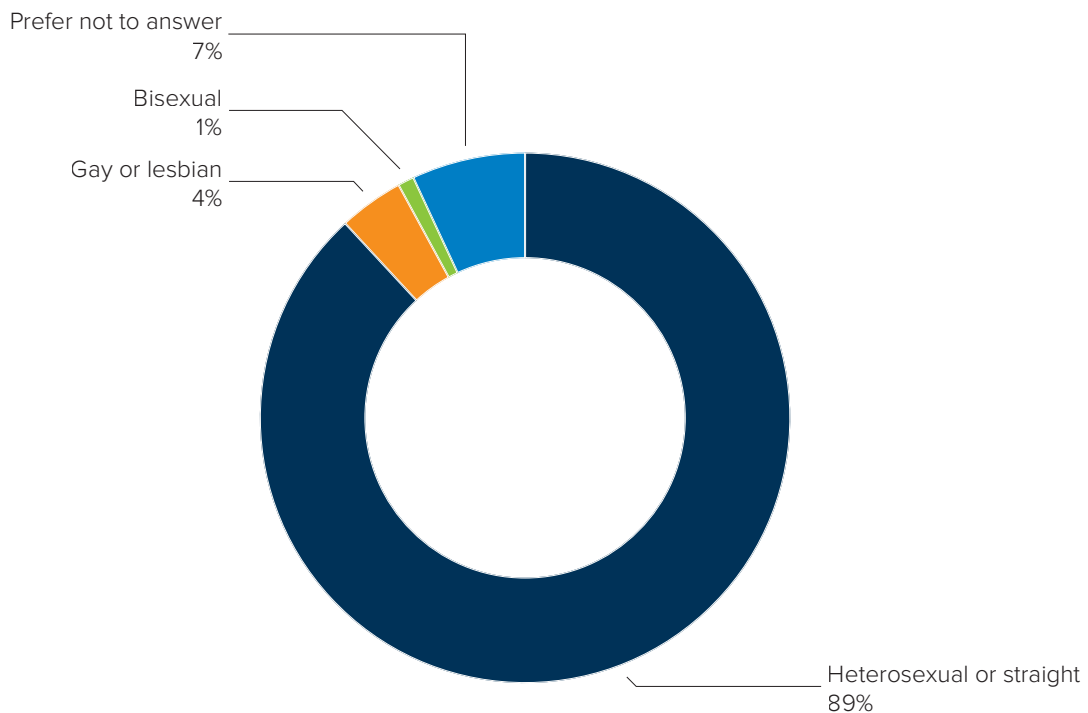
## Exhibit 1–7: Home Purchased Was a Multi-Generational Home (Will Home Adult Siblings, Adult Children, Parents, and/or Grandparents)

(Percent of Respondents)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Multi-generational household	12%	12%	13%	10%	7%	36%	14%	11%
<b>REASONS FOR PURCHASE:</b>								
Health/Caretaking of aging parents	26%	25%	27%	13%	41%	35%	28%	24%
Children/relatives over 18 moving back into the house	22%	23%	21%	23%	10%	20%	24%	21%
Cost Savings	18%	16%	18%	26%	20%	28%	19%	18%
To spend more time with aging parents	17%	15%	13%	21%	41%	24%	21%	16%
Children/relatives over 18 never left home	14%	17%	12%	6%	2%	13%	18%	11%
Wanted a larger home that multiple incomes could afford together	10%	9%	7%	11%	10%	22%	14%	7%
None of the above	25%	25%	25%	27%	21%	17%	18%	29%
Other	7%	7%	3%	3%	7%	4%	7%	6%

## Exhibit 1–8: Home Buyer Sexual Orientation

(Percentage Distribution)





# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 1–9: Race/Ethnicity of Home Buyers, by Region

(Percent of Respondents)

	BUYERS WHO PURCHASED A HOME IN THE				
	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
White/Caucasian	85%	89%	91%	82%	81%
Hispanic/Latino/Mexican/Puerto Rican	6%	4%	4%	7%	8%
Black/African-American	5%	4%	4%	8%	3%
Asian/Pacific Islander	4%	4%	3%	3%	8%
Other	3%	1%	1%	3%	4%

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.

## Exhibit 1–10: Race/Ethnicity of Home Buyers, by Adult Composition of Household

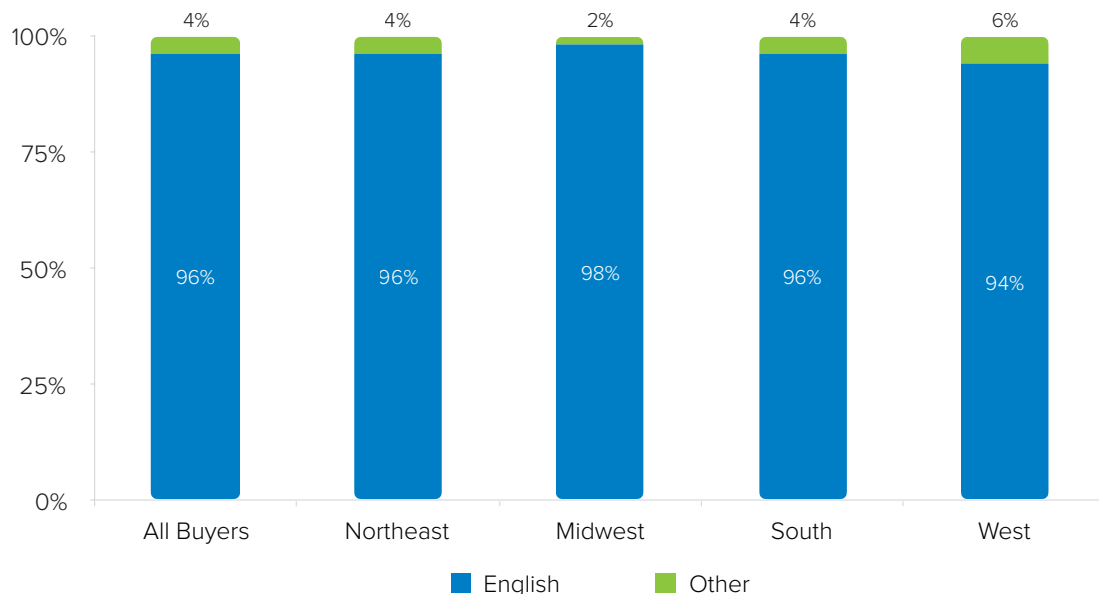
(Percent of Respondents)

	ADULT COMPOSITION OF HOUSEHOLD					CHILDREN IN HOME		
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
White/Caucasian	85%	86%	83%	81%	87%	77%	80%	87%
Hispanic/Latino/Mexican/Puerto Rican	6%	6%	7%	7%	7%	8%	9%	5%
Black/African-American	5%	4%	8%	8%	6%	6%	7%	4%
Asian/Pacific Islander	4%	5%	3%	4%	3%	5%	6%	3%
Other	3%	3%	2%	3%	1%	7%	3%	3%

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.

## Exhibit 1–11: Primary Language Spoken in Home Buyer Household, by Region

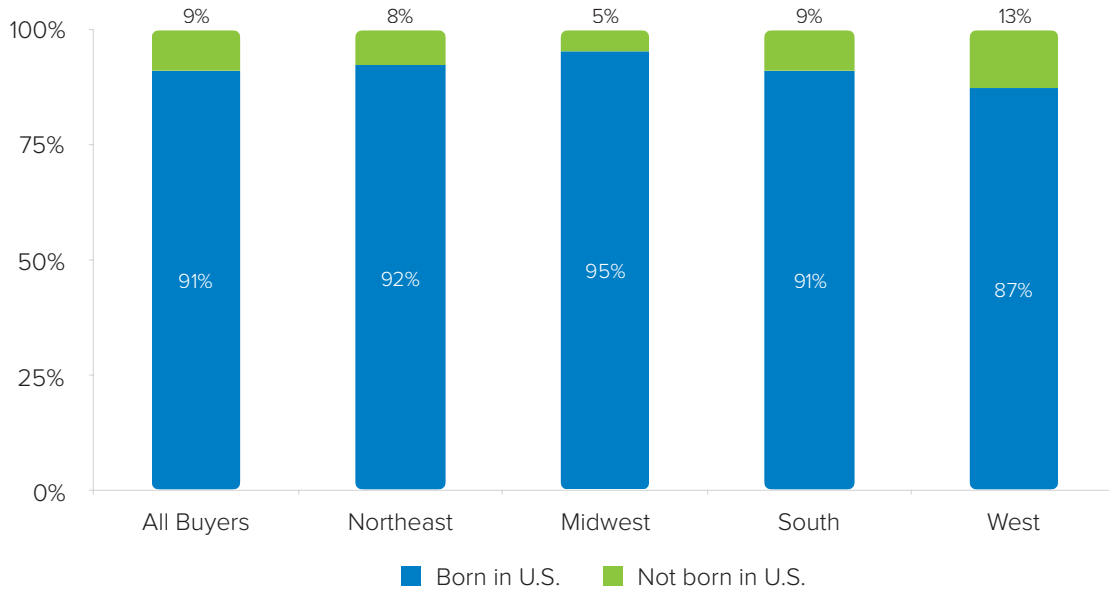
(Percentage Distribution)



# CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

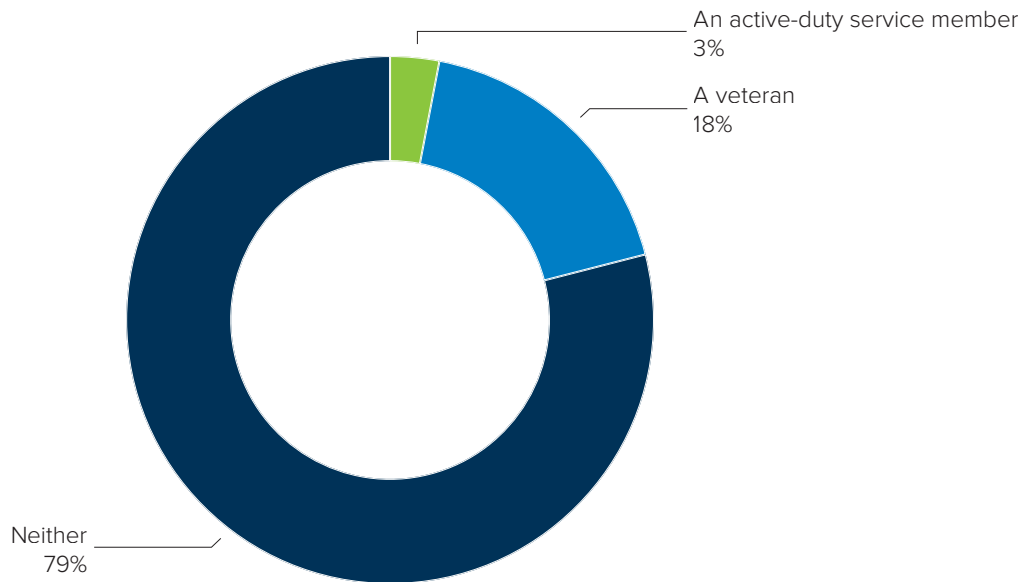
## Exhibit 1–12: National Origin of Home Buyers, by Region

(Percentage Distribution)



## Exhibit 1–13: Self or Spouse/Partner Is Active Military or Veteran

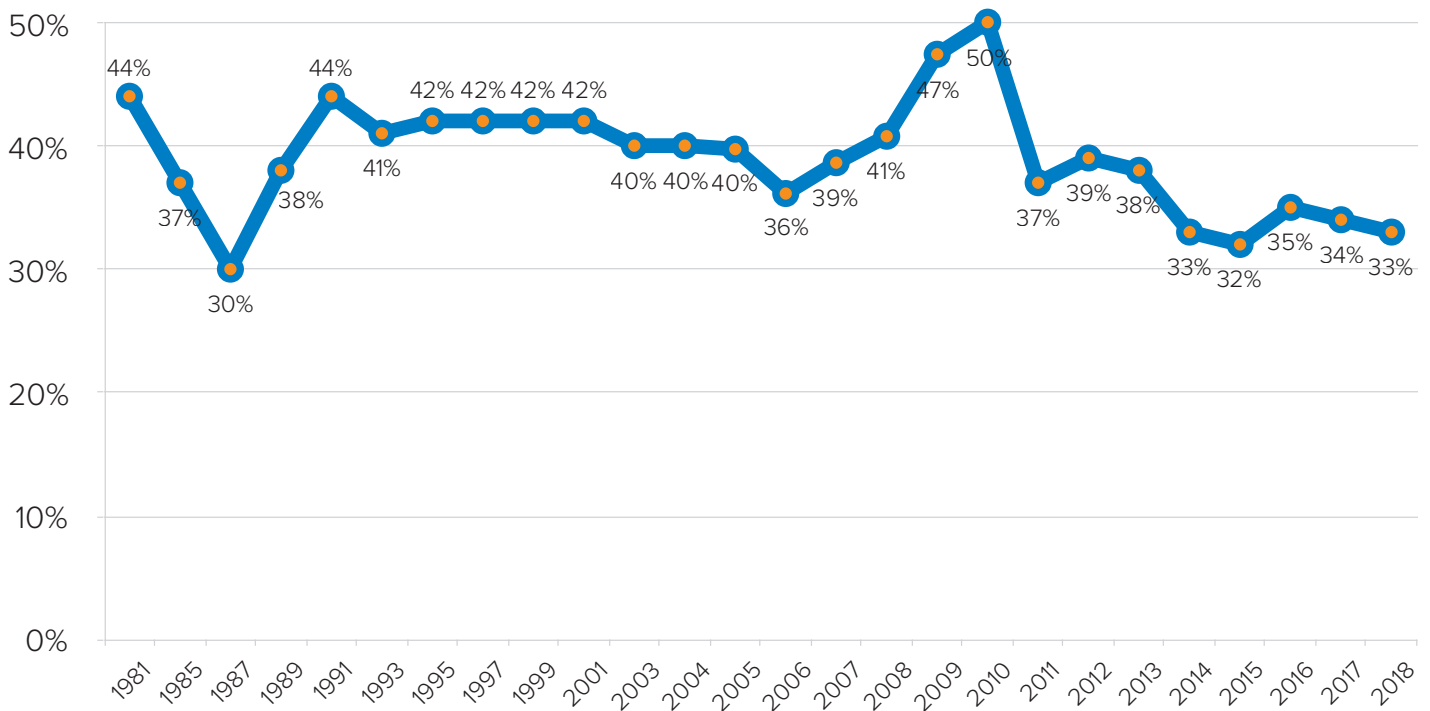
(Percentage Distribution)



# 2018 PROFILE OF HOME BUYERS AND SELLERS

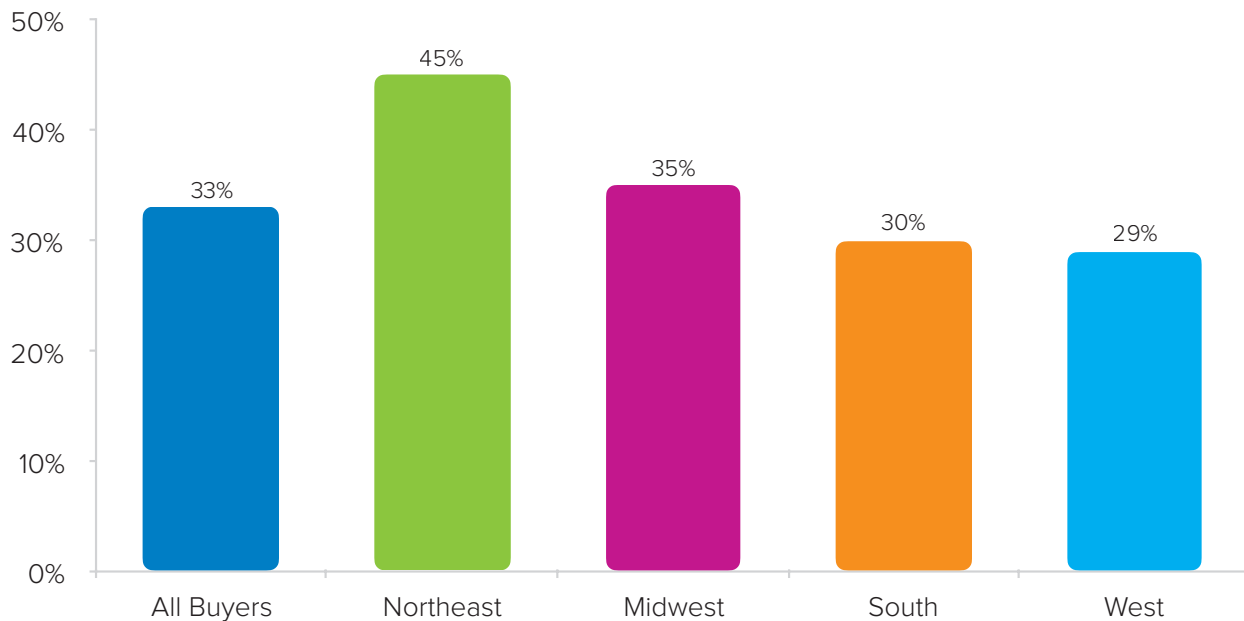
## Exhibit 1–14: First-Time Home Buyers, 1981–2018

(Percent of all Home Buyers)



## Exhibit 1–15: First-Time Home Buyers, by Region

(Percent of all Home Buyers)

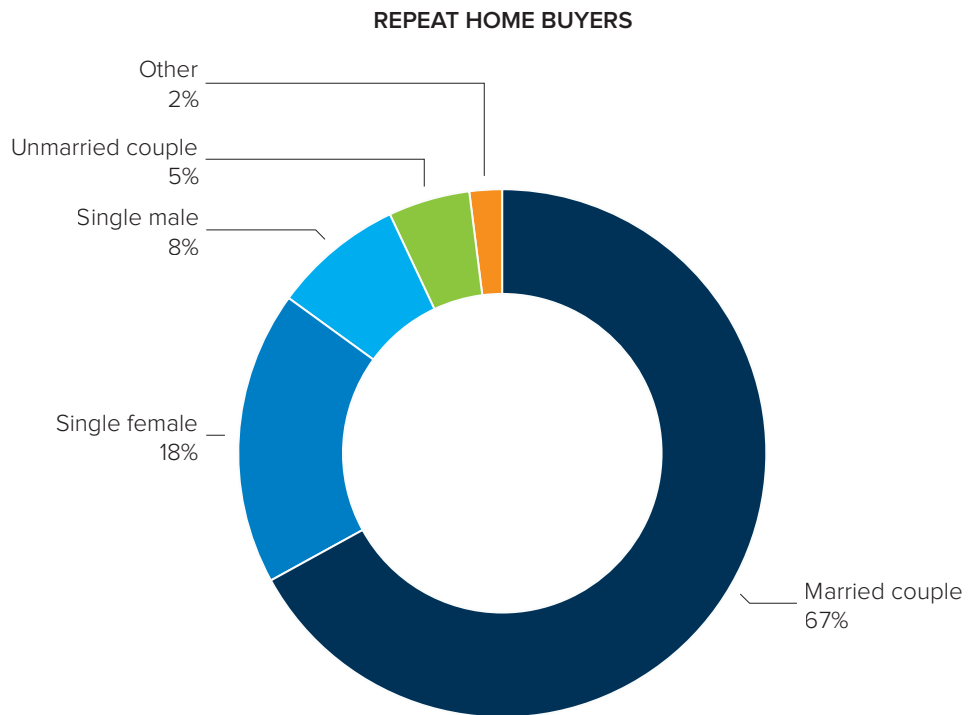
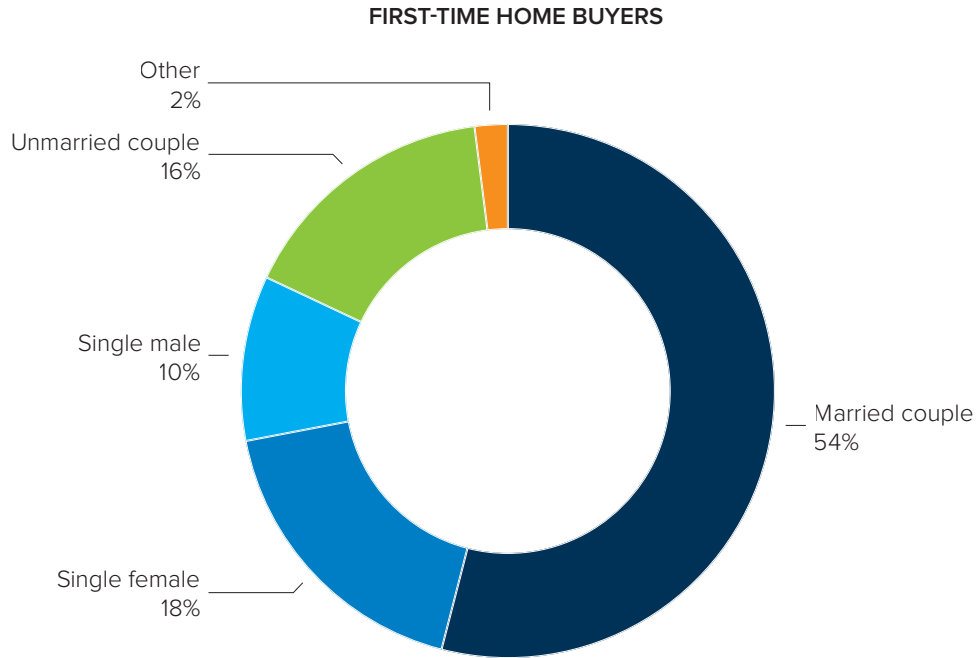




# CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

## Exhibit 1–16: First-Time and Repeat Home Buyers, by Household Type

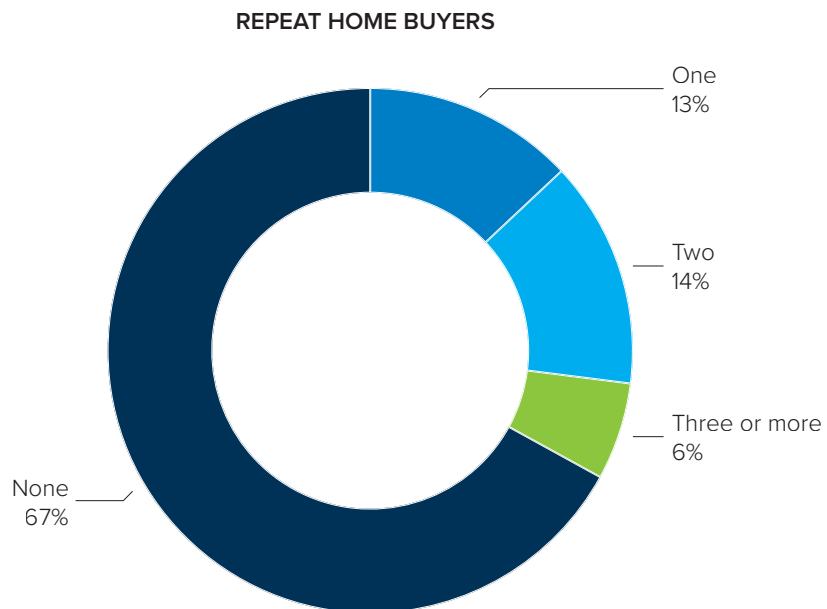
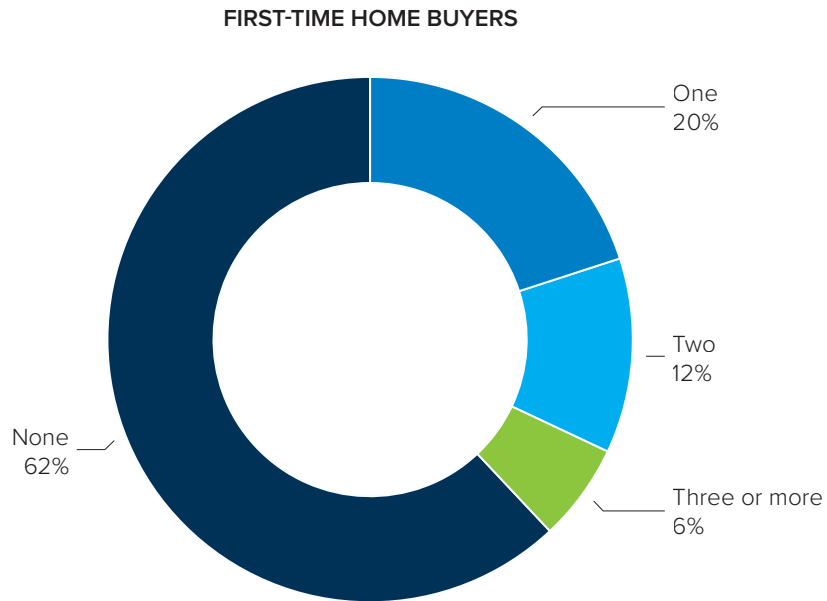
(Percentage Distribution)



# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 1–17: First-Time and Repeat Home Buyers, by Children in Household

(Percentage Distribution)





## CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

### Exhibit 1–18: Age of First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
18 to 24 years	2%	6%	*
25 to 34 years	24%	54%	10%
35 to 44 years	22%	23%	21%
45 to 54 years	15%	8%	18%
55 to 64 years	18%	6%	23%
65 to 74 years	15%	3%	20%
75 years or older	5%	*	7%
Median age (years)	46	32	55
Married couple	45	32	52
Single female	54	35	60
Single male	52	33	59
Unmarried couple	34	31	49
Other	56	53	59

\* Less than 1 percent

### Exhibit 1–19: Household Income of First-Time and Repeat Buyers, 2017

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Less than \$25,000	2%	3%	2%
\$25,000 to \$34,999	5%	6%	4%
\$35,000 to \$44,999	6%	9%	5%
\$45,000 to \$54,999	8%	10%	6%
\$55,000 to \$64,999	8%	12%	6%
\$65,000 to \$74,999	9%	10%	8%
\$75,000 to \$84,999	8%	10%	7%
\$85,000 to \$99,999	11%	10%	12%
\$100,000 to \$124,999	15%	13%	15%
\$125,000 to \$149,999	9%	7%	11%
\$150,000 to \$174,999	6%	4%	7%
\$175,000 to \$199,999	4%	2%	5%
\$200,000 or more	9%	4%	11%
Median income (2017)	\$91,600	\$75,000	\$100,000
Married couple	\$106,300	\$86,300	\$110,900
Single female	\$61,400	\$55,000	\$65,900
Single male	\$73,200	\$63,300	\$80,000
Unmarried couple	\$88,800	\$83,200	\$103,600
Other	\$68,300	\$56,500	\$89,400

## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 1–20: Race/Ethnicity of First-Time and Repeat Buyers

(Percent of Respondents)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
White/Caucasian	85%	77%	89%
Hispanic/Latino/Mexican/Puerto Rican	6%	9%	5%
Black/African-American	5%	9%	4%
Asian/Pacific Islander	4%	8%	3%
Other	3%	3%	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.*

### Exhibit 1–21: Primary Language Spoken in First-Time and Repeat Buyer Households

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
English	96%	93%	97%
Other	4%	7%	3%

### Exhibit 1–22: National Origin of First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Born in U.S.	91%	87%	93%
Not born in U.S.	9%	13%	7%

### Exhibit 1–23: Prior Living Arrangement of First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Owned previous home	49%	3%	72%
Rented an apartment or house	37%	71%	21%
Lived with parents/relatives/friends, paid rent	6%	11%	3%
Lived with parents/relatives/friends, did not pay rent	6%	12%	3%
Rented the home ultimately purchased	2%	3%	1%

*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.*

# CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

## Exhibit 1–24: Prior Living Arrangement, by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Owned previous home	49%	57%	47%	40%	25%	50%	45%	53%
Rented an apartment or house	37%	34%	33%	40%	54%	39%	41%	34%
Lived with parents/relatives/friends, paid rent	6%	3%	8%	11%	7%	2%	5%	6%
Lived with parents/relatives/friends, did not pay rent	6%	4%	10%	7%	10%	6%	6%	6%
Rented the home ultimately purchased	2%	1%	2%	2%	3%	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.*

## Exhibit 1–25: Primary Reason for Purchasing a Home, First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Desire to own a home of my own	29%	66%	11%
Desire for larger home	9%	3%	12%
Desire to be closer to family/friends/relatives	8%	1%	12%
Job-related relocation or move	8%	3%	11%
Change in family situation (e.g. marriage, birth of child, divorce, etc.)	7%	7%	8%
Desire for a home in a better area	7%	2%	9%
Desire for smaller home	5%	*	8%
Retirement	5%	1%	7%
Desire to be closer to job/school/transit	3%	1%	4%
Financial security	2%	4%	2%
Affordability of homes	2%	2%	2%
Establish a household	2%	4%	1%
Desire for a newly built or custom-built home	2%	*	2%
Desire for better home for pet(s)	1%	1%	1%
Purchased home for family member or relative	1%	*	1%
Greater number of homes on the market for sale/better choice	*	*	*
Other	7%	3%	9%

\* Less than 1 percent



## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 1–26: Primary Reason for Purchasing a Home, by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Desire to own a home of my own	29%	23%	32%	34%	48%	30%	31%	27%
Desire for larger home	9%	11%	4%	2%	8%	9%	16%	5%
Desire to be closer to family/friends/relatives	8%	9%	12%	6%	2%	12%	3%	11%
Job-related relocation or move	8%	11%	4%	4%	4%	6%	11%	7%
Change in family situation (e.g. marriage, birth of child, divorce, etc.)	7%	5%	12%	13%	8%	9%	11%	6%
Desire for a home in a better area	7%	8%	5%	6%	5%	7%	8%	6%
Desire for smaller home	5%	5%	8%	5%	3%	5%	1%	8%
Retirement	5%	6%	5%	5%	2%	5%	*	8%
Desire to be closer to job/school/transit	3%	4%	2%	5%	2%	1%	5%	3%
Financial security	2%	2%	2%	3%	3%	2%	2%	2%
Affordability of homes	2%	2%	3%	4%	2%	2%	2%	2%
Establish a household	2%	2%	1%	2%	4%	1%	2%	1%
Desire for a newly built or custom-built home	2%	2%	1%	1%	1%	2%	2%	2%
Desire for better home for pet(s)	1%	1%	1%	*	2%	2%	*	2%
Purchased home for family member or relative	1%	*	*	1%	*	2%	*	*
Greater number of homes on the market for sale/better choice	*	*	*	*	1%	*	*	*
Other	7%	8%	6%	5%	4%	7%	5%	8%

\* Less than 1 percent

# CHAPTER 1: CHARACTERISTICS OF HOME BUYERS

## Exhibit 1–27: Primary Reason for the Timing of Home Purchase, First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
It was just the right time, was ready to buy a home	49%	59%	45%
Did not have much choice, had to purchase	17%	13%	18%
It was the best time because of availability of homes for sale	11%	7%	13%
It was the best time because of mortgage financing options available	6%	8%	5%
It was the best time because of affordability of homes	6%	6%	5%
Wished had waited	2%	2%	2%
Other	10%	5%	12%

## Exhibit 1–28: Other Homes Owned, by Age

(Percentage Distribution)

	AGE OF HOME BUYER				
	ALL BUYERS	18 TO 24	25 TO 44	45 TO 64	65 OR OLDER
Recently purchased home only	83%	95%	87%	79%	76%
One or more investment properties	9%	2%	8%	11%	8%
Previous homes that buyer is trying to sell	3%	*	1%	5%	6%
Primary residence	3%	4%	3%	3%	5%
One or more vacation homes	3%	*	1%	4%	7%
Other	2%	*	1%	2%	3%

\* Less than 1 percent

## CHAPTER 2:

### Characteristics of Homes Purchased

When choosing to purchase either a new or previously-owned home, buyers typically chose one or the other for specific reasons. For example, buyers of new homes typically were looking to avoid renovations or plumbing and electrical problems, as well as have the ability to choose and customize design features. Buyers of previously-owned homes were looking for a better price and overall value in a home.

Due to a lack of new home construction, the share of new homes purchased dipped to 14 percent (it held steady at 16 percent from 2011 through 2015). Previously-owned home purchases increased to 86 percent from 85 percent last year. By way of comparison, in 1981 new home purchases made up 18 percent of the market share and previously-owned homes were 82 percent. New home purchases reached a high of 29 percent in 1989 and 28 percent in 2003. Since 2007, new home purchases have been on the decline.

The most frequently purchased housing type among all buyers was a detached single-family home. Single females and single males were the most likely to have purchased a townhouse or row house, over any other household type. The share of senior-related housing purchases was 13 percent in 2018, holding steady from last year.

Overall, buyers expected that they will live in their homes for 15 years. The expected tenure increased with age, and was also higher among repeat buyers. The biggest factor that would cause a buyer to move from their newly purchased home was due to life changes, including additions to their family, marriage, children moving out, or retirement. While 27 percent of buyers reported that life changes could cause them to move, 19 percent of recent buyers said that this was their forever home and had no intention of moving.



## CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

### NEW AND PREVIOUSLY OWNED HOMES PURCHASED

#### Exhibits 2–1 through 2–3

Due to a lack of new home construction, the share of new homes purchased dipped to 14 percent (it held steady at 16 percent from 2011 through 2015). Previously-owned home purchases increased to 86 percent from 85 percent last year. In comparison, in 1981 new home purchases accounted for 18 percent of the market share and previously-owned homes were 82 percent. New home purchases were most common in the South at 17 percent of all homes sold (down from 21 percent last year), and just seven percent of new homes sold in the Northeast.

Buyers chose to purchase new and previously-owned homes for different reasons. Purchasers of new homes were looking to avoid renovations and problems with plumbing or electricity (38 percent). New home buyers also liked having the ability to choose and customize design features in their home (31 percent), and having the amenities of new home construction communities (21 percent). Buyers who chose a previously-owned home were considering a better price (32 percent), overall value (31 percent), and a home with more charm and character (21 percent).

### TYPE OF HOME PURCHASED

#### Exhibits 2–4 through 2–7

The most common type of home purchased continued to be the detached single-family home, which made up 82 percent of all homes purchased slightly down from 83 percent from last year. Eight percent of recent buyers purchased townhomes or row homes, and most frequently these homes were located in urban and central city areas. The most popular location to purchase a single-family home was in the suburbs or in a subdivision.

Townhomes continued to be the most common among first-time home buyers, compared to repeat buyers. Single female and single male buyers were more likely to purchase a townhouse or condo than married couples and unmarried couples. Among buyers with children under the age of 18 in the home, 90 percent purchased a detached single-family home, as opposed to 78 percent of buyers who had no children in their home.

Since 1981, the *Profile of Home Buyers and Sellers* has been tracking data on the type of homes purchased. In 1981, 76 percent of home buyers purchased detached single-family homes, 16 percent bought condos, and eight bought townhomes. In 1985, the share of detached single-family homes purchased was at its highest at 88 percent and in 2007 it was at its lowest at 74 percent. For most of the 1980s and 1990s, detached single-family homes ranged in the low to mid 80 percentiles. By 2005 through 2012, the share of detached single-family homes sold ranged in the mid to high 70 percentiles. Since 2007, condo sales have steadily decreased from 11 percent to four percent in 2018.

### LOCATION OF HOME PURCHASED

#### Exhibits 2–8 through 2–10

Among all regions, the largest percentages of homes were located in the suburbs or subdivisions, and in small towns. In the Northeast, 31 percent of recent buyers purchased a home in a small town, compared to 16 percent in the South. Sixty-two percent of buyers who purchased new homes did so in a suburb or subdivision. The location of buyers' previously sold home was similar to the location of their recently purchased homes. Sixty-seven percent of all buyers purchased homes that were located in the suburbs or a subdivision and subsequently sold a home that was also located in the suburbs or in a subdivision.

### SENIOR HOUSING AND ACTIVE ADULT COMMUNITIES

#### Exhibit 2–11

Senior-related housing stayed at 13 percent of buyers over the age of 50 this year, and has incrementally increased from 11 percent in 2010. For buyers over 50 who recently purchased senior-related housing, 61 percent (down from 68 percent last year) purchased a detached single-family home and 46 percent (down from 48 percent last year) bought in a suburb or subdivision. Both categories were lower for buyers in senior-related housing than other types of buyers. Other home types purchased include townhomes and row homes at 11 percent, and condos at 18 percent. The location of senior-related housing showed that other than in suburbs and subdivisions, 22 percent of buyers purchased in small towns (up from 20 percent last year), 13 percent in resort or recreational areas, and 11 percent in rural areas (down from 17 percent last year).

### DISTANCE BETWEEN HOME PURCHASED AND PREVIOUS RESIDENCE

#### Exhibit 2–12

The distance between the home that buyers recently purchased and their previous residence was a median of 15 miles. Regionally, buyers in the Northeast and Midwest moved the shortest distance—just a median of 10 miles to their current residence. Buyers in the South moved a median of 15 miles, and those in the West moved the greatest distance, a median of 18 miles to their recently purchased home.

## FACTORS INFLUENCING NEIGHBORHOOD CHOICE

### Exhibits 2–13 through 2–14

Some of the factors that influenced recent home buyers' neighborhood choice have remained consistent from last year. Quality of the neighborhood (58 percent), convenience to job (44 percent), and overall home affordability (41 percent) were the three most important factors to recent home buyers when choosing a neighborhood. In urban or central city locations and resort or recreational areas, convenience to entertainment or leisure activities and convenience to parks or recreational facilities were more important factors than in any other location. Single females more than any other household composition cited the convenience to friends and family as an influencing factor in their neighborhood choice, at 46 percent. Half of recent buyers with children under the age of 18 living in their home cited quality of the school district as an influencing factor in their neighborhood choice. Twenty percent of unmarried couples cited convenience to vet/outdoor space for pet(s) as important.

## PRICE OF HOME PURCHASED

### Exhibits 2–15 through 2–18

Prices of homes that were purchased increased this year to a median of \$250,000, encompassing all buyers. The most expensive homes were found in the West, where the median home price of a home purchased was \$362,400, up from \$327,000 last year. Homes in the Midwest were the most affordable at a median of \$189,400.

New homes were typically more expensive than previously-owned homes. The median price for a new home was \$329,200 (up from \$307,000 last year) and the median price for a previously-owned home was \$239,800 (up from \$223,000 last year). First-time buyers commonly purchased a home that was less expensive than the home that repeat buyers purchased. Repeat buyers purchased homes that were a median price of \$280,000, whereas first-time buyers purchased homes that were a median of \$203,700 (up from \$266,500 and \$190,000 last year, respectively).

Recent buyers typically purchased their home for a median of 99 percent of the asking price for their home. Fourteen percent of buyers paid more than the asking price for their home. Home buyers in the Northeast were able to get the largest discounts, where 13 percent paid less than 90 percent of the asking price for their homes.

## SIZE OF HOME PURCHASED

### Exhibits 2–19 through 2–23

Recent homes purchased were a median size of 1,900 square feet this year. The size of homes that repeat buyers purchased was typically larger than homes purchased by first-time buyers. The median home size for first-time buyers was 1,600 square feet, and 2,000 square feet for repeat buyers. Single females and single males purchased the smallest sized homes, with medians of 1,550 square feet and 1,590 square feet respectively. Married couples and households with children under 18 purchased the largest homes compared to any other household composition, with a median of 2,070 square feet and 2,110 square feet respectively.

The largest homes purchased were detached single-family homes, with a median of 1,980 square feet. In the South, the median home purchased was 1,980 square feet, which was larger than in any other region. The most expensive price per square foot was found in townhouses or row houses. The price per square foot in these homes was \$140. The next most expensive was duplexes, apartments and condos in buildings with two to four units at \$130 per square foot. The typical home purchased this year had a median of three bedrooms and two bathrooms. Among households that have children under the age of 18 living in their home, there were a median of four bedrooms in the house.

## YEAR HOME WAS BUILT

### Exhibit 2–24

This year, the homes purchased were slightly older than in previous years. The typical home purchased was built in 1991. The South had the newest homes purchased, where the typical purchased home was built in 1999. The oldest built homes were found in the Northeast, where the median year built was 1971.

## ENVIRONMENT FEATURES AND COMMUTING COSTS

### Exhibits 2–25 through 2–28

Commuting costs were only somewhat important for 36 percent of buyers, and 34 percent said commuting costs were not important to them when they recently purchased their home. Most recent buyers thought their home's energy efficient features were at least somewhat important to them. The most important environmental feature to buyers in all regions was heating and cooling costs, which 51 percent of buyers found at least somewhat important. As the home's age increases, buyers place less importance on environmentally friendly features compared to buyers of newer homes.

## CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

### CHARACTERISTICS OF HOME ON WHICH BUYER COMPROMISED

#### Exhibits 2–29 through 2–31

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 22 percent, followed by the condition of the home at 20 percent. Thirty-four percent of buyers said that they made no compromises when purchasing their home. Single female buyers were the least likely to make compromises when choosing their home at 39 percent.

### EXPECTED LENGTH OF TENURE IN HOME PURCHASED

#### Exhibits 2–32 through 2–35

The expected tenure in homes has remained at a median of 15 years. First-time and repeat buyers intended to stay in their homes for the same length of time as the previous year at 10 years and 15 years respectively. Buyers between the ages of 18 to 44 had the shortest expected tenure of ten years, compared to buyers aged 45 and older who expect to stay in their homes for 15 years.

While buyers estimate the timeframe that they will live in their homes, there are factors which could cause buyers to move. Twenty-seven 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. Buyers between the ages of 18 and 24 were more likely than any other age group to potentially move because they may outgrow the home. Households with no children, as well as single females, were the most likely at 22 percent to say that they are never moving and that this is their forever home.

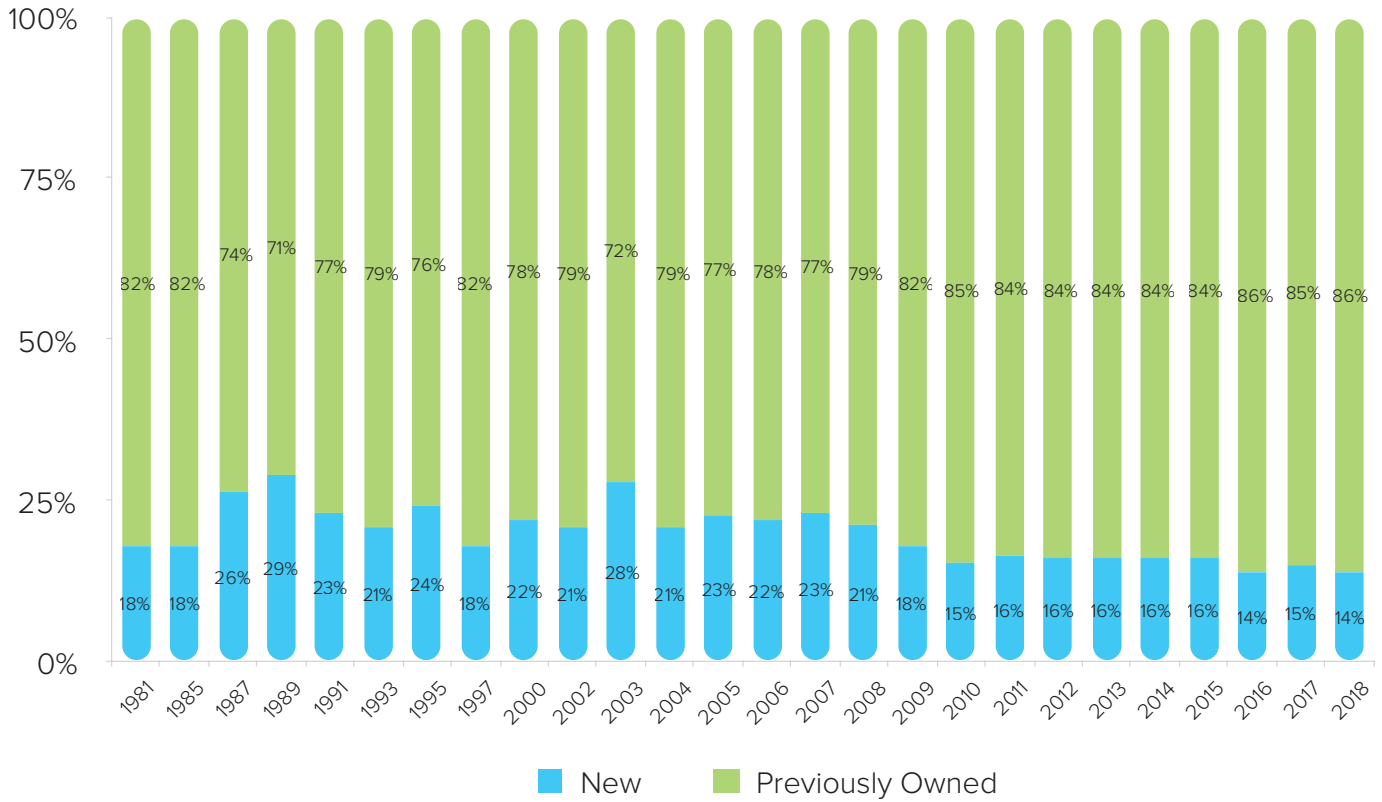




# 2018 PROFILE OF HOME BUYERS AND SELLERS

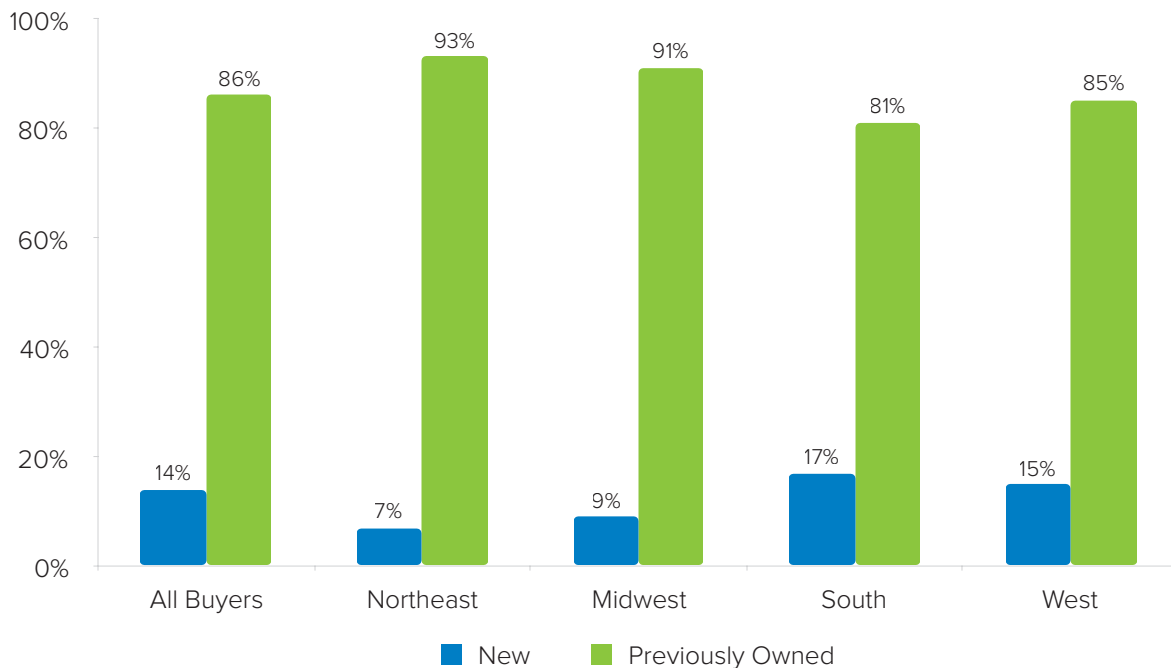
**Exhibit 2–1: New and Previously Owned Homes Purchased, 1981–2018**

(Percentage Distribution)



**Exhibit 2–2: New and Previously Owned Homes Purchased, by Region**

(Percentage Distribution)



## CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

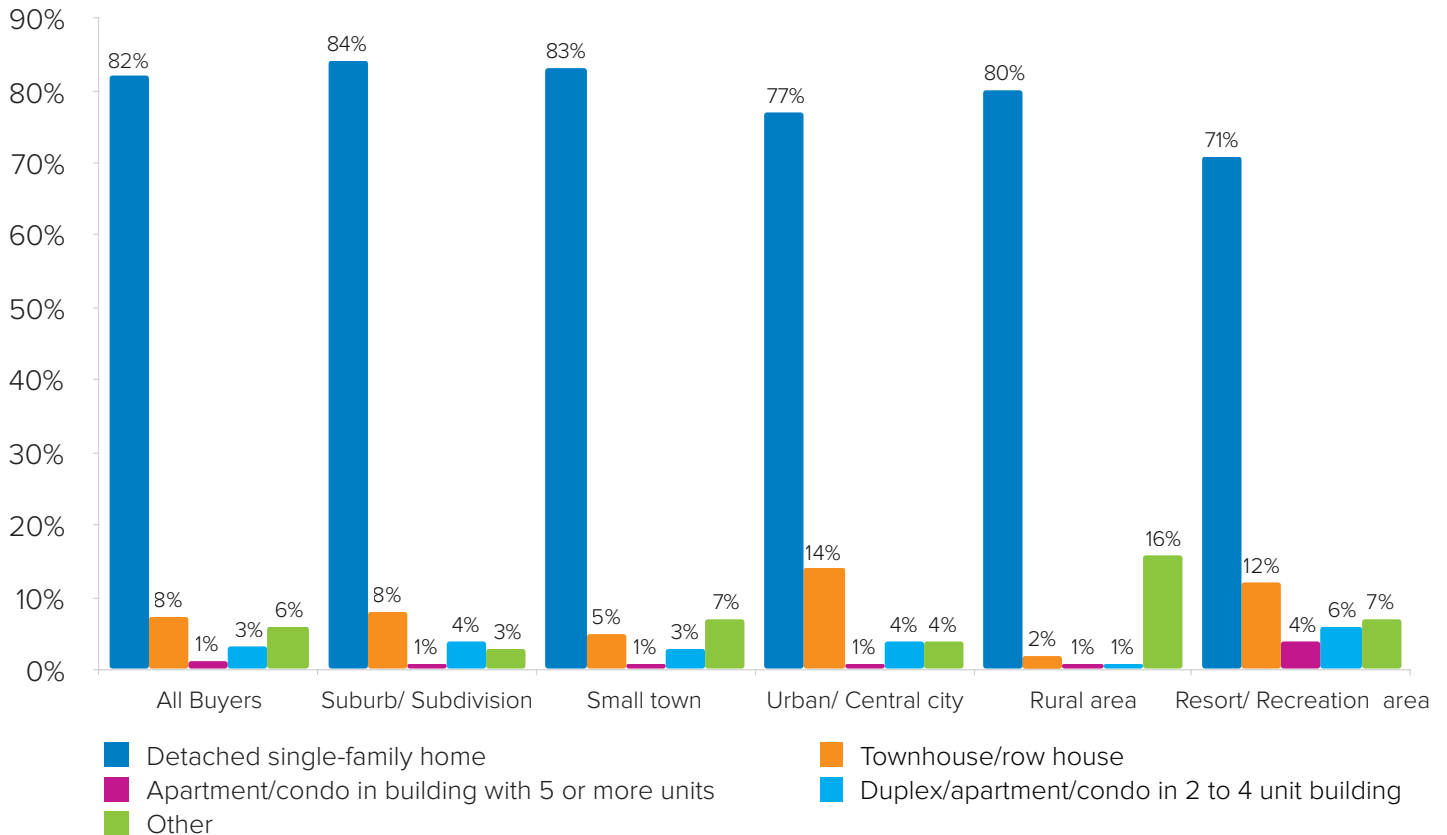
### Exhibit 2–3: Why New and Previously Owned Homes Purchased

(Percent of Respondents)

NEW HOME:	
Avoid renovations or problems with plumbing or electricity	38%
Ability to choose and customize design features	31%
Amenities of new home construction communities	21%
Green/energy efficiency	15%
Lack of inventory of previously owned home	13%
Smart home features	4%
Other	14%
PREVIOUSLY OWNED HOME:	
Better price	32%
Better overall value	31%
More charm and character	21%
Lack of inventory of new homes	11%
Other	20%

### Exhibit 2–4: Type of Home Purchased, by Location

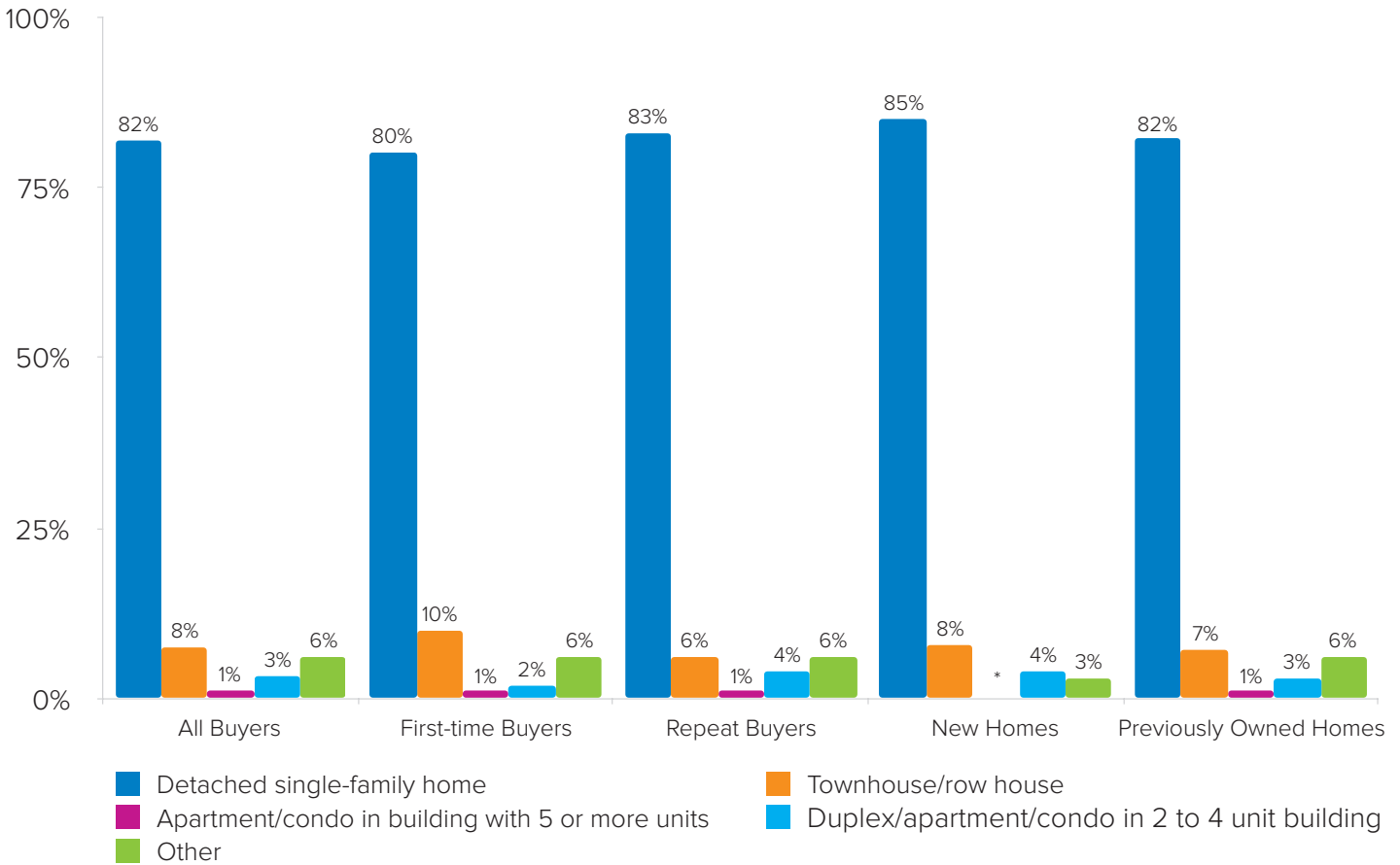
(Percentage Distribution)



# 2018 PROFILE OF HOME BUYERS AND SELLERS

**Exhibit 2–5: Type of Home Purchased by First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes**

(Percentage Distribution)



**Exhibit 2–6: Type of Home Purchased, by Adult Composition of Household**

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Detached single-family home	82%	87%	71%	78%	83%	78%	90%	78%
Townhouse/row house	8%	5%	12%	10%	8%	11%	4%	9%
Apartment/condo in building with 5 or more units	1%	1%	3%	1%	*	2%	*	2%
Duplex/apartment/condo in 2 to 4 unit building	3%	2%	7%	4%	2%	2%	1%	4%
Other	6%	5%	7%	7%	6%	6%	4%	7%

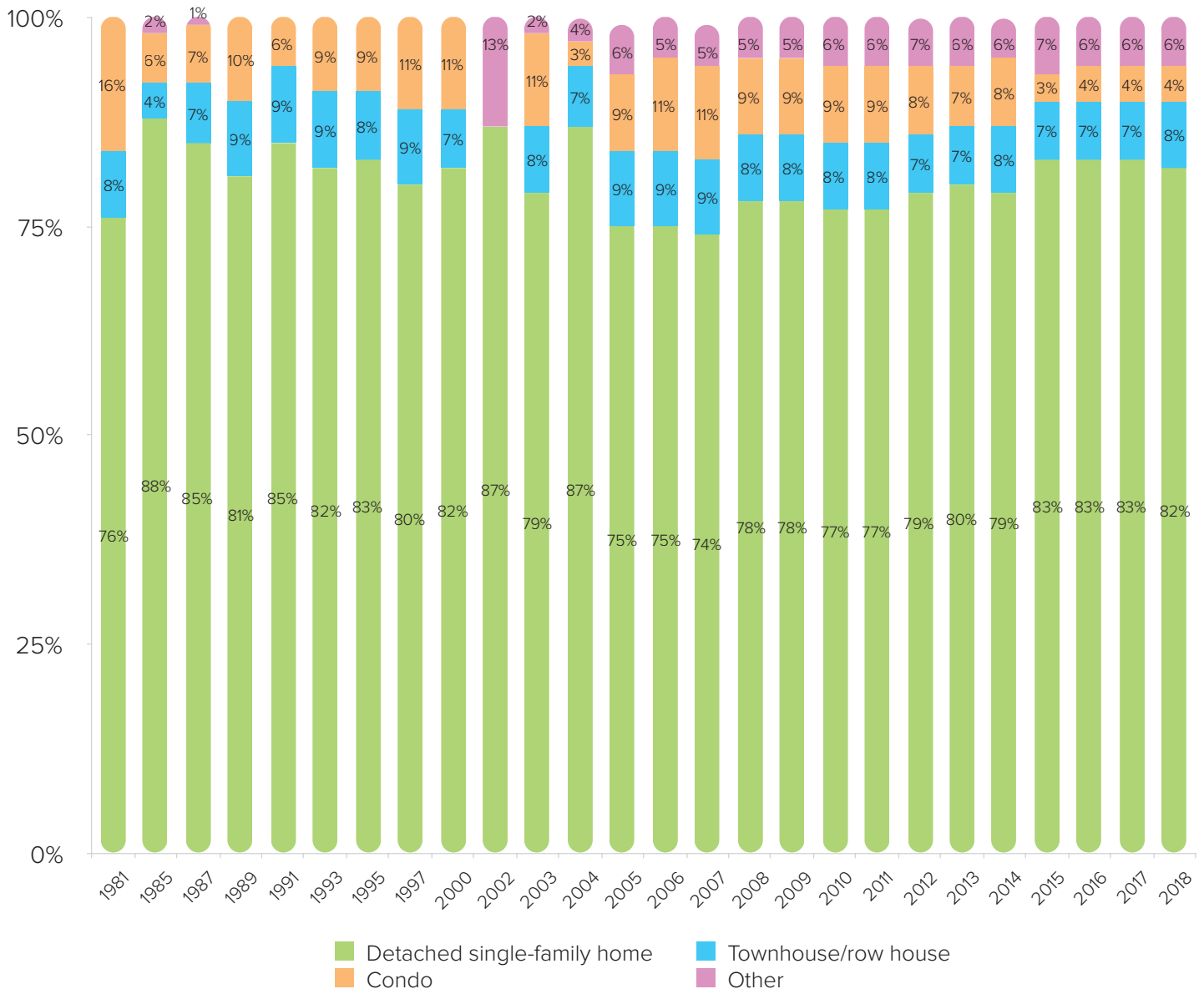
\* Less than 1 percent



# CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

## Exhibit 2–7: Type of Home Purchased, 1981–2018

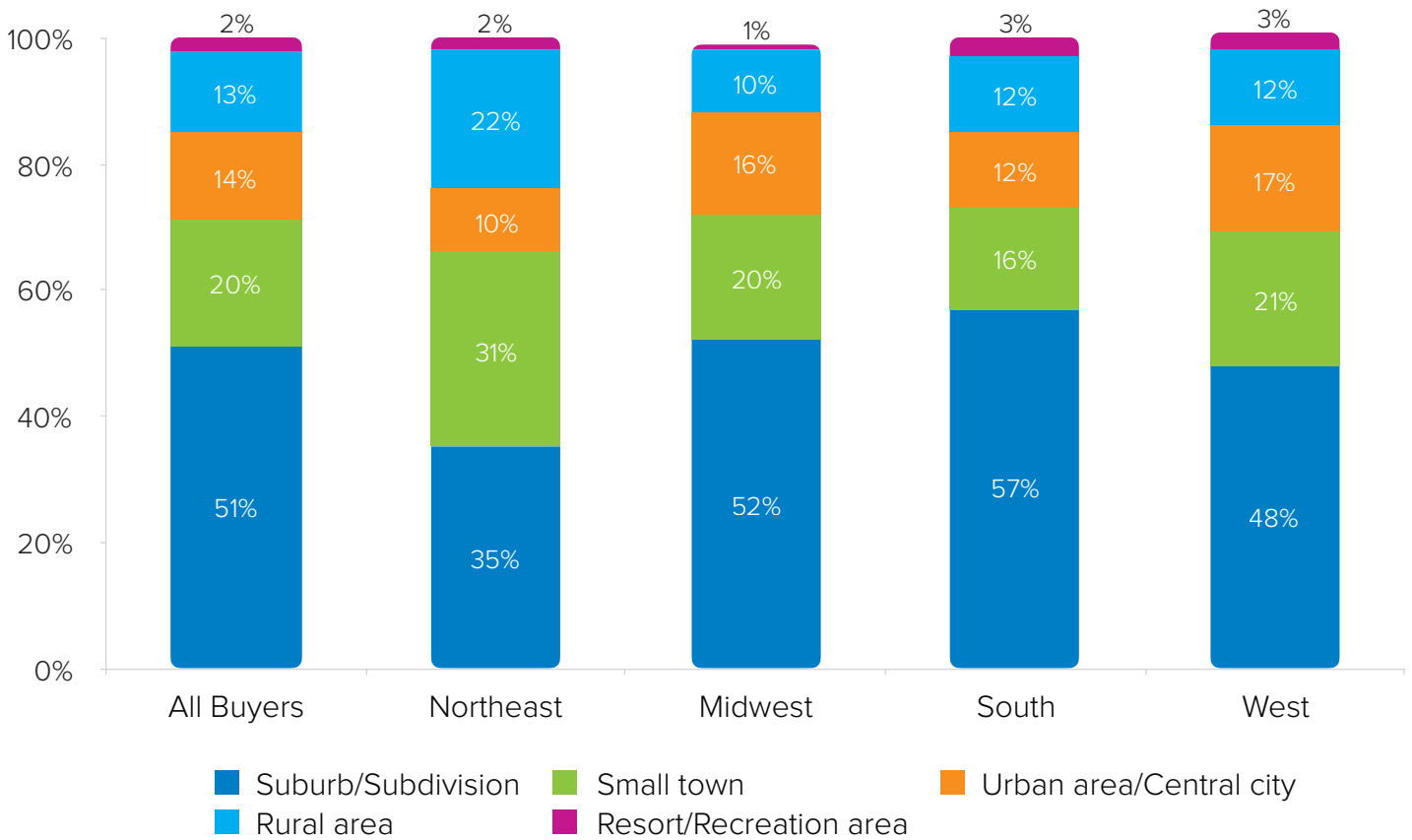
(Percentage Distribution)



# 2018 PROFILE OF HOME BUYERS AND SELLERS

**Exhibit 2–8: Location of Home Purchased, by Region**

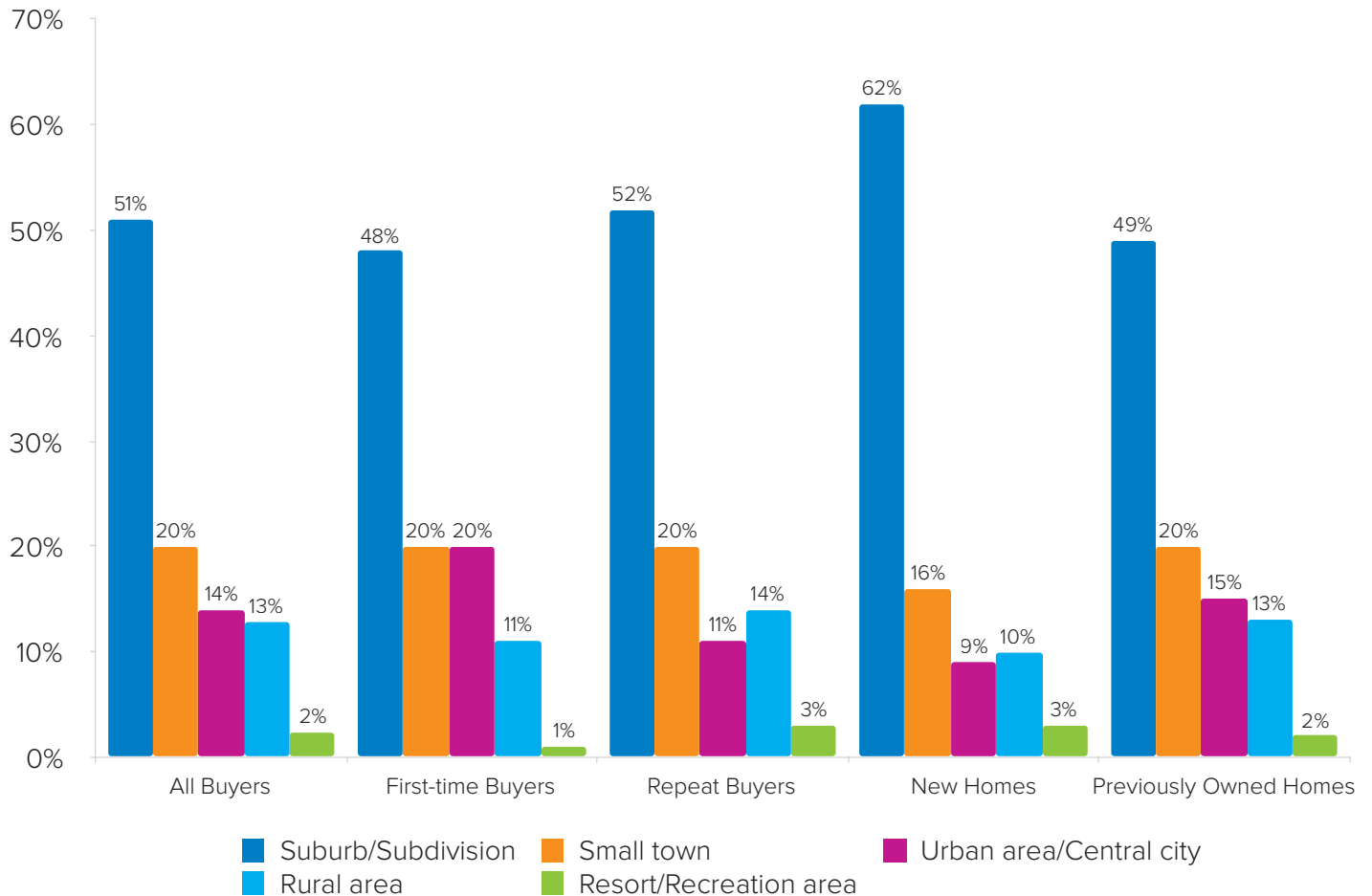
(Percentage Distribution)



## CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

### Exhibit 2–9: Location of Home Purchased by First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percentage Distribution)



### Exhibit 2–10: Location of Home Purchased Versus Location of Home Sold

(Percentage Distribution Among Those that Sold a Home)

LOCATION OF HOME SOLD	LOCATION OF HOME PURCHASED				
	SUBURB/ SUBDIVISION	SMALL TOWN	URBAN/ CENTRAL CITY	RURAL AREA	RESORT/ RECREATION AREA
Suburb/Subdivision	67%	28%	30%	36%	48%
Small town	9%	37%	11%	17%	15%
Urban area/Central city	11%	15%	48%	15%	10%
Rural area	10%	18%	10%	32%	9%
Resort/Recreation area	2%	2%	1%	1%	18%

# 2018 PROFILE OF HOME BUYERS AND SELLERS

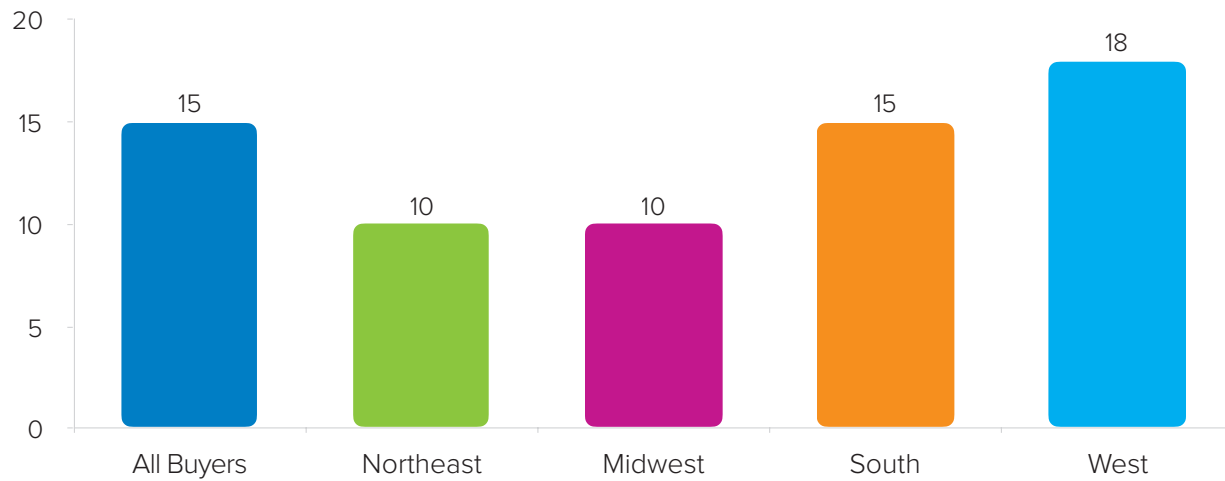
## Exhibit 2–11: Senior-Related Housing by Type of Home Purchased and Location

(Percentage Distribution)

ALL BUYERS OVER 50	
Share who purchased a home in senior-related housing	13%
<b>BUYERS OVER 50 WHO PURCHASED SENIOR-RELATED HOUSING:</b>	
Type of home purchased	
Detached single-family home	61%
Townhouse/row house	11%
Apartment/condo in building with 5 or more units	4%
Duplex/apartment/condo in 2 to 4 unit building	14%
Other	10%
<b>LOCATION</b>	
Suburb/ Subdivision	46%
Small town	22%
Urban/ Central city	8%
Rural area	11%
Resort/ Recreation area	13%

## Exhibit 2–12: Distance Between Home Purchased and Previous Residence

(Median Miles)





## CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

### Exhibit 2–13: Factors Influencing Neighborhood Choice, by Location

(Percent of Respondents)

	BUYERS WHO PURCHASED A HOME IN A					
	ALL BUYERS	SUBURB/ SUBDIVISION	SMALL TOWN	URBAN/ CENTRAL CITY	RURAL AREA	RESORT/ RECREATION AREA
Quality of the neighborhood	58%	65%	52%	52%	36%	52%
Convenient to job	44%	46%	39%	56%	31%	9%
Overall affordability of homes	41%	40%	43%	41%	32%	38%
Convenient to friends/family	39%	39%	41%	38%	30%	33%
Design of neighborhood	25%	28%	23%	23%	14%	32%
Convenient to shopping	25%	28%	20%	26%	12%	26%
Quality of the school district	24%	30%	21%	16%	14%	9%
Convenient to schools	21%	24%	17%	19%	13%	7%
Convenient to entertainment/leisure activities	21%	20%	16%	32%	9%	36%
Convenient to parks/recreational facilities	19%	20%	16%	24%	8%	32%
Availability of larger lots or acreage	17%	14%	16%	7%	44%	3%
Convenient to vet/outdoor space for pet	15%	14%	14%	16%	18%	15%
Convenient to health facilities	11%	12%	11%	10%	8%	18%
Home in a planned community	8%	9%	6%	3%	3%	32%
Convenient to airport	7%	8%	4%	8%	4%	5%
Convenient to public transportation	5%	5%	3%	13%	*	1%
Other	7%	6%	7%	6%	9%	15%

\* Less than 1 percent

# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 2–14: Factors Influencing Neighborhood Choice, by Adult Composition of Household and Children in Household

(Percent of Respondents)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Quality of the neighborhood	58%	60%	53%	46%	61%	55%	61%	56%
Convenient to job	44%	43%	38%	39%	57%	28%	51%	39%
Overall affordability of homes	41%	38%	43%	44%	47%	38%	37%	41%
Convenient to friends/family	39%	38%	46%	32%	34%	37%	35%	40%
Design of neighborhood	25%	26%	23%	20%	24%	14%	23%	25%
Convenient to shopping	25%	26%	22%	19%	22%	22%	21%	26%
Quality of the school district	24%	30%	13%	10%	23%	19%	52%	10%
Convenient to schools	21%	25%	11%	8%	20%	17%	49%	5%
Convenient to entertainment/leisure activities	21%	21%	16%	22%	27%	14%	17%	22%
Convenient to parks/recreational facilities	19%	20%	14%	19%	20%	16%	21%	18%
Availability of larger lots or acreage	17%	20%	11%	9%	20%	13%	19%	16%
Convenient to vet/outdoor space for pet	15%	15%	18%	9%	20%	10%	11%	17%
Convenient to health facilities	11%	12%	11%	8%	4%	18%	5%	14%
Home in a planned community	8%	8%	7%	5%	5%	5%	6%	8%
Convenient to airport	7%	7%	6%	7%	5%	4%	4%	8%
Convenient to public transportation	5%	4%	5%	6%	6%	4%	4%	5%
Other	7%	6%	7%	5%	5%	11%	5%	7%

## CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

### Exhibit 2–15: Price of Home Purchased, by Region

(Percentage Distribution)

	BUYERS WHO PURCHASED A HOME IN THE				
	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than \$75,000	4%	6%	7%	4%	1%
\$75,000 to \$99,999	4%	5%	6%	4%	1%
\$100,000 to \$124,999	5%	6%	9%	5%	1%
\$125,000 to \$149,999	7%	9%	11%	7%	2%
\$150,000 to \$174,999	8%	9%	11%	8%	3%
\$175,000 to \$199,999	7%	7%	9%	9%	4%
\$200,000 to \$249,999	14%	12%	15%	16%	13%
\$250,000 to \$299,999	12%	10%	11%	13%	12%
\$300,000 to \$349,999	9%	10%	7%	9%	12%
\$350,000 to \$399,999	8%	8%	6%	8%	9%
\$400,000 to \$499,999	9%	6%	5%	8%	15%
\$500,000 or more	13%	12%	2%	10%	28%
Median price	\$250,000	\$232,000	\$189,400	\$240,000	\$362,400

### Exhibit 2–16: Price of Home Purchased, New and Previously Owned Homes

(Percentage Distribution)

	BUYERS WHO PURCHASED A		
	ALL BUYERS	NEW HOME	PREVIOUSLY OWNED HOME
Less than \$75,000	4%	2%	5%
\$75,000 to \$99,999	4%	*	4%
\$100,000 to \$124,999	5%	1%	6%
\$125,000 to \$149,999	7%	1%	8%
\$150,000 to \$174,999	8%	2%	9%
\$175,000 to \$199,999	7%	6%	8%
\$200,000 to \$249,999	14%	13%	15%
\$250,000 to \$299,999	12%	16%	11%
\$300,000 to \$349,999	9%	13%	9%
\$350,000 to \$399,999	8%	14%	7%
\$400,000 to \$499,999	9%	16%	8%
\$500,000 or more	13%	16%	13%
Median price	\$250,000	\$329,200	\$239,800

\* Less than 1 percent

## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 2–17: Price of Home Purchased, First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Less than \$75,000	4%	7%	3%
\$75,000 to \$99,999	4%	5%	3%
\$100,000 to \$124,999	5%	8%	4%
\$125,000 to \$149,999	7%	9%	6%
\$150,000 to \$174,999	8%	11%	6%
\$175,000 to \$199,999	7%	9%	6%
\$200,000 to \$249,999	14%	16%	14%
\$250,000 to \$299,999	12%	11%	12%
\$300,000 to \$349,999	9%	6%	11%
\$350,000 to \$399,999	8%	5%	9%
\$400,000 to \$499,999	9%	5%	11%
\$500,000 or more	13%	9%	15%
Median price	\$250,000	\$203,700	\$280,000
Married couple	\$289,000	\$229,000	\$315,000
Single female	\$189,000	\$153,900	\$215,000
Single male	\$215,000	\$188,400	\$227,500
Unmarried couple	\$219,000	\$187,000	\$286,600
Other	\$228,500	\$169,000	\$250,000

### Exhibit 2–18: Purchase Price Compared with Asking Price, by Region

(Percentage Distribution)

PERCENT OF ASKING PRICE:	BUYERS WHO PURCHASED A HOME IN THE				
	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than 90%	9%	13%	10%	8%	6%
90% to 94%	13%	17%	13%	14%	8%
95% to 99%	35%	35%	34%	37%	34%
100%	29%	21%	30%	29%	32%
101% to 110%	12%	13%	11%	10%	18%
More than 110%	2%	1%	1%	1%	3%
Median (purchase price as a percent of asking price)	99%	97%	98%	98%	100%



## CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

### Exhibit 2–19: Size of Home Purchased, First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percentage Distribution)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
1,000 sq ft or less	*	1%	*	*	*
1,001 to 1,500 sq ft	14%	21%	10%	3%	15%
1,501 to 2,000 sq ft	28%	37%	23%	18%	29%
2,001 to 2,500 sq ft	26%	25%	27%	29%	26%
2,501 to 3,000 sq ft	14%	9%	16%	22%	13%
3,001 to 3,500 sq ft	9%	4%	12%	13%	9%
3,501 sq ft or more	9%	3%	11%	14%	8%
Median (sq ft)	1,900	1,600	2,000	2,240	1,800

\* Less than 1 percent

### Exhibit 2–20: Size of Home Purchased, by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
1,000 sq ft or less	*	*	1%	1%	*	*	*	1%
1,001 to 1,500 sq ft	14%	8%	27%	24%	18%	12%	8%	16%
1,501 to 2,000 sq ft	28%	23%	35%	37%	35%	36%	21%	31%
2,001 to 2,500 sq ft	26%	28%	23%	19%	23%	23%	27%	26%
2,501 to 3,000 sq ft	14%	17%	9%	9%	11%	9%	18%	12%
3,001 to 3,500 sq ft	9%	12%	3%	6%	7%	12%	12%	8%
3,501 sq ft or more	9%	12%	2%	5%	5%	7%	14%	6%
Median (sq ft)	1,900	2,070	1,550	1,590	1,630	1,800	2,110	1,800

\* Less than 1 percent

## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 2–21: Home Size and Price per Square Foot, by Region

(Median)

#### BUYERS WHO PURCHASED A HOME IN THE

	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
All homes purchased					
Square feet	1,900	1,730	1,800	1,980	1,900
Price per square foot	\$130	\$130	\$110	\$120	\$180
Detached single-family home					
Square feet	1,980	1,800	1,900	2,020	1,960
Price per square foot	\$130	\$140	\$110	\$120	\$180
Townhouse or row house					
Square feet	1,660	1,600	1,600	1,720	1,640
Price per square foot	\$140	\$130	\$120	\$140	\$220
Duplex/apartment/condo in 2-4 unit building					
Square feet	1,500	1,200	1,310	1,250	1,600
Price per square foot	\$130	\$160	\$110	\$140	\$170
Apartment/condo in building with 5 or more units					
Square feet	1,310	1,600	1,700	1,340	1,490
Price per square foot	\$130	\$110	\$100	\$110	\$290

### Exhibit 2–22: Number of Bedrooms and Bathrooms, by First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percentage Distribution)

#### BUYERS OF

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
One bedroom	*	*	*	*	*
Two bedrooms	15%	16%	14%	10%	15%
Three bedrooms or more	85%	84%	86%	90%	84%
Median number of bedrooms	3	3	3	3	3
One full bathroom	16%	28%	11%	2%	19%
Two full bathrooms	61%	59%	61%	61%	60%
Three full bathrooms or more	23%	13%	28%	37%	21%
Median number of full bathrooms	2	2	2	2	2

\* Less than 1 percent

## CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

### Exhibit 2–23: Number of Bedrooms and Bathrooms, by Adult Household Composition and Children in Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
One bedroom	*	*	*	2%	1%	1%	*	1%
Two bedrooms	15%	9%	27%	24%	17%	14%	4%	19%
Three bedrooms or more	85%	91%	73%	75%	83%	85%	96%	80%
Median number of bedrooms	3	3	3	3	3	3	4	3
One full bathroom	16%	10%	25%	27%	28%	15%	12%	18%
Two full bathrooms	61%	60%	65%	59%	54%	68%	56%	63%
Three full bathrooms or more	23%	30%	10%	13%	18%	17%	31%	19%
Median number of full bathrooms	2	2	2	2	2	2	2	2

\* Less than 1 percent

### Exhibit 2–24: Year Home Built, by Region

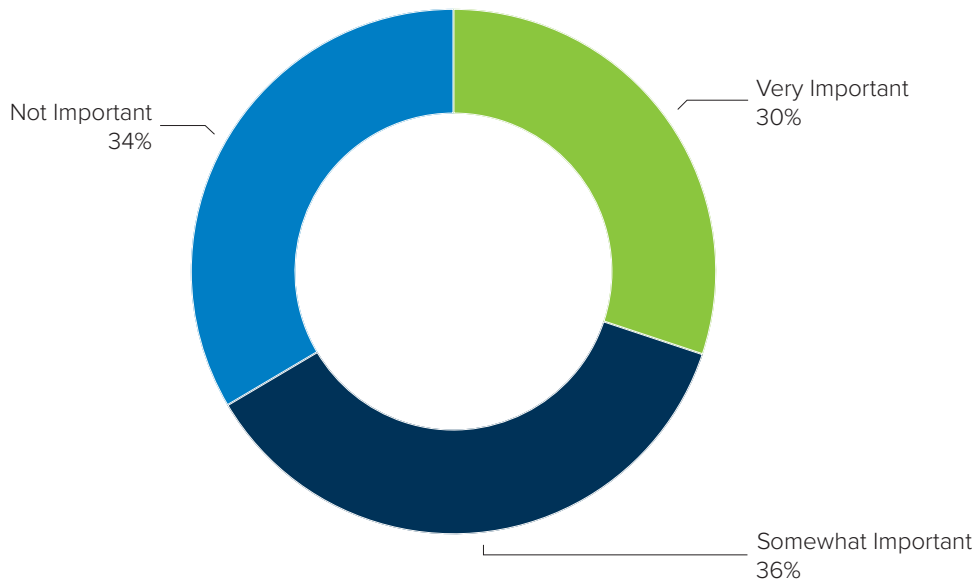
(Percentage Distribution)

	BUYERS WHO PURCHASED A HOME IN THE				
	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
2018	4%	2%	2%	5%	5%
2017 through 2012	14%	7%	9%	19%	14%
2011 through 2008	4%	3%	3%	5%	4%
2007 through 2003	11%	5%	10%	14%	12%
2002 through 1988	21%	18%	22%	22%	21%
1987 through 1962	24%	25%	23%	23%	27%
1961 through 1914	18%	30%	27%	11%	15%
1913 and older	3%	11%	4%	1%	1%
Median	1991	1971	1983	1999	1992

# 2018 PROFILE OF HOME BUYERS AND SELLERS

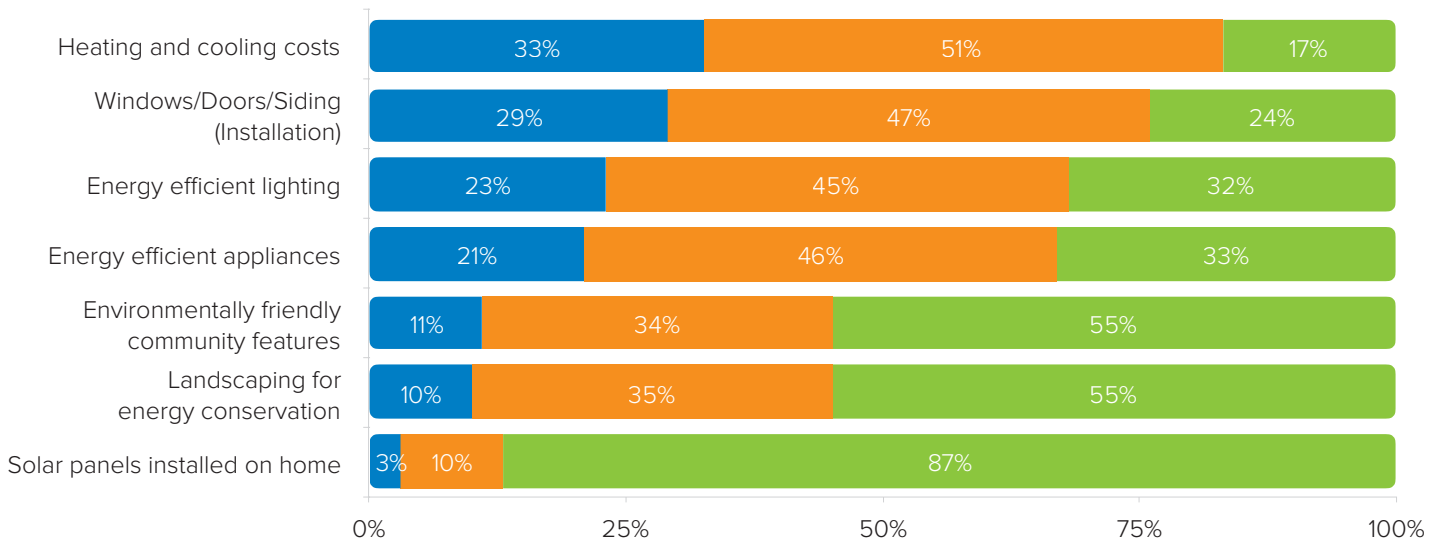
## Exhibit 2–25: Importance of Commuting Costs

(Percentage Distribution)



## Exhibit 2–26: Importance of Home’s Environmentally Friendly Features

(Percentage Distribution)





## CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

### Exhibit 2–27: Environmentally Friendly Features Considered “Very Important,” by Region

(Percentage Distribution)

	BUYERS WHO PURCHASED A HOME IN THE				
	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
Heating and cooling costs	33%	37%	29%	35%	29%
Windows/Doors/Siding (Installation)	29%	30%	31%	28%	28%
Energy efficient appliances	21%	19%	17%	25%	20%
Energy efficient lighting	23%	19%	17%	27%	25%
Landscaping for energy conservation	10%	6%	6%	11%	14%
Environmentally friendly community features	11%	9%	8%	12%	12%
Solar panels installed on home	3%	4%	1%	3%	5%

### Exhibit 2–28: Environmentally Friendly Features Considered “Very Important,” by Year Home Was Built

(Percentage Distribution)

	ALL BUYERS	2018	2017 THROUGH 2012	2011 THROUGH 2008	2007 THROUGH 2003	2002 THROUGH 1988	1987 THROUGH 1962	1961 THROUGH 1914	1913 AND OLDER
Heating and cooling costs	33%	47%	42%	34%	31%	26%	30%	33%	30%
Windows/Doors/Siding (Installation)	29%	44%	38%	28%	26%	25%	28%	26%	26%
Energy efficient appliances	21%	45%	37%	22%	19%	16%	17%	15%	14%
Energy efficient lighting	23%	46%	36%	23%	21%	19%	20%	19%	18%
Landscaping for energy conservation	10%	25%	14%	8%	10%	9%	9%	6%	4%
Environmentally friendly community features	11%	26%	15%	12%	9%	9%	11%	7%	6%
Solar panels installed on home	3%	6%	4%	1%	3%	3%	3%	2%	3%

# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 2–29: Characteristics of Home on Which Buyer Compromised, by Location

(Percent of Respondents)

	BUYERS WHO PURCHASED A HOME IN A					
	ALL BUYERS	SUBURB/ SUBDIVISION	SMALL TOWN	URBAN/ CENTRAL CITY	RURAL	RESORT/ RECREATION AREA
Price of home	22%	22%	20%	25%	20%	20%
Condition of home	20%	19%	20%	23%	22%	16%
Size of home	17%	16%	18%	21%	15%	21%
Style of home	14%	15%	13%	17%	12%	8%
Lot size	14%	15%	13%	13%	12%	10%
Distance from job	14%	13%	13%	13%	17%	8%
Distance from friends or family	7%	7%	7%	5%	10%	6%
Quality of the neighborhood	6%	5%	5%	13%	3%	1%
Quality of the schools	4%	4%	2%	8%	4%	1%
Distance from school	2%	1%	2%	2%	1%	1%
None—made no compromises	34%	32%	38%	30%	36%	43%
Other compromises not listed	8%	8%	7%	6%	8%	6%

## Exhibit 2–30: Characteristics of Home on Which Buyer Compromised, First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percent of Respondents)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Price of home	22%	24%	20%	19%	22%
Condition of home	20%	22%	19%	3%	23%
Size of home	17%	22%	15%	12%	18%
Style of home	14%	19%	12%	11%	15%
Lot size	14%	16%	13%	20%	13%
Distance from job	14%	20%	11%	15%	14%
Distance from friends or family	7%	9%	6%	7%	7%
Quality of the neighborhood	6%	8%	4%	4%	6%
Quality of the schools	4%	7%	2%	3%	4%
Distance from school	2%	2%	1%	1%	2%
None—made no compromises	34%	25%	38%	42%	32%
Other compromises not listed	8%	7%	8%	7%	8%

## CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

### Exhibit 2–31: Characteristics of Home on Which Buyer Compromised, by Adult Composition of Household

(Percent of Respondents)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Price of home	22%	22%	19%	25%	22%	20%	22%	21%
Condition of home	20%	20%	19%	19%	23%	25%	21%	20%
Size of home	17%	17%	16%	18%	19%	16%	18%	16%
Style of home	14%	14%	13%	13%	18%	9%	15%	13%
Lot size	14%	15%	7%	12%	13%	13%	17%	11%
Distance from job	14%	13%	11%	13%	18%	12%	16%	12%
Distance from friends or family	7%	7%	6%	6%	9%	7%	7%	7%
Quality of the neighborhood	6%	5%	6%	9%	8%	4%	6%	6%
Quality of the schools	4%	5%	1%	3%	5%	2%	6%	3%
Distance from school	2%	2%	1%	1%	2%	3%	3%	1%
None—made no compromises	34%	33%	39%	37%	25%	41%	28%	37%
Other compromises not listed	8%	8%	8%	5%	7%	12%	8%	7%

### Exhibit 2–32: Expected Length of Tenure in Home Purchased, First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percentage Distribution)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
1 year or less	1%	1%	1%	1%	1%
2 to 3 years	5%	4%	5%	5%	5%
4 to 5 years	14%	21%	11%	12%	15%
6 to 7 years	4%	6%	3%	3%	4%
8 to 10 years	22%	23%	22%	23%	22%
11 to 15 years	10%	7%	12%	14%	10%
16 or more years	43%	38%	45%	41%	43%
Don't Know	1%	1%	1%	*	1%
Median	15	10	15	15	15

\* Less than 1 percent

# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 2–33: Expected Length of Tenure in Home Purchased, by Age

(Percentage Distribution)

	AGE OF HOME BUYER				
	ALL BUYERS	18 TO 24	25 TO 44	45 TO 64	65 OR OLDER
1 year or less	1%	*	1%	1%	2%
2 to 3 years	5%	7%	5%	4%	4%
4 to 5 years	14%	37	17%	10%	7%
6 to 7 years	4%	4%	6%	3%	1%
8 to 10 years	22%	18%	24%	21%	21%
11 to 15 years	10%	11%	9%	10%	15%
16 or more years	43%	23%	38%	49%	49%
Don't Know	1%	*	1%	1%	1%
Median	15	10	10	15	15

\* Less than 1 percent

## Exhibit 2–34: Factors that Could Cause Buyer To Move, by Age

(Percent of Respondents)

	AGE OF HOME BUYER				
	ALL BUYERS	18 TO 24	25 TO 44	45 TO 64	65 OR OLDER
Move with life changes (addition to family, marriage, children move out, retirement, etc.)	27%	33%	29%	30%	16%
Never moving-forever home	19%	5%	11%	23%	34%
Move with job or career change	12%	19%	19%	9%	*
Downsize/smaller house	9%	1%	6%	14%	8%
Household member's health	8%	2%	1%	8%	26%
Want a larger home	8%	14%	13%	2%	2%
Want nicer home/added features	6%	11%	9%	4%	3%
May desire better area/neighborhood	5%	8%	6%	3%	4%
Will flip home	1%	4%	2%	1%	1%
Other	6%	4%	4%	6%	8%

\* Less than 1 percent



## CHAPTER 2: CHARACTERISTICS OF HOMES PURCHASED

### Exhibit 2–35: Factors That Could Cause Buyer To Move, by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Move with life changes (addition to family, marriage, children move out, retirement, etc.)	27%	23%	39%	26%	29%	28%	29%	26%
Never moving-forever home	19%	19%	22%	19%	14%	23%	14%	22%
Move with job or career change	12%	14%	6%	12%	12%	7%	16%	10%
Downsize/smaller house	9%	10%	7%	6%	6%	9%	11%	8%
Household member's health	8%	10%	7%	3%	3%	12%	1%	12%
Want a larger home	8%	7%	4%	9%	13%	4%	11%	6%
Want nicer home/added features	6%	6%	4%	9%	10%	5%	8%	5%
May desire better area/neighborhood	5%	4%	4%	7%	7%	3%	4%	5%
Will flip home	1%	1%	*	3%	1%	2%	1%	1%
Other	6%	5%	5%	7%	4%	7%	5%	6%

\* Less than 1 percent



## CHAPTER 3: The Home Search Process

Starting the home buying process online continues to be the first step that many home buyers are taking. Forty-four percent of recent buyers first looked online for properties for sale, with 95 percent of all recent buyers using the internet at some point during the home search process.

Since 1987, NAR has collected data on how many weeks buyers searched for the home they bought and how many homes they viewed. While the number of weeks increased with time, home buyers have viewed roughly the same number of homes for the past three decades. In 2018, home buyers searched for a median of 10 weeks. By comparison, in 1987 home buyers searched for a median of just seven weeks. From 1989 to 2007, buyers typically searched for a home for eight weeks, with 2001 as the exception at just seven weeks. From 2009 to 2013, the search time jumped up to twelve weeks, then came back down to 10 weeks in 2014 and remained there for the last five years.

Buyers viewed a median of 10 homes in 2018, compared to 12 homes in 1987. Home buyers continued to view a median of 12 homes from 1991 through 1995 and again in 2009 through 2011. There was a brief period from 2004 to 2006 when buyers only looked at a median of nine homes. In all other years, home buyers viewed a median of 10 homes before purchasing.

Fifty-four percent of buyers who used the internet during their home search process ultimately found the home that they purchased through the internet. Seventy-six percent of buyers who used their mobile device to search found their home through a mobile application.

Real estate agents remain a vital part of the home search process and are the second most frequented information source for home buyers. With tightened inventory conditions in many areas of the country, finding the right property remained the most difficult step in the home buying process. Overall, home buyers continued to be satisfied with the home buying process at 92 percent.



## CHAPTER 3: THE HOME SEARCH PROCESS

### THE FIRST STEP IN THE HOME BUYING PROCESS

#### Exhibits 3–1 and 3–2

Forty-four percent of home buyers looked online for properties for sale as their first step in the home buying process, while 17 percent of buyers first contacted a real estate agent. Repeat home buyers were more likely than first-time buyers to look online for properties for sale as a first step. First-time home buyers were more likely to look online for information about the home buying process at 19 percent compared to repeat buyers at seven percent. Across all age groups, reading books or guides about the home buying process was not a step taken this year.

### INFORMATION SOURCES

#### Exhibits 3–3 through 3–6

Throughout the home search process, online websites and real estate agents continue to be the two most used resources. An increasing percentage of home buyers were using mobile or tablet search devices at 73 percent. The use of yard signs and open houses as information sources remained relatively the same compared to last year, both of which have historically been used most frequently, after online websites and real estate agents.

Online websites, real estate agents, mobile or tablet search devices, and online video sites were the most used information sources. Only 14 percent of recent home buyers rarely used, or did not use, a real estate agent. Online websites were seen as the most useful information source during the home search process at 88 percent.

### THE SEARCH PROCESS

#### Exhibits 3–7 through 3–11

The typical search period stayed the same from last year's report at 10 weeks for a buyer to find a home. This 10-week search period has remained consistent since 2014. Buyers typically looked at a median of 10 homes before finding a home to purchase. In the most recent report, buyers in the Northeast searched for the longest period at 12 weeks.

Buyers who used an agent typically spent three weeks searching before they contacted an agent. First-time buyers, repeat buyers, and buyers who used an agent all searched for a median amount of 10 weeks.

The internet has become the main source where buyers are finding the home that they purchased. Today 50 percent of recent buyers (up from 49 percent last year) found their home through the internet. In 2001, 15 years ago, only eight percent of buyers found their home through the internet. Finding a home through a real estate agent has shifted from being the most common source for finding a property to the second most

common source. Sources such as yard signs, friends, relatives and neighbors, or home builders, remain at last year's levels, but have declined throughout the years with the rise of the internet as an information source.

Thirty-one percent of recent buyers considered purchasing a home in foreclosure (down from 35 percent last year), but the top reason for ultimately not purchasing a foreclosure property was not being able to find the right home. Other reasons for not purchasing a home in foreclosure included that the process was too difficult or complex, and the poor condition of the home. This year, repeat buyers made up the largest group who considered purchasing a home in foreclosure.

Among all buyers, the most difficult step in the home buying process was finding the right home to purchase at 56 percent. For 20 percent of buyers, the most difficult step was the paperwork, and 16 percent cited the most difficult step was understanding the process and steps involved. While 19 percent of recent buyers had no difficult steps, this was much more common among repeat buyers and buyers of new homes.

### INTERNET USAGE TRENDS

#### Exhibits 3–12 and 3–13

The share of home buyers who used the internet to search for a home was 95 percent, the same as last year. The *Profile of Home Buyers and Sellers* started collecting data on the use of the internet for the home search process in 1995, when only two percent of buyers looked online. In 1997, that number jumped to 18 percent of home buyers who used the internet in their search. That number doubled over the years and by 2009, 90 percent of buyers used the internet at some point in their search. That share dropped a few percentage points in the next several years until 2012 when it slowly started going back up.

As a result of searching for a home on the internet, 67 percent of buyers walked through the homes that they viewed online, and 41 percent looked at the exterior of these homes and drove through the neighborhoods. First-time buyers were the most likely to request more information as a result of searching online.

**“It is evident that while a majority of home buyers are using the internet during the home search process, online search cannot replace the role of the real estate agent in the transaction.”**

## CHARACTERISTICS OF INTERNET SEARCHERS AND SOURCES USED

### Exhibits 3–14 through 3–17

Comparing buyers who used the internet during their home search to those who do not, it is interesting to see how the demographics vary. Typically, a buyer who used the internet in their home search was 44 years-old and had a median household income in 2017 of \$93,800. In comparison, the typical buyer who did not use the internet to search for a home was 65 years old and had a median household income in 2017 of \$68,300 (down from \$69,900 in 2016). The typical buyer who did not use the internet during their home search spent only four weeks searching and visited four homes, compared to those who did use the internet and searched for 10 weeks and visited 10 homes.

Among buyers who did not use the internet in their home search process, real estate agents were the most used information source at 65 percent. Additionally, they used yard signs, open houses, and home builders as information sources. Those who did not use the internet to search used home builders and print newspaper advertisements more often in their home search than those who used the internet to search. Buyers who did use the internet used two sources more than any other: real estate agents (88 percent) and mobile or tablet search devices (77 percent), of which the latter has increased from last year.

Fifty-four percent of buyers who used the internet during their home search process ultimately found the home that they purchased through the internet. Thirty-eight percent of buyers who did not use the internet during their home search process found their home through a real estate agent, compared to only 28 percent of buyers who did use the internet. Buyers who did not use the internet found their home more frequently through a yard sign, through a friend, relative or neighbor, through a builder or builder's agent, directly from the sellers than those who used the internet to search, or through a print newspaper advertisement.

It is evident that while a majority of home buyers are using the internet during the home search process, online search cannot replace the role of the real estate agent in the transaction. Of home buyers who used the internet to search for homes, 89 percent ultimately purchased their home through a real estate agent, an increase from last year. Interestingly, there was a larger percentage of buyers who used the internet and still purchased their home through an agent (89 percent), than buyers who did not use the internet and purchased through an agent during their search (62 percent).

## WEBSITE FEATURES AND MOBILE SEARCH

### Exhibits 3–18 through 3–20

Among buyers who used the internet during their home search, 87 percent of buyers found photos and detailed information about properties for sale (85 percent) to be very useful. The next most useful website features included: floor plans, virtual tours, real estate agent contact information, and detailed information about recently sold properties. Buyers found photos and detailed information about properties most valuable on websites.

Using mobile devices is becoming more common among all home buyers. Seventy-six percent of buyers who used their mobile device to search found their home through a mobile application (up from 68 percent last year). First-time buyers found their homes through a mobile application (78 percent) slightly more than repeat buyers (74 percent).

## SATISFACTION IN BUYING PROCESS

### Exhibit 3–21

Sixty-two percent of recent buyers were very satisfied with their recent home buying process. Thirty percent of buyers were somewhat satisfied with the buying process. Only seven percent of recent buyers were dissatisfied with the buying process.

**“Among all buyers, the most difficult step in the home buying process was finding the right home to purchase at 56 percent.”**

## CHAPTER 3: THE HOME SEARCH PROCESS

### Exhibit 3–1: First Step Taken During the Home Buying Process, First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Looked online for properties for sale	44%	34%	49%
Contacted a real estate agent	17%	14%	18%
Looked online for information about the home buying process	11%	19%	7%
Contacted a bank or mortgage lender	7%	10%	5%
Drove-by homes/neighborhoods	6%	3%	7%
Talked with a friend or relative about home buying process	6%	11%	3%
Visited open houses	4%	3%	4%
Looked up information about different neighborhoods or areas (schools, local lifestyle/nightlife, parks, public transportation)	1%	1%	1%
Contacted builder/visited builder models	1%	*	2%
Attended a home buying seminar	1%	1%	*
Contacted a home seller directly	1%	1%	1%
Looked in newspapers, magazines, or home buying guides	1%	*	1%
Read books or guides about the home buying process	*	*	*
Other	2%	1%	2%

\* Less than 1 percent

### Exhibit 3–2: First Step Taken During the Home Buying Process, by Age

(Percentage Distribution)

	AGE OF HOME BUYER				
	ALL BUYERS	18 TO 24	25 TO 44	45 TO 64	65 OR OLDER
Looked online for properties for sale	44%	34%	46%	47%	39%
Contacted a real estate agent	17%	19%	13%	18%	26%
Looked online for information about the home buying process	11%	17%	14%	8%	5%
Contacted a bank or mortgage lender	7%	10%	8%	6%	4%
Drove-by homes/neighborhoods	6%	5%	4%	7%	6%
Talked with a friend or relative about home buying process	6%	13%	6%	2%	6%
Visited open houses	4%	1%	3%	4%	4%
Looked up information about different neighborhoods or areas (schools, local lifestyle/nightlife, parks, public transportation)	1%	*	1%	1%	1%
Contacted builder/visited builder models	1%	*	1%	1%	3%
Attended a home buying seminar	1%	*	1%	*	*
Contacted a home seller directly	1%	*	1%	1%	1%
Looked in newspapers, magazines, or home buying guides	1%	2%	*	1%	2%
Read books or guides about the home buying process	*	*	*	*	*
Other	2%	1%	1%	3%	2%

\* Less than 1 percent



## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 3–3: Information Sources Used in Home Search, by First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percent of Respondents)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Online website	93%	94%	92%	89%	94%
Real estate agent	86%	86%	87%	78%	88%
Mobile or tablet search device	73%	80%	69%	64%	75%
Open house	53%	50%	54%	61%	51%
Yard sign	46%	44%	46%	40%	46%
Online video site	37%	32%	39%	39%	37%
Home builder	18%	12%	20%	62%	10%
Print newspaper advertisement	13%	11%	14%	16%	12%
Home book or magazine	10%	7%	12%	13%	9%
Billboard	5%	5%	5%	15%	4%
Relocation company	3%	3%	3%	5%	3%
Television	3%	3%	2%	4%	3%

### Exhibit 3–4: Information Sources Used in Home Search, by Age

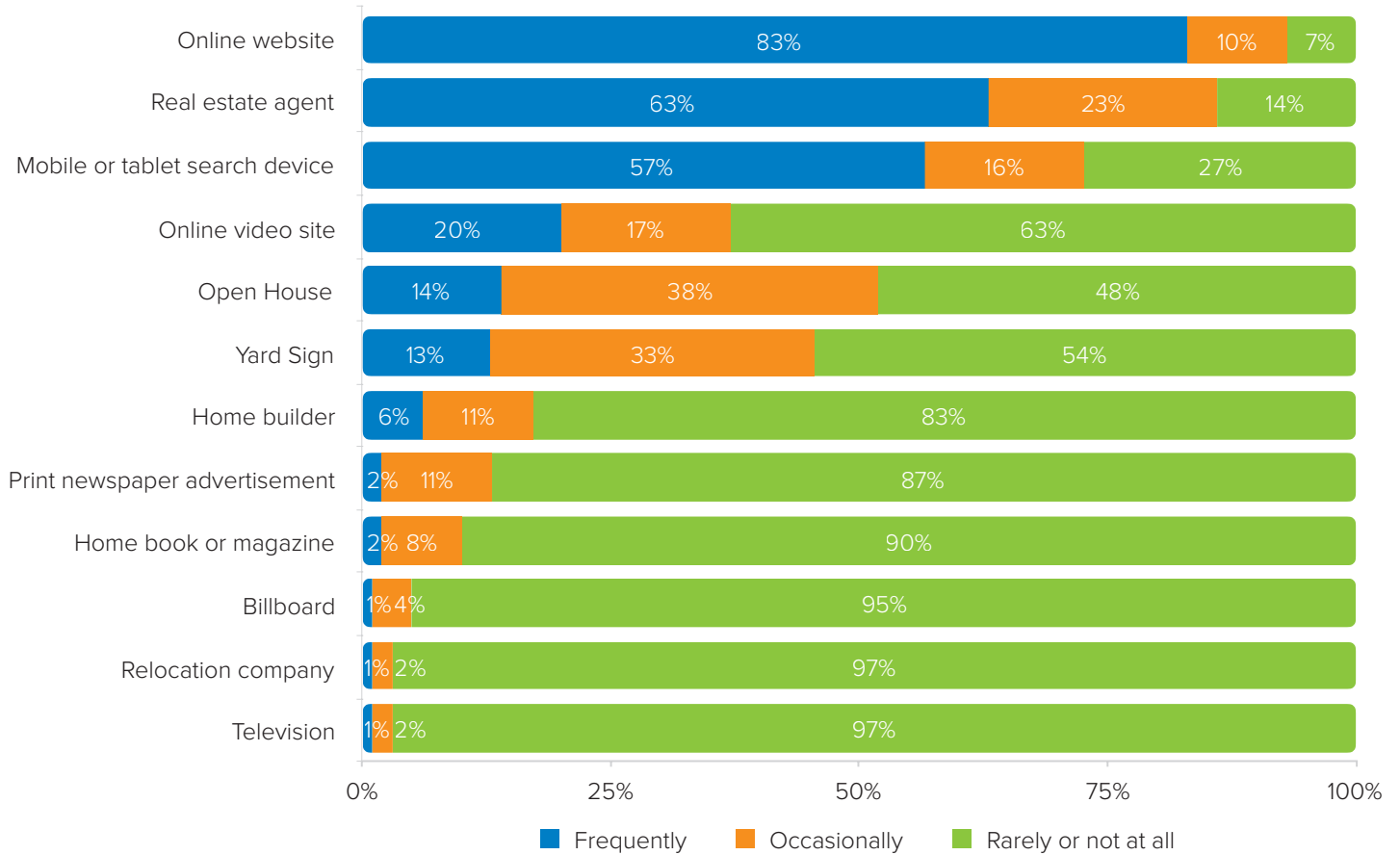
(Percent of Respondents)

	AGE OF HOME BUYER				
	ALL BUYERS	18 TO 24	25 TO 44	45 TO 64	65 OR OLDER
Online website	93%	96%	98%	93%	82%
Real estate agent	86%	86%	86%	87%	87%
Mobile or tablet search device	73%	81%	85%	69%	49%
Open house	53%	44%	55%	52%	46%
Yard sign	46%	47%	45%	47%	43%
Online video site	37%	28%	30%	43%	46%
Home builder	18%	13%	16%	18%	22%
Print newspaper advertisement	13%	14%	9%	14%	18%
Home book or magazine	10%	6%	8%	11%	13%
Billboard	5%	7%	5%	5%	4%
Relocation company	3%	7%	3%	3%	2%
Television	3%	8%	2%	2%	2%

## CHAPTER 3: THE HOME SEARCH PROCESS

### Exhibit 3–5: Frequency of Use of Different Information Sources

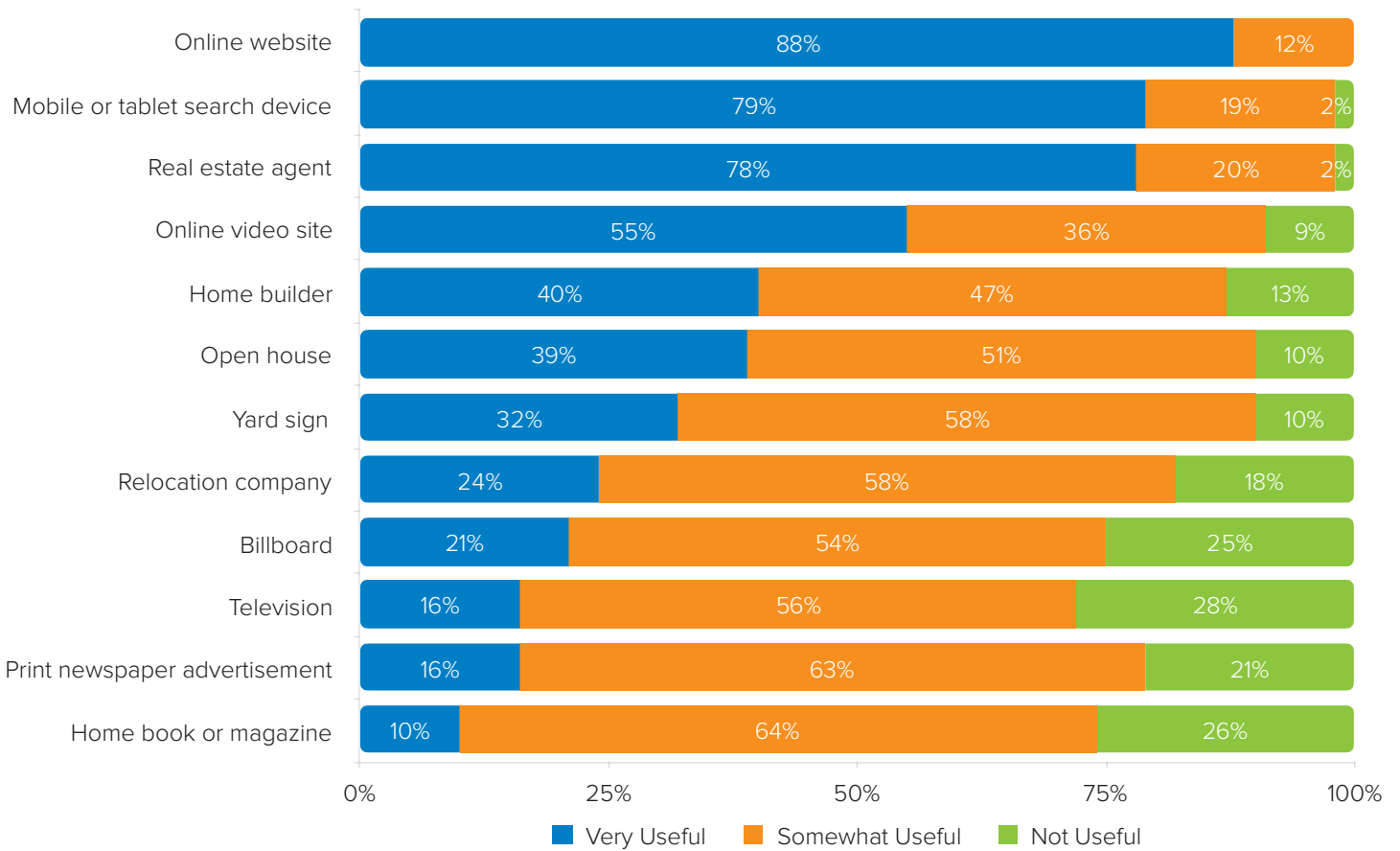
(Percentage Distribution)



# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 3–6: Usefulness of Information Sources

(Percentage Distribution Among Buyers That Used Each Source)



# CHAPTER 3: THE HOME SEARCH PROCESS

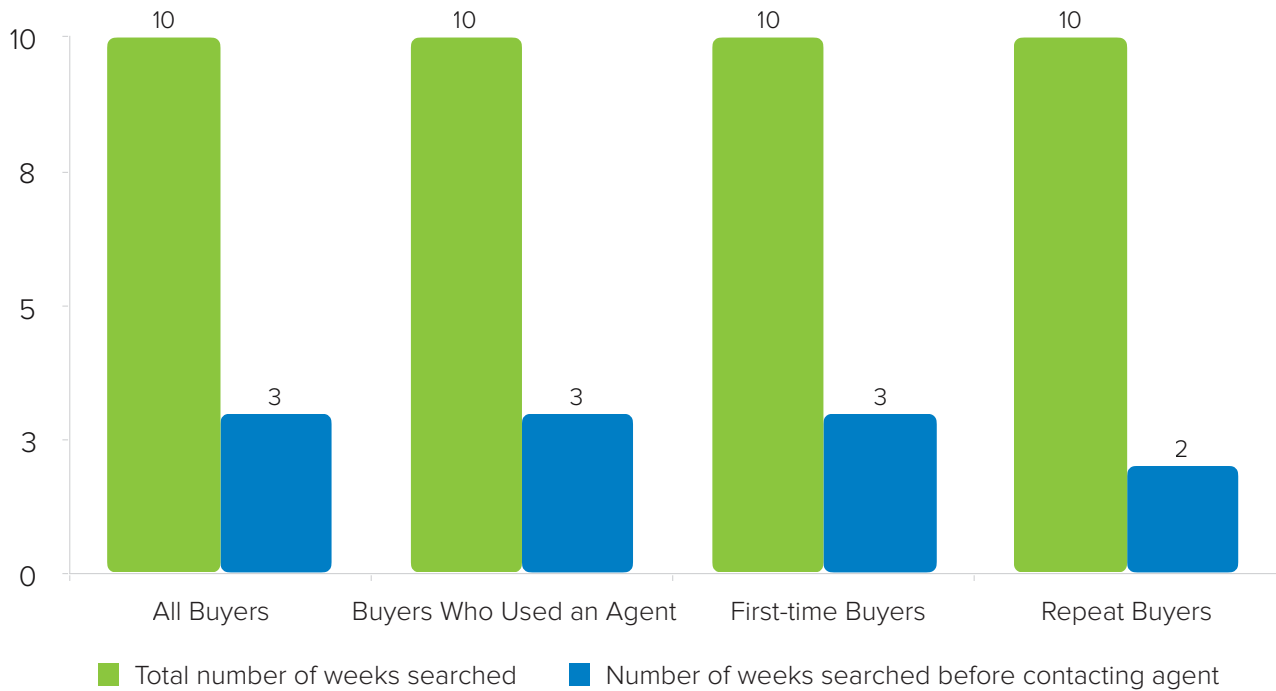
## Exhibit 3–7: Length of Search, by Region

(Median)

NUMBER OF WEEKS SEARCHED	BUYERS WHO PURCHASED A HOME IN THE				
	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
2001	7	7	7	7	7
2003	8	10	8	8	6
2004	8	12	8	8	8
2005	8	10	8	8	6
2006	8	12	8	8	8
2007	8	12	8	8	8
2008	10	12	10	8	10
2009	12	12	10	10	12
2010	12	14	10	10	12
2011	12	12	10	10	12
2012	12	12	12	10	12
2013	12	12	10	10	12
2014	10	12	10	10	10
2015	10	12	10	10	10
2016	10	12	10	10	9
2017	10	12	9	8	8
2018	10	12	10	10	10
Number of homes viewed	10	9	8	10	10

## Exhibit 3–8: Length of Search for Buyers Who Used an Agent, First-Time and Repeat Buyers

(Median Weeks)



## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 3–9: Where Buyer Found the Home They Purchased, 2001–2018

(Percentage Distribution)

	2001	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Internet	8%	11%	15%	24%	24%	29%	32%	36%	37%	40%	42%	43%	43%	44%	51%	49%	50%
Real estate agent	48%	41%	38%	36%	36%	34%	34%	36%	38%	35%	34%	33%	33%	33%	34%	31%	28%
Yard sign/open house sign	15%	16%	16%	15%	15%	14%	15%	12%	11%	11%	10%	9%	9%	9%	8%	7%	7%
Friend, relative or neighbor	8%	7%	7%	7%	8%	8%	7%	6%	6%	6%	6%	6%	6%	6%	4%	6%	7%
Home builder or their agent	3%	7%	7%	7%	8%	8%	7%	5%	4%	5%	5%	5%	5%	6%	2%	6%	5%
Directly from sellers/Knew the sellers	4%	4%	5%	3%	3%	3%	2%	2%	2%	2%	2%	2%	3%	2%	1%	2%	3%
Print newspaper advertisement	7%	7%	5%	5%	5%	3%	3%	2%	2%	2%	1%	1%	1%	1%	1%	1%	1%
Home book or magazine	2%	1%	2%	1%	1%	1%	1%	*	*	*	*	*	*	*	*	*	*
Other	5%	6%	4%	*	*	*	*	*	*	*	*	1%	*	*	*	*	*

\* Less than 1 percent

### Exhibit 3–10: Buyer Interest in Purchasing a Home in Foreclosure, by First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percent of Respondents)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Did not consider purchasing a home in foreclosure	69%	60%	73%	84%	66%
<b>CONSIDERED PURCHASING A HOME IN FORECLOSURE, BUT DID NOT:</b>					
Could not find the right home	18%	21%	16%	9%	19%
The process was too difficult or complex	8%	12%	7%	4%	9%
The home was in poor condition	7%	9%	5%	3%	7%
The home price was too high	3%	3%	2%	2%	3%
The neighborhood was undesirable	3%	4%	2%	2%	3%
Financing options were not attractive	3%	6%	2%	2%	3%



## CHAPTER 3: THE HOME SEARCH PROCESS

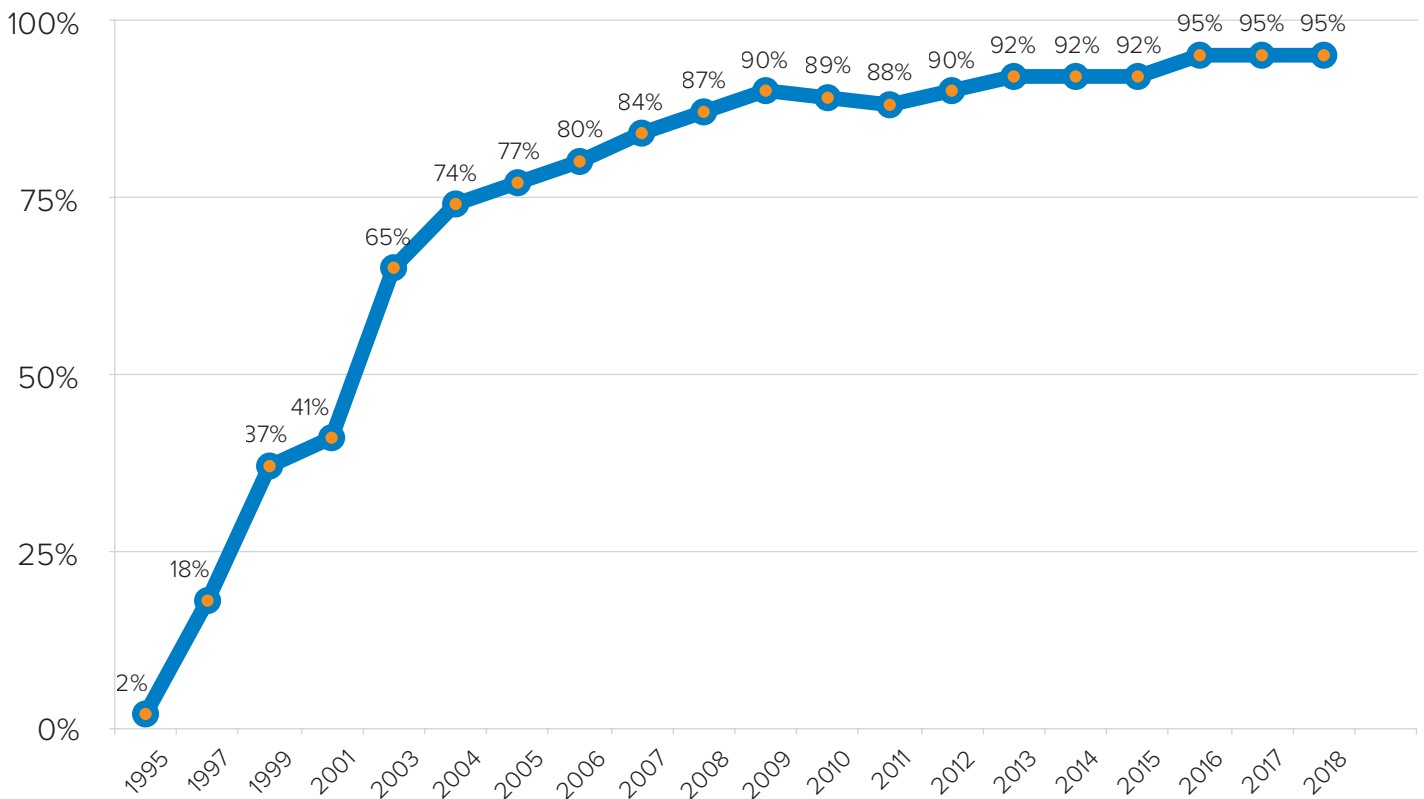
**Exhibit 3–11: Most Difficult Steps of Home Buying Process by First-Time and Repeat Buyers and Buyers of New and Previously Owned Homes**

(Percentage Distribution)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Finding the right property	56%	57%	55%	43%	58%
Paperwork	20%	26%	16%	21%	19%
Understanding the process and steps	16%	34%	7%	14%	17%
Saving for the down payment	13%	27%	6%	11%	13%
Getting a mortgage	8%	10%	6%	8%	8%
Appraisal of the property	5%	7%	4%	2%	5%
No difficult steps	19%	9%	23%	26%	17%
Other	5%	5%	5%	5%	5%

**Exhibit 3–12: Buyer Use of Internet in Home Search Process, 1995–2018**

(Percentage Distribution)



## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 3–13: Actions Taken as a Result of Internet Home Search, First-Time and Repeat Buyers

(Percent of Respondents Among Buyers Who Used the Internet)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Walked through home viewed online	67%	62%	67%
Saw exterior of homes/neighborhood, but did not walk through home	41%	42%	40%
Found the agent used to search for or buy home	35%	37%	31%
Requested more information	28%	34%	25%
Pre-qualified for a mortgage online	20%	26%	17%
Looked for more information on how to get a mortgage and general home buyers tips	15%	31%	7%
Applied for a mortgage online	15%	19%	13%
Found a mortgage lender online	10%	15%	7%
Contacted builder/developer	5%	5%	10%

### Exhibit 3–14: Characteristics of Home Searchers and Search Activity, by Use of Internet

(Percentage Distribution)

HOUSEHOLD COMPOSITION	USED INTERNET TO SEARCH	DID NOT USE INTERNET TO SEARCH
Married couple	64%	53%
Single female	17%	21%
Single male	8%	14%
Unmarried couple	9%	6%
Other	2%	6%
Median age (years)	44	65%
Median income (2017)	\$93,800	\$68,300
LENGTH OF SEARCH (MEDIAN WEEKS)		
All buyers	10	4
First-time buyers	10	7
Repeat buyers	10	4
Buyers using an agent	10	6
Before contacting agent	3	1
Number of Homes Visited (median)	10	4

## CHAPTER 3: THE HOME SEARCH PROCESS

### Exhibit 3–15: Information Sources Used in Home Search, by Use of Internet

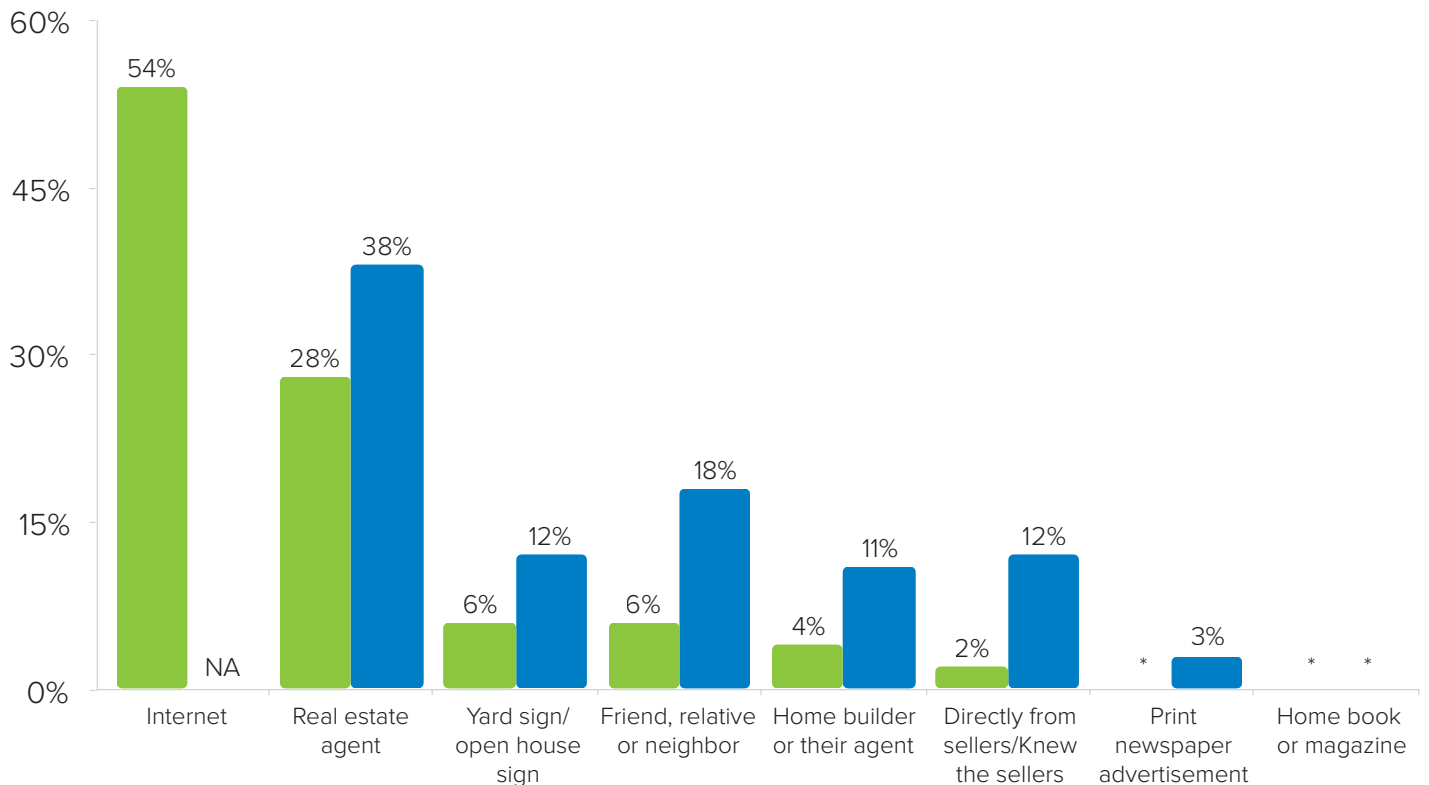
(Percent of Respondents)

	USED INTERNET TO SEARCH	DID NOT USE INTERNET TO SEARCH
Online website	100%	NA
Real estate agent	88%	65%
Mobile or tablet search device	77%	12%
Yard sign	46%	34%
Open house	54%	28%
Online video site	39%	9%
Print newspaper advertisement	13%	16%
Home builder	17%	25%
Home book or magazine	10%	8%
Billboard	5%	6%
Television	3%	3%
Relocation company	3%	2%

NA = Not Applicable

### EXHIBIT 3–16: Where Buyers Found the Home They Purchased, by Use of Internet

(Percentage Distribution)



\* Less than 1 percent

NA = Not Applicable

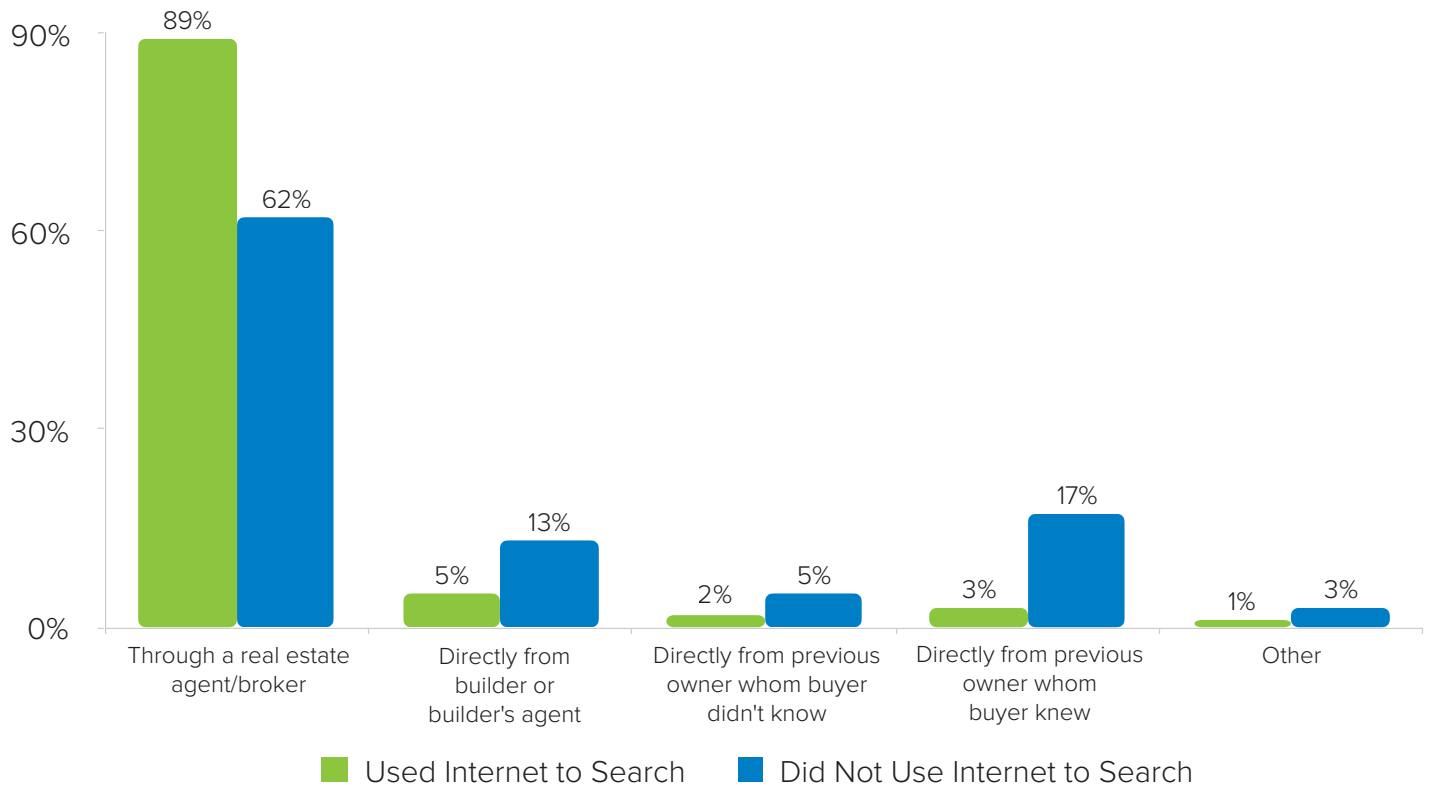
■ Used Internet to Search

■ Did Not Use Internet to Search

# 2018 PROFILE OF HOME BUYERS AND SELLERS

## EXHIBIT 3-17: Method of Home Purchase, by Use of Internet

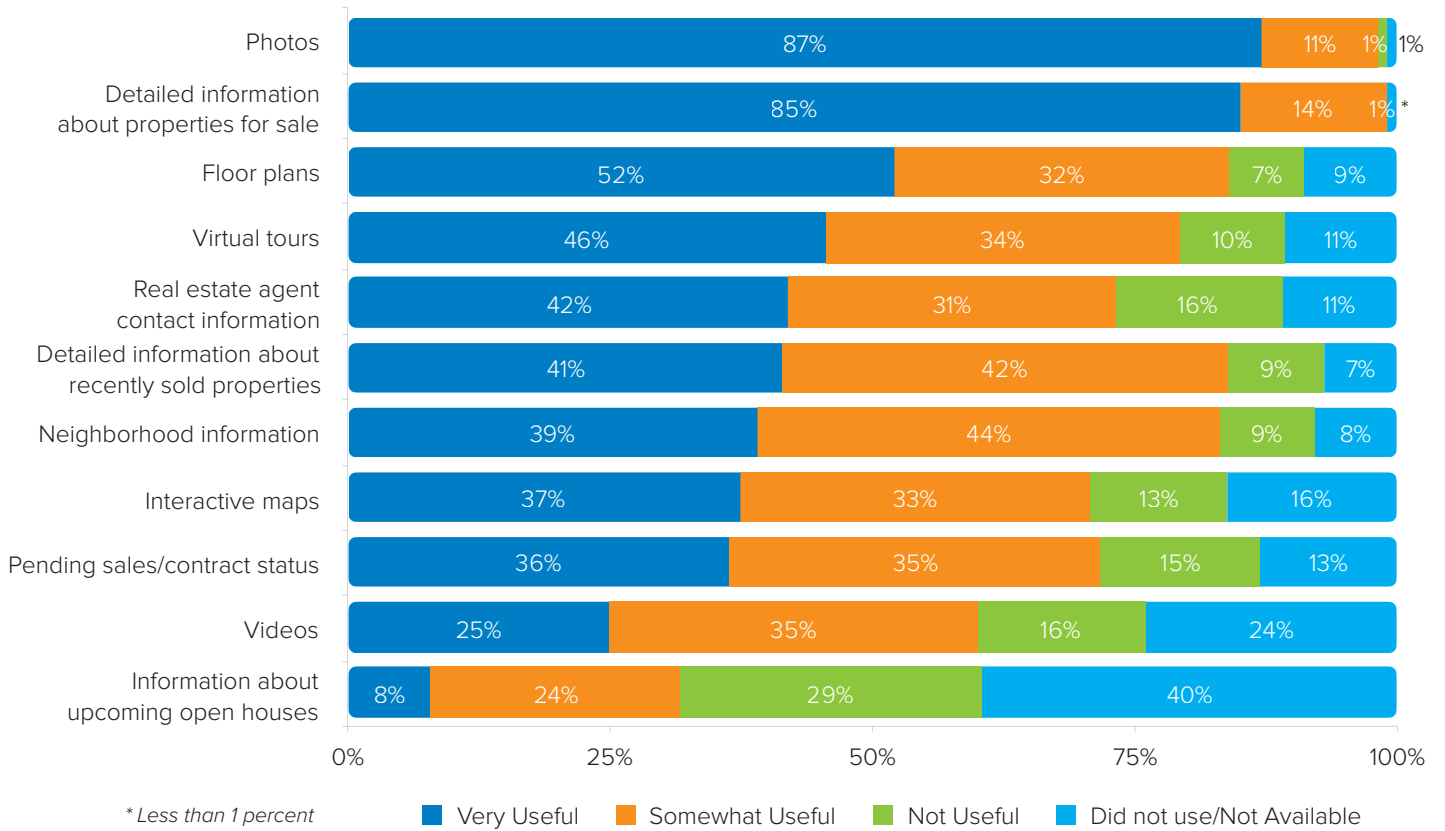
(Percentage Distribution)



# CHAPTER 3: THE HOME SEARCH PROCESS

## Exhibit 3–18: Value of Website Features

(Percentage Distribution Among Buyers Who Used the Internet)

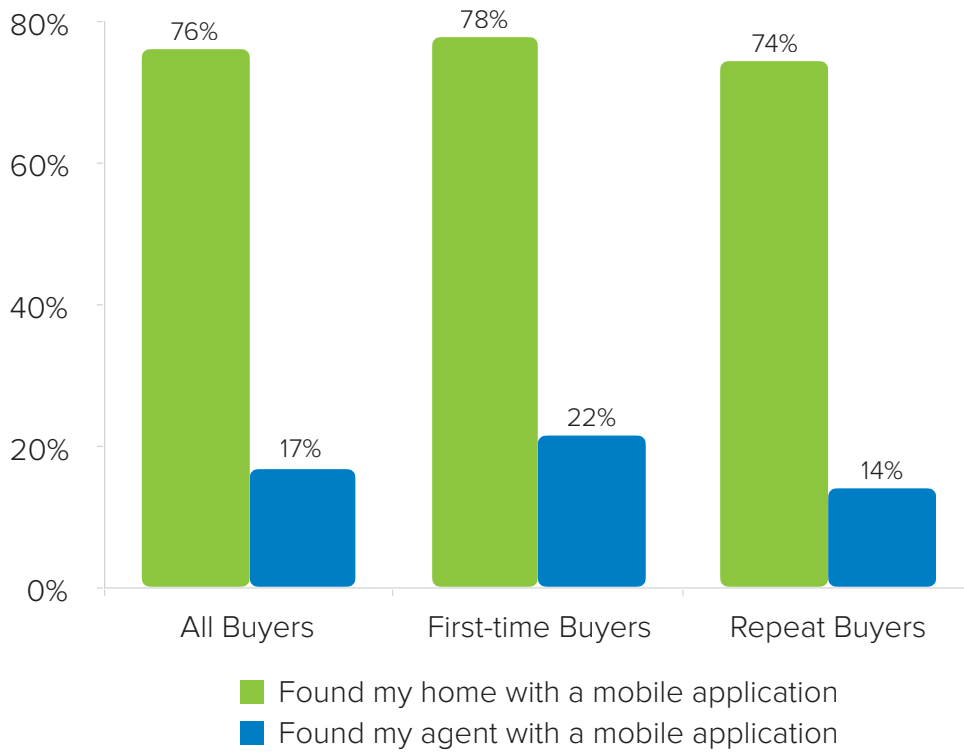




# 2018 PROFILE OF HOME BUYERS AND SELLERS

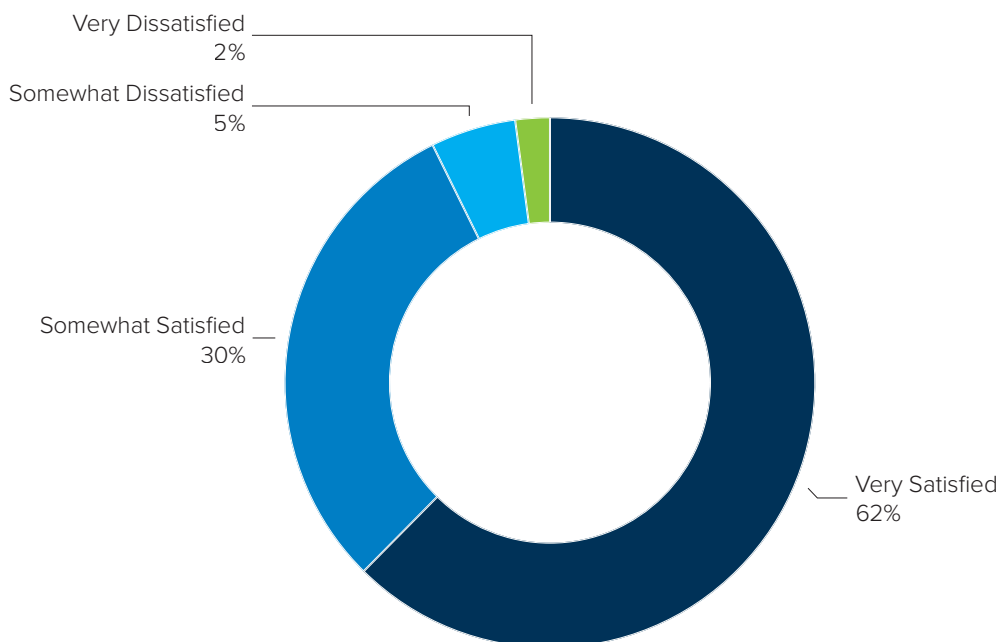
## Exhibit 3–19: Mobile Search by First-Time and Repeat Buyers

(Percent of Respondents Among Those Who Used Mobile Search)



## Exhibit 3–20: Satisfaction With Buying Process

(Percentage Distribution)









## CHAPTER 4:

### Home Buying and Real Estate Professionals

Purchasing a home through a real estate agent is a consistent real estate trend that continued again this year. Eighty-seven percent of buyers in 2018 purchased their home through a real estate agent or broker, six percent directly from a builder or builder's agent, and seven percent from the previous owner. Looking back to 1981, 82 percent purchased through an agent, eight percent directly through a builder or builder's agent, and 10 percent from the previous owner. In 1987 and 2000, purchases directly from the owner were at a peak of 15 percent. In 1987 and 2000, seven in 10 buyers purchased through an agent. Since then, the share of those working with an agent to purchase a home has steadily grown over the years, peaking at 89 percent in 2011 and 2012 and hovering in the high 80th percentile since that time.

By household composition, unmarried couples tended to purchase their homes through real estate agents and brokers at a higher rate than any other household composition. Thirty-nine percent of buyers of new homes purchased their home directly from a builder or builder's agent, but most used a real estate agent to purchase a newly built home. The majority of buyers who purchased a previously owned home bought their home through a real estate agent or broker; buying directly from the previous owner was the next most common purchase method.

Three-fifths of recent buyers signed a disclosure agreement either at first meeting, when the contract was written, or at some other time. The most common arrangement was a written arrangement, followed by an oral arrangement. The most common compensation structure for real estate agents was payment through the seller, which was the case for over half of recent home buyers.

With tight housing inventory in many areas of the country, what buyers wanted most from their agent was to help them find the right home to purchase. Buyers were also looking for help to negotiate the terms of sale and with price negotiations. The most common way that buyers found their real estate agent was through a referral by a friend, neighbor, or relative. Buyers typically interviewed only one real estate agent before working with them, and the most important factor was that the agent was honest and trustworthy. Another important factor was the agent's experience. Recent buyers were overall very satisfied with their real estate agent's skills and qualities, and definitely would use their agent again or recommend them to others.



## CHAPTER 4: HOME BUYING AND REAL ESTATE PROFESSIONALS

### METHOD OF HOME PURCHASE

#### Exhibits 4–1 through 4–4

Recent home buyers most commonly purchased their homes through a real estate agent or broker, at 87 percent. Six percent purchased directly from the builder or builder’s agent, while seven percent purchased directly through the previous owner. By comparison, in 1981 82 percent purchased through an agent, eight percent directly through a builder or builder’s agent, and 10 percent from the previous owner. Buyers in the West had the highest percentage who purchased their homes through real estate agents or brokers.

Thirty-nine percent of new home buyers purchased through a builder or builder’s agent, which was down from 42 percent in 2017. Interestingly, 59 percent of new home buyers used an agent to represent them. Unmarried couples (89 percent) and married couples (87 percent) were the household compositions that most frequently purchased through a real estate agent or broker.

### AGENT REPRESENTATION AND COMPENSATION

#### Exhibits 4–5 through 4–7

Sixty percent of recent buyers signed an agent representation disclosure, either at the first meeting, when the contract was written, or at some other time. The most common arrangement was a written agreement at 40 percent, followed by an oral agreement at 16 percent. Only 31 percent of buyers had no representation arrangement with their agent, which is up from last year.

Generally real estate agents were compensated through the seller at 55 percent, whereas only 22 percent of agents were compensated by the buyer only. When the agent was compensated by the buyer, they were most commonly paid a percentage of the sales price as opposed to a flat fee.

**“When asked if they would use their real estate agent again or recommend them to others, 90 percent of buyers would at least probably recommend their agent to others. Buyers have typically already recommended their agent once since purchasing their home.”**

### WHAT BUYERS WANT FROM AGENTS AND BENEFITS PROVIDED

#### Exhibits 4–8 through 4–11

Most important to recent buyers when looking for a real estate agent was finding someone who could help them find the right home to purchase (52 percent). Buyers were also looking for someone who could help them negotiate the terms of sale (14 percent) and help with price negotiations (11 percent). First-time buyers were more interested in receiving help from their agent in determining how much they could afford than repeat buyers. More buyers of new homes (nine percent) wanted assistance to determine what comparable homes were selling for on the market compared to other buyer types. Unmarried couples wanted to negotiate the terms of sale (16 percent) more than any other household composition. Single females wanted help to find the right home (56 percent) more than other household compositions.

There were many benefits for buyers using a real estate agent, with the foremost reported as being the buyer received help in understanding the buying process (60 percent). Pointing out unnoticed features or faults with the property was the next most important benefit (57 percent), especially to first-time home buyers (60 percent). Also important to buyers was negotiating better sales terms, providing a better list of services providers, and gaining improved knowledge of search areas, as benefits that their real estate agent provided.

### FINDING A REAL ESTATE AGENT

#### Exhibits 4–12 through 4–15

Referrals were still by far the most common way for buyers to find the real estate agent that they worked with. Forty-one percent of buyers used an agent that was referred to them by a friend, neighbor, or relative. Recent buyers also choose to work with agents that they had previously used to buy or sell a home (12 percent). Compared to repeat buyers, first-time buyers were more likely to find their agent through a referral (51 percent) or through a website (8 percent). Single males were the most likely to use an agent that they had previously used to buy or sell a home (14 percent).

Nearly seven in 10 buyers interviewed only one real estate agent during their home search. Compared with first-time buyers, repeat buyers were more likely to only interview one agent (71 percent), whereas only 63 percent of first-time buyers only interviewed one agent. Twenty-three percent of first-time buyers interviewed two agents before deciding on the one to work with. Buyers typically reached out to their agent by phone (40 percent), in person (19 percent), and by e-mail (14 percent). Agents commonly responded to buyers on their third attempt of contact.

# 2018 PROFILE OF HOME BUYERS AND SELLERS

## FACTORS WHEN CHOOSING AN AGENT

### Exhibits 4–16 through 4–20

The most important factor to recent buyers when choosing an agent was finding an agent that was trustworthy and honest at 19 percent. Other important factors when choosing an agent included the agent's experience and their reputation.

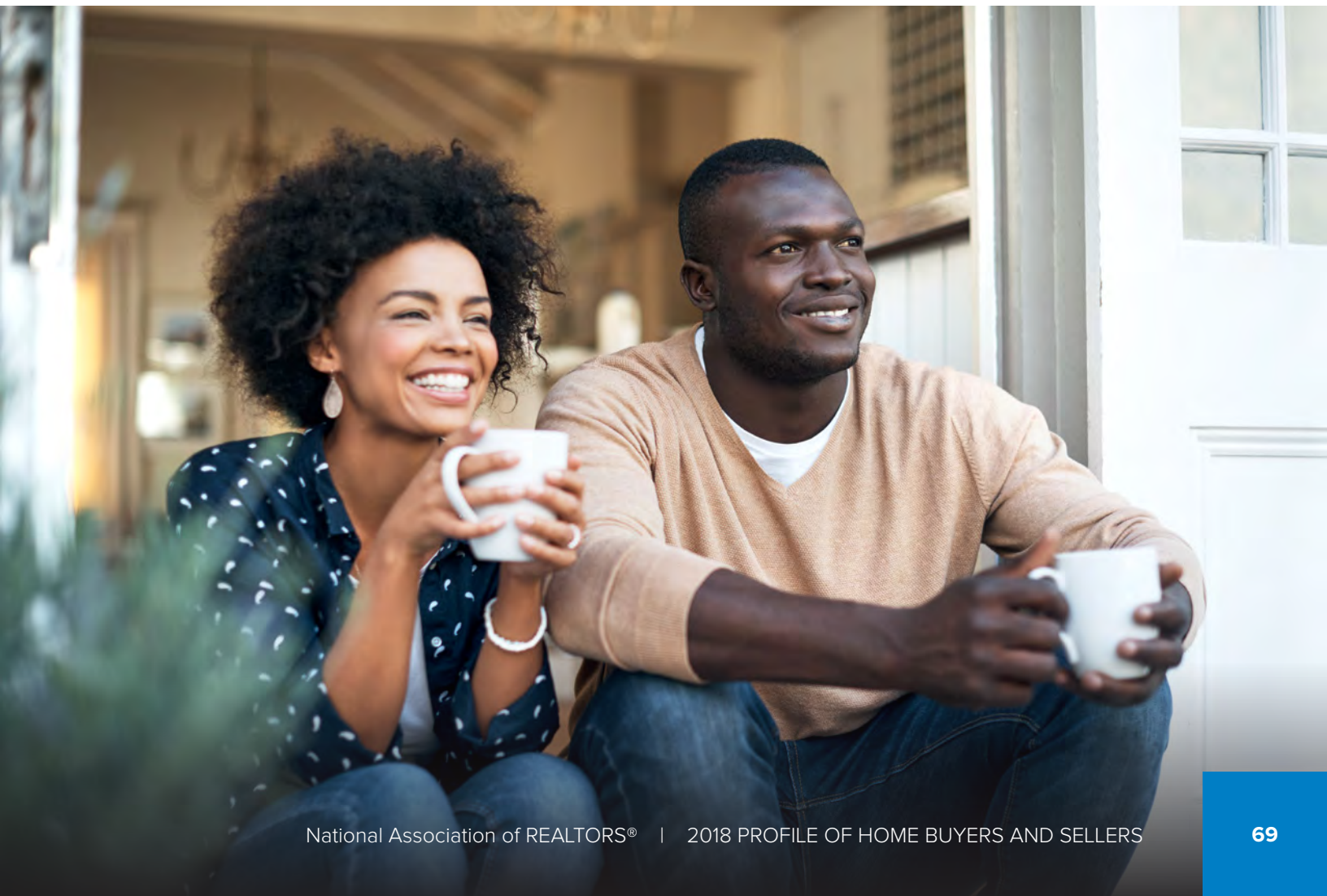
When searching for an agent, buyers were looking for someone who was honest and had integrity, was responsive, had knowledge of the purchase process, and had knowledge of the real estate market. Having an honest agent with integrity was the most important to buyers, where 97 percent of respondents considered this very important. Recent buyers also found it very important that their agent was responsive, had knowledge of the purchase process and real estate market, and had good communication and negotiation skills. Single females and married couples, more than other household compositions, considered it very important for their agent to have skills with technology at 45 percent.

Overall, 74 percent of buyers felt that it was important that their agent call them personally to inform them of any activity. It was important for buyers that agents send postings as soon as a property was listed, the price changed or went under contract, and that they were able to communicate with their agent through text message.

## SATISFACTION WITH AGENT

### Exhibits 4–21 through 4–23

In general, buyers were very satisfied with their real estate agent's skill and qualities, with nine in 10 buyers saying that they were very satisfied with their agent's honesty and integrity as well as their knowledge of the purchase process. When asked if they would use their real estate agent again or recommend them to others, 90 percent of buyers would at least probably recommend their agent to others. Buyers have typically already recommended their agent once since purchasing their home.

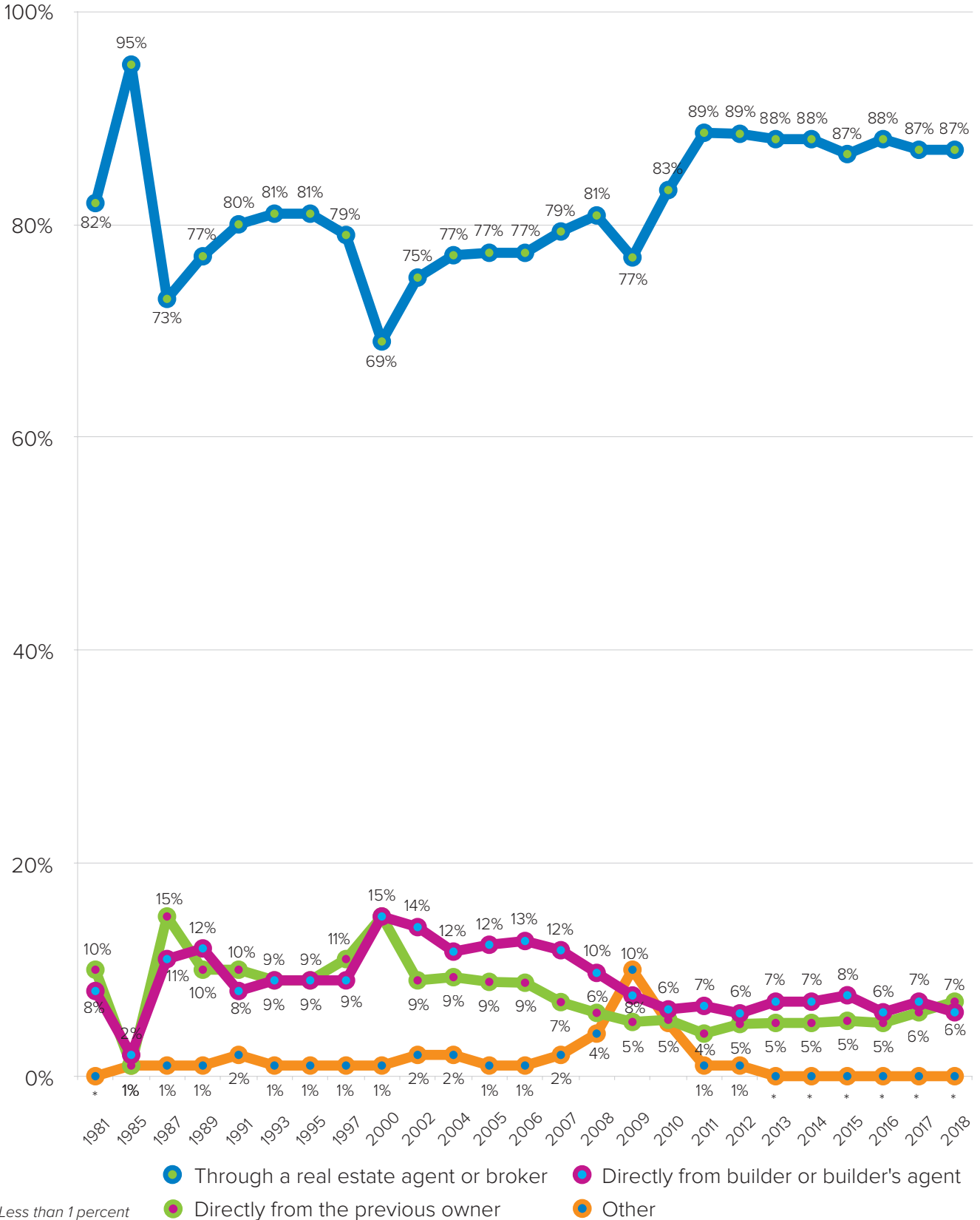




# CHAPTER 4: HOME BUYING AND REAL ESTATE PROFESSIONALS

## Exhibit 4–1: Method of Home Purchase, 1981–2018

(Percentage Distribution)



## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 4–2: Method of Home Purchase, by Region

(Percentage Distribution)

#### BUYERS WHO PURCHASED A HOME IN THE

	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
Through a real estate agent or broker	87%	87%	85%	87%	88%
Directly from builder or builder's agent	6%	4%	4%	8%	6%
Directly from the previous owner	7%	8%	10%	5%	5%
Knew previous owner	4%	5%	6%	3%	3%
Did not know previous owner	3%	3%	4%	2%	2%

### Exhibit 4–3: Method of Home Purchase, New and Previously Owned Homes

(Percentage Distribution)

#### BUYERS OF

	ALL BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Through a real estate agent or broker	87%	59%	92%
Directly from builder or builder's agent	6%	39%	*
Directly from the previous owner	7%	1%	7%
Knew previous owner	4%	1%	4%
Did not know previous owner	3%	*	3%

\*Less than 1 percent

### Exhibit 4–4: Method of Home Purchase, by Adult Composition of Household

(Percentage Distribution)

#### ADULT COMPOSITION OF HOUSEHOLD

	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Through a real estate agent or broker	87%	87%	86%	86%	89%	89%
Directly from builder or builder's agent	6%	7%	4%	5%	5%	4%
Directly from the previous owner	7%	6%	8%	7%	6%	8%
Knew previous owner	4%	3%	4%	4%	4%	7%
Did not know previous owner	3%	3%	4%	3%	2%	1%

## CHAPTER 4: HOME BUYING AND REAL ESTATE PROFESSIONALS

### Exhibit 4–5: Agent Representation Disclosure, First-Time and Repeat Buyers

(Percentage Distribution)

DISCLOSURE STATEMENT SIGNED?	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Yes, at first meeting	26%	23%	27%
Yes, when contract was written	23%	21%	24%
Yes, at some other time	11%	10%	12%
No	23%	24%	21%
Don't know	18%	22%	16%

### Exhibit 4–6: Buyer Representative Arrangement with Agent, First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Yes, a written arrangement	40%	35%	42%
Yes, an oral arrangement	16%	17%	15%
No	31%	30%	31%
Don't know	14%	18%	12%

### Exhibit 4–7: How Real Estate Agent Was Compensated

(Percentage Distribution)

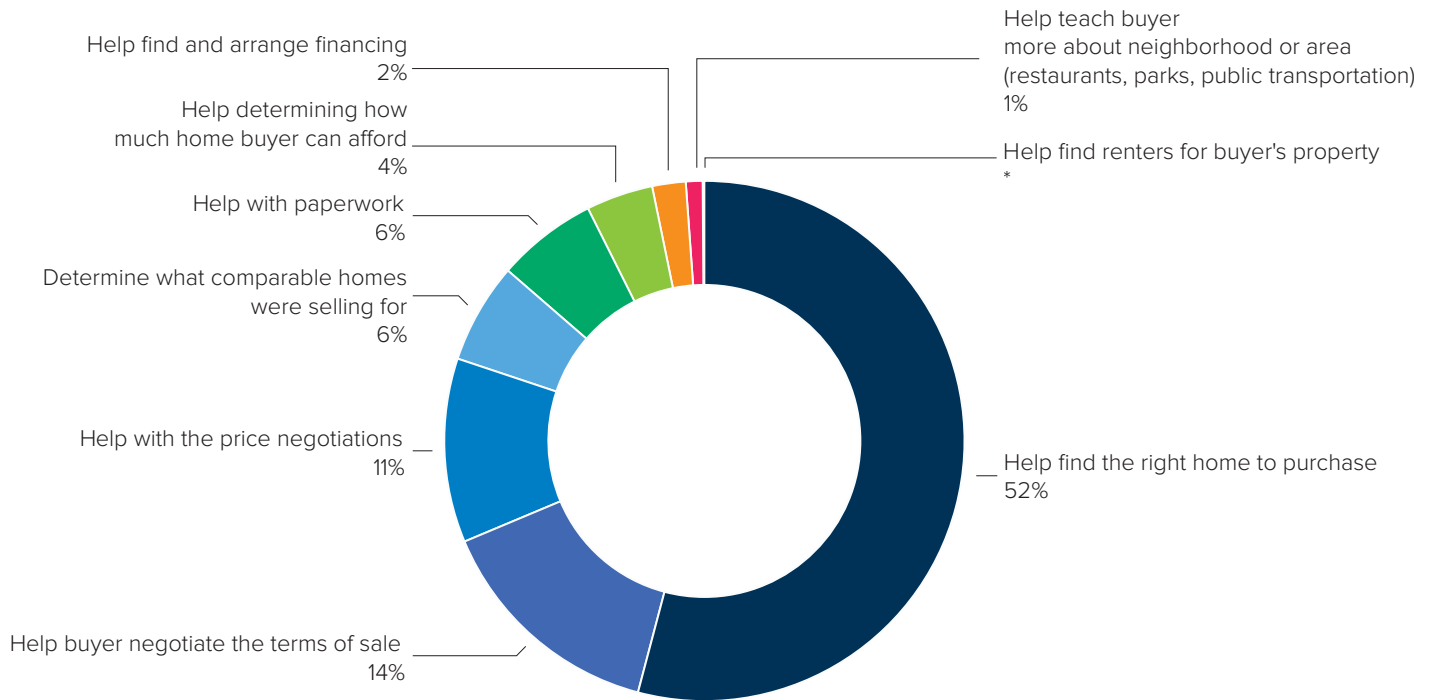
	TYPE OF AGENT REPRESENTATION		
	ALL TYPES OF REPRESENTATION	BUYER ONLY	SELLER OR SELLER AND BUYER
Paid by seller	55%	56%	53%
Paid by buyer and seller	12%	12%	12%
Paid by buyer only	22%	23%	21%
Percent of sales price	75%	79%	70%
Flat fee	4%	5%	3%
Other	*	*	*
Don't know	20%	16%	26%
Other	2%	2%	2%
Don't know	10%	8%	12%

\*Less than 1 percent

# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 4–8: What Buyers Want Most From Real Estate Agents

(Percentage Distribution)



\* Less than 1 percent

## Exhibit 4–9: What Buyers Want Most From Real Estate Agents, First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percentage Distribution)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Help find the right home to purchase	52%	50%	54%	51%	53%
Help buyer negotiate the terms of sale	14%	14%	14%	11%	14%
Help with the price negotiations	11%	10%	11%	10%	11%
Determine what comparable homes were selling for	6%	6%	7%	9%	6%
Help with paperwork	6%	6%	6%	6%	6%
Help determining how much home buyer can afford	4%	7%	2%	4%	4%
Help find and arrange financing	2%	4%	2%	3%	2%
Help teach buyer more about neighborhood or area (restaurants, parks, public transportation)	1%	1%	2%	2%	1%
Help find renters for buyer's property	*	*	*	*	*
Other	2%	2%	3%	3%	2%

\* Less than 1 percent

## CHAPTER 4: HOME BUYING AND REAL ESTATE PROFESSIONALS

### Exhibit 4–10: What Buyers Want Most From Real Estate Agents, by Adult Composition of Household

(Percentage Distribution)

#### ADULT COMPOSITION OF HOUSEHOLD

	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Help find the right home to purchase	52%	51%	56%	54%	52%	53%
Help buyer negotiate the terms of sale	14%	15%	13%	12%	16%	13%
Help with the price negotiations	11%	11%	9%	10%	10%	11%
Determine what comparable homes were selling for	6%	7%	5%	7%	5%	8%
Help with paperwork	6%	7%	6%	7%	7%	4%
Help determining how much home buyer can afford	4%	3%	4%	4%	4%	3%
Help find and arrange financing	2%	2%	2%	3%	2%	7%
Help teach buyer more about neighborhood or area (restaurants, parks, public transportation)	1%	2%	2%	1%	2%	*
Help find renters for buyer's property	*	*	*	1%	*	*
Other	2%	2%	4%	2%	1%	3%

\* Less than 1 percent

### Exhibit 4–11: Benefits Provided by Real Estate Agent During Home Purchase Process, First-Time and Repeat Buyers

(Percent of Respondents)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Helped buyer understand the process	60%	81%	49%
Pointed out unnoticed features/faults with property	57%	60%	55%
Negotiated better sales contract terms	46%	49%	45%
Provided a better list of service providers (e.g. home inspector)	45%	47%	44%
Improved buyer's knowledge of search areas	43%	43%	43%
Negotiated a better price	36%	36%	36%
Shortened buyer's home search	29%	33%	27%
Provided better list of mortgage lenders	21%	26%	19%
Expanded buyer's search area	21%	21%	20%
Narrowed buyer's search area	15%	14%	15%
None of the above	5%	4%	6%
Other	2%	2%	2%



## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 4–12: How Buyer Found Real Estate Agent, First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Referred by (or is) a friend, neighbor or relative	41%	51%	36%
Used agent previously to buy or sell a home	12%	3%	17%
Inquired about specific property viewed online	7%	7%	6%
Website (without a specific reference)	6%	8%	5%
Referred by another real estate agent/broker	5%	4%	6%
Visited an open house and met agent	5%	5%	5%
Saw contact information on For Sale/Open House sign	4%	3%	4%
Personal contact by agent (telephone, e-mail, etc.)	3%	3%	4%
Referred through employer or relocation company	2%	1%	2%
Walked into or called office and agent was on duty	1%	2%	1%
Mobile or tablet application	1%	1%	1%
Direct mail (newsletter, flyer, postcard, etc.)	1%	*	1%
Saw the agent's social media page without a connection	1%	1%	*
Newspaper, Yellow Pages or home book ad	*	*	*
Advertising specialty (calendar, magnet, etc.)	*	*	*
Crowdsourcing through social media/knew the person through social media	*	*	*
Other	11%	11%	11%

\*Less than 1 percent

# CHAPTER 4: HOME BUYING AND REAL ESTATE PROFESSIONALS

## Exhibit 4–13: How Buyer Found Real Estate Agent, by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD					
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Referred by (or is) a friend, neighbor or relative	41%	40%	43%	37%	46%	45%
Used agent previously to buy or sell a home	12%	13%	12%	14%	8%	13%
Inquired about specific property viewed online	7%	8%	6%	5%	7%	3%
Website (without a specific reference)	6%	6%	5%	9%	8%	5%
Referred by another real estate agent/broker	5%	5%	5%	4%	8%	6%
Visited an open house and met agent	5%	5%	4%	4%	5%	4%
Saw contact information on For Sale/ Open House sign	4%	4%	3%	5%	2%	4%
Personal contact by agent (telephone, e-mail, etc.)	3%	3%	3%	6%	3%	5%
Referred through employer or relocation company	2%	2%	*	2%	1%	2%
Walked into or called office and agent was on duty	1%	1%	1%	4%		3%
Mobile or tablet application	1%	1%	1%	2%	1%	*
Direct mail (newsletter, flyer, postcard, etc.)	1%	1%	*	1%	*	*
Saw the agent's social media page without a connection	1%	1%	*	*	*	*
Newspaper, Yellow Pages or home book ad	*	*		*	*	*
Advertising specialty (calendar, magnet, etc.)	*	*	*	*	*	2%
Crowdsourcing through social media/ knew the person through social media	*	*	*	*	*	*
Other	11%	10%	14%	10%	10%	8%

\*Less than 1 percent

## Exhibit 4–14: How Many Times Buyer Contacted Agent Before Received Response and Original Form of Contact

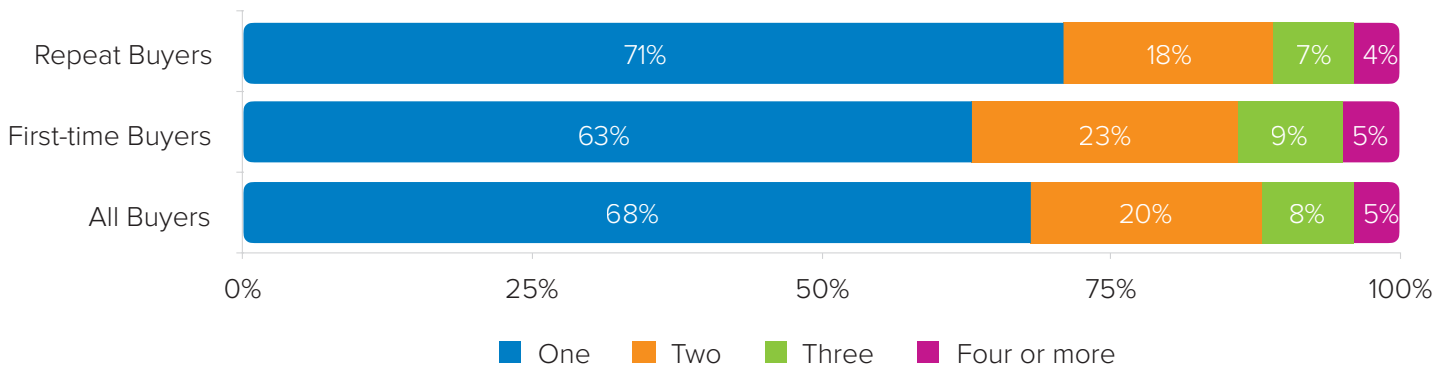
(Percentage Distribution)

Phone call	40%
Talked to them in person	19%
E-mail	14%
Ask a friend to put me in touch	10%
Inquiry for more information through 3rd party website	8%
Text message	6%
Through agent's website	2%
Social Media (Facebook, Twitter, LinkedIn, etc.)	2%
Number of Times Contacted (median)	3

# 2018 PROFILE OF HOME BUYERS AND SELLERS

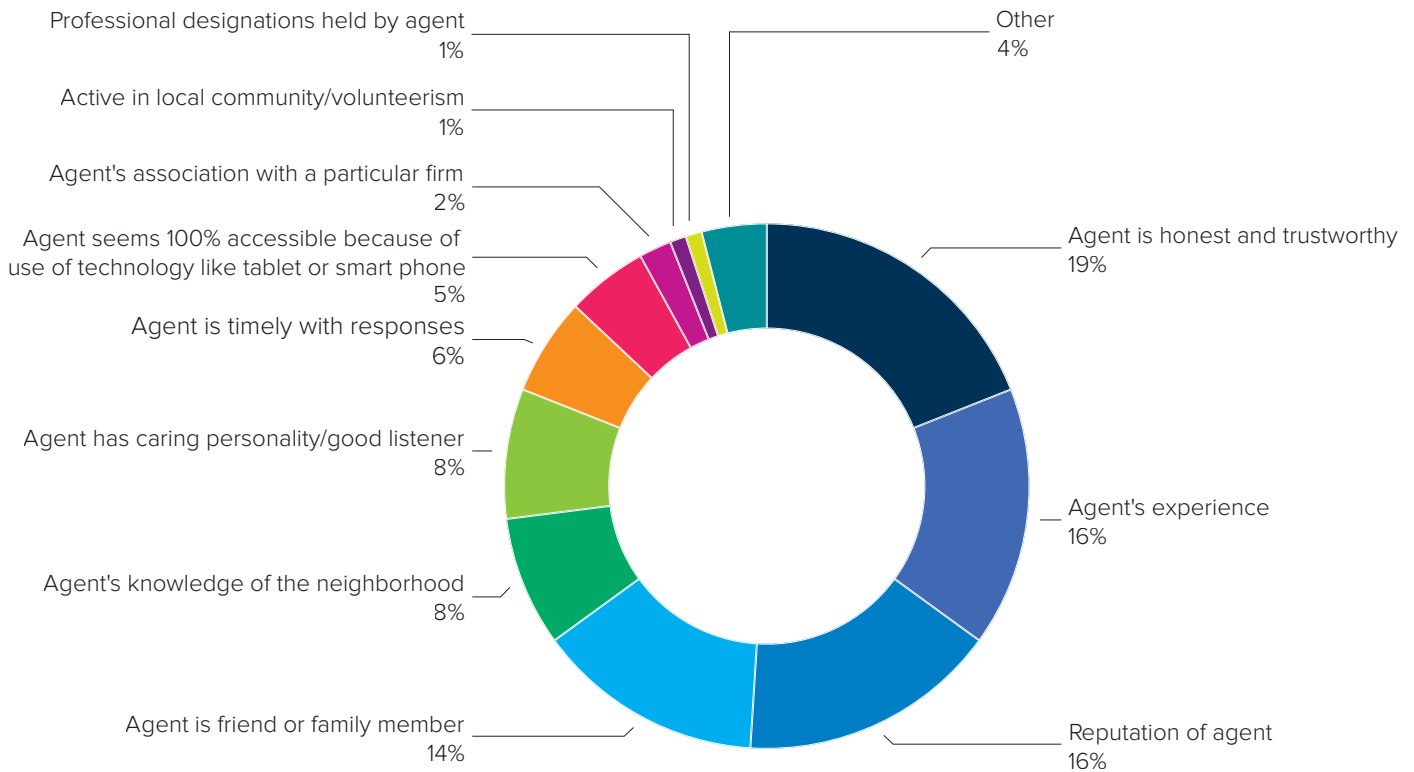
**Exhibit 4–15: Number of Real Estate Agents Interviewed by First-Time and Repeat Buyers**

(Percentage Distribution)



**Exhibit 4–16: Most Important Factors When Choosing an Agent**

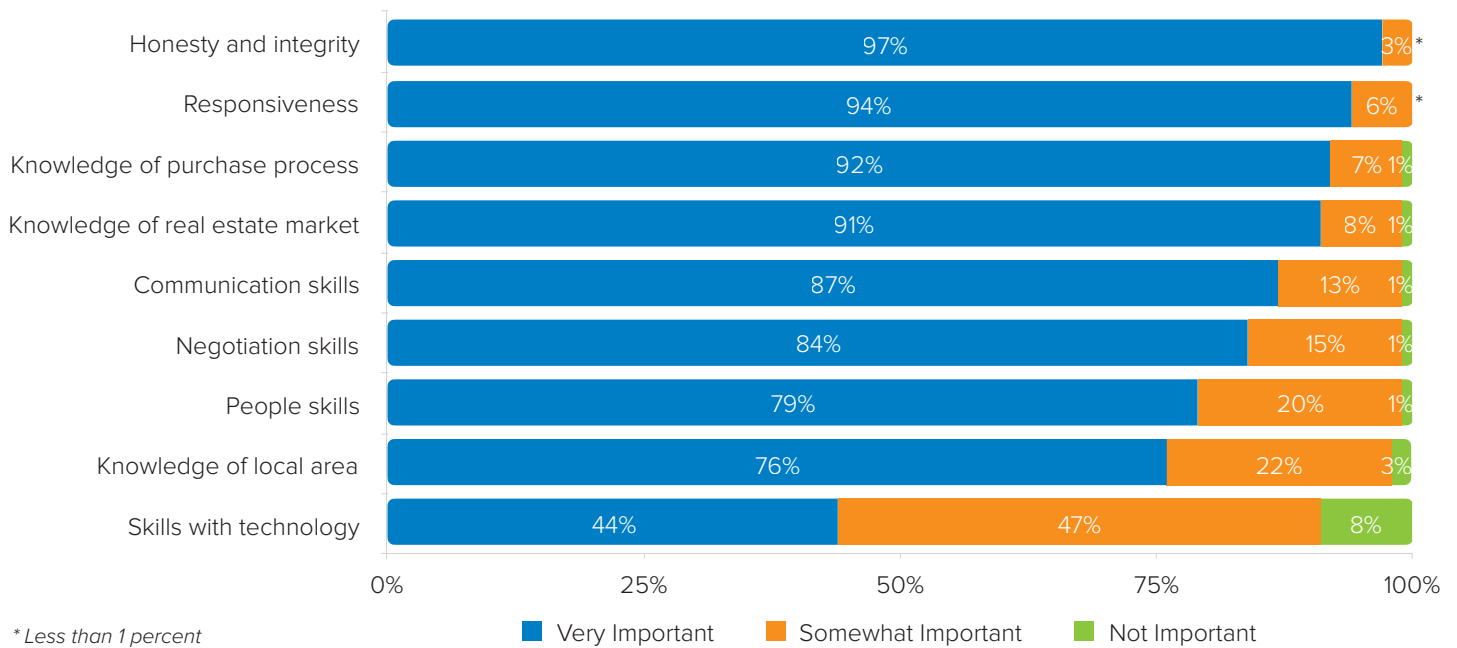
(Percentage Distribution)



# CHAPTER 4: HOME BUYING AND REAL ESTATE PROFESSIONALS

## Exhibit 4–17: Importance of Real Estate Agent Skills and Qualities

(Percentage Distribution)



## Exhibit 4–18: Agent Skills and Qualities Considered "Very Important" by First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percent of Respondents)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Honesty and integrity	97%	96%	97%	97%	97%
Knowledge of purchase process	94%	95%	90%	89%	92%
Responsiveness	92%	93%	95%	94%	94%
Knowledge of real estate market	91%	91%	91%	91%	91%
Communication skills	87%	89%	86%	88%	86%
Negotiation skills	84%	86%	83%	84%	84%
People skills	79%	79%	79%	81%	79%
Knowledge of local area	76%	71%	78%	79%	75%
Skills with technology	44%	44%	45%	46%	44%

## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 4–19: Agent Skills and Qualities Considered "Very Important" by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD					
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Honesty and integrity	97%	97%	97%	97%	99%	97%
Knowledge of purchase process	94%	91%	92%	88%	96%	96%
Responsiveness	92%	94%	96%	93%	94%	92%
Knowledge of real estate market	91%	91%	94%	87%	90%	93%
Communication skills	87%	87%	89%	82%	89%	82%
Negotiation skills	84%	84%	89%	77%	82%	75%
People skills	79%	79%	83%	74%	80%	73%
Knowledge of local area	76%	77%	77%	73%	70%	72%
Skills with technology	44%	45%	45%	40%	40%	39%

### Exhibit 4–20: Importance of Agent Communications

(Percent of Respondents)

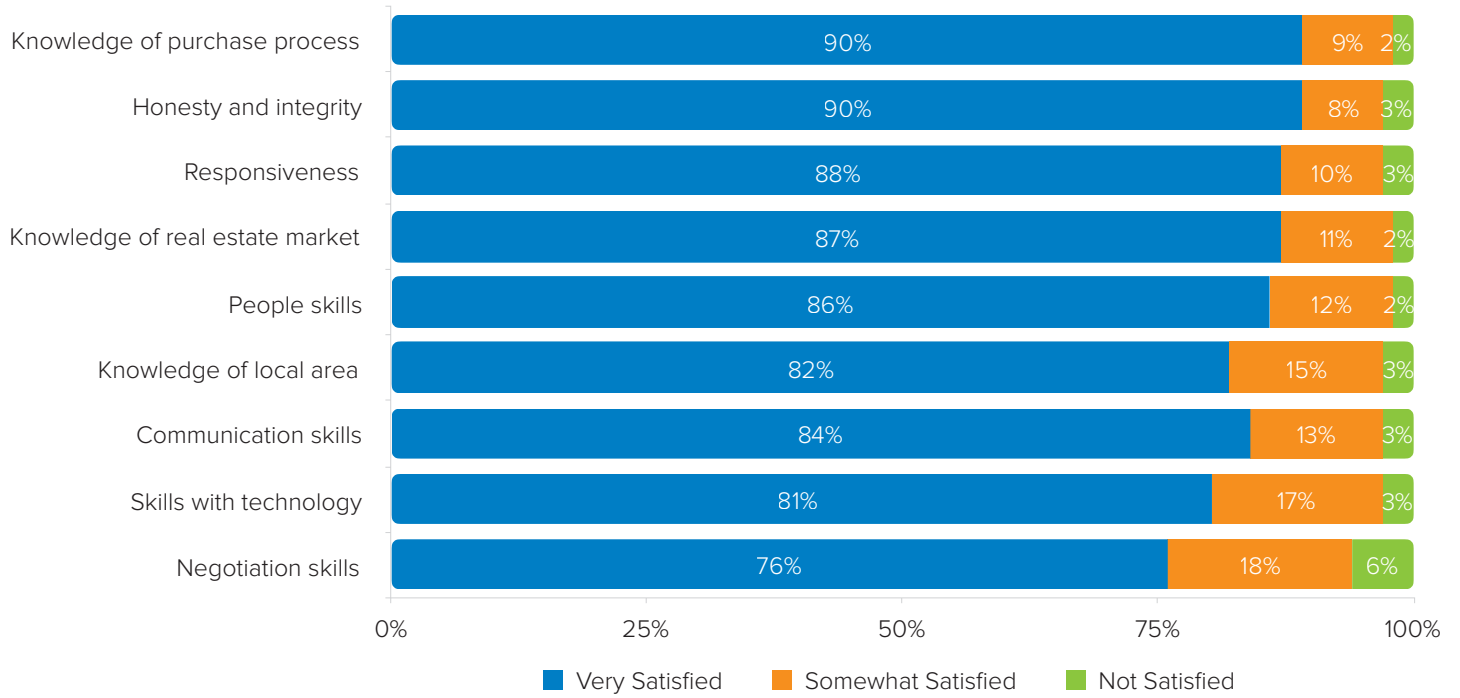
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Calls personally to inform of activities	74%	71%	75%
Sends postings as soon as a property is listed/the price changes/under contract	69%	69%	69%
Sends property info and communicates via text message	65%	67%	64%
Sends emails about specific needs	54%	57%	53%
Can send market reports on recent listings and sales	52%	49%	54%
Has a website	29%	28%	30%
Has a mobile site to show properties	29%	26%	30%
Active in local community/volunteerism	12%	10%	13%
Is active on social media	12%	12%	11%
Sends an email newsletter	8%	8%	8%
Advertises in newspapers	4%	2%	4%
Has a blog	1%	1%	1%



# CHAPTER 4: HOME BUYING AND REAL ESTATE PROFESSIONALS

## Exhibit 4–21: Satisfaction With Real Estate Agent Skills and Qualities

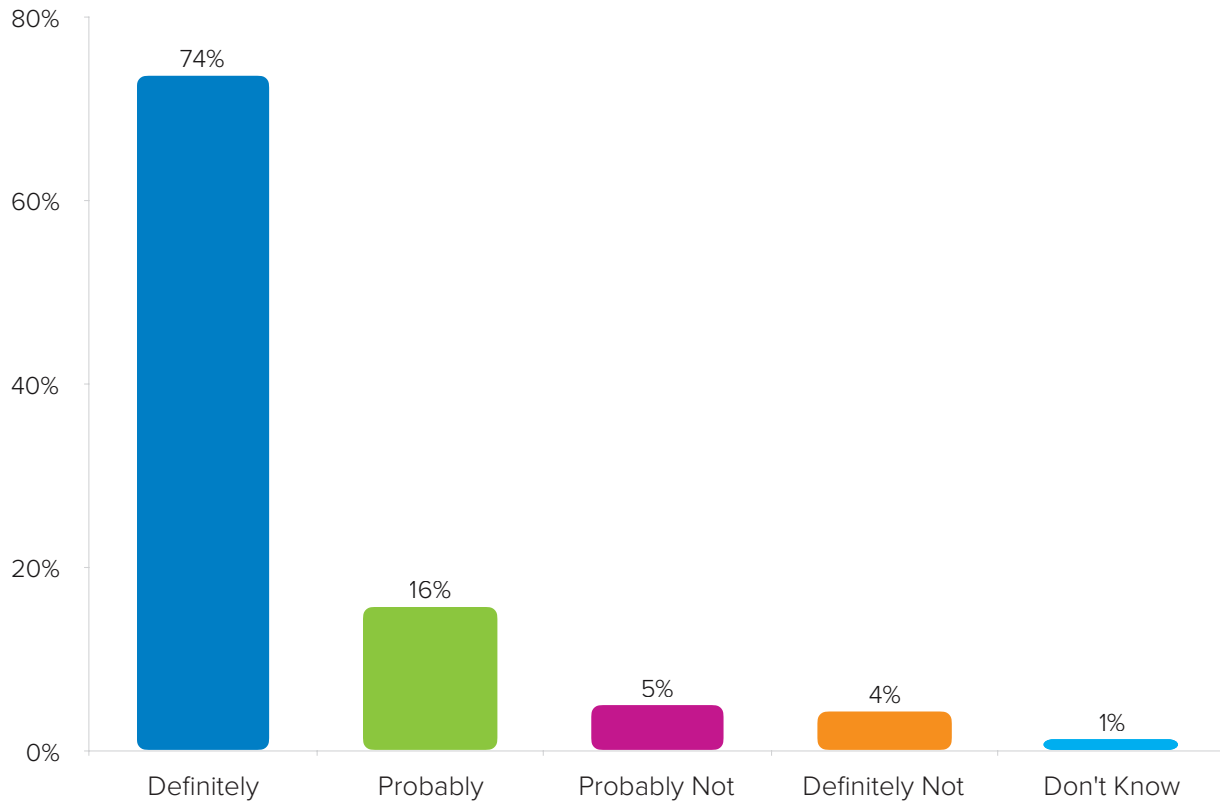
(Percentage Distribution)



## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 4–22: Would Buyer Use Real Estate Agent Again or Recommend to Others

(Percentage Distribution)



### Exhibit 4–23: How Many Times Buyer Recommended Agent

(Percentage Distribution)

None	35%
One time	17%
Two times	19%
Three times	11%
Four or more times	18%
Times recommended since buying (median)	1





## 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. NAR has collected data since 1989 on the median percent of the downpayment that was financed for all buyers, as well as first-time and repeat buyers alike. Eighty-eight percent of all buyers financed their homes last year and, consistent with previous years, younger buyers were more likely to finance their home purchase.

In 2018, the median downpayment was 13 percent for all buyers, seven percent for first-time buyers, and 16 percent for repeat buyers. To compare to this trend, in 1989 the median percent of the downpayment for all buyers was 20 percent, 10 percent for first-time buyers, and 23 percent for repeat buyers. Between 1991 and 1999, the median downpayment was closer to 10 percent for all buyers, peaking back up to 18 percent in 2001. In 2006 to 2008, the median downpayment was nine percent followed by eight percent in 2009 and 2010. For all buyers, the median downpayment remained steady at 10 percent from 2013 until 2017 but rose to 13 percent this year, the highest it's been since 2005.

For repeat buyers, the median downpayment hovered around a steady 20 percent through 2005, with a peak at 25 percent in 2001. In 2006 it began decreasing and hit its lowest at 11 percent in 2016. The downpayment for repeat buyers bounced back up to 16 percent in 2018. For first-time buyers, the median downpayment has been 10 percent or below since 1989. The median downpayment dropped to its lowest point in 2005 and 2006 at just two percent of the downpayment. The median downpayment for first-time buyers increased to six percent in 2014, until rising to seven percent this year.

Savings remained a key source of the downpayment for home buyers, both first-time and repeat buyers alike. Fifty-eight percent of recent home buyers used their savings to finance their home purchase. Overall, this is still above the historical norm of 55 percent since 2000 when the report began tracking sources of the downpayment. Sixty-two percent of buyers did not need to make any financial sacrifices to purchase their home. For those who did, the most common sacrifices buyers reported were cutting spending on luxury goods, entertainment, and clothes.

Conventional financing was the most common mortgage type, followed by FHA loans primarily among first-time home buyers again this year.

## CHAPTER 5: FINANCING THE HOME PURCHASE

### BUYERS WHO FINANCED THEIR HOME

#### Exhibits 5–1 through 5–4

Eighty-eight percent of all buyers financed their homes this year, the same as 2017. Consistent with previous years, younger buyers were more likely to finance their home purchase. Ninety-seven percent of buyers aged 25 to 44 years old financed, whereas only 67 percent of buyers over the age of 65 years financed their home.

First-time home buyers were more likely to finance their home at 96 percent than repeat buyers at 84 percent. Nearly all married couples that were first-time home buyers financed their homes at 97 percent compared to only 76 percent of single female repeat buyers.

Fourteen percent of buyers, the same as the last four years, financed 100 percent of the entire purchase price with a mortgage. The median percent financed for first-time buyers was 93 percent compared to 84 percent for repeat buyers, which was slightly down from last year.

In 2018, the median downpayment was 13 percent for all buyers, seven percent for first-time buyers, and 16 percent for repeat buyers. In 1989, the median downpayment for all buyers was 20 percent, 10 percent for first-time buyers, and 23 percent for repeat buyers. The downpayment has either decreased or held steady since 2005, but the past two years have seen an increasing trend towards higher downpayment percentages.

### SOURCES OF DOWNPAYMENT

#### Exhibits 5–5 and 5–6

Fifty-eight percent of recent home buyers used their savings to finance their home purchase, remaining nearly flat from 59 percent last year. Overall, this is still above the historical norm of 55 percent since 2000. For all buyers, proceeds from the sale of a primary residence were the next most commonly cited way of financing a home purchase at 39 percent, up from 38 percent last year. For repeat buyers, proceeds from the sale of a primary residence was the most common way to finance a home purchase at 56 percent, up from 47 percent in 2014 and more than double the 25 percent in 2012. This is likely due to the increase in property values, allowing buyers to use equity from their previous home at higher rates. For first-time buyers, they cited using savings (78 percent) and a gift from relative or friend (24 percent).

Unmarried couples surpassed single males with the highest percent of savings used for the downpayment at 72 percent. Seventy-four percent of single males used savings to finance the downpayment in 2015, which declined to 62 percent last year and has remained consistent. Married couples and single females were the most likely to use proceeds from the sale of a primary home (45 percent and 39 percent respectively).

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

#### Exhibits 5–7 through 5–9

Nearly a quarter of buyers (24 percent) were delayed in purchasing a home by more than five years if they had debt that impeded them. The median length of time buyers waited to buy a home while saving for the downpayment and paying down debt was three years. Buyers were asked what difficulties they encountered in their home search and home buying process. The share that cited their most difficult step in the home buying process was saving for a downpayment was 13 percent again this year. These buyers were asked what expenses made saving for a downpayment difficult. Fifty percent of all buyers reported student loans, 37 percent reported credit card debt, and 35 percent car loans.

For first-time home buyers, 27 percent said saving for a downpayment was the most difficult step in the process. Of that share, 56 percent said student loan debt delayed them in saving for a home. Among the six percent of repeat buyers who reported that saving for a downpayment was the most difficult task, 43 percent reported credit card debt delayed them in saving for a home. Nineteen percent of unmarried couples reported saving for a downpayment was the most difficult task in the home buying process. Of that 19 percent, 54 percent reported student loans delayed their savings and 44 percent report credit card debt delayed their savings.

### SACRIFICES MADE TO PURCHASE HOME

#### Exhibits 5–10 and 5–11

Some buyers chose to make financial sacrifices in order to make a home purchase. Sixty-two 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 (25 percent), a cut in spending on entertainment (18 percent), and a cut in spending on clothes (14 percent). First-time buyers were more likely to make sacrifices than repeat buyers—55 percent compared to 29 percent made sacrifices. Unmarried couples reported making the most financial sacrifices.

**“Buyers continue to see purchasing a home as a good financial investment. Eighty-four percent reported the view that a home purchase is a good investment and 42 percent said it was better than owning stock.”**



# 2018 PROFILE OF HOME BUYERS AND SELLERS

## DIFFICULTY OF MORTGAGE APPLICATION AND APPROVAL PROCESS AND SOLD A DISTRESSED PROPERTY

### Exhibits 5–12 through 5–16

Nine percent of buyers said the mortgage application process was much more difficult than expected and 22 percent said it was easier than expected. Forty-seven percent of buyers said that the mortgage application and approval process was no more difficult than expected. Twenty-six percent of first-time buyers said that the mortgage application and approval process was somewhat more difficult than expected compared to 20 percent of repeat buyers. Single females were more likely to report the process was easier than expected.

Four percent of successful home buyers did have a mortgage application rejected from a mortgage lender before securing a mortgage. They typically had a median of one rejection. The most common reasons for the buyer reporting they were rejected was because of their debt to income ratio (17 percent), low credit score (13 percent), because their income was unable to be verified (seven percent), not enough money in reserves (six percent), or insufficient downpayment (six percent).

Twenty-four percent of all buyers reported having student loan debt. That number jumps to 40 percent for first-time buyers and drops to 17 percent for repeat buyers. The median amount of student loan debt for all buyers was \$28,000, \$30,000 for first-time buyers and \$25,000 for repeat buyers.

Eight 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 2011.

## TYPE OF MORTGAGE LOAN

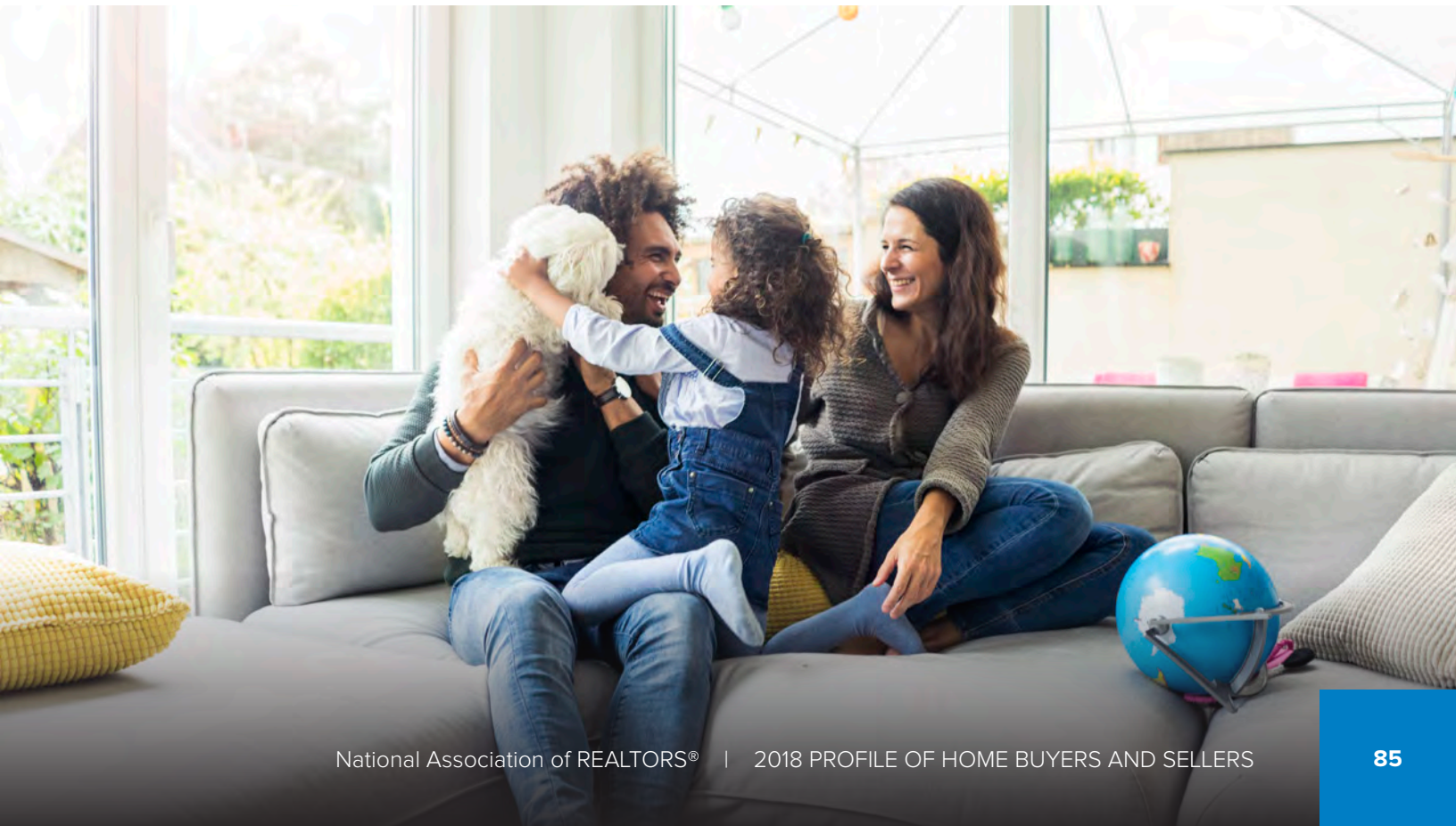
### Exhibits 5–17 and 5–18

Ninety percent of all buyers used a fixed-rate mortgage. Sixty-one percent of buyers chose a conventional loan to finance their home, consistent with last year. Seventeen percent of buyers reported securing a FHA loan and 13 percent chose a VA loan. First-time buyers sought FHA loans more commonly than repeat buyers at 26 percent compared to 12 percent. Repeat buyers largely used conventional loans at 68 percent, compared to 51 percent of first-time buyers.

## BUYERS' VIEW OF HOMES AS A FINANCIAL INVESTMENT

### Exhibits 5–19 and 5–20

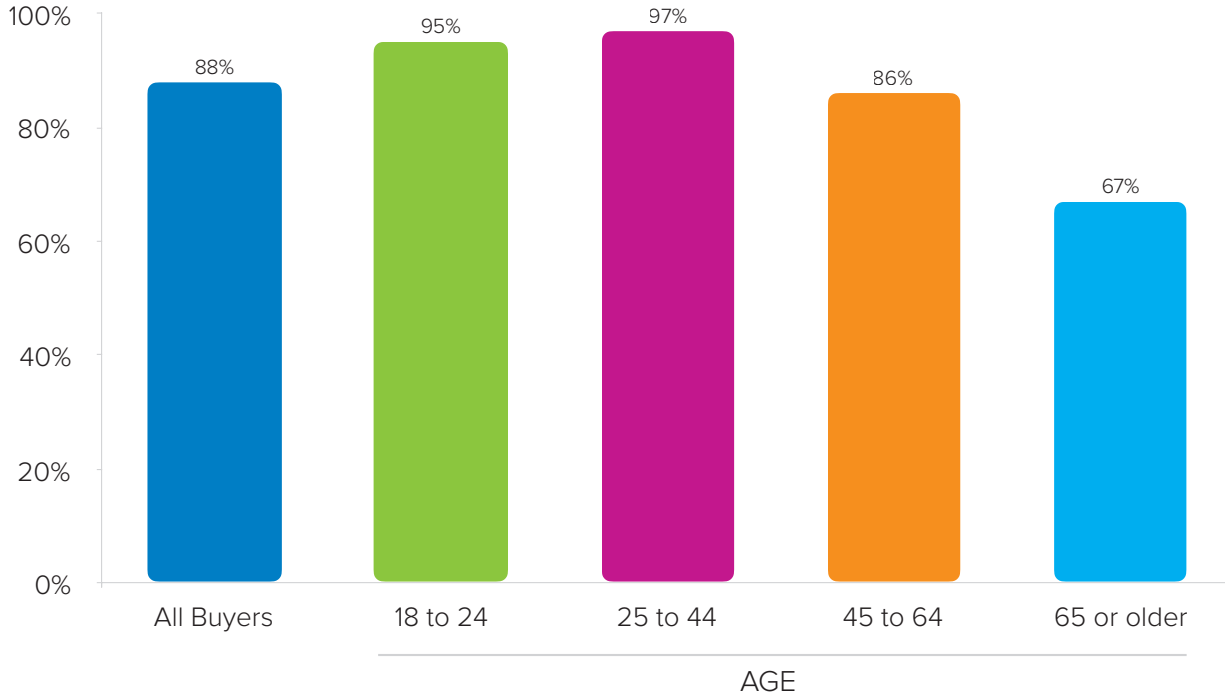
Buyers continue to see purchasing a home as a good financial investment. Eighty-four percent reported the view that a home purchase is a good investment and 42 percent said it was better than owning stock. Only four percent reported that it was not a good financial investment, consistent with last year. Eighty-five percent of first-time buyers see owning a home as a sound financial endeavor compared to 83 percent of repeat buyers. Unmarried couples are most likely to feel their home is a good financial investment at 88 percent.



# CHAPTER 5: FINANCING THE HOME PURCHASE

## Exhibit 5–1: Buyers Who Financed Their Home Purchase, by Age

(Percentage Distribution)



## Exhibit 5–2: Buyers Who Financed Their Home Purchase, by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD					
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
All Buyers	88%	88%	81%	88%	94%	85%
First-time Buyers	96%	97%	93%	94%	97%	97%
Repeat Buyers	84%	85%	76%	84%	89%	81%

# 2018 PROFILE OF HOME BUYERS AND SELLERS

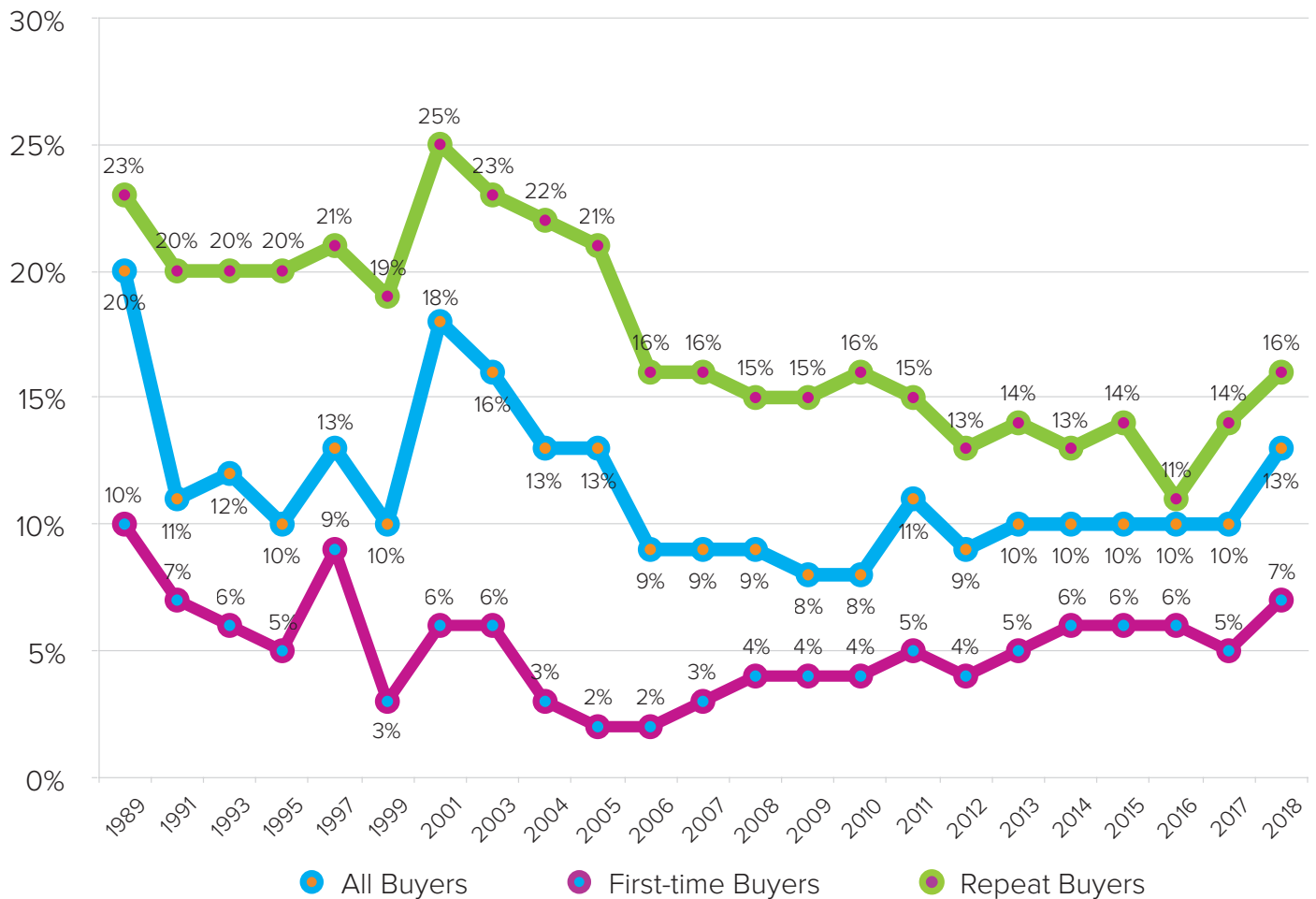
**Exhibit 5–3: Percent of Home Financed by First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes**

(Percentage Distribution)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Less than 50%	11%	8%	12%	14%	10%
50% to 59%	4%	1%	5%	7%	3%
60% to 69%	5%	3%	7%	7%	5%
70% to 79%	13%	8%	15%	16%	12%
80% to 89%	23%	20%	25%	22%	23%
90% to 94%	14%	17%	12%	12%	14%
95% to 99%	17%	25%	12%	14%	18%
100%—Financed the entire purchase price with a mortgage	14%	19%	11%	9%	14%
Median percent financed	87%	93%	84%	83%	89%

**Exhibit 5–4: Median Percent Downpayment by First-Time and Repeat Buyers, 1989–2018**

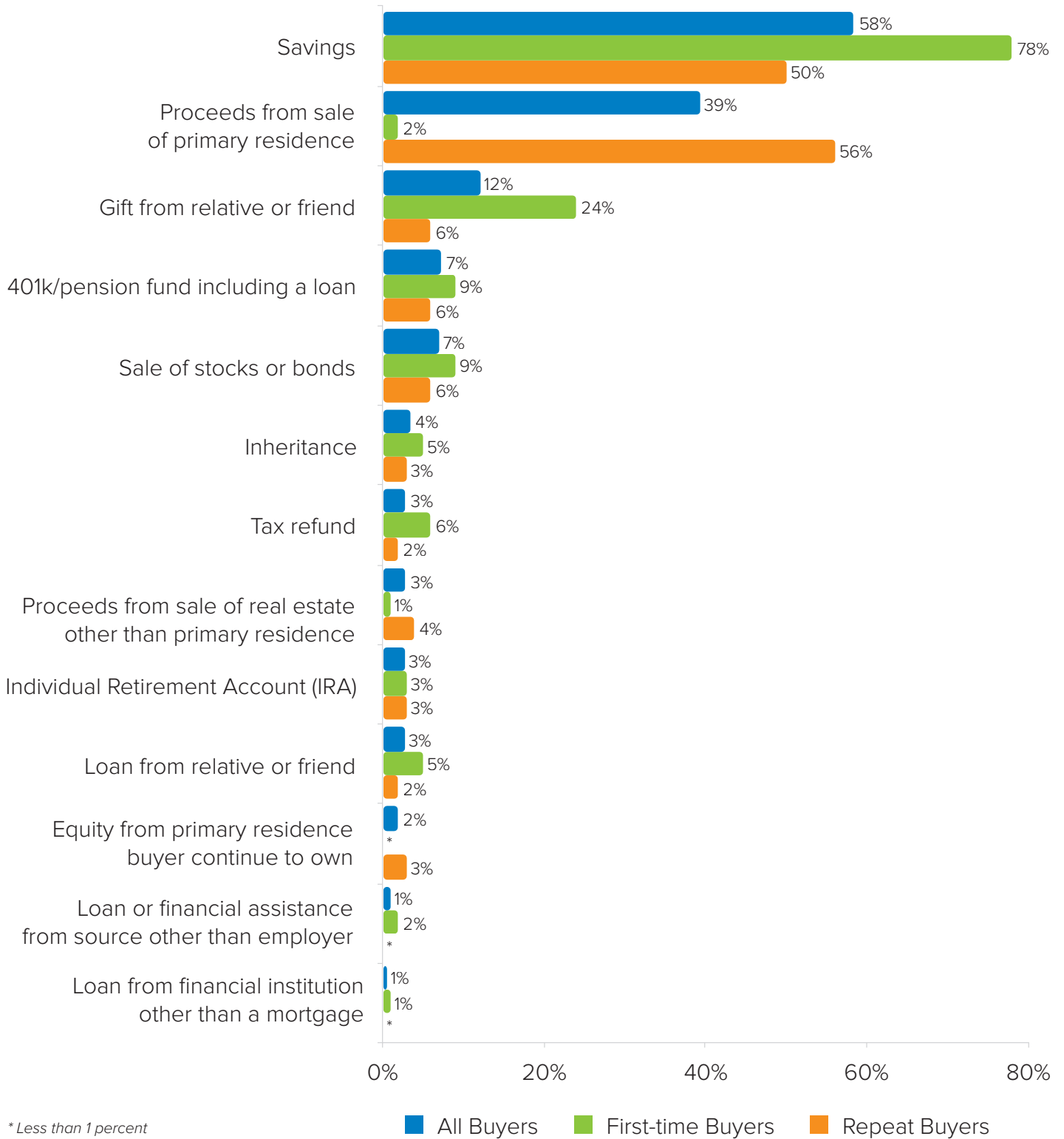
(Percentage Distribution)



# CHAPTER 5: FINANCING THE HOME PURCHASE

## Exhibit 5–5: Sources of Downpayment, First-Time and Repeat Buyers

(Percent of Respondents Among Those Who Made a Downpayment)



# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 5–6: Sources of Downpayment, by Adult Composition of Household

(Percent of Respondents Among Those Who Made a Downpayment)

	ADULT COMPOSITION OF HOUSEHOLD					
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Savings	58%	58%	52%	62%	72%	47%
Proceeds from sale of primary residence	39%	45%	39%	31%	19%	37%
Gift from relative or friend	12%	11%	11%	8%	18%	16%
401k/pension fund including a loan	7%	7%	5%	7%	7%	7%
Sale of stocks or bonds	7%	7%	3%	11%	10%	8%
Inheritance	4%	3%	5%	4%	4%	6%
Proceeds from sale of real estate other than primary residence	3%	3%	3%	2%	3%	3%
Tax refund	3%	3%	2%	3%	4%	4%
Loan from relative or friend	3%	2%	3%	5%	3%	2%
Individual Retirement Account (IRA)	3%	3%	3%	3%	2%	6%
Equity from primary residence buyer continue to own	2%	2%	2%	2%	1%	2%
Loan or financial assistance from source other than employer	1%	*	1%	2%	2%	6%
Loan from financial institution other than a mortgage	1%	*	*	*	1%	1%
Loan or financial assistance through employer	*	*	*	*	*	2%
Other	4%	3%	5%	4%	4%	3%

\* Less than 1 percent

## Exhibit 5–7: Years Debt Delayed Home Buyers From Saving for a Downpayment or Buying a Home

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
One year	18%	16%	21%
Two years	20%	21%	18%
Three years	14%	13%	15%
Four years	6%	7%	6%
Five years	18%	17%	19%
More than five years	24%	26%	21%
Median	3	3	3



## CHAPTER 5: FINANCING THE HOME PURCHASE

### Exhibit 5–8: Expenses That Delayed Saving for a Downpayment or Saving for a Home Purchase, by First-Time and Repeat Buyers

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

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Share Saving for Downpayment was Most Difficult Task in Buying Process:	13%	27%	6%
<b>DEBT THAT DELAYED SAVING:</b>			
Student Loans	50%	56%	38%
Credit card debt	37%	34%	43%
Car loan	35%	36%	31%
Child care expenses	17%	15%	21%
Health care costs	13%	11%	17%
Other	17%	16%	21%
Median Years Debt Delayed Home Purchase Among Those Who Had Difficulty Saving	2	2	2

### Exhibit 5–9: Expenses That Delayed Saving for a Downpayment or Saving for a Home Purchase, by Adult Composition of Household

(Percent of Respondents Who Reported Saving for a Downpayment Was Difficult)

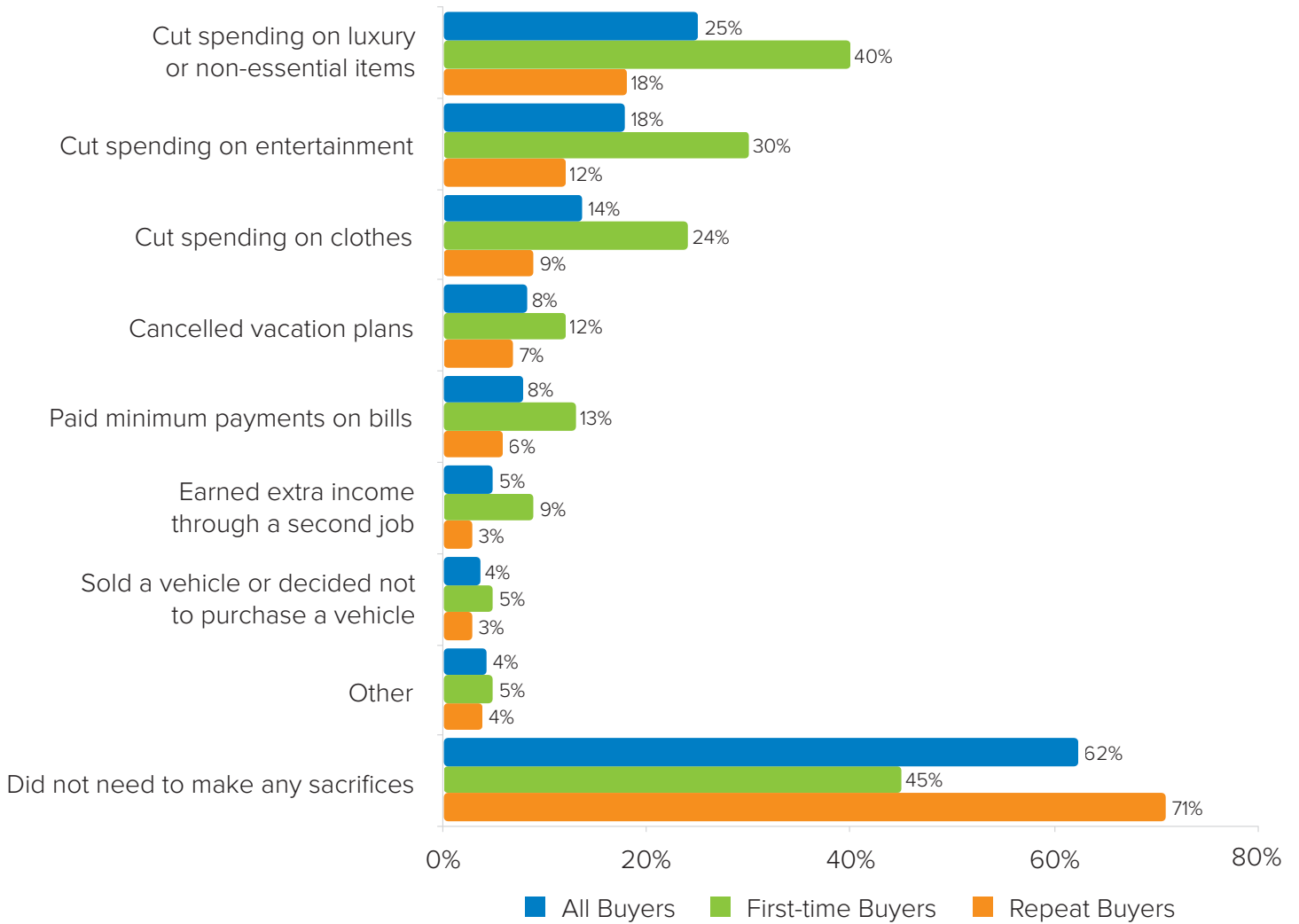
	ADULT COMPOSITION OF HOUSEHOLD					
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Share Saving for Downpayment was Most Difficult Task in Buying Process:	13%	12%	9%	14%	19%	12%
<b>DEBT THAT DELAYED SAVING:</b>						
Student Loans	50%	52%	51%	36%	54%	25%
Credit card debt	37%	39%	31%	35%	44%	20%
Car loan	35%	35%	30%	33%	34%	47%
Child care expenses	17%	20%	10%	7%	16%	*
Health care costs	13%	15%	4%	11%	10%	20%
Other	17%	17%	20%	29%	10%	40%
Median Years Debt Delayed Home Purchase Among Those Who Had Difficulty Saving	2	3	2	2	2	5

\* Less than 1 percent

## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 5–10: Sacrifices Made To Purchase Home, by First-Time and Repeat Buyers

(Percent of Respondents)



## CHAPTER 5: FINANCING THE HOME PURCHASE

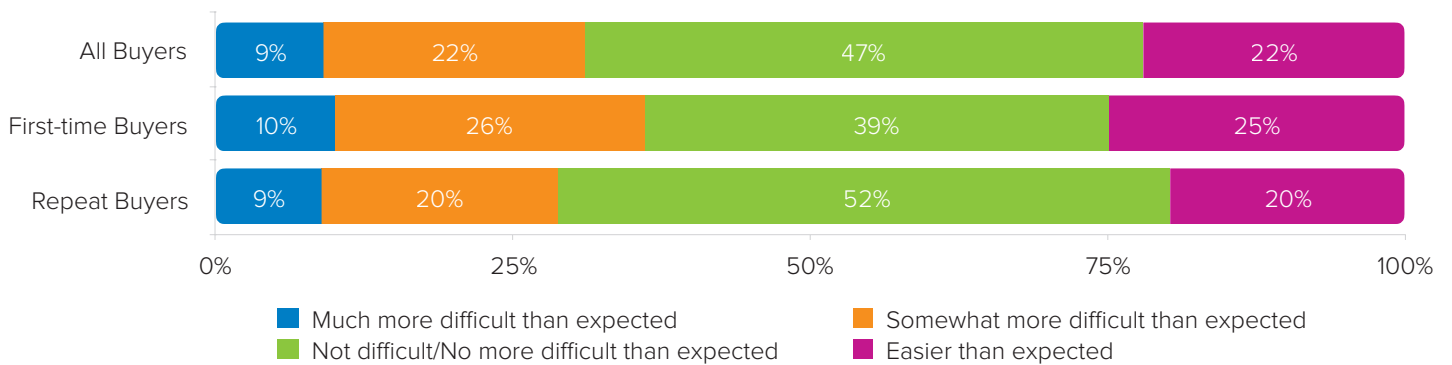
### Exhibit 5–11: Sacrifices Made To Purchase Home, by Adult Composition of Household

(Percent of Respondents)

	ADULT COMPOSITION OF HOUSEHOLD					
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Cut spending on luxury or non-essential items	25%	24%	25%	19%	39%	26%
Cut spending on entertainment	18%	17%	18%	13%	27%	23%
Cut spending on clothes	14%	12%	17%	10%	21%	19%
Cancelled vacation plans	8%	8%	7%	5%	10%	6%
Paid minimum payments on bills	8%	8%	8%	6%	10%	9%
Earned extra income through a second job	5%	5%	5%	5%	7%	6%
Sold a vehicle or decided not to purchase a vehicle	4%	4%	3%	4%	4%	2%
Other	4%	4%	4%	6%	4%	8%
Did not need to make any sacrifices	62%	64%	63%	69%	49%	58%

### Exhibit 5–12: Difficulty of Mortgage Application and Approval Process, by First-Time and Repeat Buyers

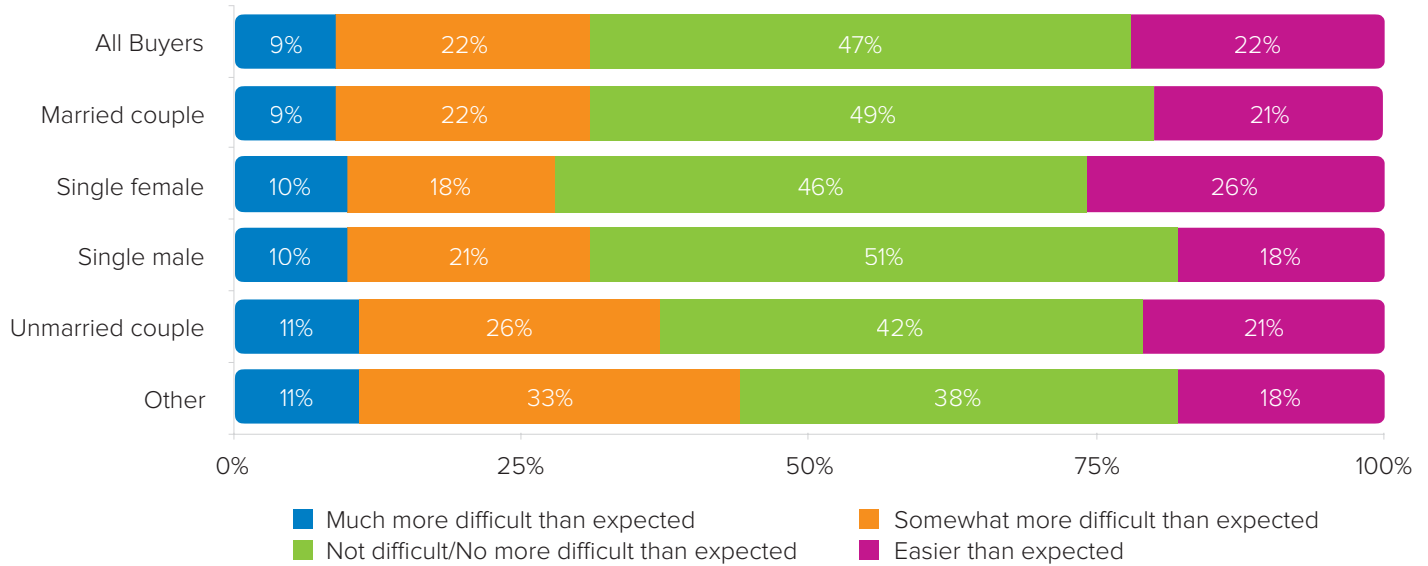
(Percentage Distribution Among Those Who Financed Their Home Purchase)



## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 5–13: Difficulty of Mortgage Application and Approval Process, by Adult Composition of Household

(Percentage Distribution Among Those Who Financed Their Home Purchase)



### Exhibit 5–14: Buyer Mortgage Application Had Been Rejected From Mortgage Lender

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Have had application denied	4%	7%	3%
Median number of times application was denied	1	1	1
<b>BUYER REASONS WHY REJECTED BY MORTGAGE LENDER</b>			
Debt to income ratio	17%	21%	13%
Low credit score	13%	15%	11%
Income was unable to be verified	7%	8%	6%
Not enough money in reserves	6%	9%	4%
Insufficient downpayment	6%	7%	6%
Too soon after refinancing another property	*	*	*
Don't know	51%	49%	53%
Other	15%	11%	18%

\* Less than 1 percent

## CHAPTER 5: FINANCING THE HOME PURCHASE

### Exhibit 5–15: Buyers Who Have Student Loan Debt

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Have student loan debt	24%	40%	17%
Under \$10,000	19%	16%	23%
\$10,000 to \$24,999	27%	27%	27%
\$25,000 to \$49,999	24%	24%	25%
\$50,000 to \$74,999	12%	14%	11%
\$75,000 or more	18%	20%	15%
Median amount of student loan debt	\$28,000	\$30,000	\$25,000

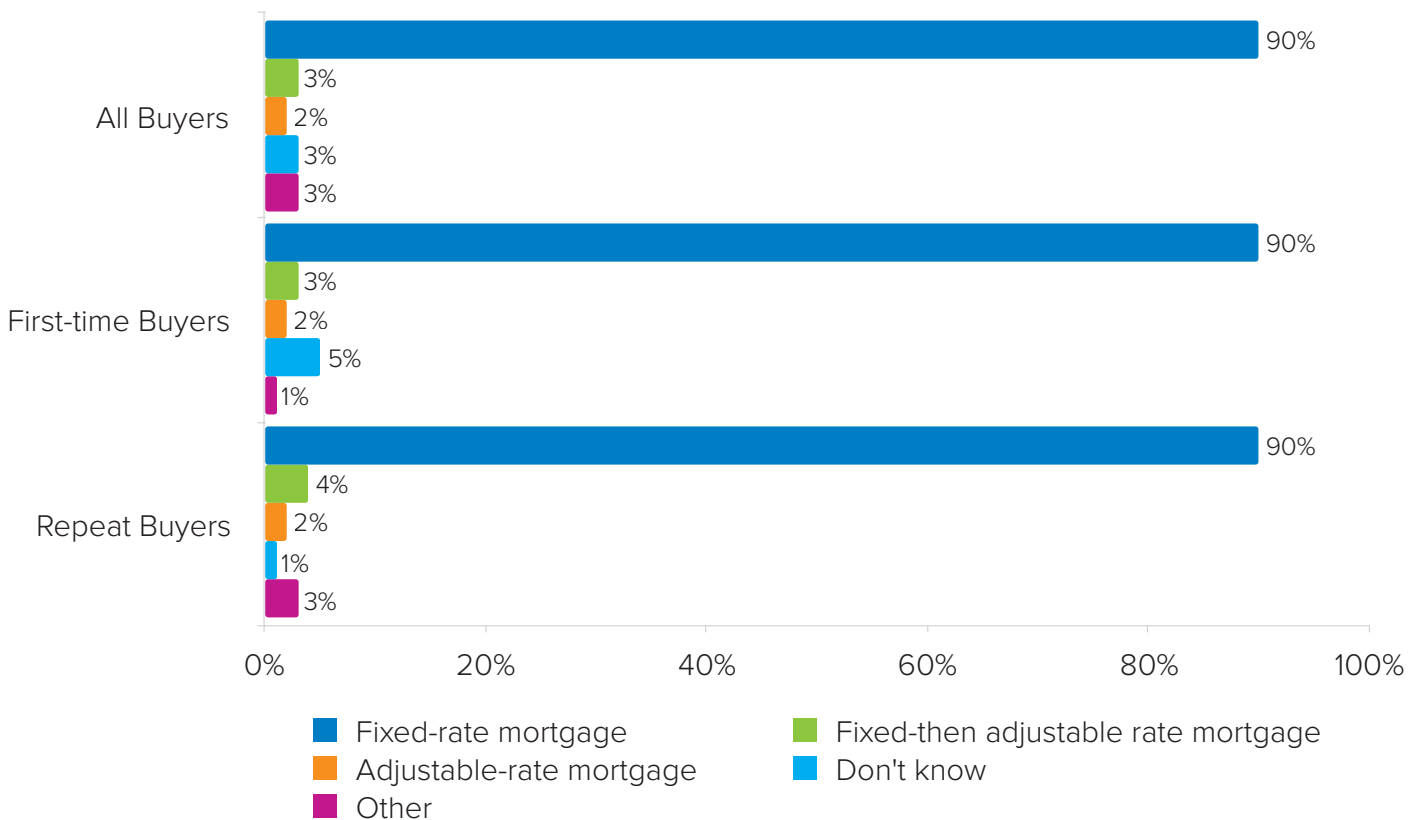
### Exhibit 5–16: Buyer Previously Sold a Distressed Property (Short Sale or Foreclosure)

(Percentage Distribution)

	ALL BUYERS
Previously had a distressed property sale	8%
Median year of sale	2011

### Exhibit 5–17: Type of Mortgage, First-Time and Repeat Buyers

(Percentage Distribution Among Those Who Financed Their Home Purchase)

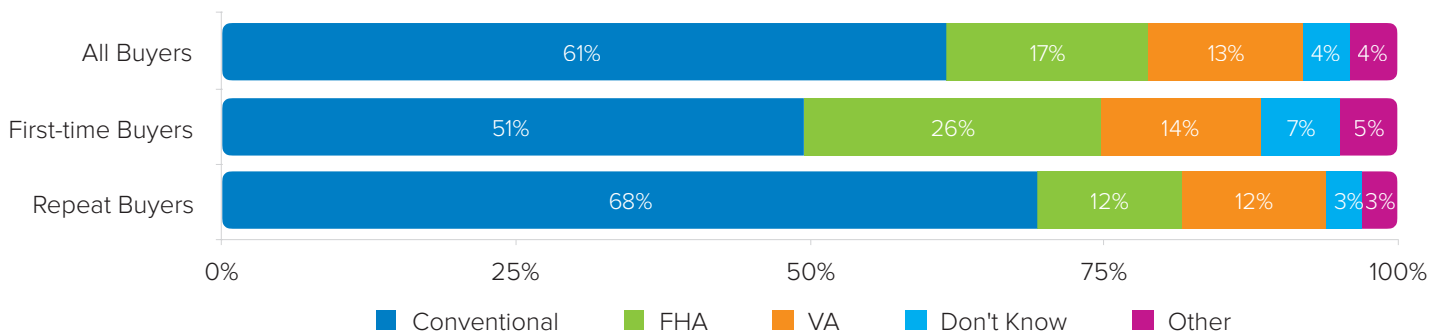




# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 5–18: Type of Loan, First-Time and Repeat Buyers

(Percentage Distribution Among Those Who Financed Their Home Purchase)



## Exhibit 5–19: Buyers' View of Homes as a Financial Investment, First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percentage Distribution)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Good financial investment	84%	85%	83%	87%	84%
Better than stocks	42%	44%	40%	41%	42%
About as good as stocks	30%	30%	30%	32%	30%
Not as good as stocks	12%	11%	13%	14%	12%
Not a good financial investment	4%	2%	5%	5%	4%
Don't know	12%	12%	11%	8%	12%

## Exhibit 5–20: Buyers' View of Homes as a Financial Investment, by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD					
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Good financial investment	84%	84%	85%	86%	88%	74%
Better than stocks	42%	39%	45%	43%	46%	39%
About as good as stocks	30%	31%	32%	28%	30%	28%
Not as good as stocks	12%	14%	8%	15%	12%	7%
Not a good financial investment	4%	5%	3%	4%	2%	5%
Don't know	12%	12%	12%	9%	10%	22%





## CHAPTER 6:

### Home Sellers and their Selling Experience

NAR has collected data on the median tenure in the home since 1985. In 2018, the median tenure for sellers was nine years. In 1985, the median tenure was just five years. In the last 30 years, sellers have remained in the same home for longer periods of time. From 1987 to 2008, sellers stayed in the home for a median of six years, with the only exception of 1997 when the median tenure bumped up to seven years. After 2008, the median tenure in the home began to increase by one year each year. By 2011, the median tenure reached nine years, where it remained for three consecutive years, and jumped up again in 2014 to 10 years. It decreased to nine years again in 2015 but rose in 2016 to a median of 10 years, and decreased yet again in 2018 to nine years.

Tightened inventory continues to cause prices to increase in many areas of the country. While housing inventory was reduced in many areas, sellers saw a favorable market where they received a median of 99 percent of their asking price and sold their homes typically within three weeks.

Increased home prices have lowered the share of home sellers who report they delayed the sale of their home because their home was worth less than their mortgage. That share of sellers dropped from 10 percent in the 2017 report to nine percent in 2018. However, sellers who purchased their home eight to 10 years ago continue to report stalling their home sale at higher rates—23 percent of sellers reported delaying their home sale.

The typical seller had \$55,000 in equity in their home when their home sold, in comparison to the purchase price of their home.



## CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

### HOME SELLER CHARACTERISTICS

#### Exhibits 6–1 through 6–6

The typical age of home sellers was 55 this year, up from 46 in 2009. The median income in 2017 for the typical household was \$98,800, down from \$103,300 just last year. Incomes in the Northeast and West were typically higher than in the Midwest and South.

The share of married couples selling their home was 71 percent this year, down slightly from 74 percent last year. From 2004 to 2010, the share of married couples selling their homes stayed between 71 and 75 percent. Single females who sold their home increased this year to 17 percent, continuing a four year increase. Of all homes sold on the market, 68 percent did not have children under the age of 18 residing in the home.

For all sellers, 91 percent identified as White or Caucasian and 98 percent of households speak English as their primary language.

### HOME SELLING SITUATION

#### Exhibits 6–7 and 6–8

For repeat buyers, 25 percent sold their home in 2018, 44 percent in 2017, 14 percent sold in 2016 or earlier, and only four percent have not been able to sell yet. Six percent did not plan to sell their home. Two-thirds (68 percent) were repeat sellers, and the share of first-time home sellers was 32 percent.

### HOME SOLD VS. HOME PURCHASED

#### Exhibits 6–9 through 6–20

The majority of home sellers in 2018 reported they purchased a home in the same state as they sold a home at 70 percent. Sixteen percent of home sellers moved to another region of the country, and 14 percent remained in the same region, but moved to a nearby state. Half of the homes sold (52 percent) were located in the suburbs or a subdivision. Thirty-seven percent of the homes sold this year were located in the South region, 25 percent were in the Midwest region, and 26 percent were in the West region.

Detached single-family homes were the most common homes sold at 80 percent. Townhome and row houses sold at seven percent and multi-unit apartments or condos buildings sold at eight percent. Townhomes and condos were more common in urban and central city areas at 10 percent and 15 percent, respectively.

Forty-four percent of sellers traded up and purchased a home that was larger in size than what they previously owned, 29 percent bought a home that was similar in size, and 27 percent traded down and purchased a home that was smaller in size. For buyers 65 years in age and older, they purchased a smaller home by 100 to 200 square feet. For buyers who were 44 years and younger, they purchased a home 600 to 700 square feet larger. The typical home had three bedrooms and two bathrooms, the same as in the year prior.

Fifty percent of all sellers purchased a home that was newer in age than their previous home. Twenty-eight percent purchased a home the same age, and 22 percent purchased an older home. Forty-seven percent of sellers traded up to purchase a more expensive home than the home they just sold, 27 percent purchased a less expensive home, and 26 percent purchased a home similar in price. Buyers who are 54 and younger typically bought a more expensive home than the one they just sold. Buyers aged 35 to 44 bought the most expensive trade-ups this year by an increase of \$100,000. Buyers aged 55 and over typically bought a less expensive home.

For all sellers, the most commonly cited reason for selling their home was that it was too small (15 percent), followed by the desire to move closer to friends and family (14 percent), and a job relocation (13 percent). For sellers that moved the greatest distances, the primary reason was to relocate for a job. For sellers moving within 10 miles, the most common reason was the home was too small followed by the home was too big, and the neighborhood became less desirable. For the most common reasons among seller experience: for first-time sellers, 29 percent said their home was too small and repeat sellers wanted to be closer to friends and family (17 percent).

### SELLER STALLED HOME SALE

#### Exhibits 6–21 and 6–22

Nine percent of recent sellers stalled or delayed their home sale because their home was worth less than their mortgage. Ninety-one percent were able to sell when they wanted to. Thirteen percent of first-time sellers stalled but lived in the home, compared to seven percent for repeat sellers. Twenty-three percent of those who purchased their home eight to 10 years ago reported stalling or waiting to sell the home.

### TENURE IN HOME

#### Exhibits 6–23 through 6–25

The median number of years a seller remained in their home was nine years. That number was still higher than reported in 2001 to 2008 where the tenure in the home was only six years. The highest tenure in a home was for detached single-family homes, where sellers typically lived for 10 years, followed by mobile or manufactured homes which sold typically after nine years. Sellers who were 18 to 34 years of age had the shortest tenure in their homes—selling within four years, compared to those over 75 years of age who sold their home typically after 17 years.

# 2018 PROFILE OF HOME BUYERS AND SELLERS

## DISTANCE MOVED

### Exhibits 6-26 and 6-27

The purchasing habits of sellers led them to buy close to where they previously lived, moving a median of 20 miles away. In the Northeast and Midwest, sellers typically moved within 15 to 17 miles compared to 20 to 30 miles in the South and the West. This trend varied with age, where younger sellers between 35 and 44 years only moved within 10 miles. Sellers of 65 to 74 years moved over 100 miles away 39 percent of the time.

## METHOD OF SALE

### Exhibits 6-28 through 6-31

Ninety-one percent of home sellers worked with a real estate agent to sell their home. The share of FSBO sales was at seven percent again this year, which is the lowest recorded share. From 2001 to 2008, FSBO sales ranged from 12 percent to 14 percent. Working with an agent was highest in the West and Northeast at 93 percent and lowest in the Midwest at 89 percent. Inversely, FSBO sales were highest in the Midwest at eight percent and between six and five percent in the other regions.

The method of sale tends to differ in conjunction with the relationship between the buyer and seller. If the buyer and seller know each other, the sale can be either an arms-length transaction consistent with local market conditions or it may involve considerations that would be not be relevant in the absence of a prior relationship.

Of all home sellers, only seven percent reported that they knew the buyer of their home. Among those sellers that were assisted by an agent, four percent knew the buyer. In contrast, 51 percent of FSBO sellers said they knew the buyer of their home before the transaction.

## SALES PRICE AND TIME ON THE MARKET

### Exhibits 6-32 through 6-36

For recently sold homes, the final sales price was a median 99 percent of the final listing price. In the West, the median final sales price was as high as 100 percent of the listing price compared to 95 percent in the South. Forty-eight percent of sellers reported their home was on the market for two weeks or less. For all sellers, time on market was a median of three weeks. In the Northeast and South, it was a median of four weeks, and just two weeks in the Midwest and West. Time on the market and the ratio of sales price to listing price have a strong relationship; generally, the longer a home is on the market the greater the discount from the listing price upon sale. Homes that were on the market for two weeks or less received a median of 100 percent of their asking price. Thirty percent of sellers who sold their home in less than a week, sold for more than the asking price. Homes that were on the market for 17 weeks or more typically received just 94 percent of the sale price compared to the listing price.

Homes which are on the market longer tend to reduce their listing price. Ninety-one percent of homes that were listed on the market for less than one week did not reduce their asking price. For homes that were listed for three to four weeks, 41 percent reduced their asking price overall and 33 percent reduced the asking price only once. For homes on the market for 17 weeks or more, only 13 percent were sold at the initial asking price.

## INCENTIVES TO PROSPECTIVE BUYERS

### Exhibits 6-37 and 6-38

Forty-four percent of all sellers offered incentives to attract buyers. This varies by region, and was the most common in the South and Midwest and less likely in the Northeast and West. Home warranty policies followed by assistance with closing costs were the top two listed incentives when selling a home. As to be expected, the longer a home is on the market, the more likely the seller is to add an incentive. For homes that were listed on the market for over 17 weeks, 52 percent offered some kind of incentive compared to only 18 percent of homes that were listed for less than one week.

## EQUITY BY TENURE

### Exhibit 6-39

This year, home sellers cited that they sold their homes for a median of \$55,000 more than they purchased it, up from \$47,500 the year prior. This accounted for a 29 percent price gain, up from 26 percent the year before. Generally, the longer a seller is in the home the greater the increase attributable to price appreciation. Sellers who owned their homes for four to seven years, all reported roughly selling their homes for \$52,000 to \$68,900 more than they purchased it. That number dropped to \$35,000 between eight and 10 years, and then increased again. Homes sold after 21 years reported a price gain of \$145,100.

## SATISFACTION WITH THE SALES PROCESS

### Exhibit 6-40

Sixty-four percent of sellers were 'very satisfied' with the selling process. Twenty-five percent were somewhat satisfied. Twelve percent were dissatisfied with the process.



## CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

### Exhibit 6–1: Age of Home Sellers, by Region

(Percentage Distribution)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
18 to 34 years	12%	6%	15%	11%	12%
35 to 44 years	21%	23%	20%	20%	23%
45 to 54 years	15%	16%	14%	18%	12%
55 to 64 years	23%	25%	24%	21%	23%
65 to 74 years	22%	25%	19%	22%	23%
75 years or older	8%	5%	8%	8%	8%
Median age (years)	55	56	54	55	56

### Exhibit 6–2: Household Income of Home Sellers, 2017

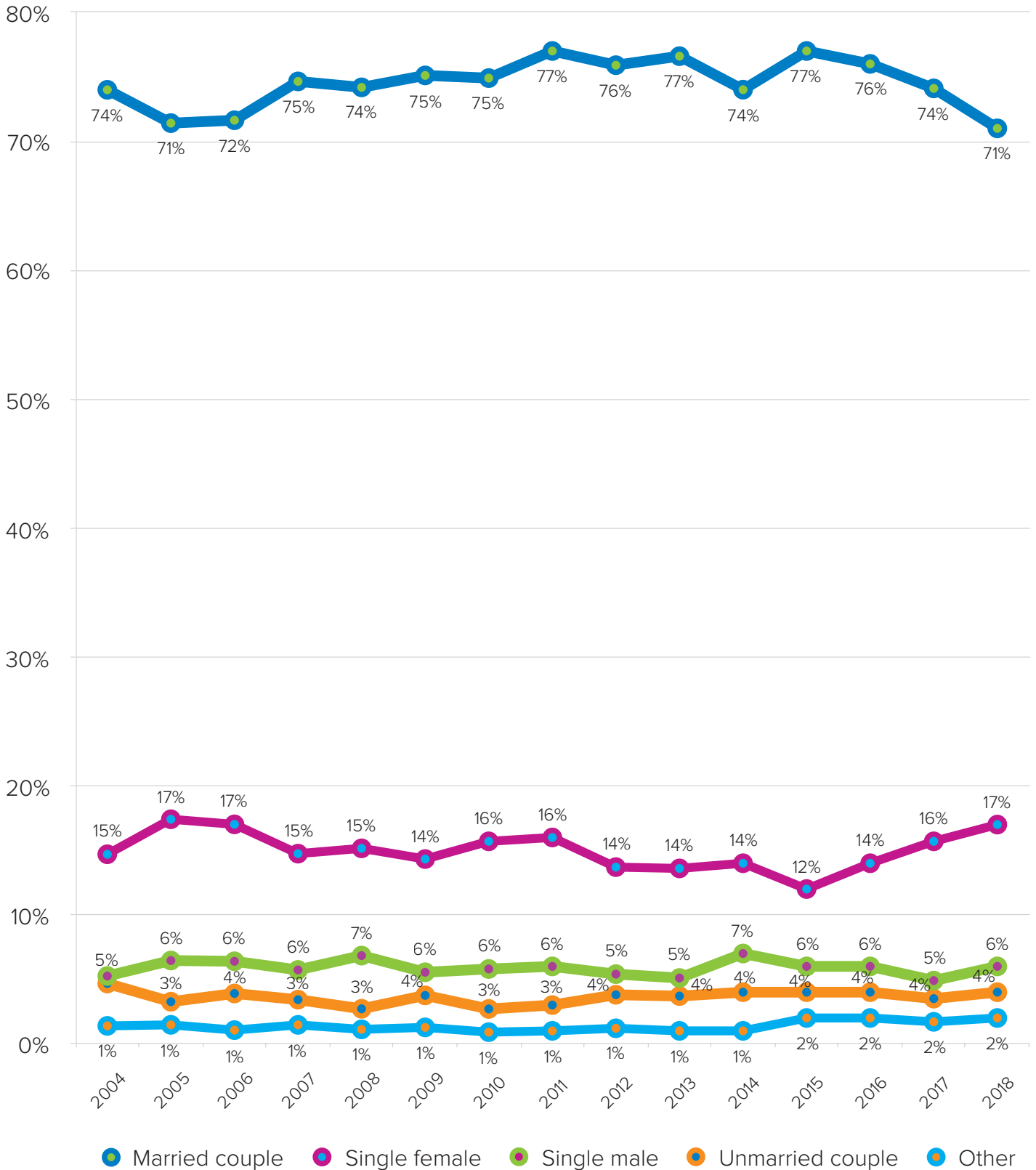
(Percentage Distribution)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than \$25,000	3%	3%	2%	3%	2%
\$25,000 to \$34,999	4%	4%	3%	5%	3%
\$35,000 to \$44,999	5%	7%	6%	4%	4%
\$45,000 to \$54,999	6%	6%	8%	6%	6%
\$55,000 to \$64,999	6%	5%	8%	6%	5%
\$65,000 to \$74,999	7%	6%	6%	10%	7%
\$75,000 to \$84,999	8%	7%	7%	7%	9%
\$85,000 to \$99,999	12%	9%	14%	12%	12%
\$100,000 to \$124,999	15%	12%	15%	15%	16%
\$125,000 to \$149,999	9%	6%	11%	10%	9%
\$150,000 to \$174,999	8%	10%	7%	6%	9%
\$175,000 to \$199,999	5%	8%	4%	6%	5%
\$200,000 or more	12%	17%	8%	11%	14%
Median income (2017)	\$98,800	\$106,300	\$95,700	\$96,300	\$103,100

# 2018 PROFILE OF HOME BUYERS AND SELLERS

**Exhibit 6–3: Adult Composition of Home Seller Households, 2004–2018**

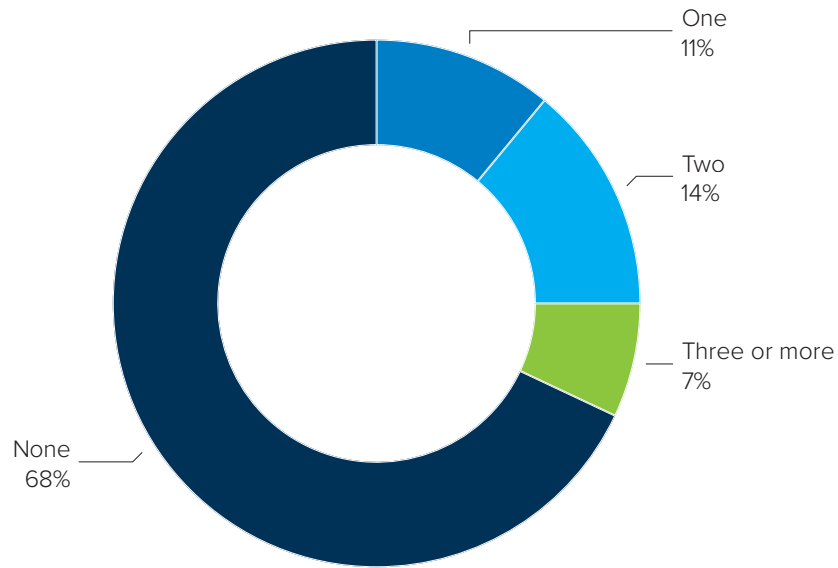
(Percentage Distribution)



## CHAPTER 6: 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)



### Exhibit 6–5: Race/Ethnicity of Home Sellers, by Region

(Percent of Respondents)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
White/Caucasian	91%	93%	95%	90%	88%
Hispanic/Latino/Mexican/Puerto Rican	4%	3%	2%	6%	5%
Black/African-American	3%	3%	3%	4%	2%
Asian/Pacific Islander	2%	2%	1%	1%	5%
Other	2%	3%	1%	2%	3%

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.

### Exhibit 6–6: Primary Language Spoken in Home Seller Household, by Region

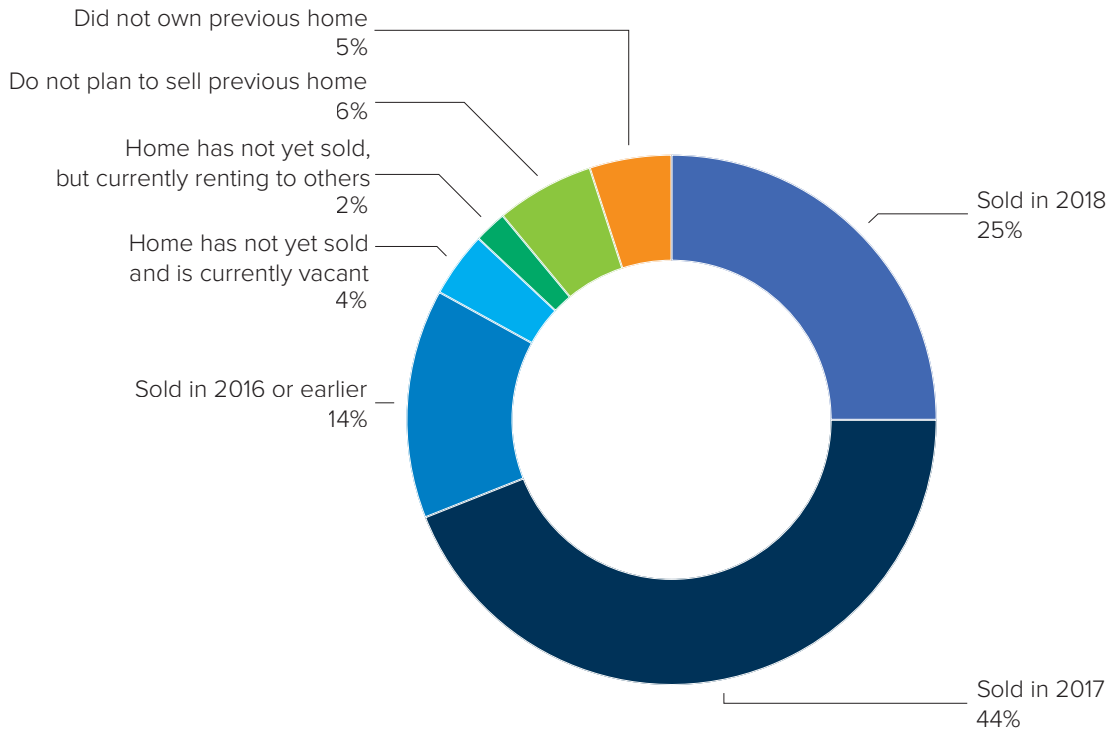
(Percentage Distribution)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
English	98%	99%	99%	98%	97%
Other	2%	1%	1%	2%	3%

# 2018 PROFILE OF HOME BUYERS AND SELLERS

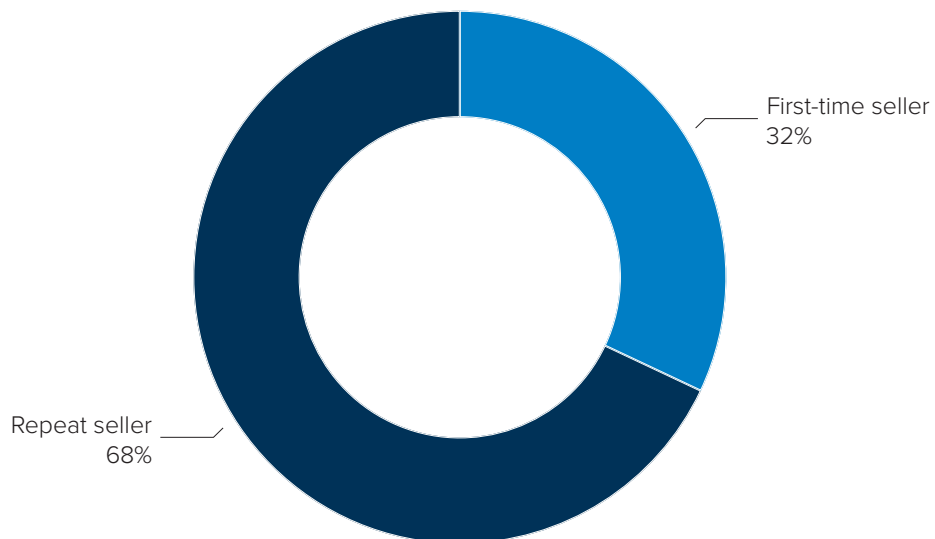
## Exhibit 6–7: Home Selling Situation Among Repeat Buyers

(Percentage Distribution)



## Exhibit 6–8: First-Time or Repeat Seller

(Percentage Distribution)



## CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

### Exhibit 6–9: Homes Sold and for Sale, by Region

(Percentage Distribution)

	HOMES SOLD	HOME HAS NOT YET SOLD AND IS CURRENTLY VACANT	HOME HAS NOT YET SOLD, BUT CURRENTLY RENTING TO OTHERS
Northeast	12%	12%	10%
Midwest	25%	22%	15%
South	37%	44%	50%
West	26%	22%	26%

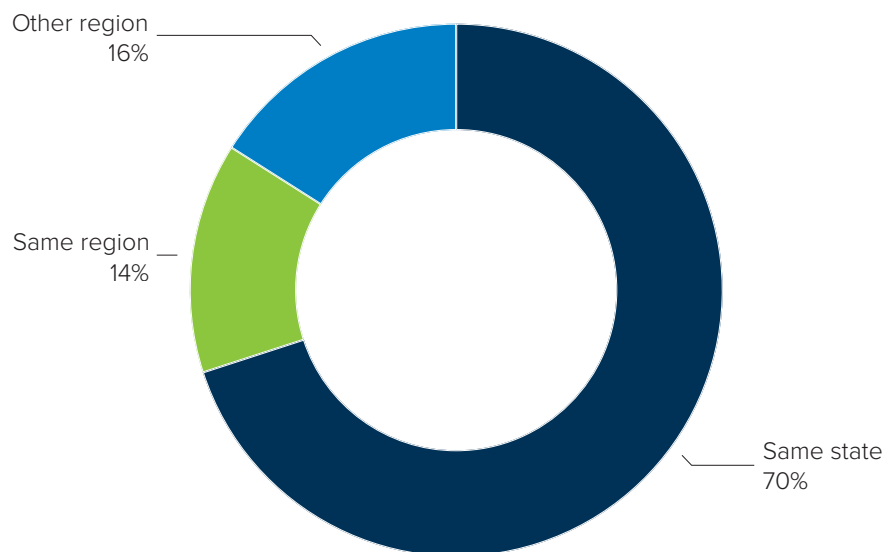
### Exhibit 6–10: Location of Home Sold

(Percentage Distribution)

	HOMES SOLD	HOME HAS NOT YET SOLD AND IS CURRENTLY VACANT	HOME HAS NOT YET SOLD, BUT CURRENTLY RENTING TO OTHERS
Suburb/Subdivision	52%	42%	42%
Small town	16%	15%	13%
Urban area/Central city	16%	15%	27%
Rural area	14%	23%	17%
Resort/Recreation area	2%	5%	1%

### Exhibit 6–11: Proximity of Home Sold to Home Purchased

(Percentage Distribution)





# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 6–12: Type of Home Sold, by Location

(Percentage Distribution)

	SELLERS WHO SOLD A HOME IN A					
	ALL SELLERS	SUBURB/ SUBDIVISION	SMALL TOWN	URBAN/ CENTRAL CITY	RURAL AREA	RESORT/ RECREATION AREA
Detached single-family home	80%	82%	84%	68%	84%	61%
Townhouse/row house	7%	9%	3%	10%	2%	2%
Apartment/condo in a building with 5 or more units	4%	2%	3%	11%	*	6%
Duplex/apartment/condo in 2 to 4 unit building	4%	3%	4%	4%	1%	11%
Other	6%	3%	6%	6%	13%	19%

\* Less than 1 percent

## Exhibit 6–13: Size of Home Purchased Compared to Home Recently Sold

(Percentage Distribution)

SIZE OF HOME SOLD	SIZE OF HOME PURCHASED					
	1,000 SQ FT OR LESS	1,001 SQ FT TO 1,500 SQ FT	1,501 SQ FT TO 2,000 SQ FT	2,001 SQ FT TO 2,500 SQ FT	2,501 SQ FT TO 3,000 SQ FT	MORE THAN 3,000 SQ FT
1,000 SQ FT OR LESS	*	*	*	*	*	*
1,001 TO 1,500 SQ FT	*	3%	6%	4%	2%	1%
1,501 TO 2,000 SQ FT	*	3%	6%	7%	4%	4%
2,001 TO 2,500 SQ FT	*	2%	5%	8%	5%	6%
2,501 TO 3,000 SQ FT	*	*	2%	4%	3%	5%
MORE THAN 3,000 SQ FT	*	1%	2%	4%	4%	9%

\* Less than 1 percent

■ 44% Trading Up   ■ 29% Remaining at the Same Size Range   ■ 27% Trading Down

## Exhibit 6–14: Size of Home Purchased Compared to Home Recently Sold, by Age of Seller

(Median Square Feet)

	SIZE OF HOME SOLD	SIZE OF HOME PURCHASED	DIFFERENCE
18 to 34 years	1,500	2,200	700
35 to 44 years	1,800	2,400	600
45 to 54 years	2,000	2,300	300
55 to 64 years	2,000	2,000	0
65 to 74 years	2,000	1,900	-100
75 years or older	2,000	1,800	-200

## CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

### Exhibit 6–15: Number of Bedrooms and Bathrooms by Adult Composition of Household and Children in Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL SELLERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
One bedroom	1%	1%	1%	3%	7%	*	1%	1%
Two bedrooms	14%	12%	21%	15%	17%	11%	11%	15%
Three bedrooms or more	85%	87%	77%	82%	76%	89%	88%	83%
Median number of bedrooms	3	3	3	3	3	3	3	3
One full bathroom	16%	14%	18%	15%	32%	20%	18%	14%
Two full bathrooms	59%	58%	62%	63%	52%	59%	57%	60%
Three full bathrooms or more	26%	28%	19%	23%	16%	21%	25%	25%
Median number of full bathrooms	2	2	2	2	2	2	2	2

\* Less than 1 percent

### Exhibit 6–16: Age of Home Purchased Compared to Home Recently Sold

(Percentage Distribution)

YEAR HOME SOLD WAS BUILT	YEAR PURCHASED HOME WAS BUILT							
	2017	2011 THROUGH 2014	2007 THROUGH 2010	2002 THROUGH 2006	1987 THROUGH 2000	1961 THROUGH 1986	1913 THROUGH 1960	1912 AND OLDER
2017	1%	*	*	*	*	*	*	*
2011 THROUGH 2016	4%	1%	*	1%	*	1%	*	*
2007 THROUGH 2010	2%	1%	*	1%	1%	1%	*	*
2002 THROUGH 2006	4%	*	*	3%	4%	1%	1%	*
1987 THROUGH 2001	8%	2%	1%	3%	9%	4%	3%	*
1961 THROUGH 1986	3%	2%	1%	2%	5%	8%	3%	*
1913 THROUGH 1960	1%	1%	*	1%	2%	5%	6%	1%
1912 AND OLDER	*	*	*	*	1%	*	1%	*

\* Less than 1 percent

■ 50% Purchased a Newer Home   ■ 28% Purchased a Home the Same Age   ■ 22% Purchased Older Home

## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 6–17: Price of Home Purchased Compared to Home Recently Sold

(Percentage Distribution)

PRICE OF HOME SOLD	PRICE OF HOME PURCHASED								
	LESS THAN \$100,000	\$100,000 TO \$149,999	\$150,000 TO \$199,999	\$200,000 TO \$249,999	\$250,000 TO \$299,999	\$300,000 TO \$349,999	\$350,000 TO \$399,999	\$400,000 TO \$499,999	\$500,000 OR MORE
LESS THAN \$100,000	2%	2%	2%	*	*	*	*	*	*
\$100,000 TO \$149,999	2%	3%	2%	3%	2%	*	*	*	*
\$150,000 TO \$199,999	1%	2%	3%	3%	3%	2%	1%	1%	*
\$200,000 TO \$249,999	*	1%	2%	3%	2%	3%	2%	1%	1%
\$250,000 TO \$299,999	*	1%	1%	2%	2%	2%	2%	2%	1%
\$300,000 TO \$349,999	*	*	1%	1%	2%	1%	1%	2%	2%
\$350,000 TO \$399,999	*	*	*	1%	1%	1%	1%	1%	1%
\$400,000 TO \$499,999	*	*	*	1%	1%	1%	2%	3%	3%
\$500,000 OR MORE	*	*	*	*	1%	1%	1%	2%	8%

\* Less than 1 percent

■ 47% Trading Up   ■ 26% Remaining at the Same Price Range   ■ 27% Trading Down

### Exhibit 6–18: Price of Home Purchased Compared to Home Recently Sold, by Age of Seller

(Median)

	PRICE OF HOME SOLD	PRICE OF HOME PURCHASED	DIFFERENCE
18 to 34 years	\$203,400	\$280,000	\$76,600
35 to 44 years	\$245,000	\$345,000	\$100,000
45 to 54 years	\$277,900	\$310,000	\$32,100
55 to 64 years	\$275,000	\$269,900	-\$5,100
65 to 74 years	\$269,000	\$260,000	-\$9,000
75 years or older	\$294,200	\$245,800	-\$48,400

## CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

### Exhibit 6–19: Primary Reason for Selling Previous Home, by Miles Moved

(Percentage Distribution)

	MILES MOVED						
	ALL SELLERS	10 MILES OR LESS	11 TO 20 MILES	21 TO 50 MILES	51 TO 100 MILES	101 TO 500 MILES	501 MILES OR MORE
Home is too small	15%	27%	18%	11%	5%	1%	*
Want to move closer to friends or family	14%	3%	10%	13%	29%	31%	26%
Job relocation	13%	2%	1%	7%	19%	28%	35%
Home is too large	10%	18%	9%	9%	2%	3%	2%
Neighborhood has become less desirable	9%	12%	17%	14%	5%	3%	3%
Change in family situation (e.g., marriage, birth of a child, divorce)	8%	11%	11%	7%	6%	5%	3%
Moving due to retirement	7%	2%	2%	3%	6%	16%	15%
Want to move closer to current job	5%	2%	5%	16%	14%	5%	2%
Upkeep of home is too difficult due to health or financial limitations	4%	4%	6%	4%	3%	1%	1%
Schools became less desirable	2%	2%	4%	3%	*	*	*
Can not afford the mortgage and other expenses of owning home	2%	1%	2%	2%	1%	1%	2%
To avoid possible foreclosure	*	*	*	1%	*	*	*
Other	13%	17%	13%	11%	10%	6%	11%

\* Less than 1 percent

### Exhibit 6–20: Primary Reason for Selling Previous Home, by First-Time and Repeat Sellers

(Percentage Distribution)

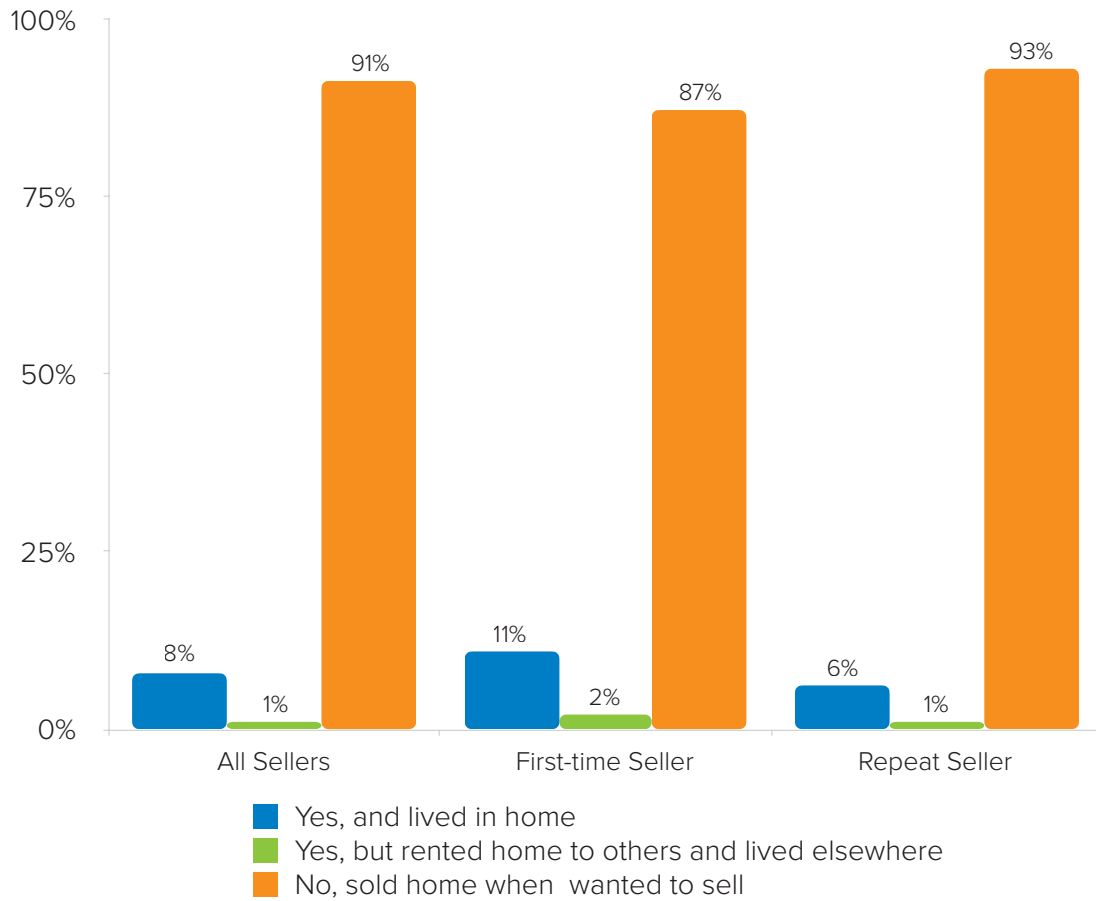
	ALL SELLERS	FIRST-TIME SELLER	REPEAT SELLER
Home is too small	15%	29%	8%
Want to move closer to friends or family	14%	9%	17%
Job relocation	13%	13%	13%
Home is too large	10%	12%	8%
Neighborhood has become less desirable	9%	9%	8%
Change in family situation (e.g., marriage, birth of a child, divorce)	8%	4%	13%
Moving due to retirement	7%	4%	8%
Want to move closer to current job	5%	6%	4%
Upkeep of home is too difficult due to health or financial limitations	4%	3%	4%
Schools became less desirable	2%	2%	1%
Can not afford the mortgage and other expenses of owning home	2%	2%	2%
To avoid possible foreclosure	*	*	*
Other	13%	9%	15%

\* Less than 1 percent

## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 6–21: Seller Wanted To Sell Earlier but Waited or Stalled Because Home Was Worth Less than Mortgage, by First-Time and Repeat Sellers

(Percentage Distribution)

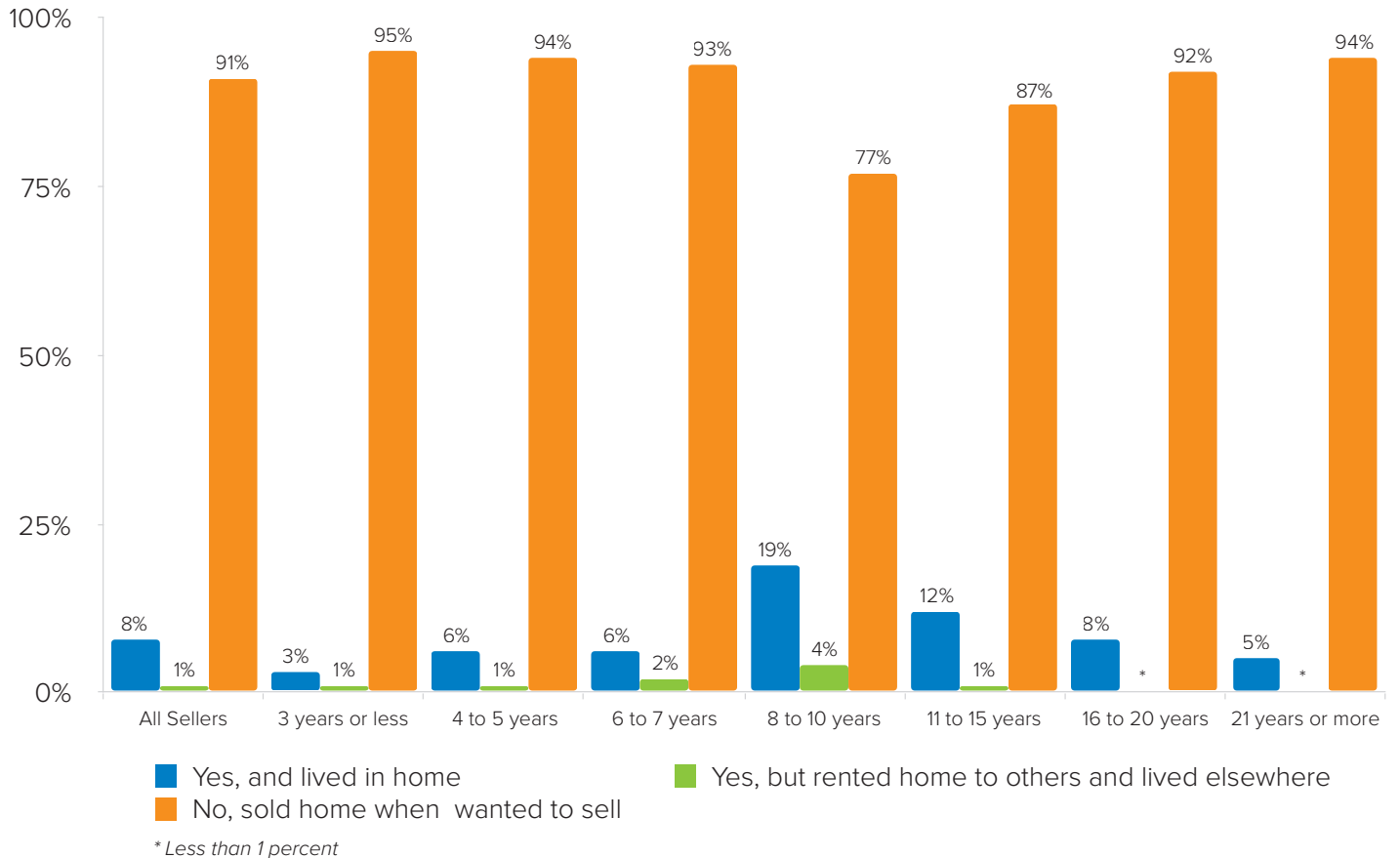




## CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

### Exhibit 6–22: Seller Wanted To Sell Earlier but Waited or Stalled Because Home Was Worth Less than Mortgage, by Tenure in Home

(Percentage Distribution)



### Exhibit 6–23: Tenure in Previous Home

(Percentage Distribution)

	ALL TYPES	CABIN/ COTTAGE	DUPLEX/ APARTMENT/ CONDO IN 2-4 UNIT STRUCTURE	APARTMENT/ CONDO IN BUILDING WITH 5 OR MORE UNITS	TOWNHOUSE/ ROW HOUSE	DETACHED SINGLE-FAMILY HOME	MOBILE/ MANUFACTURED HOME	OTHER
1 year or less	9%	19%	13%	7%	11%	8%	9%	11%
2 to 3 years	15%	16%	22%	23%	19%	14%	16%	9%
4 to 5 years	12%	10%	16%	8%	18%	11%	14%	11%
6 to 7 years	8%	6%	8%	10%	9%	8%	8%	9%
8 to 10 years	12%	6%	5%	21%	13%	12%	11%	9%
11 to 15 years	17%	10%	17%	11%	18%	17%	23%	16%
16 to 20 years	11%	26%	8%	10%	6%	11%	8%	18%
21 years or more	16%	6%	10%	9%	5%	18%	12%	18%
Median	9	7	5	8	6	10	9	11

# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 6–24: Tenure in Previous Home, by Age of Seller

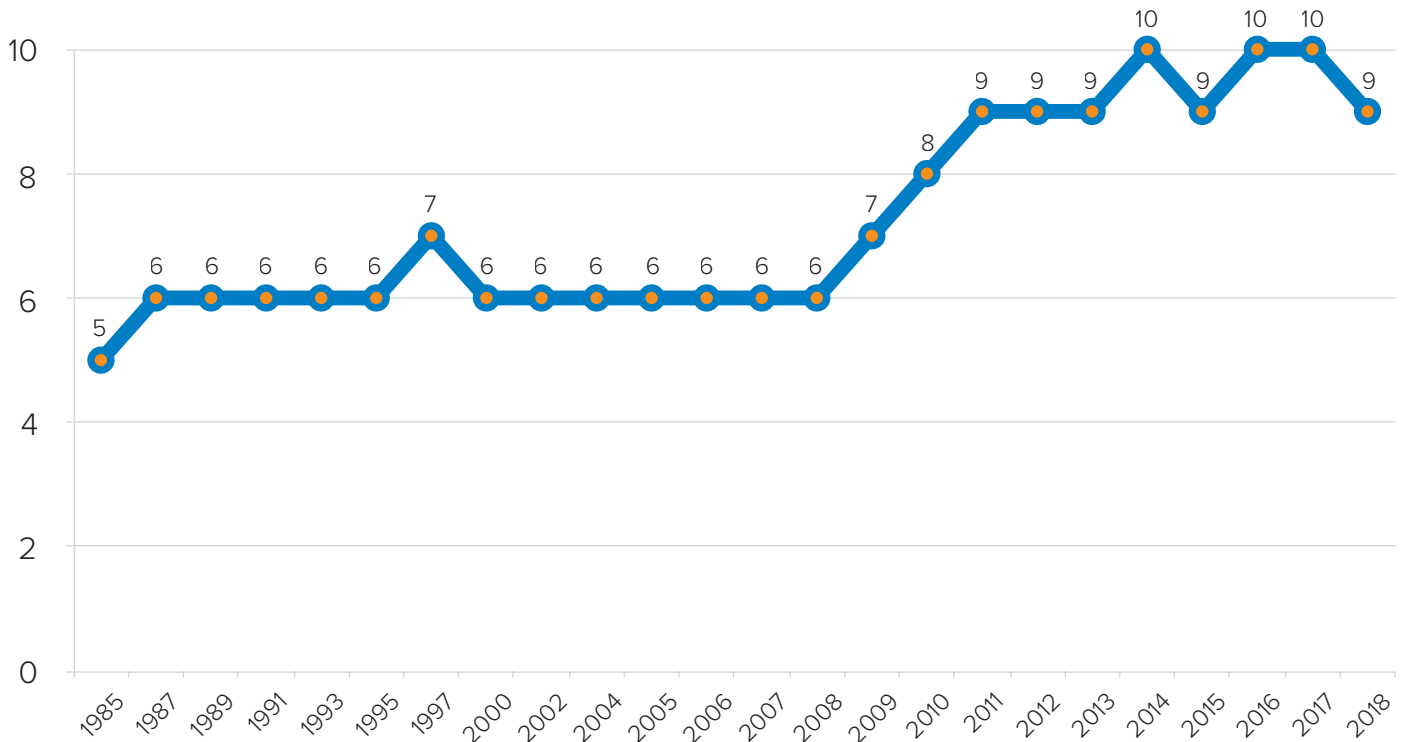
(Percentage Distribution)

	AGE OF HOME SELLER						
	ALL SELLERS	18 TO 34 YEARS	35 TO 44 YEARS	45 TO 54 YEARS	55 TO 64 YEARS	65 TO 74 YEARS	75 YEARS OR OLDER
1 year or less	9%	12%	10%	6%	9%	7%	7%
2 to 3 years	15	34	20	12	13	8	6
4 to 5 years	12	29	12	13	10	7	4
6 to 7 years	8	13	14	5	9	4	6
8 to 10 years	12	9	23	15	6	8	7
11 to 15 years	17	3	18	28	17	17	18
16 to 20 years	11	*	3	14	14	15	15
21 years or more	16	*	*	7	22	34	36
Median	9	4	7	10	12	15	17

\* Less than 1 percent

## Exhibit 6–25: Median Seller Tenure in Home, 1985–2018

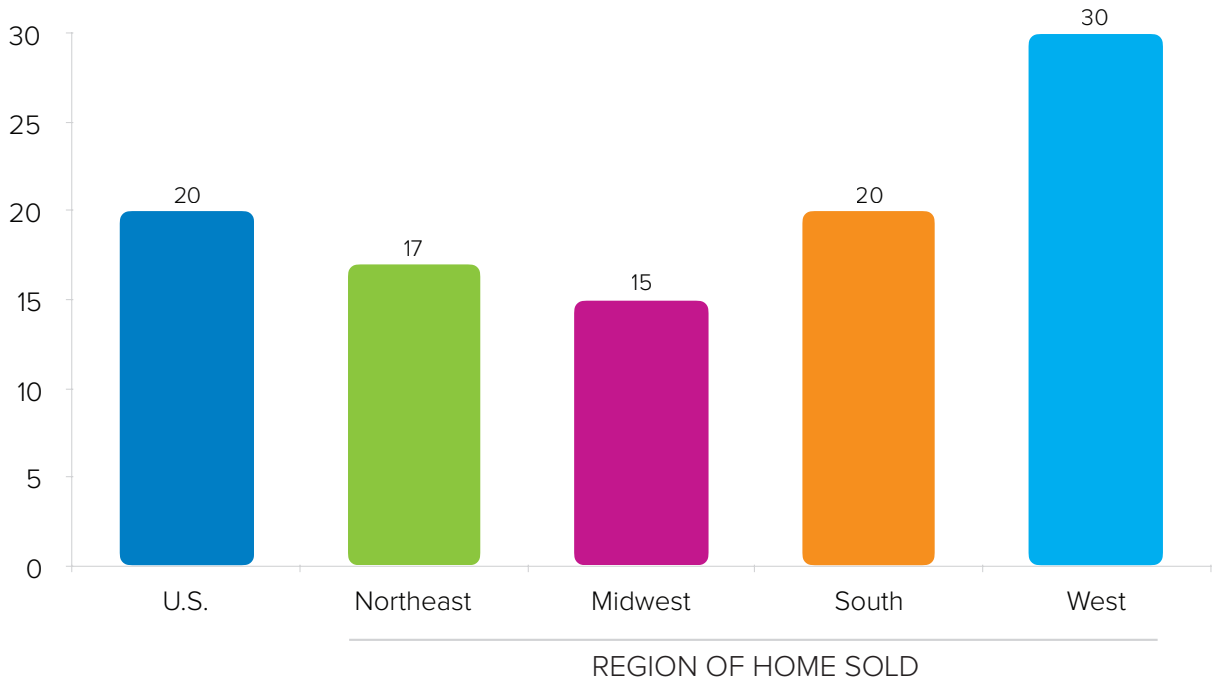
(Median Years)



# CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

**Exhibit 6–26: Distance Between Home Purchased and Home Recently Sold, by Region**

(Median Miles)



**Exhibit 6–27: Distance Between Home Purchased and Home Recently Sold, by Age**

(Percentage Distribution)

	AGE OF HOME SELLER						
	ALL SELLERS	18 TO 34 YEARS	35 TO 44 YEARS	45 TO 54 YEARS	55 TO 64 YEARS	65 TO 74 YEARS	75 YEARS OR OLDER
5 miles or less	25%	24%	36%	26%	19%	19%	18%
6 to 10 miles	15%	15%	17%	15%	13%	12%	15%
11 to 15 miles	8%	11%	7%	9%	7%	8%	6%
16 to 20 miles	6%	9%	6%	6%	6%	5%	6%
21 to 50 miles	11%	13%	11%	14%	10%	9%	9%
51 to 100 miles	5%	5%	4%	4%	5%	7%	8%
101 to 500 miles	12%	12%	7%	8%	15%	15%	15%
501 to 1,000 miles	9%	3%	4%	12%	12%	10%	11%
1,001 miles or more	10%	7%	8%	7%	14%	14%	12%
Median (miles)	20	15	10	17	30	36	36

# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 6–28: Method Used To Sell Home, by Region

(Percentage Distribution)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
Sold home using an agent or broker	91%	93%	89%	91%	93%
Seller used agent/broker only	90%	92%	87%	90%	92%
Seller first tried to sell it themselves, but then used an agent	1%	1%	2%	1%	1%
For-sale-by-owner (FSBO)	7%	6%	8%	6%	5%
Seller sold home without using a real estate agent or broker	6%	6%	7%	6%	4%
First listed with an agent, but then sold home themselves	1%	*	1%	*	1%
Sold home to a homebuying company	1%	*	1%	1%	1%
Other	1%	1%	2%	1%	1%

\* Less than 1 percent

## Exhibit 6–29: Method Used To Sell Home, by Seller Urgency

(Percentage Distribution)

	SELLER NEEDED TO SELL			
	ALL SELLERS	VERY URGENTLY	SOMEWHAT URGENTLY	NOT URGENTLY
Sold home using an agent or broker	91%	91%	93%	90%
Seller used agent/broker only	90%	90%	91%	89%
Seller first tried to sell it themselves, but then used an agent	1%	1%	2%	1%
For-sale-by-owner (FSBO)	7%	6%	6%	8%
Seller sold home without using a real estate agent or broker	6%	6%	5%	7%
First listed with an agent, but then sold home themselves	1%	*	1%	1%
Sold home to a homebuying company	1%	2%	1%	*
Other	1%	1%	1%	2%

\* Less than 1 percent

## Exhibit 6–30: Method of Sale, by Buyer and Seller Relationship

(Percentage Distribution)

BUYER AND SELLER RELATIONSHIP	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER
All sellers	7%	93%
Sold home using an agent or broker	4%	96%
Seller used agent/broker only	4%	96%
Seller first tried to sell it themselves, but then used an agent	11%	89%
For-sale-by-owner (FSBO)	51%	49%
Sold home without using a real estate agent or broker	53%	47%
First listed with an agent, but then sold home themselves	35%	65%
Other	17%	83%

## CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

### Exhibit 6–31: Method Used To Sell Home, 2001–2018

(Percentage Distribution)

	2001	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Sold home using an agent or broker	79%	83%	82%	85%	84%	85%	84%	85%	88%	87%	88%	88%	88%	89%	89%	89%	91%
For-sale-by-owner (FSBO)	13%	14%	14%	13%	12%	12%	13%	11%	9%	9%	9%	9%	9%	8%	8%	8%	7%
Sold to home buying company	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	*	1%
Other	7%	3%	3%	2%	3%	2%	2%	3%	3%	3%	2%	2%	2%	2%	2%	2%	1%

\* Less than 1 percent

### Exhibit 6–32: Sales Price Compared with Listing Price, by Region

(Percentage Distribution of Sales Price as a Percent of Listing Price)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than 90%	7%	9%	7%	7%	4%
90% to 94%	13%	15%	15%	14%	8%
95% to 99%	35%	35%	36%	38%	31%
100%	26%	21%	26%	27%	29%
101% to 110%	16%	18%	15%	11%	22%
More than 110%	4%	2%	2%	4%	6%
Median (sales price as a percent of listing price)	99%	98%	99%	95%	100%

### Exhibit 6–33: Sales Price Compared with Listing Price, by Seller Urgency

(Percentage Distribution of Sales Price as a Percent of Listing Price)

	SELLER NEEDED TO SELL			
	ALL SELLERS	VERY URGENTLY	SOMEWHAT URGENTLY	NOT URGENTLY
Less than 90%	7%	9%	7%	5%
90% to 94%	13%	12%	14%	11%
95% to 99%	35%	29%	37%	35%
100%	26%	29%	24%	28%
101% to 110%	16%	18%	15%	16%
More than 110%	4%	3%	3%	4%
Median (sales price as a percent of listing price)	99%	99%	98%	99%



## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 6–34: Number of Weeks Recently Sold Home Was on the Market, by Region

(Percentage Distribution)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than 1 week	10%	7%	13%	9%	11%
1 to 2 weeks	37%	35%	38%	34%	42%
3 to 4 weeks	13%	13%	10%	13%	16%
5 to 6 weeks	6%	3%	6%	7%	7%
7 to 8 weeks	6%	6%	7%	6%	5%
9 to 10 weeks	3%	3%	3%	3%	3%
11 to 12 weeks	7%	6%	6%	9%	6%
13 to 16 weeks	4%	8%	4%	4%	4%
17 to 24 weeks	5%	4%	5%	7%	3%
25 to 36 weeks	3%	6%	4%	3%	1%
37 to 52 weeks	3%	6%	3%	3%	1%
53 or more weeks	2%	3%	2%	2%	1%
Median weeks	3	4	2	4	2

### Exhibit 6–35: Sales Price Compared with Listing Price, by Number of Weeks Home Was on the Market

(Percentage Distribution of Sales Price as a Percent of Listing Price)

	SELLERS WHOSE HOME WAS ON THE MARKET FOR						
	ALL SELLERS	LESS THAN 1 WEEK	1 TO 2 WEEKS	3 TO 4 WEEKS	5 TO 8 WEEKS	9 TO 16 WEEKS	17 OR MORE WEEKS
Less than 90%	7%	*	2%	4%	7%	9%	23%
90% to 94%	13%	5%	4%	11%	15%	24%	31%
95% to 99%	35%	15%	28%	41%	50%	50%	35%
100%	26%	50%	34%	26%	20%	10%	8%
101% to 110%	16%	22%	28%	13%	6%	5%	2%
More than 110%	4%	8%	4%	5%	2%	3%	1%
Median (sales price as a percent of listing price)	99%	100%	100%	99%	97%	96%	94%

\* Less than 1 percent

## CHAPTER 6: HOME SELLERS AND THEIR SELLING EXPERIENCE

### Exhibit 6–36: Number of Times Asking Price Was Reduced, by Number of Weeks Home Was on the Market

(Percentage Distribution)

	SELLERS WHOSE HOME WAS ON THE MARKET FOR						
	ALL SELLERS	LESS THAN 1 WEEK	1 TO 2 WEEKS	3 TO 4 WEEKS	5 TO 8 WEEKS	9 TO 16 WEEKS	17 OR MORE WEEKS
None, did not reduce the asking price	60%	91%	84%	59%	43%	29%	13%
One	23%	9%	14%	33%	35%	37%	24%
Two	10%	*	1%	5%	16%	22%	28%
Three	5%	*	*	2%	5%	9%	19%
Four or more	3%	*	*	1%	1%	1%	15%

\* Less than 1 percent

### Exhibit 6–37: Incentives Offered To Attract Buyers, by Region

(Percent of Respondents)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
None	66%	73%	64%	60%	74%
Home warranty policies	18%	7%	21%	23%	14%
Assistance with closing costs	13%	11%	14%	17%	7%
Credit toward remodeling or repairs	7%	5%	6%	8%	8%
Other incentives, such as a car, flat screen TV, etc.	4%	3%	3%	4%	3%
Assistance with condo association fees	*	*	*	*	*
Other	4%	6%	4%	4%	4%

\* Less than 1 percent

## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 6–38: Incentives Offered To Attract Buyers, by Number of Weeks Home Was on the Market

(Percent of Respondents)

	SELLERS WHOSE HOME WAS ON THE MARKET FOR						
	ALL SELLERS	LESS THAN 1 WEEK	1 TO 2 WEEKS	3 TO 4 WEEKS	5 TO 8 WEEKS	9 TO 16 WEEKS	17 OR MORE WEEKS
None	66%	82%	73%	70%	61%	53%	48%
Home warranty policies	18%	9%	13%	16%	21%	30%	26%
Assistance with closing costs	13%	6%	9%	11%	16%	20%	19%
Credit toward remodeling or repairs	7%	3%	5%	6%	8%	12%	11%
Other incentives, such as a car, flat screen TV, etc.	4%	1%	3%	4%	2%	6%	7%
Assistance with condo association fees	*	1%	*	*	*	1%	*
Other	4%	3%	4%	4%	4%	4%	7%

\* Less than 1 percent

### Exhibit 6–39: Equity Earned in Home Recently Sold, by Tenure in Home

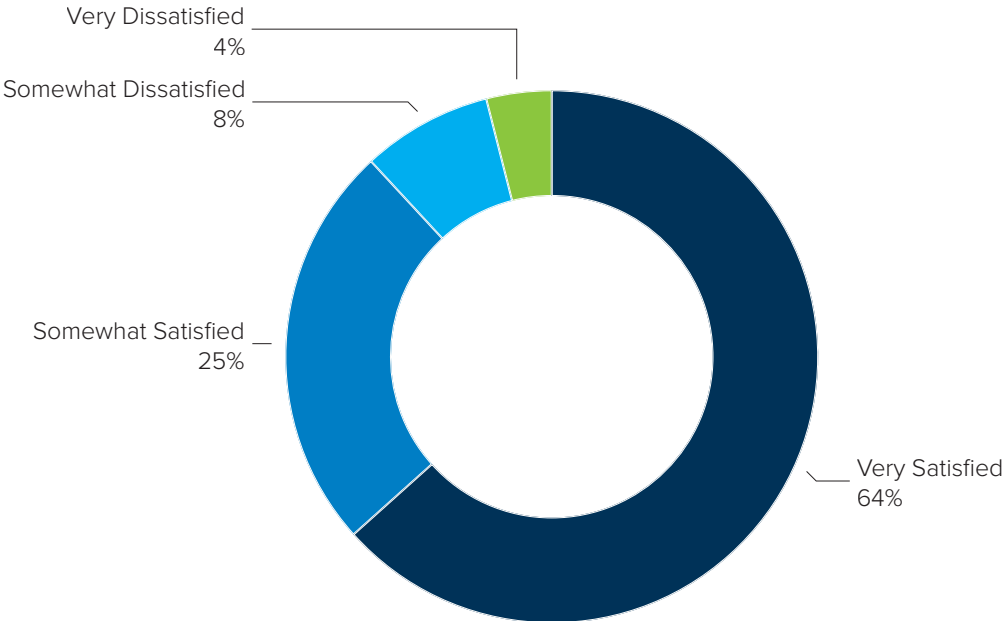
(Median)

TENURE IN HOME	DOLLAR VALUE	PERCENT
1 year or less	\$23,000	12%
2 to 3 years	\$33,000	16%
4 to 5 years	\$52,000	26%
6 to 7 years	\$68,900	36%
8 to 10 years	\$35,000	17%
11 to 15 years	\$36,000	21%
16 to 20 years	\$112,600	66%
21 years or more	\$145,100	104%
Median	\$55,000	29%

# CHAPTER 7: HOME SELLING AND REAL ESTATE PROFESSIONALS

## Exhibit 6–40: Satisfaction with the Selling Process

(Percentage Distribution)



## CHAPTER 7:

### Home Selling and Real Estate Professionals

While the home search process has shifted toward digital technology, the need for a trusted real estate agent to help sell a home is still paramount. Personal relationships and connections remained the most important feature of the agent-buyer/seller bond. Real estate agents were most commonly referred by a friend, neighbor, or relative.

Sellers placed a high importance on the reputation of the agent when looking to hire, and trustworthiness and honesty were at the top of the list. In 2006 when data collection started on the level of service provided by real estate agents, 83 percent of agents provided a broad range of services and the management of most aspects of the home, nine percent provided limited services as requested by the seller, and eight percent listed the home on the MLS with few other services provided. Those numbers have by-and-large remained the same over the last decade. In 2018, 84 percent of agents also provided a broad range of services and the management of most aspects of the home, eight percent provided limited services as requested by the seller, and eight percent listed the home on the MLS with few other services provided.

Sellers placed high priority on the following five tasks: market the home to potential buyers (20 percent), price the home competitively (20 percent), sell the home within a specific timeframe (19 percent), find a buyer for home (14 percent), and help fix the home to sell better (14 percent).

Client referrals and repeat business were the predominant ways sellers found their real estate agent. Most sellers—86 percent—said that they would definitely (69 percent) or probably (17 percent) recommend their agent for future services.



# CHAPTER 7: HOME SELLING AND REAL ESTATE PROFESSIONALS

## FINDING A REAL ESTATE AGENT

### Exhibits 7–1 through 7–4

Nearly two-thirds of recent sellers used an agent that was referred to them or used an agent they had worked with in the past to buy or sell a home. Roughly half of first-time sellers worked with an agent that was referred to them by a friend or family member to sell their home (48 percent). For repeat sellers, many used an agent they previously worked with (27 percent).

Three-quarters of recent sellers contacted only one agent before finding the right agent they worked with to sell their home, the same as last year.

Fifty-three percent of recent home sellers used the same real estate agent to represent them purchasing their home as selling their home. That share jumps to eight in 10 for all sellers within 20 miles of their home purchase. If the seller was more than 50 miles away, they typically used a different agent for each real estate transaction.

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

### Exhibits 7–5 and 7–6

Consistent with last year, 90 percent of sellers listed their homes on the Multiple Listing Service (MLS), which is the primary source for sellers to list their home. Only four percent opted not to list on a MLS.

Real estate agents provide a wide range of services and conduct the management of most aspects of the home sale. Eighty-four percent of sellers reported that their agents provided the lion's share of these services. Eight percent of sellers note that their agent only provided a limited set of services and eight percent said their agent listed the home on a MLS but performed few other services.

By way of comparison, in 2006 when data collection started on the level of service provided by real estate agents, those numbers were nearly identical. Eighty-three percent of agents provided a broad range of services and the management of most aspects of the home, nine percent provided limited services as requested by the seller, and eight percent listed the home on the MLS with few other services provided in 2006.

## WHAT SELLERS MOST WANT AND LEVEL OF SERVICE

### Exhibits 7–7 and 7–8

Sellers placed high priority on the following five tasks: market the home to potential buyers (20 percent), price the home competitively (20 percent), sell the home within a specific timeframe (19 percent), find a buyer for home (14 percent), and help fix the home to sell better (14 percent).

The reputation of the real estate agent was by far the most important factor when sellers selected an agent to sell their home (31 percent). Sellers also placed value on the agent's trustworthiness and honesty (19 percent) and whether the agent was a friend or family member (15 percent).

## METHODS USED TO MARKET THE HOME

### Exhibit 7–9

Real estate agents listed homes on MLSs first and foremost (90 percent). They also posted yard signs (66 percent), hosted an open house (53 percent), listed on Realtor.com (52 percent), and listed the home on their own website (50 percent). Real estate agents also listed homes on social media (20 percent, up from 17 percent last year).

## AGENT'S PERFORMANCE AND COMPENSATION

### Exhibits 7–10 through 7–13

Agents received their compensation predominantly from sellers at 77 percent. Of that compensation, 72 percent of sellers paid a percent of the sales price. Only a small fraction paid a flat fee (three percent), and only 11 percent of overall compensation was paid by both the buyer and seller. Six percent of sellers reported buyers paying as the only means of compensation.

The real estate agent most often initiated the discussion of compensation (47 percent). The client initiated the discussion and the agent was able and willing to negotiate 21 percent of the time. In 15 percent of cases, the client did not know that commissions and fees could be negotiated.

Client referrals and repeat business were the predominant sources of business for real estate agents. Most sellers — 86 percent — said that they would definitely (69 percent) or probably (17 percent) recommend their agent for future services or use their agent again. Regardless of distance moved, recommendations remained strong. The typical seller (65 percent) has recommended their agent at least once since selling their home. Twenty-one percent of sellers recommended their agent four or more times since selling their home.

## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 7–1: Method Used To Find Real Estate Agent, by First-Time or Repeat Seller

(Percentage Distribution)

	ALL SELLERS	FIRST-TIME SELLER	REPEAT SELLER
Referred by (or is) a friend, neighbor or relative	39%	48%	35%
Used agent previously to buy or sell a home	24%	20%	27%
Personal contact by agent (telephone, email, etc.)	5%	4%	6%
Internet website (without a specific reference)	4%	4%	3%
Visited an open house and met agent	4%	3%	4%
Referred by another real estate or broker	3%	2%	3%
Saw contact information on For Sale/Open House sign	2%	2%	2%
Referred through employer or relocation company	2%	2%	2%
Direct mail (newsletter, flyer, postcard, etc.)	2%	2%	2%
Walked into or called office and agent was on duty	2%	1%	2%
Newspaper, Yellow pages or home book ad	1%	1%	1%
Advertising specialty (calendar, magnet, etc.)	*	*	*
Crowdsourcing through social media/knew the person through social media	1%	*	1
Saw the person's social media page without a connection	*	*	*
Other	12%	11%	12%

\* Less than 1 percent

### Exhibit 7–2: Method Used To Find Real Estate Agent, by Miles Moved

(Percentage Distribution)

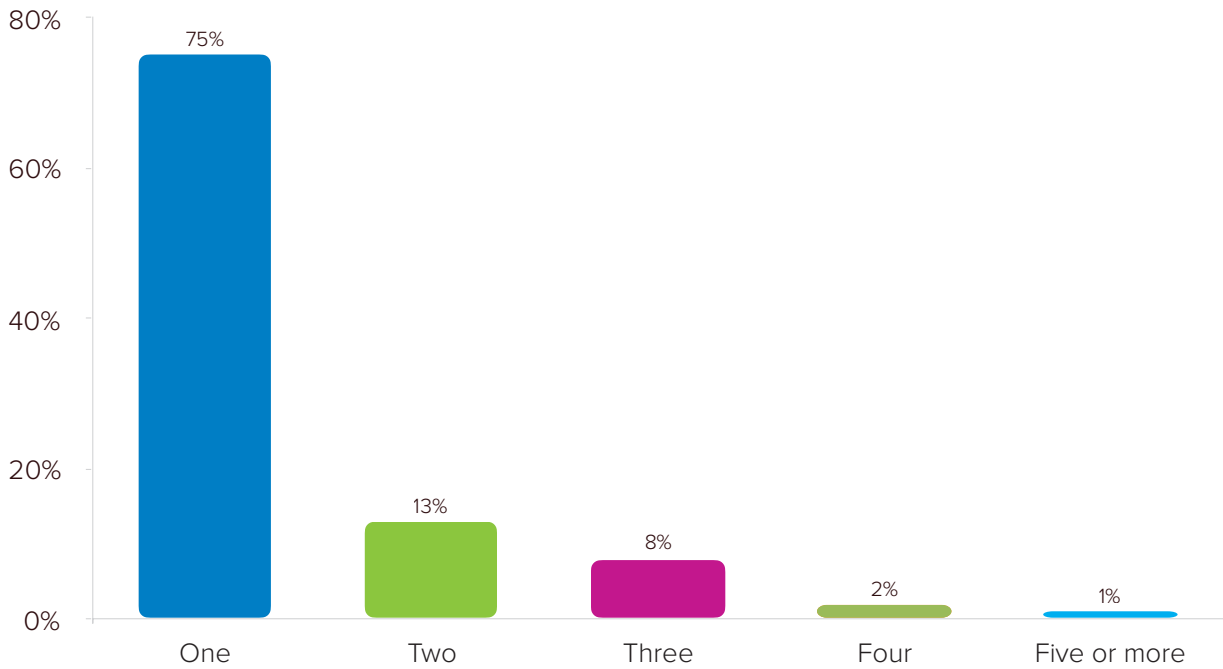
	ALL SELLERS	10 MILES OR LESS	11 TO 20 MILES	21 TO 50 MILES	51 TO 100 MILES	101 TO 500 MILES	501 MILES OR MORE
Referred by (or is) a friend, neighbor or relative	39%	42%	37%	34%	31%	40%	38%
Used agent previously to buy or sell a home	24%	26%	26%	25%	24%	21%	23%
Personal contact by agent (telephone, email, etc.)	5%	6%	4%	4%	5%	4%	5%
Internet website (without a specific reference)	4%	3%	2%	5%	4%	4%	6%
Visited an open house and met agent	4%	5%	5%	2%	4%	4%	1%
Referred by another real estate or broker	3%	3%	2%	4%	7%	5%	3%
Saw contact information on For Sale/Open House sign	2%	1%	4%	4%	2%	1%	1%
Referred through employer or relocation company	2%	*	1%	1%	2%	4%	5%
Direct mail (newsletter, flyer, postcard, etc.)	2%	2%	1%	3%	1%	2%	3%
Walked into or called office and agent was on duty	2%	1%	2%	1%	2%	3%	3%
Newspaper, Yellow pages or home book ad	1%	1%	1%	*	2%	1%	1%
Advertising specialty (calendar, magnet, etc.)	*	*	1%	1%	*	1%	*
Crowdsourcing through social media/knew the person through social media	1%	*	1%	*	*	*	1%
Saw the person's social media page without a connection	*	*	*	*	1%	1	*
Other	12%	10%	14%	15%	13%	11%	10%

\* Less than 1 percent

## CHAPTER 7: HOME SELLING AND REAL ESTATE PROFESSIONALS

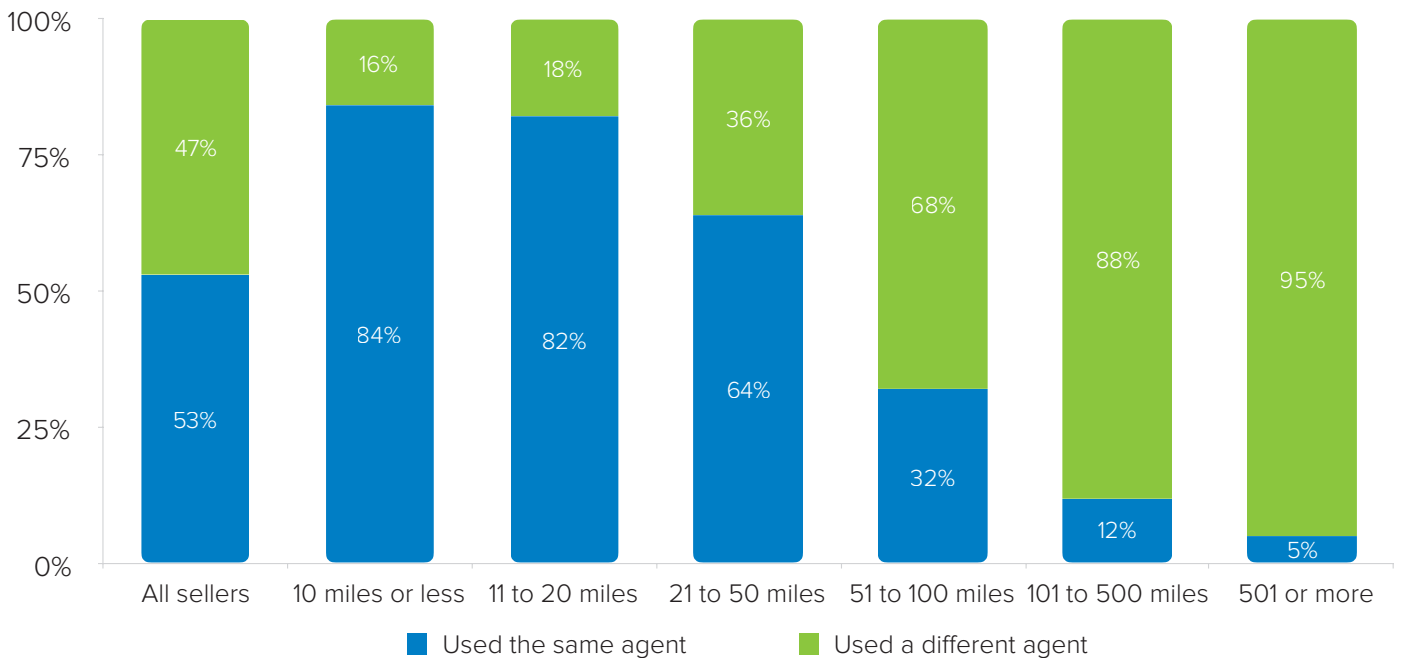
**Exhibit 7–3: Number of Agents Contacted Before Selecting One To Assist With Sale of Home**

(Percentage Distribution)



**Exhibit 7–4: Seller Used Same Real Estate Agent for Their Home Purchase, by Miles Moved**

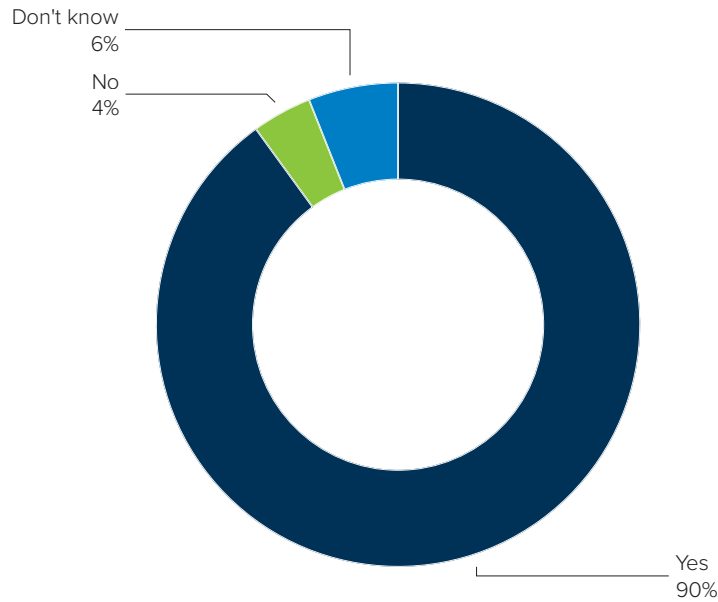
(Percentage Distribution Among Sellers Who Used an Agent to Purchase a Home)



# 2018 PROFILE OF HOME BUYERS AND SELLERS

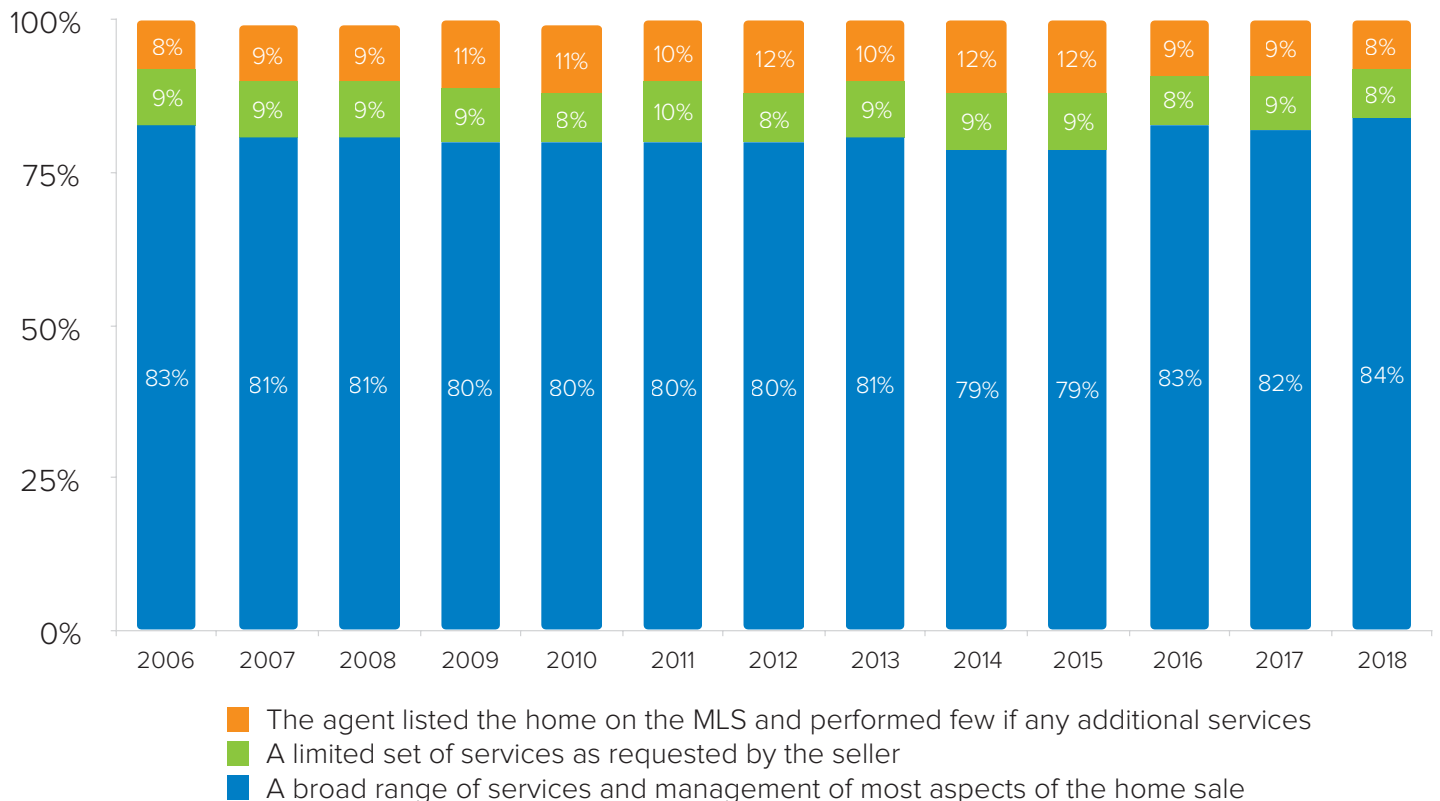
## Exhibit 7–5: Home Listed on Multiple Listing Service

(Percentage Distribution)



## Exhibit 7–6: Level of Service Provided by the Real Estate Agent

(Percentage Distribution)



## CHAPTER 7: HOME SELLING AND REAL ESTATE PROFESSIONALS

### Exhibit 7–7: What Sellers Most Want from Real Estate Agents, by Level of Service Provided by the Agent

(Percentage Distribution)

#### LEVEL OF SERVICE SOUGHT FROM THE AGENT BY THE SELLER

	ALL SELLERS	A BROAD RANGE OF SERVICES AND MANAGEMENT OF MOST ASPECTS OF THE HOME SALE	A LIMITED SET OF SERVICES AS REQUESTED BY THE SELLER	THE AGENT LISTED THE HOME ON THE MLS AND PERFORMED FEW IF ANY ADDITIONAL SERVICES
Help seller market home to potential buyers	20%	20%	19%	21%
Help price home competitively	20%	20%	21%	20%
Help sell the home within specific timeframe	19%	19%	20%	19%
Help find a buyer for home	14%	13%	14%	21%
Help seller find ways to fix up home to sell it for more	14%	15%	7%	5%
Help with negotiation and dealing with buyers	6%	6%	5%	6%
Help with paperwork/ inspections/preparing for settlement	4%	4%	8%	4%
Help seller see homes available to purchase	2%	1%	2%	3%
Help create and post videos to provide tour of home	1%	1%	*	1%
Other	1%	1%	4%	1%

\* Less than 1 percent



## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 7–8: Most Important Factor in Choosing a Real Estate Agent To Sell Home, by Level of Service Provided by the Agent

(Percentage Distribution)

#### LEVEL OF SERVICE SOUGHT FROM THE AGENT BY THE SELLER

	ALL SELLERS	A BROAD RANGE OF SERVICES AND MANAGEMENT OF MOST ASPECTS OF THE HOME SALE	A LIMITED SET OF SERVICES AS REQUESTED BY THE SELLER	THE AGENT LISTED THE HOME ON THE MLS AND PERFORMED FEW IF ANY ADDITIONAL SERVICES
Reputation of agent	31%	33%	18%	23%
Agent is honest and trustworthy	19%	20%	18%	16%
Agent is friend or family member	15%	15%	21%	14%
Agent's knowledge of the neighborhood	13%	1%	1%	2%
Agent has caring personality/good listener	4%	4%	3%	3%
Agent's commission	4%	4%	4%	5%
Agent's association with a particular firm	4%	3%	5%	5%
Agent seems 100% accessible because of use of technology like tablet or smartphone	3%	3%	2%	2%
Professional designations held by agent	1%	1%	1%	2%
Other	6%	5%	7%	14%

## CHAPTER 7: HOME SELLING AND REAL ESTATE PROFESSIONALS

### Exhibit 7–9: Methods Real Estate Agent Used To Market Home

(Percent of Respondents Among Sellers Who Used an Agent)

	ALL HOMES
Multiple Listing (MLS) website	90%
Yard sign	66%
Open house	53%
Realtor.com	52%
Real estate agent website	50%
Third party aggregators	47%
Real estate company website	45%
Social networking websites (e.g. Facebook, Twitter, etc.)	20%
Video	10%
Direct mail (flyers, postcards, etc.)	10%
Print newspaper advertisement	7%
Online Classified Ads	7%
Other Web sites with real estate listings	6%
Real estate magazine	6%
Real estate magazine website	5%
Video hosting websites	2%
Television	1%
Other	3%

### Exhibit 7–10: How Real Estate Agent Was Compensated

(Percentage Distribution)

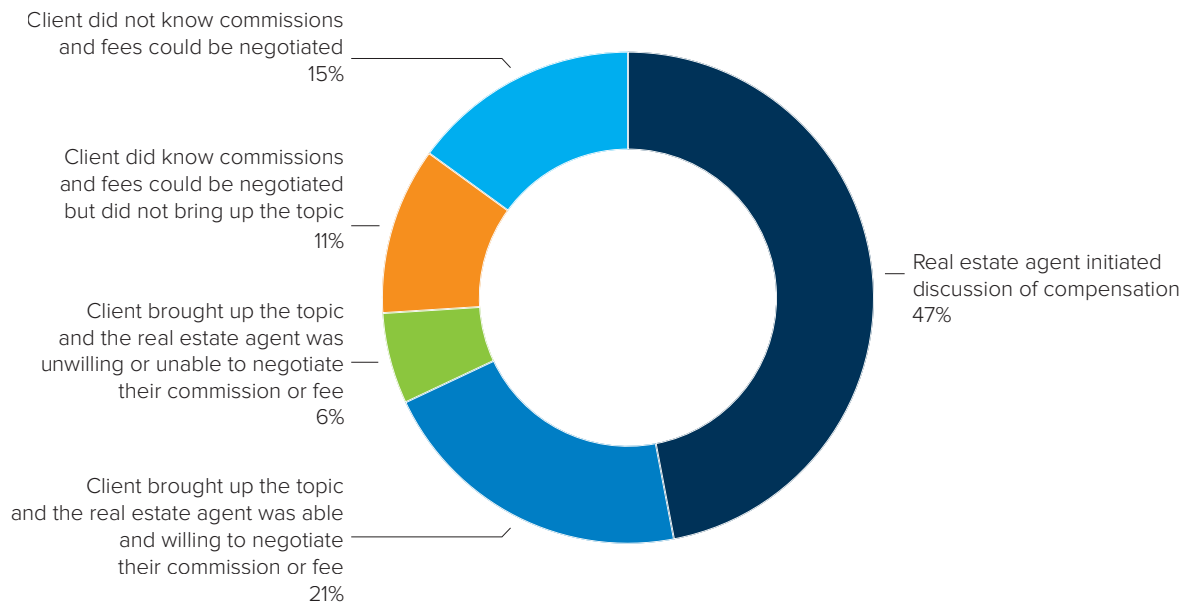
Paid by seller	77%
Percent of sales price	72%
Flat fee	3%
Per task fee	*
Other	*
Don't Know	2%
Paid by buyer and seller	11%
Paid by buyer only	6%
Other	2%
Don't Know	4%

\* Less than 1 percent

# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 7–11: Negotiating the Commission Rate or Fee with the Real Estate Agent

(Percentage Distribution)



## Exhibit 7–12 : Would Seller Use Real Estate Agent Again or Recommend to Others

(Percentage Distribution)

	ALL SELLERS	10 MILES OR LESS	11 TO 20 MILES	21 TO 50 MILES	51 TO 100 MILES	101 TO 500 MILES	501 MILES OR MORE
Definitely	69%	73%	71%	68%	63%	69%	63%
Probably	17%	16%	18%	15%	11%	15%	21%
Probably Not	6%	4%	4%	7%	13%	8%	9%
Definitely Not	7%	6%	6%	7%	10%	7%	7%
Don't Know/ Not Sure	1%	1%	1%	3%	3%	2%	1%

## Exhibit 7–13: How Many Times Seller Recommended Agent

(Percentage Distribution)

	ALL SELLERS
None	35%
One time	16%
Two times	17%
Three times	11%
Four or more times	21%
Times recommended since buying (median)	1





## CHAPTER 8: For-Sale-by-Owner (FSBO) Sellers

In 1981, FSBO home sales accounted for 15 percent of all sales, and agent-assisted sales accounted for 85 percent. FSBO sales have declined over time and in 2018, FSBOs accounted for seven percent of total home sales, slightly down from eight percent last year. This is the lowest share since the *Profile of Home Buyers and Sellers* data collection began. In 2018, 55 percent of FSBO sellers knew the buyers for their homes and 45 percent did not know the buyer.

FSBO sellers that knew the buyer predominantly sold this way because they sold to a friend, relative, or neighbor. FSBOs typically sold for less than the selling price of other homes. For FSBO sellers, those who knew the buyer tended to have higher median household incomes compared to those who did not know the buyer.

Where FSBO sellers knew the buyer, the time on market for the home was usually two weeks, and sellers received 100 percent of the asking price.



## CHAPTER 8: FOR-SALE-BY-OWNER (FSBO) SELLERS

### FSBO AND AGENT ASSISTED SALES, BY LOCATION AND OVER TIME

#### Exhibits 8–1 and 8–2

Ninety-one percent of sellers sold with the assistance of a real estate agent, up from 89 percent last year, and only seven percent were FSBO sales. In 1981, FSBO sales accounted for as much as 15 percent of sales but have steadily decreased over time. This year, only four percent of buyers knew the sellers and three percent of FSBOs buyers and sellers had no previous relationship. FSBO sales were highest in resort or recreation areas at 11 percent, compared to only five percent in suburbs.

### CHARACTERISTICS OF SELLERS AND HOMES SOLD

#### Exhibits 8–3 through 8–6

The median age for FSBO sellers was 58 years, compared to 55 for all agent-assisted sellers. Sixty-four percent of FSBO sellers were married couples and the median income for all FSBO sellers was \$89,300. For FSBO sellers, those who knew the buyer tended to be younger and had higher median household incomes compared to those who did not know the buyer.

A majority of all homes sold were detached single-family homes at 80 percent. FSBO homes were also predominantly detached single-family homes at 76 percent (up from 66 percent in 2017), yet were also more likely to be mobile or manufactured homes at 10 percent compared to only two percent of agent-assisted sales. Among agent-assisted sales, 80 percent of all homes sold were detached single-family homes, which is slightly up from last year. Twenty-one percent of FSBO sales were located in small towns compared to only 16 percent of agent-assisted sales which were in small towns. The majority of agent-assisted sales were located in suburban areas at 53 percent.

FSBOs typically sell for less than the selling price of other homes; FSBO homes sold at a median of \$200,000 in 2018 (up from \$190,000 in 2017), which was still far lower than the median selling price of all homes at \$259,900. Agent-assisted homes sold for a median of \$264,900. FSBOs typically received 100 percent of their asking price, whereas agent-assisted sales typically received 99 percent of the asking price. Sellers who began as a FSBO, then ended up working with an agent, received 97 percent of the asking price, but had to reduce their price the most before arriving at a final listing price.

### THE SELLING PROCESS FOR FSBO SALES

#### Exhibits 8–7 through 8–10

FSBO sellers priced their homes using a number of different sources to determine the asking price. For FSBO sellers who knew their buyers, the most common ways they priced their homes were by appraisals (38 percent), by comparisons to recent home sales in their area (32 percent), by the profit the seller needed from the sale (18 percent), from an agent

presentation where seller did not use the agent (14 percent), and to cover what was owed on the home (14 percent). For FSBO sellers who did not know their buyers, the most common ways they determined their home price were comparisons to recent home sales in their area (55 percent), by appraisals (23 percent), by the profit the seller needed from the sale (14 percent), and by online home evaluation tools (13 percent).

FSBO homes sold more quickly on the market than agent-assisted homes. All FSBO homes typically sold in less than two weeks. For sellers that knew the buyer, their homes sold in less than a week (40 percent, up from 34 percent in 2017). The median number of weeks FSBOs were on the market was one, down from two weeks in 2017. Agent-assisted homes generally sold in a median number of three weeks. For sellers that started as FSBO and then were agent-assisted, the median number of weeks on the market was eight.

Fifty-two percent of those who were first FSBO, then sold with an agent needed to sell somewhat urgently. FSBO sellers who knew the buyer were more likely to not need to sell urgently (51 percent). It was not common for FSBOs to use incentives to sell their homes (84 percent of all FSBOs did not offer any incentives). Eighty-two percent of sellers who knew the buyer used no incentives. Agent-assisted sellers offered home warranty policies (19 percent) and assistance with closing costs (14 percent) to help sell their homes, which is consistent with last year.

### REASONS OF FSBOs, MARKETING, AND SELLERS EXPERIENCE

#### Exhibits 8–11 through 8–16

For 59 percent of FSBO sellers that knew the buyer the main reason to sell via FSBO was because they sold to a relative, friend, or neighbor. Of FSBO sellers that sold to someone they knew, 21 percent did not want to pay a commission or fee. For FSBO sellers that did not know the buyer, 52 percent sold this way because they did not want to pay a commission or fee, and 24 percent because the buyers contacted the sellers directly.

Of all sellers, 91 percent sold when they wanted to list on the market. Sellers that started as FSBOs and then received assistance from an agent were the most likely to want to sell but were delayed because their home was worth less than the mortgage, (14 percent).

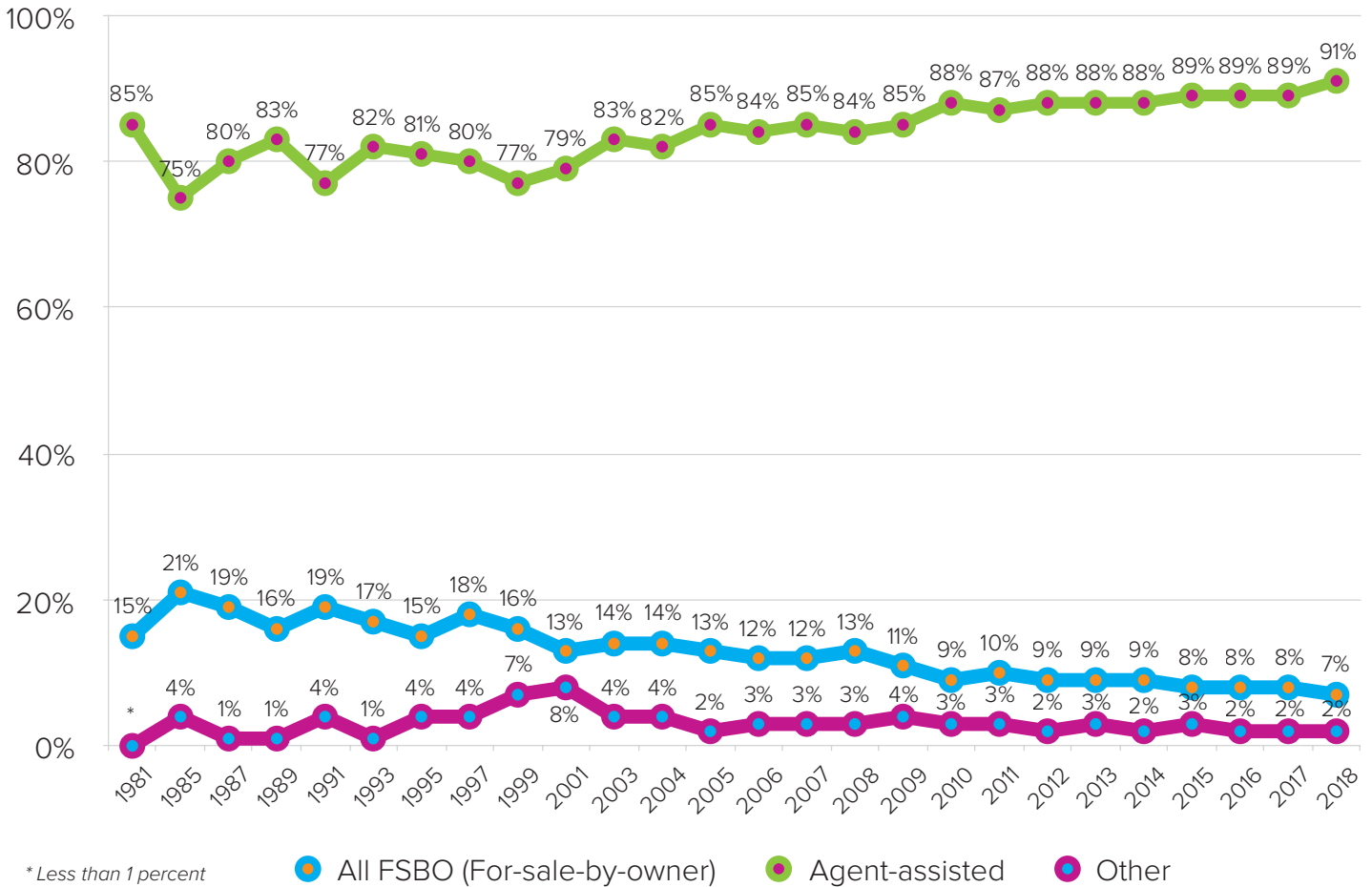
Yard signs, third party aggregators, and using friends, relatives, and neighbors were the most common marketing methods for FSBOs. When FSBO sellers knew the buyer, 65 percent did not need to market their home. Both getting the right price as well as understanding and performing the paperwork were the two most difficult steps for FSBO sellers.

For FSBO sellers who knew the buyer, 38 percent said they would use an agent to sell their current home. Of FSBO sellers who did not know the buyer, 49 percent said they would sell their current home themselves. Seven in 10 successful FSBO sellers were satisfied with the process of selling their home.

# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 8–1: FSBO and Agent-Assisted Sales, 1981–2018

(Percentage Distribution)



## Exhibit 8–2: FSBO and Agent-Assisted Sales, by Location

(Percentage Distribution)

	SELLERS WHO SOLD A HOME IN A					
	ALL SELLERS	SUBURB/ SUBDIVISION	SMALL TOWN	URBAN/ CENTRAL CITY	RURAL AREA	RESORT/ RECREATION AREA
For-sale-by-owner (FSBO)	7%	5%	9%	6%	8%	11%
Seller knew buyer	4%	3%	3%	3%	4%	6%
Seller did not know buyer	3%	2%	6%	3%	4%	5%
Agent-assisted	91%	92%	90%	92%	90%	88%
Other	2%	2%	1%	2%	2%	2%

## CHAPTER 8: FOR-SALE-BY-OWNER (FSBO) SELLERS

### Exhibit 8–3: Characteristics of FSBO and Agent-Assisted Sellers

(Percentage Distribution)

	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Median age	55	58	57	59	55	55	56
Median income (2017)	\$98,800	\$89,300	\$94,000	\$85,000	\$101,700	\$103,300	\$86,700
<b>HOUSEHOLD COMPOSITION</b>							
Married couple	71%	64%	60%	70%	72%	72%	83%
Single female	17%	23%	23%	22%	16%	16%	9%
Single male	6%	9%	13%	4%	6%	6%	*
Unmarried couple	4%	3%	3%	3%	4%	4%	9%
Other	2%	1%	1%	1%	2%	2%	*

\* Less than 1 percent

### Exhibit 8–4: Type of Home Sold, FSBO and Agent-Assisted Sellers

(Percentage Distribution)

	FSBO				
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	AGENT-ASSISTED
Detached single-family home	80%	76%	78%	75%	80%
Townhouse/row house	7%	3%	6%	1%	7%
Duplex/apartment/condo in 2 to 4 unit building	4%	2%	1%	4%	4%
Apartment/condo in a building with 5 or more units	4%	5%	5%	6%	4%
Mobile/manufactured home	3%	10%	7%	13%	2%
Other	3%	3%	4%	2%	3%

## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 8–5: Location of Home Sold, FSBO and Agent-Assisted Sellers

(Percentage Distribution)

	FSBO				
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	AGENT-ASSISTED
Suburb/Subdivision	52%	44%	51%	36%	53%
Small town	16%	21%	14%	29%	16%
Urban area/Central city	16%	14%	14%	14%	16%
Rural area	14%	18%	18%	18%	14%
Resort/Recreation area	2%	3%	4%	3%	2%

### Exhibit 8–6: Selling Price, FSBO and Agent-Assisted Sellers

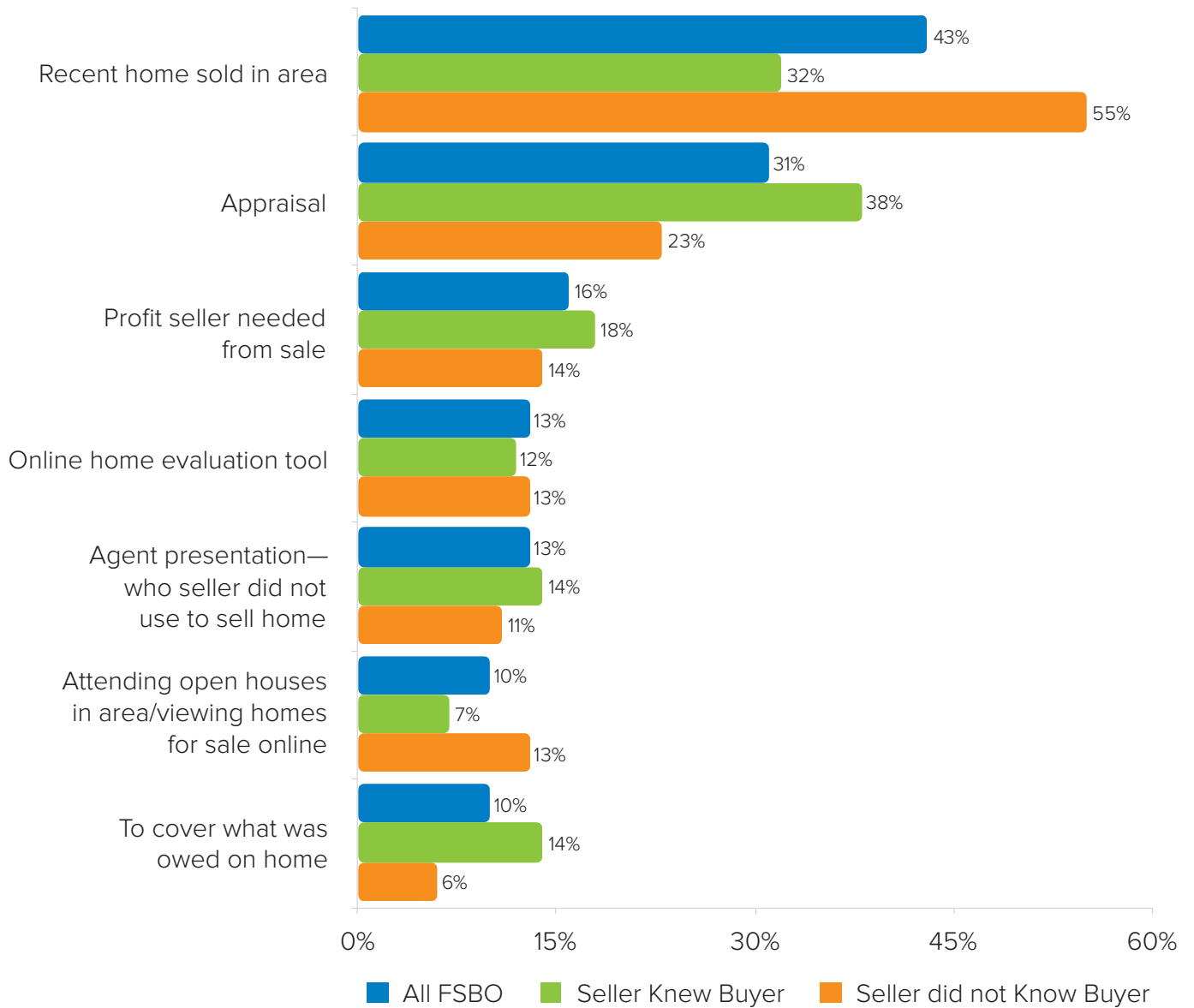
(Percentage Distribution)

	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Median selling price	\$259,900	\$200,000	\$200,000	\$200,000	\$264,900	\$265,500	\$227,900
<b>SALES PRICE COMPARED WITH ASKING PRICE:</b>							
Less than 90%	7%	5%	6%	5%	7%	6%	25%
90% to 94%	13%	9%	6%	13%	12%	12%	16%
95% to 99%	35%	18%	11%	25%	37%	37%	30%
100%	26%	55%	69%	41%	24%	24%	16%
101% to 110%	16%	7%	1%	13%	17%	17%	5%
More than 110%	4%	6%	8%	4%	3%	3%	9%
Median (sales price as a percent of asking price)	99%	100%	100%	100%	99%	99%	97%
<b>NUMBER OF TIMES ASKING PRICE WAS REDUCED:</b>							
None	60%	75%	81%	67%	59%	59%	41%
One	23%	17%	11%	24%	24%	24%	27%
Two	10%	4%	3%	5%	10%	10%	9%
Three	5%	3%	3%	3%	5%	5%	11%
Four or more	2%	1%	2%	1%	2%	2%	11%

## CHAPTER 8: FOR-SALE-BY-OWNER (FSBO) SELLERS

### Exhibit 8–7: How FSBO Seller Determined Asking Price of Home Sold

(Percent of Respondents)





## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 8–8: Time on the Market, FSBO and Agent-Assisted Sellers

(Percentage Distribution)

	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Less than 1 week	10%	34%	40%	28%	8%	8%	2%
1 to 2 weeks	37%	39%	40%	38%	37%	38%	28%
3 to 4 weeks	13%	9%	6%	13%	13%	13%	9%
5 to 6 weeks	6%	2%	*	3%	6%	7%	4%
7 to 8 weeks	6%	4%	3%	6%	6%	6%	13%
9 to 10 weeks	3%	1%	*	2%	3%	3%	*
11 to 12 weeks	7%	4%	4%	3%	7%	7%	2%
13 to 16 weeks	4%	1%	2%	*	5%	5%	9%
17 to 24 weeks	5%	*	1%	*	6%	5%	13%
25 to 36 weeks	3%	2%	1%	3%	3%	3%	4%
37 to 52 weeks	3%	*	1%	*	3%	3%	4%
53 or more weeks	2%	3%	2%	4%	2%	2%	11%
Median weeks	3	1	2	1	3	3	8

\* Less than 1 percent

### Exhibit 8–9: Seller Urgency, FSBO and Agent-Assisted Sellers

(Percentage Distribution)

SELLERS NEEDED TO SELL:	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Very urgently	15%	14%	13%	14%	15%	15%	13%
Somewhat urgently	41%	33%	36%	32%	42%	41%	52%
Not urgently	45%	53%	51%	54%	44%	44%	35%

## CHAPTER 8: FOR-SALE-BY-OWNER (FSBO) SELLERS

### Exhibit 8–10: Incentives Offered To Attract Buyers, FSBO and Agent-Assisted Sellers

(Percent of Respondents)

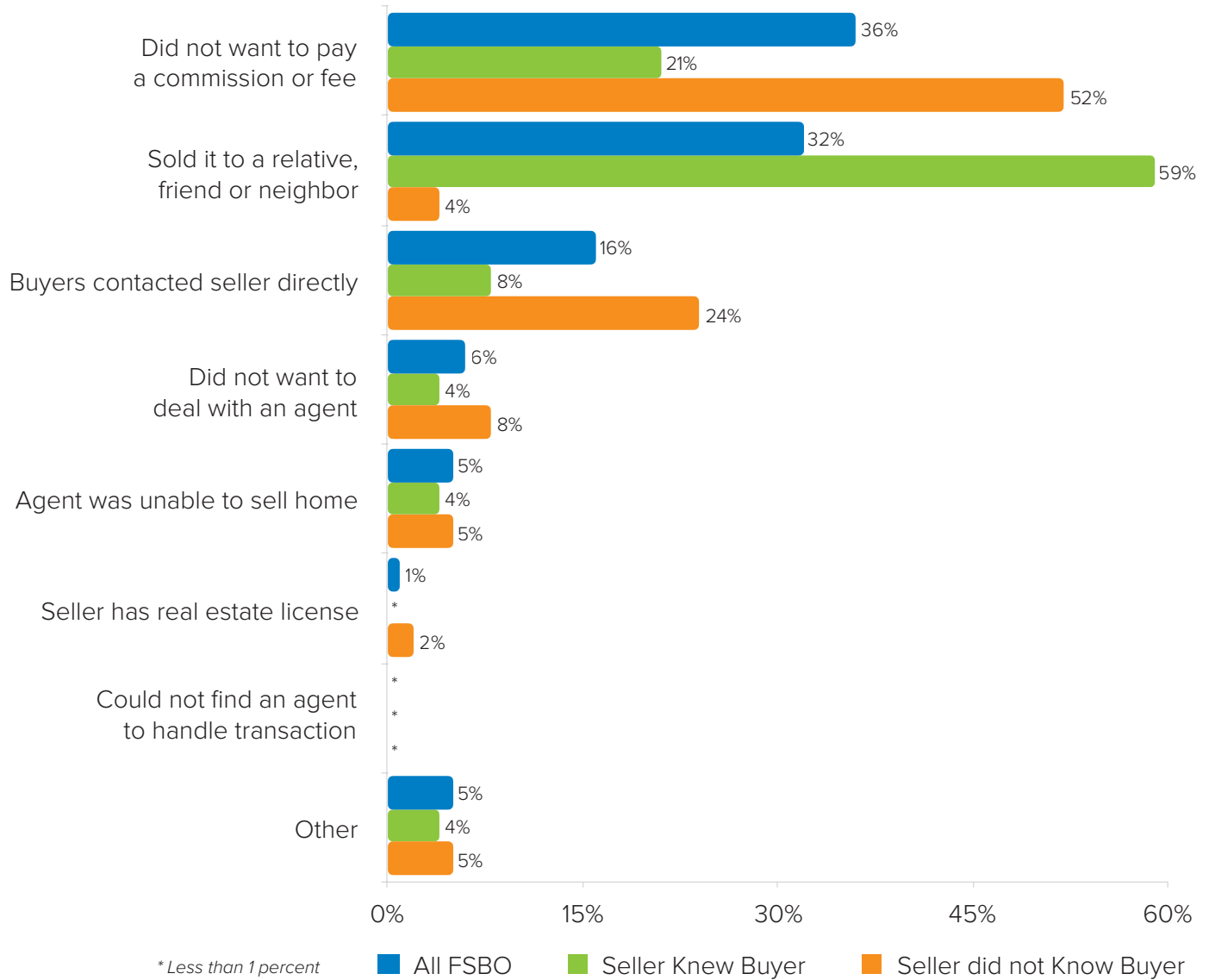
	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
None	66%	84%	82%	86%	65%	65%	67%
Home warranty policies	18%	4%	5%	4%	19%	19%	11%
Assistance with closing costs	13%	7%	6%	9%	14%	14%	5%
Credit toward remodeling or repairs	7%	1%	1%	2%	8%	8%	11%
Other incentives, such as a car, flat screen TV, etc.	4%	3%	3%	3%	4%	4%	5%
Assistance with condo association fees	*	*	1%	*	*	*	*
Other	4%	4%	7%	*	4%	4%	7%

\* Less than 1 percent

# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 8–11: Most Important Reason for Selling Home as FSBO

(Percentage Distribution)



## Exhibit 8–12: Seller Wanted To Sell Earlier but Waited or Stalled Because Home Was Worth Less Than Mortgage

(Percentage Distribution)

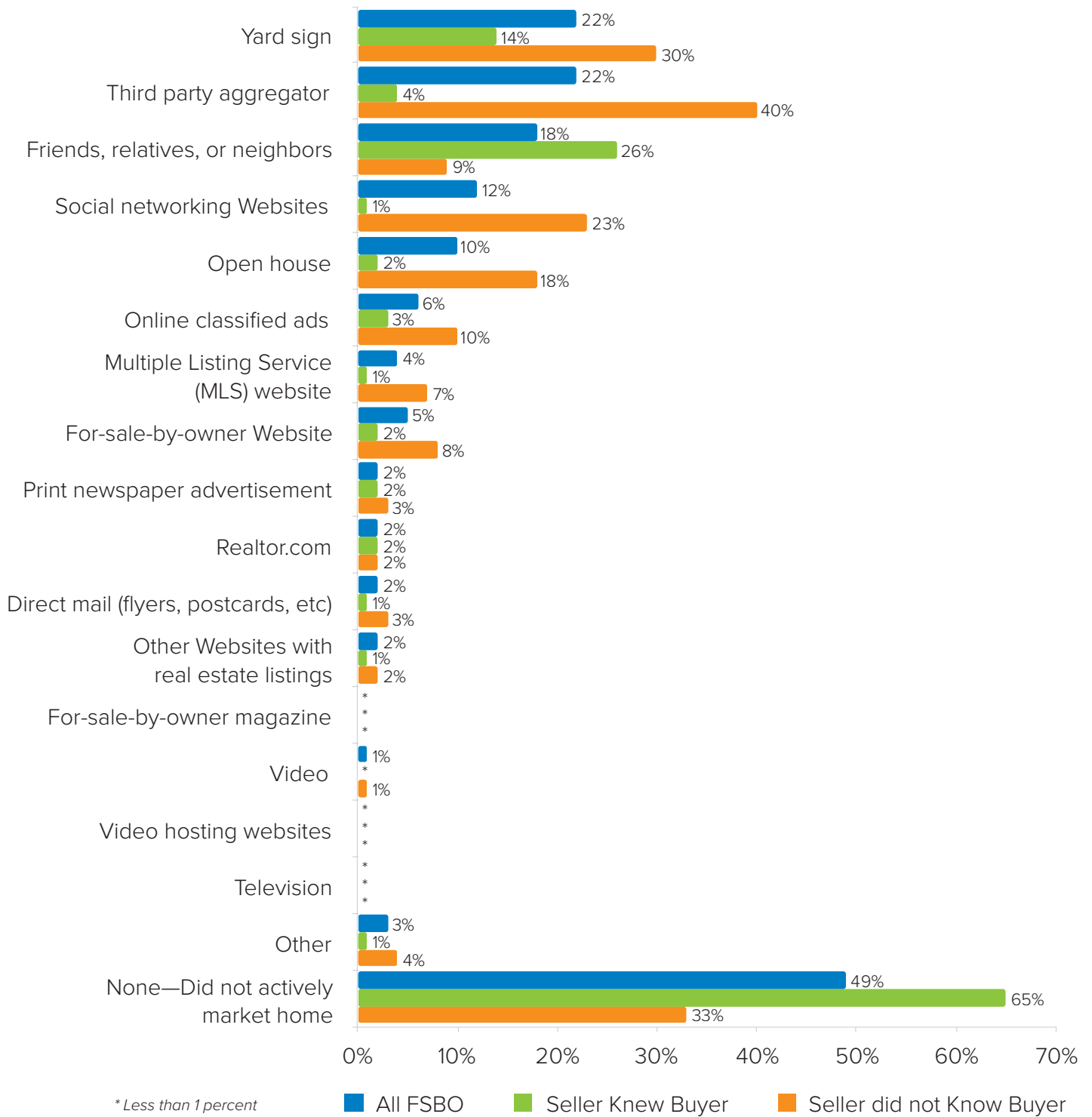
	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Yes, and lived in home	8%	7%	8%	7%	8%	8%	14%
Yes, but rented home to others and lived elsewhere	1%	3%	2%	5%	1%	1%	*
No, sold home when wanted to sell	91%	89%	91%	88%	91%	91%	86%

\* Less than 1 percent

## CHAPTER 8: FOR-SALE-BY-OWNER (FSBO) SELLERS

**Exhibit 8–13: Method Used by FSBO Sellers To Market Home**

(Percent of Respondents)



## 2018 PROFILE OF HOME BUYERS AND SELLERS

### Exhibit 8–14: Most Difficult Task for FSBO Sellers

(Percentage of Distribution)

	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER
Getting the price right	17%	22%	12%
Understanding and performing paperwork	12%	13%	11%
Preparing or fixing up the home for sale	8%	3%	12%
Selling within the length of time planned	5%	8%	2%
Having enough time to devote to all aspects of the sale	3%	*	6%
Attracting potential buyers	4%	2%	5%
Helping buyer obtain financing	2%	3%	1%
Other	4%	*	7%
None/Nothing	49%	49%	42%

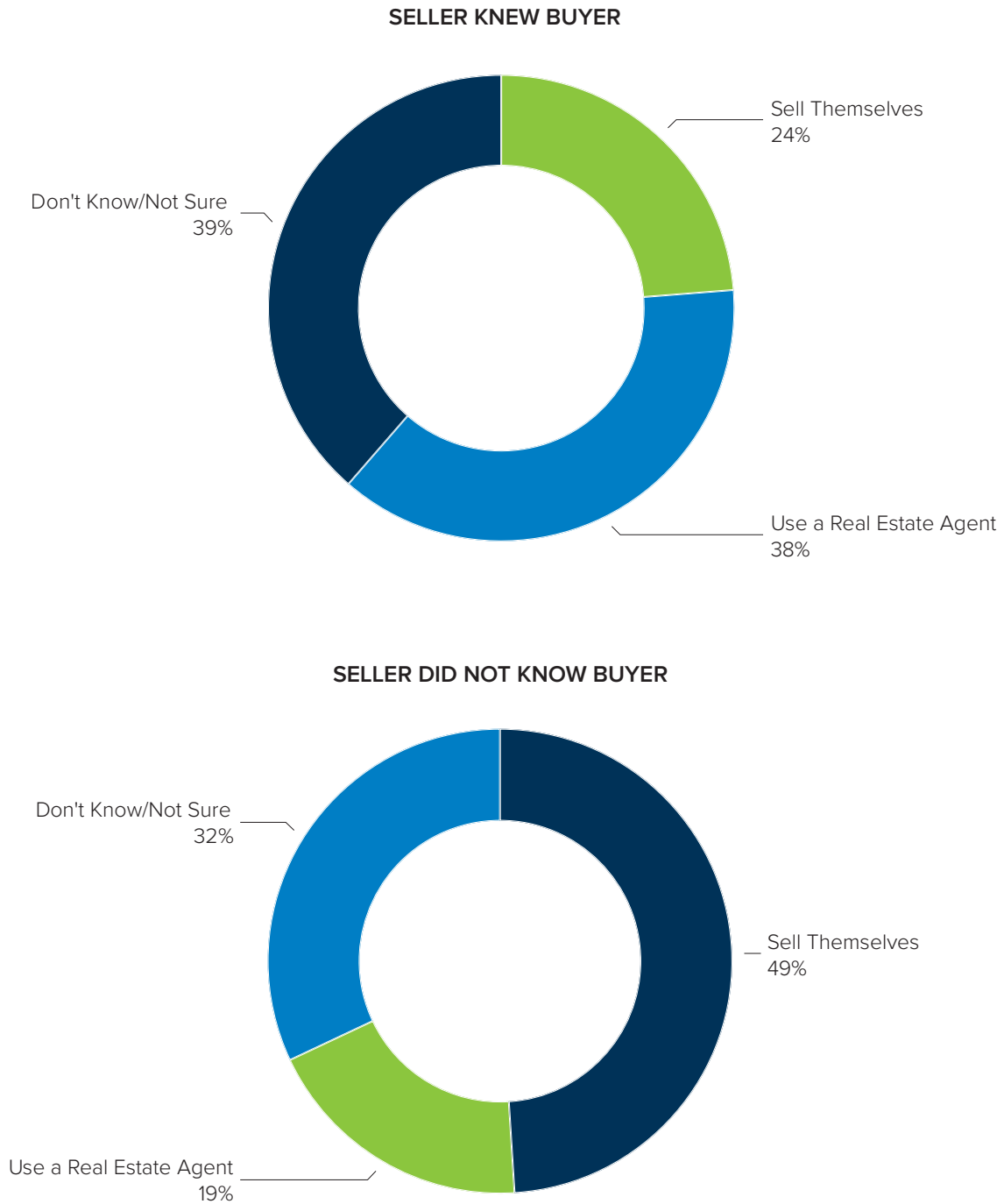
\* Less than 1 percent



## CHAPTER 8: FOR-SALE-BY-OWNER (FSBO) SELLERS

### Exhibit 8–15: How FSBO Sellers Will Sell Their Current Home

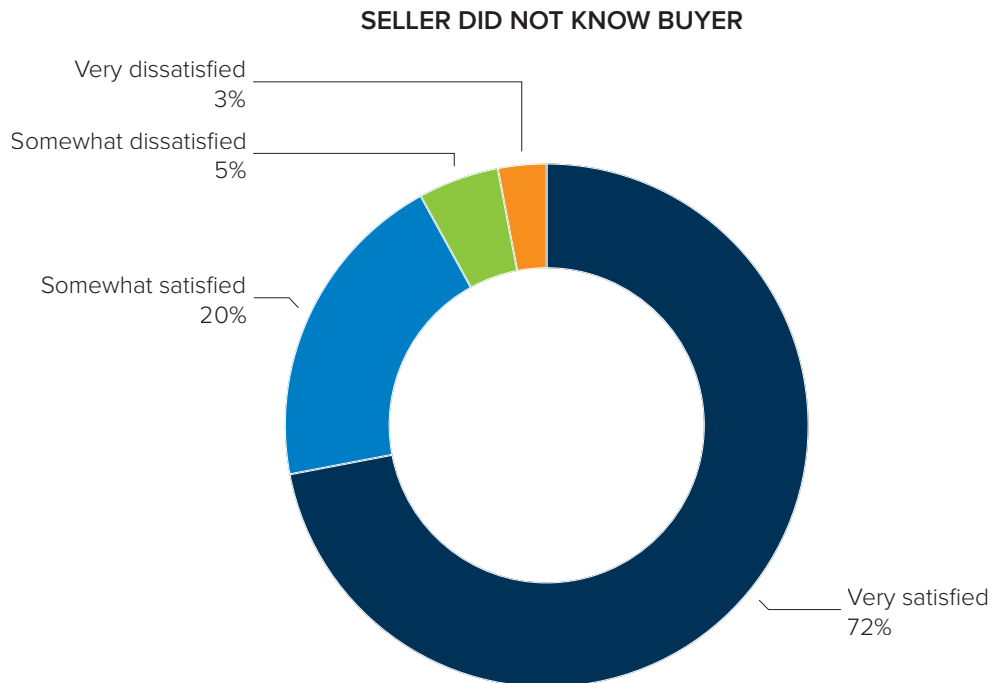
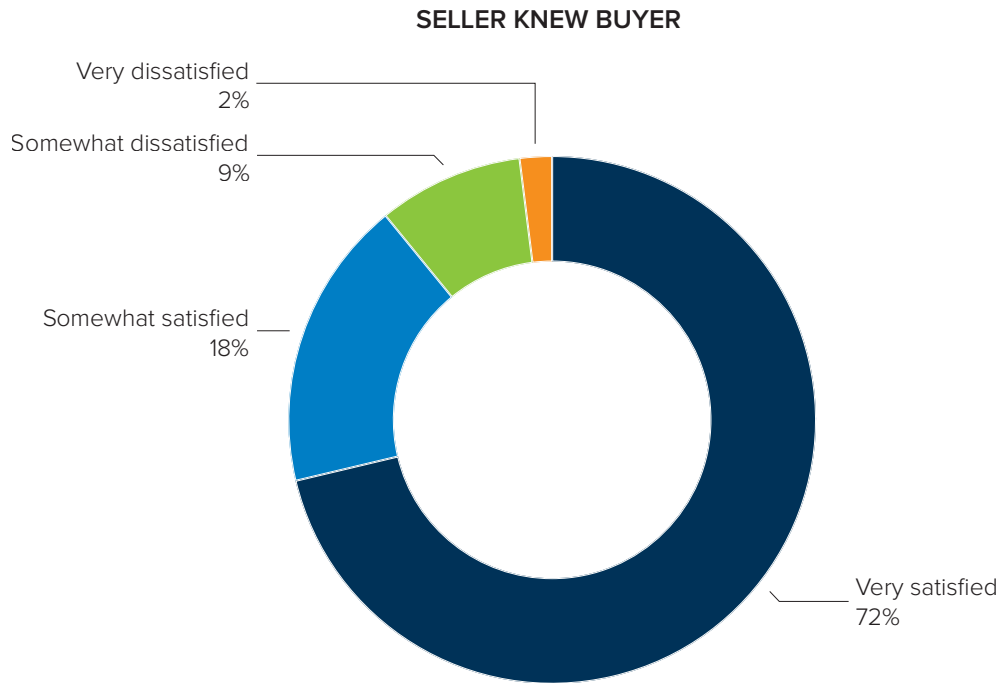
(Percentage Distribution)



# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Exhibit 8–16: FSBO Sellers Satisfaction Process of Selling Home

(Percentage Distribution)



# 2018 PROFILE OF HOME BUYERS AND SELLERS

## METHODOLOGY

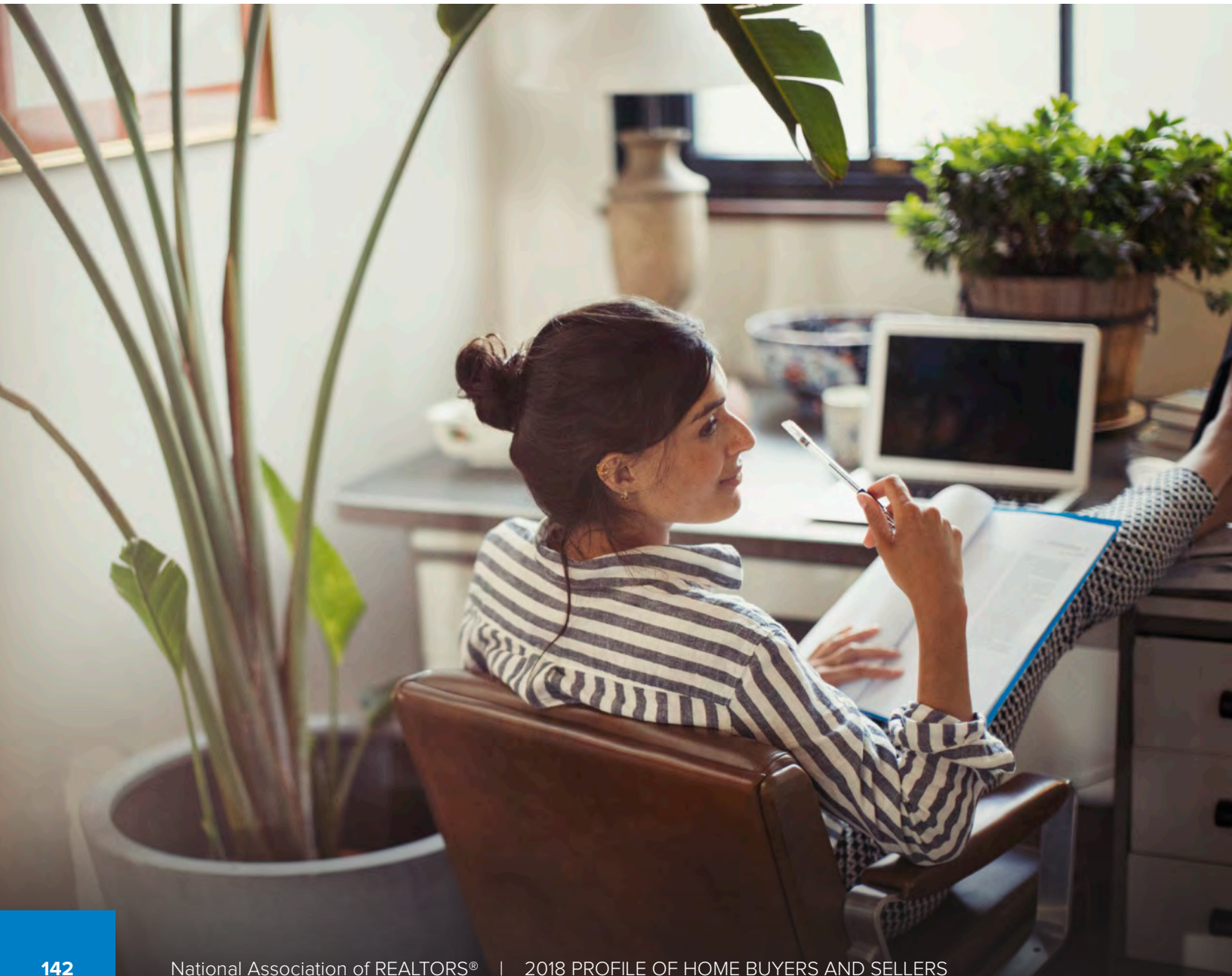
In July 2018, NAR mailed out a 129-question survey using a random sample weighted to be representative of sales on a geographic basis to 155,250 recent home buyers. The recent home buyers had to have purchased a primary residence home between July of 2017 and June of 2018. A total of 7,191 responses were received from primary residence buyers. After accounting for undeliverable questionnaires, the survey had an adjusted response rate of 4.6 percent.

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 2018, with the exception of income data, which are reported for 2017. 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.

Data gathered in the report is based on primary residence home buyers. From the *2017 Investment and Vacation Home Buyer Survey*, 70 percent of home buyers were primary residence buyers, which accounts for 4,207,000 homes sold in 2016. Using that calculation, the sample at the 95 percent confidence level has a confidence interval of plus-or-minus 1.15%.



## LIST OF EXHIBITS

### Chapter 1: Characteristics of Home Buyers

- EXHIBIT 1-1 MEDIAN AGE OF HOME BUYERS, 1981–2018
- EXHIBIT 1-2 AGE OF HOME BUYERS, BY REGION
- EXHIBIT 1-3 HOUSEHOLD INCOME OF HOME BUYERS, BY REGION, 2017
- EXHIBIT 1-4 ADULT COMPOSITION OF HOME BUYER HOUSEHOLDS, 1981–2018
- EXHIBIT 1-5 NUMBER OF CHILDREN UNDER THE AGE OF 18 RESIDING IN HOUSEHOLD
- EXHIBIT 1-6 SHARE OF HOME BUYERS WITH CHILDREN UNDER THE AGE OF 18 IN HOME
- EXHIBIT 1-7 HOME PURCHASED WAS A MULTI-GENERATIONAL HOME (WILL HOME ADULT SIBLINGS, ADULT CHILDREN, PARENTS, AND/OR GRANDPARENTS)
- EXHIBIT 1-8 HOME BUYER SEXUAL ORIENTATION
- EXHIBIT 1-9 RACE/ETHNICITY OF HOME BUYERS, BY REGION
- EXHIBIT 1-10 RACE/ETHNICITY OF HOME BUYERS, BY ADULT COMPOSITION OF HOUSEHOLD
- EXHIBIT 1-11 PRIMARY LANGUAGE SPOKEN IN HOME BUYER HOUSEHOLD, BY REGION
- EXHIBIT 1-12 NATIONAL ORIGIN OF HOME BUYERS, BY REGION
- EXHIBIT 1-13 SELF OR SPOUSE/PARTNER IS ACTIVE MILITARY OR VETERAN
- EXHIBIT 1-14 FIRST-TIME HOME BUYERS, 1981–2018
- EXHIBIT 1-15 FIRST-TIME HOME BUYERS, BY REGION
- EXHIBIT 1-16 FIRST-TIME AND REPEAT HOME BUYERS, BY HOUSEHOLD TYPE
- EXHIBIT 1-17 FIRST-TIME AND REPEAT HOME BUYERS, BY CHILDREN IN HOUSEHOLD
- EXHIBIT 1-18 AGE OF FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 1-19 HOUSEHOLD INCOME OF FIRST-TIME AND REPEAT BUYERS, 2017
- EXHIBIT 1-20 RACE/ETHNICITY OF FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 1-21 PRIMARY LANGUAGE SPOKEN IN FIRST-TIME AND REPEAT BUYER HOUSEHOLDS
- EXHIBIT 1-22 NATIONAL ORIGIN OF FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 1-23 PRIOR LIVING ARRANGEMENT OF FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 1-24 PRIOR LIVING ARRANGEMENT, BY ADULT COMPOSITION OF HOUSEHOLD
- EXHIBIT 1-25 PRIMARY REASON FOR PURCHASING A HOME, FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 1-26 PRIMARY REASON FOR PURCHASING A HOME, BY ADULT COMPOSITION OF HOUSEHOLD
- EXHIBIT 1-27 PRIMARY REASON FOR THE TIMING OF HOME PURCHASE, FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 1-28 OTHER HOMES OWNED, BY AGE

### Chapter 2: Characteristics of Homes Purchased

- EXHIBIT 2-1 NEW AND PREVIOUSLY OWNED HOMES PURCHASED, 1981–2018
- EXHIBIT 2-2 NEW AND PREVIOUSLY OWNED HOMES PURCHASED, BY REGION
- EXHIBIT 2-3 WHY NEW AND PREVIOUSLY OWNED HOMES PURCHASED
- EXHIBIT 2-4 TYPE OF HOME PURCHASED, BY LOCATION
- EXHIBIT 2-5 TYPE OF HOME PURCHASED BY FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES

## 2018 PROFILE OF HOME BUYERS AND SELLERS

- EXHIBIT 2-6 TYPE OF HOME PURCHASED, BY ADULT COMPOSITION OF HOUSEHOLD
- EXHIBIT 2-7 TYPE OF HOME PURCHASED, 1981-2018
- EXHIBIT 2-8 LOCATION OF HOME PURCHASED, BY REGION
- EXHIBIT 2-9 LOCATION OF HOME PURCHASED BY FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES
- EXHIBIT 2-10 LOCATION OF HOME PURCHASED VERSUS LOCATION OF HOME SOLD
- EXHIBIT 2-11 SENIOR RELATED HOUSING BY TYPE OF HOME PURCHASED AND LOCATION
- EXHIBIT 2-12 DISTANCE BETWEEN HOME PURCHASED AND PREVIOUS RESIDENCE
- EXHIBIT 2-13 FACTORS INFLUENCING NEIGHBORHOOD CHOICE, BY LOCATION
- EXHIBIT 2-14 FACTORS INFLUENCING NEIGHBORHOOD CHOICE, BY ADULT COMPOSITION OF HOUSEHOLD AND CHILDREN IN HOUSHOLD
- EXHIBIT 2-15 PRICE OF HOME PURCHASED, BY REGION
- EXHIBIT 2-16 PRICE OF HOME PURCHASED, NEW AND PREVIOUSLY OWNED HOMES
- EXHIBIT 2-17 PRICE OF HOME PURCHASED, FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 2-18 PURCHASE PRICE COMPARED WITH ASKING PRICE, BY REGION
- EXHIBIT 2-19 SIZE OF HOME PURCHASED, FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES
- EXHIBIT 2-20 SIZE OF HOME PURCHASED, BY ADULT COMPOSITION OF HOUSEHOLD
- EXHIBIT 2-21 HOME SIZE AND PRICE PER SQUARE FOOT, BY REGION
- EXHIBIT 2-22 NUMBER OF BEDROOMS AND BATHROOMS, BY FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES
- EXHIBIT 2-23 NUMBER OF BEDROOMS AND BATHROOMS, BY ADULT HOUSEHOLD COMPOSITION AND CHILDREN IN HOUSEHOLD
- EXHIBIT 2-24 YEAR HOME BUILT, BY REGION
- EXHIBIT 2-25 IMPORTANCE OF COMMUTING COSTS
- EXHIBIT 2-26 IMPORTANCE OF HOME'S ENVIRONMENTALLY FRIENDLY FEATURES
- EXHIBIT 2-27 ENVIRONMENTALLY FRIENDLY FEATURES CONSIDERED "VERY IMPORTANT", BY REGION
- EXHIBIT 2-28 ENVIRONMENTALLY FRIENDLY FEATURES CONSIDERED "VERY IMPORTANT", BY YEAR HOME WAS BUILT
- EXHIBIT 2-29 CHARACTERISTICS OF HOME ON WHICH BUYER COMPROMISED, BY LOCATION
- EXHIBIT 2-30 CHARACTERISTICS OF HOME ON WHICH BUYER COMPROMISED, FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES
- EXHIBIT 2-31 CHARACTERISTICS OF HOME ON WHICH BUYER COMPROMISED, BY ADULT COMPOSITION OF HOUSEHOLD
- EXHIBIT 2-32 EXPECTED LENGTH OF TENURE IN HOME PURCHASED, FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES
- EXHIBIT 2-33 EXPECTED LENGTH OF TENURE IN HOME PURCHASED, BY AGE
- EXHIBIT 2-34 FACTORS THAT COULD CAUSE BUYER TO MOVE, BY AGE
- EXHIBIT 2-35 FACTORS THAT COULD CAUSE BUYER TO MOVE, BY ADULT COMPOSITION OF HOUSEHOLD

### Chapter 3: The Home Search Process

- EXHIBIT 3-1 FIRST STEP TAKEN DURING THE HOME BUYING PROCESS, FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 3-2 FIRST STEP TAKEN DURING THE HOME BUYING PROCESS, BY AGE



## 2018 PROFILE OF HOME BUYERS AND SELLERS

- EXHIBIT 3-3 INFORMATION SOURCES USED IN HOME SEARCH, BY FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES
- EXHIBIT 3-4 INFORMATION SOURCES USED IN HOME SEARCH, BY AGE
- EXHIBIT 3-5 FREQUENCY OF USE OF DIFFERENT INFORMATION SOURCES
- EXHIBIT 3-6 USEFULNESS OF INFORMATION SOURCES
- EXHIBIT 3-7 LENGTH OF SEARCH, BY REGION
- EXHIBIT 3-8 LENGTH OF SEARCH FOR BUYERS WHO USED AN AGENT, BY FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 3-9 WHERE BUYER FOUND THE HOME THEY PURCHASED, 2001-2018
- EXHIBIT 3-10 BUYER INTEREST IN PURCHASING A HOME IN FORECLOSURE, BY FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES
- EXHIBIT 3-11 MOST DIFFICULT STEPS OF HOME BUYING PROCESS BY FIRST-TIME AND REPEAT BUYERS AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES
- EXHIBIT 3-12 BUYER USE OF INTERNET IN HOME SEARCH PROCESS, 1995-2018
- EXHIBIT 3-13 ACTIONS TAKEN AS A RESULT OF INTERNET HOME SEARCH, FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 3-14 CHARACTERISTICS OF HOME SEARCHERS AND SEARCH ACTIVITY, BY USE OF INTERNET
- EXHIBIT 3-15 INFORMATION SOURCES USED IN HOME SEARCH, BY USE OF INTERNET
- EXHIBIT 3-16 WHERE BUYERS FOUND THE HOME THEY PURCHASED, BY USE OF INTERNET
- EXHIBIT 3-17 METHOD OF HOME PURCHASE, BY USE OF INTERNET
- EXHIBIT 3-18 VALUE OF WEB SITE FEATURES
- EXHIBIT 3-19 MOBILE SEARCH BY FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 3-20 SATISFACTION IN BUYING PROCESS

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

- EXHIBIT 4-1 METHOD OF HOME PURCHASE, 1981-2018
- EXHIBIT 4-2 METHOD OF HOME PURCHASE, BY REGION
- EXHIBIT 4-3 METHOD OF HOME PURCHASE, NEW AND PREVIOUSLY OWNED HOMES
- EXHIBIT 4-4 METHOD OF HOME PURCHASE, BY ADULT COMPOSITION OF HOUSEHOLD
- EXHIBIT 4-5 AGENT REPRESENTATION DISCLOSURE, FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 4-6 BUYER REPRESENTATIVE ARRANGEMENT WITH AGENT, FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 4-7 HOW REAL ESTATE AGENT WAS COMPENSATED
- EXHIBIT 4-8 WHAT BUYERS WANT MOST FROM REAL ESTATE AGENTS
- EXHIBIT 4-9 WHAT BUYERS WANT MOST FROM REAL ESTATE AGENTS, FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES
- EXHIBIT 4-10 WHAT BUYERS WANT MOST FROM REAL ESTATE AGENTS, BY ADULT COMPOSITION OF HOUSEHOLD
- EXHIBIT 4-11 BENEFITS PROVIDED BY REAL ESTATE AGENT DURING HOME PURCHASE PROCESS, FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 4-12 HOW BUYER FOUND REAL ESTATE AGENT, FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 4-13 HOW BUYER FOUND REAL ESTATE AGENT, BY ADULT COMPOSITION OF HOUSEHOLD
- EXHIBIT 4-14 HOW MANY TIMES BUYER CONTACTED AGENT BEFORE RECEIVED RESPONSE AND ORIGINAL FORM OF CONTACT
- EXHIBIT 4-15 NUMBER OF REAL ESTATE AGENTS INTERVIEWED BY FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 4-16 MOST IMPORTANT FACTORS WHEN CHOOSING AN AGENT

## 2018 PROFILE OF HOME BUYERS AND SELLERS

- EXHIBIT 4-17 IMPORTANCE OF REAL ESTATE AGENT SKILLS AND QUALITIES
- EXHIBIT 4-18 AGENT SKILLS AND QUALITIES CONSIDERED “VERY IMPORTANT” BY FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES
- EXHIBIT 4-19 AGENT SKILLS AND QUALITIES CONSIDERED “VERY IMPORTANT” BY ADULT COMPOSITION OF HOUSEHOLD
- EXHIBIT 4-20 IMPORTANCE OF AGENT COMMUNICATIONS
- EXHIBIT 4-21 SATISFACTION WITH REAL ESTATE AGENT SKILLS AND QUALITIES
- EXHIBIT 4-22 WOULD BUYER USE REAL ESTATE AGENT AGAIN OR RECOMMEND TO OTHERS
- EXHIBIT 4-23 HOW MANY TIMES BUYER RECOMMENDED TYPICAL AGENT

### Chapter 5: Financing the Home Purchase

- EXHIBIT 5-1 BUYERS WHO FINANCED THEIR HOME PURCHASE, BY AGE
- EXHIBIT 5-2 BUYERS WHO FINANCED THEIR HOME PURCHASE, BY ADULT COMPOSITION OF HOUSEHOLD
- EXHIBIT 5-3 PERCENT OF HOME FINANCED BY FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES
- EXHIBIT 5-4 MEDIAN PERCENT OF DOWNPAYMENT BY FIRST-TIME AND REPEAT BUYERS, 1989–2018
- EXHIBIT 5-5 SOURCES OF DOWNPAYMENT, FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 5-6 SOURCES OF DOWNPAYMENT, BY ADULT COMPOSITION OF HOUSEHOLD
- EXHIBIT 5-7 YEARS DEBT DELAYED HOME BUYERS FROM SAVING FOR A DOWNPAYMENT OR BUYING A HOME
- EXHIBIT 5-8 EXPENSES THAT DELAYED SAVING FOR A DOWNPAYMENT OR SAVING FOR A HOME PURCHASE, BY FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 5-9 EXPENSES THAT DELAYED SAVING FOR A DOWNPAYMENT OR SAVING FOR A HOME PURCHASE, BY ADULT COMPOSITION OF HOUSEHOLD
- EXHIBIT 5-10 SACRIFICES MADE TO PURCHASE HOME, BY FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 5-11 SACRIFICES MADE TO PURCHASE HOME, BY ADULT COMPOSITION OF HOUSEHOLD
- EXHIBIT 5-12 DIFFICULTY OF MORTGAGE APPLICATION AND APPROVAL PROCESS, BY FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 5-13 DIFFICULTY OF MORTGAGE APPLICATION AND APPROVAL PROCESS, BY ADULT COMPOSITION OF HOUSEHOLD
- EXHIBIT 5-14 BUYER MORTGAGE APPLICATION HAD BEEN REJECTED FROM MORTGAGE LENDER
- EXHIBIT 5-15 BUYERS WHO HAVE STUDENT LOAN DEBT
- EXHIBIT 5-16 BUYER PREVIOUSLY SOLD A DISTRESSED PROPERTY (SHORT SALE OR FORECLOSURE)
- EXHIBIT 5-17 TYPE OF MORTGAGE, FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 5-18 TYPE OF LOAN, FIRST-TIME AND REPEAT BUYERS
- EXHIBIT 5-19 BUYERS’ VIEW OF HOMES AS A FINANCIAL INVESTMENT, FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES
- EXHIBIT 5-20 BUYERS’ VIEW OF HOMES AS A FINANCIAL INVESTMENT, BY ADULT COMPOSITION OF HOUSEHOLD

### Chapter 6: Home Sellers and Their Selling Experience

- EXHIBIT 6-1 AGE OF HOME SELLERS, BY REGION
- EXHIBIT 6-2 HOUSEHOLD INCOME OF HOME SELLERS, 2017
- EXHIBIT 6-3 ADULT COMPOSITION OF HOME SELLER HOUSEHOLDS, 2004–2018
- EXHIBIT 6-4 NUMBER OF CHILDREN UNDER THE AGE OF 18 RESIDING IN HOME SELLER HOUSEHOLD

## 2018 PROFILE OF HOME BUYERS AND SELLERS

- EXHIBIT 6-5 RACE/ETHNICITY OF HOME SELLERS, BY REGION
- EXHIBIT 6-6 PRIMARY LANGUAGE SPOKEN IN HOME SELLER HOUSEHOLD, BY REGION
- EXHIBIT 6-7 HOME SELLING SITUATION AMONG REPEAT BUYERS
- EXHIBIT 6-8 FIRST-TIME OR REPEAT SELLER
- EXHIBIT 6-9 HOMES SOLD AND FOR SALE, BY REGION
- EXHIBIT 6-10 LOCATION OF HOME SOLD
- EXHIBIT 6-11 PROXIMITY OF HOME SOLD TO HOME PURCHASED
- EXHIBIT 6-12 TYPE OF HOME SOLD, BY LOCATION
- EXHIBIT 6-13 SIZE OF HOME PURCHASED COMPARED TO HOME RECENTLY SOLD
- EXHIBIT 6-14 SIZE OF HOME PURCHASED COMPARED TO HOME RECENTLY SOLD, BY AGE OF SELLER
- EXHIBIT 6-15 NUMBER OF BEDROOMS AND BATHROOMS BY ADULT COMPOSITION OF HOUSEHOLD AND CHILDREN IN HOUSEHOLD
- EXHIBIT 6-16 AGE OF HOME PURCHASED COMPARED TO HOME RECENTLY SOLD
- EXHIBIT 6-17 PRICE OF HOME PURCHASED COMPARED TO HOME RECENTLY SOLD
- EXHIBIT 6-18 PRICE OF HOME PURCHASED COMPARED TO HOME RECENTLY SOLD, BY AGE OF SELLER
- EXHIBIT 6-19 PRIMARY REASON FOR SELLING PREVIOUS HOME, BY MILES MOVED
- EXHIBIT 6-20 PRIMARY REASON FOR SELLING PREVIOUS HOME, BY FIRST-TIME AND REPEAT SELLERS
- EXHIBIT 6-21 SELLER WANTED TO SELL EARLIER BUT WAITED OR STALLED BECAUSE HOME WAS WORTH LESS THAN MORTGAGE, BY FIRST-TIME AND REPEAT SELLERS
- EXHIBIT 6-22 SELLER WANTED TO SELL EARLIER BUT WAITED OR STALLED BECAUSE HOME WAS WORTH LESS THAN MORTGAGE, BY TENURE IN HOME
- EXHIBIT 6-23 TENURE IN PREVIOUS HOME
- EXHIBIT 6-24 TENURE IN PREVIOUS HOME, BY AGE OF SELLER
- EXHIBIT 6-25 MEDIAN SELLER TENURE IN HOME 1985-2018
- EXHIBIT 6-26 DISTANCE BETWEEN HOME PURCHASED AND HOME RECENTLY SOLD, BY REGION
- EXHIBIT 6-27 DISTANCE BETWEEN HOME PURCHASED AND HOME RECENTLY SOLD, BY AGE
- EXHIBIT 6-28 METHOD USED TO SELL HOME, BY REGION
- EXHIBIT 6-29 METHOD USED TO SELL HOME, BY SELLER URGENCY
- EXHIBIT 6-30 METHOD OF SALE, BY BUYER AND SELLER RELATIONSHIP
- EXHIBIT 6-31 METHOD USED TO SELL HOME, 2001-2018
- EXHIBIT 6-32 SALES PRICE COMPARED WITH LISTING PRICE, BY REGION
- EXHIBIT 6-33 SALES PRICE COMPARED WITH LISTING PRICE, BY SELLER URGENCY
- EXHIBIT 6-34 NUMBER OF WEEKS RECENTLY SOLD HOME WAS ON THE MARKET, BY REGION
- EXHIBIT 6-35 SALES PRICE COMPARED WITH LISTING PRICE, BY NUMBER OF WEEKS HOME WAS ON THE MARKET
- EXHIBIT 6-36 NUMBER OF TIMES ASKING PRICE WAS REDUCED, BY NUMBER OF WEEKS HOME WAS ON THE MARKET
- EXHIBIT 6-37 INCENTIVES OFFERED TO ATTRACT BUYERS, BY REGION
- EXHIBIT 6-38 INCENTIVES OFFERED TO ATTRACT BUYERS, BY NUMBER OF WEEKS HOME WAS ON THE MARKET
- EXHIBIT 6-39 EQUITY EARNED IN HOME RECENTLY SOLD, BY TENURE IN HOME
- EXHIBIT 6-40 SATISFACTION WITH THE SELLING PROCESS

# 2018 PROFILE OF HOME BUYERS AND SELLERS

## Chapter 7: Home Selling and Real Estate Professionals

- EXHIBIT 7-1 METHOD USED TO FIND REAL ESTATE AGENT, BY FIRST TIME OR REPEAT SELLER
- EXHIBIT 7-2 METHOD USED TO FIND REAL ESTATE AGENT, BY MILES MOVED
- EXHIBIT 7-3 NUMBER OF AGENTS CONTACTED BEFORE SELECTING ONE TO ASSIST WITH SALE OF HOME
- EXHIBIT 7-4 SELLER USED THE SAME REAL ESTATE AGENT FOR THEIR HOME PURCHASE, BY MILES MOVED
- EXHIBIT 7-5 HOME LISTED ON MULTIPLE LISTING SERVICE
- EXHIBIT 7-6 LEVEL OF SERVICE PROVIDED BY THE REAL ESTATE AGENT
- EXHIBIT 7-7 WHAT SELLERS MOST WANT FROM REAL ESTATE AGENTS, BY LEVEL OF SERVICE PROVIDED BY THE AGENT
- EXHIBIT 7-8 MOST IMPORTANT FACTOR IN CHOOSING A REAL ESTATE AGENT TO SELL HOME, BY LEVEL OF SERVICE PROVIDED BY THE AGENT
- EXHIBIT 7-9 METHODS REAL ESTATE AGENT USED TO MARKET HOME
- EXHIBIT 7-10 HOW REAL ESTATE AGENT WAS COMPENSATED
- EXHIBIT 7-11 NEGOTIATING THE COMMISSION RATE OR FEE WITH THE REAL ESTATE AGENT
- EXHIBIT 7-12 WOULD SELLER USE REAL ESTATE AGENT AGAIN OR RECOMMEND TO OTHERS
- EXHIBIT 7-13 HOW MANY TIMES SELLER RECOMMENDED TYPICAL AGENT

## Chapter 8: For-Sale-by-Owner (FSBO) Sellers

- EXHIBIT 8-1 FSBO AND AGENT-ASSISTED SALES, 1981-2018
- EXHIBIT 8-2 FSBO AND AGENT-ASSISTED SALES, BY LOCATION
- EXHIBIT 8-3 CHARACTERISTICS OF FSBO AND AGENT-ASSISTED SELLERS
- EXHIBIT 8-4 TYPE OF HOME SOLD, FSBO AND AGENT-ASSISTED SELLERS
- EXHIBIT 8-5 LOCATION OF HOME SOLD, FSBO AND AGENT-ASSISTED SELLERS
- EXHIBIT 8-6 SELLING PRICE, FSBO AND AGENT-ASSISTED SELLERS
- EXHIBIT 8-7 HOW FSBO SELLER DETERMINED ASKING PRICE OF HOME SOLD
- EXHIBIT 8-8 TIME ON THE MARKET, FSBO AND AGENT-ASSISTED SELLERS
- EXHIBIT 8-9 SELLER URGENCY, FSBO AND AGENT-ASSISTED SELLERS
- EXHIBIT 8-10 INCENTIVES OFFERED TO ATTRACT BUYERS, FSBO AND AGENT-ASSISTED SELLERS
- EXHIBIT 8-11 MOST IMPORTANT REASON FOR SELLING HOME AS FSBO
- EXHIBIT 8-12 SELLER WANTED TO SELL EARLIER BUT WAITED OR STALLED BECAUSE HOME WAS WORTH LESS THAN MORTGAGE
- EXHIBIT 8-13 METHOD USED BY FSBO SELLERS TO MARKET HOME
- EXHIBIT 8-14 MOST DIFFICULT TASK FOR FSBO SELLERS
- EXHIBIT 8-15 HOW FSBO SELLERS WILL SELL THEIR CURRENT HOME
- EXHIBIT 8-16 FSBO SELLERS SATISFACTION PROCESS OF SELLING HOME



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The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics.

Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property.

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