

# Excerpts from 2015 Profile of Home Buyers and Sellers Part 1: Buyers

## 19 Big Takeaways

From Carla Cross  
Survey from National Association of  
REALTORS® Research Division

*The Voice for Real Estate®*



# Buyer Demographics



# Demographic Changes

	2010 Profile	2011 Profile	2012 Profile	2013 Profile	2014 Profile	2015 Profile
Median Age	39	45	42	42	44	44
Gross HH Income	\$72,200	\$80,900	\$78,600	\$83,300	\$84,500	<b>\$86,100</b>
Household Composition	58% married couples, 20% single females, 12% single males, 8% unmarried couples	64% married couples, 18% single females, 10% single males, 7% unmarried couples	65% married couples, 16% single females, 9% single males, 8% unmarried couples	66% married couples, 16% single females, 9% single males, 7% unmarried couples	65% married couples, 16% single females, 9% single males, 8% unmarried couples	67% married couples, 15% single females, 9% single males, 7% unmarried couples
Children in Home	35%	36%	41%	40%	35%	37%
Own a 2 <sup>nd</sup> Home	14%	19%	19%	19%	21%	19%

# Married with Kids

### Type of Home Purchased

- Single Family, 92%
- Townhouse, 3%
- Apt/condo, 1%
- Other, 4%

### Buyer Facts

- Median Age: 36
- Median Income: \$100,000
- 27% are first-time buyers
- 82% are buyers of previously owned homes
- 85% bought through an agent/broker**
- Median square feet of home purchased: 2,200
- Median home price: \$260,000

### Unique to these buyers:

- 43% found the distance to schools important
- 9% bought directly from a builder or builder's agent
- 68% were repeat buyers
- Typical home had 4 bedrooms and 2 bathrooms

### Reasons to Purchase Home

- Home in better area: 7%
- Job relocation: 13%
- Larger home: 21%
- Desire to own: 27%

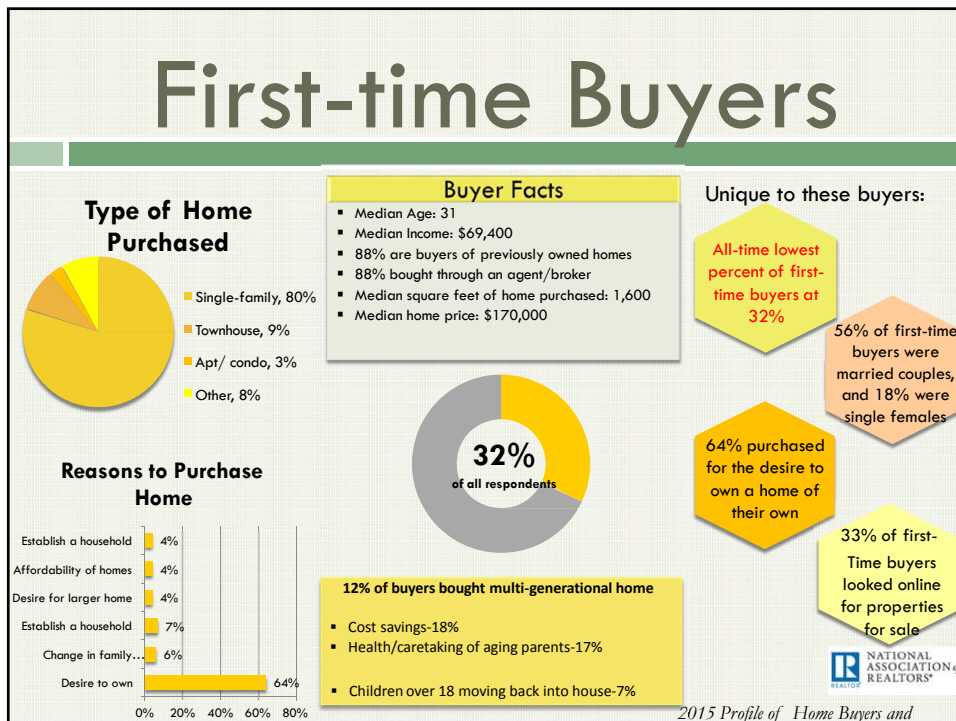
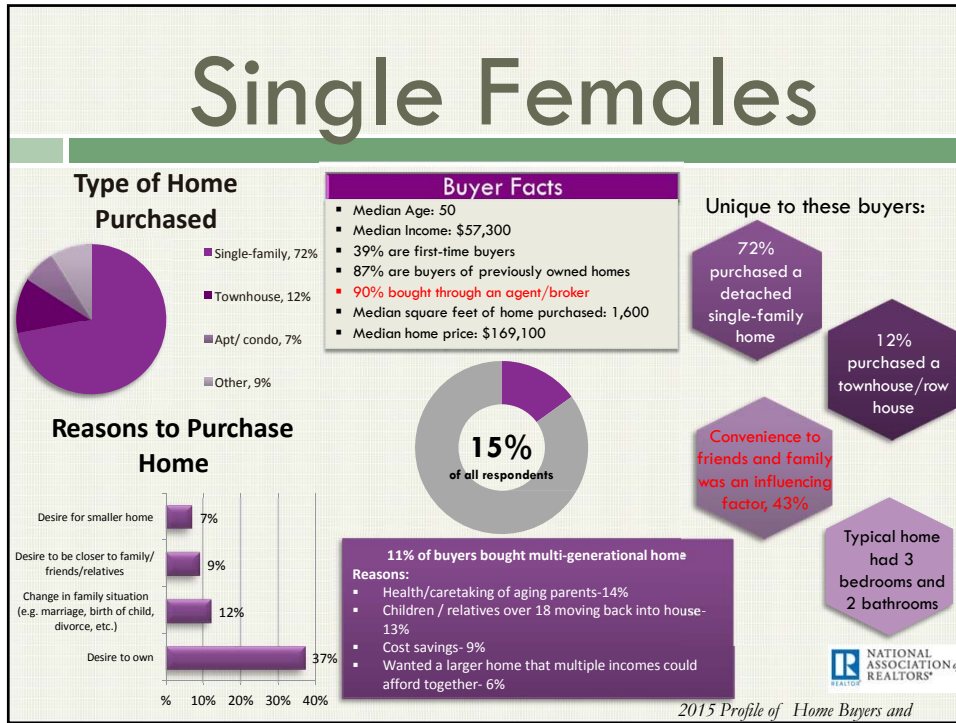
### 34% of all respondents

14% of buyers bought multi-generational home

#### Reasons:

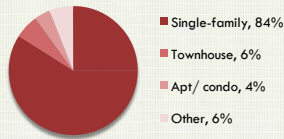
- Health/caretaking of aging parents-28%
- Cost savings- 15%
- To spend more time with aging parents- 12%
- Children/relatives over 18 moving back into house-7%

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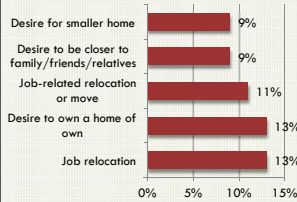


# Repeat Buyers

## Type of Home Purchased



## Reasons to Purchase Home



## Buyer Facts

- Median Age: 53
- Median Income: \$98,700
- 81% are buyers of previously owned homes
- 86% bought through an agent/broker
- Median square feet of home purchased: 2,000
- Median home price: \$246,400

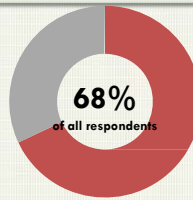
## Unique to these buyers:

15% first contacted a real estate agent during the home buying process

Expect to stay in their home for 15 years

39% made no compromises on the characteristics of their home

Purchased to have a larger home and the desire to own a home of their own



## 13% of buyers bought multi-generational home

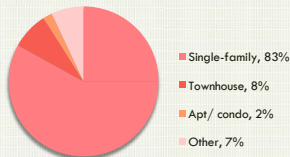
- Reasons:
- Health/caretaking of aging parents-23%
  - Cost savings-13%
  - Children over 18 moving back into house-13%
  - To spend more time with aging parents-9%



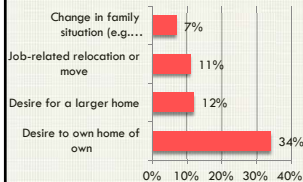
2015 Profile of Home Buyers and

# Buyers Who Found Commuting Costs Very Important

## Type of Home Purchased



## Reasons to Purchase Home



## Buyer Facts

- Median Age: 39
- Median Income: \$82,000
- 40% are first-time buyers
- 83% are buyers of previously owned homes
- 85% bought through an agent/broker
- Median square feet of home purchased: 1,900
- Median home price: \$212,000

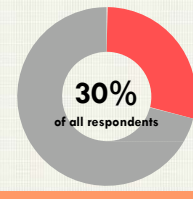
## Unique to these buyers:

64% said that convenience to their job was most important when choosing a neighborhood

Typical home had 3 bedrooms and 2 bathrooms

23% compromised on the price of their home

53% purchased in a suburb/subdivision



## 14% of buyers bought multi-generational home

- Reasons:
- Cost savings-22%
  - Health/caretaking of aging parents-17%
  - Children over 18 moving back into house-9%
  - Wanted a larger home that multiple incomes could afford-6%
  - Children/relatives over 18 never left home-6%

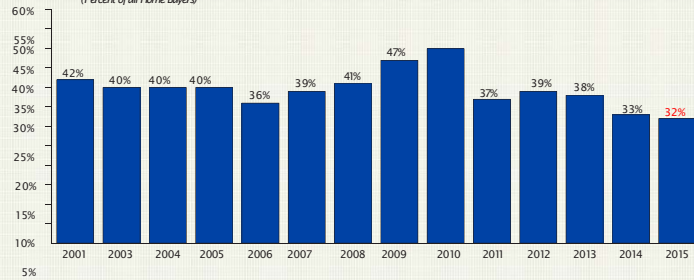


2015 Profile of Home Buyers and

2015 PROFILE OF HOME BUYERS AND SELLERS - Chapter 1: Characteristics of Home Buyers

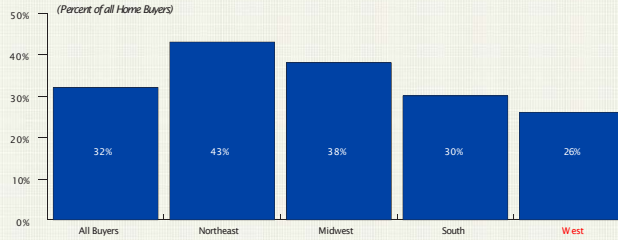
**EXHIBIT 1-12 FIRST-TIME HOME BUYERS**

(Percent of all Home Buyers)



**EXHIBIT 1-13 FIRST-TIME HOME BUYERS, BY REGION**

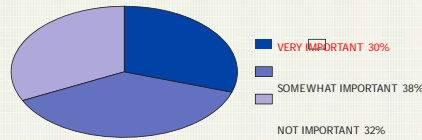
(Percent of all Home Buyers)



2015 PROFILE OF HOME BUYERS AND SELLERS - Chapter 2: Characteristics of Homes Purchased

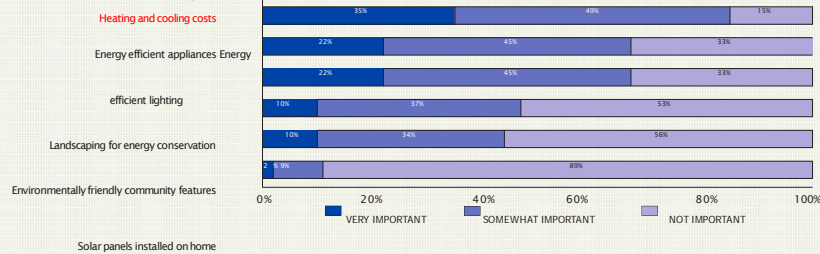
**EXHIBIT 2-24 IMPORTANCE OF COMMUTING COSTS**

(Percentage Distribution)



**EXHIBIT 2-25 IMPORTANCE OF HOME'S ENVIRONMENTALLY FRIENDLY FEATURES**

(Percentage Distribution)



2015 PROFILE OF HOME BUYERS AND SELLERS - Chapter 3: The Home Search Process

**EXHIBIT 3-1** FIRST STEP TAKEN DURING THE HOME BUYING PROCESS, FIRST-TIME AND REPEAT BUYERS  
(Percentage Distribution)

	All Buyers	First-time Buyers	Repeat Buyers
Looked online for properties for sale	42%	33%	48%
Contacted a real estate agent	14	13	15
Looked online for information about the home buying process	13	23	6
Contacted a bank or mortgage lender	7	11	5
Drove by homes in neighborhoods	7	3	9
Talked with a friend or relative about home buying process	5	10	2
Visited open houses	3	3	3
Looked up information about different neighborhoods or areas (schools, local lifestyle, nightlife, parks, public transportation)	2	1	3
Contacted builder/visited builder models	2	1	2
Attended a home buying seminar	-	-	-
Contacted a home seller directly	-	-	-
Looked in newspapers, magazines, or home buying guides	-	-	1
Read books or guides about the home buying process	-	-	-
Other	6	3	9

**EXHIBIT 3-2** FIRST STEP TAKEN DURING THE HOME BUYING PROCESS, BY AGE  
(Percentage Distribution)

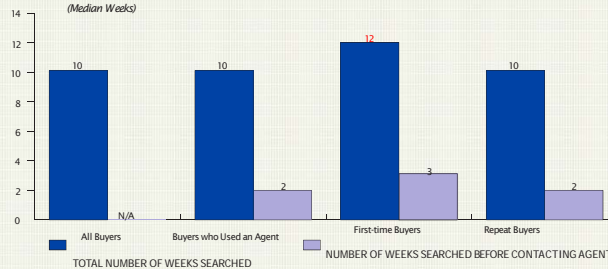
	All Buyers	AGE OF HOME BUYER			
		18 to 24	25 to 44	45 to 64	65 or older
Looked online for properties for sale	42%	43%	40%	43%	34%
Contacted a real estate agent	14	-	13	15	29
Looked online for information about the home buying process	13	19	17	7	-
Contacted a bank or mortgage lender	7	5	9	6	-
Drove by homes in neighborhoods	7	5	6	8	7
Talked with a friend or relative about home buying process	5	24	6	1	-
Visited open houses	3	-	2	4	-
Looked up information about different neighborhoods or areas (schools, local lifestyle, nightlife, parks, public transportation)	2	-	3	2	-
Contacted builder/visited builder models	2	-	1	2	9
Attended a home buying seminar	-	-	-	-	-
Contacted a home seller directly	-	-	-	1	-
Looked in newspapers, magazines, or home buying guides	-	-	1	-	-
Read books or guides about the home buying process	-	-	-	-	-
Other	6	5	2	7	22

2015 PROFILE OF HOME BUYERS AND SELLERS - Chapter 3: The Home Search Process

**EXHIBIT 3-7** LENGTH OF SEARCH, BY REGION  
(Median)

Number of Weeks Searched	All Buyers	BUYERS WHO PURCHASED A HOME IN THE			
		Northeast	Midwest	South	West
2001	7	7	7	7	7
2003	8	10	8	8	6
2004	8	12	8	8	8
2005	8	10	8	8	6
2006	8	12	8	8	8
2007	8	12	8	8	8
2008	10	12	10	8	10
2009	12	12	10	10	12
2010	12	14	10	10	12
2011	12	12	10	10	12
2012	12	12	12	10	12
2013	12	12	10	10	12
2014	10	12	10	10	10
2015	10	12	10	10	10
Number of homes viewed	10	10	10	10	10

**EXHIBIT 3-8** LENGTH OF SEARCH FOR BUYERS WHO USED AN AGENT, FIRST-TIME AND REPEAT BUYERS  
(Median Weeks)



**EXHIBIT 3-9 WHERE BUYER FOUND THE HOME THEY PURCHASED, 2001-2015**  
(Percentage Distribution)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Internet	25	11	15	24	40	26	27	35	35	37	40	42	43	43	44
Real estate agent	44	41	38	35	28	24	24	26	28	28	25	24	23	23	23
Yard sign/open house sign	15	16	16	15	15	14	15	12	11	11	11	10	9	9	9
Friend, relative or neighbor	8	7	7	7	8	8	7	6	6	6	6	6	6	6	6
Home builder or their agent	3	7	7	7	8	8	7	5	4	5	5	5	5	5	6
Directly from sellers/knew the sellers	4	4	5	3	3	3	2	2	2	2	2	2	2	3	2
Print newspaper advertisement	7	7	5	5	5	3	3	2	2	2	2	1	1	1	1
Home book or magazine	2	1	2	3	3	3	3	*	*	*	*	*	*	*	*
Other	5	6	4	*	*	*	*	*	*	*	*	*	*	1	*

**EXHIBIT 3-10 BUYER INTEREST IN PURCHASING A HOME IN FORECLOSURE, BY FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES**  
(Percent of Respondents)

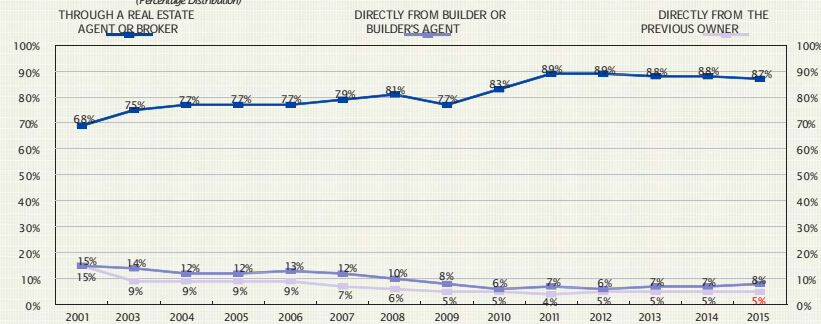
	All Buyers	First-time Buyers	Repeat Buyers	New Homes	Previously Owned Homes
Did not consider purchasing a home in foreclosure	5%	4%	6%	7%	5%
Considered purchasing a home in foreclosure, but did not:					
Could not find the right home	23	23	21	14	25
The process was too difficult or complex	11	15	9	6	12
The home was in poor condition	10	15	7	5	11
The home price was too high	4	6	3	4	4
The neighborhood was undesirable	4	6	3	3	4
Financing options were not attractive	3	6	2	2	3

**EXHIBIT 3-11 MOST DIFFICULT STEPS OF HOME BUYING PROCESS BY FIRST-TIME AND REPEAT BUYERS AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES**  
(Percentage Distribution)

	All Buyers	First-time Buyers	Repeat Buyers	New Homes	Previously Owned Homes
Finding the right property	51%	51%	51%	43%	53%
Paperwork	23	29	20	21	24
Understanding the process and steps	14	20	6	12	14
Getting a mortgage	13	17	11	13	13
Saving for the down payment	13	25	7	12	13
Appraisal of the property	5	7	4	2	6
No difficult steps	17	9	21	21	16
Other	6	3	6	6	6

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**EXHIBIT 4-1 METHOD OF HOME PURCHASE, 2001-2015**  
(Percentage Distribution)



**EXHIBIT 4-2 METHOD OF HOME PURCHASE, BY REGION**  
(Percentage Distribution)

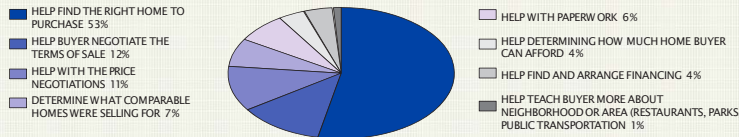
	All Buyers	BUYERS WHO PURCHASED A HOME IN THE			
		Northeast	Midwest	South	West
Through a real estate agent or broker	81%	90%	87%	84%	90%
Directly from builder or builder's agent	8	3	4	11	7
Directly from the previous owner	5	7	8	4	3
Knew previous owner	3	4	4	2	2
Did not know previous owner	2	3	4	2	1

2015 PROFILE OF HOME BUYERS AND SELLERS - Chapter 4: Home Buying and Real Estate Professionals

**EXHIBIT 4-7 HOW REAL ESTATE AGENT WAS COMPENSATED**  
(Percentage Distribution)

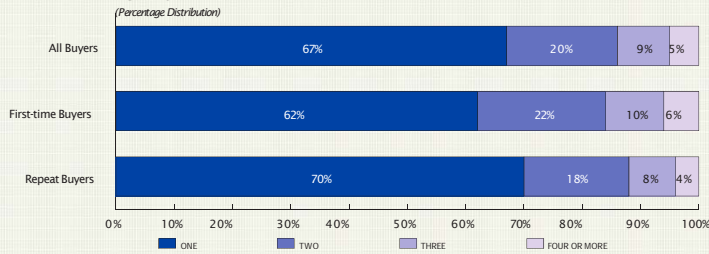
All Types of Representation	TYPE OF AGENT REPRESENTATION	
	Buyer Only	Seller or Seller and Buyer
Paid by seller	5%	53%
Paid by buyer and seller	12	12
Paid by buyer only	21	21
Percent of sales price	18	17
Flat fee	2	2
Other	-	-
Don't know	2	8
Other	2	2
Don't know	9	12

**EXHIBIT 4-8 WHAT BUYERS WANT MOST FROM REAL ESTATE AGENTS**  
(Percentage Distribution)

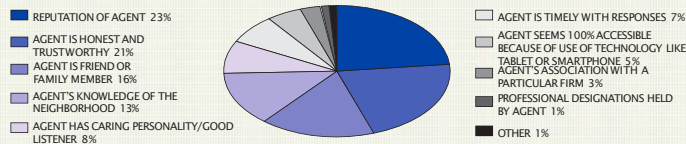


2015 PROFILE OF HOME BUYERS AND SELLERS - Chapter 4: Home Buying and Real Estate Professionals

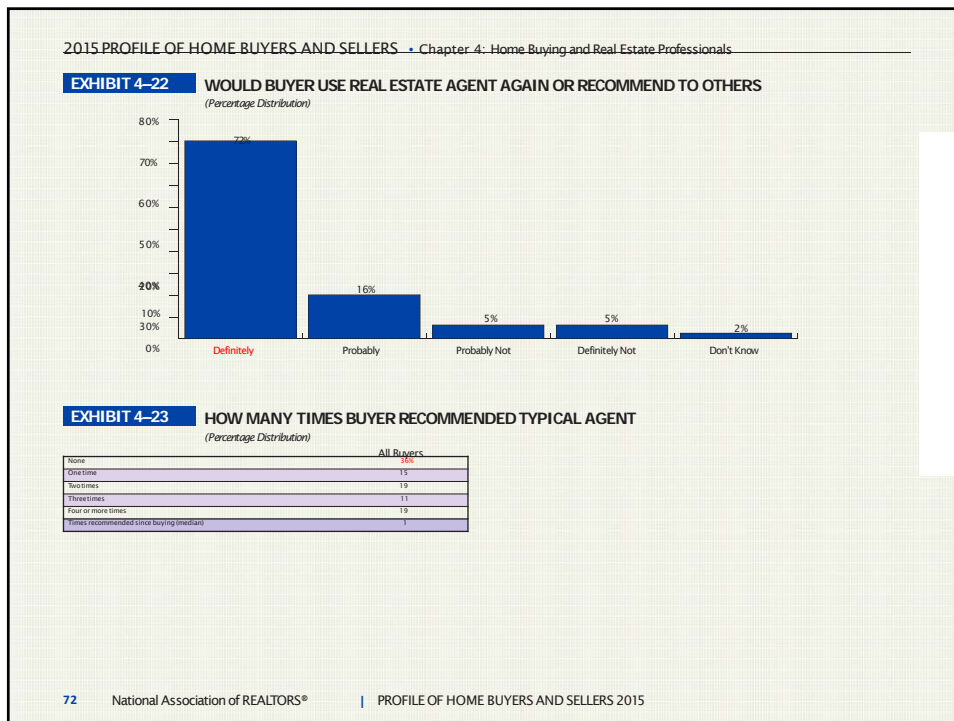
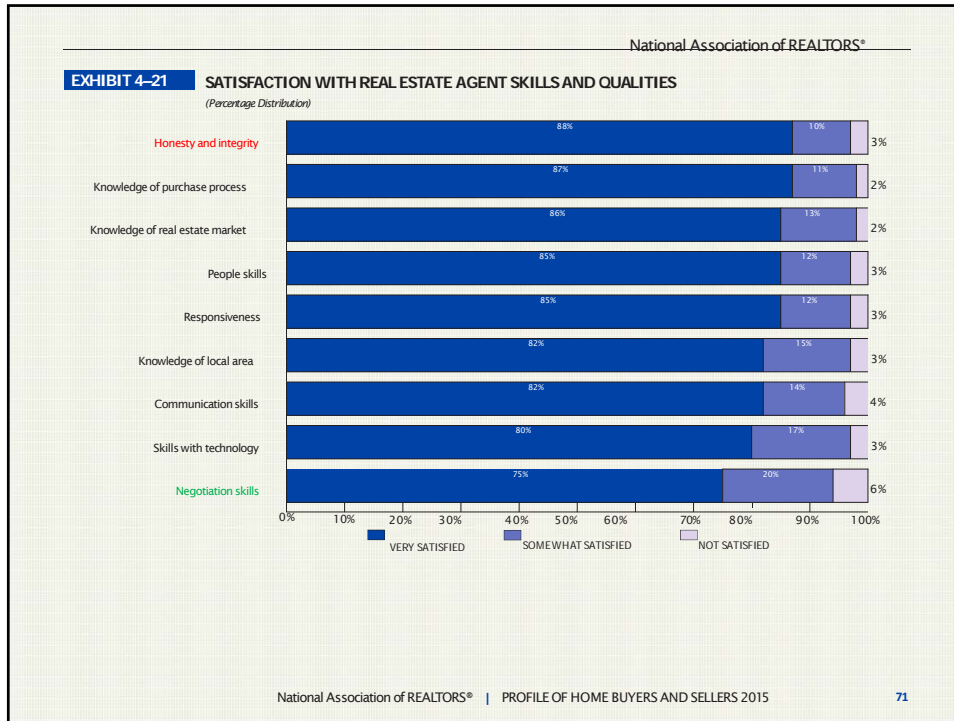
**EXHIBIT 4-15 NUMBER OF REAL ESTATE AGENTS INTERVIEWED BY FIRST-TIME AND REPEAT BUYERS**  
(Percentage Distribution)



**EXHIBIT 4-16 MOST IMPORTANT FACTORS WHEN CHOOSING AN AGENT**  
(Percentage Distribution)







# 19 Big Takeaways

1. 30% of buyers said commuting cost to job was most important
2. 1<sup>st</sup> time buyers down to lowest in 15 years (32%)
3. Heating/cooling costs most important to buyers
4. First steps in purchasing a home: 42% looked online
5. Buyers looked for 10 weeks and saw 10 homes
6. Buyers took 2-3 weeks of searching before contacting an agent
7. 44% of buyers found home on Internet; 33% through real estate agent
8. FSBO accounted for only 5% of sales
9. 67% of buyers interviewed only 1 agent



# 19 Big Takeaways

10. 23% of buyers said reputation of agent most important in choosing agent
11. Buyers least satisfied with agents' negotiation skills
12. 72% of buyers said they would recommend agent; average recommendations 1 (36% gave no recommendations)

See the rest of these takeaways in my other video: *Excerpts from 2015 Profile of Home Buyers and Sellers Part II: Sellers.*

What do these statistics mean to you? How can you use them to educate buyers and sellers?  
To market yourself?



## How Can I Help You?

Carla Cross Coaching:

[Up and Running in Real Estate](#) (online) for Agents under 2 years in the business (includes mgr. coaching component)

[Career Achievement](#) for Agents (one-on-one)

[Leadership Mastery](#) for Owners/Managers/Team Builders (one-on-one)

Resources/presentations which utilize facts to back up what you say:

[Your Complete Buyer's Agent's Toolkit](#)

[The Complete Power Listing System](#)

Find out more at [www.carlacross.com](http://www.carlacross.com)

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