

# PROFILE OF HOME BUYERS AND SELLERS

2024



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# 2024 Profile of Home Buyers and Sellers

Introduction	6
Chapter 1: Characteristics of Home Buyers	8
Chapter 2: Characteristics of Homes Purchased	32
Chapter 3: The Home Search Process	49
Chapter 4: Home Buying and Real Estate Professionals	60
Chapter 5: Financing the Home Purchase	74
Chapter 6: Home Sellers and Their Selling Experience	90
Chapter 7: Home Selling and Real Estate Professionals	115
Chapter 8: For-Sale-by-Owner (FSBO) Sellers	127
Methodology	139







# Introduction

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## 2024 Profile of Home Buyers and Sellers

# Introduction

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The NATIONAL ASSOCIATION OF REALTORS® Profile of Home Buyers and Sellers is an annual survey of recent home buyers and sellers who recently completed a transaction between July 2023 and June 2024. This flagship report has been published since 1981. The annual report allows industry professionals to gain insight into detailed buying and selling behavior. Each iteration of the report is as unique as the economic, social, and demographic environment in which it is published.

Each year provides new opportunities and challenges for buyers and sellers, and this year highlights the difficulty home buyers face amid a housing affordability crisis with limited housing inventory. Home buyers who purchased in the last year encountered mortgage interest rates that averaged 7.02 percent and reached a peak of 7.79 percent before easing. Home prices continued to grow. As a result, first-time buyers witnessed a housing market becoming more out of reach of their sustainable financial goals, while current homeowners had a growth in housing equity.

First-time home buyers in the last year shrunk to an historic low of just 24 percent of all buyers. Prior to 2008, the share of first-time buyers had a historical norm of 40 percent. In the last two years, first-time home buyer household income has grown by \$26,000. This year's report shows that the median household income of first-time home buyers was \$97,000. Underscoring the hurdles to entering the housing

market, first-time home buyers' median age reached an all-time high of 38 years old. In the 1980s, the typical first-time home buyer was in their late 20s.

The housing market appears bifurcated between repeat home buyers and first-time home buyers. Repeat buyers can enter the housing market with large downpayments (median of 23 percent), and 31 percent paid cash and did not finance their home. This is likely due to the increase in housing equity. If repeat home buyers are financing their home purchase, a larger downpayment helps to offset their mortgage payment due to the higher mortgage interest rate they could have. For repeat buyers, this is the highest downpayment seen since 2003. This year, downpayments also grew for first-time buyers, as they may need to make a more substantial offer among all-cash buyers. The typical downpayment for first-time buyers was nine percent, which is the highest share since 1997.

Repeat buyers also have the highest median age seen in the report's history of 61. As half of repeat home buyers are over the age of 61, they are driven by the desire to purchase a home to be closer to friends and family at 17 percent. It should be noted that while this is the top reason to purchase a home, neighborhood preferences have also changed. Among all buyers, the quality of the neighborhood (59 percent) and convenience to friends and family (45 percent) are the top neighborhood factors.



# Introduction

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Convenience to the home buyer's job has declined incrementally and is now at 34 percent, down from 38 percent last year and down from 52 percent in 2014.

Overall, 83 percent of buyers were White/Caucasian, up from 81 percent last year. However, among first-time buyers, 36 percent are non-white home buyers. Nine percent of all buyers were born outside the U.S., which is true for 13 percent of first-time home buyers.

Among all home buyers, 62 percent are married couples, 20 percent are single women, and eight percent are single men. Multi-generational living remains popular, with an all-time high of 17 percent of all buyers purchasing a home that will house different generations. The most common reasons are for cost savings, elder care, and young adults moving back. The share of buyers with children under the age of 18 dropped to the lowest level seen at 27 percent of all buyers.

Eighty-eight percent of home buyers purchased their homes through a real estate agent or broker. Home buyers primarily sought help finding the right home to purchase (49 percent) and negotiating the terms of the sale (14 percent). Home buyers also wanted help with price negotiations (11 percent) and help with paperwork (seven percent).

The number of weeks a buyer searched for a home remained steady from last year at 10 weeks. Many buyers took advantage of virtual tours and virtual listings and used those in their search process, a transformation that happened during the pandemic and has continued in buyers' activity. Due to limited inventory, it is not a surprise that buyers continue to report that the most difficult task for them in the home-buying process was finding the right home to purchase. However, overall 92 percent of home buyers are satisfied with the buying process.

Tenure has also maintained a high of 10 years, which has become common since the Great Recession. Among sellers, 36 percent purchased a larger home, and 30 purchased the same size home. This year, sellers sold their property typically at 100 percent of their asking price and sold their home within three weeks.

Ninety percent of sellers sold with the assistance of a real estate agent, up from 89 percent last year, and only six percent were FSBO sales, an all-time low. Sellers placed a high priority on the following three tasks: helping market the home to potential buyers, pricing the home competitively, and selling the home within a specific timeframe.





# Chapter 1

## Characteristics of Home Buyers



# Highlights: Characteristics of Home Buyers

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## Home Buyer Demographics

- The ages of home buyers **reached all-time highs**. The median buyer age increased to a peak of 56 years old, up from 49 last year. The median first-time buyer age increased to 38 years old this year from 35 last year, while the typical repeat buyer age also increased to 61 years from 58 last year.
- The share of married couples increased to 62 percent of all buyers. The share of single females slightly increased to 20 percent, and the share of single males decreased to eight percent. The share of unmarried couples also decreased this year to six percent.
- Eighty-three percent of recent home buyers identified their ethnicity as White or Caucasian. Seven percent of recent buyers identified as Black/African-American, six percent identified as Hispanic/Latino, four percent identified as Asian/Pacific Islander, and three percent as some other ethnicity.
- Eighty-eight percent of recent home buyers identified as heterosexual, three percent as gay or lesbian, two percent as bisexual, one percent prefer to self-describe, and six percent preferred not to answer.

## Who Resides in Home

- Seventy-three percent of recent buyers did not have a child under the age of 18 in their home. This is the **highest share recorded**.
- Seventeen percent of home buyers purchased a multi-

generational home, the highest share in the data series. The top reasons for purchasing a multi-generational home were cost savings (36 percent), to take care of aging parents (25 percent), children over the age of 18 moving back home (21 percent), and children over the age of 18 who never left home (20 percent).

## First-time Home Buyers

- First-time home buyers decreased to 24 percent of the market share (32 percent last year). This year now marks the **lowest share since NAR began collecting the data in 1981**.

## Veteran and Military Home Buyers

- Sixteen percent of recent home buyers (or someone within their home) were veterans, and two percent were active-duty service members.

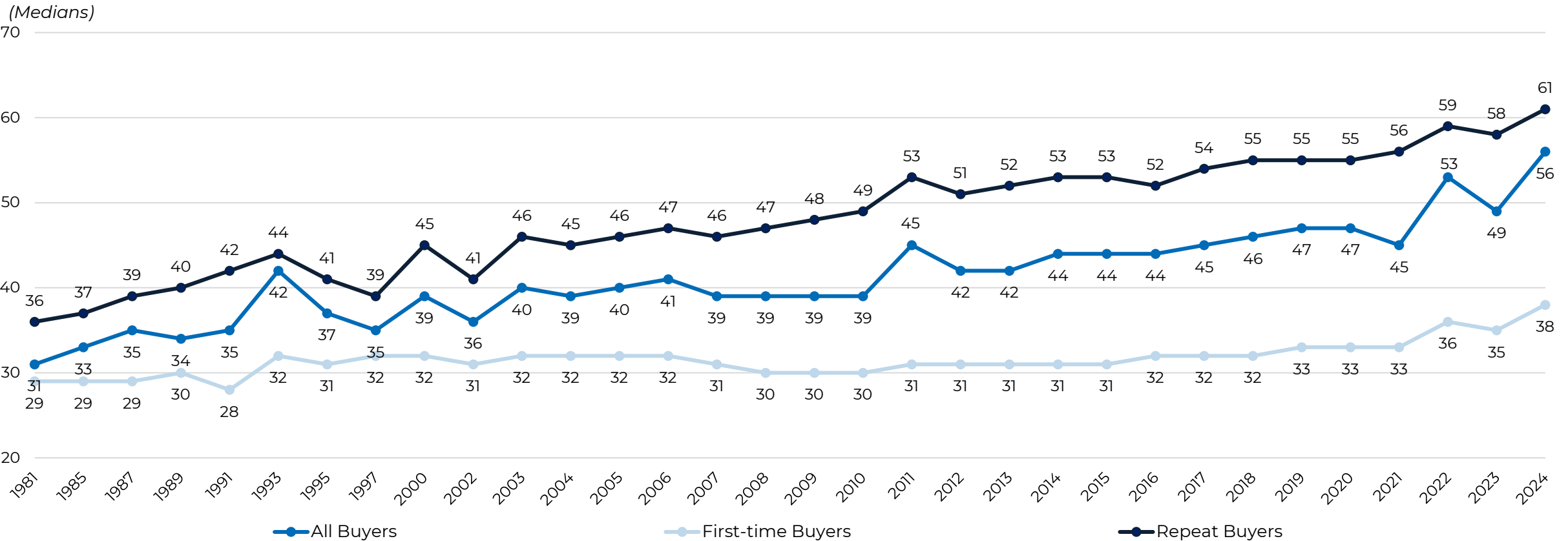
## Reason to Purchase Home

- At 22 percent, the primary reason for purchasing a home was the desire to own a home of their own. For first-time buyers, this number jumps to 64 percent.
- Forty-three percent of all buyers said that the timing was just right, and they were ready to purchase a home. The second most common reason was that the buyer did not have much choice, and they had to purchase the home when they did (23 percent).

# Chapter 1: Characteristics of Home Buyers

The median age increased to a peak of 56 years old, up from 49 last year. The median first-time buyer age increased to 38 years old this year, increasing from 35 last year, while the typical repeat buyer age also increased to 61 years from 58 last year. These ages are all record highs.

**Exhibit 1-1 Median Age of Home Buyers, 1981-2024**





# Chapter 1: Characteristics of Home Buyers

Twenty-four percent of all recent buyers were between the ages of 65 to 74, and 20 percent were between the ages of 55 to 64. Among first-time buyers, 38 percent were between the ages of 25 to 34, and 26 percent were between the ages of 35 to 44.

## Exhibit 1-2 Age of First-time and Repeat Buyers

(Percentage Distribution)

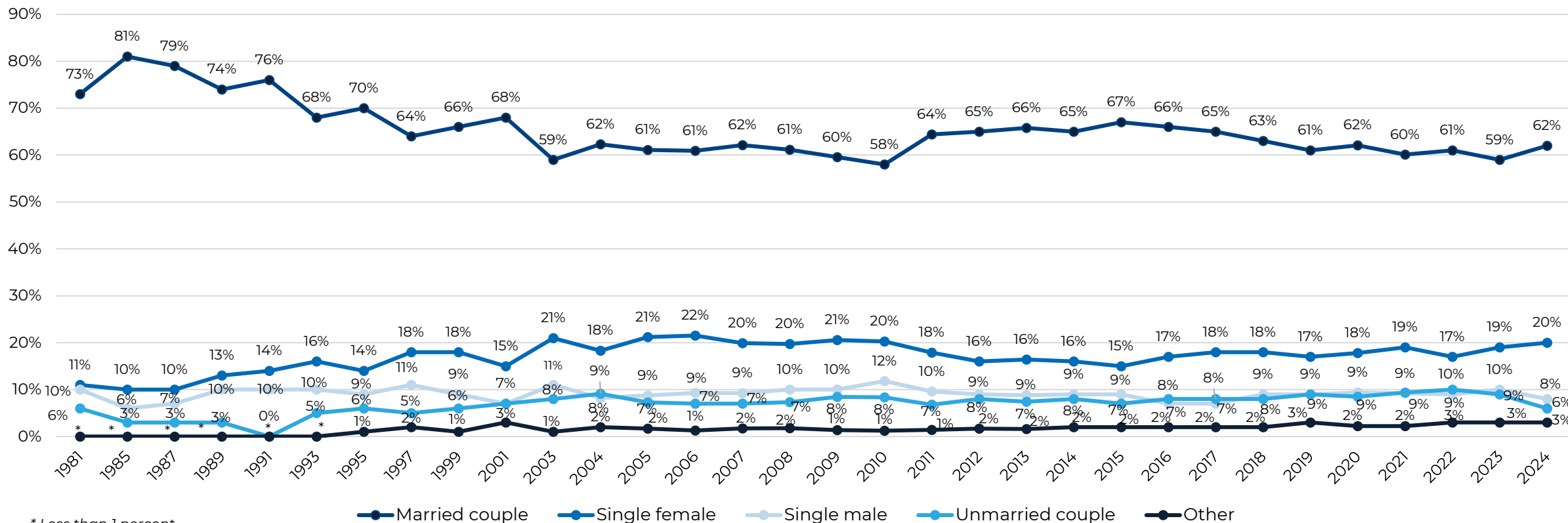
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
18 to 24 years	2%	4%	1%
25 to 34 years	13%	38%	5%
35 to 44 years	17%	26%	15%
45 to 54 years	15%	14%	16%
55 to 64 years	20%	11%	23%
65 to 74 years	24%	6%	30%
75 years or older	9%	1%	11%
Median age (years)	56	38	61
Married couple	56	37	60
Single female	60	40	64
Single male	58	34	64
Unmarried couple	43	33	54
Other	59	44	63

# Chapter 1: Characteristics of Home Buyers

The share of married couples increased to 62 percent of all buyers. The share of single females slightly increased to 20 percent, and the share of single males decreased to eight percent. The share of unmarried couples also decreased this year to six percent.

## Exhibit 1-3 Adult Composition of Home Buyer Households, 1981-2024

(Percentage Distribution)



\* Less than 1 percent

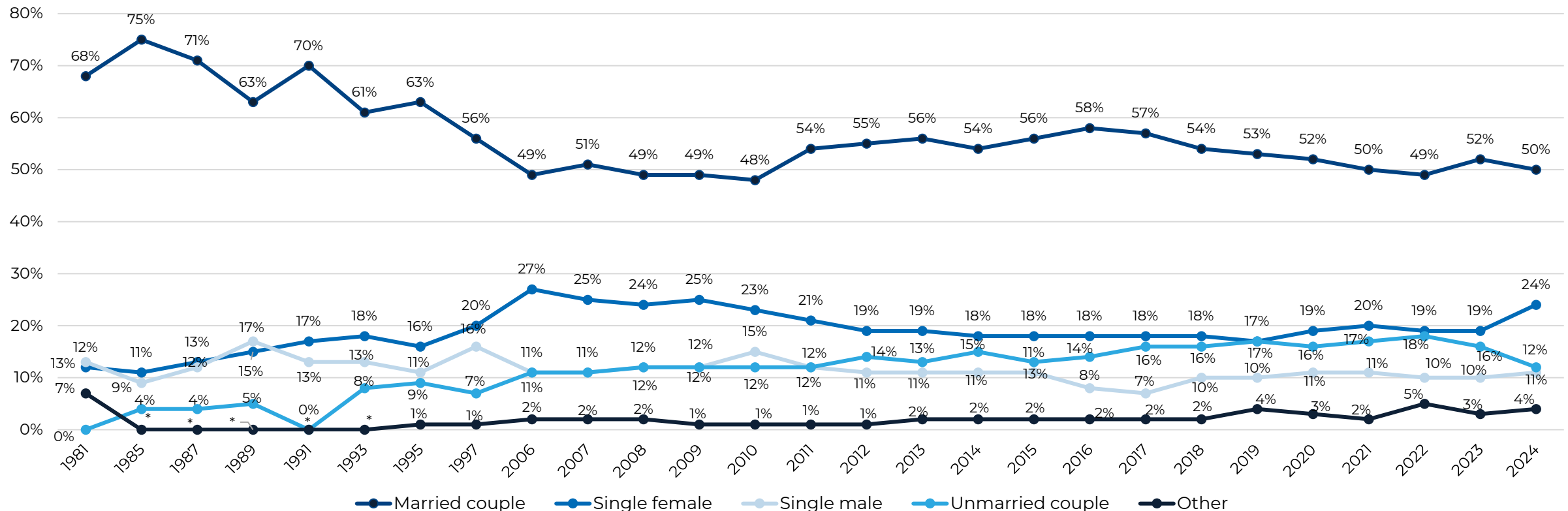


# Chapter 1: Characteristics of Home Buyers

The share of first-time buyers who were married couples was 50 percent, down slightly from 52 percent last year. The share of first-time buyers who were single females was 24 percent, while 12 percent were unmarried couples, and 11 percent were single males. In one year, the share of single women first-time buyers jumped by five percent.

## Exhibit 1-4 Adult Composition of First-Time Home Buyer Households, 1981-2024

(Percentage Distribution)

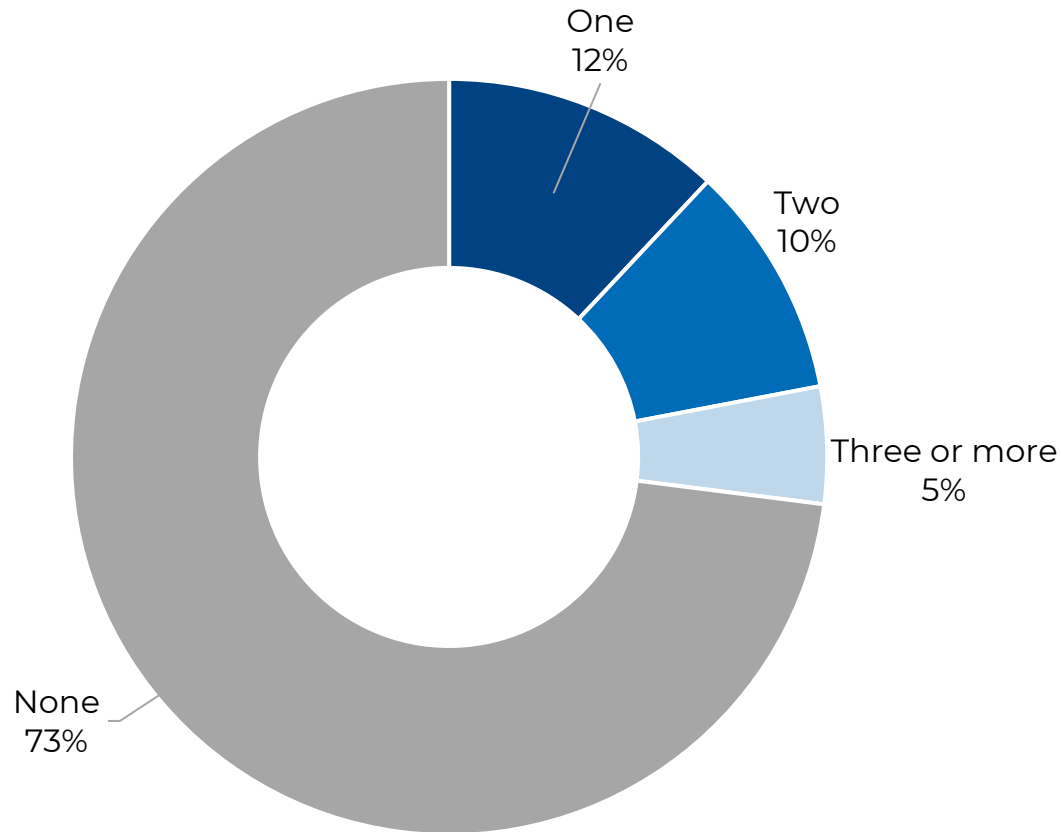


\* Less than 1 percent

# Chapter 1: Characteristics of Home Buyers

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

(Percentage Distribution)

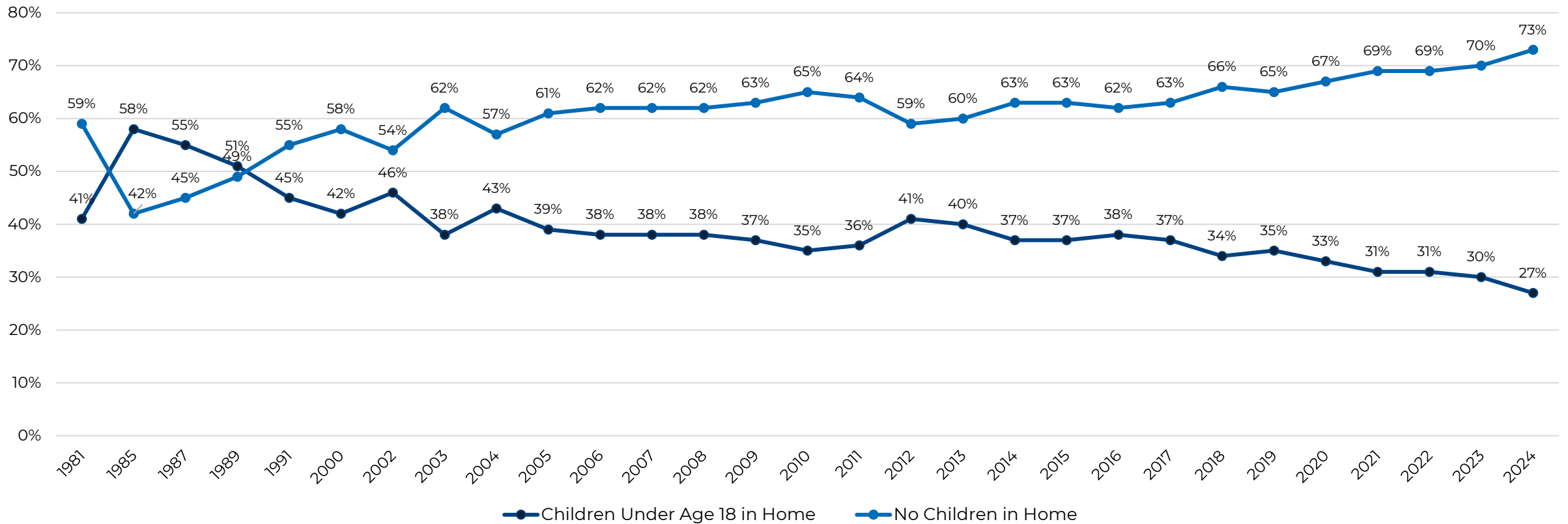


Twenty-seven percent of all buyers had children under the age of 18 living at home, a historic low. This is down from 30 percent last year, but down from 58 percent in 1985. This year, 12 percent of home buyers had one child, 10 percent had two children, and five percent had three or more children.

# Chapter 1: Characteristics of Home Buyers

Seventy-three percent of all buyers had no children under the age of 18 living at home, up from 70 percent last year. Twenty-seven percent of all buyers had children under the age of 18 living at home, a historic low.

**Exhibit 1-6 Share of Home Buyers with Children Under the Age of 18 in Home, 1981-2024** (Percentage Distribution)





# Chapter 1: Characteristics of Home Buyers

Seventeen 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—this is up from 14 percent last year and the highest since NAR began recording this. The top reasons for purchasing a multi-generational home were cost savings (36 percent), to take care of aging parents (25 percent), children over the age of 18 moving back home (21 percent), and children over the age of 18 who never left home (20 percent).

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

*(Percent of Respondents)*

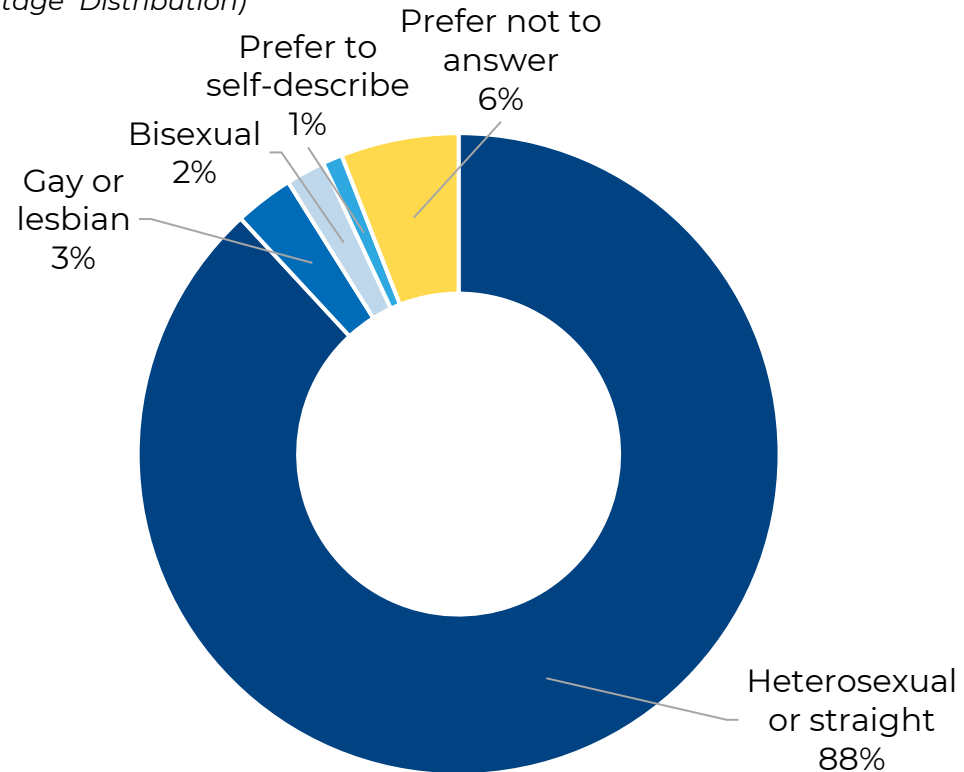
	ALL BUYERS
Multi-generational household	17%
<b>REASONS FOR PURCHASE:</b>	
Cost Savings	36%
Health/Caretaking of aging parents	25%
Children/relatives over 18 moving back into the house	21%
Children/relatives over 18 never left home	20%
To spend more time with aging parents	18%
Wanted a larger home that multiple incomes could afford together	13%
None of the above	18%
Other	6%

# Chapter 1: Characteristics of Home Buyers

Eighty-eight percent of recent home buyers identified as heterosexual, three percent as gay or lesbian, two percent as bisexual, and six percent preferred not to answer. Less than one percent of recent buyers identify as transgender.

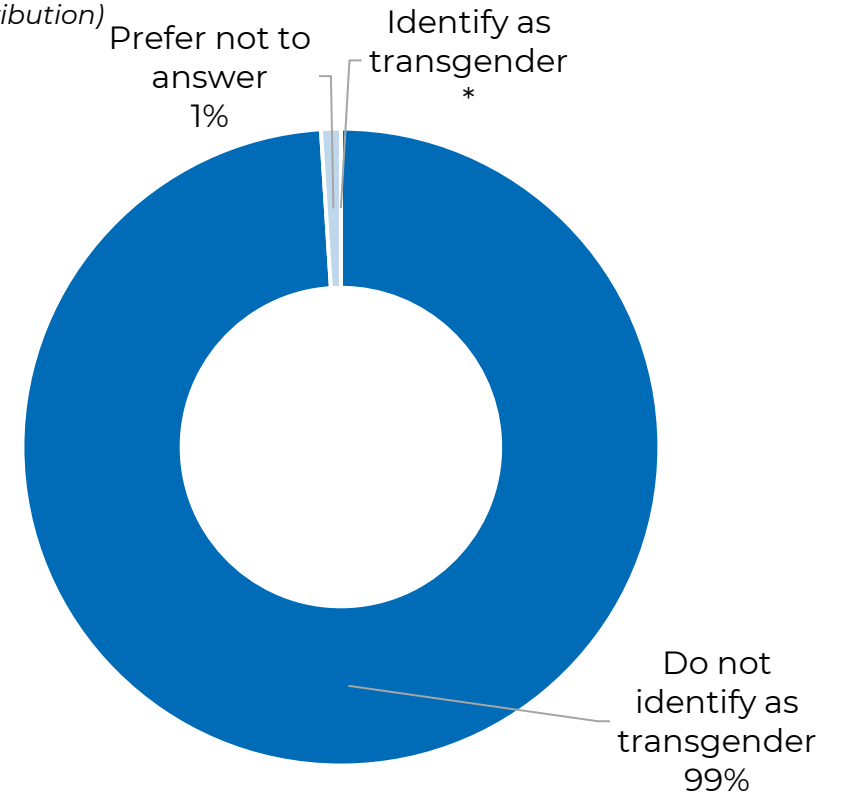
## Exhibit 1-8 Home Buyer Sexual Orientation

(Percentage Distribution)



## Exhibit 1-9 Home Buyer Identifies as Transgender

(Percentage Distribution)

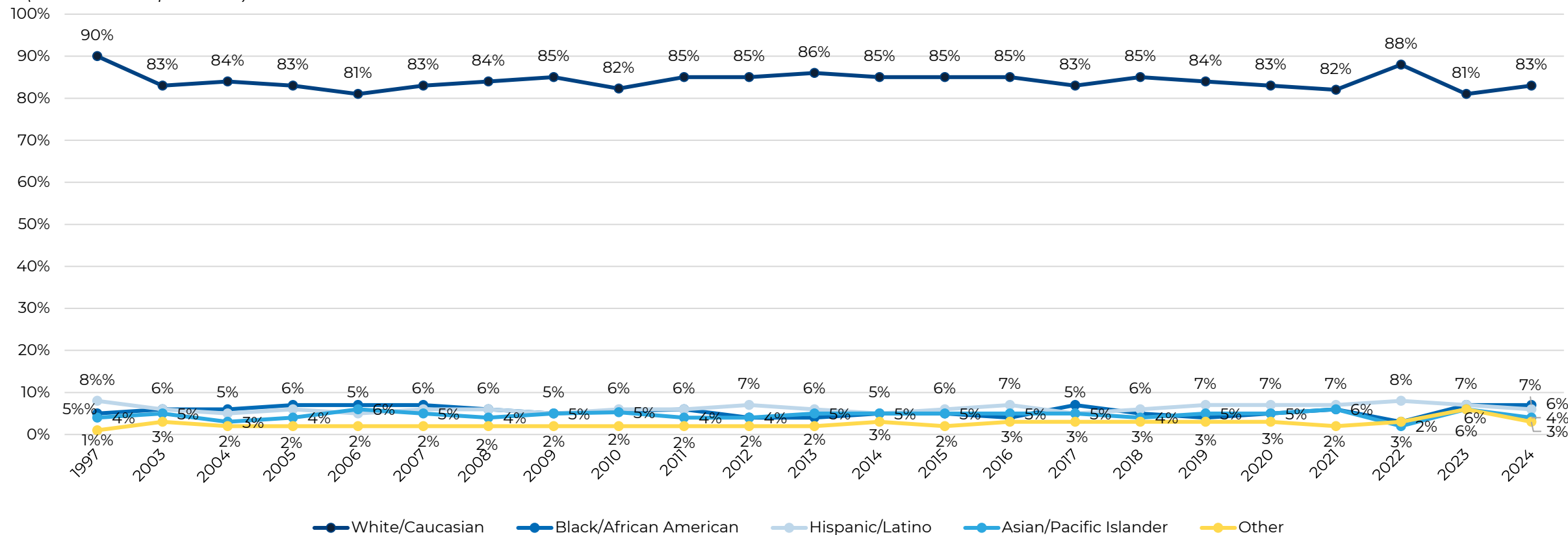


# Chapter 1: Characteristics of Home Buyers

Eighty-three percent of recent home buyers identified their ethnicity as White or Caucasian. Seven percent of recent buyers identified as Black/African-American, six percent identified as Hispanic/Latino, four percent identified as Asian/Pacific Islander, and three percent as some other ethnicity.

## Exhibit 1-10 Race/Ethnicity of Home Buyer, 1997-2024

(Percent of Respondents)



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

# Chapter 1: Characteristics of Home Buyers

Thirty-six percent of first-time home buyers identified as non-White or Caucasian, compared to 15 percent of repeat buyers.

## Exhibit 1-11 Race/Ethnicity of First-time and Repeat Buyers

(Percent of Respondents)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
White/Caucasian	83%	68%	87%
Black/African-American	7%	14%	5%
Hispanic/Latino	6%	10%	5%
Asian/Pacific Islander	4%	8%	3%
Other	3%	4%	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*



# Chapter 1: Characteristics of Home Buyers

Ninety-seven percent of home buyers spoke English. Seven percent of first-time buyers, compared to two percent of repeat buyers, reported a language other than English as their primary language.

## Exhibit 1-12 Primary Language Spoken In First-time And Repeat Buyer Households

*(Percentage Distribution)*

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
English	97%	93%	98%
Other	3%	7%	2%

# Chapter 1: Characteristics of Home Buyers

Ninety-one percent reported that they were born in the United States. Thirteen percent of first-time home buyers, compared to eight percent for repeat buyers, reported being born outside of the United States.

## Exhibit 1–13 National Origin of First-time And Repeat Buyers

*(Percentage Distribution)*

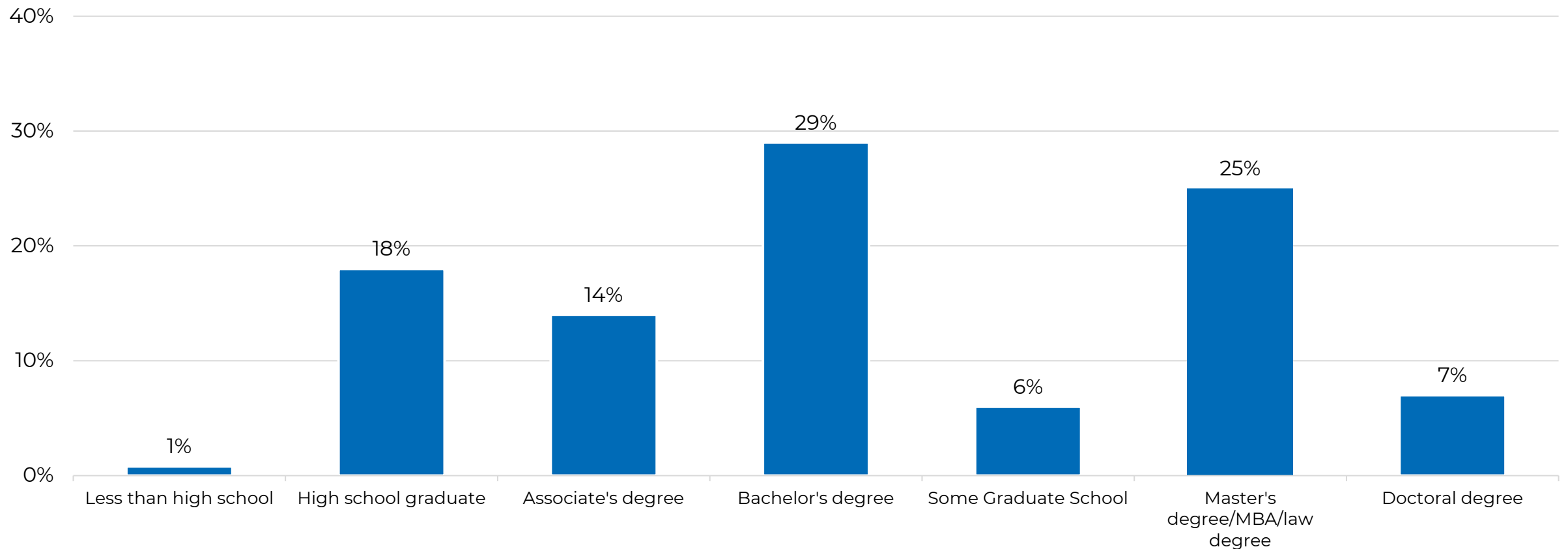
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Born in the U.S.	91%	87%	92%
Not born in the U.S.	9%	13%	8%

# Chapter 1: Characteristics of Home Buyers

Twenty-nine percent of recent buyers held a Bachelor's degree, and 25 percent held a Master's degree/MBA/law degree.

## Exhibit 1-14 Highest Education Achieved by Household Head

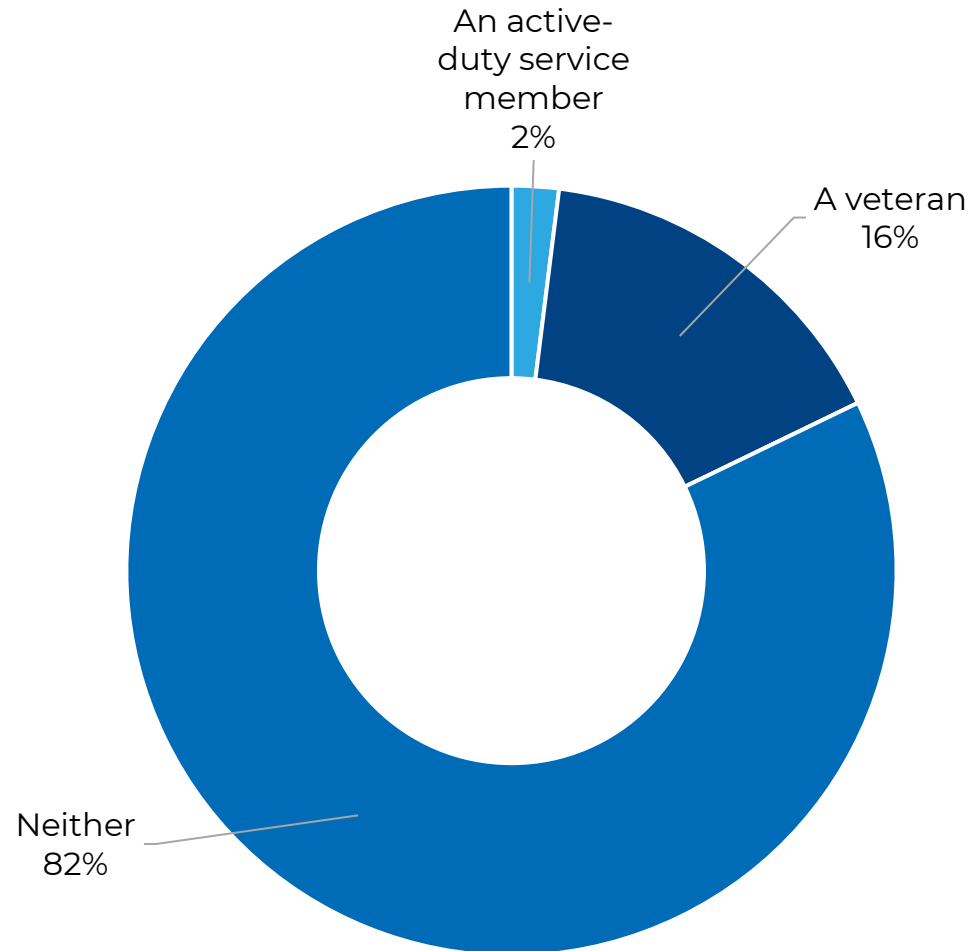
(Percentage Distribution)



# Chapter 1: Characteristics of Home Buyers

## Exhibit 1-15 Self or Spouse/Partner is Active Military or Veteran

(Percentage Distribution)



Among recent home buyers (or someone within their home), 16 percent were veterans, and two percent were active-duty service members.

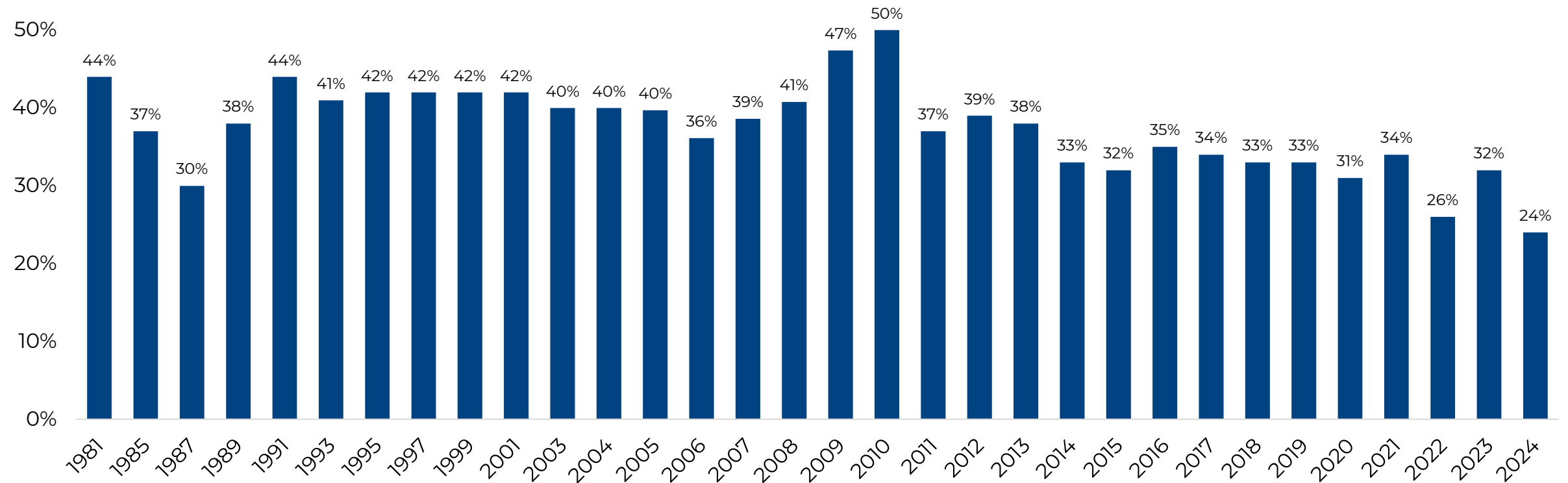


# Chapter 1: Characteristics of Home Buyers

First-time home buyers decreased to 24 percent of the market share (32 percent last year). This year now marks the lowest share since NAR began collecting the data in 1981. Prior to 2008, the historical norm of first-time buyers was 40 percent.

## Exhibit 1-16 First-Time Home Buyers, 1981-2024

(Percentage Distribution)



# Chapter 1: Characteristics of Home Buyers

The median household income for 2023 rose to \$108,800 from \$107,000. First-time buyers had a median household income of \$97,000, up from \$95,900, while repeat buyers had a median household income of \$114,300, up from \$111,700.

## Exhibit 1-17 Household Income of First-time and Repeat Buyers, 2023

*(Percentage Distribution)*

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Less than \$55,000	16%	19%	14%
\$55,000 to \$74,999	13%	15%	12%
\$75,000 to \$99,999	16%	18%	16%
\$100,000 to \$199,999	38%	36%	38%
\$200,000 or more	17%	12%	20%
Median income (2023)	\$108,800	\$97,000	\$114,300

# Chapter 1: Characteristics of Home Buyers

Median household income was highest among married couples, while single female buyers had the lowest median household incomes among all household compositions.

## Exhibit 1-18 Median Household Income of Household Compositions by First-time and Repeat Buyers, 2023

*(Medians)*

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Married couple	\$123,400	\$116,300	\$131,800
Single female	\$72,500	\$71,300	\$75,000
Single male	\$88,300	\$87,500	\$91,000
Unmarried couple	\$107,700	\$101,800	\$113,500
Other	\$87,1000	\$77,500	\$90,000

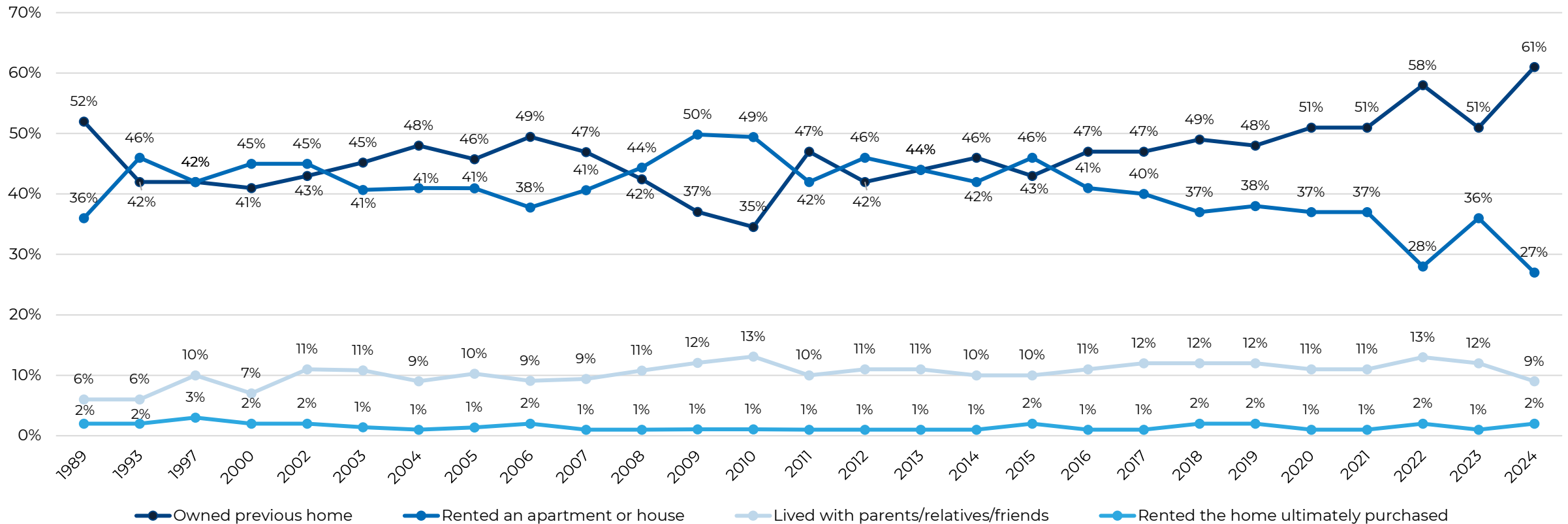


# Chapter 1: Characteristics of Home Buyers

Recent home buyers were more likely to own their previous home than they were to rent a home or an apartment.

## Exhibit 1-19 Prior Living Arrangement, 1989-2024

(Percentage Distribution)

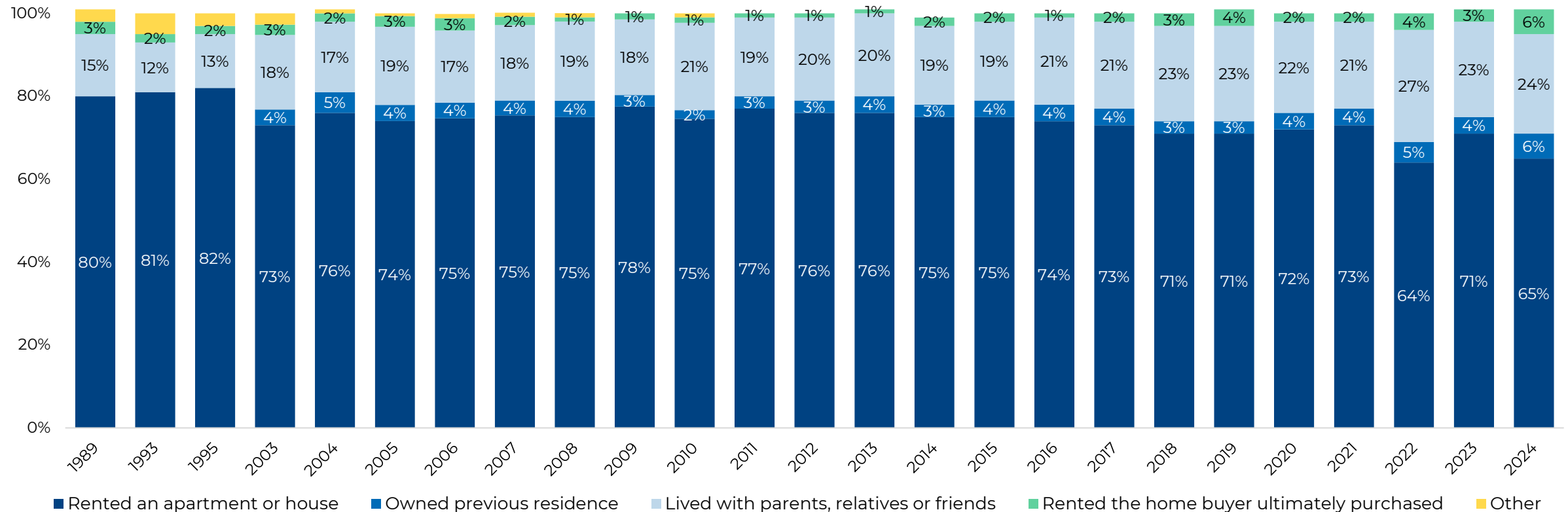


# Chapter 1: Characteristics of Home Buyers

Sixty-five percent of first-time home buyers rented their previous living arrangement, and 24 percent lived with friends or family. The share of first-time buyers who lived with friends or family before purchasing increased slightly from last year, when it was 23 percent, but is up from a low of 12 percent in 1993.

## Exhibit 1-20 Prior Living Arrangement of First-Time Buyers, 1989-2024

(Percentage Distribution)



# Chapter 1: Characteristics of Home Buyers

Recent home buyers typically bought for the following reasons: the desire to own a home of their own (22 percent), the desire to be closer to friends and family (14 percent), and the desire for a larger home (10 percent). Sixty-four percent of first-time buyers purchased for the desire to own a home of their own.

## Exhibit 1–21 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 own	22%	64%	9%
Desire to be closer to family/friends/relatives	14%	3%	17%
Desire for larger home	10%	4%	12%
Change in family situation (e.g. marriage, birth of child, divorce, etc.)	8%	6%	8%
Desire for smaller home	8%	1%	10%
Retirement	7%	1%	8%
Desire for a home in a better area	7%	2%	8%
Job-related relocation or move	6%	2%	7%
Desire to be closer to job/school/transit	3%	2%	3%
Affordability of homes	2%	1%	2%
Financial security	2%	3%	2%
Desire for a newly built or custom-built home	2%	1%	2%
Establish a household	1%	3%	1%
Better weather conditions	1%	*	1%
Desire for better home for pet(s)	1%	2%	1%

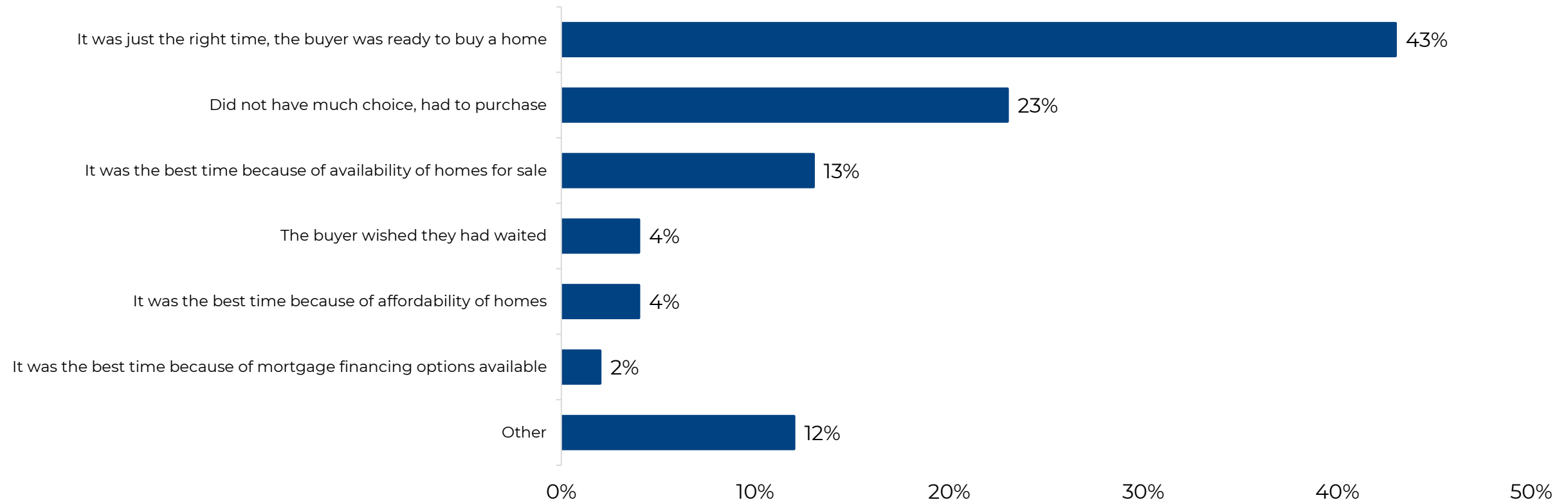
\* Less than 1 percent

# Chapter 1: Characteristics of Home Buyers

Forty-three percent of all buyers said that the timing was just right, and they were ready to purchase a home. The second most common reason was that the buyer did not have much choice, and they had to purchase the home when they did (23 percent), followed by the fact that it was the best time because of the availability of homes for sale (13 percent).

## Exhibit 1-22 Primary Reason for the Timing of Home Purchase

(Percentage Distribution)





# Chapter 1: Characteristics of Home Buyers

In 2024, the number of recent home buyers who own more than one home was 17 percent, the same as 2023.

## Exhibit 1–23 Other Homes Owned

*(Percentage Distribution)*

Recently purchased home only	83%
One or more investment properties	8%
Previous homes that buyer is trying to sell	2%
One or more vacation homes	4%
Other	2%



# Chapter 2

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## Characteristics of Homes Purchased

# Highlights: Characteristics of Homes Purchased

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## New Versus Previously-Owned Home and Age of Home

- Fifteen percent of buyers purchased a new home, and 85 percent of buyers purchased a previously owned home.
- Recent buyers who purchased new homes were most often looking to avoid renovations and problems with plumbing or electricity at 42 percent. Buyers who purchased previously-owned homes considered them a better value at 31 percent.
- Buyers typically purchased a home that was built in 1994. This is a **rebound after the last two years** when buyers typically purchased a home built in the 1980s.

## Home Type and Size

- Detached single-family homes continued to be the most common home type for recent buyers at 75 percent, followed by townhouses or row houses at eight percent.
- Recent buyers typically purchased a home was 1,900 square feet with three bedrooms and two bathrooms.

## Senior-Related Housing

- Senior-related housing remained at 19 percent of buyers over the age of 60 this year. Among buyers over 60 who recently purchased senior-related housing, 58 percent purchased a detached single-family home, and 52 percent bought in a suburb or subdivision.

## Distance Moved

- The median distance between the home that recent buyers purchased and the home they moved from was 20 miles. This is down from the 2022 report of 50 miles but **remains elevated** from the distance of 15 miles seen from 2018 to 2021.

## Location of Home Purchased

- Forty-five percent of all buyers purchased in a suburb/subdivision, 23 percent in a small town, 16 percent in an urban or central city, 14 percent purchased in a rural area, three percent were purchased in a resort or recreation area. Purchasing in an urban area or central city is the **highest share recorded since 2014**.
- Quality of the neighborhood (59 percent), convenience to friends and family (45 percent), overall home affordability (36 percent) remained the most important factors to recent home buyers when choosing a neighborhood.
- Convenience the home buyer's job has **declined incrementally** and is now at 34 percent, down from 38 percent last year and down from 52 percent in 2014.

## Expected Length of Ownership

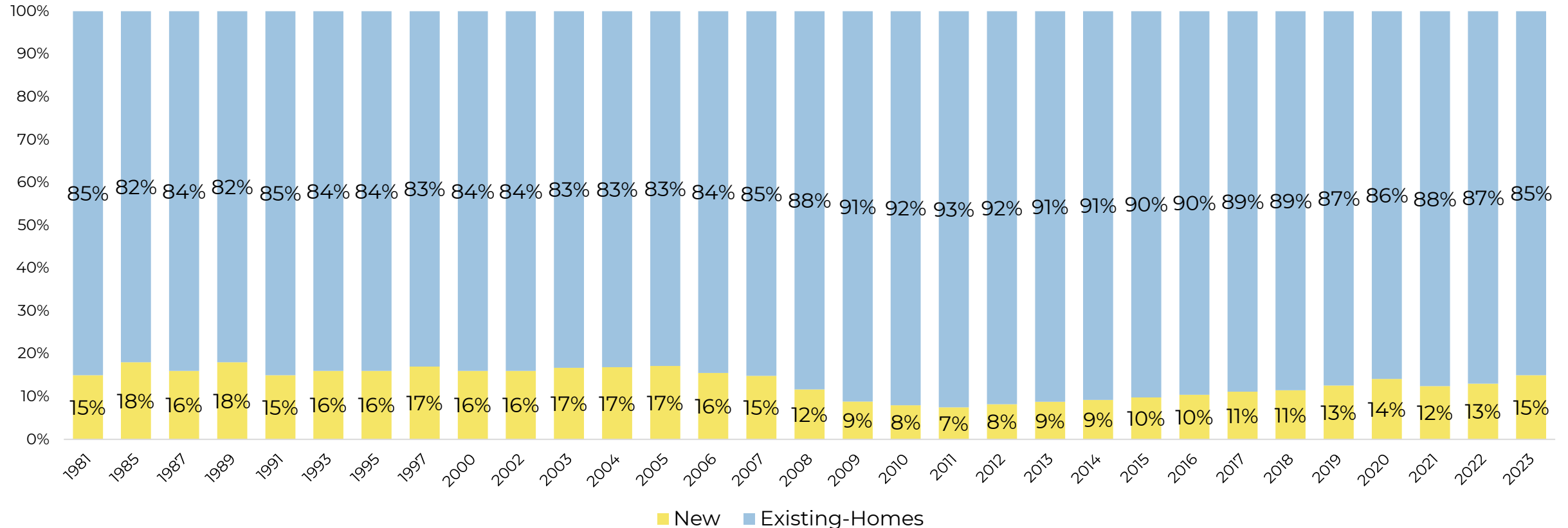
- Overall, buyers expected to live in their homes for a median of 15 years, while 25 percent said that they were never moving.

# Chapter 2: Characteristics of Homes Purchased

The share of new homes purchased increased slightly to 15 percent. Existing-home purchases decreased slightly to 85 percent. This is the same as in 2007, when new home purchases also accounted for 15 percent of the market share, and existing homes were 85 percent.

## Exhibit 2-1 New and Previously Owned Homes Purchased, 1981-2023

(Source: U.S. Census Data for New Homes, National Association of REALTORS® Existing-Home Sales)



# Chapter 2: Characteristics of Homes Purchased

Purchasers of new homes were looking to avoid renovations and problems with plumbing or electricity (42 percent) and wanted the ability to choose and customize design features in their home (27 percent). Buyers who chose a previously-owned home considered them a better overall value (31 percent), a better price (29 percent), and a home with more charm and character (21 percent).

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

(Percent of Respondents)

NEW HOME:	ALL BUYERS
Avoid renovations or problems with plumbing or electricity	42%
Ability to choose and customize design features	27%
Amenities of new home construction communities	25%
Lack of inventory of previously owned home	15%
Green/energy efficiency	14%
Smart home features	11%
Other	21%
PREVIOUSLY OWNED HOME:	
Better overall value	31%
Better price	29%
More charm and character	21%
Lack of inventory of new homes	13%
Want to DIY a fixer upper	5%
Other	22%

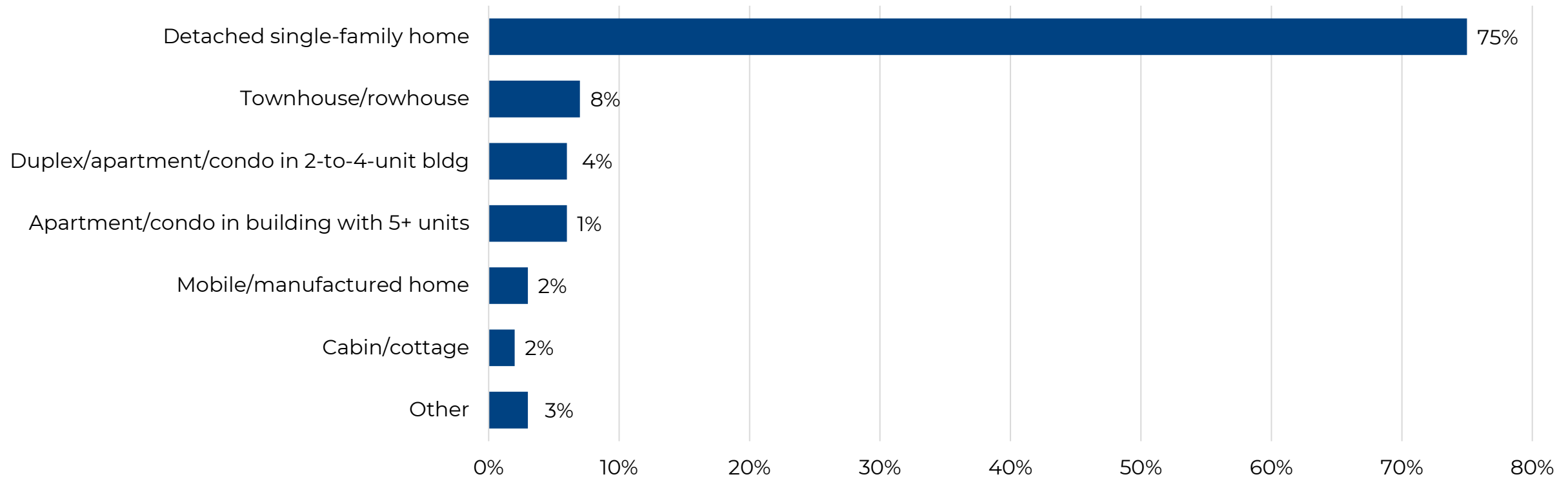


# Chapter 2: Characteristics of Homes Purchased

Detached single-family homes continued to be the most common home type for recent buyers at 75 percent, followed by townhouses or row houses at eight percent.

## Exhibit 2-3 Type of Home Purchased

(Percentage Distribution)

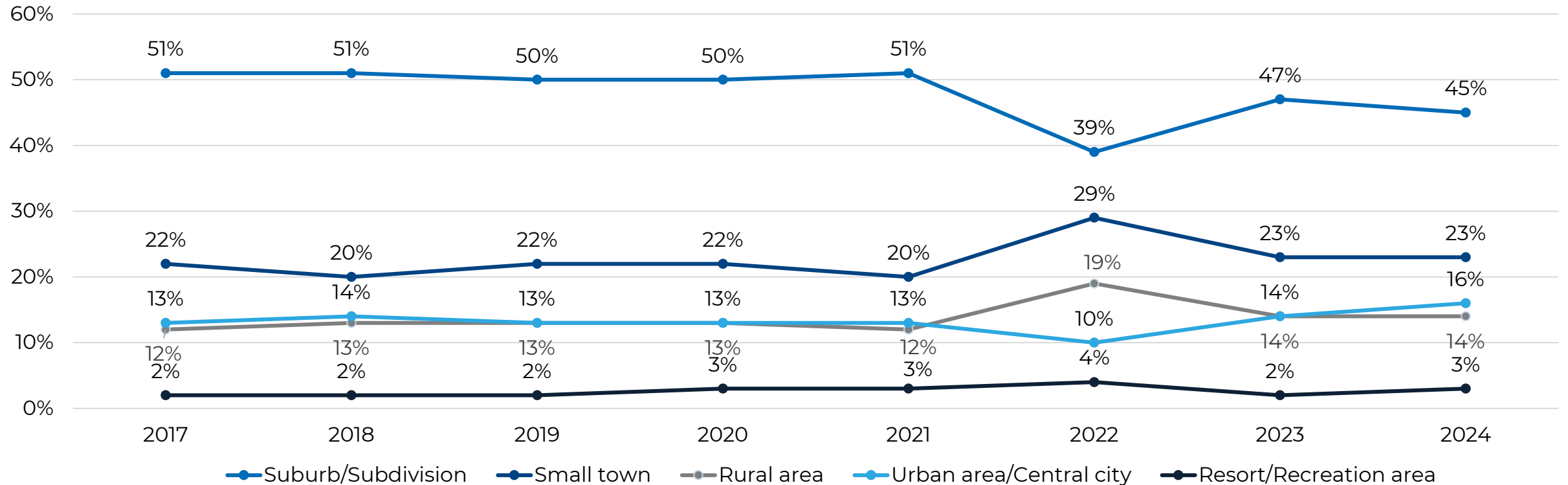


# Chapter 2: Characteristics of Homes Purchased

The largest percentages of homes purchased were in the suburbs/subdivisions and small towns. Forty-five percent of all buyers purchased in a suburb/subdivision, 23 percent in a small town, 16 percent in an urban or central city, and 14 percent purchased in a rural area. Three percent purchased in a resort or recreation area. Purchasing in an urban area or central city is at the highest share since 2014.

## Exhibit 2-4 Location of Home Purchased, 2017-2024

(Percentage Distribution)



# Chapter 2: Characteristics of Homes Purchased

## Exhibit 2–5 Senior-Related Housing by Type of Home Purchased and Location

(Percent of Respondents)

	ALL BUYERS OVER 60
Share who purchased a home in senior-related housing	19%
<b>BUYERS OVER 60 WHO PURCHASED SENIOR-RELATED HOUSING:</b>	
<b>TYPE OF HOME PURCHASED</b>	
Detached single-family home	58%
Duplex/apartment/condo in 2-to-4-unit building	18%
Townhouse/row house	9%
Apartment/condo in building with 5 or more units	8%
Other	7%
<b>LOCATION</b>	
Suburb/ Subdivision	52%
Small town	20%
Resort/ Recreation area	12%
Urban/ Central city	10%
Rural area	6%

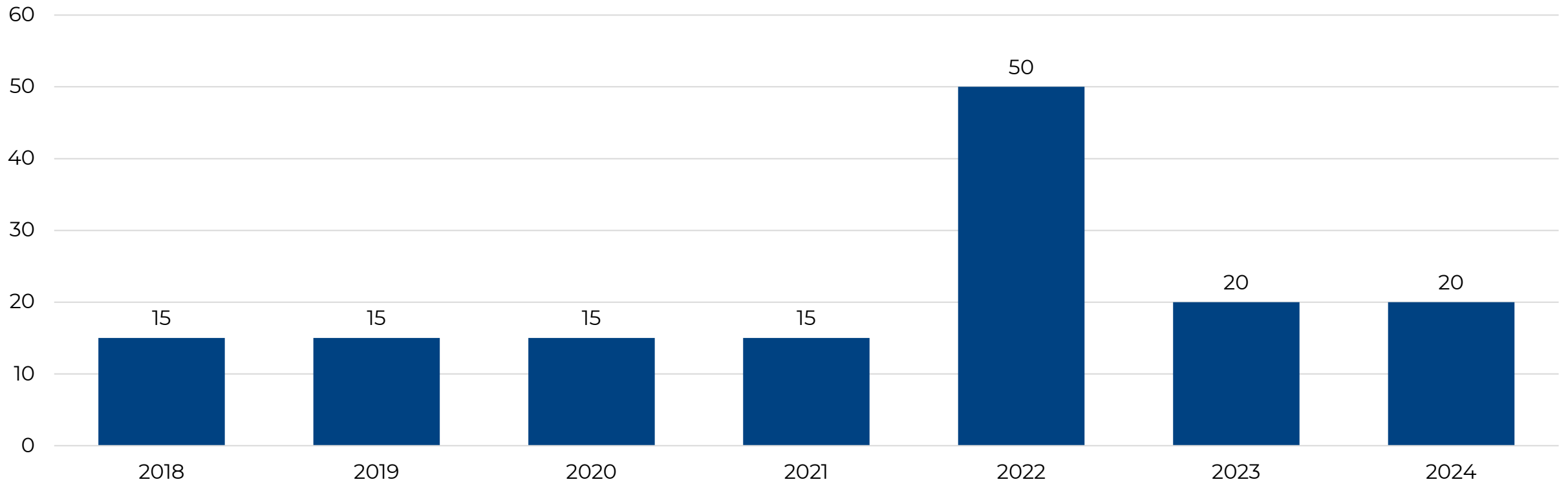
Senior-related housing remained at 19 percent of buyers over the age of 60 this year. For buyers over 60 who recently purchased senior-related housing, 58 percent purchased a detached single-family home, and 52 percent bought in a suburb or subdivision. Other home types purchased include duplex/apartment/condos at 18 percent and townhomes and row homes at nine percent.

# Chapter 2: Characteristics of Homes Purchased

The median distance between the home that recent buyers purchased and the home they moved from was 20 miles, the same as last year. This is down from the peak seen in the 2022 report, during COVID-19, of 50 miles.

## Exhibit 2–6 Distance Between Home Purchased and Previous Residence, 2018–2024

*(Median Miles)*



# Chapter 2: Characteristics of Homes Purchased

## Exhibit 2-7 Factors Influencing Neighborhood Choice

(Percentage Distribution)

	ALL BUYERS
Quality of the neighborhood	59%
Convenient to friends/family	45%
Overall affordability of homes	36%
Convenient to job	34%
Convenient to shopping	30%
Design of neighborhood	26%
Convenient to entertainment/leisure activities	22%
Walkability	21%
Convenient to parks/recreational facilities	20%
Convenient to health facilities	19%
Availability of larger lots or acreage	17%
Convenient to vet/outdoor space for pet	16%
Quality of the school district	16%
Convenient to schools	15%
Convenient to airport	9%
Home in a planned community	9%
Access to bike paths	8%
Convenient to public transportation	6%
Other	7%

Quality of the neighborhood (59 percent), convenience to friends and family (45 percent), overall home affordability (36 percent) remained the most important factors to recent home buyers when choosing a neighborhood. Convenience to the home buyer's job has declined incrementally and is now at 34 percent, down from 38 percent last year and down from 52 percent in 2014.



# Chapter 2: Characteristics of Homes Purchased

Recent buyers typically purchased their home for a median of 100 percent of the asking price for their home. Twenty-three percent of buyers paid more than the asking price for their home.

## Exhibit 2–8 Purchase Price Compared with Asking Price

*(Percentage Distribution)*

PERCENT OF ASKING PRICE:	ALL BUYERS
Less than 90%	7%
90% to 94%	10%
95% to 99%	29%
100%	33%
101% to 110%	19%
More than 110%	4%
Median (purchase price as a percent of asking price)	100%

# Chapter 2: Characteristics of Homes Purchased

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 1,500 square feet, and 2,000 square feet for repeat buyers. New home buyers purchased homes that were typically 2,100 square feet, while buyers of previously owned homes typically purchased a home that was 1,800 square feet.

## Exhibit 2–9 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
1,500 sq ft or less	16%	30%	13%	5%	18%
1,501 to 2,000 sq ft	27%	34%	25%	20%	28%
2,001 to 2,500 sq ft	24%	18%	26%	31%	23%
2,501 to 3,000 sq ft	15%	9%	16%	20%	14%
3,001 sq ft or more	18%	8%	21%	23%	16%
Median (sq ft)	1,900	1,500	2,000	2,100	1,800

# Chapter 2: Characteristics of Homes Purchased

The typical home purchased had a median of three bedrooms and two bathrooms. Buyers with children under 18 in the home purchased a home with four bedrooms and two bathrooms.

## Exhibit 2–10 Number of Bedrooms and Bathrooms, by First-Time and Repeat Buyers and Children within Home

(Percentage Distribution)

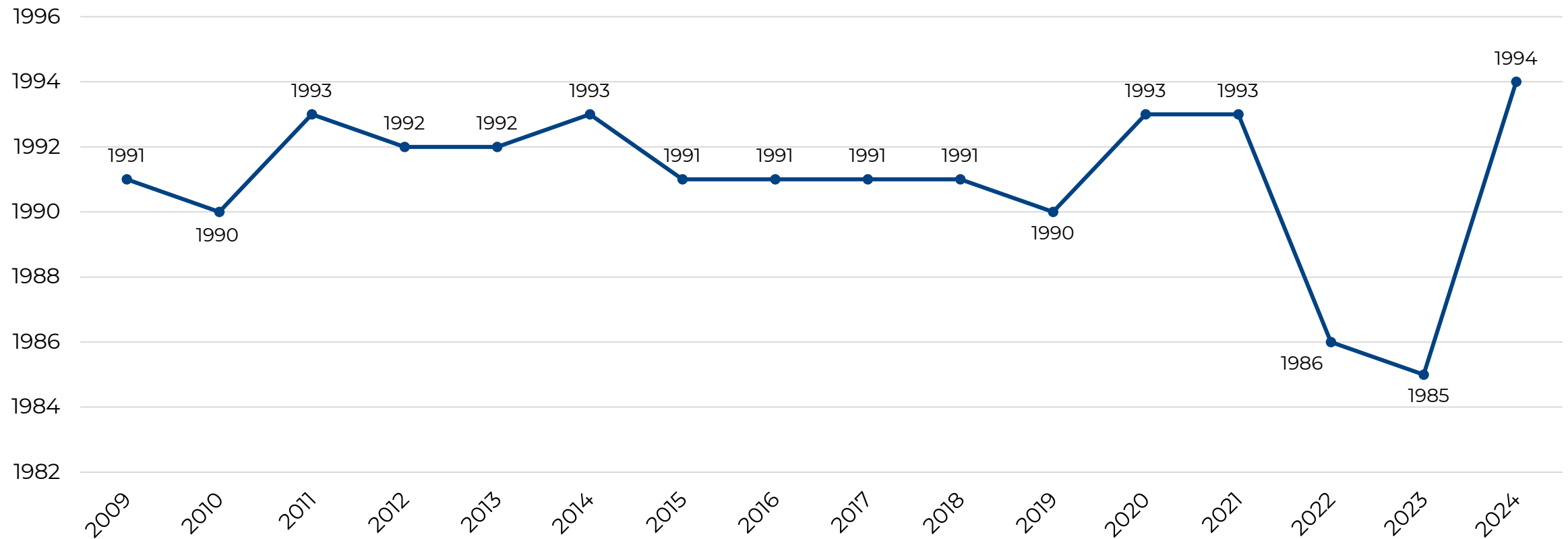
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	CHILDREN IN HOME	
				CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
One bedroom	2%	4%	1%	31%	2%
Two bedrooms	19%	20%	18%	6%	23%
Three bedrooms or more	79%	76%	81%	94%	75%
Median number of bedrooms	3	3	3	4	3
One full bathroom	17%	32%	12%	15%	17%
Two full bathrooms	59%	55%	60%	52%	62%
Three full bathrooms or more	24%	12%	28%	33%	22%
Median number of full bathrooms	2	2	2	2	2

# Chapter 2: Characteristics of Homes Purchased

The typical home purchased was built in 1994, which is newer than 1985 the previous year. In 2022 and 2023, the age of home increased due to limited inventory and a reduction in new homes.

## Exhibit 2-11 Year Home Built, 2009-2024

(Median)

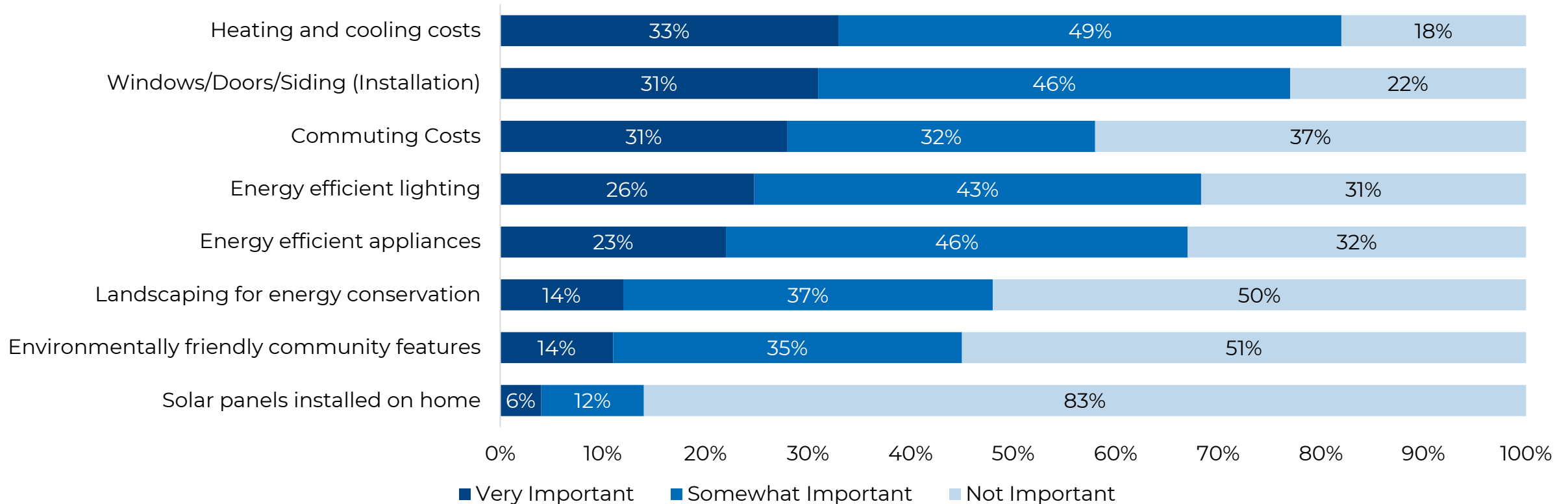


# Chapter 2: Characteristics of Homes Purchased

The most important environmental feature to buyers was heating and cooling costs, which 82 percent of buyers found at least somewhat important. Seventy-seven percent of recent buyers thought their home's windows, doors, and siding were at least somewhat important.

## Exhibit 2-12 Importance of Home's Environmentally Friendly Features

(Percentage Distribution)





# Chapter 2: Characteristics of Homes Purchased

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 30 percent and the condition of the home at 23 percent. Thirty-one percent of buyers said that they made no compromises when purchasing their homes.

## Exhibit 2–13 Characteristics of Home on Which Buyer Compromised, First-Time and Repeat Buyers

(Percentage Distribution)

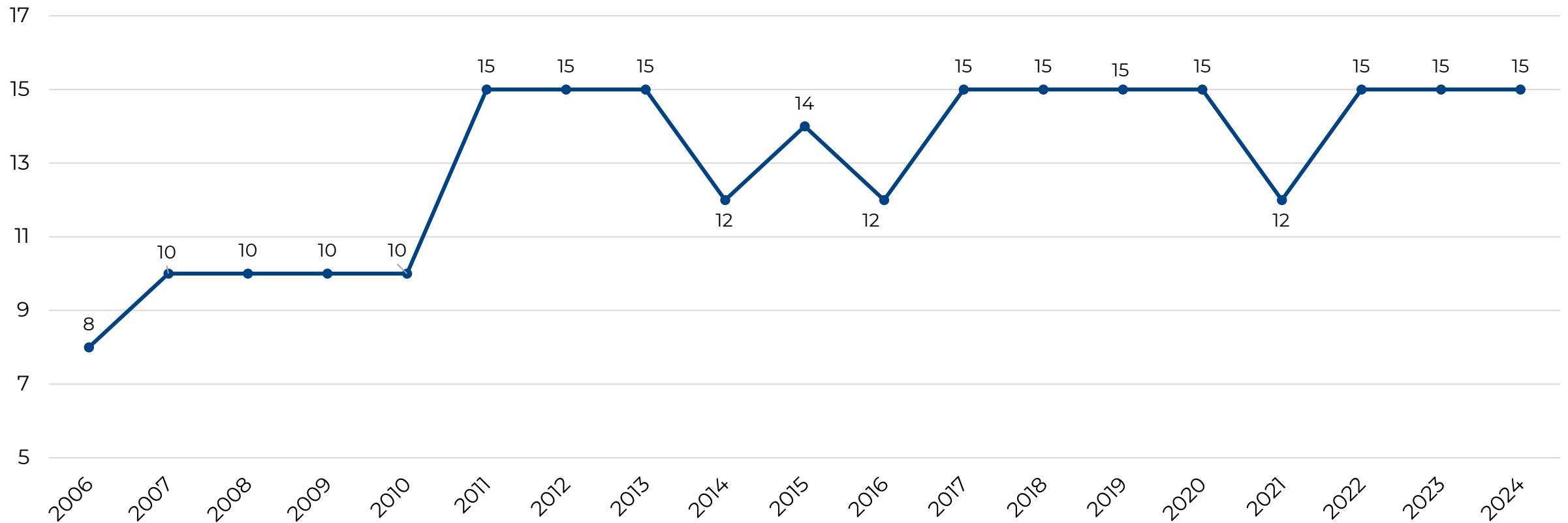
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Price of home	30%	34%	29%
Condition of home	23%	25%	23%
Size of home	22%	29%	19%
Style of home	18%	21%	17%
Lot size	13%	15%	13%
Distance from job	11%	17%	8%
Distance from friends or family	10%	13%	9%
Quality of the neighborhood	7%	11%	5%
Quality of the schools	3%	5%	2%
Distance from school	1%	2%	1%
None - Made no compromises	31%	23%	33%
Other compromises not listed	9%	9%	9%

# Chapter 2: Characteristics of Homes Purchased

The expected tenure in homes remained at a median of 15 years. Between 2006 and 2010, the typical buyer expected to own their home for eight to 10 years.

## Exhibit 2-14 Expected Length of Tenure in Home Purchased, 2006-2024

(Median)



# Chapter 2: Characteristics of Homes Purchased

Thirty-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. Twenty-five percent of buyers said they were never moving and that this is their forever home.

## Exhibit 2–15 Factors That Could Cause Buyer To Move

*(Percent of Respondents)*

	ALL BUYERS
Move with life changes (addition to family, marriage, children move out, retirement, etc.)	37%
Never moving-forever home	25%
Household member's health	21%
Move with job or career change	19%
Downsize/smaller house	17%
Want nicer home/added features	16%
May desire better area/neighborhood	15%
Want a larger home	14%
Unfit living conditions due to environmental factors	9%
Will flip home	3%
Other	8%



# Chapter 3

## The Home Search Process

# Highlights: The Home Search Process

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## Home Search Tools

- In 2024, the home-buying process for many started online, with 43 percent of buyers indicating that their first step was to look for properties on the internet. Additionally, 21 percent of all buyers reached out to a real estate agent as their initial action.
- **Real estate agents played a crucial role, with 86 percent of all buyers utilizing their services**—the highest of all information sources used.
- While all buyers use the internet in their search, mobile or tablet devices were also widely used, with 69 percent of buyers relying on these tools.
- **Real estate agents were the most useful information source in the home search process.**
- Open houses, while not as popular, were still deemed very useful by 23 percent of buyers.
- In the digital space, website features were considered important, with 41 percent of buyers finding photos to be very useful, 39 percent valuing detailed property information, and 31 percent appreciating floor plans.
- Buyers typically viewed seven homes, and two of those homes were viewed online only.
- Most buyers found their homes through online searches (51 percent), followed by 29 percent who found their property through a real estate agent, and eight percent who discovered their home through a friend, relative, or neighbor.

## Most Difficult Step

- Finding the right property was the most difficult aspect of the home-buying process, with 55 percent of buyers highlighting this difficulty.
- First-time buyers, in particular, found understanding the process and steps to be a significant challenge at 36 percent.
- Additionally, 32 percent of first-time buyers cited saving for a downpayment to be the most difficult step.

## Search Satisfaction

- Overall, the majority of buyers were satisfied with their home-buying experience. In fact, 59 percent reported being very satisfied, while 33 percent expressed being somewhat satisfied with the process.

## Length of Search and Where Buyer Finds Home

- Buyers spent a median of 10 weeks searching for a home in 2024.

# Chapter 3: The Home Search Process

Forty-three percent of buyers reported that their initial step was looking online for properties for sale, while 21 percent contacted a real estate agent as their first action.

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

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Looked online for properties for sale	43%	28%	47%
Contacted a real estate agent	21%	16%	22%
Contacted a bank or mortgage lender	7%	11%	5%
Looked online for information about the home buying process	9%	18%	6%
Talked with a friend or relative about home buying process	6%	13%	3%
Drove-by homes/neighborhoods	5%	3%	5%
Visited open houses	3%	3%	3%
Contacted a home seller directly	2%	2%	2%
Looked up information about different neighborhoods or areas (schools, local lifestyle/nightlife, parks, public transportation)	2%	1%	1%
Contacted builder/visited builder models	1%	1%	2%
Attended a home buying seminar	*	1%	*
Looked in newspapers, magazines, or home buying guides	*	*	*
Read books or guides about the home buying process	*	1%	*
Other	1%	1%	1%

\* Less than 1 percent



# Chapter 3: The Home Search Process

A significant 86 percent of all buyers utilized a real estate agent, and 69 percent relied on mobile or tablet devices in their search.

## Exhibit 3-2 Information Sources Used in Home Search, by First-Time and Repeat Buyers

*(Percent of Respondents)*

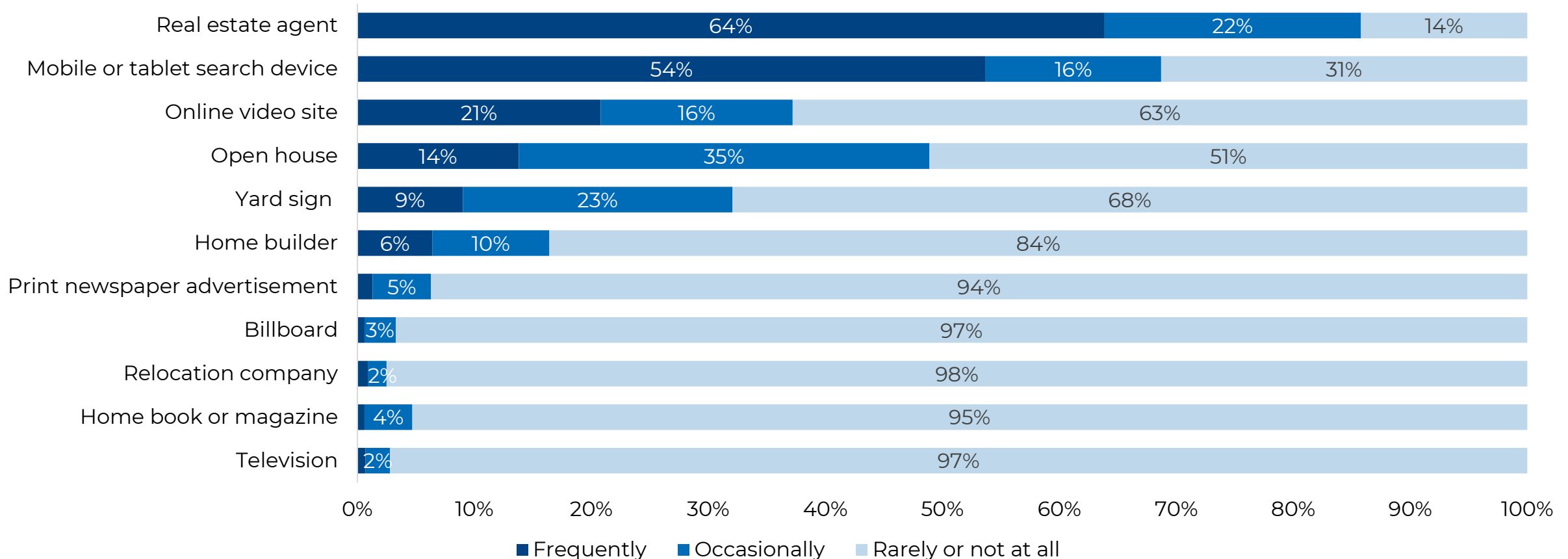
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Real estate agent	86%	85%	86%
Mobile or tablet search device	69%	74%	67%
Open house	49%	49%	49%
Online video site	37%	30%	40%
Yard sign	32%	31%	32%
Home builder	17%	14%	18%
Print newspaper advertisement	6%	6%	6%
Home book or magazine	5%	4%	4%
Billboard	3%	5%	2%
Relocation company	3%	3%	3%
Television	3%	4%	2%

# Chapter 3: The Home Search Process

Real estate agents were the most frequently used source in the homebuying process. Online sources such as mobile and tablet devices, and online video sites were also frequently used as an information sources.

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

(Percentage Distribution)

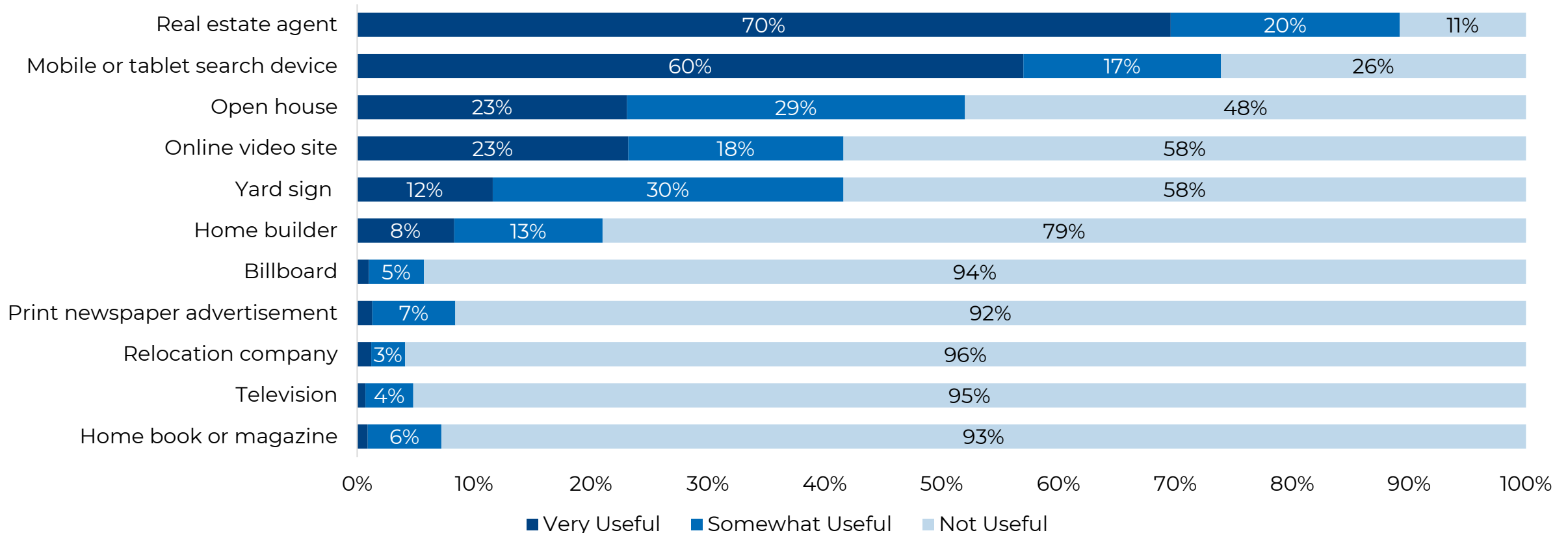


# Chapter 3: The Home Search Process

Real estate agents were regarded as very useful by 70 percent of buyers, while 60 percent found mobile or tablet devices very useful. Additionally, 23 percent of buyers considered open houses or online video sites very useful.

## Exhibit 3-4 Usefulness of Different Information Sources

(Percentage Distribution)

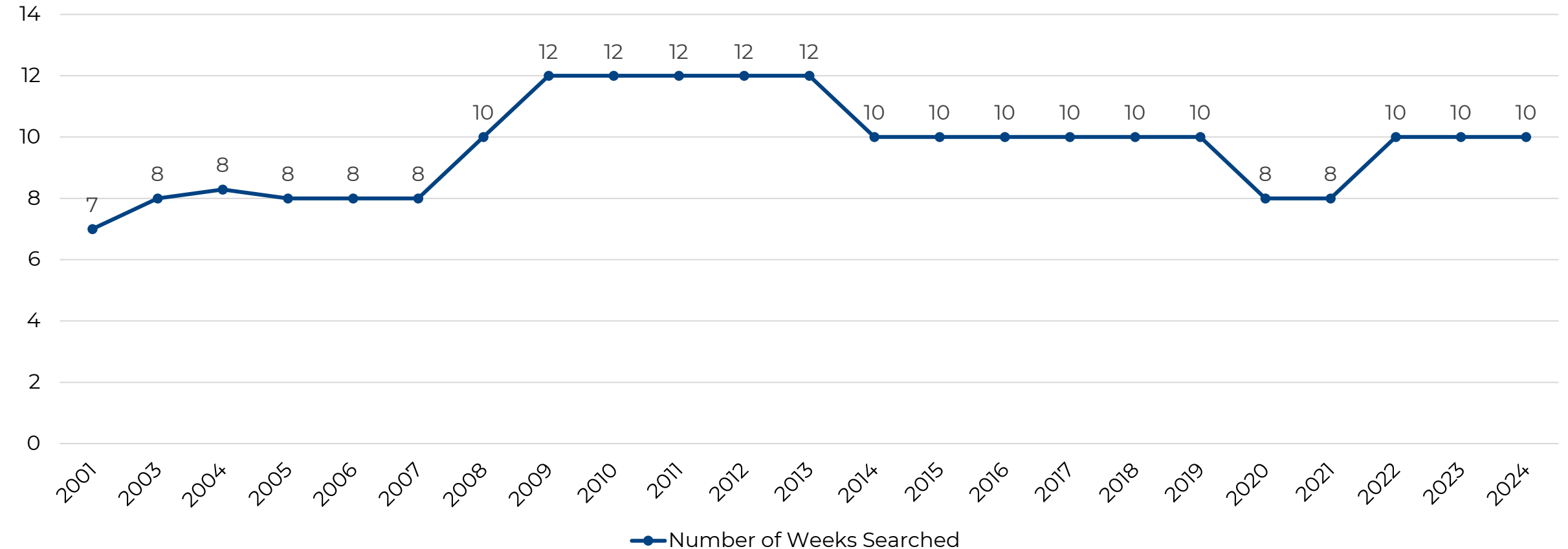


# Chapter 3: The Home Search Process

In 2024, the median time buyers spent searching for a home was 10 weeks, the same as last year. Buyers typically viewed seven homes, and two of those homes were viewed online only. Last year, buyers viewed 11 homes and four were online only.

## Exhibit 3–5 Length of Home Search, 2001-2024

(Percentage Distribution)

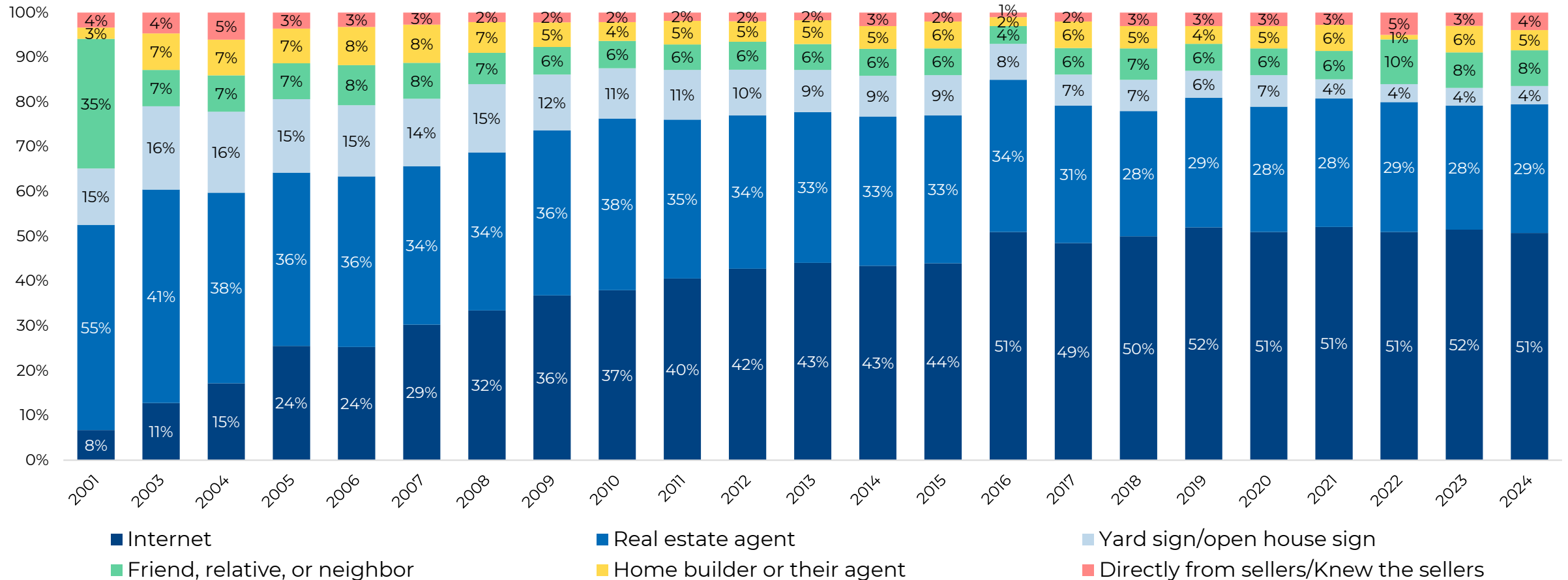


# Chapter 3: The Home Search Process

In 2024, 51 percent of buyers found their home on the internet, 29 percent through a real estate agent, and eight percent through a friend, relative, or neighbor.

## Exhibit 3-6 Where Buyer Found the Home They Purchased, 2001–2024

(Percentage Distribution)



# Chapter 3: The Home Search Process

The most difficult step reported by 55 percent of buyers was finding the right property. For first-time buyers, 36 percent found understanding the process and steps to be the most difficult aspect. Thirty-two percent of first-time buyers cited saving for a downpayment to be the most difficult step.

## Exhibit 3-7 Most Difficult Steps of Home Buying Process by First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Finding the right property	55%	53%	56%
Paperwork	17%	24%	14%
Understanding the process and steps	15%	36%	8%
Saving for the down payment	12%	32%	5%
Getting a mortgage	8%	13%	6%
Appraisal of the property	4%	6%	3%
No difficult steps	20%	10%	23%
Other	6%	4%	7%

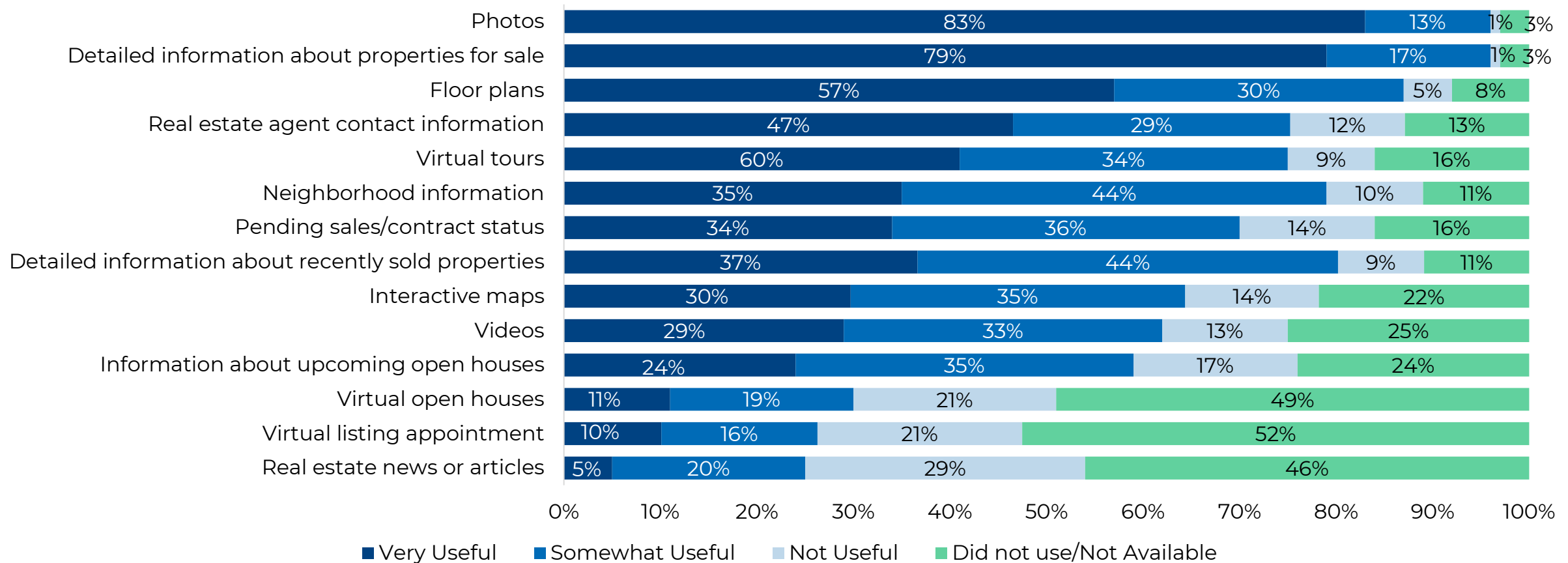


# Chapter 3: The Home Search Process

Buyers who used the internet during their home search found photos (83 percent), detailed information about properties for sale (79 percent), floor plans (57 percent), real estate contact information (47 percent), and virtual tours (60 percent) to be very useful.

## Exhibit 3–8 Value of Website Features

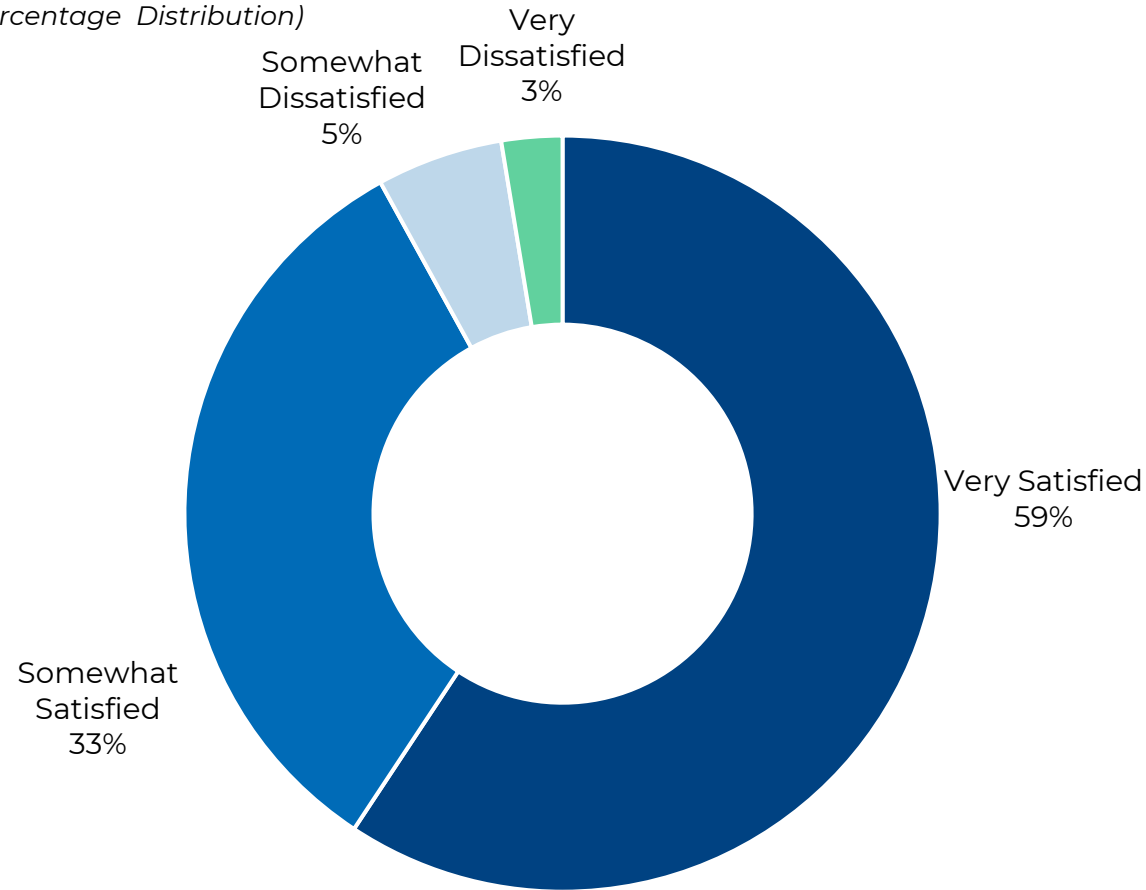
(Percentage Distribution)



# Chapter 3: The Home Search Process

## Exhibit 3-9 Satisfaction With Buying Process

(Percentage Distribution)



Overall, 92 percent of buyers were satisfied with the process: 59 percent of buyers reported being very satisfied with the home-buying process, while 33 percent were somewhat satisfied.



# Chapter 4

## Home Buying and Real Estate Professionals

# Highlights: Home Buying and Real Estate Professionals

## How Buyer Purchased Their Home

- Eighty-eight percent of home purchases were made through a real estate agent or broker, demonstrating the continued importance of agents in the home-buying process.
- Five percent of buyers purchased their home directly from a builder or builder's agent, and five percent bought directly from the previous owner.
- When comparing new and previously owned homes, 63 percent of new home buyers used a real estate agent, while a striking 92 percent of buyers of previously owned homes relied on an agent or broker.

## What is Wanted and Benefits of a Real Estate Agent/Broker

- Home buyers primarily sought help finding the right home to purchase (49 percent) and negotiating the terms of the sale (14 percent).
- Over half of all buyers (53 percent) said their agent helped them understand the home-buying process. This service was even more critical for first-time buyers, with 80 percent reporting that their agent's assistance in understanding the process was invaluable.

## How Buyer Found Real Estate Agent/Broker

- Real estate agents are frequently referred by personal connections, with 40 percent of all buyers finding their agent through a friend,

neighbor, or relative. This trend was especially pronounced among first-time buyers, where 51 percent relied on referrals from their personal network.

- Thirty-seven percent of repeat buyers found their agent through a referral and 21 percent used the agent they had previously worked with to buy or sell a home.
- Most buyers only interviewed one agent before making a decision, with 77 percent of repeat buyers.

## Real Estate Agent/Broker Satisfaction

- At least 90 percent of buyers each expressed satisfaction with their agent's responsiveness, knowledge of the purchase process, honesty and integrity, knowledge of the real estate market, and people skills.
- Eighty-eight percent of home buyers would use their agent again or recommend to others.
- After purchasing within the last year, 61 percent of home buyers have already recommended their agent.

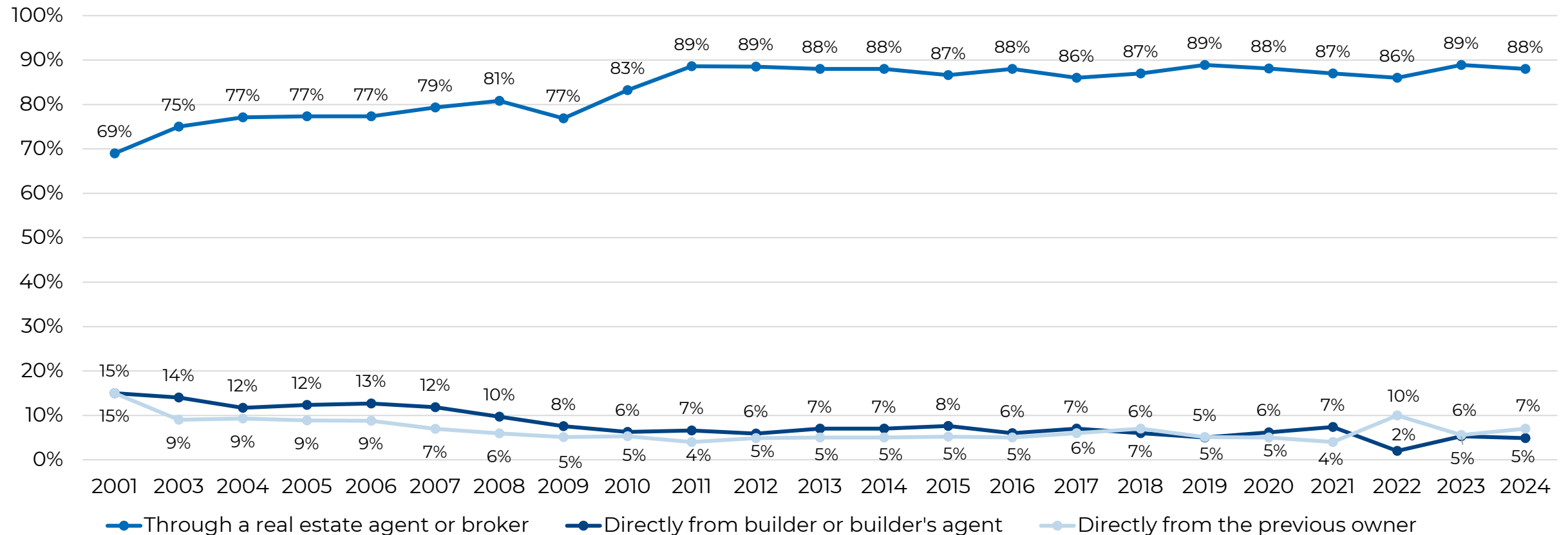


# Chapter 4: Home Buying and Real Estate Professionals

In 2024, 88 percent of home buyers purchased their homes through a real estate agent or broker, while seven percent purchased directly from the previous owner, and five percent bought directly from a builder or builder's agent.

## Exhibit 4-1 Method of Home Purchase, 2001–2024

(Percentage Distribution)



# Chapter 4: Home Buying and Real Estate Professionals

Among new home buyers, 63 percent used a real estate agent or broker to complete their purchase. For buyers of previously owned homes, 92 percent relied on a real estate agent or broker for their transaction.

## Exhibit 4-2 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	88%	63%	92%
Directly from builder or builder's agent	5%	35%	NA
Directly from the previous owner	7%	2%	8%
Knew previous owner	5%	1%	6%
Did not know previous owner	2%	1%	2%

NA=Not Applicable

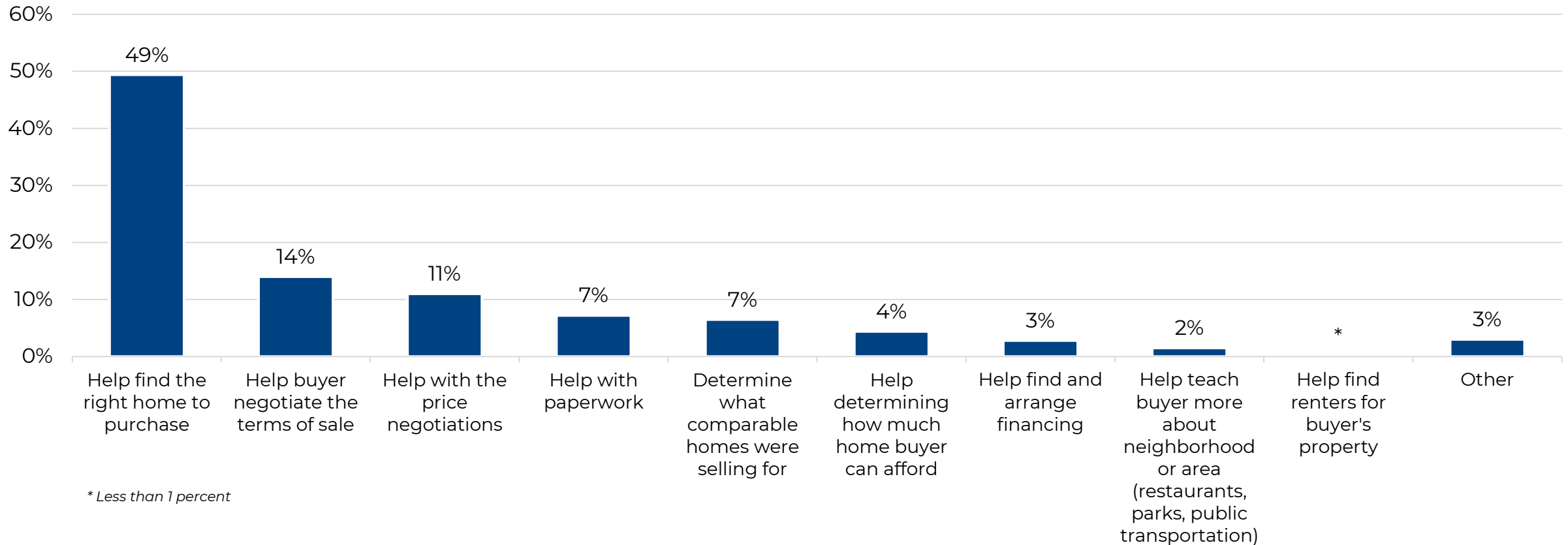


# Chapter 4: Home Buying and Real Estate Professionals

Buyers indicated that the most desired service from real estate agents was help finding the right home to purchase (49 percent). Other key services included assistance with negotiating the terms of the sale (14 percent) and help with price negotiations (11 percent).

## Exhibit 4-3 What Buyers Want Most From Real Estate Agents

(Percentage Distribution)



# Chapter 4: Home Buying and Real Estate Professionals

Home buyers primarily sought help finding the right home to purchase (49 percent) and negotiating the terms of the sale (14 percent). Home buyers also wanted help with price negotiations (11 percent) and help with paperwork (seven percent).

## Exhibit 4-4 What Buyers Want Most From Real Estate Agents, First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Help find the right home to purchase	49%	44%	51%
Help buyer negotiate the terms of sale	14%	16%	14%
Help with the price negotiations	11%	10%	11%
Help with paperwork	7%	8%	7%
Determine what comparable homes were selling for	7%	4%	7%
Help determining how much home buyer can afford	4%	8%	3%
Help find and arrange financing	3%	6%	2%
Help teach buyer more about neighborhood or area (restaurants, parks, public transportation)	2%	1%	2%
Help find renters for buyer's property	*	*	*
Other	3%	3%	3%

\* Less than 1 percent

# Chapter 4: Home Buying and Real Estate Professionals

Fifty-three percent of buyers reported that their agent helped them understand the home-buying process. This figure was significantly higher among first-time buyers (80 percent), compared to repeat buyers (45 percent).

## Exhibit 4-5 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	53%	80%	45%
Pointed out unnoticed features/faults with property	55%	60%	54%
Provided a better list of service providers (e.g. home inspector)	43%	48%	42%
Negotiated better sales contract terms	44%	51%	42%
Improved buyer's knowledge of search areas	41%	42%	40%
Negotiated a better price	32%	34%	32%
Shortened buyer's home search	27%	27%	27%
Provided better list of mortgage lenders	20%	27%	17%
Expanded buyer's search area	19%	20%	18%
Narrowed buyer's search area	15%	14%	15%
None of the above	8%	6%	9%
Other	2%	2%	3%

# Chapter 4: Home Buying and Real Estate Professionals

A large portion of buyers (40 percent) were referred to their real estate agent by a friend, neighbor, or relative. This method was even more common for first-time buyers (51 percent). Thirty-seven percent of repeat buyers found their agent through a referral and 21 percent used the agent they had previously worked with to buy or sell a home.

## Exhibit 4-6 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	40%	51%	37%
Used agent previously to buy or sell a home	17%	4%	21%
Inquired about specific property viewed online	7%	6%	7%
Website (without a specific reference)	6%	7%	6%
Referred by another real estate agent/broker	7%	7%	7%
Saw contact information on For Sale/Open House sign	5%	5%	5%
Visited an open house and met agent	5%	3%	5%
Personal contact by agent (telephone, e-mail, etc.)	4%	5%	3%
Referred through employer or relocation company	2%	1%	2%
Walked into or called office and agent was on duty	1%	1%	1%
Saw the agent's social media page without a connection	1%	1%	1%
Mobile or tablet application	1%	1%	1%
Direct mail (newsletter, flyer, postcard, etc.)	1%	*	1%
Crowdsourcing through social media/knew the person through social media	*	1%	*
Newspaper, Yellow Pages or home book ad	*	*	*
Advertising specialty (calendar, magnet, etc.)	*	*	*
Other	5%	8%	4%

\* Less than 1 percent

# Chapter 4: Home Buying and Real Estate Professionals

## Exhibit 4-7 How Many Times Buyer Contacted Agent Before Received Response and Original Form of Contact

(Percentage Distribution)

Phone call	28%
Talked to them in person	22%
Ask a friend to put in touch	18%
Inquiry for more information through 3rd party website	10%
E-mail	8%
Text message	8%
Through agent's website	3%
Social Media (FaceBook, TikTok, X, LinkedIn, etc.)	3%
Number of Times Contacted (median)	1

Twenty-eight percent of buyers made initial contact with their agent by phone, while 22 percent first spoke with their agent in person. Additionally, 18 percent of buyers were introduced to their agent by a friend.

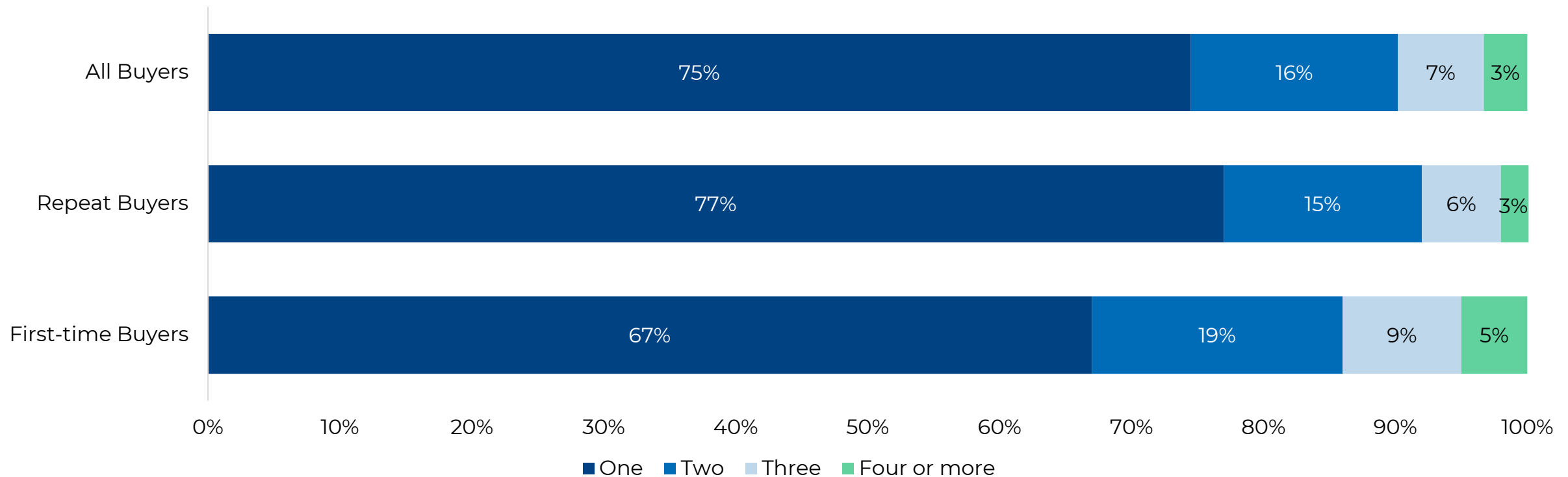
Home buyers typically reached out just once before making contact with a real estate agent.

# Chapter 4: Home Buying and Real Estate Professionals

Most buyers interviewed only one agent before making their decision—this was true for 77 percent of repeat buyers and 67 percent of first-time buyers. Meanwhile, 16 percent of all buyers interviewed two agents, with a higher rate among first-time buyers (19 percent).

## Exhibit 4–8 Number of Real Estate Agents Interviewed by First-Time and Repeat Buyers

(Percentage Distribution)





# Chapter 4: Home Buying and Real Estate Professionals

Seventy-one percent of all buyers valued personal calls to inform them of activities. Seventy-one percent of home buyers also valued their real estate agent sending property info and communicating via text messages, which was more important among first-time buyers at 75 percent.

## Exhibit 4-9 Importance of Agent Communications

(Percent of Respondents)

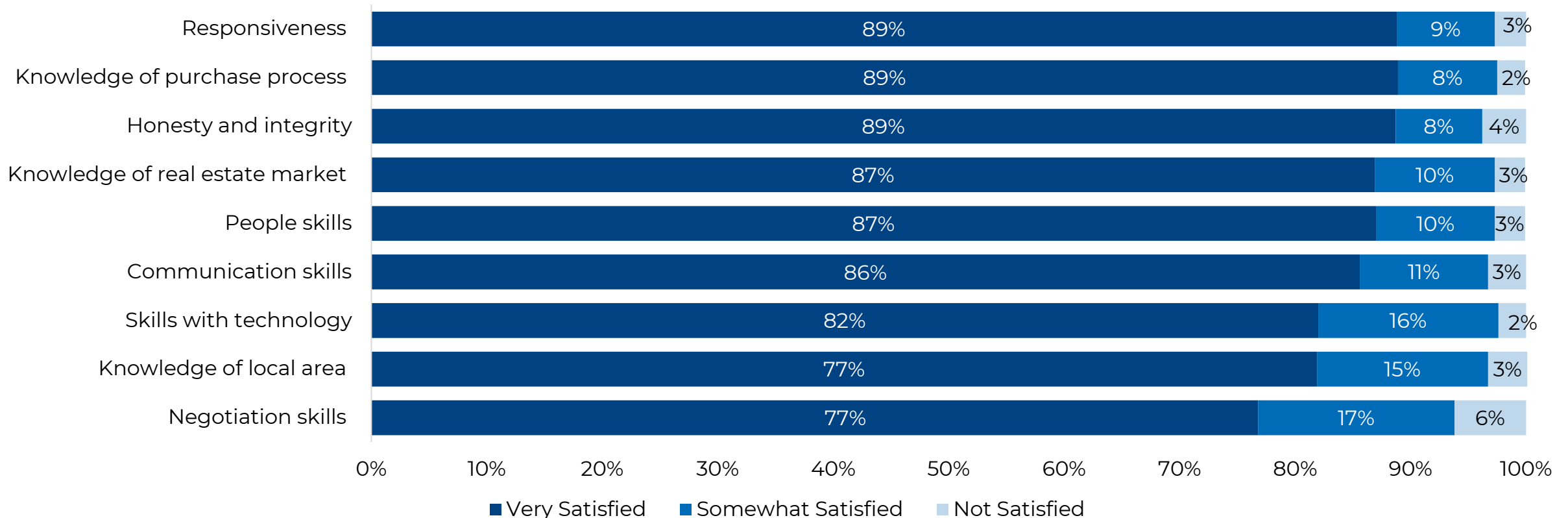
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Calls personally to inform of activities	71%	67%	72%
Sends property info and communicates via text message	71%	75%	69%
Sends postings as soon as a property is listed/the price changes/under contract	68%	67%	68%
Can send market reports on recent listings and sales	48%	43%	49%
Sends me emails about specific needs	48%	54%	46%
Has a website	29%	30%	29%
Has a mobile site to show properties	25%	25%	25%
Active in local community/volunteerism	13%	11%	14%
Is active on social media	14%	16%	13%
Sends an email newsletter	8%	10%	7%
Advertises in newspapers	2%	2%	2%
Has a blog	1%	1%	1%

# Chapter 4: Home Buying and Real Estate Professionals

Satisfaction with real estate agents' skills and qualities was overwhelmingly positive. At least 90 percent of buyers each expressed satisfaction with their agent's responsiveness, knowledge of the purchase process, honesty and integrity, knowledge of the real estate market, and people skills.

## Exhibit 4-10 Satisfaction With Real Estate Agent Skills and Qualities

(Percentage Distribution)

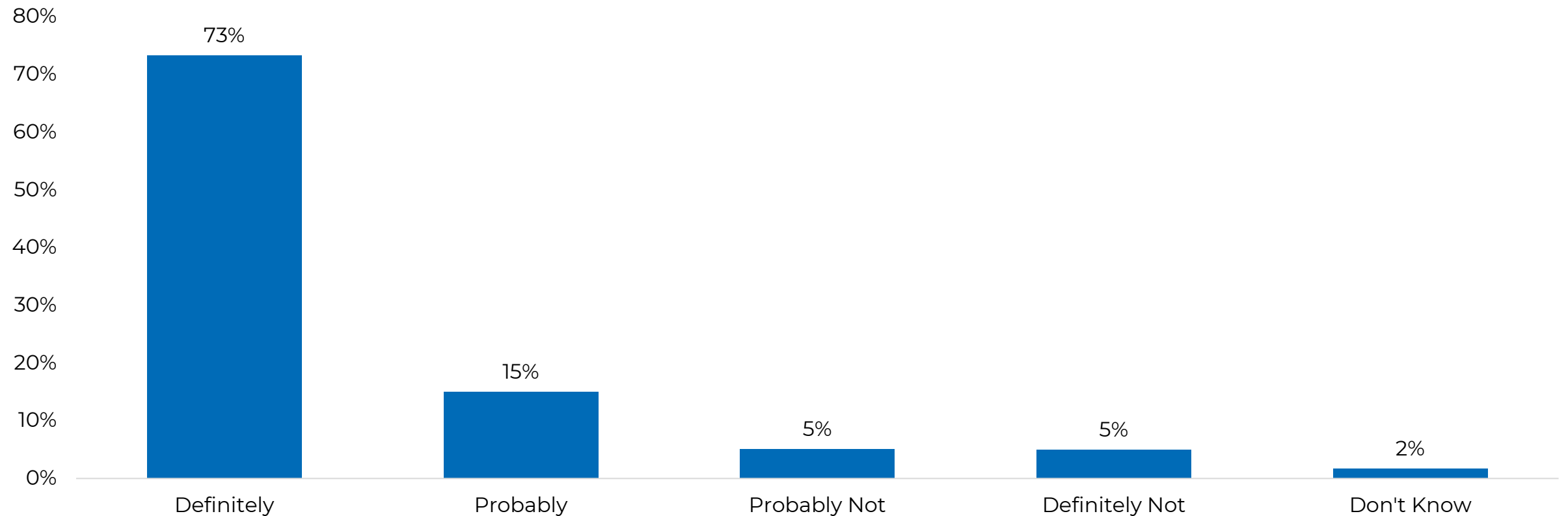


# Chapter 4: Home Buying and Real Estate Professionals

Eighty-eight percent of home buyers would use their agent again or recommend to others with 73 percent saying they definitely would.

## Exhibit 4-11 Would Buyer Use Real Estate Agent Again or Recommend to Others

(Percentage Distribution)



# Chapter 4: Home Buying and Real Estate Professionals

## Exhibit 4-12 How Many Times Buyer Recommended Typical Agent

(Percentage Distribution)

	ALL BUYERS
None	39%
One time	14%
Two times	18%
Three times	9%
Four or more times	20%
Times recommended since buying (median)	1

After purchasing within the last year, 61 percent of home buyers have already recommended their agent. Twenty percent of buyers reported recommending their agent four or more times to others, while 18 percent have recommended their agent two times.

A photograph of a real estate agent, a man in a blue suit and white shirt, standing in a modern home. He is holding a folder and gesturing with his hand as he speaks to a young couple. The couple consists of a man with glasses and a beard, and a woman with long dark hair, both looking at the agent. They are in a bright, well-lit room with large windows and light-colored walls.

# Chapter 5

## Financing the Home Purchase



# Highlights: Financing the Home Purchase

## Buyers Who Financed Their Home, All-Cash Buyers

- Seventy-four percent of all buyers financed their homes, a decrease from last year from 80 percent. First-time buyers were more likely to finance their purchase at 91 percent, while only 69 percent of repeat buyers financed.
- The median percent financed for first-time buyers was 91 percent, down slightly from 92 percent. The median percent financed for repeat buyers was 77 percent, which is down from 81 percent last year.
- Twenty-six percent of home buyers paid cash for their home, an **all-time high for all-cash buyers**.
- In 2024, the median downpayment among all buyers was 18%, nine percent for first-time home buyers, and 23 percent for repeat buyers. This is the highest downpayment for first-time buyers since 1997 and the highest downpayment for repeat buyers since 2003.

## Sources of Downpayment

- Forty-nine percent of recent home buyers used their savings to finance their home purchase, down from 54 percent last year.
- Twenty-five percent of first-time buyers used a gift or loan

from a relative or friend for their downpayment, though savings was most common at 69 percent.

## Type of Mortgage, Type of Loan

- Sixty-four percent of all buyers used a fixed-rate mortgage. Seventy-seven percent of first-time buyers, and 60 percent of repeat buyers use a fixed-rate mortgage.
- Fifty-two percent of first-time buyers utilized a conventional loan to finance their home, 29 percent used an FHA loan, and nine percent used a VA loan. The **share of first-time buyers using an FHA loan has declined** from 55 percent in 2009 to 29 percent in 2024.

## Buyers' View of Homes as a Financial Investment

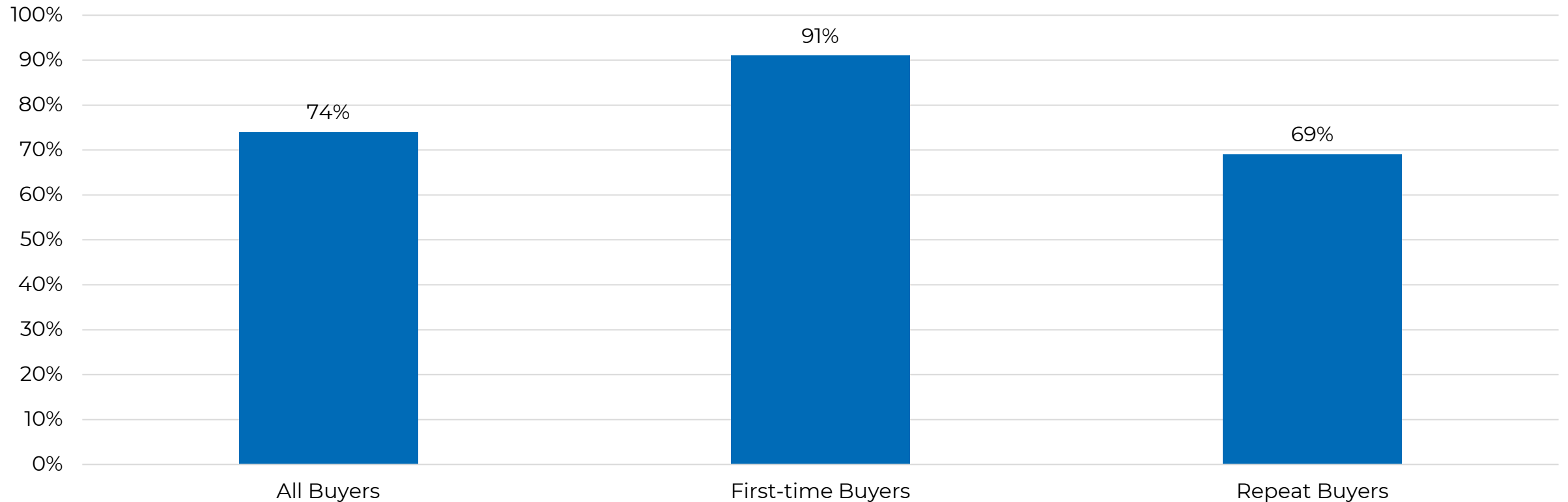
- Buyers continue to see purchasing a home as a good financial investment. Seventy-nine percent reported believing that a home purchase is a good investment, and among those buyers, 39 percent said it was better than owning stock.

# Chapter 5: Financing the Home Purchase

Seventy-four percent of all buyers financed their homes, a decrease from last year from 80 percent. First-time buyers were more likely to finance their purchase at 91 percent, while only 69 percent of repeat buyers financed.

## Exhibit 5-1 Buyers Who Financed Their Home Purchase

(Percentage Distribution)





# Chapter 5: Financing the Home Purchase

This year, 11 percent of buyers financed 100 percent of their entire purchase price with a mortgage, down slightly from 12 percent last year. The median percent financed for first-time buyers was 91 percent, down slightly from 92 percent. The median percent financed for repeat buyers was 77 percent, which is down from 81 percent last year.

## Exhibit 5-2 Percent of Home Financed by First-Time and Repeat Buyers

*(Percentage Distribution)*

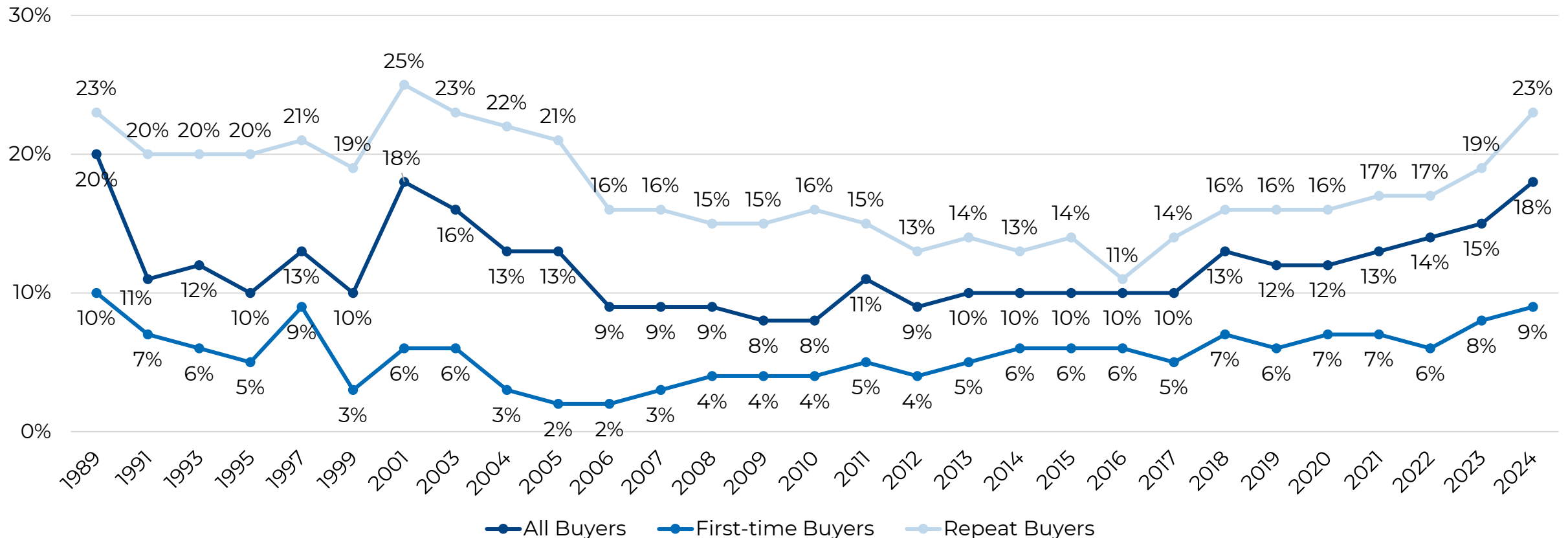
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Less than 50%	19%	12%	22%
50% to 59%	6%	3%	8%
60% to 69%	8%	3%	9%
70% to 79%	13%	8%	15%
80% to 89%	20%	18%	21%
90% to 94%	11%	16%	8%
95% to 99%	12%	24%	7%
100% – Financed the entire purchase price with a mortgage	11%	15%	10%
Median percent financed	82%	91%	77%

# Chapter 5: Financing the Home Purchase

In 2024, the median downpayment among all buyers was 18%, nine percent for first-time home buyers, and 23 percent for repeat buyers. This is the highest downpayment for first-time buyers since 1997 and the highest downpayment for repeat buyers since 2003.

**Exhibit 5-3 Median Percent Downpayment by First-Time and Repeat Buyers, 1989–2024**

(Medians)



# Chapter 5: Financing the Home Purchase

## Exhibit 5-4 Sources of Downpayment, First-Time and Repeat Buyers

(Percent of Respondents Among Those Who Made a Downpayment)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Savings	49%	69%	42%
Proceeds from sale of primary residence	45%	4%	58%
Gift from relative or friend	8%	21%	4%
Sale of stocks or bonds	7%	8%	6%
401k/pension fund including a loan	5%	9%	4%
Inheritance	4%	7%	3%
Individual Retirement Account (IRA)	3%	3%	3%
Proceeds from sale of real estate other than primary residence	3%	1%	3%
Loan from relative or friend	2%	4%	2%
Equity from primary residence buyer continues to own	2%	*	3%
Tax refund	1%	3%	1%
Community/government down payment assistance program	1%	3%	*
Loan from financial institution other than a mortgage	1%	1%	1%
Loan or financial assistance from source other than employer	1%	2%	*
Sale of crypto currency	1%	1%	*
Loan or financial assistance through employer	*	*	*

\* Less than 1 percent

Forty-nine percent of recent home buyers used their savings to finance their home purchase, down from 54 percent last year. For repeat buyers, the proceeds from the sale of a primary residence was the most commonly cited way of financing a home purchase at 58 percent, up from 53 percent last year. For first-time buyers, they cited using savings (69 percent) and a gift or loan from relative or friend (21 percent). Twenty-one percent of first-time buyers used financial assets such as stocks, bonds, 401k, IRAs, or crypto currency.

# Chapter 5: Financing the Home Purchase

Twelve percent of all buyers cited their most difficult step in the home buying process as saving for a downpayment, while this was higher among first-time buyers at 32 percent. These buyers were asked what expenses made saving for a downpayment difficult, and 44 percent reported high rent or a current mortgage payment, 37 percent reported credit card debt, 36 percent reported student loans, and 34 percent reported a car loan.

## Exhibit 5-5 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)*

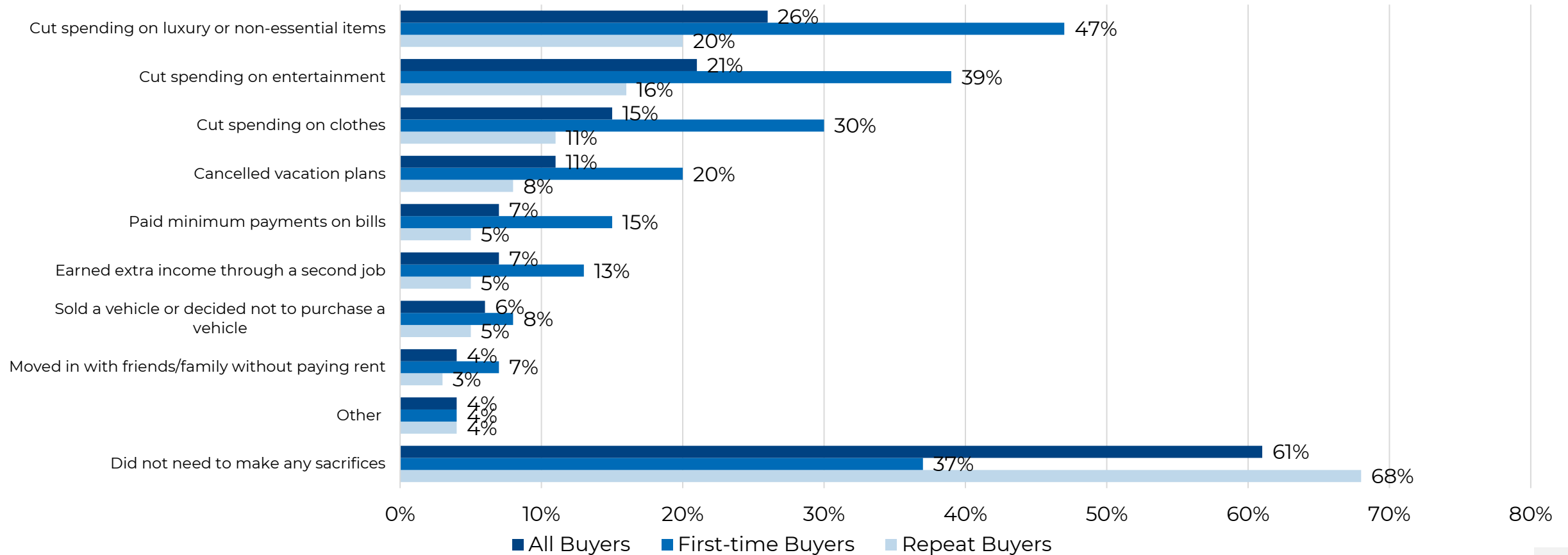
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Share Saving for Downpayment was Most Difficult Task in Buying Process:	12%	32%	5%
<b>DEBT THAT DELAYED SAVING</b>			
High rent/current mortgage payment	44%	49%	36%
Credit card debt	37%	36%	41%
Student loans	36%	40%	27%
Car loan	34%	33%	35%
Health care costs	16%	16%	14%
Child care expenses	14%	11%	19%
Other	18%	17%	20%
Median Years Debt Delayed Home Purchase Among Those Who Had Difficulty Saving	0	2	0

# Chapter 5: Financing the Home Purchase

Sixty-one 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 (26 percent), a cut in spending on entertainment (21 percent), and a cut in spending on clothes (15 percent).

## Exhibit 5-6 Sacrifices Made To Purchase Home, by First-Time and Repeat Buyers

(Percent of Respondents)

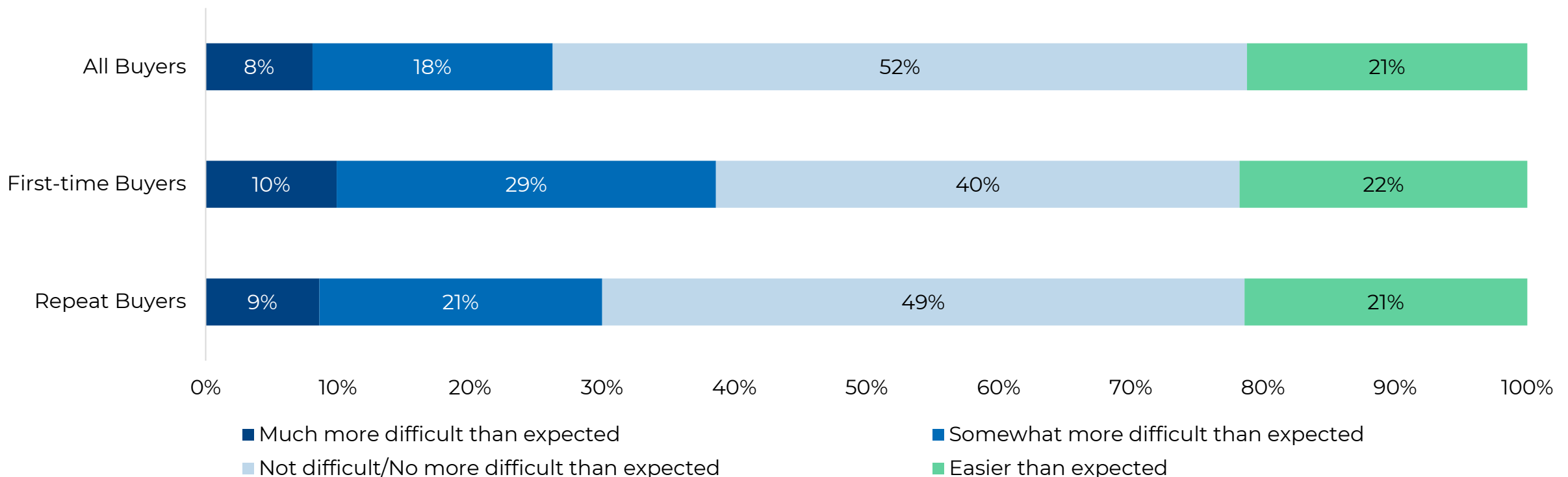


# Chapter 5: Financing the Home Purchase

Twenty-six percent of buyers said the mortgage application process was somewhat or much more difficult than expected, and 21 percent said it was easier than expected. Thirty-nine percent of first-time buyers said that the mortgage application and approval process was somewhat or much more difficult than expected, compared to 30 percent of repeat buyers.

## Exhibit 5-7 Difficulty of Mortgage Application and Approval Process

(Percentage Distribution Among Those Who Financed Their Home Purchase)

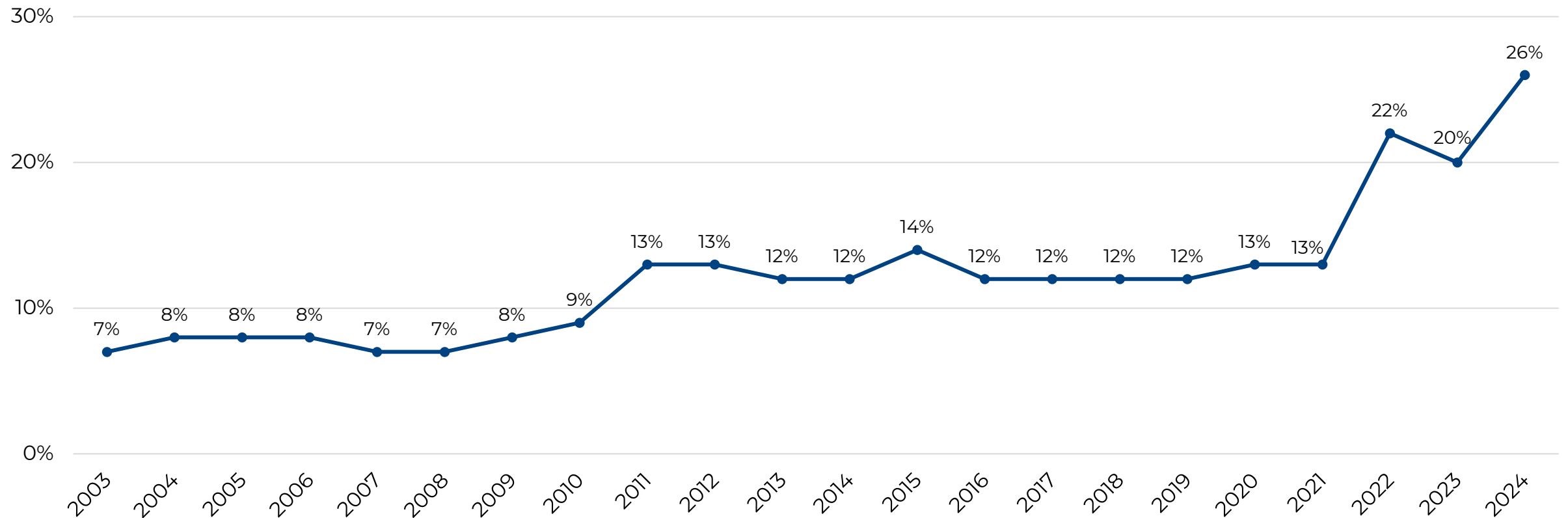


# Chapter 5: Financing the Home Purchase

Twenty-six percent of home buyers paid cash for their home, an all-time high for all-cash buyers. In the 2023 report, 20 percent of buyers paid with cash for their home. Between 2003 and 2010, under 10 percent of buyers did not finance their home purchase.

## Exhibit 5–8 All-Cash Buyers, 2003-2024

(Percentage Distribution)





# Chapter 5: Financing the Home Purchase

## Exhibit 5-9 Buyer Mortgage Application Had Been Rejected From Mortgage Lender

(Percentage Distribution)

	ALL BUYERS
Have had application denied	4%
Median number of times application was denied	1
BUYERS REASONS WHY REJECTED BY MORTGAGE LENDER	
Debt-to-income ratio	40%
Low credit score	23%
Income was unable to be verified	12%
Not enough money in reserves	12%
Insufficient downpayment	9%
Too soon after refinancing another property	1%
Don't know	16%
Other	19%

Four percent of successful home buyers had 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 (40 percent), low credit score (23 percent), because their income was unable to be verified (12 percent), and not enough money in reserves (12 percent).

\* Less than 1 percent

# Chapter 5: Financing the Home Purchase

Overall, 17 percent of buyers carry student loan debt, with this figure rising to 32 percent among first-time home buyers and falling to 12 percent for repeat buyers. The median amount of student debt held by home buyers was \$30,000.

## Exhibit 5-10 Buyers Who Have Student Loan Debt, by First-Time and Repeat Buyers

*(Percentage Distribution)*

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Have student loan debt	17%	32%	12%
Median amount of student loan debt	\$30,000	\$30,000	\$30,000

Seven percent of recent buyers had previously sold a distressed property. The median year in which buyers previously sold a distressed property was 2012.

## Exhibit 5-11 Buyer Previously Sold a Distressed Property (Short Sale or Foreclosure)

*(Percentage Distribution)*

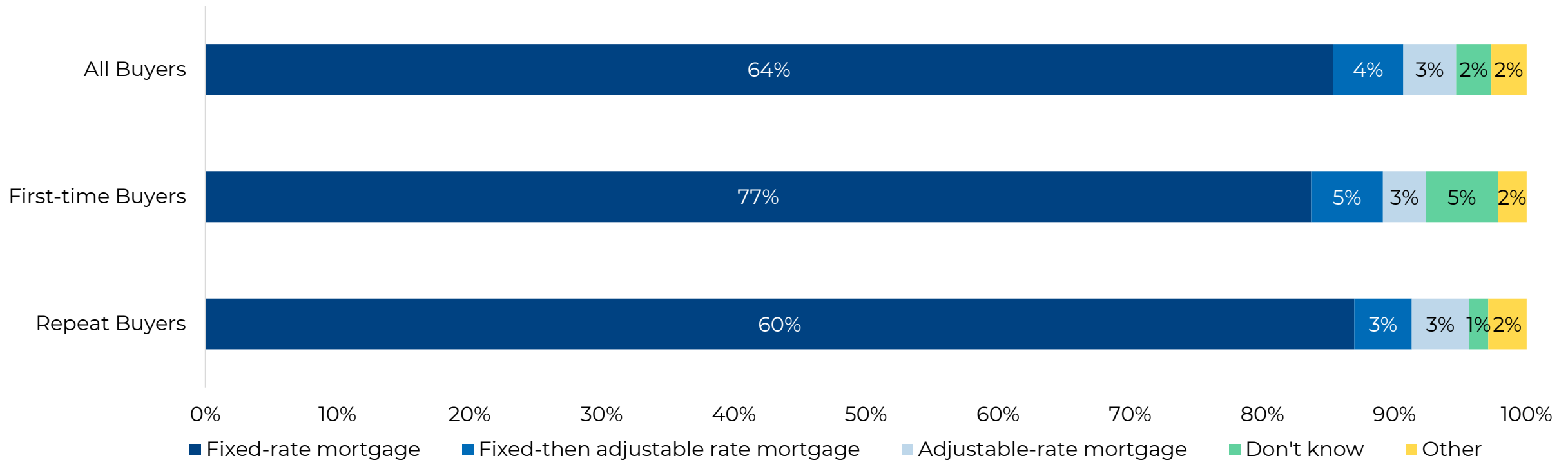
	ALL BUYERS
Previously had a distressed property sale	7%
Median year of sale	2012

# Chapter 5: Financing the Home Purchase

Sixty-four percent of all buyers used a fixed-rate mortgage. Seventy-seven percent of first-time buyers, and 60 percent of repeat buyers use a fixed-rate mortgage.

## Exhibit 5-12 Type of Mortgage, First-Time and Repeat Buyers

(Percentage Distribution Among Those Who Financed Their Home Purchase)

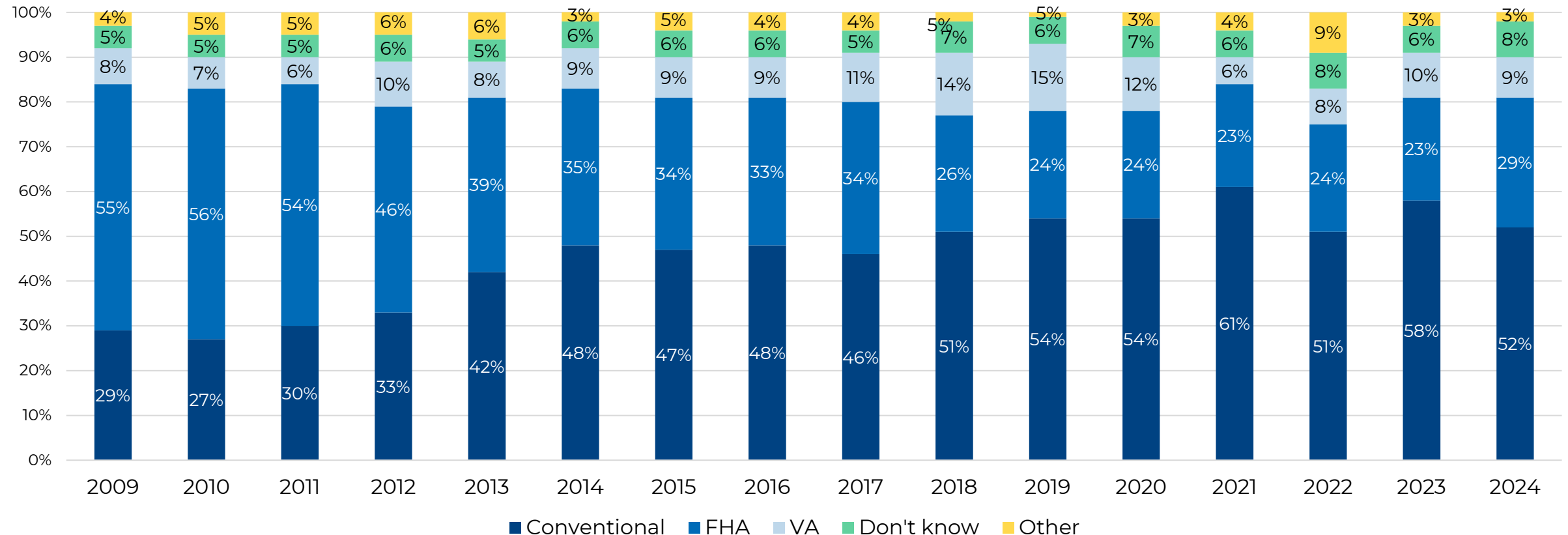


# Chapter 5: Financing the Home Purchase

Fifty-two percent of first-time buyers utilized a conventional loan to finance their home, 29 percent used an FHA loan, and nine percent used a VA loan. The share of first-time buyers using an FHA loan has declined from 55 percent in 2009 to 29 percent in 2024.

## Exhibit 5-13 Type of Loan for First-Time Buyers, 2009-2024

(Percentage Distribution Among Those Who Financed Their Home Purchase)

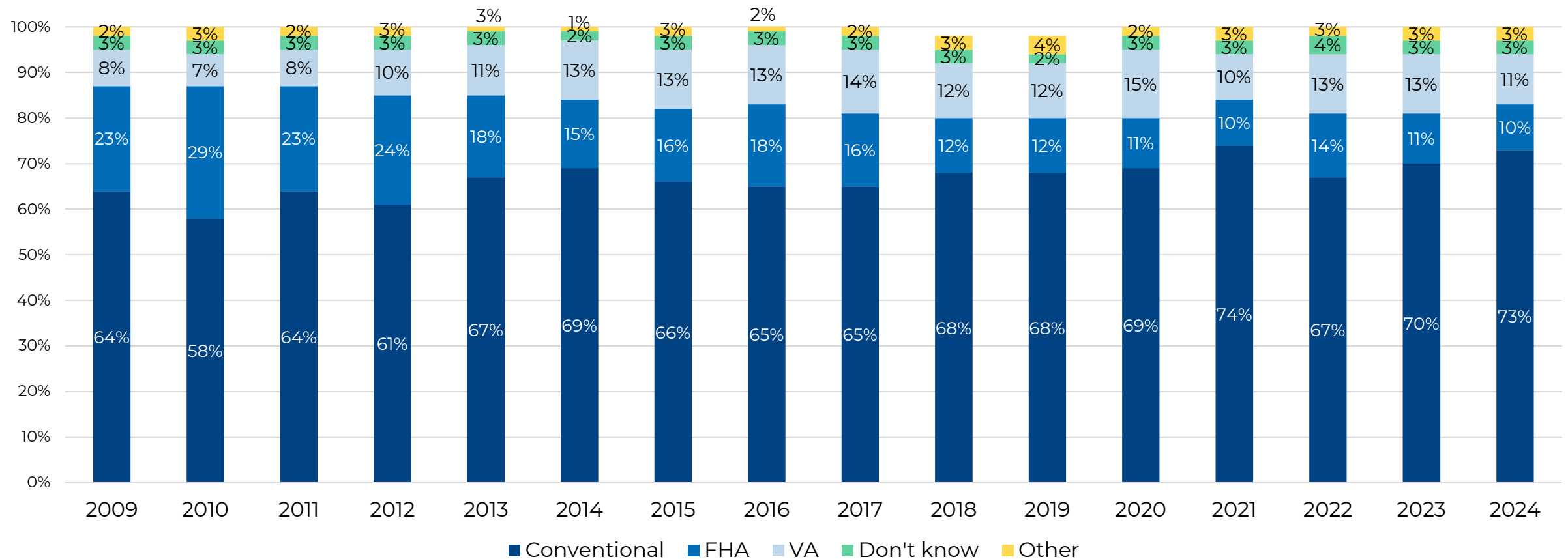


# Chapter 5: Financing the Home Purchase

Seventy-three percent of repeat buyers utilized a conventional loan to finance their home. Ten percent of repeat buyers reported securing an FHA loan, and 11 percent used a VA loan. While the share of repeat buyers using a VA loan has stayed relatively steady, the share of buyers using an FHA loan has dropped by more than half.

## Exhibit 5-14 Type of Loan for Repeat Buyers, 2009-2024

(Percentage Distribution Among Those Who Financed Their Home Purchase)



# Chapter 5: Financing the Home Purchase

Buyers continue to see purchasing a home as a good financial investment. Seventy-nine percent reported believing that a home purchase is a good investment, and 39 percent said it was better than owning stock. Only five percent reported that it was not a good financial investment.

## Exhibit 5-15 Buyers' View of Homes as a Financial Investment

*(Percentage Distribution)*

	ALL BUYERS
Good financial investment	79%
Better than stocks	39%
About as good as stocks	28%
Not as good as stocks	12%
Not a good financial investment	5%
Don't know	15%





# Chapter 6

## Home Sellers and their Selling Experience



# Highlights: Home Sellers and their Selling Experience

## Home Seller Characteristics

- The typical age of home sellers was 63 this year and is the **highest ever recorded**.
- The share of married couples selling their home was 69 percent this year, an increase from 65 percent last year, which marks the **first increase in four years for this share**. The share of single females who sold their homes decreased this year to 18 percent.
- Of all homes sold on the market, 77 percent did not have children under the age of 18 residing in the home.

## Home Sold Versus Home Purchased

- Eighteen percent of home sellers purchased a home in another region to the one they sold a home. Sixty-six percent of home sellers moved within the same state, and 16 percent remained in the same region.
- Thirty-six percent of sellers traded up and purchased a home that was larger in size than what they previously owned, 30 percent bought a home that was similar in size, and 32 percent traded down and purchased a home that was smaller in size.
- Fifty-two percent of all sellers purchased a newer home than their previous home. Twenty-seven percent purchased a home of the same age, and 25 percent purchased an older home.
- For all sellers, the most commonly cited reason for selling their home was the **desire to move closer to friends and family** (23

percent), followed by home was too small (12 percent), home was too large (11 percent), and the neighborhood becoming less desirable (10 percent).

## Tenure in Home

- The median number of years a **seller owned their home was 10 years**, the same as last year. That number was higher than reported from 2000 to 2008, when the tenure in the home was only six years.

## Sales Price, Time on the Market, Incentives to Prospective Buyers

- For recently sold homes, the final sales price was a median of 100 percent of the final listing price. This **continues to be the highest recorded median** since 2002.
- For all sellers, time on the market this year was a median of three weeks, one week longer than last year.

## Satisfaction With the Sales Process

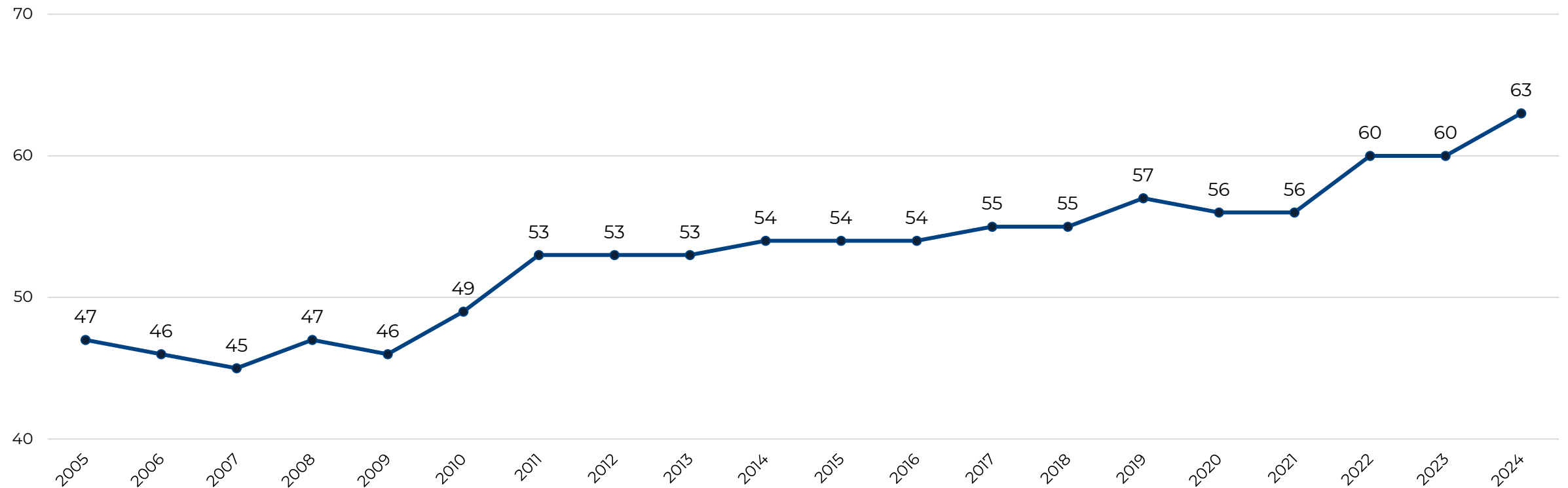
- Sixty-eight percent of sellers were very satisfied with the selling process. Twenty-two percent were somewhat satisfied.

# Chapter 6: Characteristics of Home Sellers

The typical age of home sellers was 63 this year, up than 60 last year and the highest recorded in this data set. In 2005, the typical home seller was 47.

## Exhibit 6–1 Median Age of Home Sellers, 2005–2024

(Median Age)



# Chapter 6: Home Sellers and their Selling Experience

The median household income in 2023 for the typical seller was \$112,500 up from \$111,100 last year.

## Exhibit 6-2 Household Income of Home Sellers, 2023

*(Percentage Distribution)*

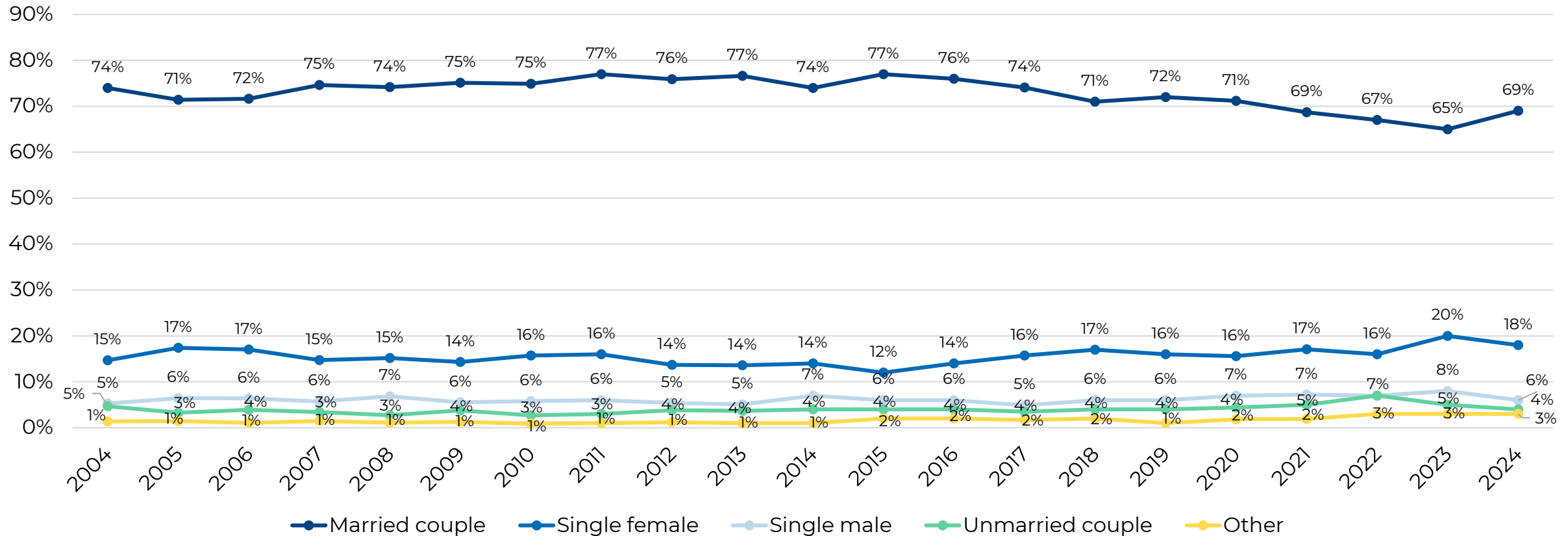
	ALL SELLERS
Less than \$54,999	14%
\$55,000 to \$74,999	12%
\$75,000 to \$99,999	16%
\$100,000 to \$199,999	39%
\$200,000 or more	20%
Median household income (2023)	\$112,500

# Chapter 6: Home Sellers and their Selling Experience

The share of married couples selling their home was 69 percent this year, an increase from 65 percent last year, which marks the first incline in four years for this share. Single females who sold their homes decreased this year to 18 percent.

## Exhibit 6-3 Adult Composition of Home Seller Households

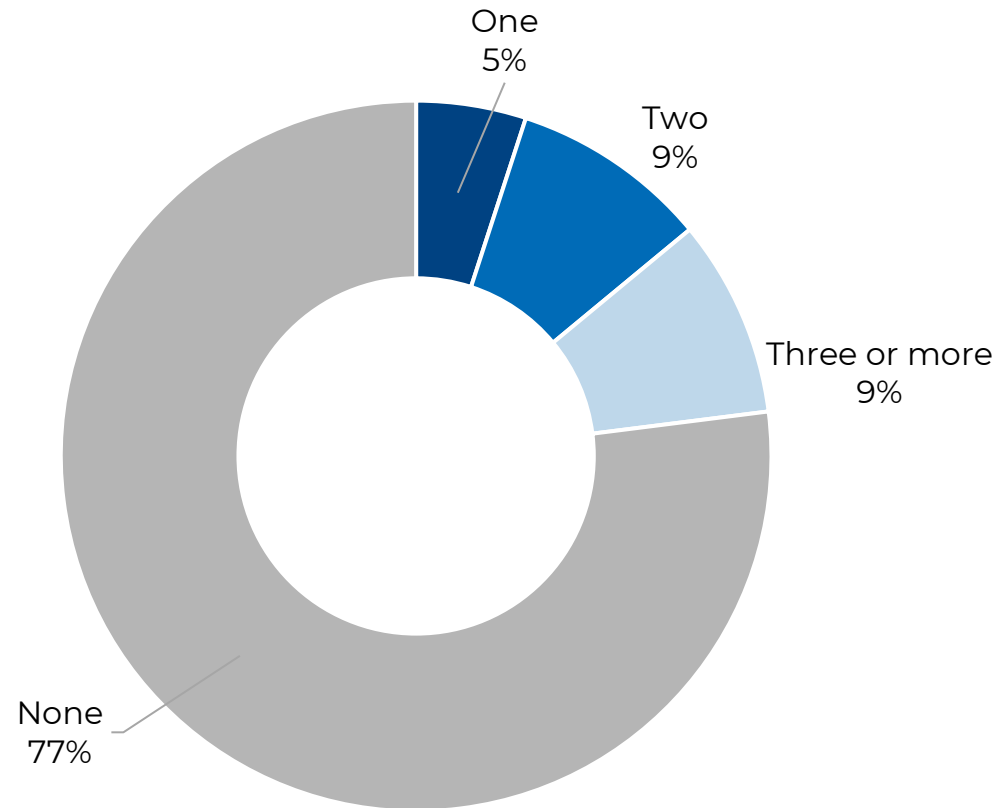
(Percentage Distribution)



# 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)*



Of all homes sold on the market, 77 percent did not have children under the age of 18 residing in the home, an increase from 75 percent last year. Five percent of home sellers had one child, nine percent had two children, and nine percent had three or more children.

# Chapter 6: Home Sellers and their Selling Experience

Of all sellers, 90 percent identified as White or Caucasian, four percent identified as Hispanic/Latino, four percent identified as Black/African-American, and three percent identified as Asian/Pacific Islander. Of all sellers, 99 percent of households speak English as their primary language.

## Exhibit 6-5 Race/Ethnicity of Home Sellers

*(Percent of Respondents)*

White/Caucasian	90%
Hispanic/Latino	4%
Black/African-American	4%
Asian/Pacific Islander	3%
Other	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 6-6 Primary Language Spoken in Home Seller Household

*(Percentage Distribution)*

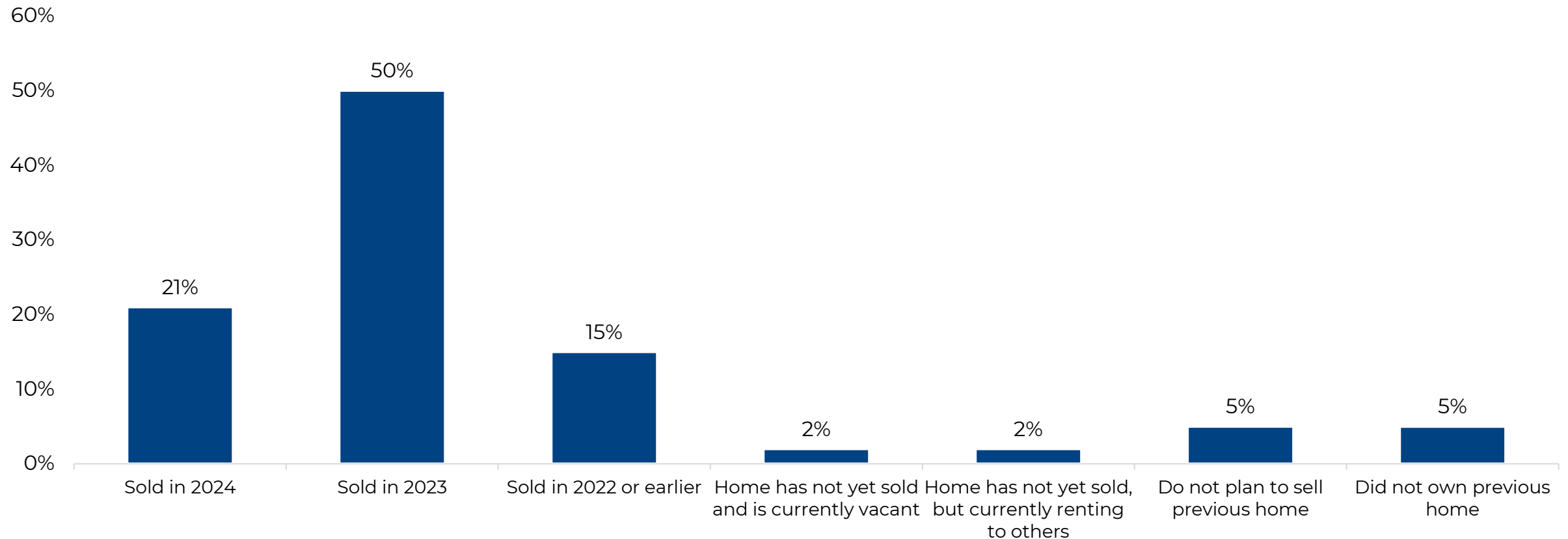
English	99%
Other	1%

# Chapter 6: Home Sellers and their Selling Experience

For sellers/potential sellers, 21 percent sold their home in 2024, 50 percent in 2023, 15 percent sold in 2022 or earlier, and only two percent have not yet been able to sell. Five percent of potential sellers did not plan to sell their previous home.

## Exhibit 6-7 Home Selling Situation Among Sellers/Potential Sellers

(Percentage Distribution)

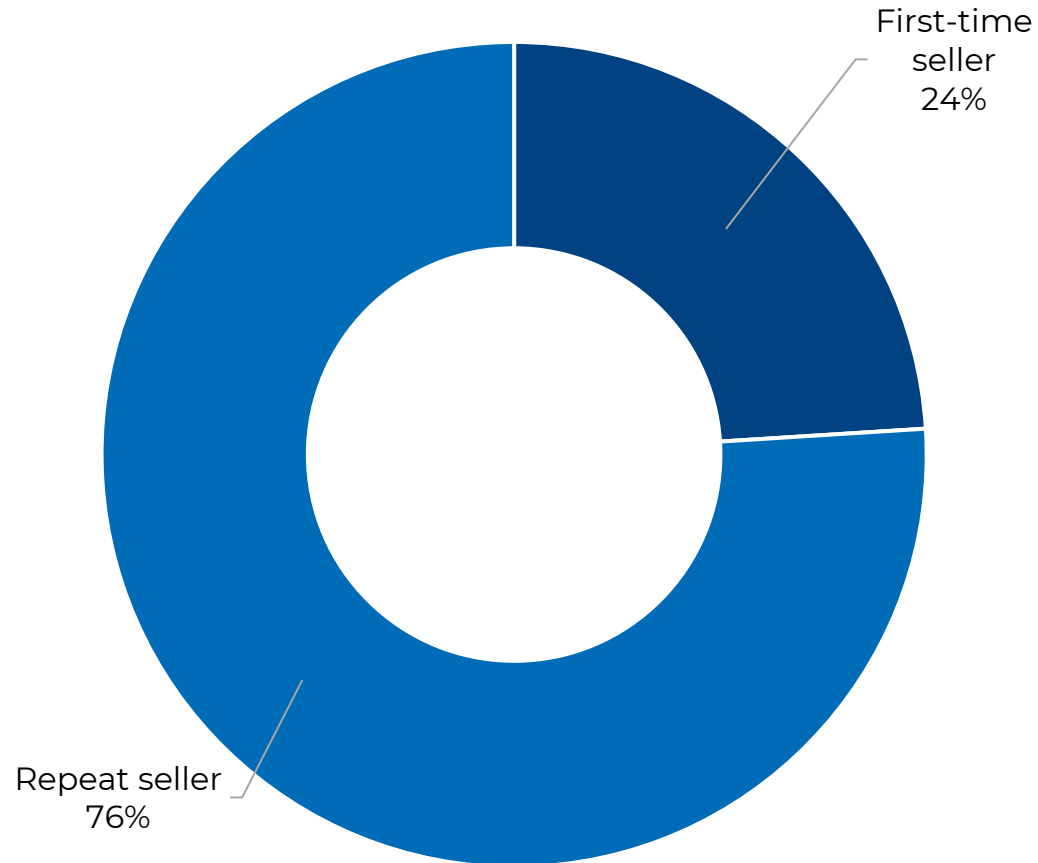




# Chapter 6: Home Sellers and their Selling Experience

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

(Percentage Distribution)

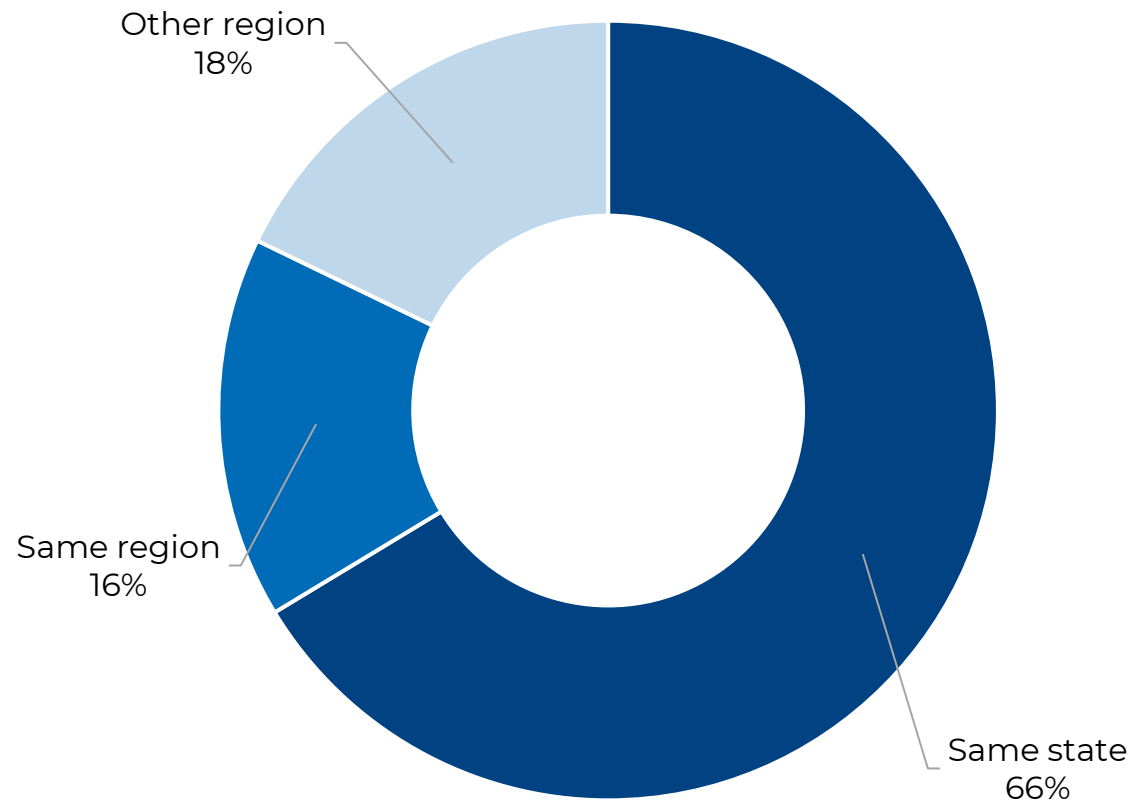


Seventy-six percent were repeat sellers, and the share of first-time home sellers was 24 percent. In the 2023 report, 30 percent of home sellers were first-time home sellers.

# Chapter 6: Home Sellers and their Selling Experience

## Exhibit 6-9 Proximity of Home Sold to Home Purchased

*(Percentage Distribution)*



Home sellers in 2024 reported they purchased a home in another region to the one they sold a home in at 18 percent. Sixty-six percent of home sellers moved within the same state, and 16 percent remained in the same region.

# Chapter 6: Home Sellers and their Selling Experience

## Exhibit 6-10 Type of Home Sold, by Location

(Percentage Distribution)

Detached single-family home	81%
Townhouse/row house	5%
Duplex/apartment/condo in 2-to-4-unit building	4%
Apartment/condo in a building with 5 or more units	3%
Other	7%

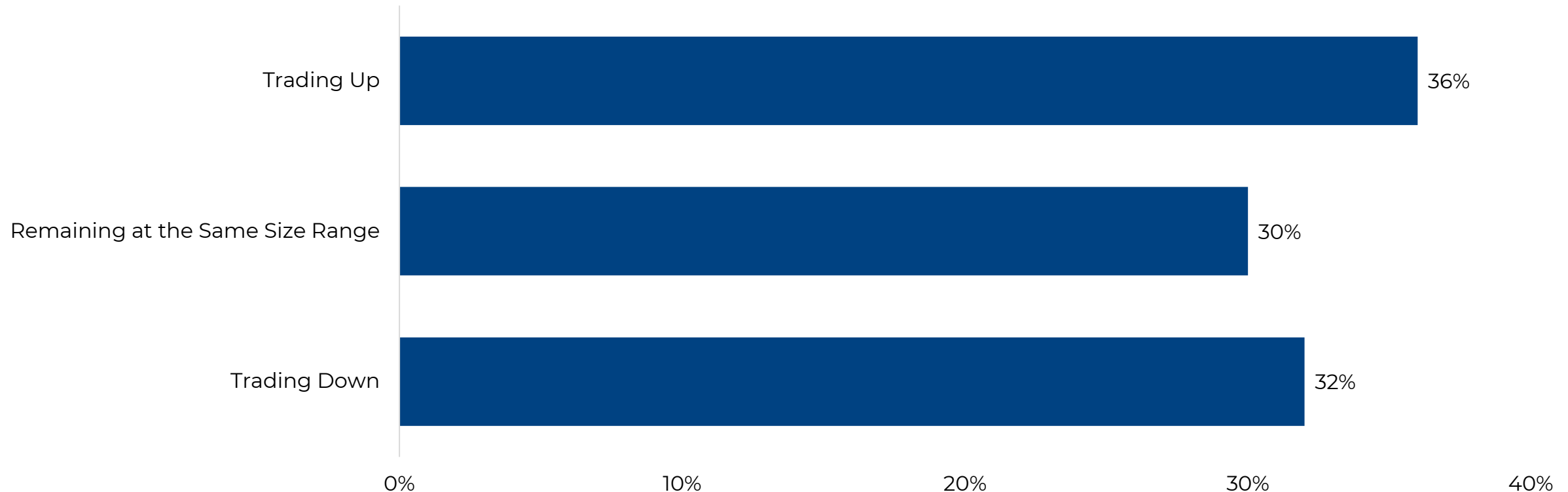
Detached single-family homes were the most common homes sold at 81 percent, a slight increase from 79 percent last year. Townhomes and row houses sold at five percent, and duplex/apartment/condo with two to four units sold at four percent.

# Chapter 6: Home Sellers and their Selling Experience

Thirty-six percent of sellers traded up and purchased a home that was larger in size than what they previously owned, 30 percent bought a home that was similar in size, and 32 percent traded down and purchased a home that was smaller in size.

## Exhibit 6-11 Size of Home Purchased Compared to Home Recently Sold

*(Percentage Distribution)*



# Chapter 6: Home Sellers and their Selling Experience

There is a strong relationship between the age of the home seller and the housing trade. Generally, sellers under the age of 55 tend to buy larger homes, while sellers over the age of 55 tend to buy smaller homes than the ones they sold.

## Exhibit 6-12 Size of Home Purchased Compared to Home Recently Sold, by Age of Seller

*(Median Square Feet)*

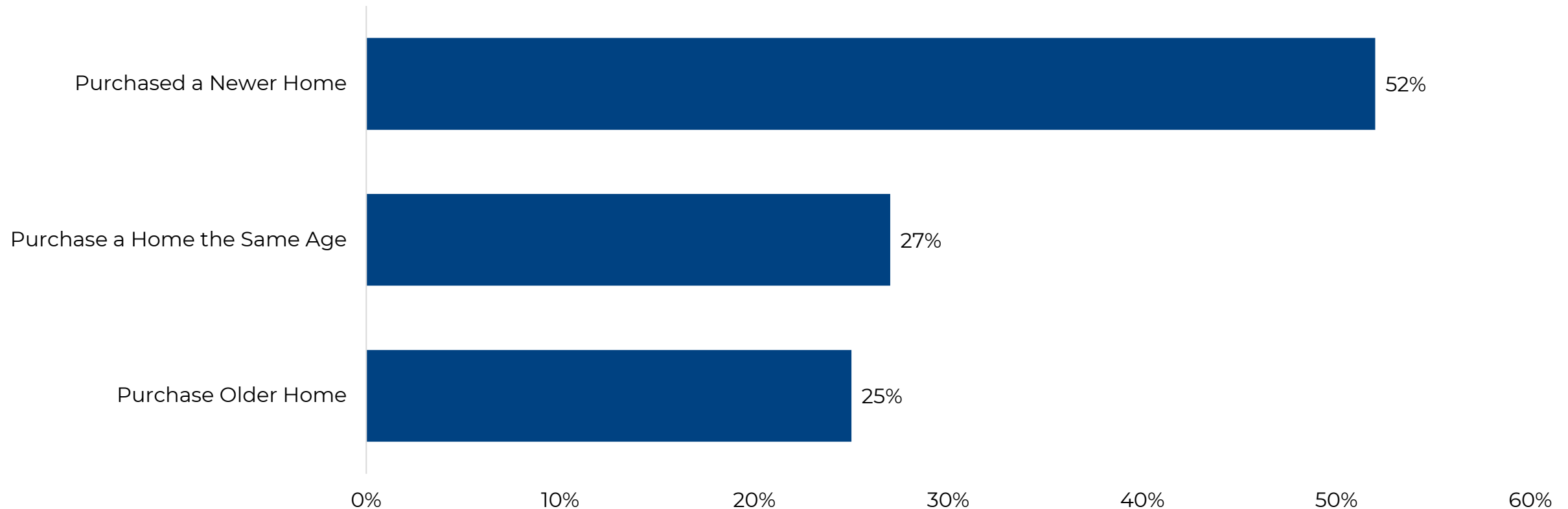
	SIZE OF HOME SOLD	SIZE OF HOME PURCHASED	DIFFERENCE
18 to 34 years	1,600	2,000	400
35 to 44 years	1,900	2,300	400
45 to 54 years	2,100	2,200	100
55 to 64 years	2,100	2,000	-100
65 to 74 years	2,100	2,000	-100
75 years or older	2,000	1,800	-200

# Chapter 6: Home Sellers and their Selling Experience

Fifty-two percent of all sellers purchased a home that was newer than their previous home. Twenty-seven percent purchased a home of the same age, and 25 percent purchased an older home.

## Exhibit 6-13 Age of Home Purchased Compared to Home Recently Sold

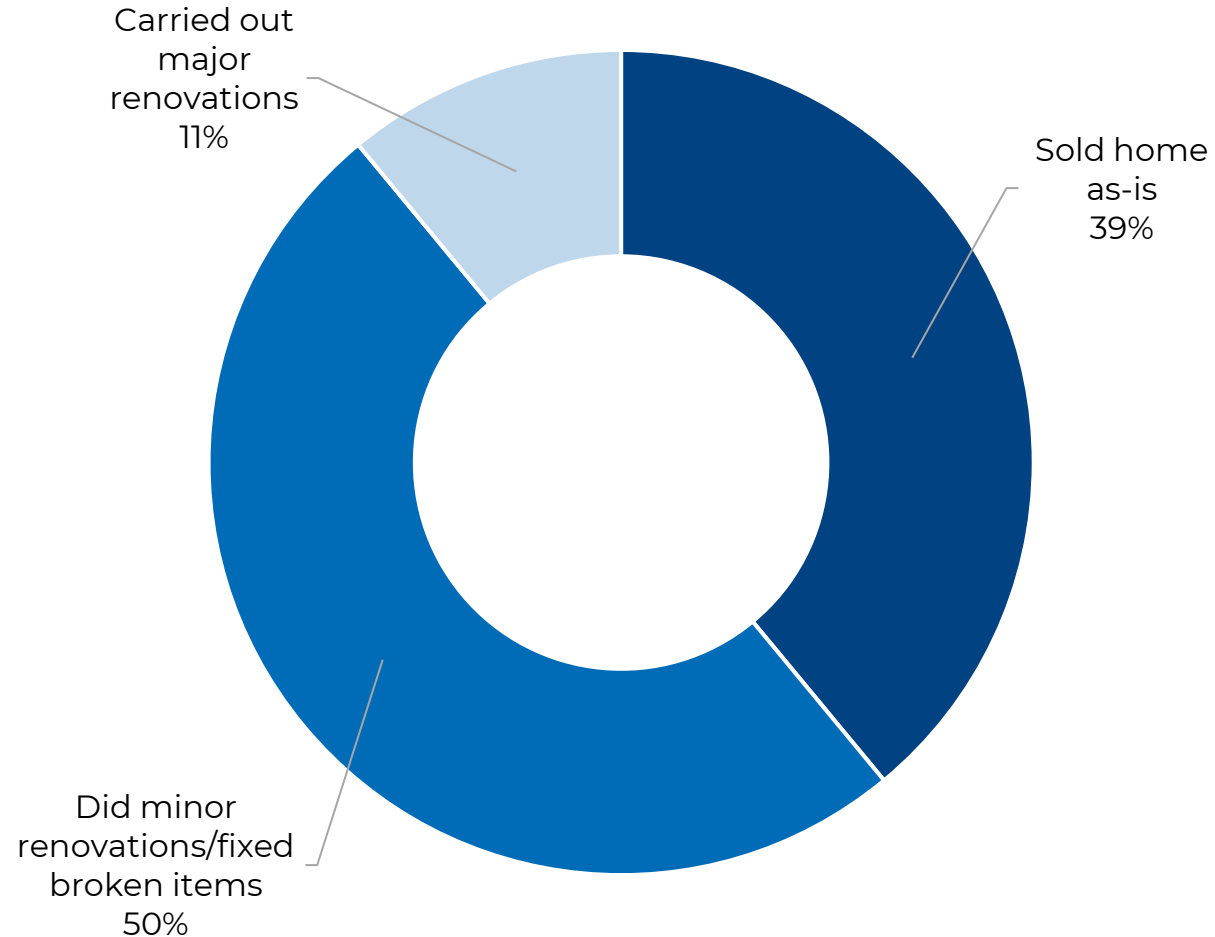
(Percentage Distribution)



# Chapter 6: Home Sellers and their Selling Experience

## Exhibit 6-14 Condition of Home Sold

(Percentage Distribution)



Fifty percent of home sellers said they did minor renovations/fixed broken items before selling. Thirty-nine percent of home sellers reported selling their home as-is.



# Chapter 6: Home Sellers and their Selling Experience

For all sellers, the most commonly cited reason for selling their home was the desire to move closer to friends and family (23 percent), followed by home was too small (12 percent), home was too large (11 percent), and the neighborhood becoming less desirable (10 percent).

## Exhibit 6-15 Primary Reason for Selling Previous Home, by Miles Moved

(Percentage Distribution)

	MILES MOVED				
	ALL SELLERS	10 miles or less	11 to 50 miles	51 to 100 miles	101 miles or more
Want to move closer to friends or family	23%	6%	31%	37%	82%
Home is too small	12%	24%	25%	5%	3%
Home is too large	11%	20%	25%	5%	4%
Neighborhood has become less desirable	10%	12%	31%	7%	11%
Change in family situation (e.g., marriage, birth of a child, divorce)	8%	10%	22%	7%	9%
Moving due to retirement	7%	3%	8%	13%	24%
Job relocation	7%	1%	2%	7%	35%
Upkeep of home is too difficult due to health or financial limitations	5%	8%	11%	4%	5%
Want to move closer to current job	3%	1%	11%	5%	6%
Can not afford the mortgage and other expenses of owning home	2%	2%	4%	2%	3%
Unfit living conditions due to environmental factors	1%	1%	2%	*	*
Schools became less desirable	1%	1%	5%	*	2%
Other	10%	13%	22%	9%	15%

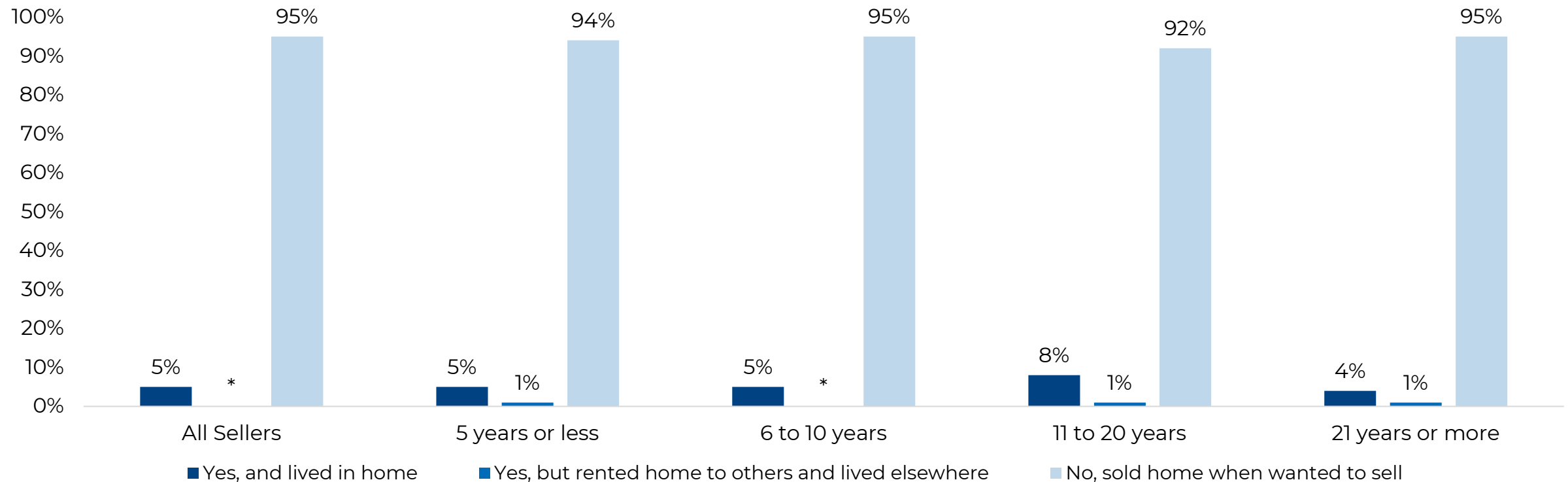
\* Less than 1 percent

# Chapter 6: Home Sellers and their Selling Experience

Ninety-five percent were able to sell when they wanted to. Nine percent of those who purchased their home 11 to 20 years ago reported stalling or waiting to sell the home.

## Exhibit 6-16 Seller Wanted To Sell Earlier but Waited or Stalled Because Home Was Worth Less than Mortgage, by Tenure in Home

(Percentage Distribution)



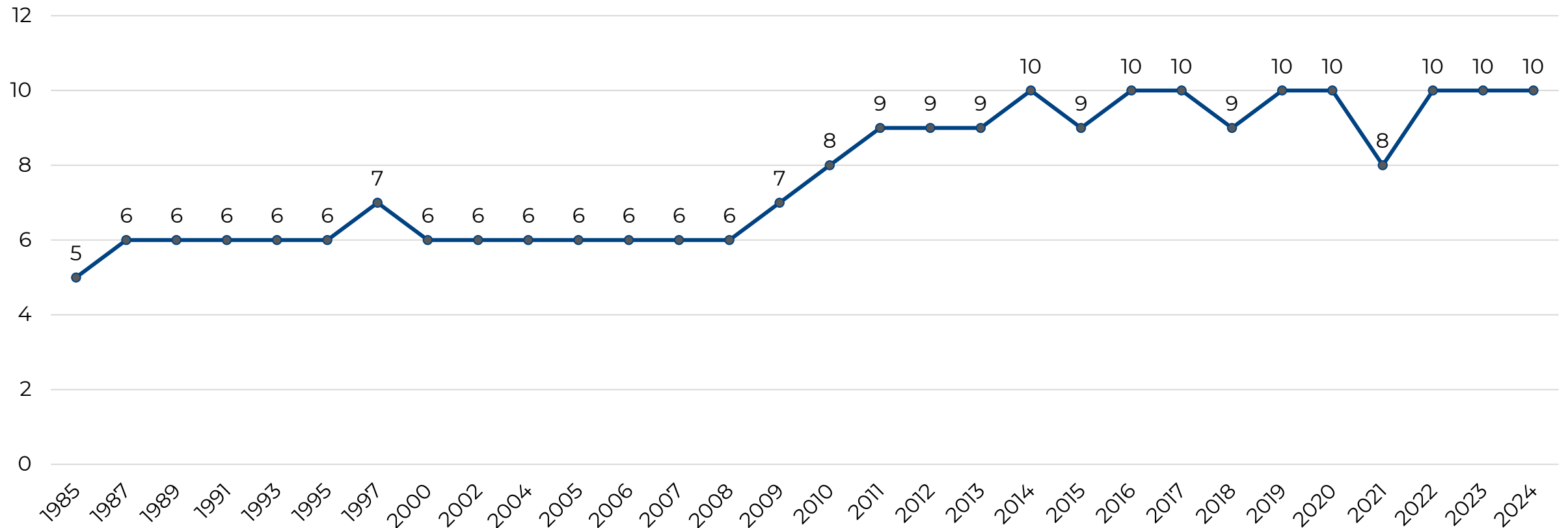
\* Less than 1 percent

# Chapter 6: Home Sellers and their Selling Experience

The median number of years a seller remained in their home was 10 years, the same as last year. That number was higher than reported from 2000 to 2008, when the tenure in the home was only six years.

## Exhibit 6-17 Median Seller Tenure in Home, 1985–2024

(Median Years)



# Chapter 6: Home Sellers and their Selling Experience

The purchasing habits of sellers led them to buy further from where they previously lived, moving a median of 35 miles away. First-time sellers moved at a median of 15 miles, while repeat sellers moved a median of 35 miles.

## Exhibit 6-18 Distance Between Home Purchased and Home Recently Sold, by First-Time and Repeat Sellers

*(Percentage Distribution)*

	ALL SELLERS	FIRST-TIME SELLERS	REPEAT SELLERS
5 miles or less	21%	26%	21%
6 to 10 miles	12%	15%	12%
11 to 15 miles	7%	9%	6%
16 to 20 miles	5%	5%	5%
21 to 50 miles	12%	12%	12%
51 to 100 miles	6%	5%	7%
101 to 500 miles	13%	8%	15%
501 to 1,000 miles	10%	9%	10%
1,001 miles or more	12%	11%	12%
Median (miles)	35	15	35

# Chapter 6: Home Sellers and their Selling Experience

For recently sold homes, the final sales price was a median of 100 percent of the final listing price. This continues to be the highest-recorded median since 2002.

## Exhibit 6-19 Sales Price Compared with Listing Price

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

	ALL SELLERS
Less than 90%	7%
90% to 94%	9%
95% to 99%	28%
100%	28%
101% to 110%	20%
More than 110%	7%
Median (sales price as a percent of listing price)	100%

# Chapter 6: Home Sellers and their Selling Experience

For all sellers, time on the market this year was a median of three weeks, one week longer than last year. One in ten homes sold under 1 week.

## Exhibit 6-20 Number of Weeks Recently Sold Home Was on the Market

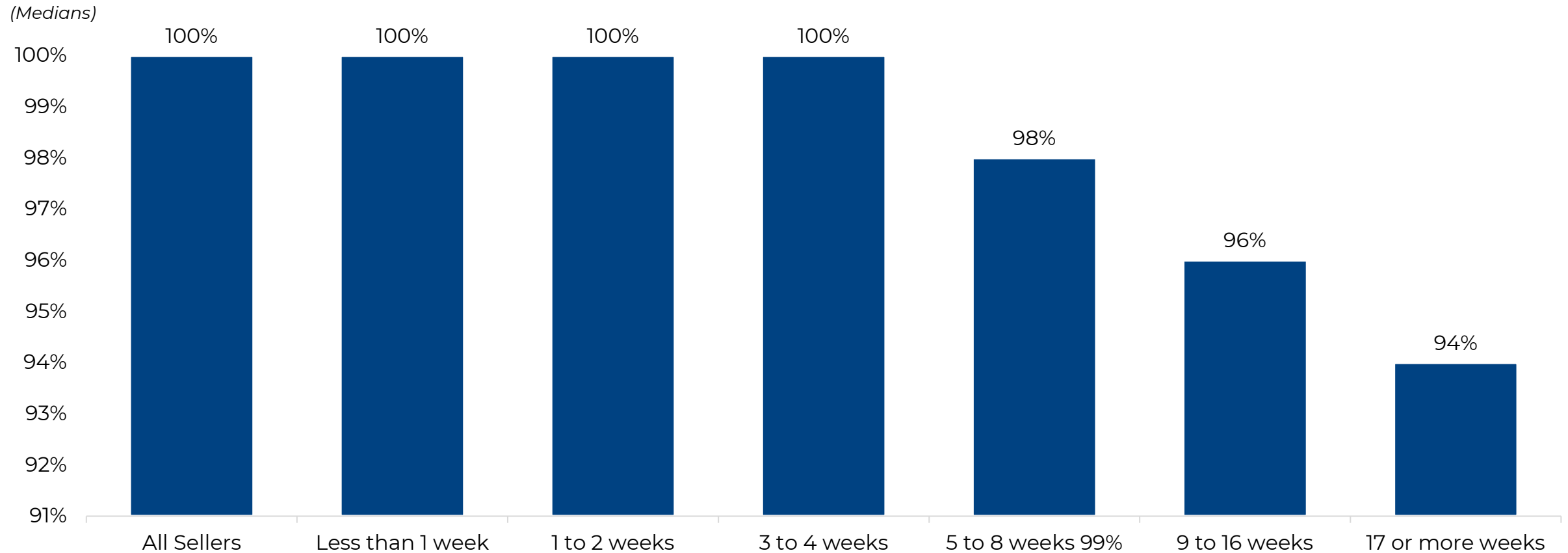
*(Percentage Distribution)*

	ALL SELLERS
Less than 1 week	10%
1 to 2 weeks	39%
3 to 4 weeks	16%
5 to 6 weeks	7%
7 to 8 weeks	7%
9 to 10 weeks	3%
11 to 12 weeks	6%
13 to 16 weeks	3%
17 to 24 weeks	4%
25 to 36 weeks	3%
37 to 52 weeks	1%
53 or more weeks	1%
Median weeks	3

# Chapter 6: Home Sellers and their Selling Experience

Time on the market and the ratio of the sales price to the 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 four weeks or less received a median of 100 percent of their asking price.

## Exhibit 6-21 Sales Price Compared with Listing Price, by Number of Weeks Home Was on the Market



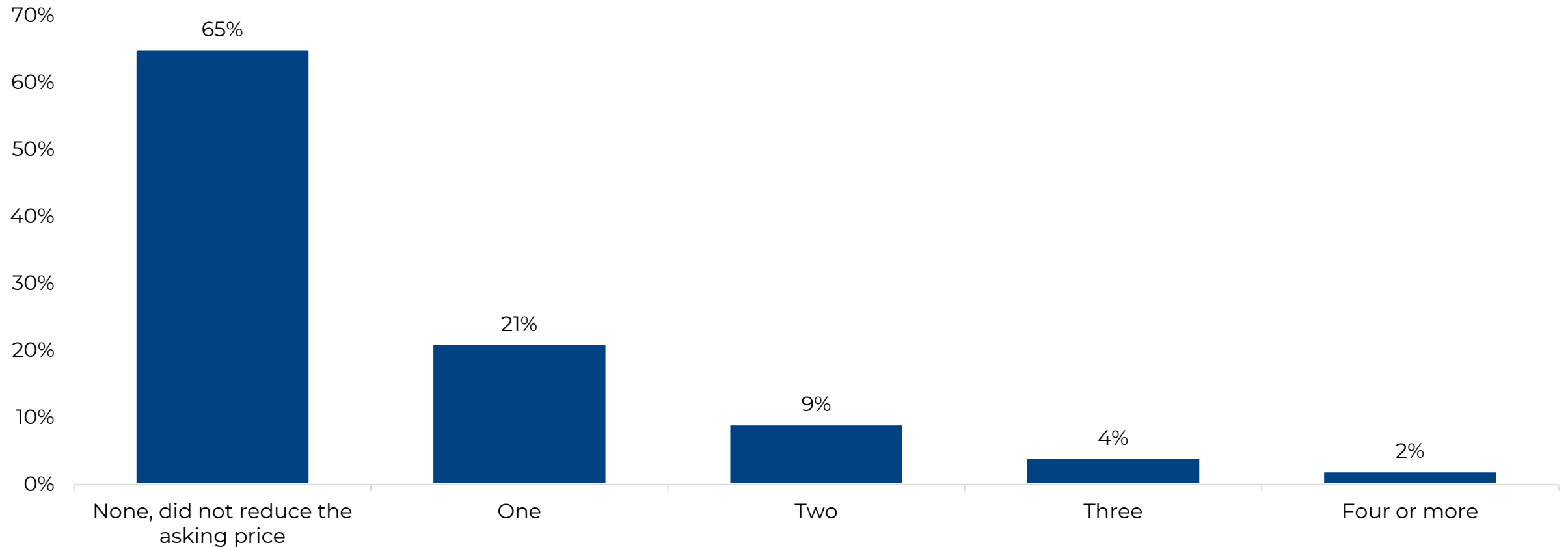


# Chapter 6: Home Sellers and their Selling Experience

Sixty-five percent of sellers did not reduce the asking price, while 21 percent of sellers reduced the asking price just once.

## Exhibit 6-22 Number of Times Asking Price Was Reduced

(Percentage Distribution)



# Chapter 6: Home Sellers and their Selling Experience

Given the buyer demand and lack of housing inventory, only 24 percent of all sellers offered incentives to attract buyers, a decrease from 33 percent last year. Assistance with closing costs and home warranty policies were the top two listed incentives when selling a home.

## Exhibit 6-23 Incentives Offered To Attract Buyers

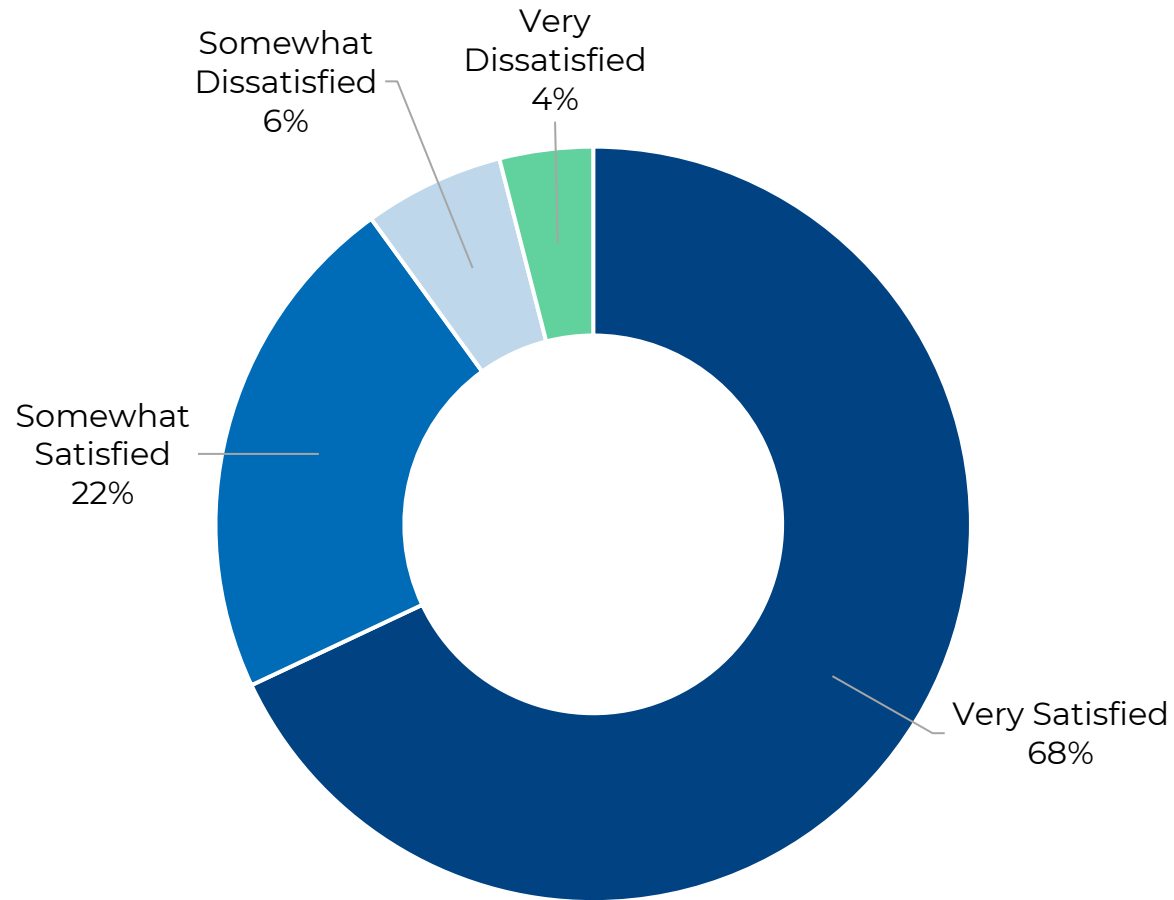
*(Percent of Respondents)*

	ALL SELLERS
None	76%
Assistance with closing costs	9%
Home warranty policies	8%
Credit toward remodeling or repairs	7%
Other incentives, such as a car, flat screen TV, etc.	3%
Assistance with condo association fees	1%
Other	3%

# Chapter 6: Home Sellers and their Selling Experience

## Exhibit 6-24 Satisfaction with the Selling Process

(Percentage Distribution)



Sixty-eight percent of sellers were very satisfied with the selling process. Twenty-two percent were somewhat satisfied.

A woman in a white blazer is holding a blue folder and a pen, talking to a man and a woman in a modern home setting. The man is wearing a green shirt and glasses, and the woman has curly hair and glasses. They are all smiling and looking at each other.

# Chapter 7

## Home Selling and Real Estate Professionals



# Highlights: Home Selling and Real Estate Professionals

## Method of Home Sale

- Ninety percent of sellers sold with the assistance of a real estate agent, up from 89 percent last year, and only six percent were FSBO sales, **an all time low**.
- Among sellers who knew the buyer, 38 percent sold their homes themselves. In contrast, 95 percent of sellers who did not know the buyer were assisted by an agent.

## Finding a Real Estate Agent

- **Sixty-six percent 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.
- Eighty-one percent of recent sellers contacted only one agent before finding the right agent they worked with to sell their home.
- Fifty percent of recent home sellers used the same real estate agent to represent them when purchasing or selling their home. That number jumps to 71 percent for sellers within 10 miles of their home purchase.

## What Sellers Most Want and Factors for Choosing an Agent

- Eighty-five percent of sellers reported that their agents provided a broad range of services within the home sale. 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 the MLS but

performed few other services.

- Sellers placed a high priority on the following three tasks: help market the home to potential buyers (22 percent), price the home competitively (20 percent), and sell the home within a specific timeframe (18 percent).
- The **real estate agent's reputation** remains the most important factor when sellers select an agent to sell their home (35 percent), and an agent's trustworthiness and honesty (21 percent).

## Methods Used to Market the Home

- Real estate agents listed homes on MLSs first and foremost (86 percent). They also posted yard signs (61 percent), hosted open houses (58 percent), listed on Realtor.com® (49 percent), listed on third-party aggregators (47 percent), listed the home on their own website (46 percent), and listed on their company's website (39 percent).

## Agent Satisfaction

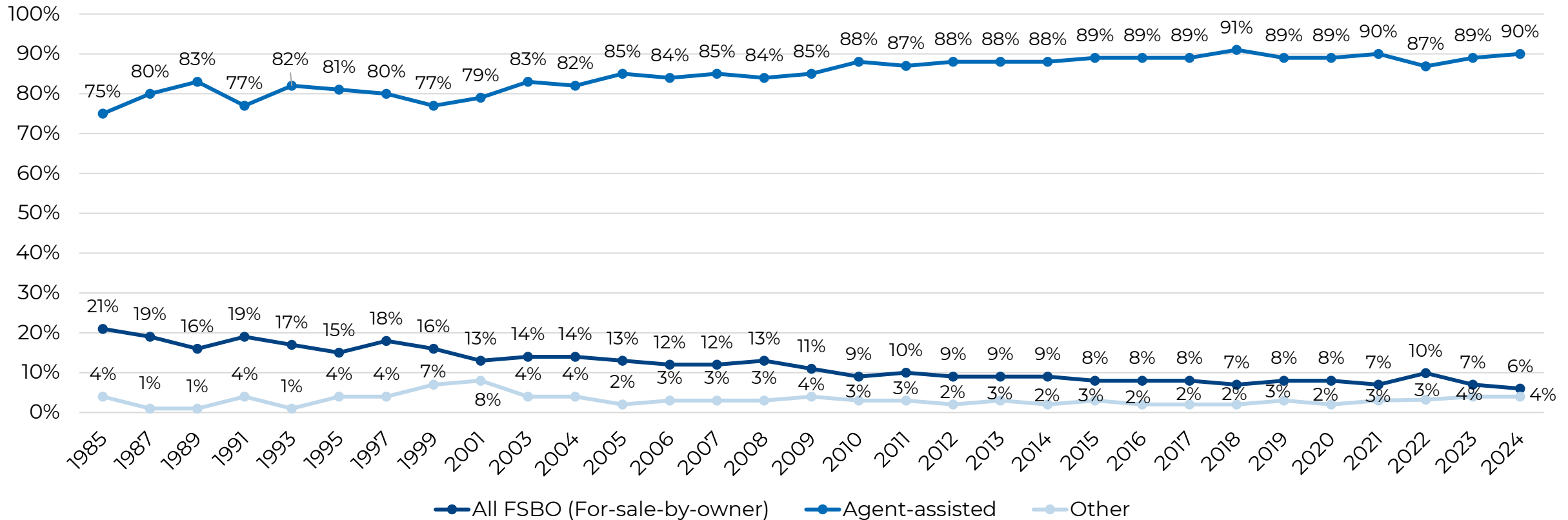
- **Most sellers—87 percent**—said that they would definitely (72 percent) or probably (15 percent) recommend their agent for future services.
- Nearly two-thirds of sellers have recommended their agent at least once since selling their home in the last year.

# Chapter 7: Home Selling and Real Estate Professionals

Ninety percent of sellers sold with the assistance of a real estate agent, up from 89 percent last year, and only six percent were FSBO sales, an all-time low.

## Exhibit 7-1 FSBO and Agent-Assisted Sales, 1981–2024

(Percentage Distribution)



# Chapter 7: Home Selling and Real Estate Professionals

Sixty-six percent 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.

## Exhibit 7-2 Method Used To Find Real Estate Agent

(Percentage Distribution)

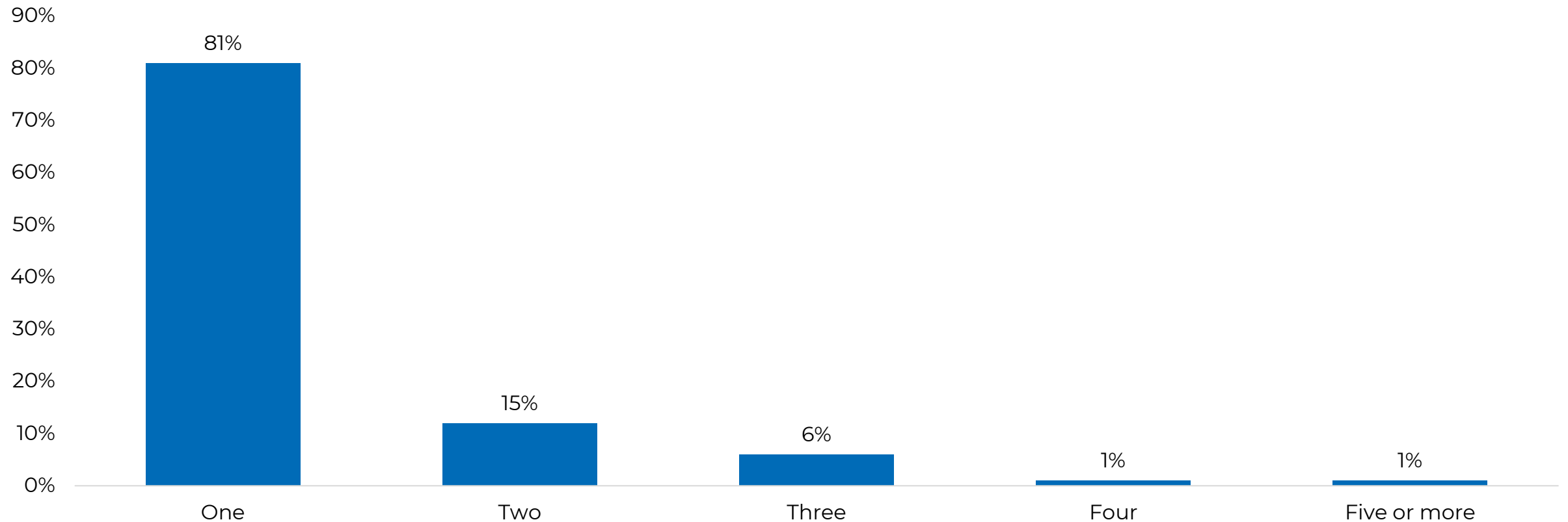
	ALL SELLERS
Referred by (or is) a friend, neighbor or relative	38%
Used agent previously to buy or sell a home	28%
Website (without a specific reference)	4%
Referred by another real estate agent/broker	4%
Personal contact by agent (telephone, e-mail, etc.)	4%
Visited an open house and met agent	3%
Direct mail (newsletter, flyer, postcard, etc.)	2%
Saw contact information on For Sale/Open House sign	2%
Walked into or called office and agent was on duty	1%
Referred through employer or relocation company	1%
Saw the agent's social media page without a connection	1%
Advertising specialty (calendar, magnet, etc.)	1%
Crowdsourcing through social media/knew the person through social media	1%
Other	11%

# Chapter 7: Home Selling and Real Estate Professionals

Eighty-one percent of recent sellers contacted only one agent before finding the right agent they worked with to sell their home, consistent with data from last year.

## Exhibit 7-3 Number of Agents Contacted Before Selecting One To Assist With Sale of Home

(Percentage Distribution)



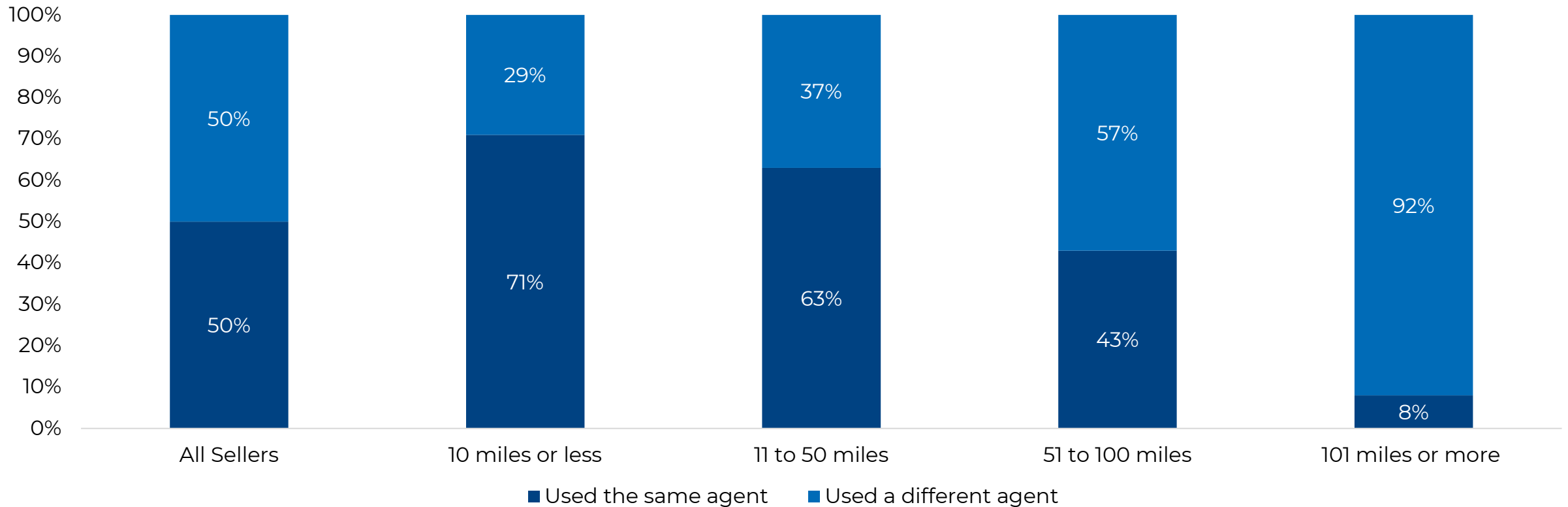


# Chapter 7: Home Selling and Real Estate Professionals

Fifty percent of recent home sellers used the same real estate agent to represent them purchasing their home as selling their home. That number jumps to 71 percent for all sellers within 10 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.

## 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)*

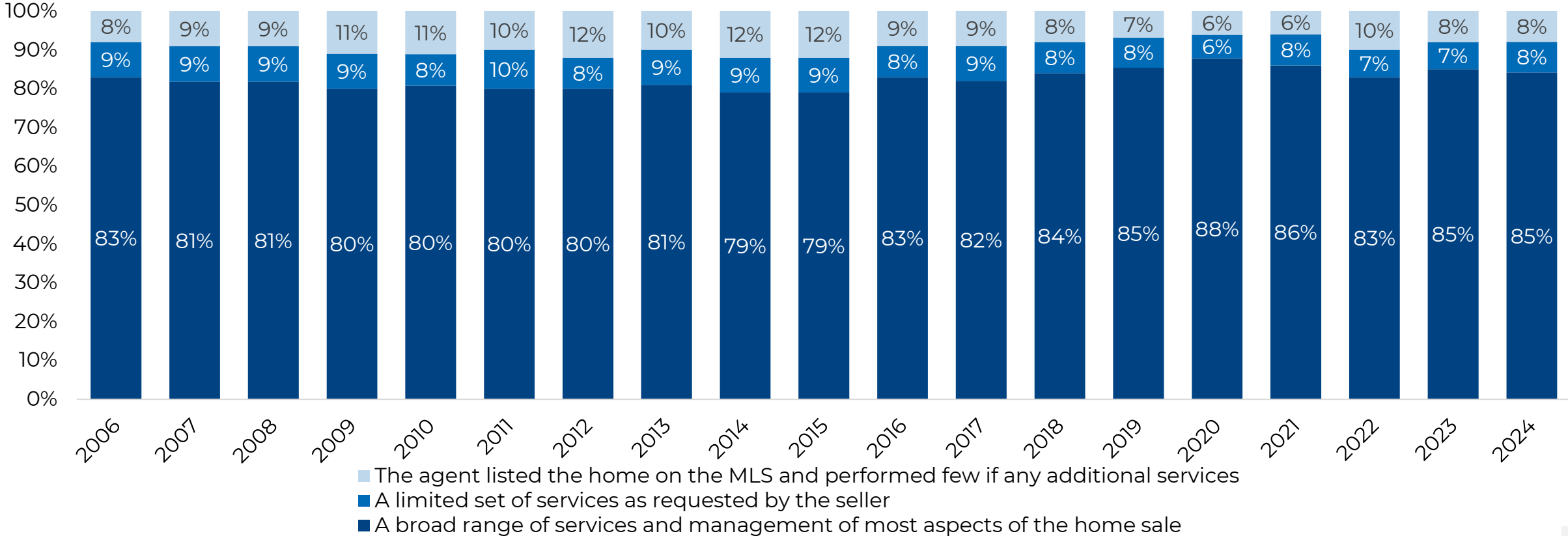


# Chapter 7: Home Selling and Real Estate Professionals

Real estate agents provide a wide range of services and conduct the management of most aspects of the home sale. Eighty-five percent of sellers reported that their agents provided a broad range of services within the home sale. 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 the MLS but performed few other services.

**Exhibit 7-5 Level of Service Provided by the Real Estate Agent, 2006–2024**

(Percentage Distribution)



# Chapter 7: Home Selling and Real Estate Professionals

## Exhibit 7-6 What Sellers Most Want from Real Estate Agents

(Percentage Distribution)

	ALL SELLERS
Help seller market home to potential buyers	22%
Help price home competitively	20%
Help sell the home within specific timeframe	18%
Help seller find ways to fix up home to sell it for more	15%
Help find a buyer for home	13%
Help with negotiation and dealing with buyers	6%
Help with paperwork/inspections/preparing for settlement	3%
Help seller see homes available to purchase	1%
Help create and post videos to provide tour of home	1%
Other	2%

Sellers placed a high priority on the following three tasks: help market the home to potential buyers (22 percent), price the home competitively (20 percent), and sell the home within a specific timeframe (18 percent). In recent years, help in pricing the home competitively and help with marketing the home to potential buyers have consistently remained at the top of the list. Fifteen percent of sellers wanted their agent to help them find ways to fix up their home for sale.

# Chapter 7: Home Selling and Real Estate Professionals

## Exhibit 7-7 What Sellers Most Want from Real Estate Agents

(Percentage Distribution)

	ALL SELLERS
Reputation of agent	35%
Agent is honest and trustworthy	21%
Agent is friend or family member	16%
Agent's knowledge of the neighborhood	10%
Agent has caring personality/good listener	5%
Agent's commission	4%
Agent's association with a particular firm	3%
Agent seems 100% accessible because of use of technology like tablet or smartphone	2%
Professional designations held by agent	1%
Other	2%

The reputation of the real estate agent remains the most important factor when sellers selected an agent to sell their home (35 percent). Sellers also placed value on the agent's trustworthiness and honesty (21 percent) and whether the agent was a friend or family member (16 percent).

# Chapter 7: Home Selling and Real Estate Professionals

## Exhibit 7-8 Methods Real Estate Agent Used To Market Home

(Percent of Respondents Among Sellers Who Used an Agent)

	ALL HOMES
Multiple Listing Service (MLS) website	86%
Yard sign	61%
Open house	58%
Realtor.com®	49%
Third party aggregator	47%
Real estate agent website	46%
Real estate company website	39%
Social networking websites (e.g. Facebook, Twitter, etc.)	22%
Virtual tours	16%
Video	12%
Direct mail (flyers, postcards, etc.)	8%
Other websites with real estate listings	7%
Online classified ads	4%
Virtual open houses	4%
Real estate magazine website	4%
Print newspaper advertisement	2%
Real estate magazine	2%
Video hosting websites	2%
Television	1%
Other	3%

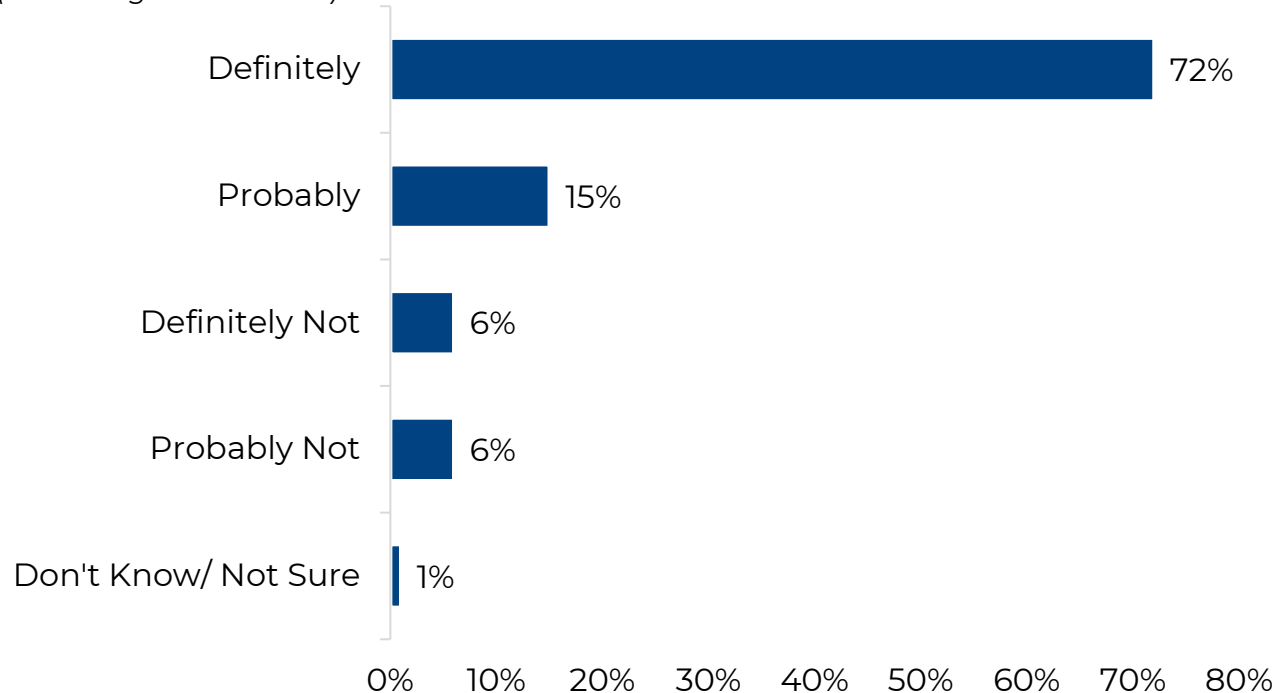
Real estate agents market homes in a variety of ways. Real estate agents listed homes on MLSs first and foremost (86 percent). They also posted yard signs (61 percent), hosted open houses (58 percent), listed on Realtor.com® (49 percent), listed on third-party aggregators (47 percent), listed the home on their own website (46 percent), and listed on their company's website (39 percent). Real estate agents also listed homes on social media (22 percent).

# Chapter 7: Home Selling and Real Estate Professionals

Client referrals and repeat business were the predominant sources of business for real estate agents. Most sellers—87 percent—said that they would definitely (72 percent) or probably (15 percent) recommend their agent for future services. Sixty-four percent of sellers have recommended their agent at least once since selling their home, in the last year. Twenty-five percent of sellers recommended their agent four or more times since selling their home.

## Exhibit 7-9 Would Seller Use Real Estate Agent Again or Recommend to Others

(Percentage Distribution)



## Exhibit 7-10 How Many Times Seller Recommended Typical Agent

(Percentage Distribution)

	ALL SELLERS
None	35%
One time	13%
Two times	16%
Three times	10%
Four or more times	25%
Times recommended since buying (median)	2

# Chapter 7: Home Selling and Real Estate Professionals

Among sellers who knew the buyer, 38 percent sold their homes themselves. In contrast, 95 percent of sellers who did not know the buyer sold through an agent.

## Exhibit 7-11 Buyer and Seller Relationship, by Method of Sale

(Percentage Distribution)

BUYER AND SELLER RELATIONSHIP	ALL SELLERS	SELLER KNEW BUYERS	SELLER DID NOT KNOW BUYER
Sold home using an agent or broker	90%	45%	95%
Seller used agent/broker only	89%	44%	94%
Seller first tried to sell it themselves, but then used an agent	1%	1%	1%
Received quote from iBuyer, but sold with real estate agent/broker	*	*	*
For-sale-by-owner (FSBO)	6%	38%	2%
Sold home without using a real estate agent or broker	5%	36%	2%
First listed with an agent, but then sold home themselves	1%	2%	*
Sold home to a homebuying company	2%	2%	1%
Sold it through an iBuyer program	*	*	*
Other	2%	13%	1%

\* Less than 1 percent





# Chapter 8

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

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

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## FSBO and Agent-Assisted Sales

- Ninety percent of sellers sold with the assistance of a real estate agent, up from 89 percent last year, and only six percent were FSBO sales. The share of **FSBO sellers was a historical low**.

## Characteristics of Homes Sold

- FSBO homes were more likely to be mobile or manufactured homes at eight percent. Five percent of detached single-family homes were FSBO homes. Ninety-six percent of apartments/condos in a building with five or more units were agent-assisted sales.
- FSBOs typically sell for less than the selling price of other homes; FSBO homes sold for a median of \$380,000 in 2023 (up from \$310,000 in 2022), still **far lower than the median selling price of all homes**, which was \$435,000. Agent-assisted homes sold for a median of \$435,000.

## The Selling Process for FSBO Sales

- The most common way FSBO owners priced their home was through an appraisal (40 percent), followed by using recent homes sold in area (36 percent), online home evaluation tools (16 percent), and profit seller needed from sale (15%).
- FSBOs did not commonly use incentives to sell their homes (94 percent of all FSBOs did not offer any incentives).

## Reasons for FSBOs, Marketing, and Sellers Experience

- For 38 percent of all FSBO sellers, the **main reason to sell via FSBO was because they sold to a relative, friend, or neighbor**. Thirty percent of all FSBO sellers did not want to pay a commission or fee.
- Sixty-three percent of all FSBO sellers did not actively market their home.
- Getting the price right (17%), selling within the length of time planned (13%), and understanding and performing the paperwork (10%) were the most difficult steps for FSBO sellers.
- Seventy percent of successful FSBO sellers who knew the buyer were very satisfied with the process of selling their home.

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

Ninety percent of sellers sold with the assistance of a real estate agent, up from 89 percent last year, and only six percent were FSBO sales. In 1981, FSBO sales accounted for as much as 15 percent of sales. In 1985, FSBO sales peaked in the data set at 21 percent of all sales. This year, four percent of FSBO sellers knew the buyer, and two percent of FSBO buyers and sellers had no previous relationship. FSBO sales were highest in small towns at eight percent and in rural areas at seven percent, compared to only five percent in suburban areas or subdivisions. Ninety-one percent of sales in suburbs or subdivisions were agent-assisted.

## Exhibit 8-1 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)	6%	5%	8%	3%	7%	5%
Seller knew buyer	4%	3%	5%	2%	5%	3%
Seller did not know buyer	2%	2%	2%	1%	2%	2%
Agent-assisted	90%	91%	87%	95%	89%	92%
Other	4%	4%	5%	2%	3%	3%

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

Six percent of all homes sold in 2024 were FSBO homes. FSBO homes were most common among mobile or manufactured homes at eight percent. Five percent of detached single-family homes were FSBO homes. Ninety-six percent of apartments/condos in a building with five or more units were agent-assisted sales.

## Exhibit 8-2 Type of Home Sold, FSBO and Agent-Assisted Sellers

(Percentage Distribution)

	ALL SELLERS	DETACHED SINGLE-FAMILY HOME	TOWNHOUSE/ROW HOUSE	DUPLEX/APARTMENT/CONDO IN 2 TO 4 UNIT BUILDING	APARTMENT/CONDO IN A BUILDING WITH 5 OR MORE UNITS	MOBILE/MANUFACTURED HOME
For-sale-by-owner (FSBO)	6%	5%	5%	5%	2%	8%
Seller knew buyer	4%	3%	2%	4%	*	6%
Seller did not know buyer	2%	2%	2%	2%	2%	2%
Agent-assisted	90%	91%	90%	92%	96%	86%
Other	4%	4%	5%	3%	2%	6%

\* Less than 1 percent

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

FSBOs typically sell for less than the selling price of other homes; FSBO homes sold at a median of \$380,000 in 2023 (up from \$310,000 in 2022), and still far lower than the median selling price of all homes at \$435,000. Agent-assisted homes sold for a median of \$435,000.

## Exhibit 8-3 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	\$435,000	\$380,000	\$345,000	\$412,000	\$435,000	\$435,000	\$440,000
<b>SALES PRICE COMPARED WITH ASKING PRICE:</b>							
Less than 95%	16%	14%	11%	20%	17%	17%	48%
95% to 99%	28%	15%	11%	25%	29%	29%	17%
100%	28%	58%	68%	37%	25%	25%	30%
101% to 110%	20%	7%	7%	8%	21%	22%	*
More than 110%	7%	5%	3%	10%	7%	7%	4%
Median (sales price as a percent of asking price)	100%	100%	100%	100%	100%	100%	97%
<b>NUMBER OF TIMES ASKING PRICE WAS REDUCED::</b>							
None	64%	81%	86%	71%	63%	65%	44%
One	21%	16%	13%	21%	21%	21%	15%
Two	9%	2%	*	6%	10%	10%	15%
Three or more	6%	2%	1%	2%	6%	6%	27%
Time on the Market (median weeks)	3	1	0	1	3	3	10

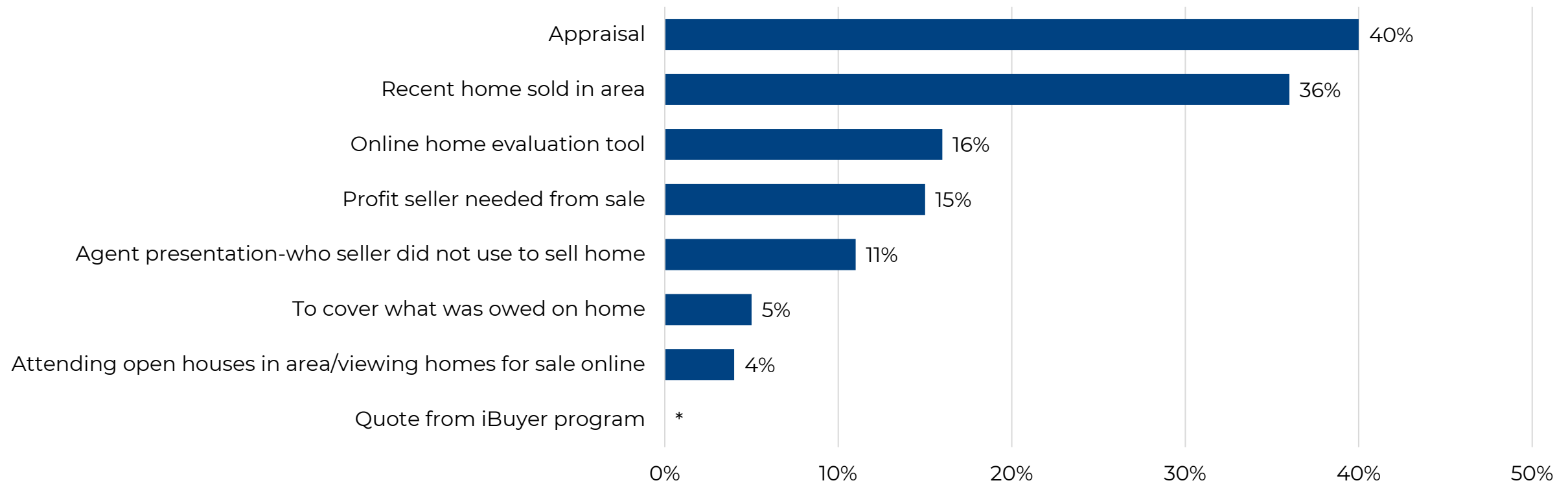
\* Less than 1 percent

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

FSBO sellers priced their homes using a number of different sources and methods. The most common way FSBO owners priced their home was through an appraisal (40%), followed by recent homes sold in the area (36%), online home evaluation tools (16%), and profit the seller needed from the sale (15%).

## Exhibit 8-4 How FSBO Seller Determined Asking Price of Home Sold

(Percentage Distribution)



\* Less than 1 percent



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

It was not common for FSBOs to use incentives to sell their homes (94 percent of all FSBOs did not offer any incentives). FSBO sellers offered assistance with closing costs (three percent), home warranty policies (one percent), and other incentives such as a car, flat screen TV, etc. (one percent) to sell their homes. Agent-assisted sellers offered assistance with closing costs (nine percent) and home warranty policies (eight percent) to help sell their homes.

## Exhibit 8-5 Incentives Offered To Attract Buyers, FSBO and Agent-Assisted Sellers

(Percentage Distribution)

	ALL FSBO	AGENT-ASSISTED
None	94%	75%
Assistance with closing costs	3%	9%
Home warranty policies	1%	8%
Other incentives, such as a car, flat screen TV, etc.	1%	3%
Credit toward remodeling or repairs	*	8%
Assistance with condo association fees	*	*
Other	1%	3%

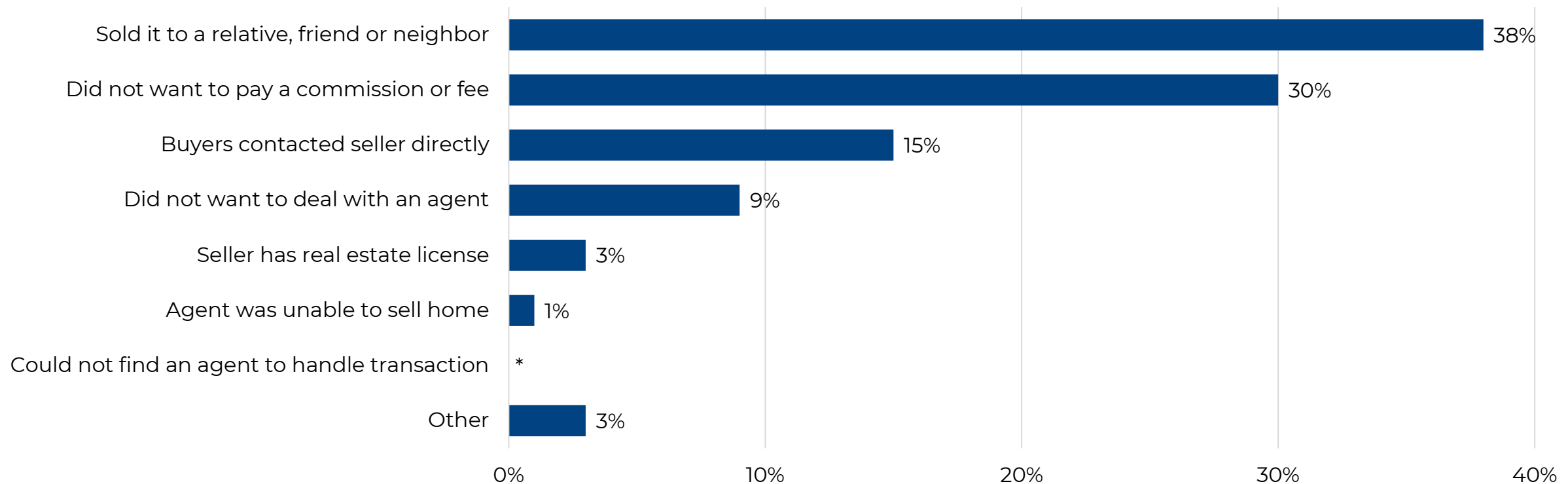
\* Less than 1 percent

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

For 38 percent of all FSBO sellers, the main reason to sell via FSBO was because they sold to a relative, friend, or neighbor. Thirty percent of all FSBO sellers did not want to pay a commission or fee. For 15 percent of FSBO sellers, the buyer contacted the seller directly to purchase the home.

## Exhibit 8-6 Most Important Reason for Selling Home as FSBO

(Percentage Distribution)



\* Less than 1 percent

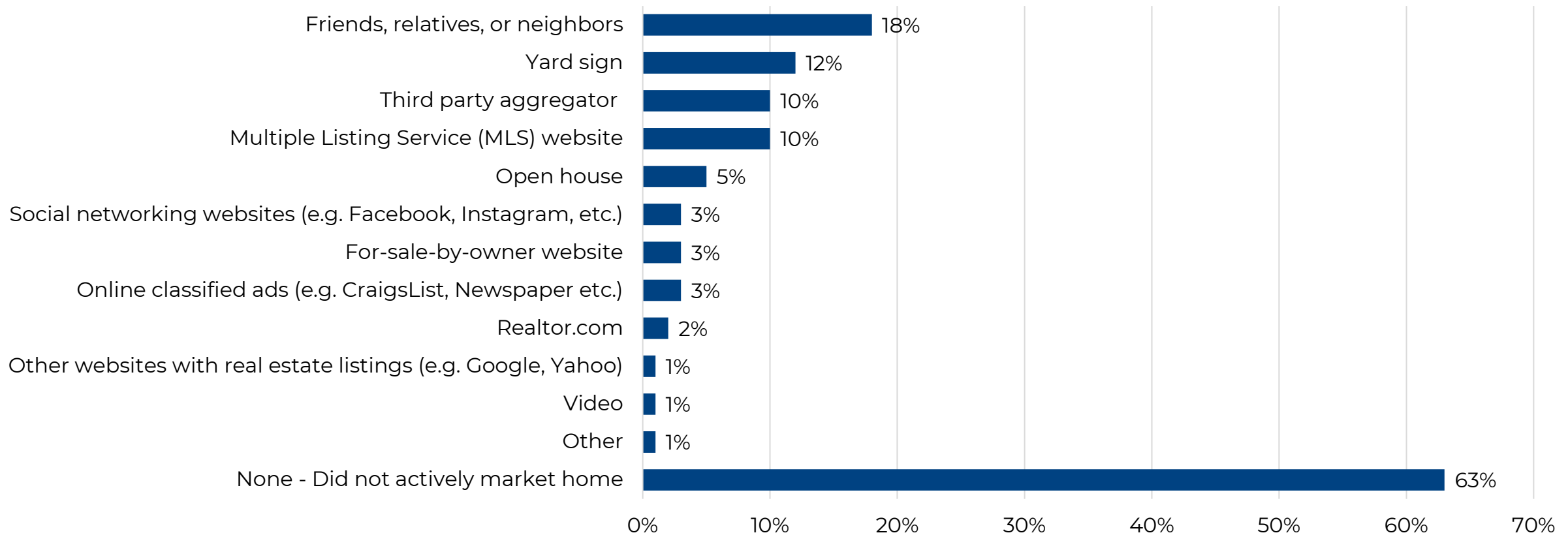


# Chapter 8: For-Sale-by-Owner (FSBO) Sellers

Using friends, relatives, or neighbors, yard signs, and third-party aggregator were the most common marketing methods for FSBOs. Sixty-three percent of all FSBO sellers did not actively market their home.

## Exhibit 8-7 Method Used by FSBO Sellers To Market Home

(Percent of Respondents)



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

Getting the price right (17 percent), selling within the length of time planned (13 percent), and understanding and performing the paperwork (10 percent) were the most difficult steps for FSBO sellers.

## Exhibit 8-8 Most Difficult Task for FSBO Sellers

(Percentage Distribution)

	ALL FSBO
Getting the price right	17%
Selling within the length of time planned	13%
Understanding and performing paperwork	10%
Preparing or fixing up the home for sale	9%
Having enough time to devote to all aspects of the sale	5%
Helping buyer obtain financing	3%
Attracting potential buyers	2%
Other	*
None/Nothing	43%

\* Less than 1 percent

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

For FSBO sellers who knew the buyer, 39 percent said they would use an agent to sell their current home. Of FSBO sellers who did not know the buyer, 45 percent said they would sell their current home themselves.

## Exhibit 8-9 How FSBO Sellers Will Sell Their Current Home

(Percentage Distribution)

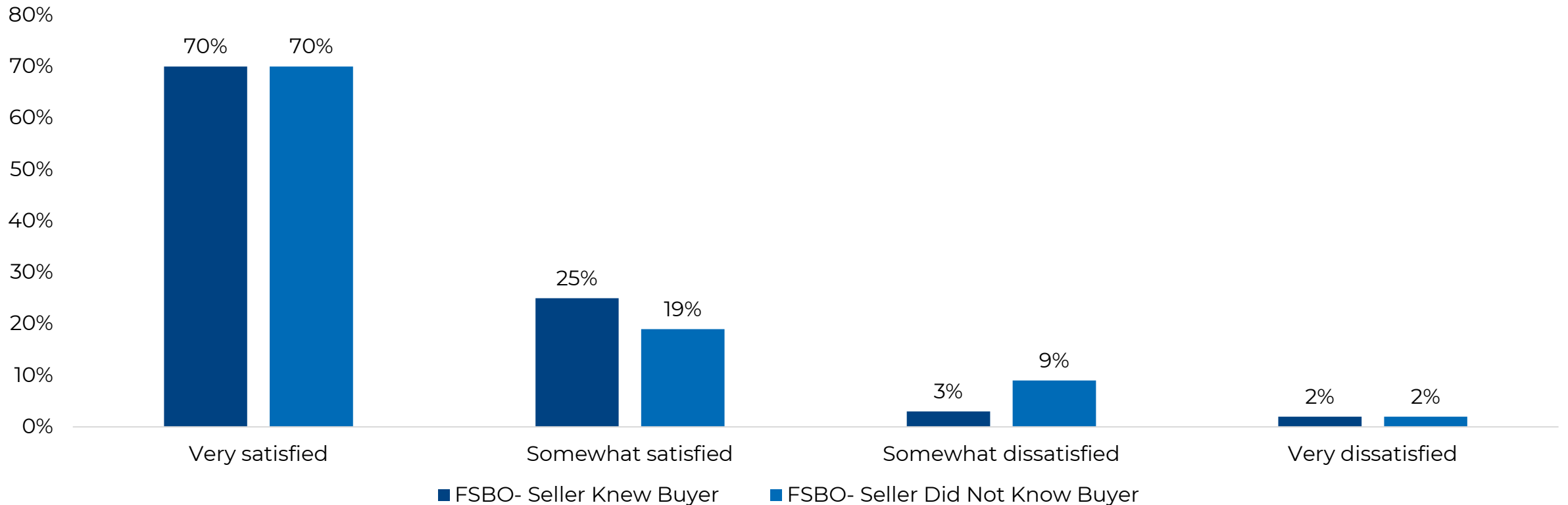


# Chapter 8: For-Sale-by-Owner (FSBO) Sellers

Seventy percent of successful FSBO sellers who knew the buyer were very satisfied with the process of selling their home. Nine percent of FSBO sellers who did not know the buyer were somewhat dissatisfied.

## Exhibit 8-10 FSBO Sellers Satisfaction Process of Selling Home

(Percentage Distribution)





# Methodology

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## 2024 Profile of Home Buyers and Sellers

# Methodology Among Recent Buyers and Sellers

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In July 2024, NAR mailed out a 127-question survey using a random sample weighted to be representative of sales on a geographic basis to 167,750 recent home buyers. The recent home buyers had to have purchased a primary residence home between July of 2023 and June of 2024. A total of 5,390 responses were received from primary residence buyers. After accounting for undeliverable questionnaires, the survey had an adjusted response rate of 3.2 percent. Data gathered in the report is based on primary residence home buyers. From the *REALTORS® Confidence Index*, 83 percent of home buyers were primary residence buyers in 2023, which accounts for 4,756,000 homes sold in 2023 (among new and existing homes). Using that calculation, the sample at the 95 percent confidence level has a confidence interval of plus-or-minus 1%.

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 Melissa Data Corporation, a firm that maintains an extensive

database of recent home buyers. 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 2024, with the exception of income data, which are reported for 2023. 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. 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.





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