

Profile of Home Buyers and Sellers

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National Association of REALTORS®

Research Department

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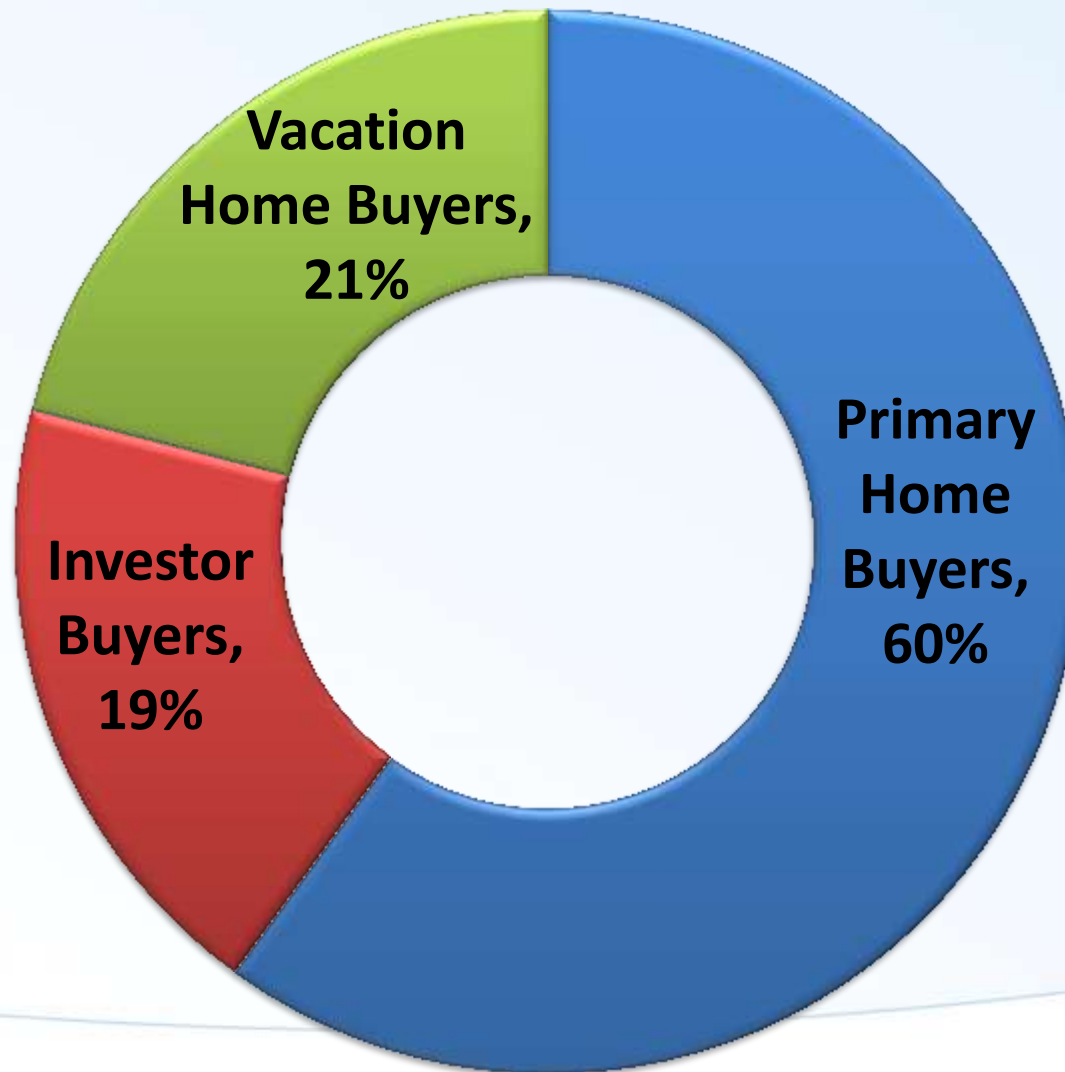
Myths We Hear About Who is Buying and Why

Gen Y want to rent and are renters (or live w/mom & dad forever)

Exodus of the suburbs and into the city

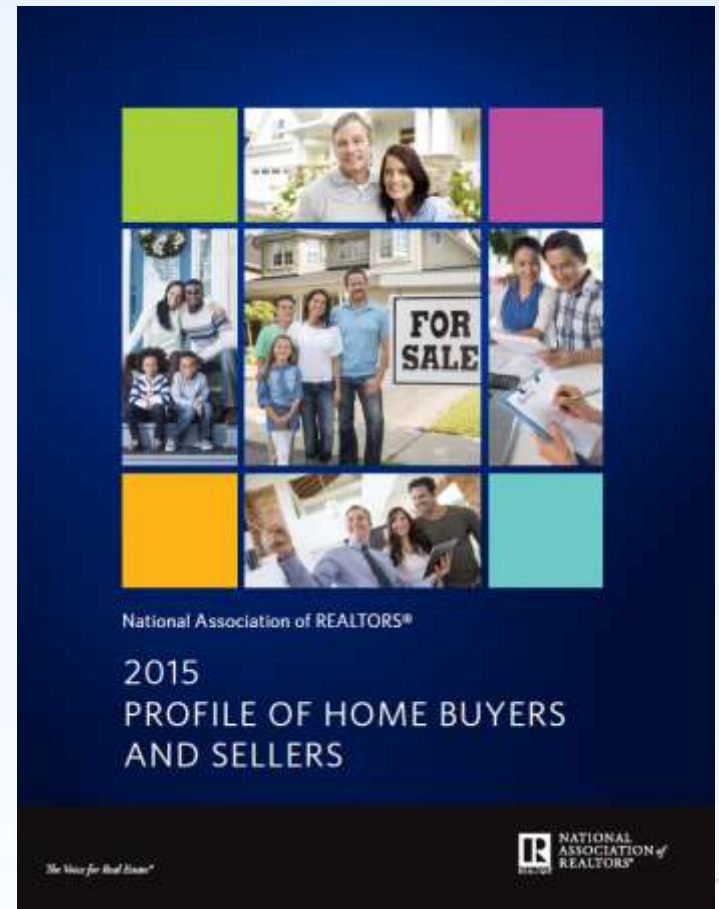
Baby Boomers downsizing and swarming Florida

Share of Home Sales

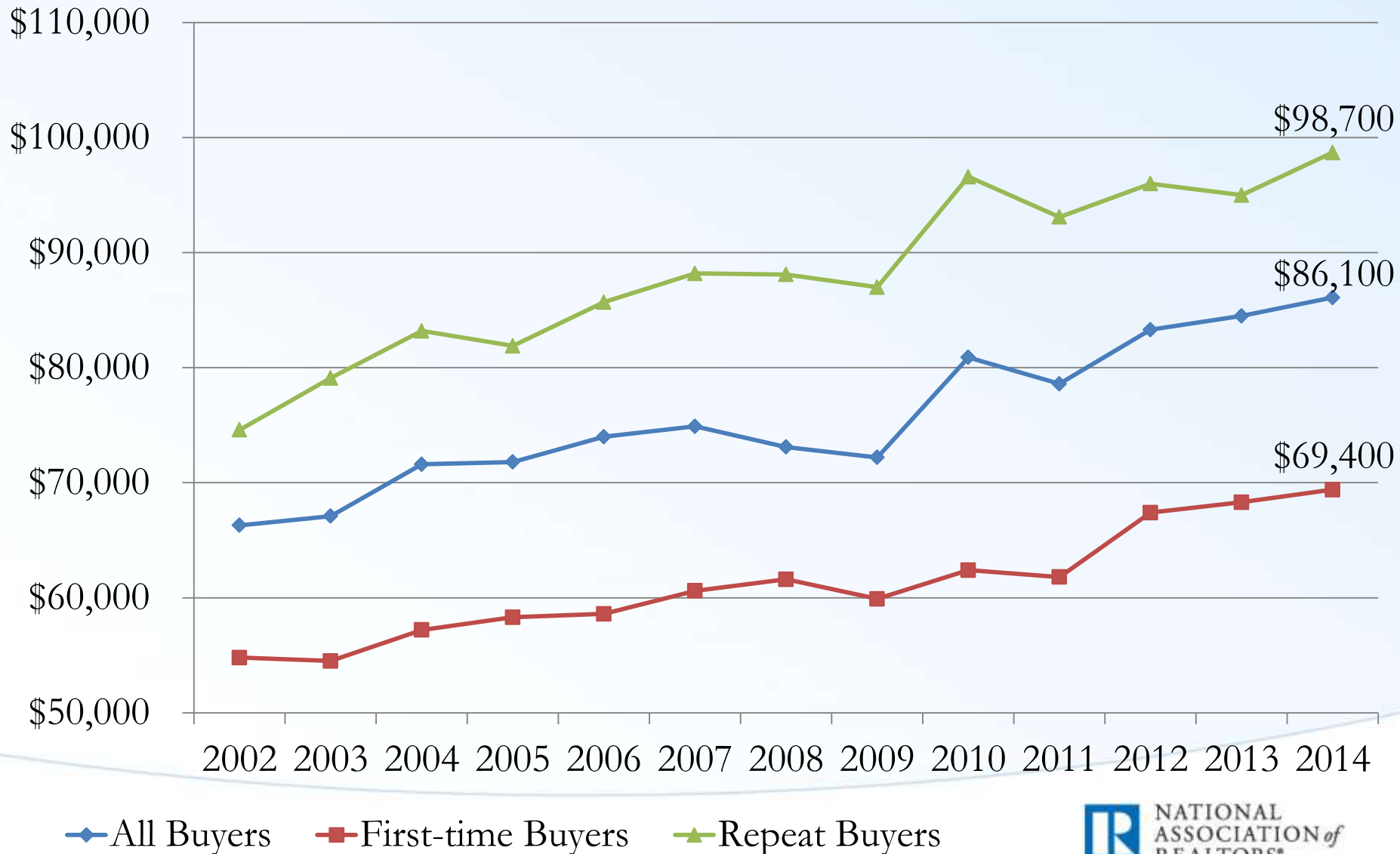


Profile of Home Buyers and Sellers

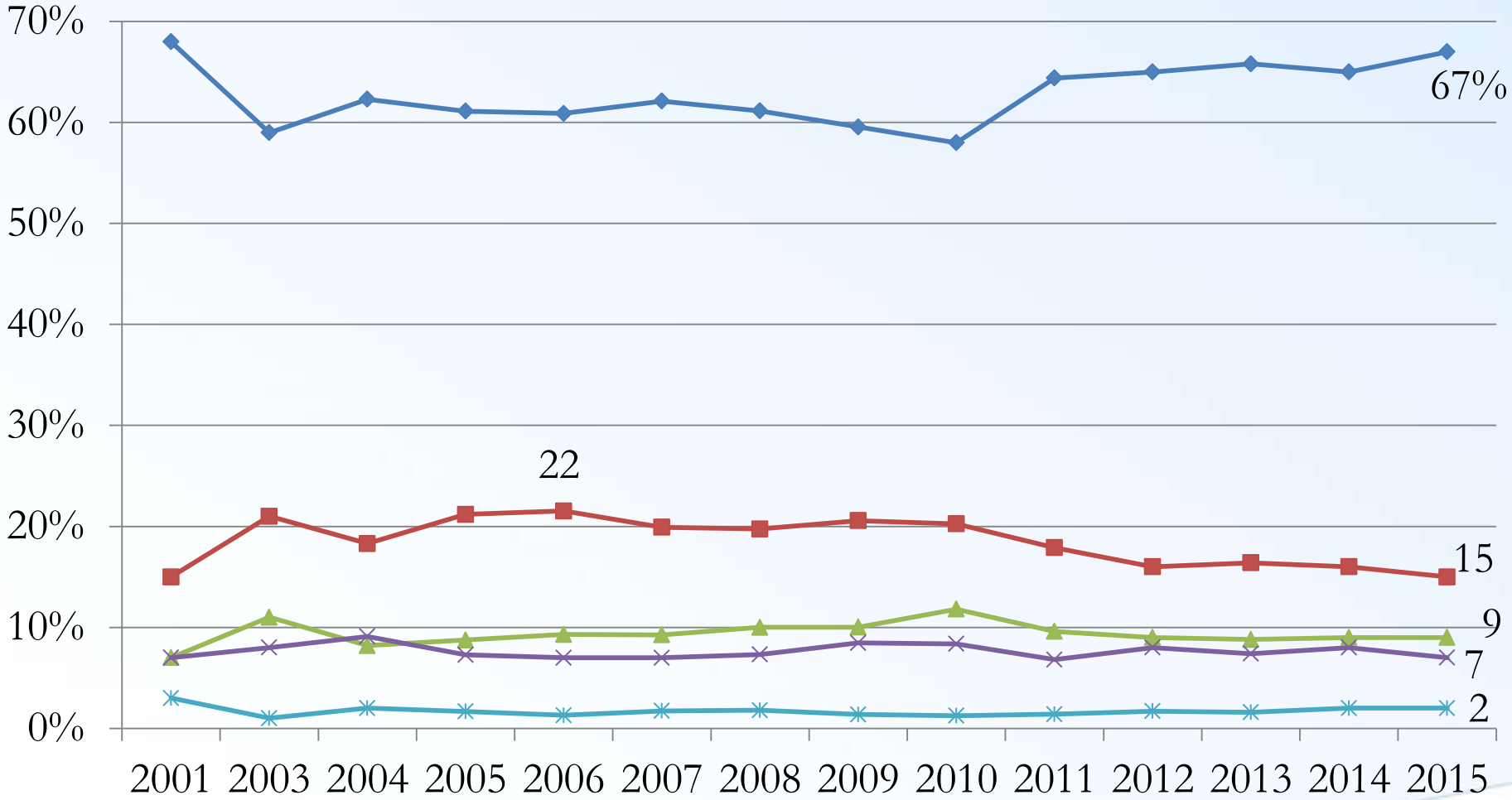
- Annual survey of recent home buyers
- Purchased in the last year
- Report started in 1981
 - The year MTV was launched
 - Reagan was president
 - IBM releases its first PC
- Survey 75,000 to 100,000 recent home buyers
- Charlotte oversample is based on 237 recent home buyers
 - Statistically significant at 95% confidence interval +/- 6.34%



Nationally Rise in Household Income



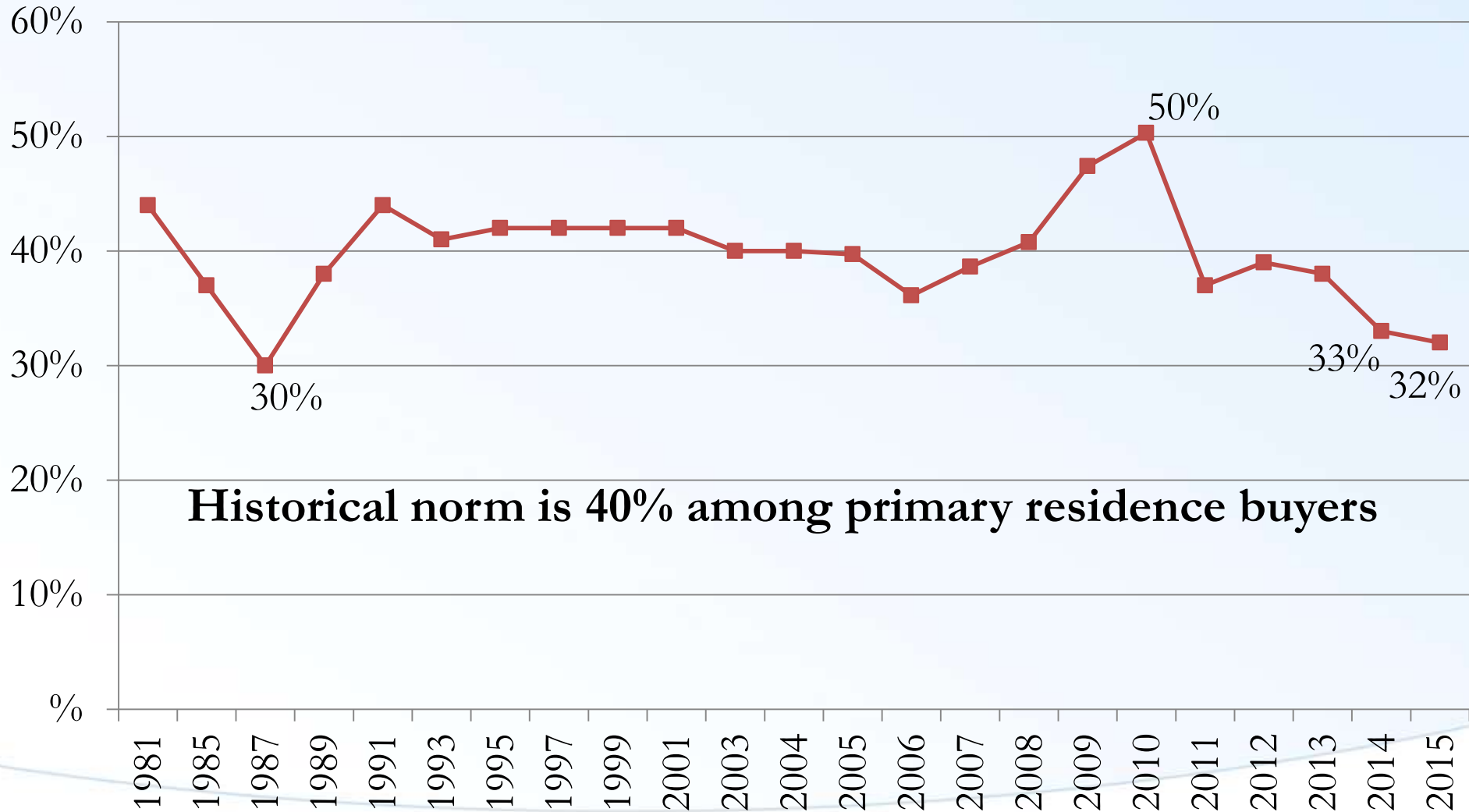
Nationally No Longer...All the Single Ladies



◆ Married couple
 ■ Single female
 ▲ Single male
 × Unmarried couple
 * Other



Nationally First-time Buyers Under Historical Norm



Historical norm is 40% among primary residence buyers

How Does that Compare to Charlotte

Age slightly lower:
43

Income slightly
lower:
\$84,400


Higher share of
unmarried couples,
but lower single
males

First-time buyer
share: 29%

A photograph of a dog sitting in the driver's seat of a car. The dog is looking out the window. In the background, there is a brick building. The image is overlaid with white text.

But...

Gen Y is the largest cohort of
home buyers for the
3rd consecutive year and
Charlotte's largest generation of
buyers

A photograph of a dog sitting in the driver's seat of a car, looking out the window. The dog is a light-colored breed, possibly a Weimaraner, and is looking towards the camera. The car is parked in front of a brick building. The text is overlaid on the image in a white, serif font.

In Charlotte 67% of first-time buyers bought a home for the pure desire of owning a place of their own

Where to go?

57 million live
in a multi-
generational
household

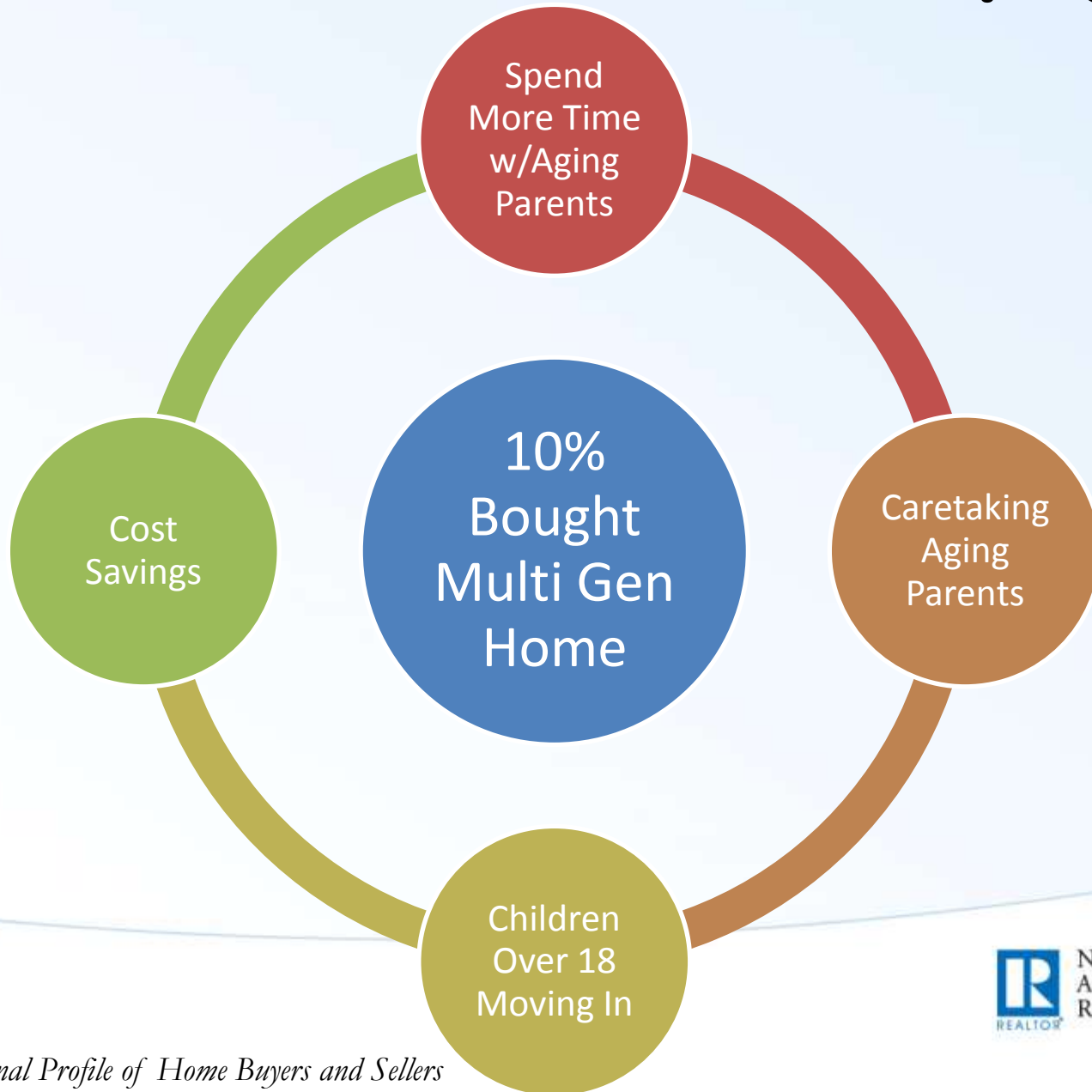
Of those who
are 25-34

20% of the
unemployed
live with
parents

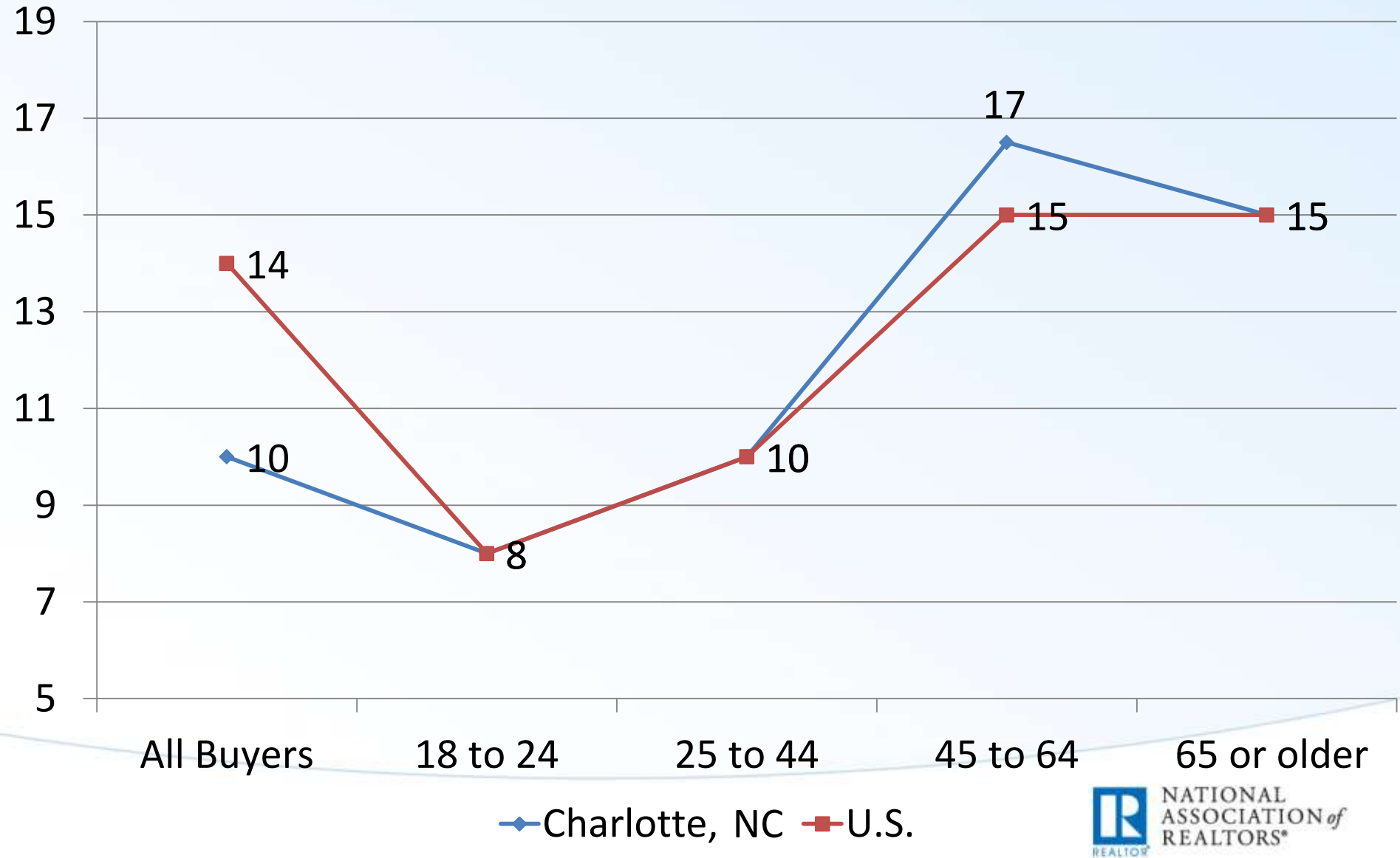
12% of
employed live
with parents

Double the number of
multi-generational
households than **1980**

Multi-Generational Home Buying



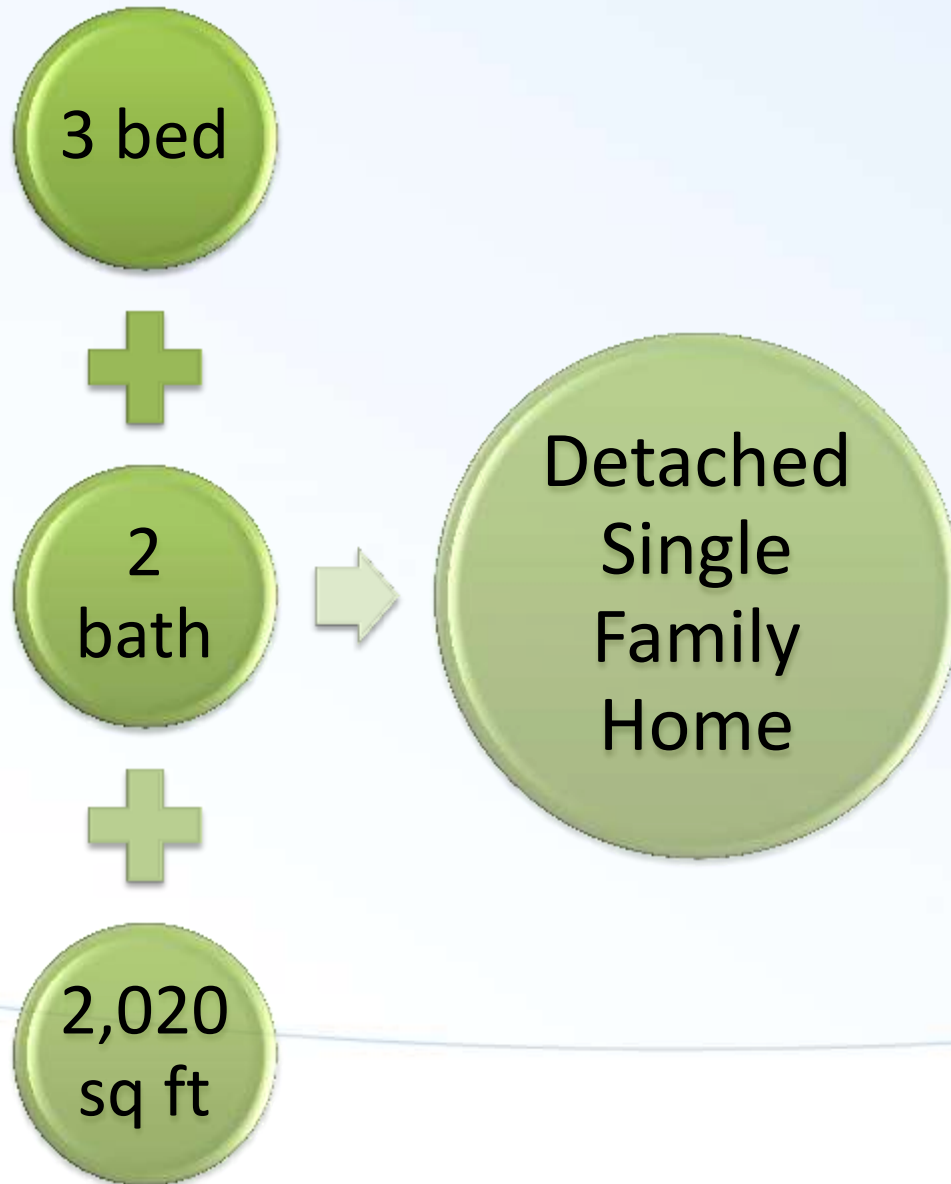
Expected Tenure Remains High



Buyers are Buying Where and What

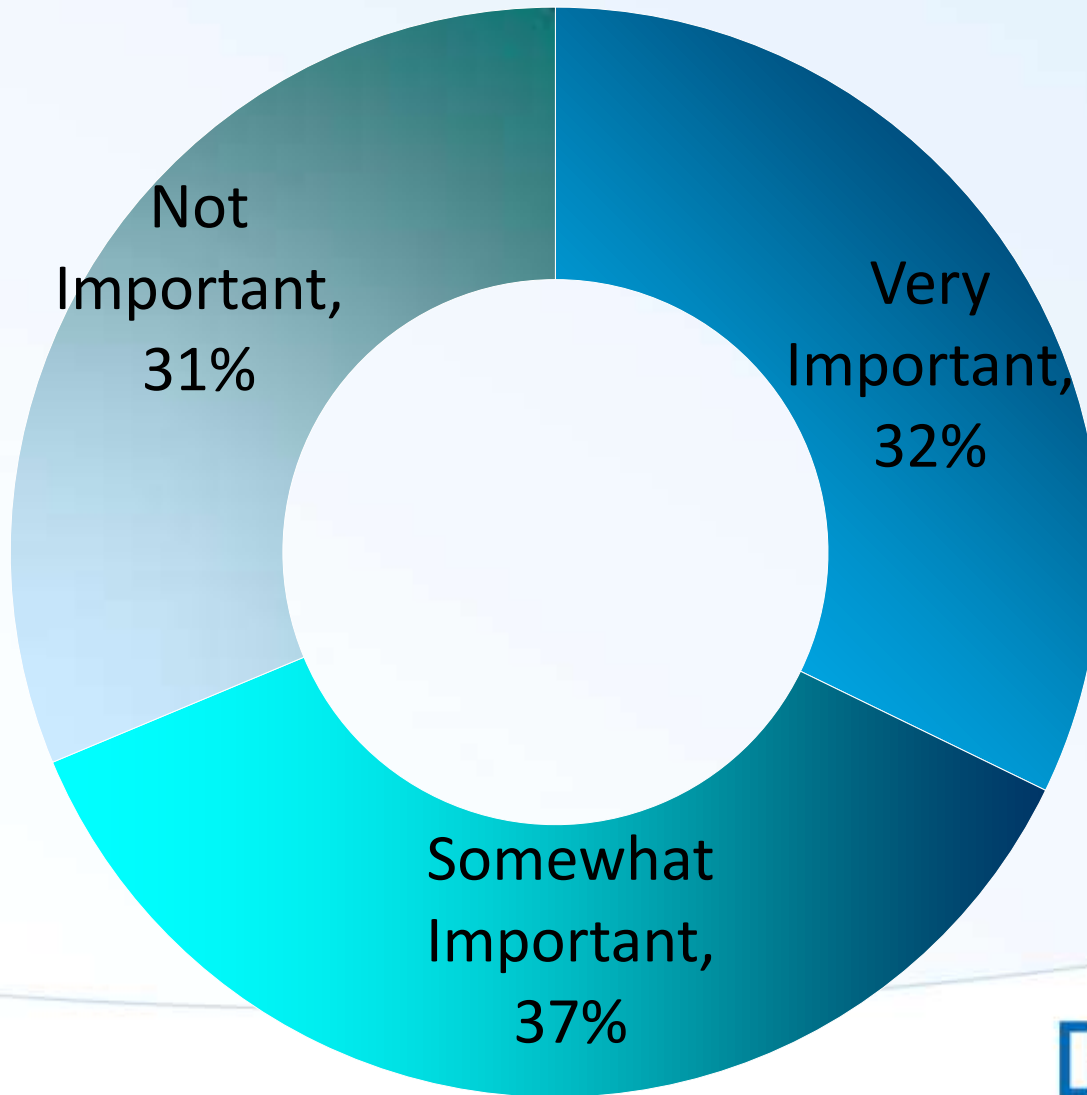


House Type of Choice?

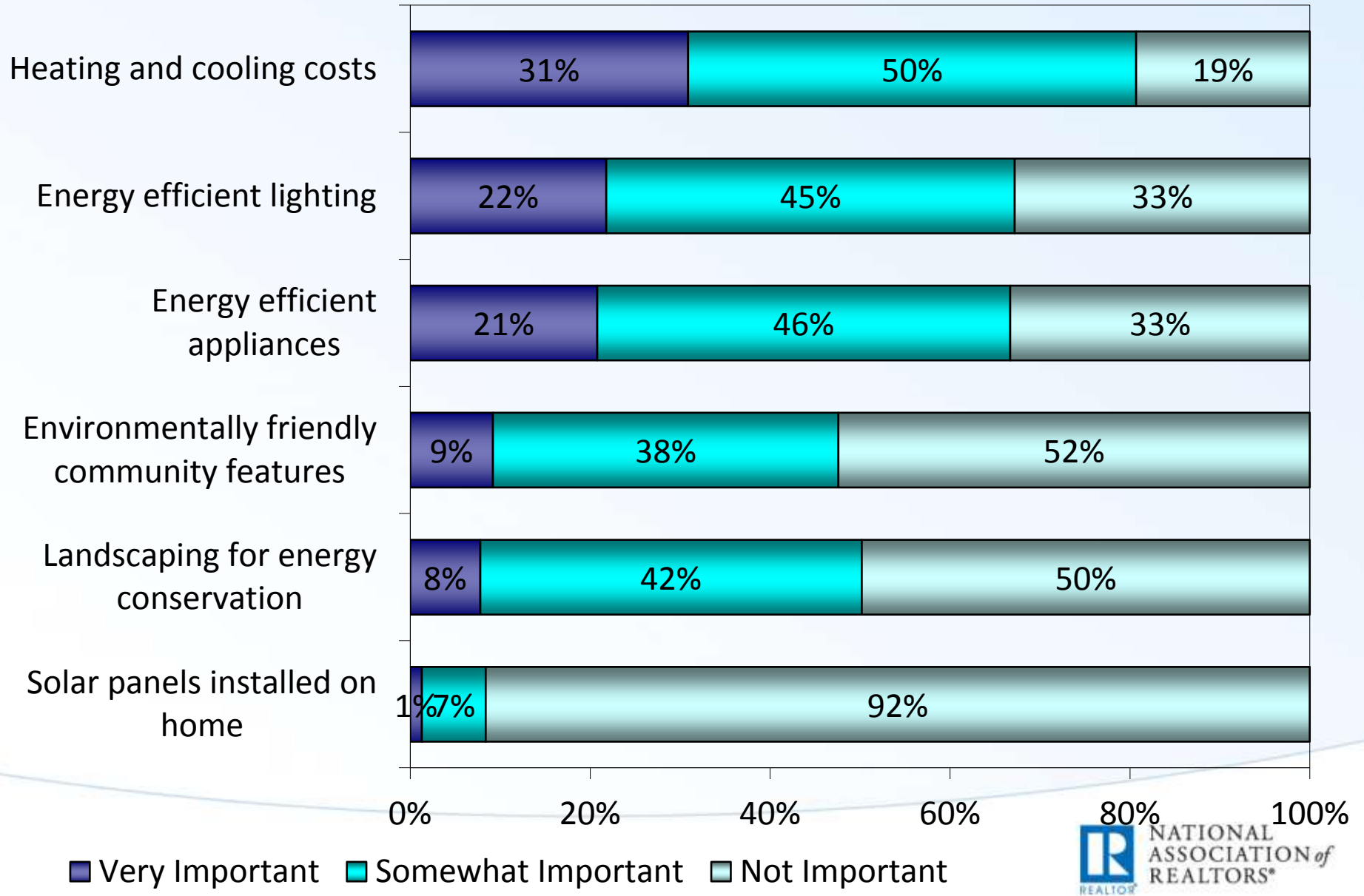


- Higher share of new homes: 20% vs 16% nationally
 - Built in 2000
- Higher share in suburban area: 63%
- Typically move 15 miles

Commuting Costs



Environmentally Friendly Features



How Searching?



First Step Taken During the Home Buying Process

52% - Looked online for properties for sale

24% - Contacted a bank or mortgage lender

12% - Contacted a real estate agent

12% - Drove-by homes and neighborhoods

Value of Website Features

**86% Found photos
very useful**

**78% Found
detailed
information about
properties**

**42% Found
interactive maps
very useful**

**41% Virtual tours
very useful**

REALTOR® Preferred Method of Communication with Clients



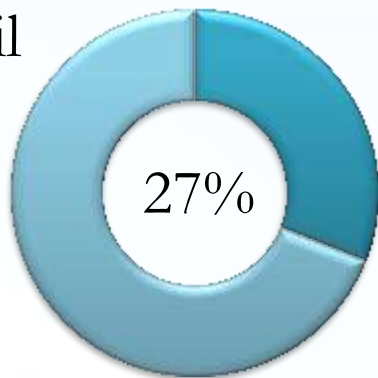
E-mail



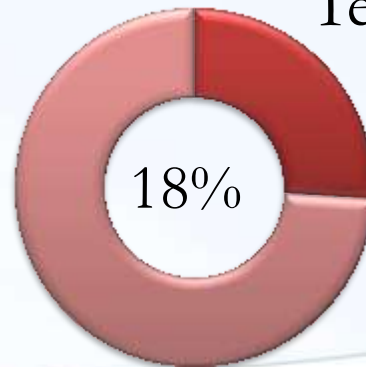
Telephone



Text Messaging



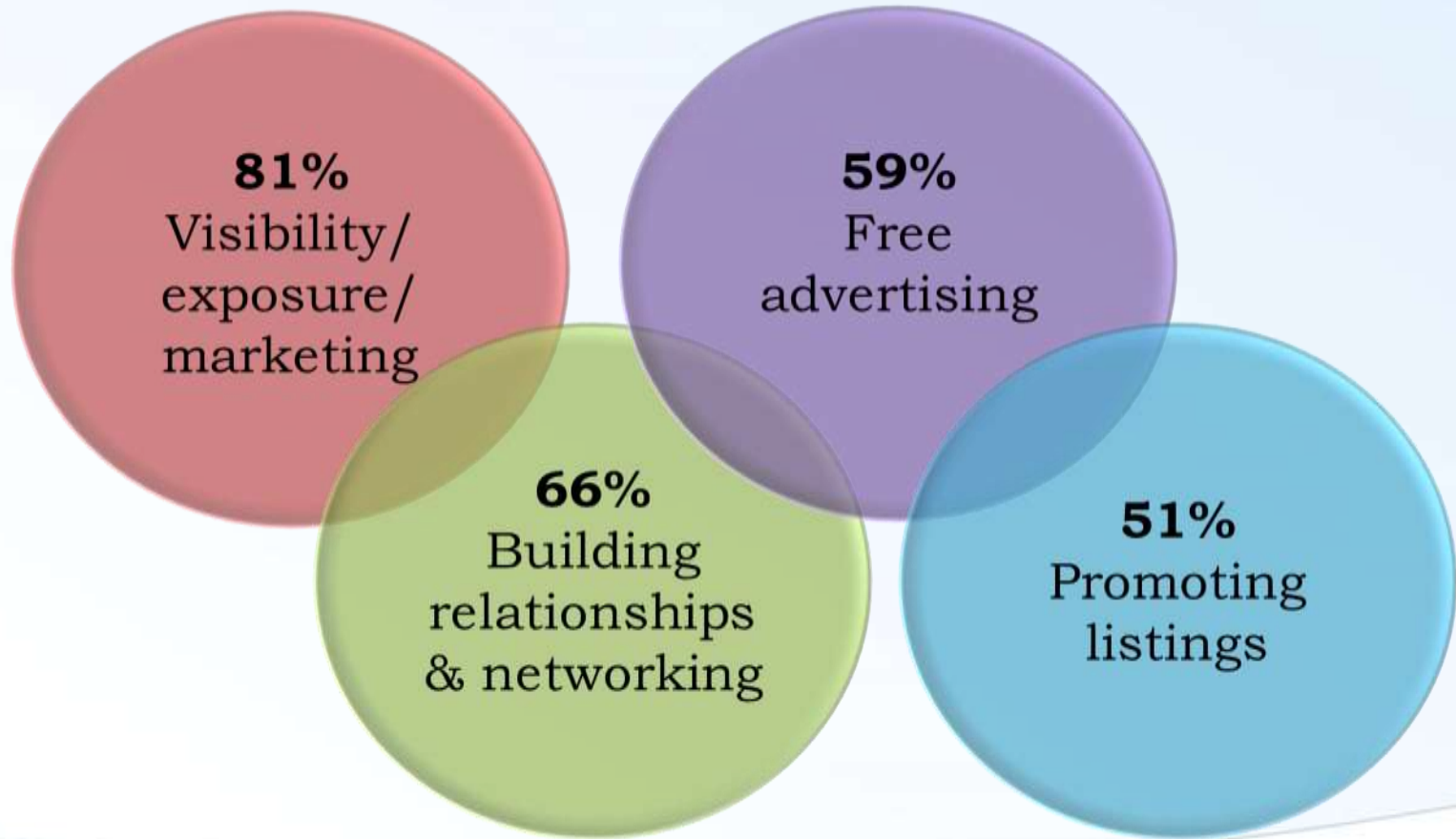
Instant Messaging
(IM)



Postal
Mail



The top reasons for REALTORS[®] using social media





Dollars and Cents

How Long To Save for a Downpayment

91% of buyers financed

Typically finance 89%

75% of first-time buyers & 56% of repeat buyers use savings for downpayments

Previously Had Distressed Sale



9% previously
had a distressed
sale



Typical year 2011

Years All Debt Delayed Home Buyers From Saving for a Downpayment or Buying a Home

	All Buyers	First-time Buyers	Repeat Buyers
One year	15%	5%	24%
Two years	33	38	28
Three years	15	19	12
Four years	11	5	16
Five years	13	19	8
More than five years	13	14	12
<i>Median</i>	<i>3</i>	<i>3</i>	<i>2</i>



Debt Holding Back Buyers

	All Buyers	First-time Buyers	Repeat Buyers
Share Saving for Downpayment was Most Difficult Task in Buying Process:	10%	20%	6%
Debt that Delayed Saving:			
Student Loans	62%	62%	63%
Credit card debt	43	46	38
Car loan	29	23	38
Child care expenses	19	15	25
Health care costs	10	15	*
Other	10	15	*



Recent Home Buyers Student Loan Debt

	All Buyers	First-time Buyers	Repeat Buyers
Have student loan debt	28%	54%	17%
Under \$10,000	25%	32%	15%
\$10,000 to \$24,999	28	27	30
\$25,000 to \$49,999	22	22	22
\$50,000 to \$74,999	8	8	7
\$75,000 or more	17	11	26
<i>Median amount of student loan debt</i>	<i>\$20,000</i>	<i>\$20,000</i>	<i>\$25,000</i>



Nationally Equity Earned in Home Recently Sold, By Tenure in Home

TENURE IN HOME	Dollar value	Percent
1 year or less	\$31,000	14%
2 to 3 years	\$30,000	15%
4 to 5 years	\$35,000	19%
6 to 7 years	\$31,000	14%
8 to 10 years	\$3,000	1%
11 to 15 years	\$38,000	23%
16 to 20 years	\$95,000	63%
21 years or more	\$138,000	145%
<i>All Sellers (median)</i>	<i>\$40,000</i>	<i>23%</i>

In Charlotte the median was: \$31,050 and 18%



13% of sellers wanted to sell earlier but waited or stalled because the home was worth less than the mortgage

This rises to 26% among sellers who originally purchased 11 to 15 years ago



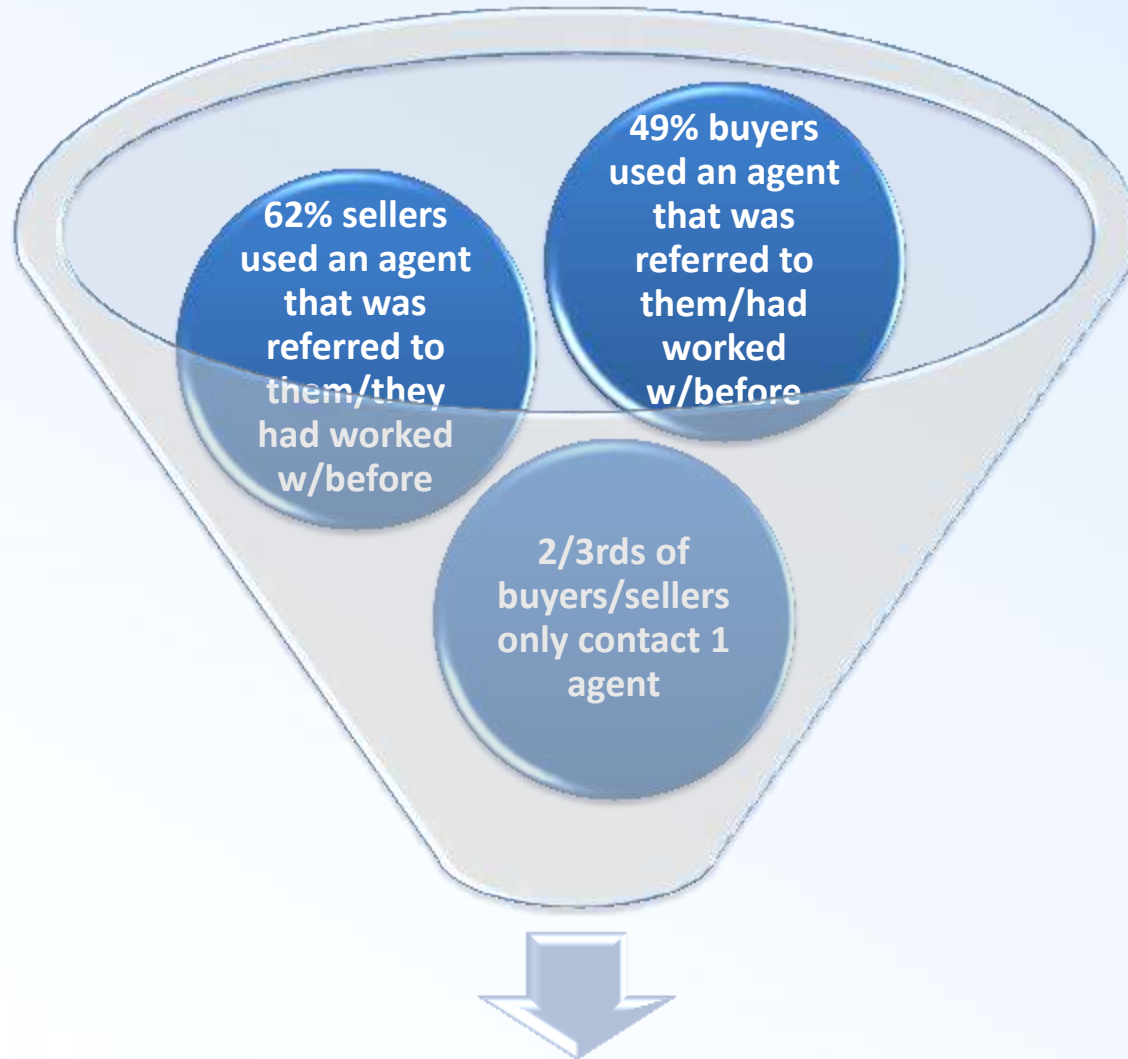
Seller Experience





Real Estate Remains a Business of Relationships

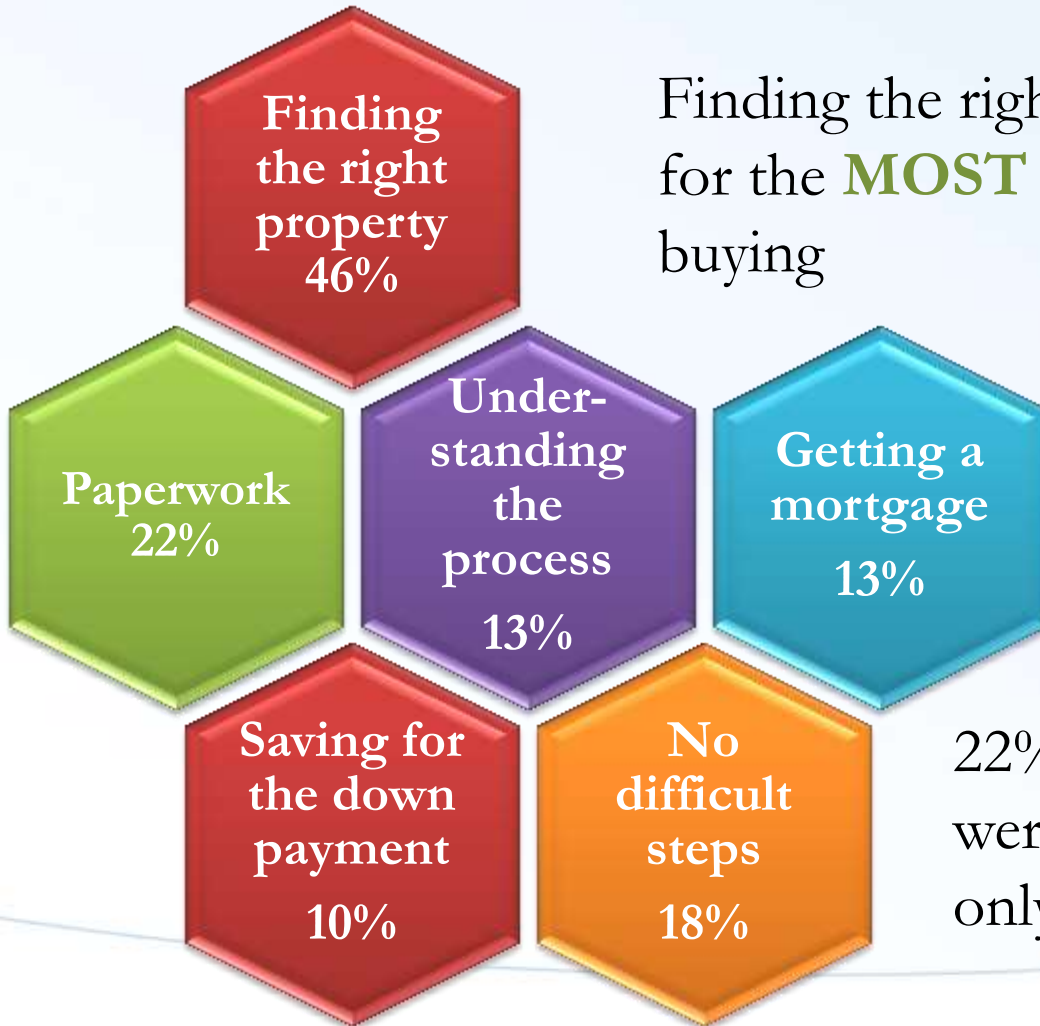
Where Clients Come From



Among members 42% business is from repeat clients and referrals



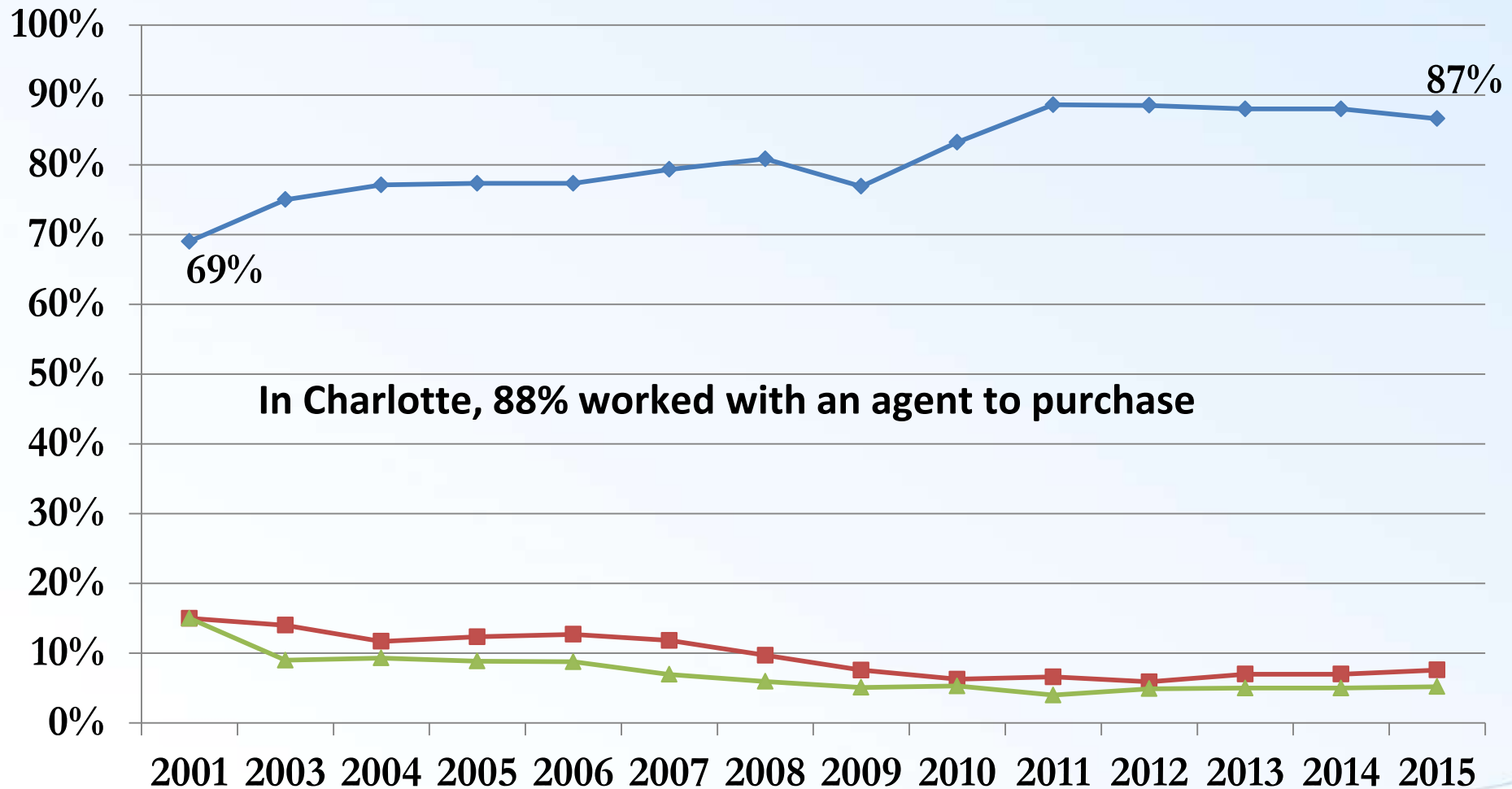
Most Difficult Steps of Home Buying Process



Finding the right property was ranked highest for the **MOST DIFFICULT STEP** in home buying

22% of **Repeat Buyers** noted there were no difficult steps compared to only 10% of **First-time Buyers**

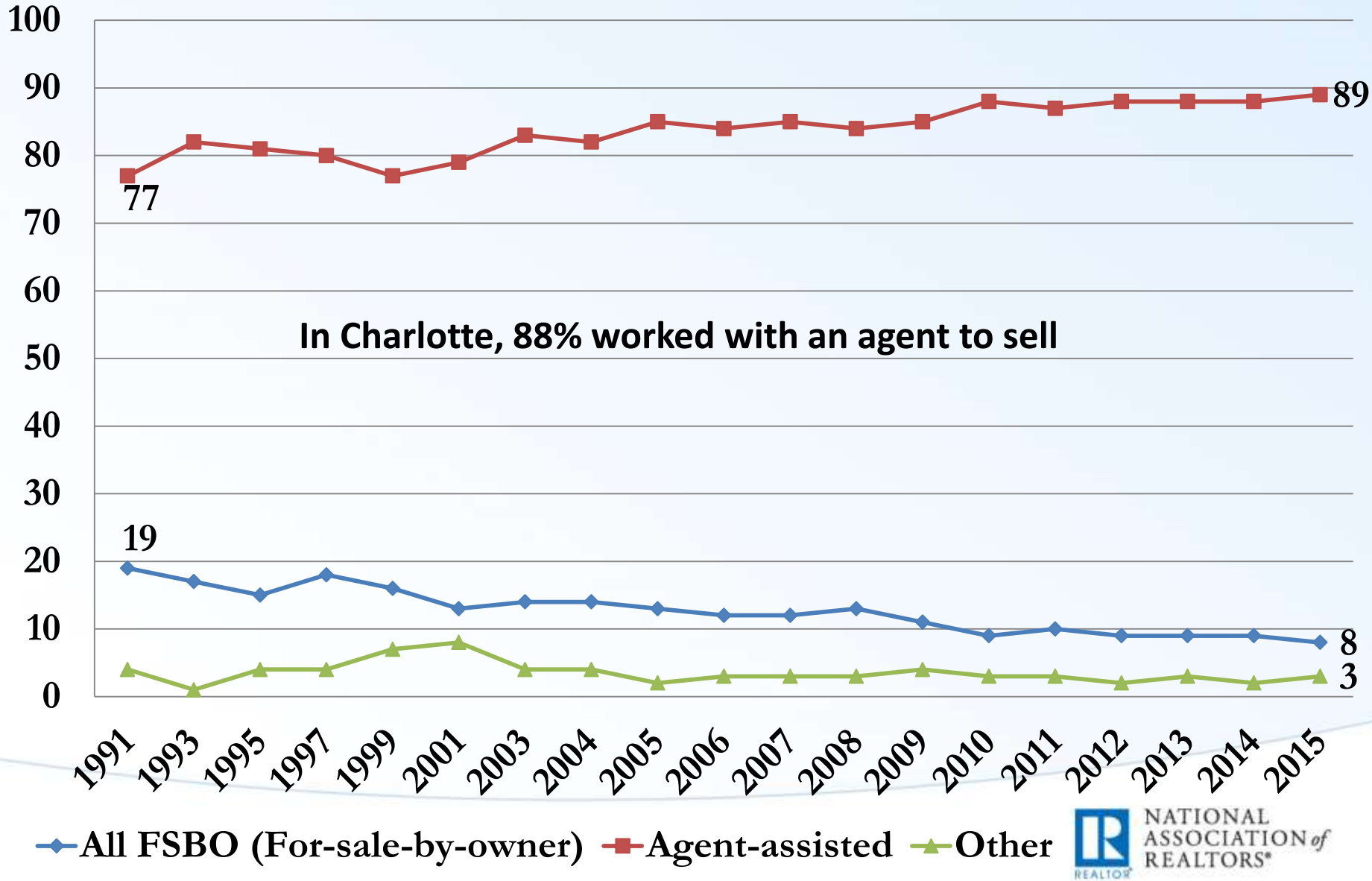
Nationally Buyer Use of Agents has Increased



- ◆ Through a real estate agent or broker
- Directly from builder or builder's agent
- ▲ Directly from the previous owner



Nationally Agent-Assisted Sales All Time High



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