

# 2021

**PROFILE OF  
HOME BUYERS  
AND SELLERS**



**40<sup>TH</sup> ANNIVERSARY EDITION**



**NATIONAL  
ASSOCIATION OF  
REALTORS®**



# 2021 Profile of Home Buyers and Sellers

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# 2021 Profile of Home Buyers and Sellers

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## INTRODUCTION

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. This year marks the 40th anniversary of the flagship report. 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.

This year, while marking its 40th anniversary, the report is especially unique. It includes an entire year of data in which buyers and sellers purchased or sold during the COVID-19 pandemic. The last year is especially distinctive as home buyers have entered a housing market with historically low housing inventory and historically high year-over-year home price gains. Buyers have continued to enter, despite the competition in the marketplace, and purchase homes. Buyers purchase a home not only for the desire to own a home of their own, but also for the desire to be closer to friends and family and the need for a larger home. The pandemic changed how our homes are used, as well as the location in which we bought homes. There was a jump in buyers who noted a top factor for their neighborhood choice was the proximity to friends and family. In past years, convenience to work and affordability had been top factors.

The information provided supplies understanding, from the consumer level, of the trends that are transpiring. This survey covers information on demographics, housing characteristics, and the experience of consumers in the housing market, as well as for those who are not yet able to enter the market. Buyers and sellers also provide valuable information on the role that real estate professionals play in home sales transactions.

The *Profile of Home Buyers and Sellers* report has been the leading industry source of trusted insight into consumer behavior for nearly four decades. It has grown and evolved to keep up with changing home buying trends and the need for more information. NAR first administered the survey in 1981 with just 59 questions. In 2021, the survey contained 129 questions. Although the report has evolved, data has been collected for more than three decades describing the demographic characteristics of home buyers and sellers, buyers and sellers' experience in the home

transaction process, as well as market characteristics including the use of real estate agents. One measure of how the market has changed is the manner in which the data is collected. In 1981, only a paper copy of the survey was offered. Today, recent home buyers can take the survey via paper or online, and in English or Spanish. Because of its long history and timely information available each year, the report is valued by REALTORS®, market analysts, and policymakers.

Data is collected from a nationally representative sample of recent home buyers who purchased a primary residence in the 12-month period between July 2020 and June 2021. Data is also representative of the geographic distribution of home sales. Consumer names are obtained from Experian, a firm that maintains an extensive database of recent home buyers derived from county records.

Among all buyers last year, the share of first-time home buyers grew to 34 percent from 31 percent. While first-time buyers have had record low interest rates, they have also faced a housing environment that has scarce inventory and rising home prices. Among all buyers, 31 percent paid the asking price for the home, while 29 percent paid more than the asking price.

Tightened inventory is affecting the home search process of buyers. Due to suppressed inventory levels in many areas of the country, buyers are typically purchasing more expensive homes as prices increase. The number of weeks a buyer searched for a home remained at only eight weeks. Many buyers took advantage of new virtual tours and virtual listings and used those in their search process. Buyers continue to report the most difficult task for them in the home buying process was just finding the right home to purchase.

Among sellers, the pandemic also may have spurred sellers to make a home trade. The top reasons to sell were the desire to be close to friends and family and because their home was too small. Tenure in the home dropped to eight years from 10 years. It is the largest single-year change in home tenure in the history of the data set. Historically, tenure in the home has been six to seven years, but had increased after the Great Recession to nine to 10 years. Among sellers, 46 percent purchased a larger home and 28 purchased the same size home.

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**November 2021**



## 2021 Profile of Home Buyers and Sellers

Buyers needed the help of a real estate professional to help them find the right home and negotiate terms of sale. Eighty-eight percent of buyers used an agent to help them purchase a home. Sellers, as well, turned to professionals to price their home competitively, help market the home to potential buyers, sell within a specific timeframe, and fix up the home for sale. Ninety percent of sellers used an agent to sell their home. While the survey asked about iBuyers as a selling method, less than one percent of sellers used these online only programs. Only seven percent of sellers sold via For-Sale-By-Owner (FSBO), matching historic lows seen in past years.

This report provides real estate professionals with insights into the needs and expectations of their clients. What do consumers want when choosing a real estate professional? How do home buyers begin the process of searching for a home? Why do some sellers choose to forego the assistance of an agent?

The answers to these questions, along with other findings in this report, will help real estate professionals better understand the housing market and provide the information necessary to address the needs of America's real estate consumers.

The data set provides a wealth of data that is used to create a number of spin-off NAR reports including: *Home Buyer and Seller Generational Trends Report*, *Buyer Bios*, *Real Estate in a Digital Age*, *Veterans and Active Military Home Buyers and Sellers Profile*, *Profile of LGBT Buyers and Sellers*, *A Snapshot of Race and Home Buying in America*, *Downpayment Expectations and Hurdles to Homeownership*, and *Moving with Kids*.



# 1981

# 2021



44%

First time home buyer share



34%

0% 95%  
Used the internet to search



22% 7%  
Used a newspaper to search



Age of first time buyers (median)



93% 87%  
Financed the home purchase



20% 13%  
Typical down payment



76% 82%

Share bought single family home



Age of a repeat buyer 36 56



82% 87%

Bought through an agent



73% 60%  
Share of married couples



10% 9%  
Share of single males



11% 19%  
Share of single females



6% 9%  
Share of unmarried couples

# 2021 Profile of Home Buyers and Sellers

## HIGHLIGHTS

### Characteristics of Home Buyers

- First-time buyers made up 34 percent of all home buyers, an increase from last year's 31 percent.
- The typical first-time buyer was 33 years old this year, holding steady from last year, while the typical repeat buyer age continued to climb to an all-time high of 56 years old.
- Sixty percent of recent buyers were married couples, 19 percent were single females, nine percent were single males, and nine percent were unmarried couples.
- Eleven percent of home buyers purchased a multi-generational home, to take care of aging parents, because of children over the age of 18 moving back home, and for cost-savings.
- Eighty-two percent of buyers were White/Caucasian, seven percent were Hispanic/Latino, six percent were Asian/Pacific Islander, six percent were Black/African-American, and two percent identified as other.
- Eighty-nine percent of recent home buyers identified as heterosexual, four percent as gay or lesbian, two percent as bisexual, one percent prefer to self-describe and six percent preferred not to answer.
- Fourteen percent of recent home buyers were veterans and three percent were active-duty service members.
- At 28 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 65 percent.

### Characteristics of Homes Purchased

- Fifteen percent of buyers purchased a new home, and 85 percent of buyers purchased a previously-owned home. In comparison, in 1989, 29 percent of buyers purchased a new home.
- Most recent buyers who purchased new homes were looking to avoid renovations and problems with plumbing or electricity at 36 percent. Buyers who purchased previously-owned homes were most often considering better overall value at 38 percent.
- Detached single-family homes continued to be the most common home type for recent buyers at 82 percent, followed by townhomes or row houses at seven percent. In 1981, 76 percent of homes were detached single-family homes.
- Senior-related housing held steady this year at 14 percent, with 16 percent of buyers typically purchasing condos and seven percent purchasing a townhouse or row house.
- The median distance between the home that recent buyers purchased and the home they moved from was only 15 miles.

- Convenience to friends and family was the second most important factor in influencing neighborhood choice, after quality of the neighborhood. This surpassed convenience to job and affordability, which were more important last year.
- Buyers typically purchased their homes for 100 percent of the asking price, with 29 percent purchasing for more than asking price.
- The typical home that was recently purchased was 1,900 square feet, had three bedrooms and two bathrooms, and was built in 1993.
- Overall, buyers expected to live in their homes for a median of 12 years, while 18 percent said that they were never moving.

### The Home Search Process

- For 41 percent of recent buyers, the first step that they took in the home buying process was to look online at properties for sale, while 19 percent of buyers first contacted a real estate agent.
- Ninety-one percent of recent buyers found their real estate agent to be a very or somewhat useful information source.
- Buyers typically searched for eight weeks and looked at a median of eight homes, and viewed three homes only online.
- Nearly all buyers used online tools in the search process at 95 percent.
- When asked where their internet searches were conducted, home buyers were split; they typically conducted 50 percent of their search on a desktop/laptop and 50 percent on a mobile device(s).
- Ninety-four percent of recent buyers were at least somewhat satisfied with their recent home buying process.

### Home Buying and Real Estate Professionals

- Eighty-seven percent of buyers recently purchased their home through a real estate agent or broker, and seven percent purchased directly from a builder or builder's agent.
- Having an agent to help them find the right home was what buyers wanted most when choosing an agent at 52 percent.
- Forty-seven percent of buyers used an agent that was referred to them by a friend, neighbor, or relative and 13 percent used an agent that they had worked with in the past to buy or sell a home.
- Seventy-three percent of buyers interviewed only one real estate agent during their home search.
- Ninety percent of buyers would use their agent again or recommend their agent to others.



# 2021 Profile of Home Buyers and Sellers

## Financing the Home Purchase

- Eighty-seven percent of recent buyers financed their home purchase, down from 93 percent in 2003.
- The typical downpayment for first-time buyers was seven percent, while the typical downpayment for repeat buyers was 17 percent.
- For 61 percent of buyers, the source of the downpayment came from their savings. Fifty-six percent of repeat buyers cited using the proceeds from the sale of a primary residence, while 28 percent of first-time buyers used a gift or loan from friends or family for the downpayment.
- For first-time home buyers, 29 percent said saving for a downpayment was the most difficult step in the process.
- The majority of first-time buyers did make financial sacrifices to purchase a home. For those who did, the most common sacrifices buyers reported were cutting spending on luxury goods, entertainment, and clothes.
- Buyers continue to see purchasing a home as a good financial investment. Eighty-six percent reported they view a home purchase as a good investment.

## Home Sellers and Their Selling Experience

- The typical home seller was 56 years old, with a median household income of \$112,300.
- For all sellers, the most commonly cited reason for selling their home was the desire to move closer to friends and family (18 percent), that it was too small (17 percent), and the neighborhood has become less desirable (11 percent).
- Sellers typically lived in their home for eight years before selling, the biggest one-year change in tenure since 1985.
- Forty-six percent of sellers traded up to a larger home and 28 percent purchased the same size home.
- Ninety percent of home sellers worked with a real estate agent to sell their home, seven percent sold via FSBO, and less than one percent sold via iBuyer.
- For recently sold homes, the final sales price was a median of 100 percent of the final listing price, the highest recorded since 2002.
- Recently sold homes were on the market for a median of one week, a drop from three weeks last year.
- Only 26 percent of sellers offered incentives to attract buyers, a drop from 46 percent of all sellers last year.
- This year, home sellers cited that they sold their homes for a median of \$85,000 more than they purchased it, a jump from \$66,000 last year.
- Ninety-two percent of sellers were at least somewhat satisfied with the selling process.

## Home Selling and Real Estate Professionals

- Sixty-eight percent of sellers found their agent through a referral from a friend, neighbor, or relative or used an agent they had worked with before to buy or sell a home.
- Eighty-two percent of recent sellers contacted only one agent before finding the right agent they worked with to sell their home.
- Fifty-three percent of sellers used the same agent to purchase a home, as sell their home. A share which rises to 85 percent for sellers who purchased a new home within 10 miles.
- Eighty-nine percent of sellers listed their homes on the Multiple Listing Service (MLS), which is the number one source for sellers to list their home.
- Seventy-six percent of sellers reported that they provided the agent's compensation.
- The typical seller has recommended their agent twice since selling their home. Twenty-seven percent of sellers recommended their agent four or more times since selling their home.
- Eighty-nine percent said that they would definitely (74 percent) or probably (15 percent) recommend their agent for future services.

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

- Only seven percent of recent home sales were FSBO sales this year. This is slightly down from seven percent last year, and is a historical low share recorded since this report started in 1981.
- The majority of FSBO sellers, 57 percent, knew the buyer of the home.
- Within rural areas 12 percent sold via FSBO compared to four percent of sellers in urban areas.
- FSBOs typically sell for less than the selling price of other homes; FSBO homes sold at a median of \$260,000 last year, significantly lower than the median of agent-assisted homes at \$318,000.





# CHAPTER 1:

## Characteristics of Home Buyers

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

The share of first-time home buyers has been a key indicator of the market. In 2021, the share of first-time home buyers was 34 percent, an increase from last year's 31 percent. This figure remains below the historical norm of 40 percent of primary residence home buyers in the market.

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

The largest share of home buyers continues to be the 25 to 34 age group, accounting for 24 percent of all buyers. The median household income for 2020 increased to \$102,000, compared to \$96,500 in last year's report. The share of married couples decreased to 60 percent this year, the share of single females also slightly increased to 19 percent, and the share of single males held steady at nine percent—the same as last year. Thirty-one percent of all buyers had children under the age of 18 living at home.

As might be expected, 73 percent of first-time home buyers rented their previous living arrangement, while 76 percent of repeat buyers owned their previous residence. A steady share of first-time buyers, 21 percent, moved from a family or friend's home directly into home buying. Sixty-five percent of first-time buyers purchased for the desire to own a home of their own.

# Chapter 1: Characteristics of Home Buyers

## DEMOGRAPHIC CHARACTERISTICS OF HOME BUYERS

### Exhibits 1-1 through 1-7

The demographics of home buyers continued to shift over the last several years due to both tightened credit conditions and the lack of inventory on the market, which are driving up home sales prices. The *Profile of Home Buyers and Sellers* has collected data on the median age of home buyers since 1981. The median age decreased this year to 45 years old, from 47 last year. However, the median age for repeat buyers increased slightly to 56 years old, the highest since 1981. The median age for first-time buyers remained at 33 years in 2021.

By comparison, the median age for all buyers in 1981 was 31 years. The median age for all buyers had predominantly been in the mid-thirties from 1985 to 2004 with brief years peaking at 41 in 1993, 40 in 2003 and 2005, and 45 in 2011 and 2017. From 2007 through 2010, the median age held steady at 39 years, but was broken in 2011 when it jumped up to 45 years, then reached the oldest median age (at 47 years for all buyers in 2019 and 2020) in the history of NAR collecting the data.

Similarly, the median age of first-time buyers was 29 in 1981. The median age for first-time buyers peaked at 36 years in 1993, then remained around 30 to 32 for over 20 years from 1995 to 2018. There is a jump in the median age for all buyers as the median age for repeat buyers has increased over time. In 1981, the median age for repeat buyers was 36. It was only that low once more in 1995, from which point it has steadily increased over the years. In 2011, it broke the 50-year mark and rose to a median of 53 years, the highest age in three and a half decades. The median age remained at 53 years in 2014 and 2015, declined to 52 years in 2016, and jumped back up to 54 in 2017, followed by 55 years in 2018, 2019, and 2020. The median age reached 56 years in 2021, the highest since 1981.

The largest share of home buyers continues to be in the 25 to 34 age group, accounting for 24 percent of all buyers this year, followed by 35 to 44 years at 22 percent, and 55 to 64 years at 17 percent, with the 65 to 74 years age group accounting for 16 percent and the 45 to 54 years age group accounting for 14 percent of total home buyers. Unsurprisingly, the 18-24 and 75 and over categories were the smallest, accounting for two and five percent of total home buyers respectively.

The median household income for 2020 increased this year to \$102,000 compared to \$96,530 in last year's report. Buyers in the West region had the highest incomes this year, followed closely by buyers in the Northeast. Buyers in the Northeast and Midwest regions tended to be moderately younger, while buyers in the West and South regions tended to be older.

The share of married couples decreased to 60 percent this year, down slightly from 62 percent. The share of single females rose slightly to 19 percent, and single males held steady at nine percent the past three years. Unmarried couples also remained at nine percent this year from nine percent the previous two years. Dual incomes from married couples tend to have stronger purchasing power than single buyers.

*The Profile of Home Buyers and Sellers* report has collected data on household composition since 1981, when the share of married couples accounted for 73 percent of all homes purchased, single females purchased 11 percent of homes, and single males 10 percent. The share of married couples peaked at 81 percent in 1985, then steadily declined over the years. In 2010, the share of married couples was at a low point at 58 percent of all homes purchased. Single females remained above 20 percent from 2005 to 2010, at which point the share started to decline, hovering at 16 percent from 2012 through 2014. The share of single male buyers hit a 35-year peak in 2010 at 12 percent before steadily declining to seven percent in 2017, but has been increasing to previous levels seen from 2012 to 2015.

Thirty-one percent of all buyers had children under the age of 18 living at home, the lowest share since 1981 and down from 33 percent last year. Eleven percent of home buyers purchased a multi-generational home—a home that had adult siblings, adult children over the age of 18, parents, and/or grandparents in the household. The top reasons for purchasing a multi-generational home were to take care of aging parents (29 percent), to spend time with aging parents (17 percent), children over the age of 18 moving back home (16 percent), and cost savings (16 percent).

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

### Exhibits 1-8 through 1-11, Exhibits 1-13 through 1-14, Exhibits 1-23 through 1-25

Down slightly from 83 percent last year, 82 percent of recent home buyers identified their ethnicity as White or Caucasian. The West continued to be more diverse, with 30 percent reporting themselves as a race other than White or Caucasian, and the Midwest reportedly had the least diversity. Single females were also the most diverse, as were families with children under the age of 18 living at home.

Twenty-nine percent of first-time home buyers identified as non-White or Caucasian, compared to 17 percent of repeat buyers. Eight percent of first-time buyers, compared to three percent for repeat buyers, reported a language other than English as their primary language. Fourteen percent of first-time home buyers,



## 2021 Profile of Home Buyers and Sellers

compared to eight percent for repeat buyers, reported being born outside of the United States.

Ninety-five percent of home buyers primarily spoke English in their homes which is down slightly from last year. Ninety-seven percent in the Midwest reported that English was the primary language spoken at home and 96 percent in the South. Ninety percent reported that they were born in the United States. Ninety-four percent were U.S.-born in the Midwest and 85 percent were U.S.-born in the West.

Eighty-nine percent of recent home buyers identified as heterosexual, four percent as gay or lesbian, two percent as bisexual, one percent prefer to self-describe, and six percent preferred not to answer. Recent home buyers also reported that 14 percent were veterans and three percent were active-duty service members.

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

#### Exhibits 1-16 through 1-25

First-time home buyers increased to 34 percent of the market share (31 percent last year), and are below the historical norm of 40 percent among primary residence home buyers. Since 2011, the share of first-time home buyers has been suppressed. In 2015, it was the lowest share since 1987, when the share of first-time home buyers reported was 30 percent. The Northeast region had the largest share of first-time home buyers at 41 percent and the South had the smallest share at 30 percent.

The share of first-time buyers who were married couples was 50 percent, down from 52 percent last year, and married repeat buyers were down slightly at 66 percent from 67 percent the year before. The share of first-time buyers who were unmarried couples rose slightly to 17 percent. Thirty percent of first-time buyers reported having at least one child under the age of 18 living at home, compared to 32 percent for repeat buyers. The median age of first-time buyers stayed steady at 33 years and rose slightly to 56 for repeat buyers.

The median household income rose slightly for first-time buyers and for repeat buyers, although the gap between them varies greatly. First-time home buyers reported a median income in 2020 of \$86,500 (up from \$80,000 last year) and repeat buyers reported an income of \$112,500 (up from \$106,670 last year). Married repeat buyers have the highest income among all buyers at \$131,300. Increased median household income could suggest stricter financing that forces low income buyers out of the market and an increase in home prices, which has been restricting who can enter the market.

### PRIOR LIVING ARRANGEMENT

#### Exhibits 1-26 through 1-28

Recent home buyers were more likely to own their previous home than rent a home or an apartment. As might be expected, 73 percent of first-time home buyers rented their previous living arrangement and 21 percent lived with friends and family. The share of first-time buyers who lived with friends and family before purchasing remained steady from last year, but is up from a low of 12 percent in 1993. In comparison, 76 percent (up from 72 percent in the previous year) of repeat buyers owned their previous residence and 18 percent rented.

With regards to household composition, married couples were more likely than other household types to own their previous residence at 59 percent. Unmarried couples were the most likely to rent a home before making a purchase at 56 percent, while single females were most likely to live with friends and family before buying. Those with children under the age of 18 living at home were more likely to own (50%) than rent (38%) prior to buying, while those without children were more definitively likely to own their previous home.

### PRIMARY REASON FOR HOME PURCHASE AND TIMING OF PURCHASE

#### Exhibits 1-29 through 1-32

For first-time home buyers, 65 percent purchased for the desire to own a home of their own, compared to just nine percent for repeat buyers. Repeat home buyers bought for the following reasons: the desire to be closer to friends and family (15 percent), a desire for a larger home (14 percent), and the desire for a home in a better area (10 percent).

Forty-five percent of all buyers said that the timing was just right and they were ready to purchase a home (down from 51 percent last year). The second most common reason was that it was the best time because of mortgage financing options available (16 percent), followed by that the buyer did not have much choice and they had to purchase the home when they did (15 percent).

### OWNERSHIP OF MULTIPLE HOMES

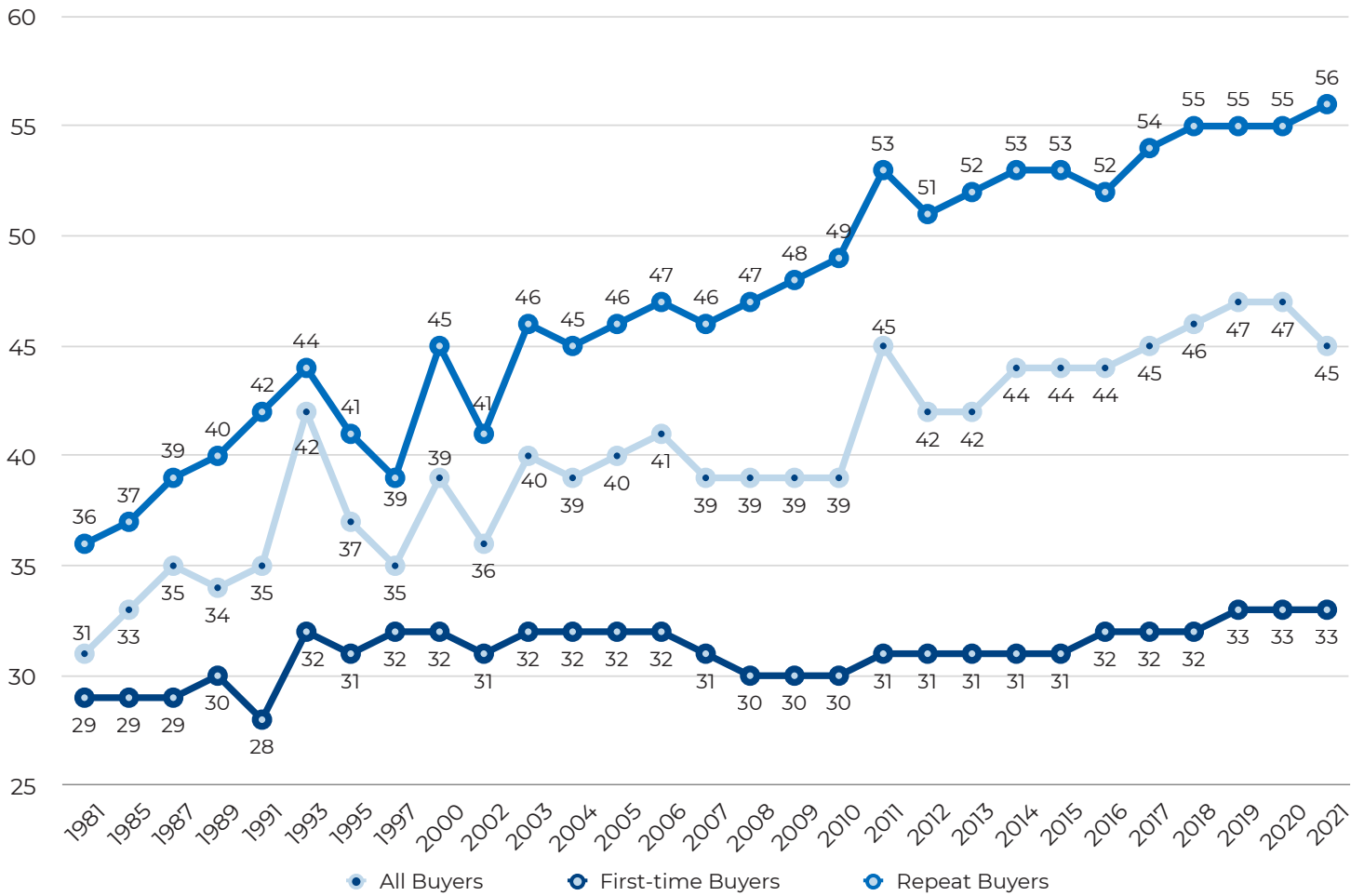
#### Exhibit 1-33

In 2021, the number of recent home buyers who own more than one home was 14 percent, down from 17 percent in 2020. The ability of a buyer to own an additional home besides the home they just purchased speaks to the tightened credit conditions as buyers who have higher incomes and own more than one property are more commonly making home purchases. Owning more than one property was the most common for buyers aged 45 years and older at 19 percent.

# Chapter 1: Characteristics of Home Buyers

## Exhibit 1-1 Median Age of Home Buyers, 1981–2021

(Median Age)





# 2021 Profile of Home Buyers and Sellers

## Exhibit 1-2 Age of Home Buyers, by Region

(Percentage Distribution)

### BUYERS WHO PURCHASED A HOME IN THE

	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
18 to 24 years	2%	2%	3%	3%	2%
25 to 34 years	24%	29%	30%	20%	24%
35 to 44 years	22%	25%	22%	20%	23%
45 to 54 years	14%	13%	12%	16%	12%
55 to 64 years	17%	14%	16%	18%	18%
65 to 74 years	16%	13%	12%	19%	16%
75 years or older	5%	4%	5%	5%	5%
Median age (years)	45	42	41	49	45

## Exhibit 1-3 Household Income of Home Buyers, by Region, 2020

(Percentage Distribution)

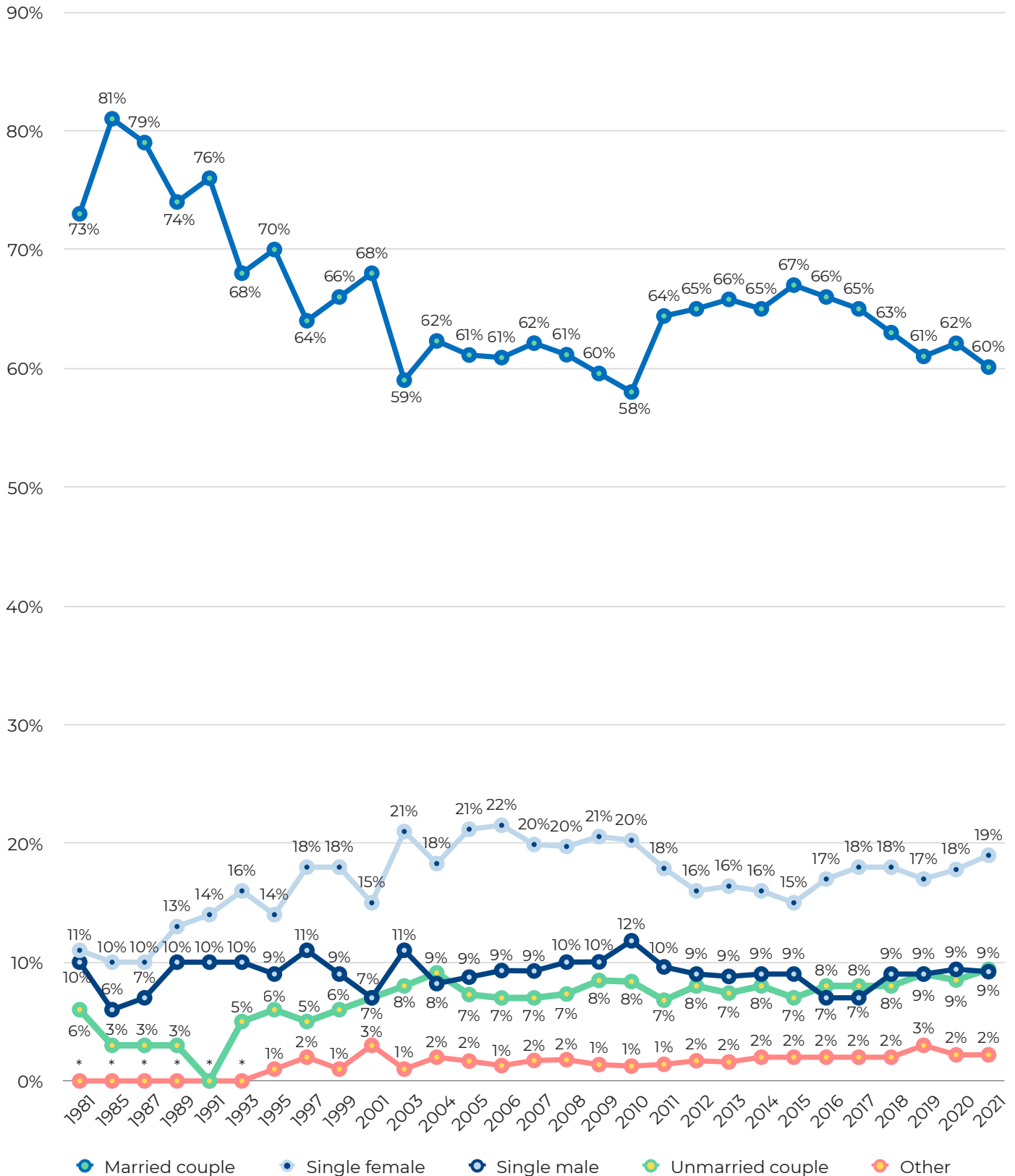
### BUYERS WHO PURCHASED A HOME IN THE

	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than \$25,000	2%	2%	3%	3%	2%
\$25,000 to \$34,999	3%	3%	4%	4%	2%
\$35,000 to \$44,999	5%	4%	6%	5%	5%
\$45,000 to \$54,999	7%	6%	8%	7%	5%
\$55,000 to \$64,999	7%	6%	7%	7%	6%
\$65,000 to \$74,999	7%	7%	7%	8%	7%
\$75,000 to \$84,999	8%	7%	9%	9%	7%
\$85,000 to \$99,999	10%	10%	11%	10%	9%
\$100,000 to \$124,999	14%	15%	14%	12%	14%
\$125,000 to \$149,999	10%	10%	10%	10%	11%
\$150,000 to \$174,999	8%	8%	7%	8%	9%
\$175,000 to \$199,999	5%	6%	4%	4%	6%
\$200,000 or more	13%	16%	9%	12%	20%
Median income (2020)	\$102,000	\$108,300	\$93,200	\$95,500	\$112,500

# Chapter 1: Characteristics of Home Buyers

## Exhibit 1-4 Adult Composition of Home Buyer Households, 1981-2021

(Percentage Distribution)

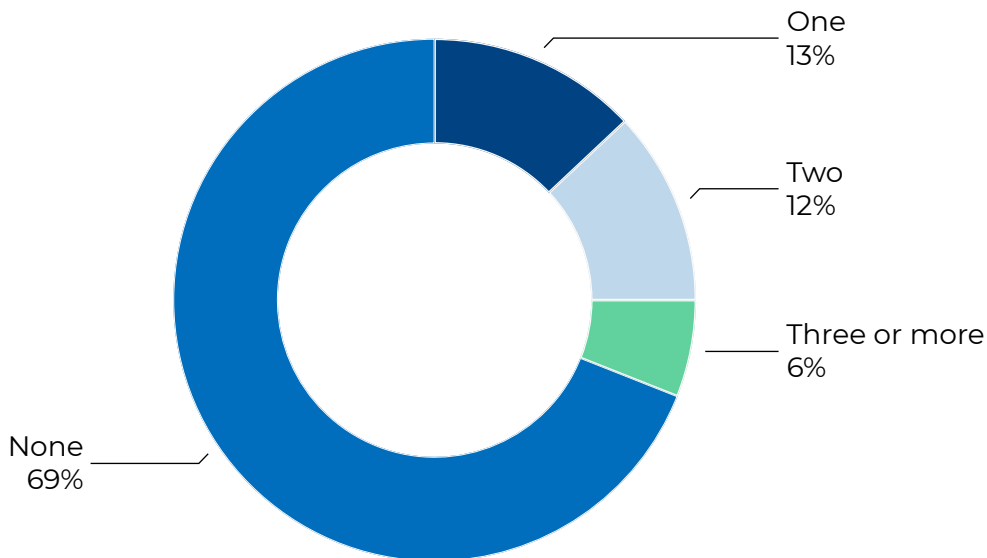


\* Less than 1 percent

# 2021 Profile of Home Buyers and Sellers

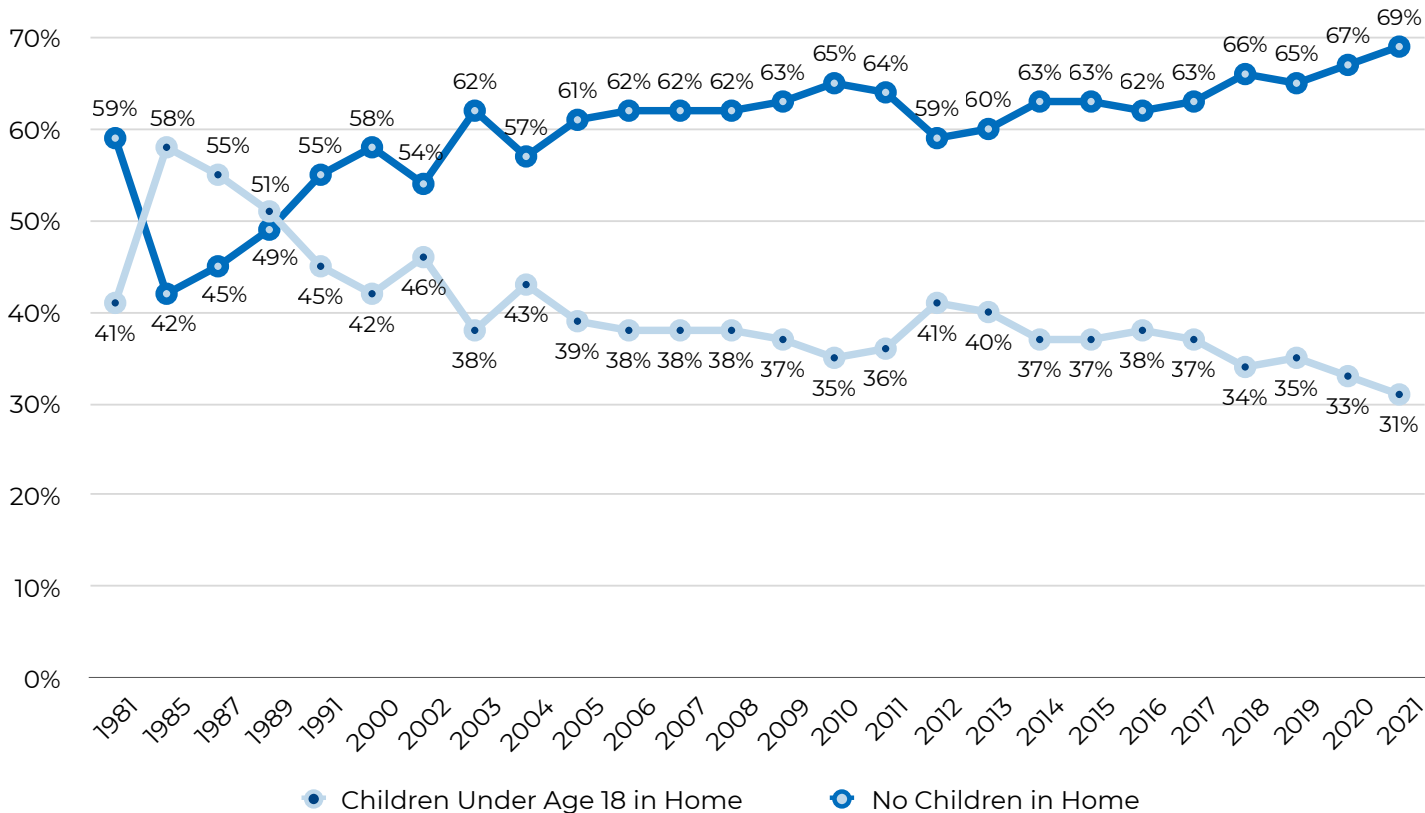
## Exhibit 1-5 Number of Children Under the Age of 18 Residing in Household

(Percentage Distribution of Households)



## Exhibit 1-6 Share of Home Buyers with Children Under the Age of 18 in Home, 1981-2021

(Percentage Distribution)





# Chapter 1: Characteristics of Home Buyers

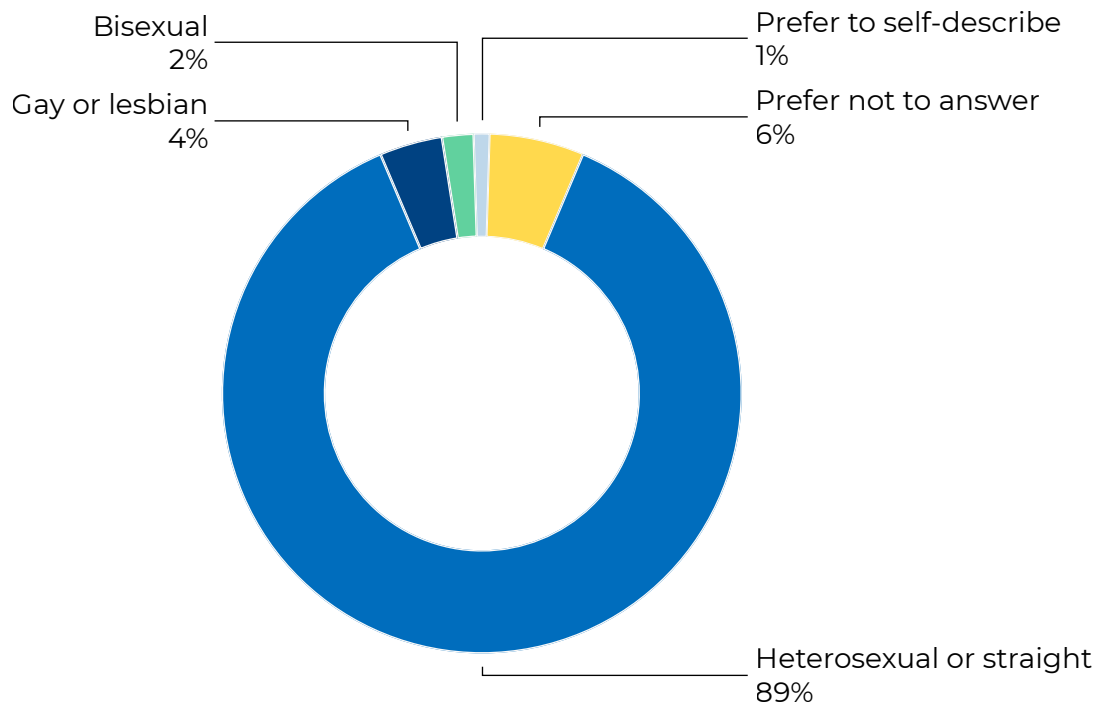
## Exhibit 1-7 Home Purchased Was a Multi-Generational Home (Will Home Adult Siblings, Adult Children, Parents, and/or Grandparents)

(Percent of Respondents)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Multi-generational household	11%	11%	13%	8%	5%	43%	14%	10%
<b>REASONS FOR PURCHASE</b>								
Health/Caretaking of aging parents	29%	31%	27%	20%	11%	42%	26%	31%
Children/relatives over 18 moving back into the house	16%	17%	14%	18%	18%	10%	18%	14%
Cost Savings	16%	16%	12%	18%	20%	25	22%	12%
To spend more time with aging parents	17%	19%	12%	20%	9%	19%	26%	11%
Children/relatives over 18 never left home	13%	16%	8%	2%	9%	15%	15%	12%
Wanted a larger home that multiple incomes could afford together	10%	10%	6%	9%	14%	21%	15%	7%
None of the above	24%	22%	30%	40%	26%	15%	16%	30%
Other	10%	9%	15%	4%	9%	11%	11%	10%

## Exhibit 1-8 Home Buyer Sexual Orientation

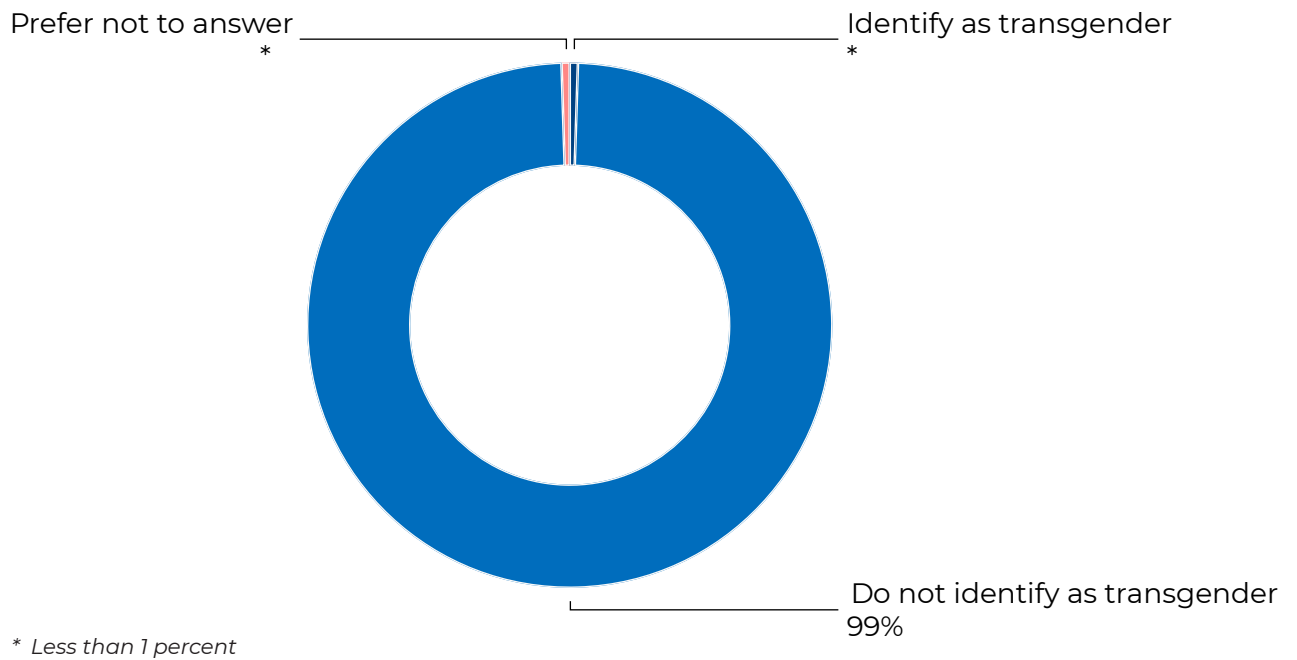
(Percentage Distribution)



# 2021 Profile of Home Buyers and Sellers

## Exhibit 1-9 Home Buyer Identifies as Transgender

(Percentage Distribution)



## Exhibit 1-10 Race/Ethnicity of Home Buyers, by Region

(Percent of Respondents)

	BUYERS WHO PURCHASED A HOME IN THE				
	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
White/Caucasian	82%	87%	90%	80%	74%
Hispanic/Latino	7%	5%	3%	7%	11%
Asian/Pacific Islander	6%	5%	3%	4%	13%
Black/African-American	6%	4%	5%	9%	3%
Other	2%	3%	1%	3%	3%

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

# Chapter 1: Characteristics of Home Buyers

## Exhibit 1-11 Race/Ethnicity of Home Buyers, by Adult Composition of Household

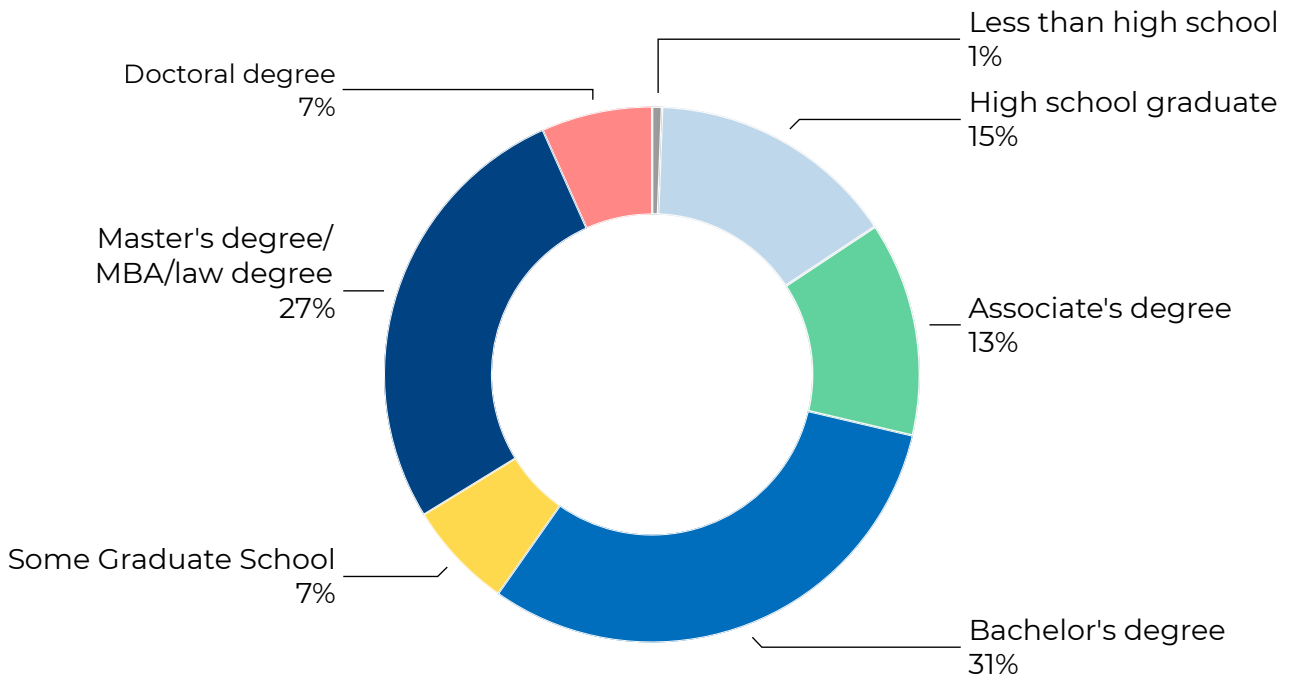
(Percent of Respondents)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
White/Caucasian	82%	82%	81%	82%	87%	75%	76%	85%
Hispanic/Latino	7%	7%	7%	5%	6%	11%	10%	5%
Asian/Pacific Islander	6%	7%	3%	6%	5%	7%	8%	4%
Black/African-American	6%	5%	10%	6%	3%	3%	7%	5%
Other	2%	2%	2%	4%	2%	6%	3%	2%

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

## Exhibit 1-12 Highest Education Achieved by Household Head

(Percentage Distribution)

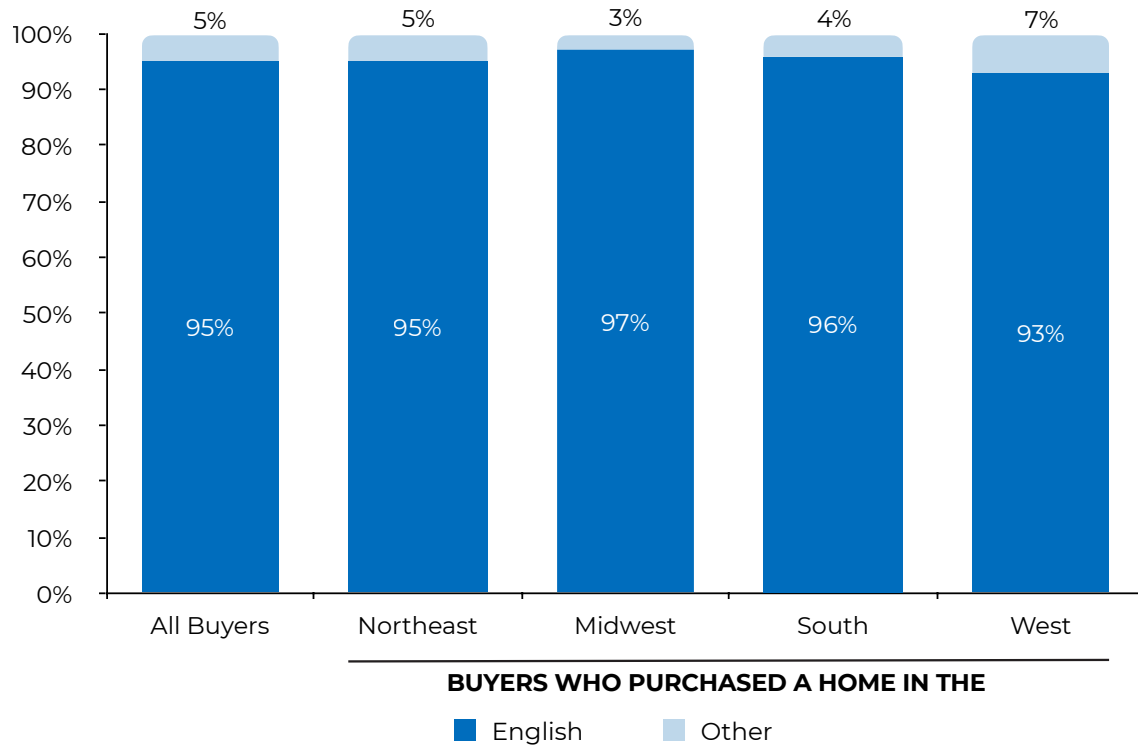




# 2021 Profile of Home Buyers and Sellers

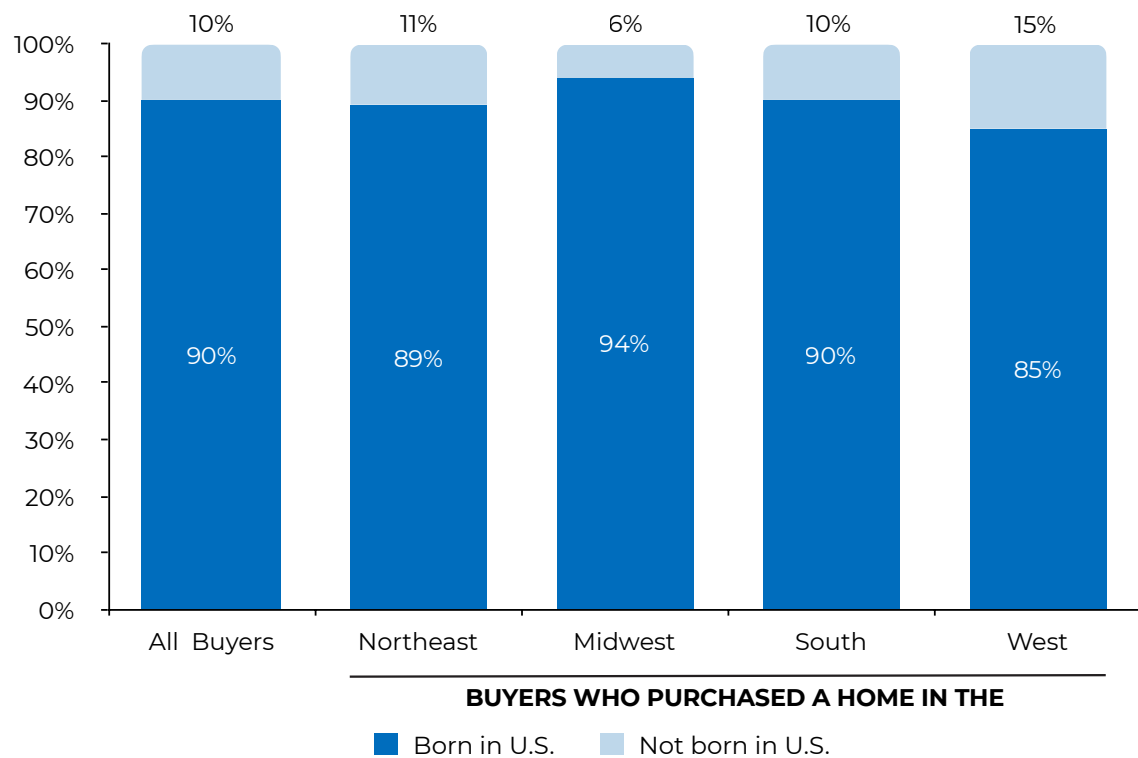
## Exhibit 1-13 Primary Language Spoken in Home Buyer Household, by Region

(Percentage Distribution)



## Exhibit 1-14 National Origin of Home Buyers, by Region

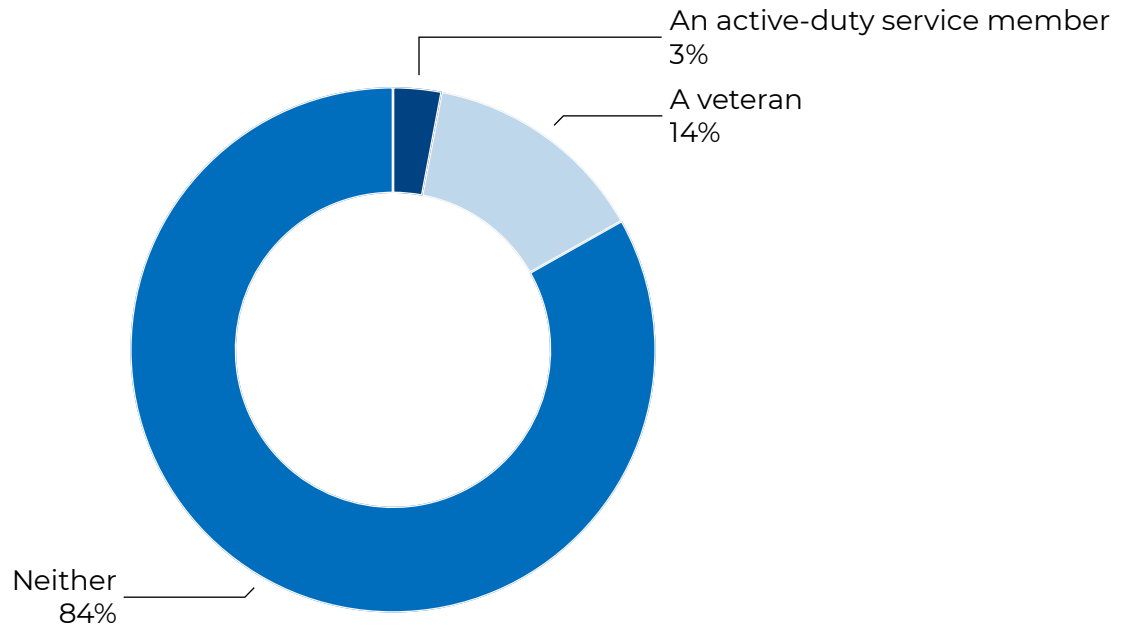
(Percentage Distribution)



# Chapter 1: Characteristics of Home Buyers

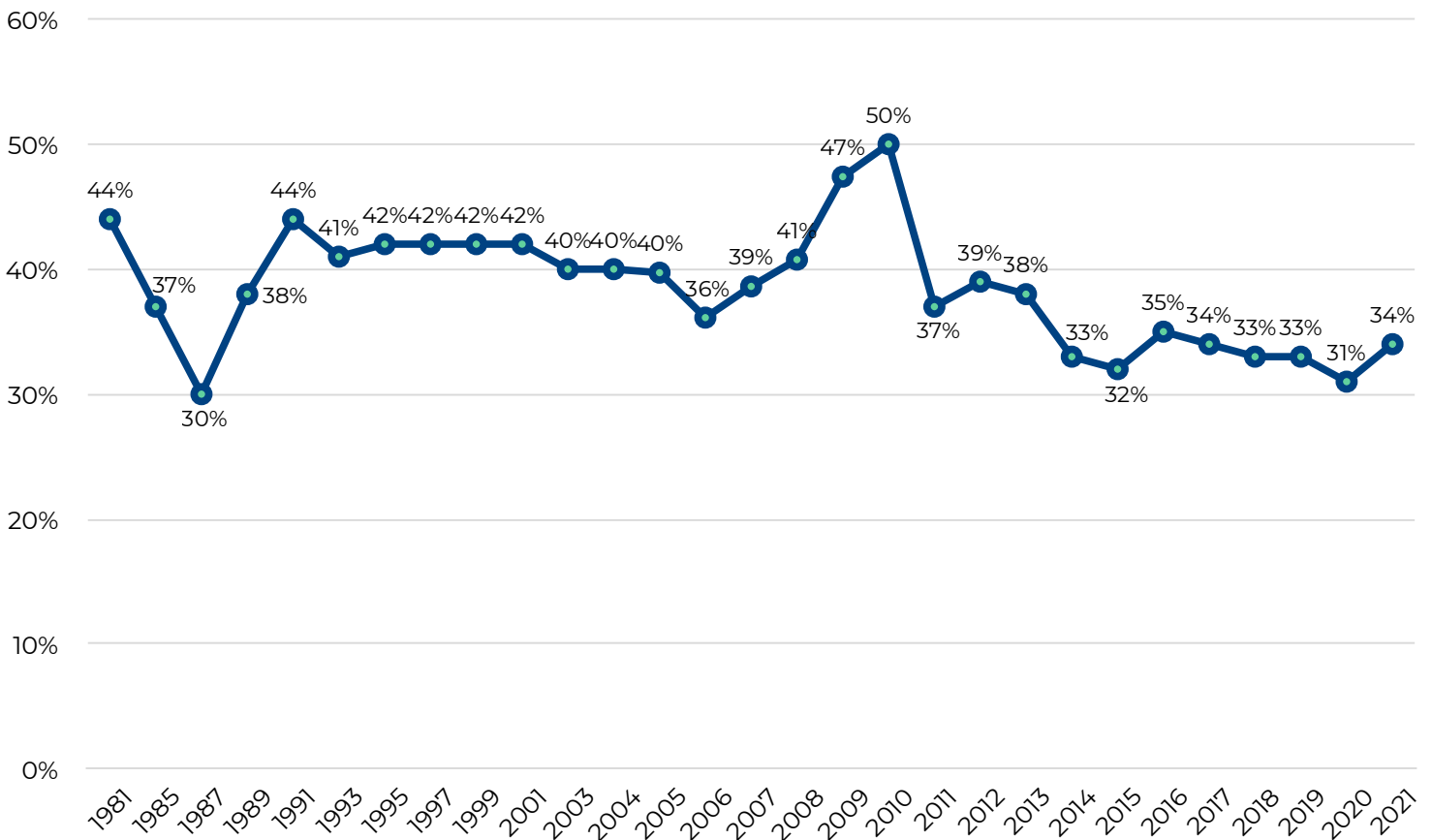
## Exhibit 1-15 Self or Spouse/Partner is Active Military or Veteran

(Percentage Distribution)



## Exhibit 1-16 First-Time Home Buyers, 1981-2021

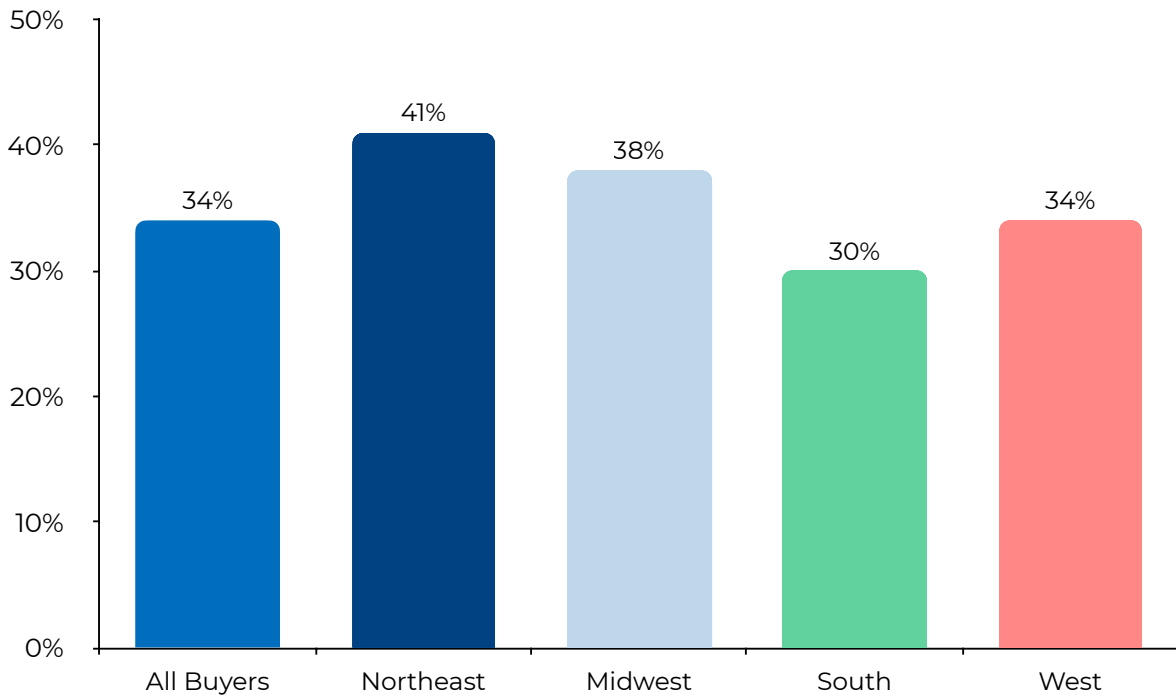
(Percent of all Home Buyers)



# 2021 Profile of Home Buyers and Sellers

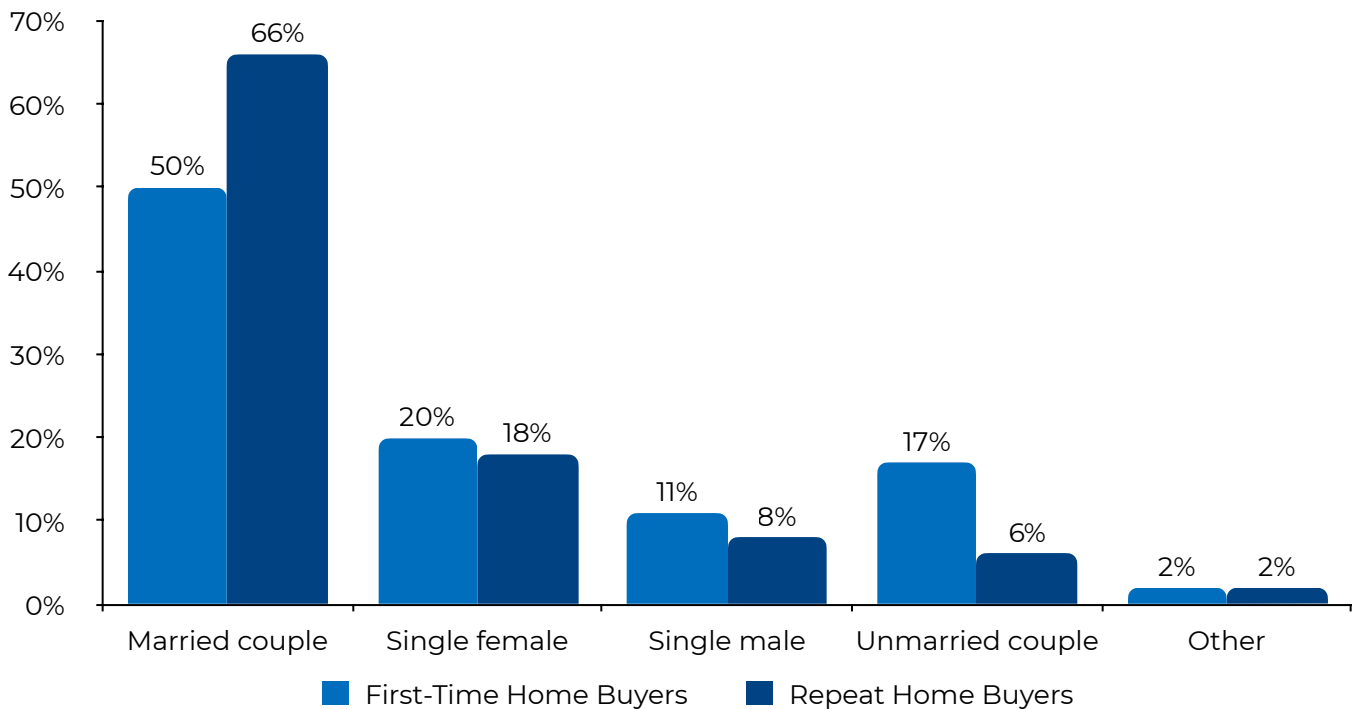
## Exhibit 1-17 First-Time Home Buyers, by Region

(Percent of all Home Buyers)



## Exhibit 1-18 First-Time and Repeat Home Buyers, by Household Type

(Percentage Distribution of Households)

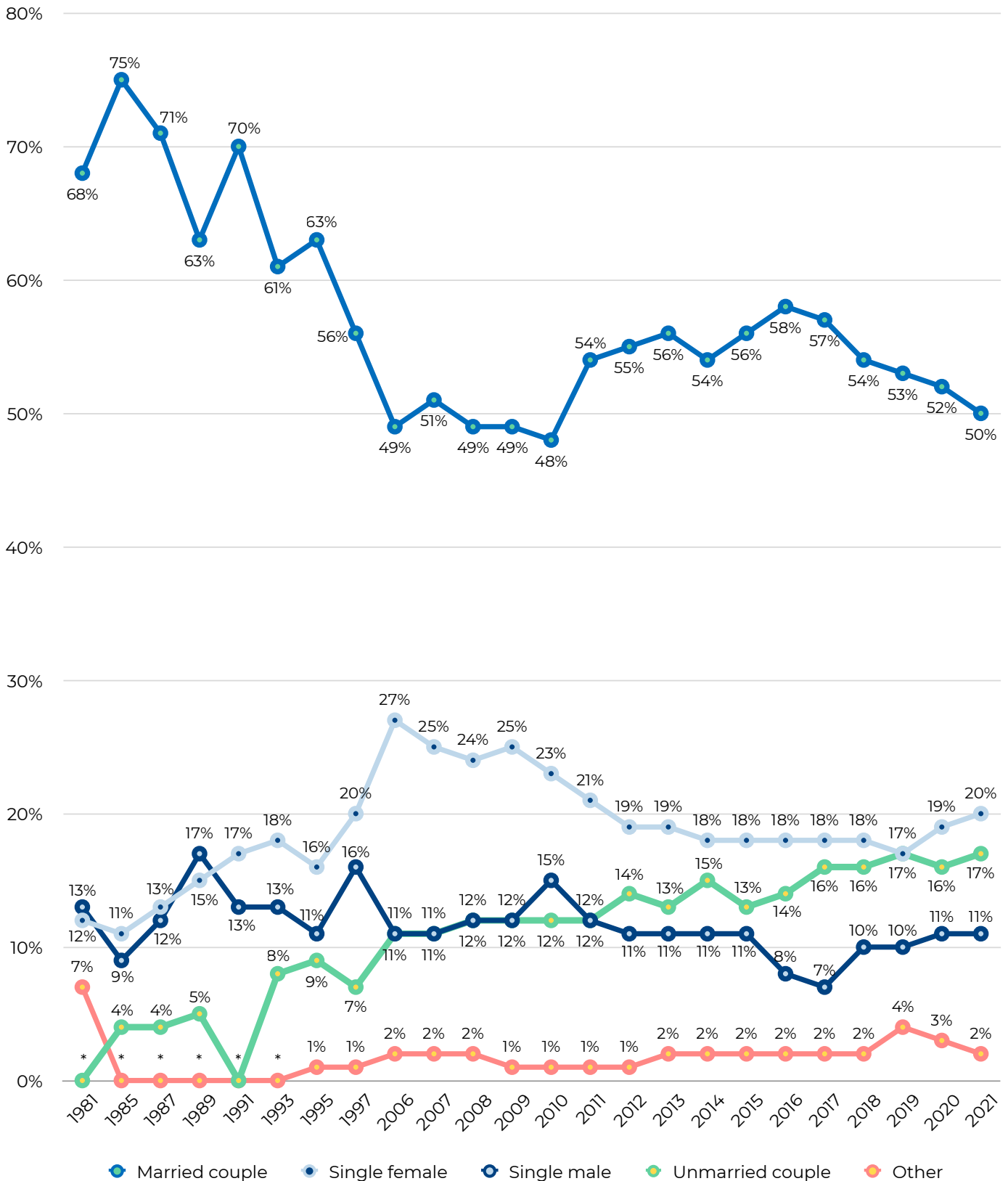




# Chapter 1: Characteristics of Home Buyers

## Exhibit 1-19 Adult Composition of First-Time Home Buyer Households, 1981–2021

(Percentage Distribution)

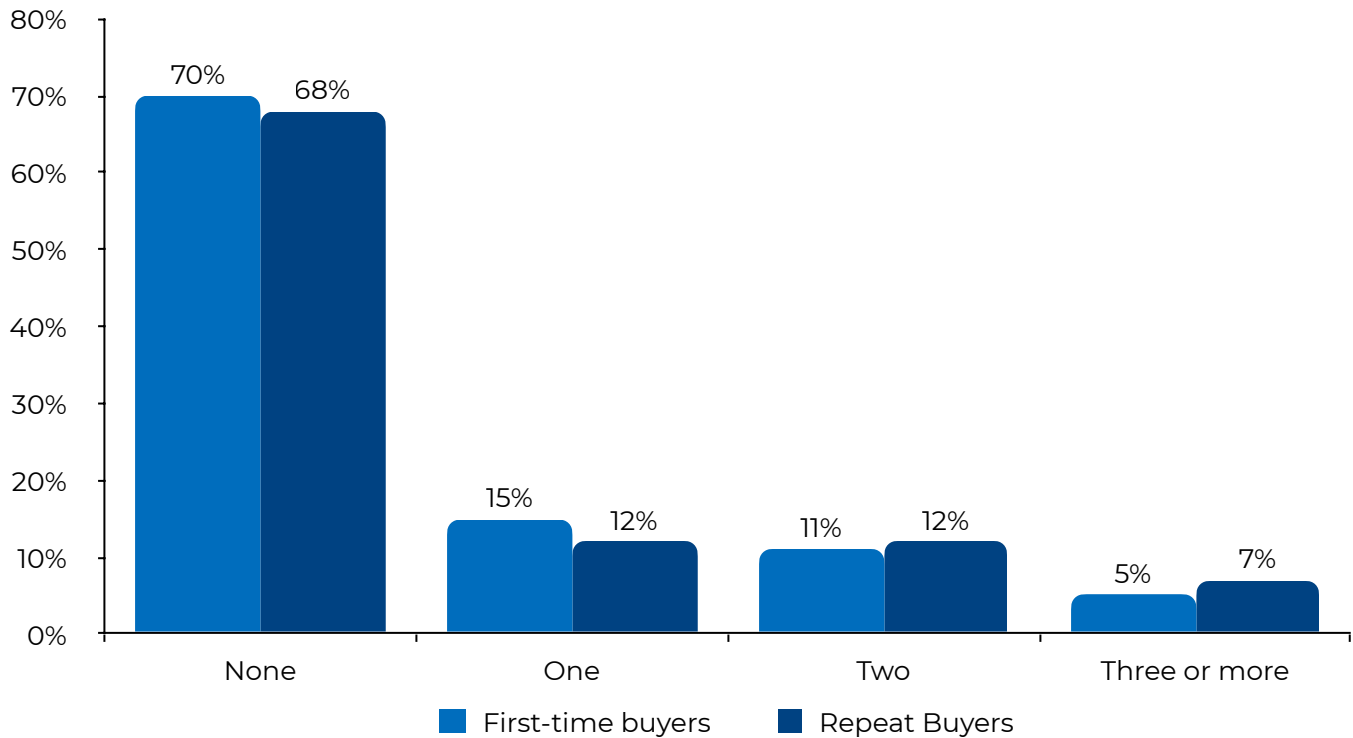


\* Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

### Exhibit 1-20 Children in Household of First-Time and Repeat Home Buyers

(Percentage Distribution of Households)



### Exhibit 1-21 Age of First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
18 to 24 years	2%	6%	*
25 to 34 years	24%	51%	11%
35 to 44 years	22%	26%	20%
45 to 54 years	14%	8%	16%
55 to 64 years	17%	6%	23%
65 to 74 years	16%	3%	23%
75 years or older	5%	1%	7%
Median age (years)	45	33	56
Married couple	45	33	54
Single female	51	34	60
Single male	45	31	58
Unmarried couple	34	30	52
Other	52	34	60

\* Less than 1 percent

## Chapter 1: Characteristics of Home Buyers

### Exhibit 1-22 Household Income of First-Time and Repeat Buyers, 2020

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Less than \$25,000	2%	3%	2%
\$25,000 to \$34,999	3%	4%	3%
\$35,000 to \$44,999	5%	7%	4%
\$45,000 to \$54,999	7%	9%	5%
\$55,000 to \$64,999	7%	9%	5%
\$65,000 to \$74,999	7%	9%	6%
\$75,000 to \$84,999	8%	8%	8%
\$85,000 to \$99,999	10%	10%	10%
\$100,000 to \$124,999	14%	13%	14%
\$125,000 to \$149,999	10%	9%	11%
\$150,000 to \$174,999	8%	7%	9%
\$175,000 to \$199,999	5%	3%	6%
\$200,000 or more	13%	9%	17%
Median income (2020)	\$102,000	\$86,500	\$112,500
Married couple	\$120,000	\$103,300	\$131,300
Single female	\$65,000	\$58,300	\$71,000
Single male	\$78,000	\$69,300	\$83,000
Unmarried couple	\$110,900	\$100,000	\$126,900
Other	\$81,900	\$61,500	\$97,900



## 2021 Profile of Home Buyers and Sellers

### Exhibit 1–23 Race/Ethnicity of First-Time and Repeat Buyers

(Percent of Respondents)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
White/Caucasian	82%	75%	86%
Hispanic/Latino	7%	9%	6%
Asian/Pacific Islander	6%	9%	4%
Black/African-American	6%	8%	5%
Other	2%	3%	2%

Note: Respondents were permitted to select as many races and ethnicities as they felt applicable.

The percentage distribution may therefore sum to more than 100 percent.

### Exhibit 1–24 Primary Language Spoken in First-Time and Repeat Buyer Households

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
English	95%	92%	97%
Other	5%	8%	3%

### Exhibit 1–25 National Origin of First-Time and Repeat Buyers

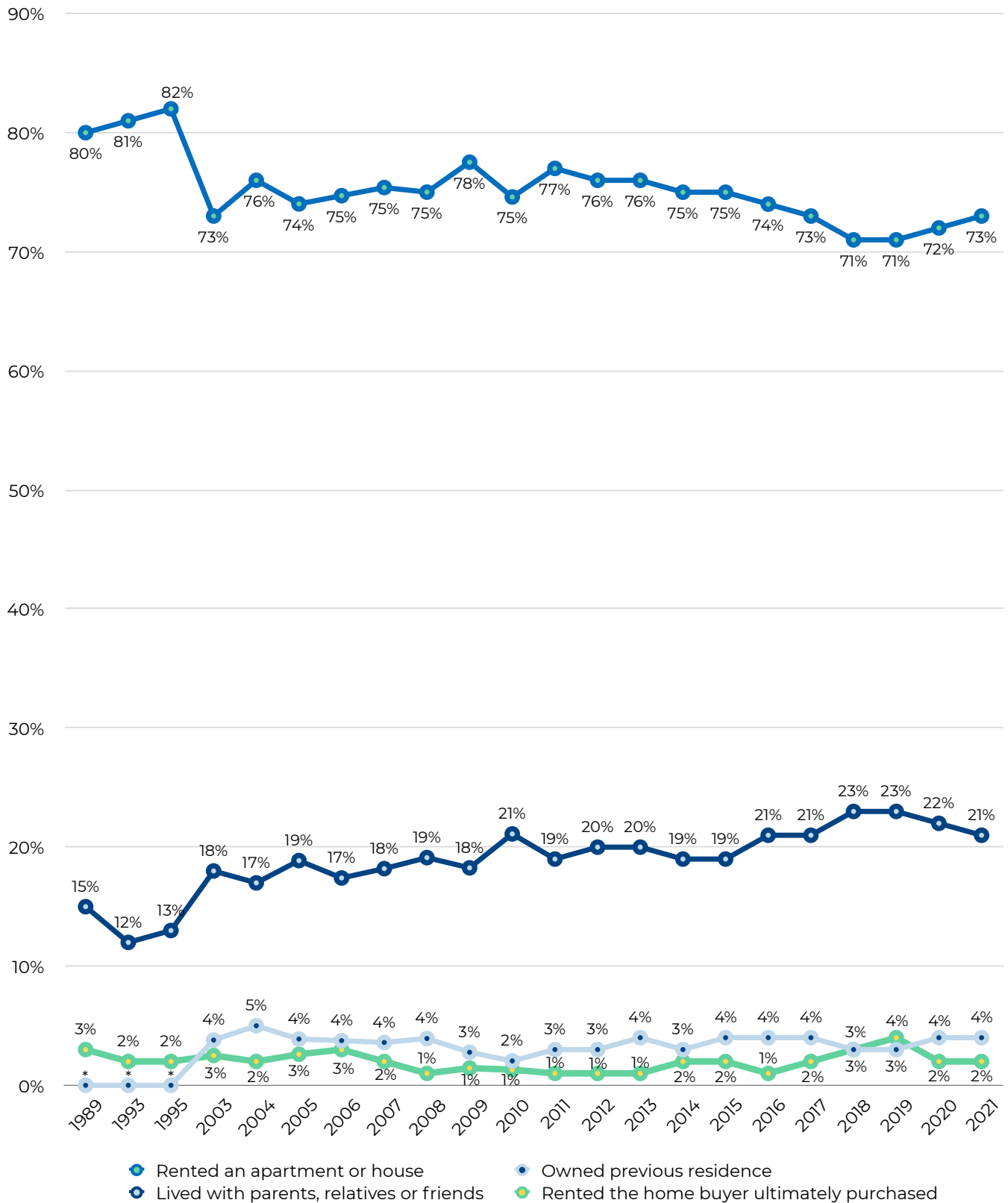
(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Born in U.S.	90%	86%	92%
Not born in U.S.	10%	14%	8%

# Chapter 1: Characteristics of Home Buyers

## Exhibit 1-26 Prior Living Arrangement for First-Time Buyers, 1989–2021

(Percentage Distribution)



\* Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

### Exhibit 1-27 Primary Reason for Purchasing a Home, First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Owned previous home	51%	4%	76%
Rented an apartment or house	37%	73%	18%
Lived with parents/relatives/friends, paid rent	5%	10%	3%
Lived with parents/relatives/friends, did not pay rent	6%	11%	3%
Rented the home ultimately purchased	1%	2%	*

\* Less than 1 percent

Note: After selling their previous home, buyers may have rented a home or apartment before purchasing their next home. A first-time buyer could have acquired ownership of their previous home (as an inheritance or gift, for example) without having been the buyer of the home. Thus, a first-time buyer could have owned a home prior to their first home purchase.

### Exhibit 1-28 Prior Living Arrangement, by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Owned previous home	51%	59%	44%	44%	26%	46%	50%	51%
Rented an apartment or house	37%	33%	39%	41%	56%	32%	38%	37%
Lived with parents/relatives/friends, paid rent	5%	3%	8%	9%	9%	13%	5%	5%
Lived with parents/relatives/friends, did not pay rent	6%	4%	9%	6%	8%	9%	5%	6%
Rented the home ultimately purchased	1%	1%	1%	*	1%	*	2%	1%

\* Less than 1 percent

Note: After selling their previous home, buyers may have rented a home or apartment before purchasing their next home. A first-time buyer could have acquired ownership of their previous home (as an inheritance or gift, for example) without having been the buyer of the home. Thus, a first-time buyer could have owned a home prior to their first home purchase.



## Chapter 1: Characteristics of Home Buyers

### Exhibit 1-29 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	28%	65%	9%
Desire for larger home	11%	3%	14%
Desire to be closer to family/friends/relatives	10%	2%	15%
Change in family situation (e.g. marriage, birth of child, divorce, etc.)	7%	4%	8%
Desire for a home in a better area	7%	2%	10%
Job-related relocation or move	5%	3%	7%
Desire for smaller home	5%	1%	7%
Retirement	5%	1%	8%
Establish a household	3%	5%	1%
Desire to be closer to job/school/transit	2%	1%	2%
Affordability of homes	2%	3%	1%
Financial security	2%	3%	2%
Desire for a newly built or custom-built home	2%	*	3%
Desire for better home for pet(s)	2%	3%	1%
Purchased home for family member or relative	1%	*	1%
Better weather conditions	1%	*	2%
Greater number of homes on the market for sale/better choice	*	*	*
Other	2%	1%	2%

\* Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

### Exhibit 1-30 Primary Reason for Purchasing a Home, 2010-2021

(Percentage Distribution)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Desire to own a home of own	31%	27%	30%	30%	30%	30%	31%	30%	29%	29%	27%	28%
Desire for larger home	9%	10%	11%	12%	10%	10%	10%	10%	9%	9%	10%	11%
Desire to be closer to family/ friends/relatives	5%	7%	6%	6%	7%	7%	7%	8%	8%	9%	9%	10%
Change in family situation (e.g. marriage, birth of child, divorce, etc.)	8%	8%	8%	7%	7%	7%	8%	8%	7%	8%	8%	7%
Desire for a home in a better area	5%	5%	6%	6%	6%	6%	6%	7%	7%	7%	6%	7%
Job-related relocation or move	7%	10%	9%	8%	8%	8%	8%	8%	8%	7%	6%	5%
Desire for smaller home	3%	4%	4%	5%	6%	6%	6%	5%	5%	6%	6%	5%
Retirement	3%	4%	4%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Establish a household	2%	2%	2%	3%	2%	2%	3%	2%	2%	3%	2%	3%
Desire to be closer to job/school/transit	3%	4%	4%	4%	4%	4%	3%	4%	3%	3%	3%	2%
Affordability of homes	6%	8%	7%	6%	3%	3%	3%	3%	2%	2%	3%	2%
Financial security	1%	1%	1%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Desire for a newly built or custom-built home	1%	1%	2%	1%	2%	2%	2%	2%	2%	2%	2%	2%
Desire for better home for pet(s)	NA	NA	NA	NA	NA	NA	NA	NA	1%	1%	1%	2%
Purchased home for family member or relative	1%	1%	1%	*	*	*	*	*	1%	1%	1%	1%
Better weather conditions	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	1%	1%
Greater number of homes on the market for sale/better choice	2%	1%	1%	1%	*	NA	*	*	*	*	*	*
Other	2%	5%	4%	4%	7%	7%	6%	6%	7%	8%	1%	2%

\* Less than 1 percent

NA—Not Asked

# Chapter 1: Characteristics of Home Buyers

## Exhibit 1-31 Primary Reason for Purchasing a Home, by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Desire to own a home of own	28%	22%	33%	36%	47%	28%	28%	28%
Desire for larger home	11%	15%	4%	4%	8%	6%	21%	6%
Desire to be closer to family/friends/relatives	10%	10%	15%	7%	3%	19%	5%	13%
Change in family situation (e.g. marriage, birth of child, divorce, etc.)	7%	4%	11%	10%	8%	10%	9%	6%
Desire for a home in a better area	7%	8%	5%	6%	5%	2%	8%	6%
Job-related relocation or move	5%	7%	3%	4%	2%	3%	8%	4%
Desire for smaller home	5%	6%	5%	5%	3%	2%	3%	6%
Retirement	5%	6%	4%	7%	3%	3%	1%	7%
Establish a household	3%	3%	1%	1%	5%	4%	2%	2%
Desire to be closer to job/school/transit	2%	2%	2%	3%	*	1%	3%	1%
Affordability of homes	2%	1%	3%	2%	3%	*	1%	2%
Financial security	2%	2%	3%	4%	3%	2%	2%	3%
Desire for a newly built or custom-built home	2%	3%	1%	2%	*	1%	2%	2%
Desire for better home for pet(s)	2%	1%	3%	1%	4%	2%	1%	2%
Purchased home for family member or relative	1%	1%	*	*	*	6%	1%	*
Better weather conditions	1%	1%	1%	1%	1%	*	*	1%
Greater number of homes on the market for sale/better choice	*	*	*	1%	*	*	*	*
Other	2%	2%	1%	1%	1%	6%	2%	2%

\* Less than 1 percent



## 2021 Profile of Home Buyers and Sellers

### Exhibit 1-32 Primary Reason for the Timing of Home Purchase, First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
It was just the right time, the buyer was ready to buy a home	45%	51%	42%
It was the best time because of mortgage financing options available	16%	21%	13%
Did not have much choice, had to purchase	15%	13%	16%
It was the best time because of availability of homes for sale	9%	5%	11%
It was the best time because of affordability of homes	5%	6%	4%
The buyer wished they had waited	1%	1%	1%
Other	9%	4%	12%

### Exhibit 1-33 Other Homes Owned, by Age

(Percentage Distribution)

	AGE OF HOME BUYER				
	ALL BUYERS	18 TO 24	25 TO 44	45 TO 64	65 OR OLDER
Recently purchased home only	84%	94%	89%	79%	78%
One or more investment properties	8%	2%	7%	9%	9%
Previous homes that buyer is trying to sell	1%	*	1%	2%	2%
One or more vacation homes	3%	*	1%	5%	6%
Other	2%	2%	1%	3%	2%

\* Less than 1 percent



# CHAPTER 2:

## Characteristics of Homes Purchased

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

Due to a lack of new home construction, the share of new homes purchased remained relatively low at 15 percent. Previously-owned home purchases remained at 85 percent, the same as last year. By way of comparison, in 1981 new home purchases made up 18 percent of the market share and previously-owned homes were 82 percent. New home purchases reached a high of 29 percent in 1989 and 28 percent in 2003.

The most frequently purchased housing type among all buyers was a detached single-family home. Single females and single males were the most likely to have purchased a townhouse or row house, over any other household type. The share of senior-related housing purchases was 14 percent in 2021, up slightly from last year.

Overall, buyers expected that they will live in their homes for 12 years. The expected tenure increased with age, and was also higher among repeat buyers. The biggest factor that would cause a buyer to move from their newly purchased home was due to life changes, including additions to their family, marriage, children moving out, or retirement. While 27 percent of buyers reported that life changes could cause them to move, 18 percent of recent buyers said that this was their forever home and had no intention of moving.



## Chapter 2: Characteristics of Homes Purchased

### NEW AND PREVIOUSLY OWNED HOMES PURCHASED

#### Exhibits 2-1 through 2-3

Due to a lack of new home construction, the share of new homes purchased remained somewhat low at 15 percent. Previously-owned home purchases remained at 85 percent. In comparison, in 1981 new home purchases accounted for 18 percent of the market share and previously-owned homes were 82 percent. New home purchases were most common in the South at 21 percent of all homes purchased (the same as last year), and just six percent of homes purchased in the Northeast were new construction.

Buyers chose to purchase new and previously-owned homes for different reasons. Purchasers of new homes were looking to avoid renovations and problems with plumbing or electricity (36 percent). New home buyers also liked having the ability to choose and customize design features in their home (35 percent), and having the amenities of new home construction communities (23 percent). Buyers who chose a previously-owned home were considering a better overall value (38 percent), a better price (35 percent), and a home with more charm and character (24 percent).

**“Quality of the neighborhood (63 percent), convenience to friends and family (45 percent), convenience to job (42 percent), and overall home affordability (39 percent) were the most important factors to recent home buyers when choosing a neighborhood.”**

### TYPE OF HOME PURCHASED

#### Exhibits 2-4 through 2-7

The most common type of home purchased continued to be the detached single-family home, which made up 82 percent of all homes purchased, slightly up from 81 percent from last year. Seven percent of recent buyers purchased townhomes or row homes, and most frequently these homes were located in the urban/central city, suburb/subdivision, or small towns. The most popular location to purchase a single-family home was in a suburb/subdivision or small town.

Townhomes continued to be more common among first-time home buyers compared to repeat buyers. Single female and single male buyers were more likely to purchase a townhouse or condo than married couples and unmarried couples. Among buyers with children under the age of 18 in the home, 89 percent purchased a detached single-family home, as opposed to 80 percent of buyers who had no children in their home.

Since 1981, the *Profile of Home Buyers and Sellers* has been tracking data on the type of homes purchased. In 1981, 76 percent of home buyers purchased detached single-family homes, 16 percent bought condos, and eight percent bought townhomes. In 1985, the share of detached single-family homes purchased was at its highest at 88 percent and in 2007 it was at its lowest at 74 percent. For most of the 1980s and 1990s, detached single-family homes ranged in the low to mid 80 percentiles. By 2005 through 2012, the share of detached single-family homes sold ranged in the mid to high 70 percentiles. Since 2007, condo sales have steadily decreased from 11 percent, and made up four percent of sales in 2021.

### LOCATION OF HOME PURCHASED

#### Exhibits 2-8 through 2-10

Among all regions, the largest percentages of homes were located in the suburbs or subdivisions, and in small towns. In the Northeast, 30 percent of recent buyers purchased a home in a small town, compared to 17 percent in the South. Sixty-two percent of buyers who purchased new homes did so in a suburb or subdivision. The location of buyers' previously sold home was similar to the location of their recently purchased homes. Sixty-seven percent of all buyers purchased homes that were located in the suburbs or a subdivision and subsequently sold a home that was also located in the suburbs or in a subdivision.

## 2021 Profile of Home Buyers and Sellers

### SENIOR HOUSING AND ACTIVE ADULT COMMUNITIES

#### Exhibit 2-11

Senior-related housing increased slightly to 14 percent of buyers over the age of 50 this year, and has incrementally increased from 11 percent in 2010. For buyers over 50 who recently purchased senior-related housing, 68 percent (up from 62 percent last year) purchased a detached single-family home and 50 percent (down from 52 percent last year) bought in a suburb or subdivision. Both categories were lower for buyers in senior-related housing than other types of buyers. Other home types purchased include townhomes and row homes at seven percent, and condos at 16 percent. The location of senior-related housing showed that other than in suburbs and subdivisions, 16 percent of buyers purchased in small towns (down from 19 percent last year), and 17 percent in resort or recreational areas (up from 13 percent last year). Only seven percent of buyers of senior-related housing purchased in rural areas.

### DISTANCE BETWEEN HOME PURCHASED AND PREVIOUS RESIDENCE

#### Exhibit 2-12

The distance between the home that buyers recently purchased and their previous residence was a median of 15 miles. Regionally, buyers in the Midwest moved the shortest distance—just a median of 10 miles to their current residence. Buyers in the Northeast moved a median of 15 miles, buyers in the West moved a median of 18 miles, and those in the South moved the greatest distance, a median of 20 miles to their recently purchased home.

### FACTORS INFLUENCING NEIGHBORHOOD CHOICE

#### Exhibits 2-13 through 2-14

Quality of the neighborhood (63 percent), convenience to friends and family (45 percent), convenience to job (42 percent), and overall home affordability (39 percent) were the most important factors to recent home buyers when choosing a neighborhood. In urban or central city locations and resort or recreational areas, convenience to entertainment or leisure activities and convenience to shopping were more important factors than in any other location. Single females more than any other household composition cited the convenience to friends and family as an influencing factor in their neighborhood choice at 53 percent. Half of recent buyers with children under the age of 18 living in their home cited quality of the school district as an influencing factor in their neighborhood choice.

### PRICE OF HOME PURCHASED

#### Exhibits 2-15 through 2-18

Prices of homes that were purchased increased this year nationally to a median of \$305,000 from \$272,500 last year. The most expensive homes were found in the West, where the median price of a home purchased was \$450,000, up from \$400,000 last year. Homes in the Midwest were the most affordable at a median of \$246,900.

New homes were typically more expensive than previously-owned homes. The median price for a new home was \$365,000 (up from \$334,150 last year) and the median price for a previously-owned home was \$294,000 (up from \$260,000 last year). First-time buyers commonly purchased a home that was less expensive than the home that repeat buyers purchased. Repeat buyers purchased homes that were a median price of \$338,000, whereas first-time buyers purchased homes that were a median of \$252,000 (up from \$297,000 and \$230,000 last year, respectively).

Recent buyers typically purchased their home for a median of 100 percent of the asking price for their home. Twenty-nine percent of buyers paid more than the asking price for their home. Home buyers in the Northeast were able to get the largest discounts, where eight percent paid less than 90 percent of the asking price for their home.

**“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 27 percent, followed by the condition of the home at 21 percent.”**



## Chapter 2: Characteristics of Homes Purchased

### SIZE OF HOME PURCHASED

#### Exhibits 2-19 through 2-23

Recent homes purchased were a median size of 1,900 square feet this year. The size of homes that repeat buyers purchased was typically larger than homes purchased by first-time buyers. The median home size for first-time buyers was 1,640 square feet, and 2,020 square feet for repeat buyers. Single females and single males purchased the smallest sized homes, with medians of 1,510 and 1,650 square feet respectively. Married couples and households with children under 18 purchased the largest homes compared to any other household composition, with a median of 2,100 square feet and 2,200 square feet respectively.

The largest homes purchased were detached single-family homes, with a median of 2,000 square feet. In the South, the median home purchased was 1,980 square feet, which was larger than in any other region. The most expensive price per square foot was found in townhouses or row houses. The price per square foot in these homes was \$170. The next most expensive was apartment/condo in buildings with 5 or more units at \$160 per square foot. The typical home purchased this year had a median of three bedrooms and two bathrooms. Among households that have children under the age of 18 living in their home, there were a median of four bedrooms in the house.

### YEAR HOME WAS BUILT

#### Exhibit 2-24

The typical home purchased was built in 1993, the same as the previous year. The South had the newest homes purchased, where the typical purchased home was built in 2002. The oldest built homes were found in the Northeast, where the median year built was 1972. .

### ENVIRONMENT FEATURES AND COMMUTING COSTS

#### Exhibits 2-25 through 2-28

Commuting costs were at least somewhat important for 64 percent of buyers, while 34 percent said commuting costs were not important to them. Most recent buyers thought their home's environmentally friendly features were at least somewhat important to them. The most important environmental feature to buyers in all regions was heating and cooling costs, which 80 percent of buyers found at least somewhat important. As the home's age increases, buyers place less importance on environmentally friendly features compared to buyers of newer homes.

### CHARACTERISTICS OF HOME ON WHICH BUYER COMPROMISED

#### Exhibits 2-29 through 2-31

When deciding on a home to purchase, recent buyers made compromises on some home characteristics. The most common compromise made was the price of the home at 27 percent, followed by the condition of the home at 21 percent. Twenty-seven percent of buyers said that they made no compromises when purchasing their home. Single female buyers were the most likely to not make compromises when choosing their home at 30 percent.

### EXPECTED LENGTH OF TENURE IN HOME PURCHASED

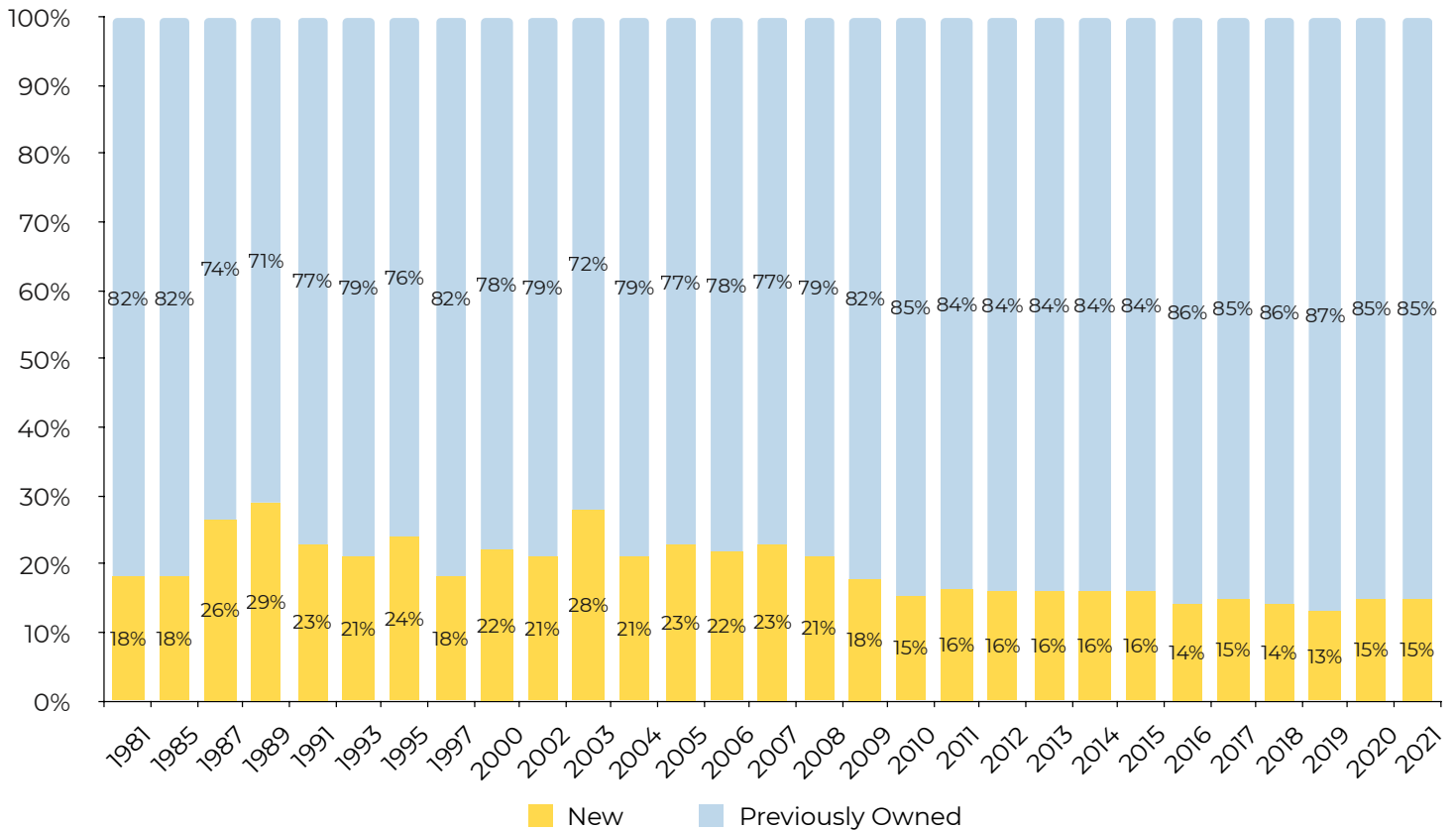
#### Exhibits 2-32 through 2-35

The expected tenure in homes decreased to a median of 12 years. First-time and repeat buyers intended to stay in their homes for the same length of time as the previous year at 10 years and 15 years respectively. Buyers between the ages of 18 to 24 had the shortest expected tenure of six years, compared to buyers aged 45 to 64 who expect to stay in their homes for 18 years. While buyers estimate the timeframe that they will live in their homes, there are factors which could cause buyers to move. Twenty-seven percent of buyers said that they would potentially move because of a life change such as an addition to the family, marriage, children moving out, or retirement. Buyers between the ages of 18 and 24 were more likely than any other age group to potentially move for a larger home, and buyers between the ages of 25 and 44 because of a job change. Married couples and households with no children were the most likely at 20 and 19 percent, respectively, to say that they are never moving and that this is their forever home.

# 2021 Profile of Home Buyers and Sellers

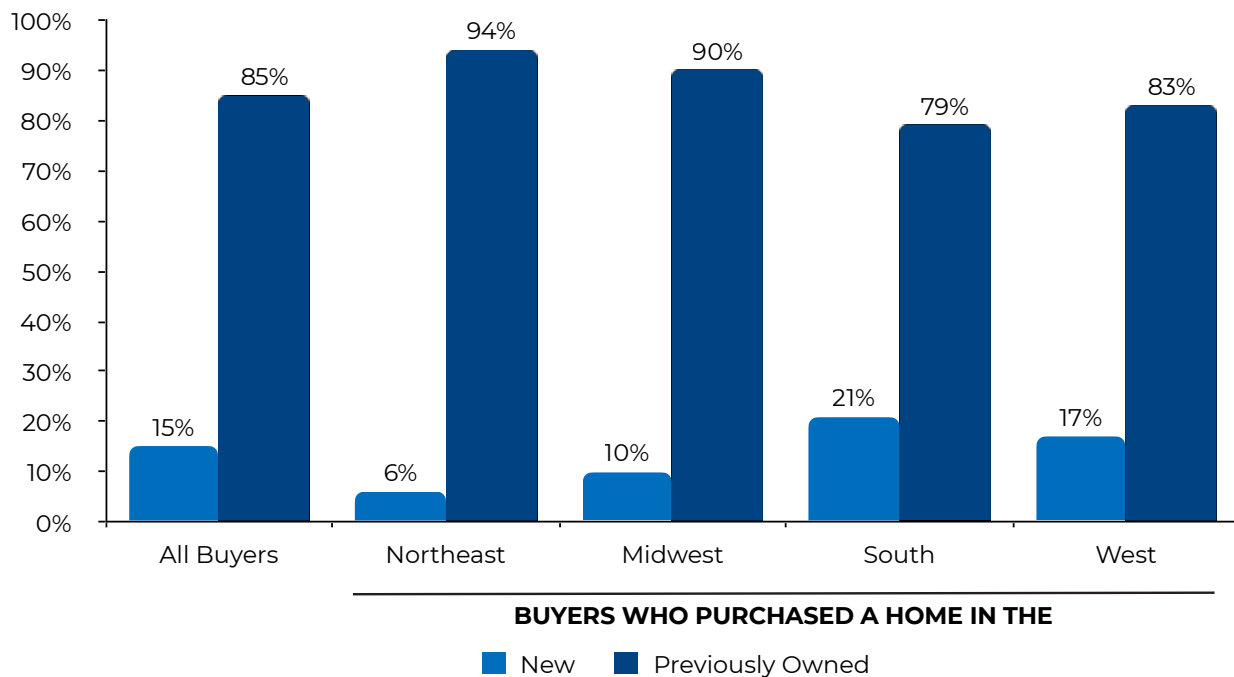
## Exhibit 2-1 New and Previously Owned Homes Purchased, 1981-2021

(Percentage Distribution)



## Exhibit 2-2 New and Previously Owned Homes Purchased, by Region

(Percentage Distribution)



## Chapter 2: Characteristics of Homes Purchased

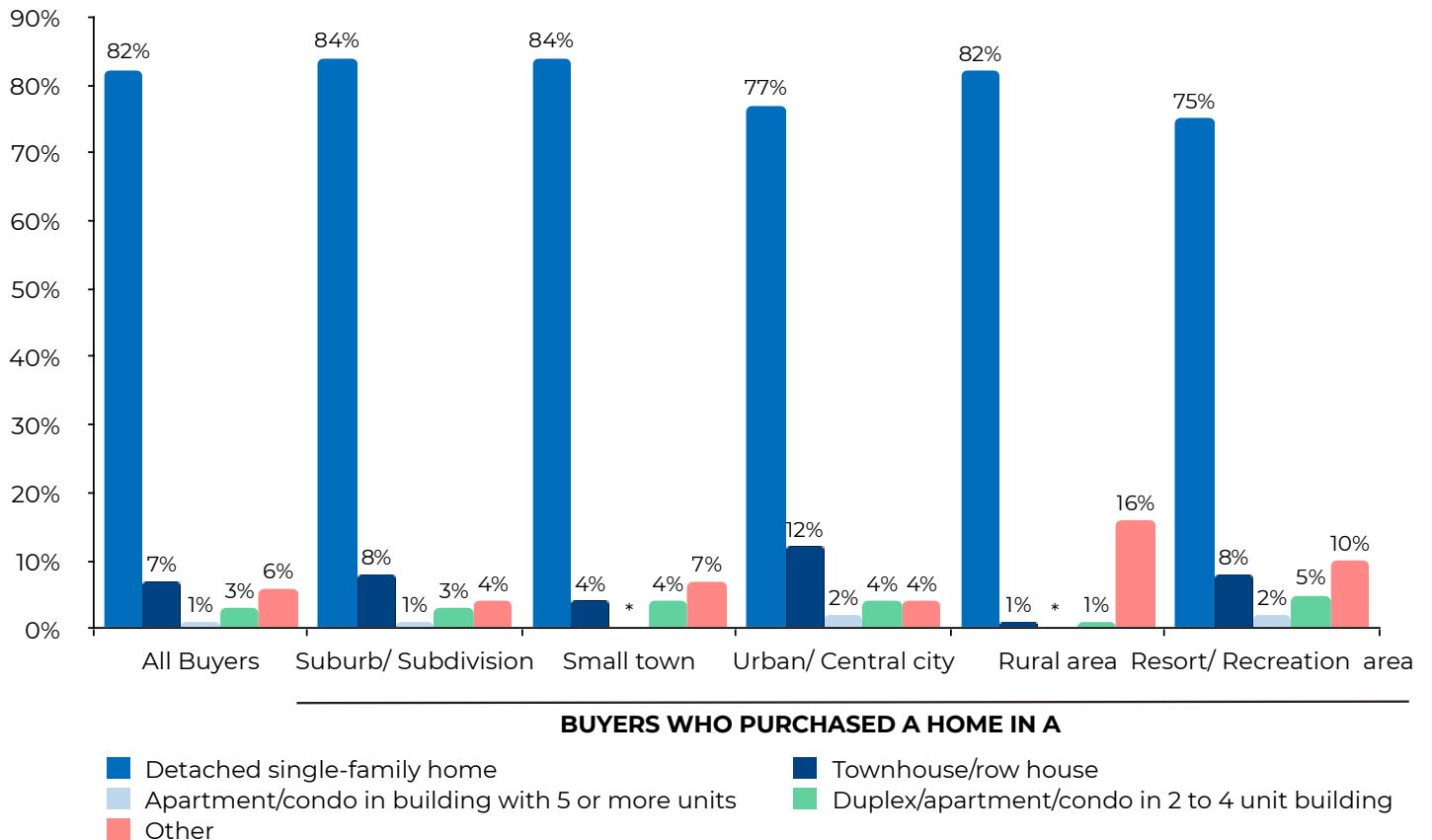
### Exhibit 2-3 Why New and Previously Owned Homes Purchased

(Percent of Respondents)

NEW HOME:	
Avoid renovations or problems with plumbing or electricity	36%
Ability to choose and customize design features	35%
Amenities of new home construction communities	23%
Lack of inventory of previously owned home	18%
Green/energy efficiency	12%
Smart home features	8%
Other	15%
PREVIOUSLY OWNED HOME:	
Better overall value	38%
Better price	35%
More charm and character	24%
Lack of inventory of new homes	19%
Want to DIY a fixer upper	6%
Other	7%

### Exhibit 2-4 Type of Home Purchased, by Location

(Percentage Distribution)

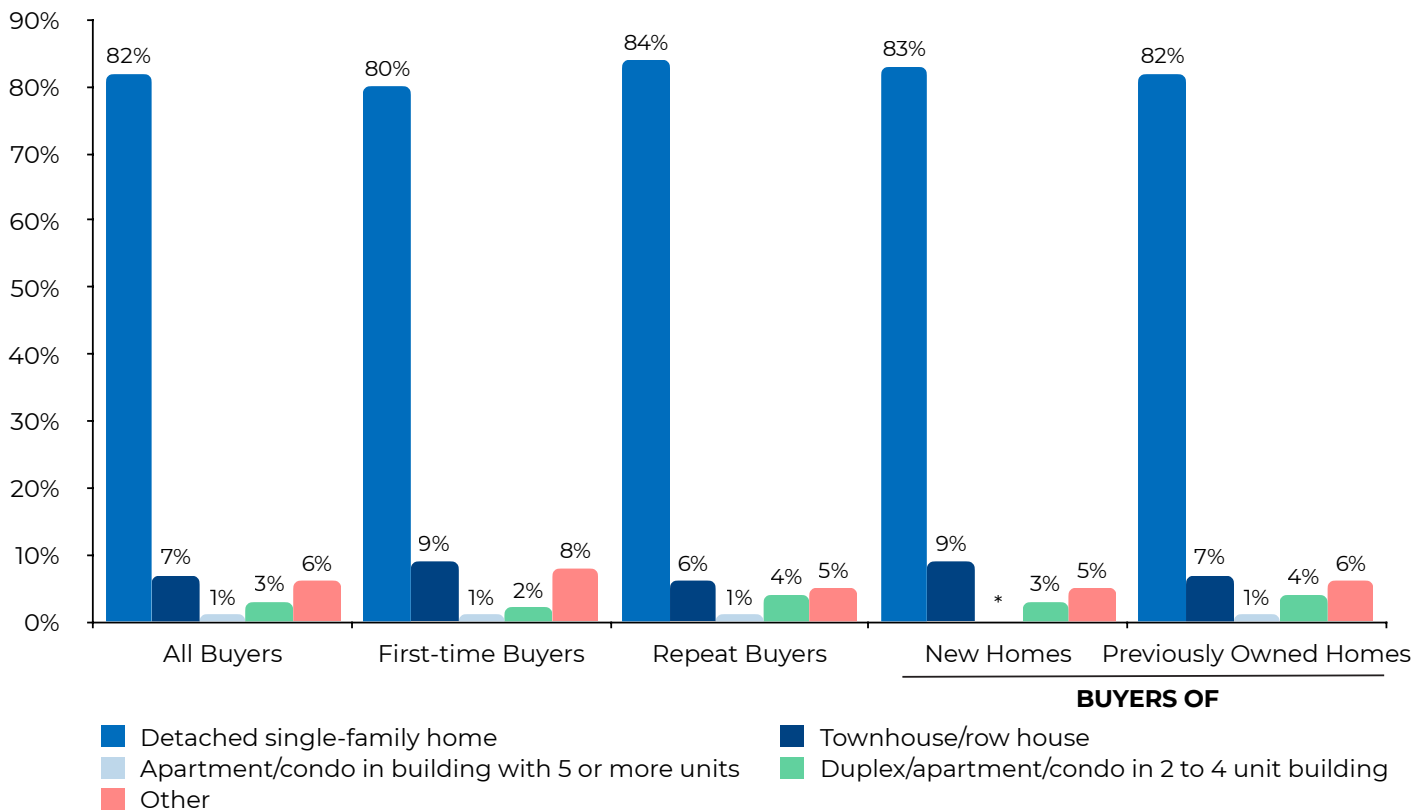


\* Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)



### Exhibit 2-6 Type of Home Purchased, by Adult Composition of Household

(Percentage Distribution)

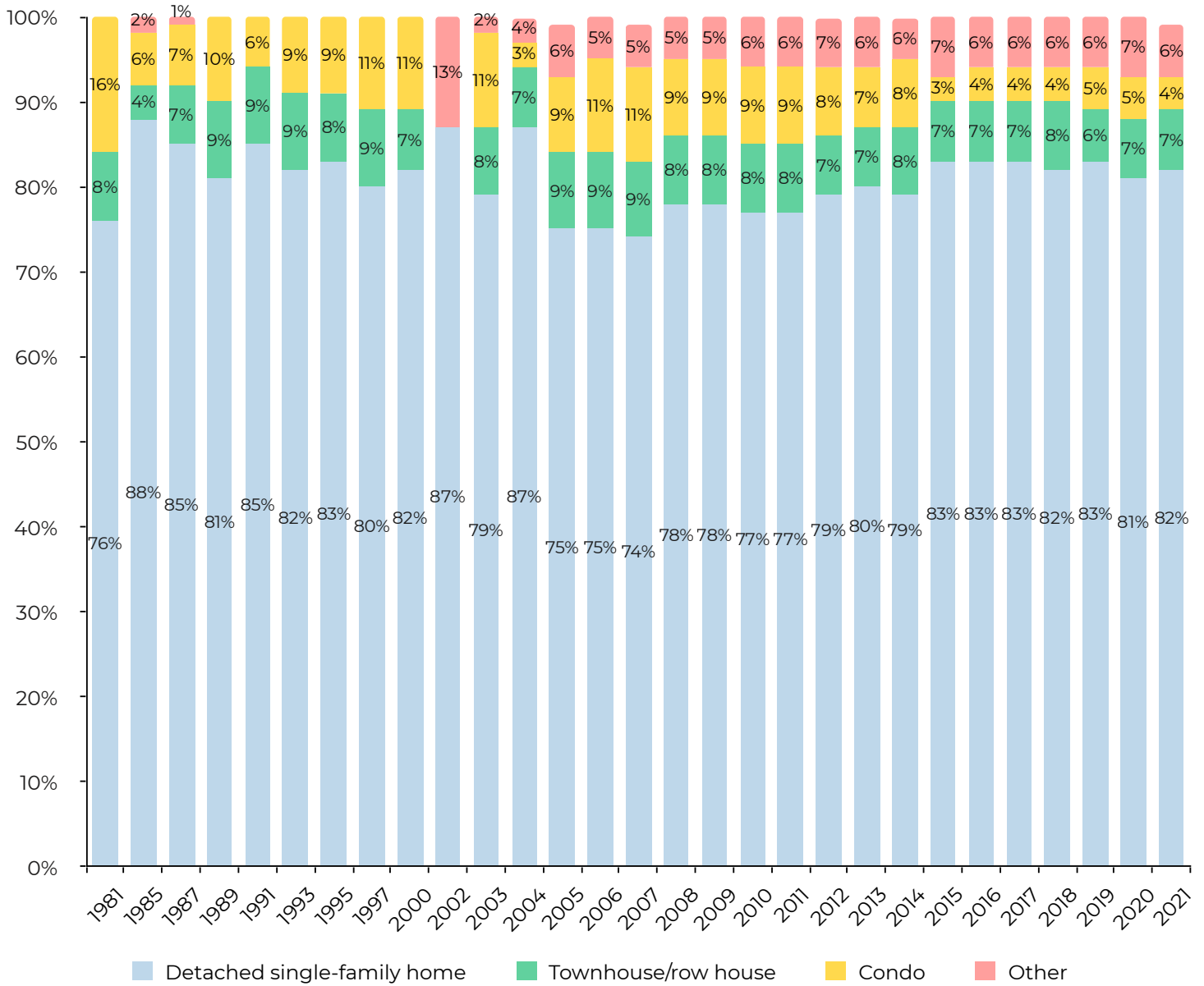
	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Detached single-family home	82%	87%	71%	77%	83%	83%	89%	80%
Townhouse/row house	7%	5%	13%	9%	6%	7%	4%	8%
Apartment/condo in building with 5 or more units	1%	1%	3%	2%	*	*	*	1%
Duplex/apartment/condo in 2 to 4 unit building	3%	3%	7%	4%	2%	1%	1%	5%
Other	6%	5%	7%	9%	9%	9%	5%	6%

\* Less than 1 percent

# Chapter 2: Characteristics of Homes Purchased

## Exhibit 2-7 Type of Home Purchased, 1981-2021

(Percentage Distribution)

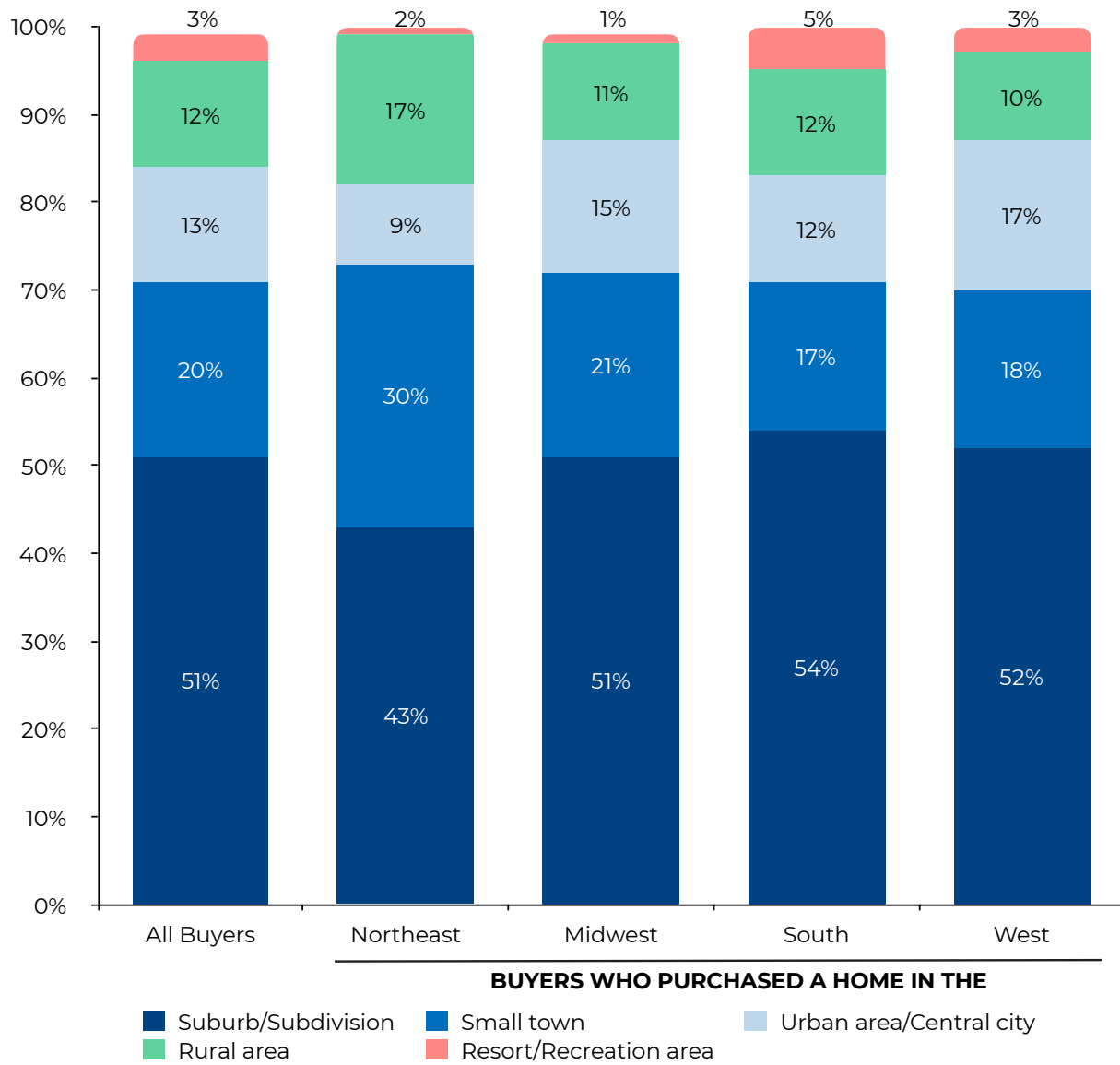




# 2021 Profile of Home Buyers and Sellers

## Exhibit 2-8 Location of Home Purchased, by Region

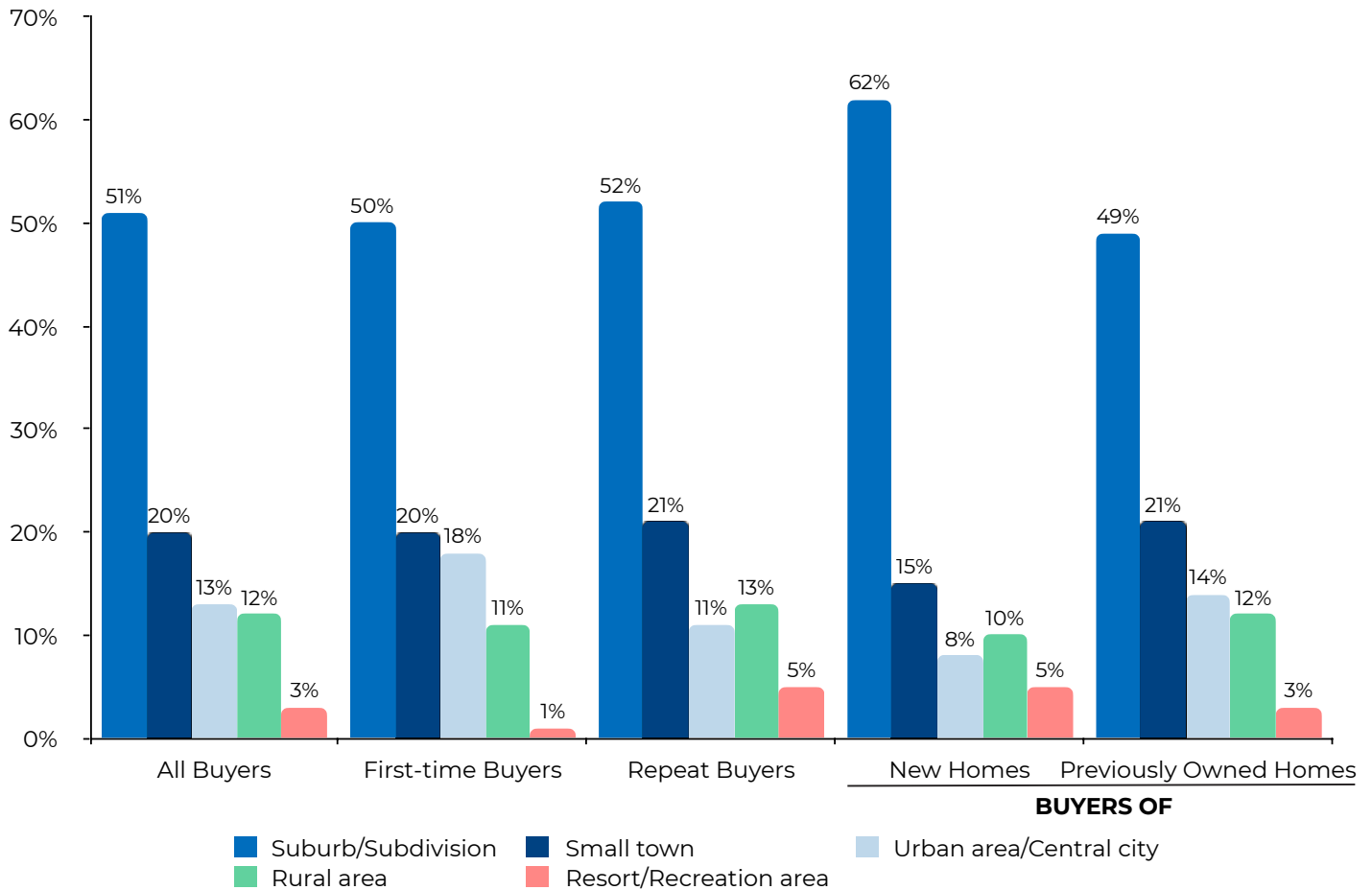
(Percentage Distribution)



## Chapter 2: Characteristics of Homes Purchased

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

(Percentage Distribution)



### Exhibit 2-10 Location of Home Purchased Versus Location of Home Sold

(Percentage Distribution Among Those that Sold a Home)

LOCATION OF HOME PURCHASED					
LOCATION OF HOME SOLD	SUBURB/SUBDIVISION	SMALL TOWN	URBAN/CENTRAL CITY	RURAL AREA	RESORT/RECREATION AREA
Suburb/Subdivision	67%	29%	23%	39%	41%
Small town	9%	40%	17%	18%	14%
Urban area/Central city	13%	14%	48%	11%	10%
Rural area	9%	14%	10%	30%	14%
Resort/Recreation area	2%	3%	1%	2%	21%

## 2021 Profile of Home Buyers and Sellers

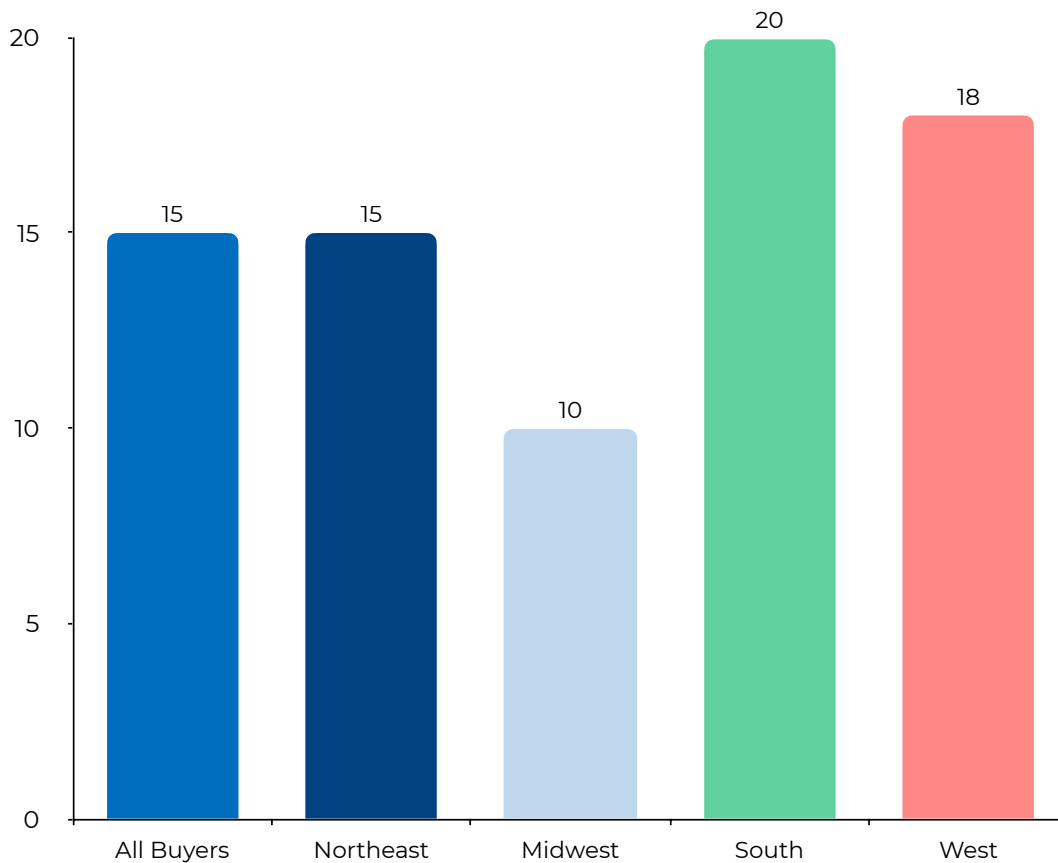
### Exhibit 2-11 Senior-Related Housing by Type of Home Purchased and Location

(Percentage Distribution)

ALL BUYERS OVER 50	
Share who purchased a home in senior-related housing	14%
<b>BUYERS OVER 50 WHO PURCHASED SENIOR-RELATED HOUSING:</b>	
<b>TYPE OF HOME PURCHASED</b>	
Detached single-family home	68%
Duplex/apartment/condo in 2 to 4 unit building	13%
Townhouse/row house	7%
Apartment/condo in building with 5 or more units	3%
Other	9%
<b>LOCATION</b>	
Suburb/ Subdivision	50%
Resort/Recreation area	17%
Small town	16%
Urban/ Central city	11%
Rural area	7%

### Exhibit 2-12 Distance Between Home Purchased and Previous Residence

(Median Miles)



## Chapter 2: Characteristics of Homes Purchased

### Exhibit 2-13 Factors Influencing Neighborhood Choice, by Location

(Percent of Respondents)

#### BUYERS WHO PURCHASED A HOME IN A

	ALL BUYERS	SUBURB/ SUBDIVISION	SMALL TOWN	URBAN/ CENTRAL CITY	RURAL AREA	RESORT/ RECREATION AREA
Quality of the neighborhood	63%	71%	57%	60%	44%	63%
Convenient to friends/family	45%	47%	43%	49%	36%	30%
Convenient to job	42%	45%	38%	48%	36%	10%
Overall affordability of homes	39%	40%	39%	42%	37%	28%
Design of neighborhood	29%	34%	23%	28%	17%	44%
Convenient to shopping	28%	31%	23%	28%	18%	34%
Convenient to parks/ recreational facilities	25%	26%	21%	31%	15%	38%
Convenient to entertainment/ leisure activities	23%	24%	16%	36%	11%	42%
Quality of the school district	23%	28%	19%	15%	19%	3%
Walkability	21%	22%	19%	33%	10%	19%
Convenient to schools	20%	23%	17%	17%	17%	2%
Availability of larger lots or acreage	19%	16%	18%	10%	47%	10%
Convenient to vet/outdoor space for pet	19%	17%	20%	19%	22%	15%
Convenient to health facilities	15%	15%	14%	12%	13%	28%
Access to bike paths	10%	11%	7%	13%	5%	13%
Home in a planned community	9%	11%	6%	7%	3%	30%
Convenient to airport	8%	9%	5%	10%	4%	15%
Convenient to public transportation	5%	5%	2%	12%	2%	1%
Other	6%	4%	8%	6%	10%	19%

## 2021 Profile of Home Buyers and Sellers

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

(Percent of Respondents)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Quality of the neighborhood	63%	66%	57%	56%	65%	54%	65%	62%
Convenient to friends/family	45%	42%	53%	45%	45%	46%	40%	47%
Convenient to job	42%	41%	37%	44%	54%	40%	50%	38%
Overall affordability of homes	39%	36%	44%	45%	45%	42%	36%	41%
Design of neighborhood	29%	30%	29%	25%	29%	22%	26%	31%
Convenient to shopping	28%	28%	29%	26%	23%	27%	24%	29%
Convenient to parks/recreational facilities	25%	26%	19%	23%	29%	21%	28%	24%
Convenient to entertainment/leisure activities	23%	22%	22%	27%	32%	17%	18%	26%
Quality of the school district	23%	29%	11%	12%	19%	20%	50%	11%
Walkability	21%	21%	25%	17%	21%	17%	21%	21%
Convenient to schools	20%	25%	11%	9%	14%	15%	49%	6%
Availability of larger lots or acreage	19%	22%	10%	14%	22%	16%	25%	16%
Convenient to vet/outdoor space for pet	19%	17%	21%	11%	34%	18%	13%	21%
Convenient to health facilities	15%	16%	14%	12%	12%	16%	8%	17%
Access to bike paths	10%	10%	9%	9%	8%	7%	8%	10%
Home in a planned community	9%	10%	10%	6%	5%	3%	7%	10%
Convenient to airport	8%	8%	6%	10%	8%	2%	5%	9%
Convenient to public transportation	5%	5%	3%	5%	7%	8%	4%	5%
Other	6%	6%	7%	6%	6%	9%	4%	7%



## Chapter 2: Characteristics of Homes Purchased

### Exhibit 2-15 Price of Home Purchased, by Region

(Percentage Distribution)

#### BUYERS WHO PURCHASED A HOME IN THE

	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than \$75,000	2%	4%	3%	2%	1%
\$75,000 to \$99,999	2%	2%	3%	2%	*
\$100,000 to \$124,999	2%	3%	4%	2%	1%
\$125,000 to \$149,999	4%	6%	7%	5%	1%
\$150,000 to \$174,999	6%	6%	10%	6%	2%
\$175,000 to \$199,999	6%	6%	7%	7%	1%
\$200,000 to \$249,999	13%	13%	17%	16%	4%
\$250,000 to \$299,999	13%	10%	15%	15%	9%
\$300,000 to \$349,999	10%	10%	11%	11%	9%
\$350,000 to \$399,999	10%	9%	8%	10%	11%
\$400,000 to \$499,999	12%	12%	9%	11%	17%
\$500,000 or more	20%	20%	7%	14%	44%
Median price	\$305,000	\$300,000	\$246,900	\$281,000	\$450,000

\* Less than 1 percent

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

(Percentage Distribution)

#### BUYERS WHO PURCHASED A

	ALL BUYERS	NEW HOME	PREVIOUSLY OWNED HOME
Less than \$75,000	2%	1%	3%
\$75,000 to \$99,999	2%	*	2%
\$100,000 to \$124,999	2%	*	3%
\$125,000 to \$149,999	4%	*	5%
\$150,000 to \$174,999	6%	1%	7%
\$175,000 to \$199,999	6%	3%	6%
\$200,000 to \$249,999	13%	11%	14%
\$250,000 to \$299,999	13%	14%	13%
\$300,000 to \$349,999	10%	14%	10%
\$350,000 to \$399,999	10%	13%	9%
\$400,000 to \$499,999	12%	17%	11%
\$500,000 or more	20%	25%	19%
Median price	\$305,000	\$365,000	\$294,000

\* Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Less than \$75,000	2%	3%	2%
\$75,000 to \$99,999	2%	3%	2%
\$100,000 to \$124,999	2%	4%	2%
\$125,000 to \$149,999	4%	7%	3%
\$150,000 to \$174,999	6%	9%	4%
\$175,000 to \$199,999	6%	8%	5%
\$200,000 to \$249,999	13%	15%	12%
\$250,000 to \$299,999	13%	13%	13%
\$300,000 to \$349,999	10%	9%	11%
\$350,000 to \$399,999	10%	7%	11%
\$400,000 to \$499,999	12%	8%	14%
\$500,000 or more	20%	14%	23%
Median price	\$305,000	\$252,000	\$338,000
Married couple	\$350,000	\$299,900	\$370,000
Single female	\$230,000	\$189,000	\$251,800
Single male	\$249,000	\$218,300	\$270,200
Unmarried couple	\$280,500	\$250,000	\$343,300
Other	\$299,900	\$236,500	\$325,000

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

(Percentage Distribution)

#### BUYERS WHO PURCHASED A HOME IN THE

PERCENT OF ASKING PRICE:	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than 90%	5%	8%	5%	5%	4%
90% to 94%	9%	9%	12%	9%	6%
95% to 99%	26%	23%	29%	28%	19%
100%	31%	24%	29%	34%	33%
101% to 110%	25%	30%	23%	20%	33%
More than 110%	4%	6%	3%	3%	6%
Median (purchase price as a percent of asking price)	100%	100%	100%	100%	100%

## Chapter 2: Characteristics of Homes Purchased

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

(Percentage Distribution)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
1,000 sq ft or less	1%	1%	*	*	1%
1,001 to 1,500 sq ft	13%	22%	9%	2%	15%
1,501 to 2,000 sq ft	27%	34%	24%	22%	28%
2,001 to 2,500 sq ft	26%	23%	27%	30%	25%
2,501 to 3,000 sq ft	14%	11%	16%	21%	13%
3,001 to 3,500 sq ft	9%	6%	11%	12%	9%
3,501 sq ft or more	10%	4%	13%	12%	10%
Median (sq ft)	1,900	1,640	2,020	2,130	1,850

\* Less than 1 percent

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

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
1,000 sq ft or less	1%	*	1%	*	1%	2%	*	1%
1,001 to 1,500 sq ft	13%	7%	27%	24%	16%	16%	9%	15%
1,501 to 2,000 sq ft	27%	22%	36%	33%	34%	30%	20%	31%
2,001 to 2,500 sq ft	26%	27%	23%	22%	21%	25%	23%	27%
2,501 to 3,000 sq ft	14%	17%	8%	13%	15%	12%	18%	13%
3,001 to 3,500 sq ft	9%	13%	3%	3%	6%	7%	14%	7%
3,501 sq ft or more	10%	14%	3%	4%	8%	8%	16%	7%
Median (sq ft)	1,900	2,100	1,510	1,650	1,750	1,780	2,200	1,800

\* Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

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

(Median)

#### BUYERS WHO PURCHASED A HOME IN THE

	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
All homes purchased					
Square feet	1,900	1,800	1,800	1,980	1,910
Price per square foot	\$150	\$170	\$130	\$140	\$230
Detached single-family home					
Square feet	2,000	1,880	1,920	2,000	2,000
Price per square foot	\$150	\$170	\$130	\$140	\$230
Townhouse or row house					
Square feet	1,650	1,660	1,630	1,700	1,650
Price per square foot	\$170	\$170	\$140	\$160	\$270
Duplex/apartment/condo in 2-4 unit building					
Square feet	1,510	1,500	1,550	1,540	1,290
Price per square foot	\$150	\$160	\$130	\$150	\$340
Apartment/condo in building with 5 or more units					
Square feet	1,200	1,200	1,630	1,200	1,170
Price per square foot	\$160	\$170	\$120	\$170	\$490

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

(Percentage Distribution)

#### BUYERS OF

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
One bedroom	1%	1%	*	*	1%
Two bedrooms	15%	17%	15%	11%	16%
Three bedrooms or more	84%	82%	85%	89%	83%
Median number of bedrooms	3	3	3	3	3
One full bathroom	16%	26%	10%	2%	18%
Two full bathrooms	59%	59%	58%	60%	58%
Three full bathrooms or more	26%	15%	31%	38%	23%
Median number of full bathrooms	2	2	2	2	2

\* Less than 1 percent

## Chapter 2: Characteristics of Homes Purchased

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

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
One bedroom	1%	*	1%	1%	1%	*	*	1%
Two bedrooms	15%	9%	30%	27%	13%	15%	5%	20%
Three bedrooms or more	84%	90%	69%	72%	87%	85%	95%	79%
Median number of bedrooms	3	3	3	3	3	3	4	3
One full bathroom	16%	9%	27%	25%	23%	23%	12%	17%
Two full bathrooms	59%	57%	62%	60%	61%	50%	52%	62%
Three full bathrooms or more	26%	34%	10%	15%	16%	27%	36%	21%
Median number of full bathrooms	2	2	2	2	2	2	2	2

\* Less than 1 percent

### Exhibit 2-24 Year Home Built, by Region

(Percentage Distribution)

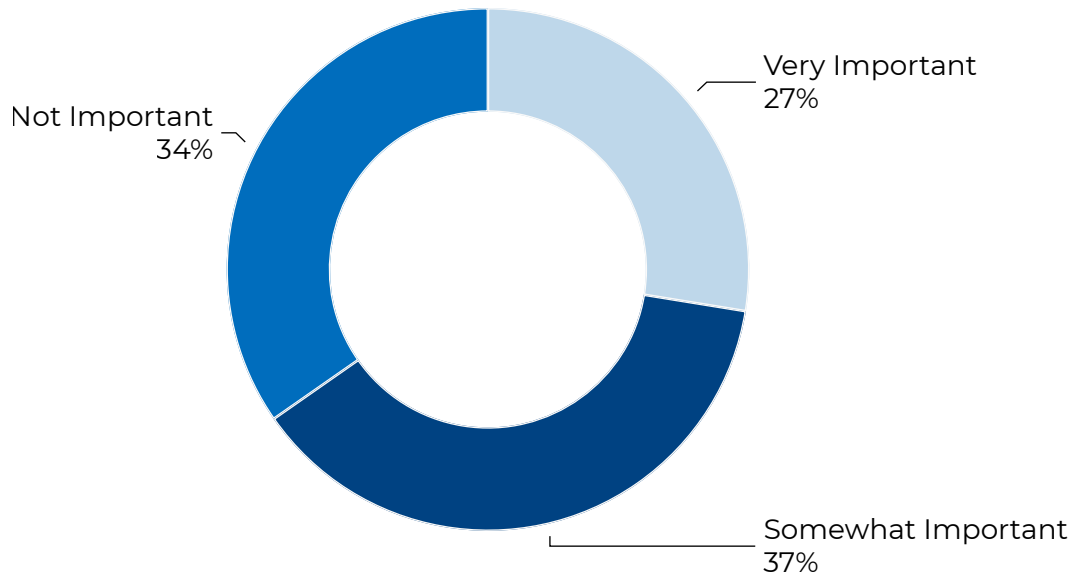
	BUYERS WHO PURCHASED A HOME IN THE				
	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
2021	4%	2%	2%	5%	6%
2020	10%	4%	7%	13%	10%
2019 through 2014	8%	3%	4%	11%	8%
2013 through 2008	6%	2%	4%	8%	5%
2007 through 2002	12%	7%	10%	13%	13%
2001 through 1986	20%	18%	19%	19%	21%
1985 through 1960	21%	27%	24%	18%	21%
1959 through 1917	16%	27%	23%	10%	15%
1916 and older	4%	10%	7%	1%	2%
Median	1993	1972	1980	2002	1997



# 2021 Profile of Home Buyers and Sellers

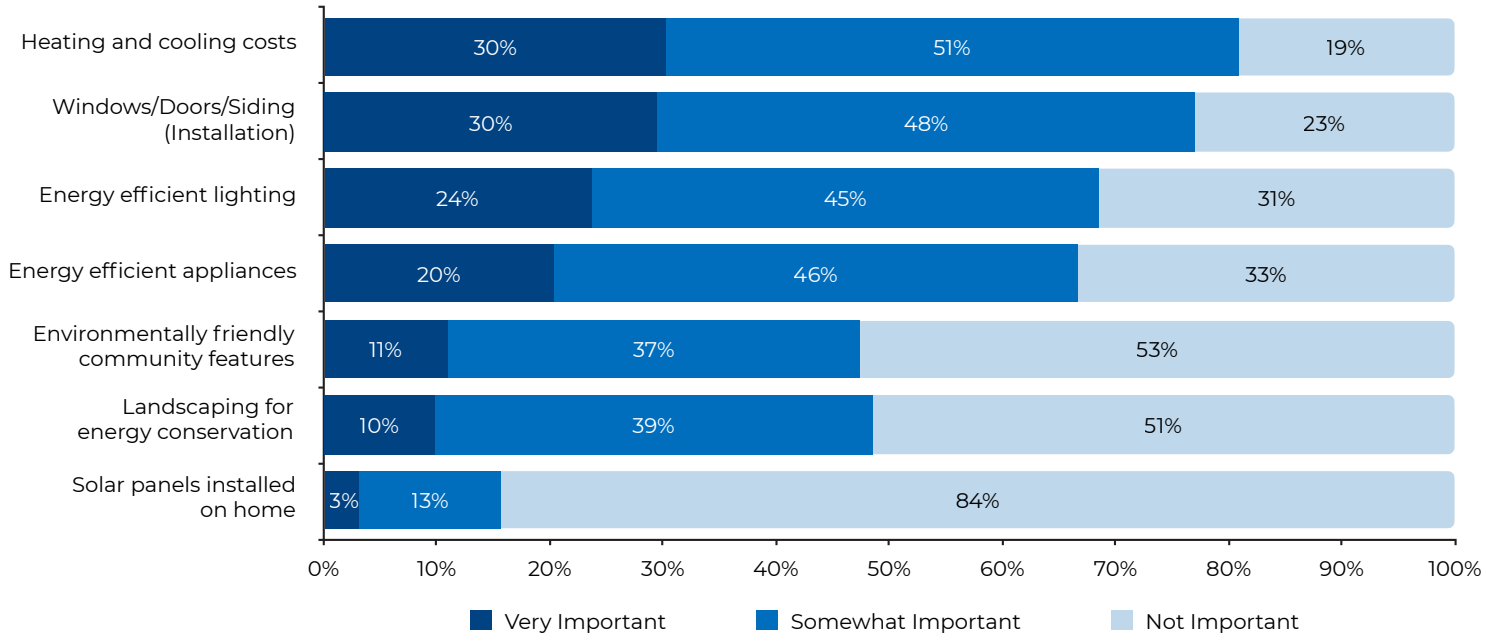
## Exhibit 2-25 Importance of Commuting Costs

(Percentage Distribution)



## Exhibit 2-26 Importance of Home's Environmentally Friendly Features

(Percentage Distribution)



## Chapter 2: Characteristics of Homes Purchased

### Exhibit 2-27 Environmentally Friendly Features Considered "Very Important," by Region

(Percentage Distribution)

#### BUYERS WHO PURCHASED A HOME IN THE

	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
Heating and cooling costs	30%	30%	27%	32%	31%
Windows/Doors/Siding (Installation)	30%	26%	30%	30%	30%
Energy efficient lighting	24%	20%	20%	26%	25%
Energy efficient appliances	20%	17%	16%	24%	20%
Environmentally friendly community features	11%	9%	8%	11%	15%
Landscaping for energy conservation	10%	6%	7%	9%	17%
Solar panels installed on home	3%	2%	1%	2%	7%

### Exhibit 2-28 Environmentally Friendly Features Considered "Very Important," by Year Home Was Built

(Percentage Distribution)

	ALL BUYERS	2021	2020	2019 THROUGH 2014	2013 THROUGH 2008	2007 THROUGH 2002	2001 THROUGH 1986	1985 THROUGH 1960	1959 THROUGH 1917	1916 AND OLDER
Heating and cooling costs	30%	41%	41%	31%	32%	27%	26%	31%	27%	26%
Windows/Doors/Siding (Installation)	30%	43%	40%	30%	33%	27%	27%	27%	27%	23%
Energy efficient lighting	24%	40%	36%	28%	23%	21%	20%	20%	22%	18%
Energy efficient appliances	20%	42%	36%	28%	22%	18%	14%	17%	15%	15%
Environmentally friendly community features	11%	20%	16%	11%	11%	10%	9%	9%	10%	13%
Landscaping for energy conservation	10%	15%	14%	12%	12%	10%	8%	9%	7%	10%
Solar panels installed on home	3%	6%	5%	4%	3%	3%	3%	2%	2%	2%

## 2021 Profile of Home Buyers and Sellers

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

(Percent of Respondents)

	BUYERS WHO PURCHASED A HOME IN A					
	ALL BUYERS	SUBURB/ SUBDIVISION	SMALL TOWN	URBAN/ CENTRAL CITY	RURAL	RESORT/ RECREATION AREA
Price of home	27%	28%	23%	31%	24%	23%
Condition of home	21%	19%	23%	23%	27%	15%
Size of home	19%	18%	21%	25%	18%	21%
Lot size	17%	18%	18%	16%	14%	14%
Style of home	17%	16%	18%	16%	17%	14%
Distance from job	14%	14%	13%	13%	17%	5%
Distance from friends or family	10%	9%	10%	7%	13%	14%
Quality of the neighborhood	7%	6%	7%	14%	5%	5%
Quality of the schools	4%	4%	2%	7%	3%	2%
Distance from school	2%	2%	2%	1%	2%	1%
None—Made no compromises	27%	27%	27%	25%	27%	37%
Other compromises not listed	9%	11%	8%	8%	9%	7%

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

(Percent of Respondents)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Price of home	27%	30%	25%	23%	28%
Condition of home	21%	23%	20%	4%	24%
Size of home	19%	25%	17%	17%	20%
Lot size	17%	19%	16%	27%	15%
Style of home	17%	22%	14%	13%	17%
Distance from job	14%	21%	10%	15%	14%
Distance from friends or family	10%	11%	9%	12%	10%
Quality of the neighborhood	7%	10%	6%	8%	7%
Quality of the schools	4%	7%	2%	5%	4%
Distance from school	2%	2%	1%	1%	2%
None—Made no compromises	27%	19%	31%	34%	26%
Other compromises not listed	9%	10%	9%	8%	10%

## Chapter 2: Characteristics of Homes Purchased

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

(Percent of Respondents)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Price of home	27%	28%	24%	29%	28%	28%	29%	26%
Condition of home	21%	20%	23%	25%	23%	21%	22%	21%
Size of home	19%	19%	20%	24%	19%	19%	21%	19%
Style of home	17%	16%	18%	14%	19%	13%	18%	16%
Lot size	17%	18%	13%	17%	18%	17%	19%	16%
Distance from job	14%	14%	12%	12%	19%	11%	17%	12%
Distance from friends or family	10%	10%	11%	9%	11%	3%	10%	10%
Quality of the neighborhood	7%	6%	8%	10%	9%	10%	7%	8%
Quality of the schools	4%	4%	3%	4%	5%	3%	6%	3%
Distance from school	2%	2%	1%	*	1%	4%	4%	1%
None—made no compromises	27%	27%	30%	26%	23%	27%	21%	30%
Other compromises not listed	9%	10%	9%	8%	7%	15%	9%	9%

\* Less than 1 percent

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

(Percentage Distribution)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
1 year or less	2%	2%	2%	2%	2%
2 to 3 years	5%	5%	5%	6%	5%
4 to 5 years	16%	24%	11%	17%	15%
6 to 7 years	4%	5%	3%	5%	3%
8 to 10 years	23%	25%	21%	21%	23%
11 to 15 years	9%	6%	11%	7%	10%
16 or more years	41%	32%	46%	41%	41%
Don't Know	1%	1%	2%	1%	1%
Median	12	10	15	10	15

## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)

	AGE OF HOME BUYER				
	ALL BUYERS	18 TO 24	25 TO 44	45 TO 64	65 OR OLDER
1 year or less	2%	8%	1%	1%	3%
2 to 3 years	5%	4%	6%	5%	4%
4 to 5 years	16%	37%	21%	11%	5%
6 to 7 years	4%	9%	4%	3%	1%
8 to 10 years	23%	19%	24%	21%	23%
11 to 15 years	9%	3%	8%	8%	17%
16 or more years	41%	20%	35%	50%	46%
Don't Know	1%	*	1%	2%	2%
Median	12	6	10	18	15

\* Less than 1 percent

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

(Percent of Respondents)

	AGE OF HOME BUYER				
	ALL BUYERS	18 TO 24	25 TO 44	45 TO 64	65 OR OLDER
Move with life changes (addition to family, marriage, children move out, retirement, etc.)	27%	36%	29%	30%	19%
Never moving—forever home	18%	7%	11%	23%	29%
Move with job or career change	10%	12%	16%	8%	*
Want a larger home	10%	26%	18%	2%	2%
Household member's health	8%	2%	1%	7%	26%
Downsize/smaller house	7%	2%	4%	11%	7%
Want nicer home/added features	7%	6%	10%	5%	4%
May desire better area/neighborhood	5%	5%	6%	5%	3%
Unfit living conditions due to environmental factors	2%	1%	1%	2%	2%
Will flip home	1%	2%	1%	1%	1%
Other	5%	2%	4%	7%	7%

\* Less than 1 percent

## Chapter 2: Characteristics of Homes Purchased

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

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
Move with life changes (addition to family, marriage, children move out, retirement, etc.)	27%	24%	37%	29%	27%	34%	27%	28%
Never moving—forever home	18%	20%	17%	12%	13%	25%	16%	19%
Move with job or career change	10%	11%	5%	12%	10%	4%	13%	8%
Want a larger home	10%	9%	6%	12%	18%	9%	13%	9%
Household member's health	8%	8%	9%	7%	4%	3%	1%	11%
Downsize/smaller house	7%	9%	4%	4%	5%	7%	10%	6%
Want nicer home/added features	7%	7%	7%	8%	8%	4%	7%	6%
May desire better area/neighborhood	5%	5%	6%	6%	7%	2%	6%	5%
Unfit living conditions due to environmental factors	2%	2%	2%	3%	1%	4%	1%	2%
Will flip home	1%	1%	1%	3%	1%	*	1%	1%
Other	5%	5%	6%	6%	6%	8%	5%	6%

\* Less than 1 percent



# CHAPTER 3:

## The Home Search Process

Starting the home buying process online continues to be the first step that many home buyers are taking. Forty-one percent of recent buyers first looked online for properties for sale, while 95 percent of all recent buyers used the internet at some point during the home search process. Searching for homes online is at an all-time high, as many buyers searched online rather than in person during the pandemic.

Since 1987, NAR has collected data on how many weeks buyers searched for the home they bought and how many homes they viewed. Today, buyers typically spent eight weeks searching for the home they purchased. From 2009 to 2013, the search time jumped up to twelve weeks, then came back down to 10 weeks in 2014 and remained there for five years, before dropping to eight weeks in 2020. In 2021, buyers typically looked at a median of eight homes before finding a home to purchase (three of which they viewed only online), compared to 12 homes in 1987.

Fifty-one percent of buyers ultimately found the home that they purchased through the internet. Real estate agents remain a vital part of the home search process and are the most used information source for home buyers, followed by mobile search devices. With tightened inventory and increased demand due to historically low mortgage rates, and the pandemic changing buyer needs, finding the right property remained the most difficult step in the home buying process. Overall, home buyers remained satisfied with the home buying process at 94 percent.

## Chapter 3: The Home Search Process

### THE FIRST STEP IN THE HOME BUYING PROCESS

#### Exhibits 3-1 and 3-2

Forty-one percent of home buyers looked online for properties for sale as their first step in the home buying process, while 19 percent of buyers first contacted a real estate agent. Repeat home buyers were more likely than first-time buyers to look online for properties for sale as a first step. First-time home buyers were more likely to look online for information about the home buying process or to talk to a friend or relative about the home buying process. Across all age groups, looking online for properties for sale was the first step taken, and highest among those aged 45 to 64.

### INFORMATION SOURCES

#### Exhibits 3-3 through 3-6

Throughout the home search process, real estate agents continue to be the most used resource (87 percent), followed by mobile or tablet search devices at 74 percent. The use of yard signs and open houses as information sources increased slightly compared to last year, both of which have historically been used most frequently, after real estate agents and online sources.

Real estate agents and mobile or tablet search devices were the most frequently used information sources, followed by online video sites. Only 13 percent of recent home buyers rarely used, or did not use, a real estate agent. Agents were also seen as the most useful information source during the home search process at 72 percent.



### THE SEARCH PROCESS

#### Exhibits 3-7 through 3-10

Buyers typically spent eight weeks searching for the home they purchased. Buyers typically looked at a median of eight homes before finding a home to purchase, three of which they viewed only online. In this year's report, buyers in the Northeast searched for the longest period at 12 weeks.

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

The internet remains the main source where buyers are finding the home that they purchased. In this year's report, 51 percent of recent buyers (same as 51 percent last year) first found their home through the internet. In 2010, just 10 years ago, only 37 percent of buyers found their home through the internet. Finding a home through a real estate agent has shifted from being the most common source for finding a property to the second most common source. Yard signs and home builders increased slightly from last year's levels, but have declined throughout the years with the rise of the internet as an information source.

Among all buyers, the most difficult step in the home buying process was finding the right home to purchase at 56 percent. For 18 percent of buyers, the most difficult step was the paperwork, and 15 percent cited the most difficult step was understanding the process and steps involved. While 18 percent of recent buyers had no difficult steps, this was much more common among repeat buyers and buyers of new homes.

**“Sixty-one percent of recent buyers were very satisfied with their recent home buying process. Thirty-three percent of buyers were somewhat satisfied with the buying process.”**

# 2021 Profile of Home Buyers and Sellers

## INTERNET USAGE TRENDS

### Exhibits 3-11 and 3-15

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

When asked where their internet searches were conducted, home buyers were split; they typically conducted 50 percent of their search on a desktop/laptop and 50 percent on a mobile device(s). Those aged 44 and younger were more likely to use mobile devices, and those 65 and older were more likely to use a desktop/laptop.

As a result of searching for a home online, 55 percent of buyers walked through the homes that they viewed online, and 38 percent looked at the exterior of these homes and drove through the neighborhoods. First-time buyers were the most likely to look for more information on how to get a mortgage as a result of searching online.

## CHARACTERISTICS OF INTERNET SEARCHERS AND SOURCES USED

### Exhibits 3-15 through 3-18

Buyers who used laptop/desktop computers more often were likely to use video sites and homebuilders in the home search process. Buyers who searched more often on a mobile device were more likely to find their home online.

## WEBSITE FEATURES AND MOBILE SEARCH

### Exhibit 3-19

Buyers who used the internet during their home search found photos (84 percent), detailed information about properties for sale (80 percent), floor plans (55 percent), real estate agent contact information (43 percent), and virtual tours (43 percent) to be very useful.

## SATISFACTION IN BUYING PROCESS

### Exhibit 3-20

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



## 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	41%	29%	47%
Contacted a real estate agent	19%	17%	21%
Looked online for information about the home buying process	10%	18%	6%
Contacted a bank or mortgage lender	9%	12%	7%
Talked with a friend or relative about home buying process	7%	14%	3%
Drove-by homes/neighborhoods	5%	3%	6%
Visited open houses	2%	2%	2%
Contacted builder/visited builder models	2%	1%	3%
Contacted a home seller directly	1%	1%	1%
Looked up information about different neighborhoods or areas (schools, local lifestyle/nightlife, parks, public transportation)	1%	1%	2%
Attended a home buying seminar	1%	2%	*
Looked in newspapers, magazines, or home buying guides	*	*	*
Read books or guides about the home buying process	*	*	*
Other	1%	1%	1%

\* Less than 1 percent

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

(Percentage Distribution)

	AGE OF HOME BUYER				
	ALL BUYERS	18 TO 24	25 TO 44	45 TO 64	65 OR OLDER
Looked online for properties for sale	41%	30%	38%	45%	44%
Contacted a real estate agent	19%	19%	17%	19%	23%
Looked online for information about the home buying process	10%	19%	14%	7%	5%
Contacted a bank or mortgage lender	9%	11%	11%	9%	4%
Talked with a friend or relative about home buying process	7%	15%	10%	4%	5%
Drove-by homes/neighborhoods	5%	2%	3%	6%	7%
Visited open houses	2%	*	2%	3%	3%
Contacted builder/visited builder models	2%	*	*	*	*
Contacted a home seller directly	1%	*	1%	1%	2%
Looked up information about different neighborhoods or areas (schools, local lifestyle/nightlife, parks, public transportation)	1%	*	1%	1%	1%
Attended a home buying seminar	*	1%	*	*	1%
Looked in newspapers, magazines, or home buying guides	2%	*	*	1%	*
Read books or guides about the home buying process	*	2%	*	*	*
Other	1%	1%	2%	1%	1%

\* Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

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

(Percent of Respondents)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Real estate agent	87%	88%	86%	79%	88%
Mobile or tablet search device	74%	81%	70%	67%	75%
Open house	41%	41%	41%	44%	40%
Online video site	40%	32%	44%	41%	39%
Yard sign	35%	34%	36%	31%	36%
Home builder	19%	14%	21%	65%	10%
Print newspaper advertisement	7%	6%	8%	8%	7%
Home book or magazine	6%	5%	7%	8%	6%
Billboard	4%	4%	4%	11%	2%
Relocation company	2%	2%	2%	4%	1%
Television	2%	3%	2%	4%	2%

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

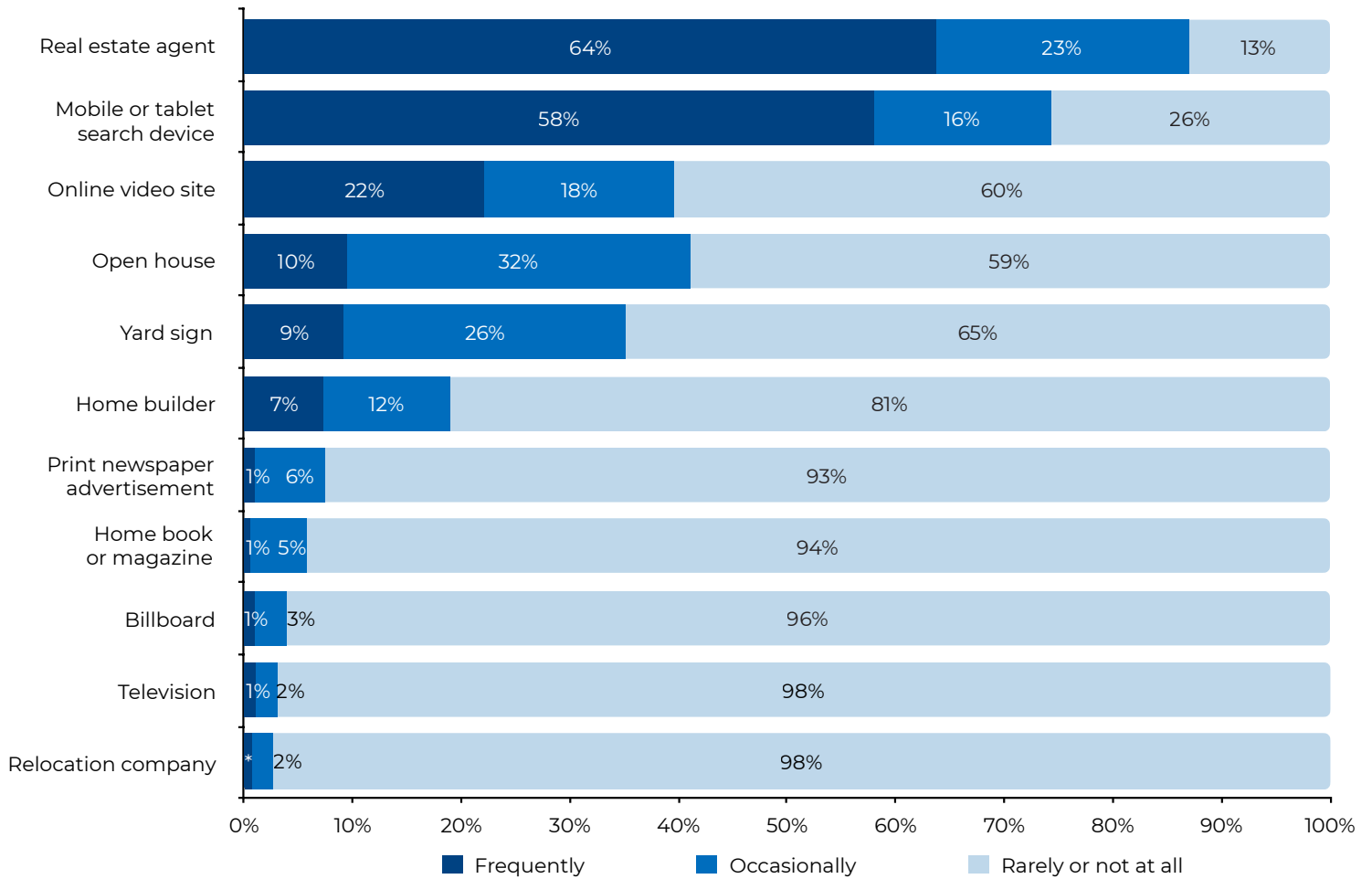
(Percent of Respondents)

	AGE OF HOME BUYER				
	ALL BUYERS	18 TO 24	25 TO 44	45 TO 64	65 OR OLDER
Real estate agent	87%	88%	87%	86%	87%
Mobile or tablet search device	74%	87%	82%	73%	56%
Open house	41%	29%	44%	42%	35%
Online video site	40%	32%	31%	45%	54%
Yard sign	35%	38%	33%	36%	36%
Home builder	19%	13%	17%	22%	22%
Print newspaper advertisement	7%	8%	4%	8%	12%
Home book or magazine	6%	7%	4%	7%	9%
Billboard	4%	2%	4%	5%	2%
Relocation company	2%	4%	2%	3%	2%
Television	2%	3%	2%	2%	2%

## Chapter 3: The Home Search Process

### Exhibit 3-5 Frequency of Use of Different Information Sources

(Percentage Distribution)



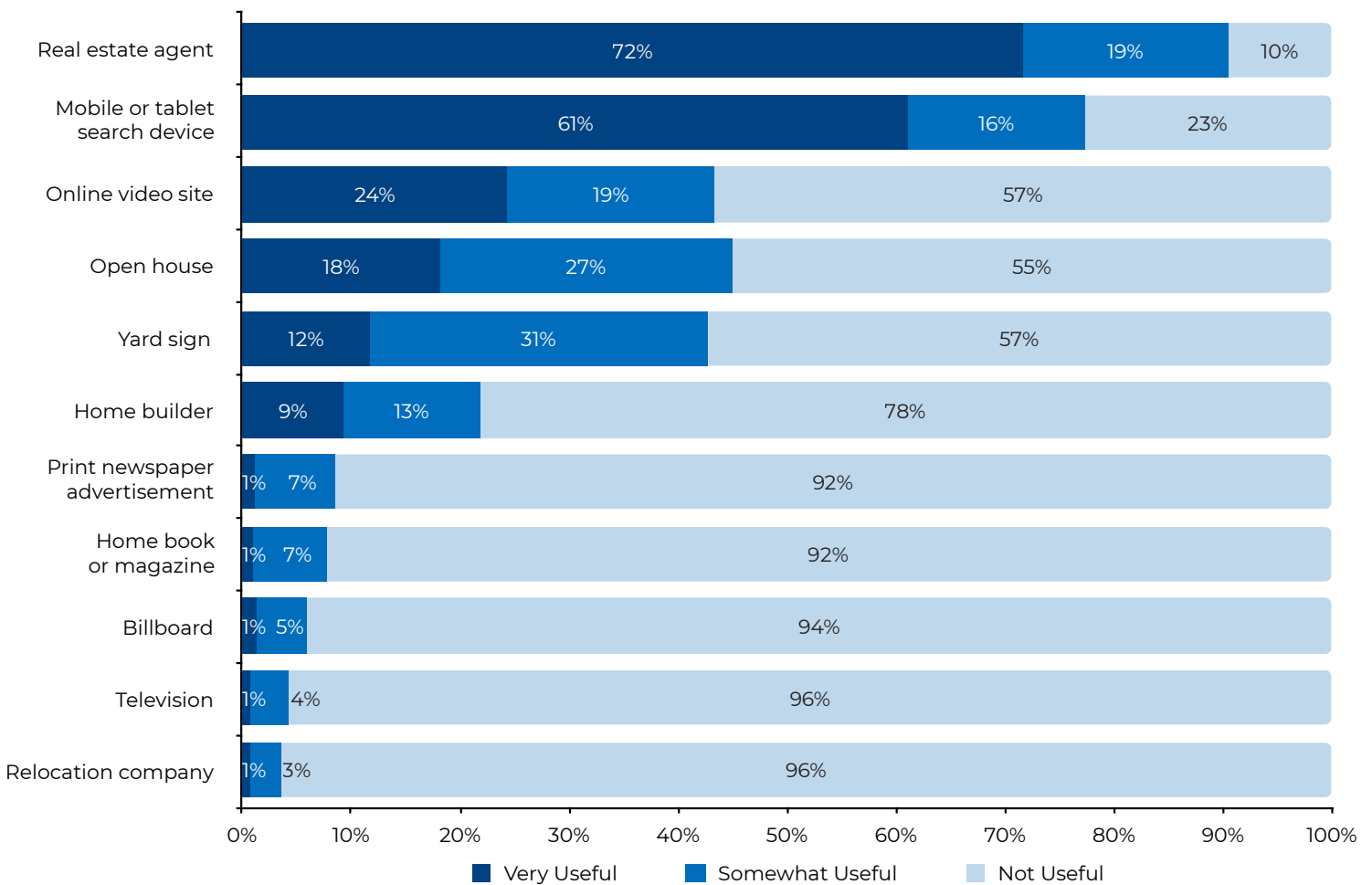
\* Less than 1 percent



# 2021 Profile of Home Buyers and Sellers

## Exhibit 3-6 Usefulness of Information Sources

(Percentage Distribution Among Buyers that Used Each Source)



## Chapter 3: The Home Search Process

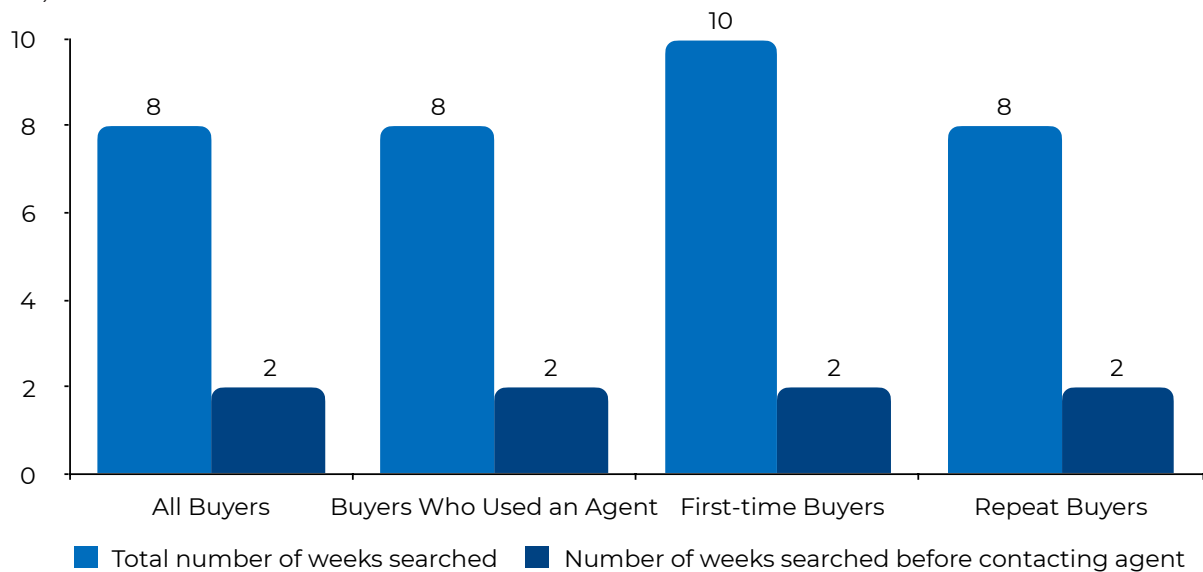
### Exhibit 3-7 Length of Search, by Region

(Median)

NUMBER OF WEEKS SEARCHED	BUYERS WHO PURCHASED A HOME IN THE				
	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
2001	7	7	7	7	7
2003	8	10	8	8	6
2004	8	12	8	8	8
2005	8	10	8	8	6
2006	8	12	8	8	8
2007	8	12	8	8	8
2008	10	12	10	8	10
2009	12	12	10	10	12
2010	12	14	10	10	12
2011	12	12	10	10	12
2012	12	12	12	10	12
2013	12	12	10	10	12
2014	10	12	10	10	10
2015	10	12	10	10	10
2016	10	12	10	10	9
2017	10	12	9	8	8
2018	10	12	10	10	10
2019	10	12	10	9	9
2020	8	12	8	8	8
2021	8	12	8	8	8
Number of homes viewed	8	8	7	7	8
Number of homes viewed only online	3	1	1	2	2

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

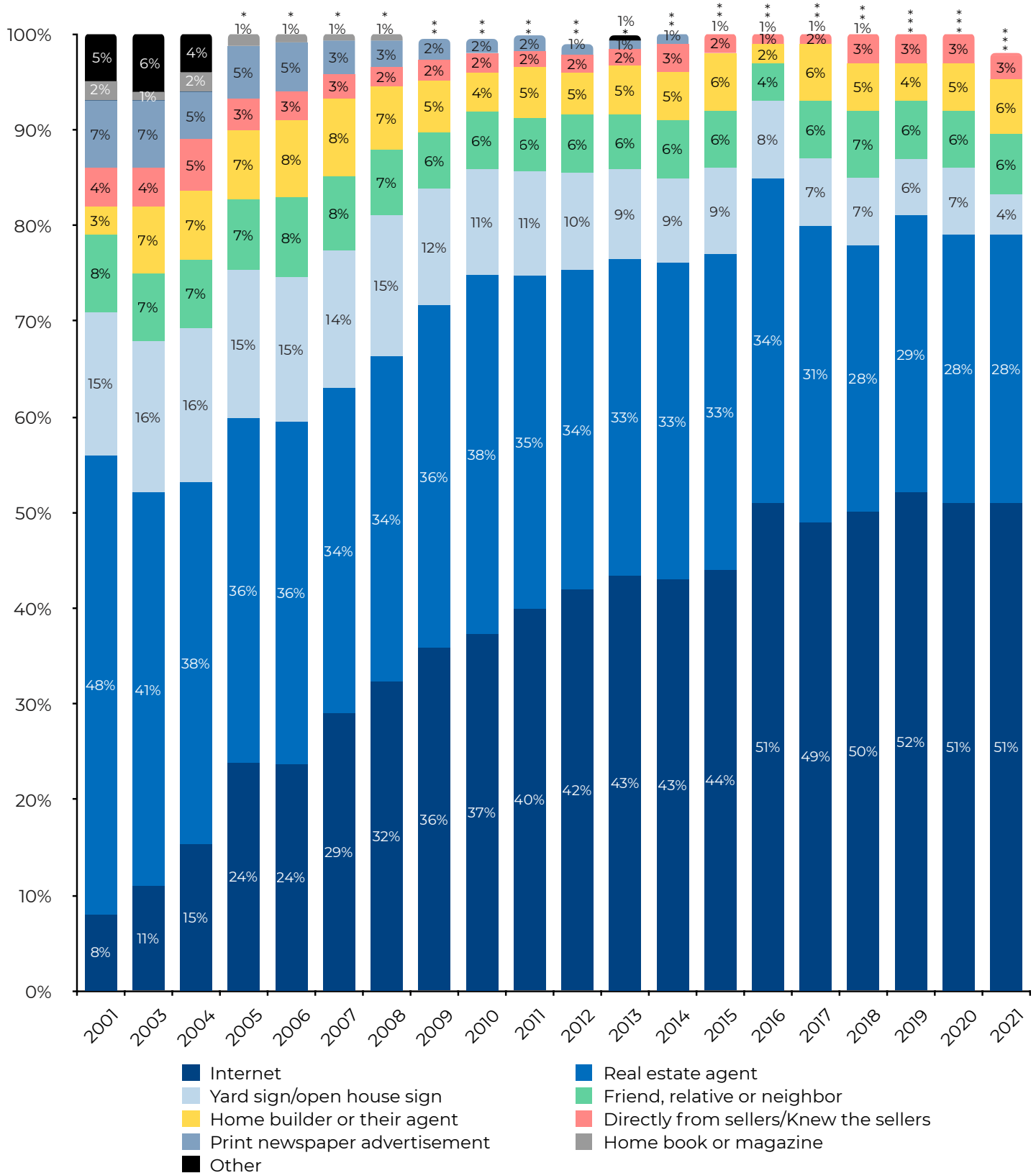
(Median Weeks)



# 2021 Profile of Home Buyers and Sellers

## Exhibit 3-9 Where Buyer Found the Home They Purchased, 2001-2021

(Percentage Distribution)



\* Less than 1 percent

## Chapter 3: The Home Search Process

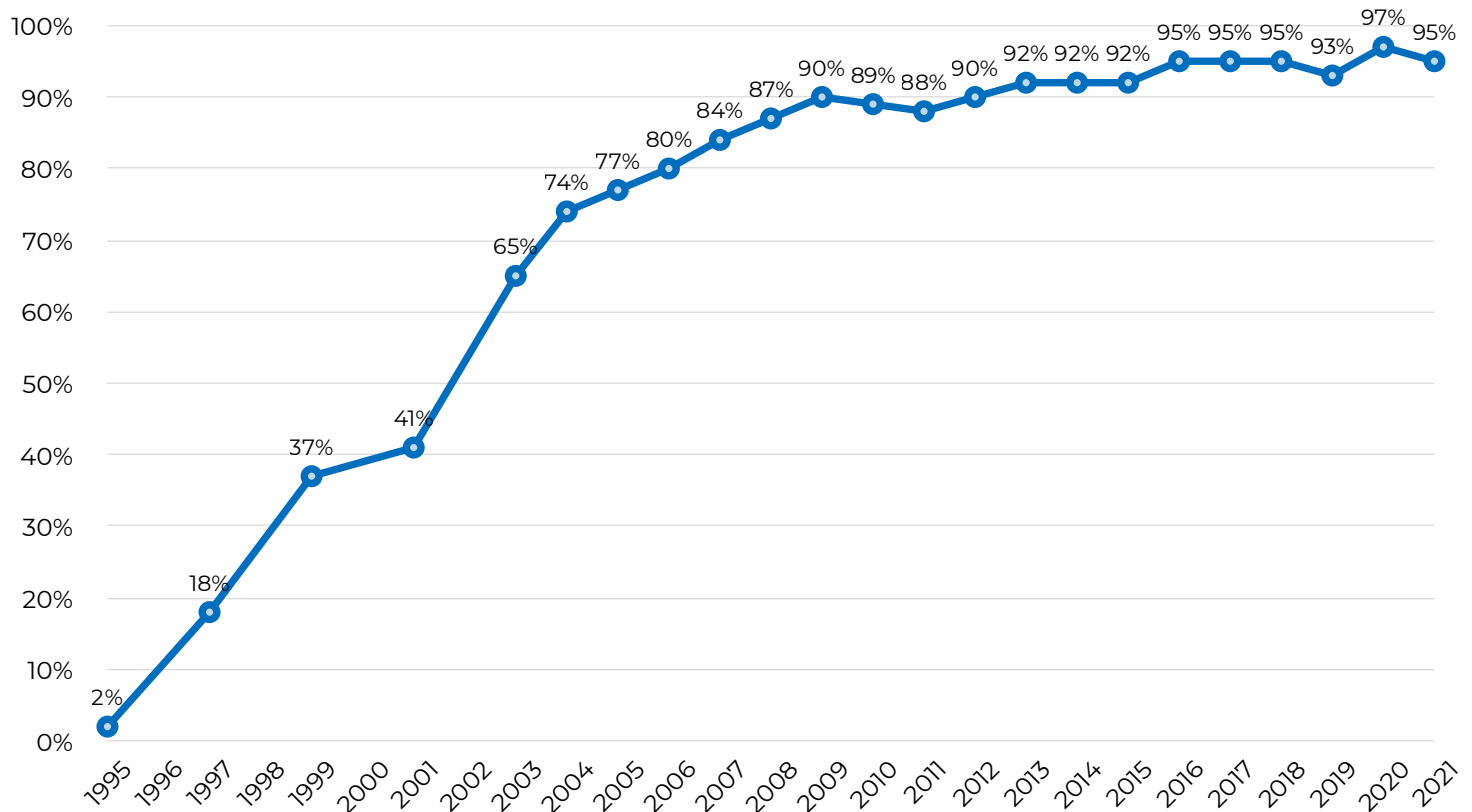
### Exhibit 3-10 Most Difficult Steps of Home Buying Process by First-Time and Repeat Buyers and Buyers of New and Previously Owned Homes

(Percentage Distribution)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Finding the right property	56%	59%	54%	46%	57%
Paperwork	18%	24%	15%	18%	18%
Understanding the process and steps	15%	33%	6%	14%	16%
Saving for the down payment	13%	29%	5%	10%	14%
Getting a mortgage	7%	8%	6%	6%	7%
Appraisal of the property	5%	6%	5%	2%	6%
Inability to move forward in process due to Covid-19	7%	8%	7%	11%	7%
No difficult steps	18%	8%	23%	24%	16%
Other	7%	6%	7%	5%	7%

### Exhibit 3-11 Buyer Use of Internet in Home Search Process, 1995–2021

(Percentage Distribution)



## 2021 Profile of Home Buyers and Sellers

### Exhibit 3-12 Percentage of Time Using Devices in Home Search

(Medians)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Desktop/Laptop	50%	40%	50%
Mobile Device(s)	50%	60%	50%

### Exhibit 3-13 Percentage of Time Using Devices in Home Search, by Age

(Medians)

	AGE OF HOME BUYER				
	ALL BUYERS	18 TO 24	25 TO 44	45 TO 64	65 OR OLDER
Desktop/Laptop	50%	30%	30%	50%	69%
Mobile Device(s)	50%	70%	70%	50%	25%

### Exhibit 3-14 Actions Taken as a Result of Internet Home Search, First-Time and Repeat Buyers

(Percent of Respondents Among Buyers Who Used the Internet)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Walked through home viewed online	55%	51%	57%
Saw exterior of homes/neighborhood, but did not walk through home	38%	39%	37%
Found the agent used to search for or buy home	35%	39%	32%
Pre-qualified for a mortgage online	30%	38%	26%
Requested more information	28%	33%	25%
Put in a contract/offer on a home	26%	23%	27%
Applied for a mortgage online	27%	32%	24%
Looked for more information on how to get a mortgage and general home buyers tips	15%	31%	6%
Found a mortgage lender online	15%	21%	11%
Contacted builder/developer	10%	7%	11%

## Chapter 3: The Home Search Process

### Exhibit 3-15 Characteristics of Home Searchers and Search Activity, by Use of Internet

(Percentage Distribution)

HOUSEHOLD COMPOSTION	USED LAPTOP/DESKTOP MORE THAN 50%	USED MOBILE DEVICE MORE THAN 50%
Married couple	60%	62%
Single female	19%	18%
Single male	10%	8%
Unmarried couple	9%	11%
Other	2%	2%
Median age (years)	51	40
LENGTH OF SEARCH (MEDIAN WEEKS)		
All buyers	9	9
First-time buyers	10	10
Repeat buyers	8	8
Buyers using an agent	8	9
Before contacting agent	2	2
Number of Homes Visited (median)	8	8
Number of Homes Viewed Only Online (median)	3	2

### Exhibit 3-16 Information Sources Used in Home Search, by Use of Internet

(Percent of Respondents)

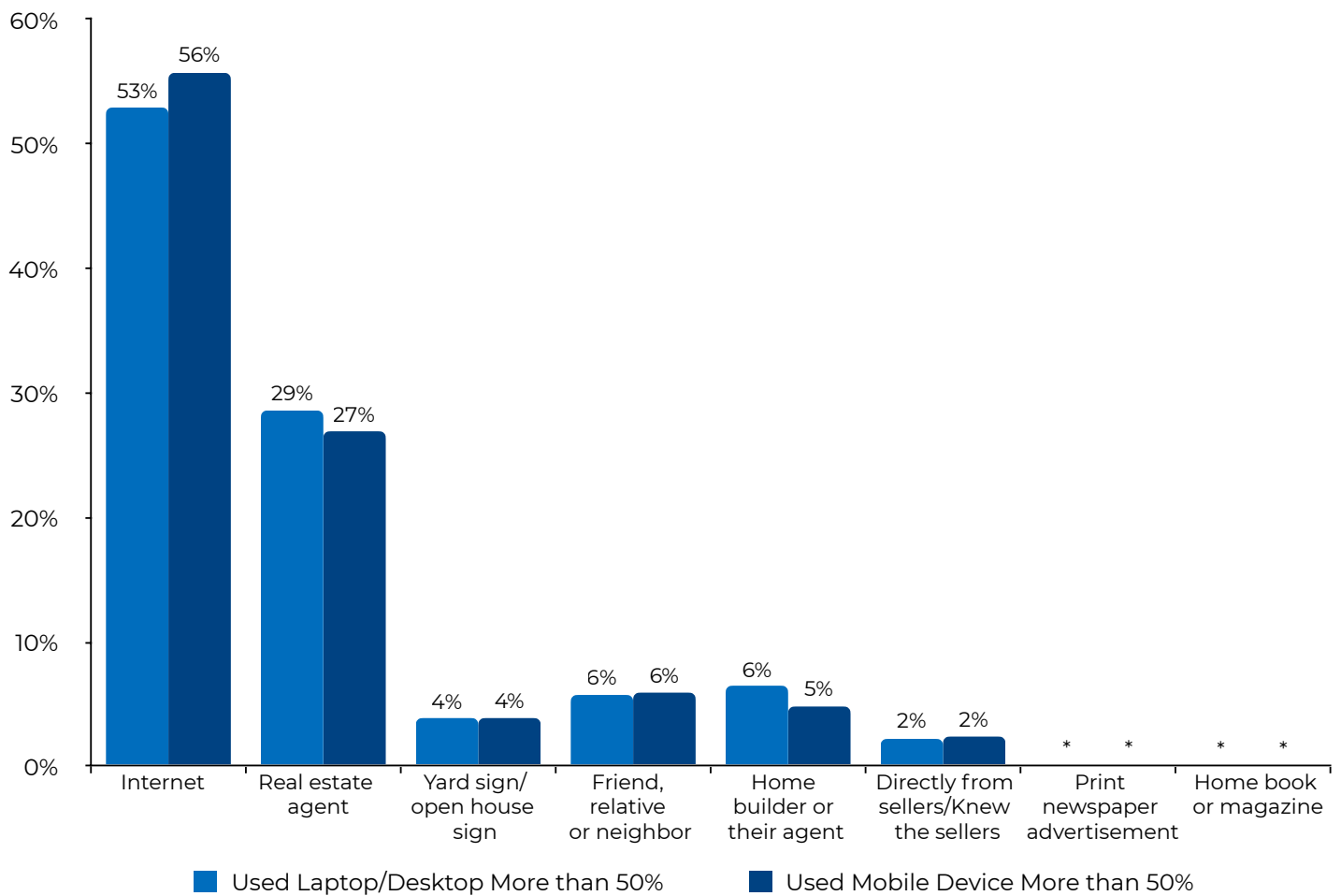
	USED LAPTOP/DESKTOP MORE THAN 50%	USED MOBILE DEVICE MORE THAN 50%
Real estate agent	88%	88%
Open house	41%	43%
Yard sign	34%	37%
Online video site	43%	38%
Print newspaper advertisement	8%	7%
Home builder	21%	18%
Home book or magazine	5%	6%
Billboard	3%	5%
Television	2%	2%
Relocation company	2%	3%



## 2021 Profile of Home Buyers and Sellers

### Exhibit 3-17 Where Buyers Found the Home They Purchased, by Use of Internet

(Percentage Distribution)

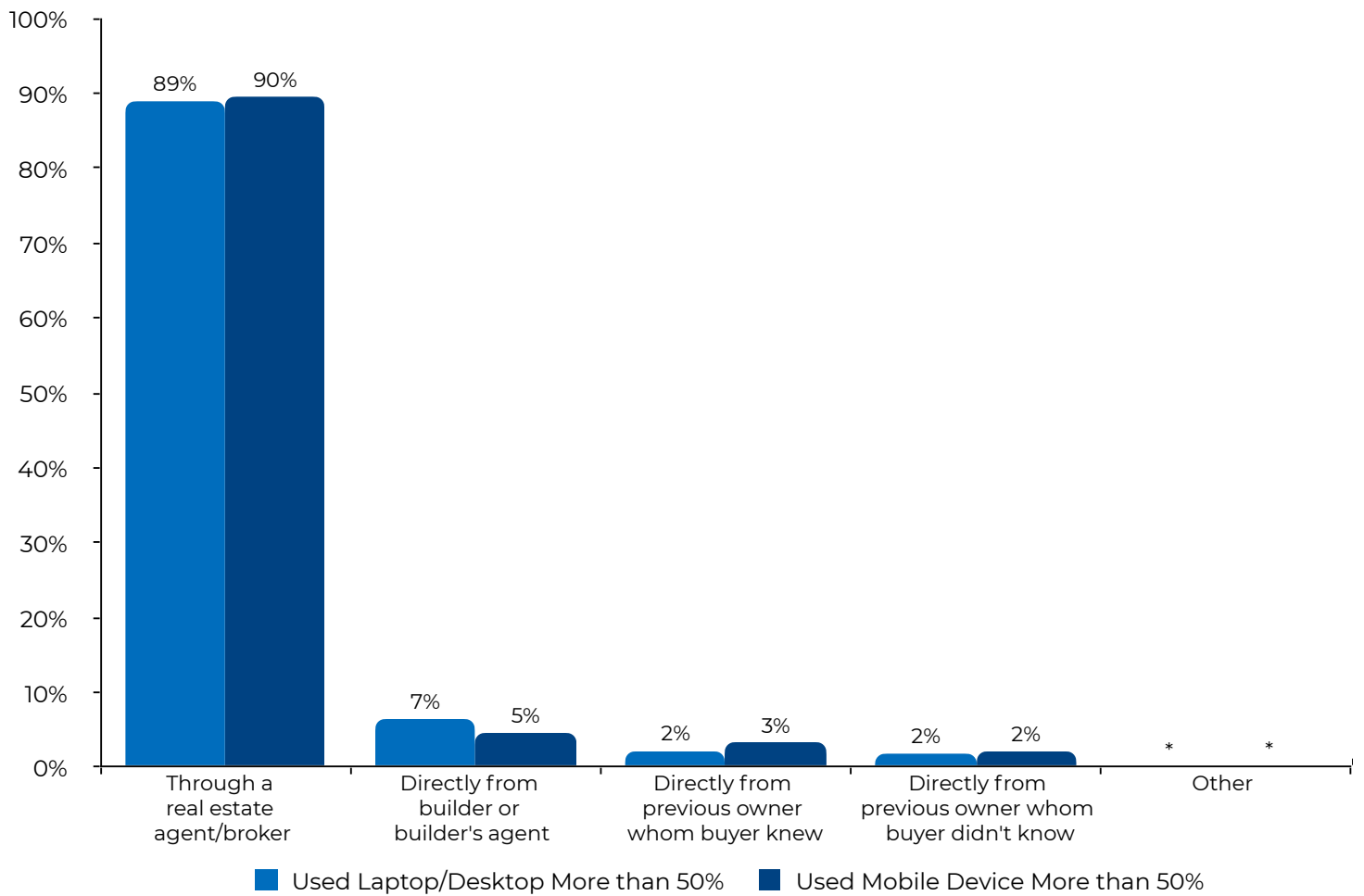


\* Less than 1 percent

## Chapter 3: The Home Search Process

### Exhibit 3-18 Method of Home Purchase, by Use of Internet

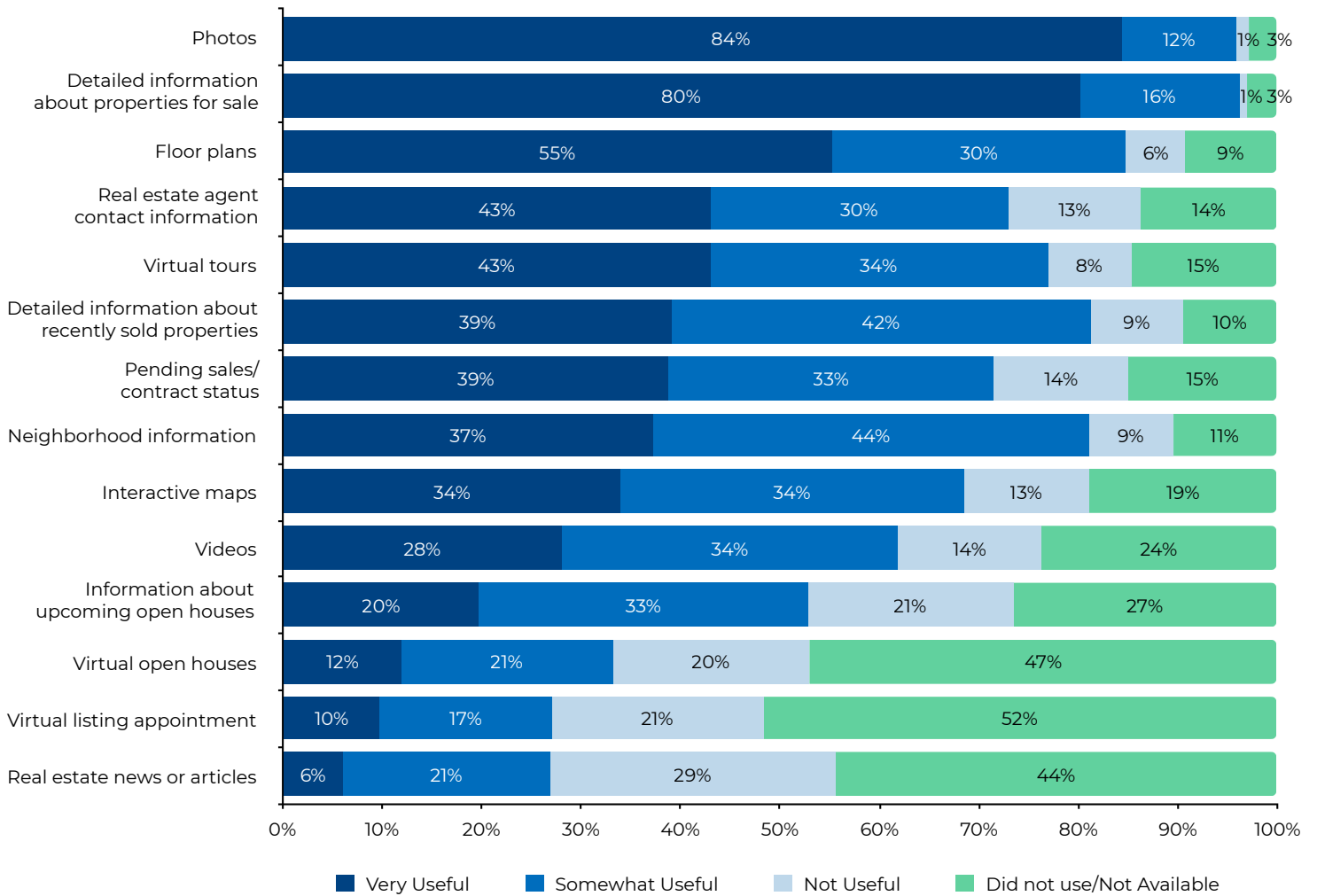
(Percentage Distribution)



# 2021 Profile of Home Buyers and Sellers

## Exhibit 3-19 Value of Website Features

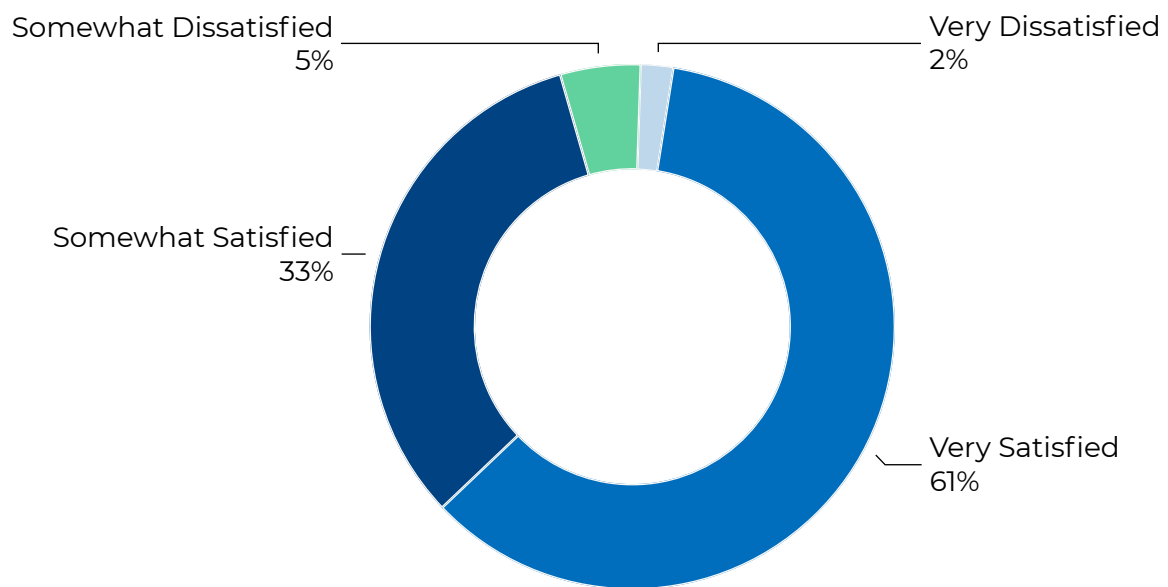
(Percentage Distribution Among Buyers Who Used the Internet)



## Chapter 3: The Home Search Process

### Exhibit 3–20 Satisfaction With Buying Process

(Percentage Distribution)



# CHAPTER 4:

## Home Buying and Real Estate Professionals

Making the home purchase through a real estate agent is a consistent real estate trend that continued again this year. Eighty-eight percent of buyers in 2021 purchased their home through a real estate agent or broker, seven percent directly from a builder or builder's agent, and five percent from the previous owner. Looking back to 1981, 82 percent purchased through an agent, eight percent directly through a builder or builder's agent, and 10 percent from the previous owner. In 1987 and 2000, purchases directly from the owner were at a peak of 15 percent. In 1987 and 2000, seven in 10 buyers purchased through an agent. Since then, the share of those working with an agent to purchase a home has steadily grown over the years, peaking at 89 percent in 2011 and 2012 and hovering in the high 80 percent range before returning to 88 percent last year.

By household composition, single females purchased their homes through real estate agents and brokers at a higher rate than any other household composition at 89 percent. Thirty-eight percent of buyers of new homes purchased their home directly from a builder or builder's agent, but 60 percent used a real estate agent to purchase a newly built home. The majority of buyers who purchased a previously owned home bought their home through a real estate agent or broker; buying directly from the previous owner was the next most common purchase method.

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

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

## Chapter 4: Home Buying and Real Estate Professionals

### METHOD OF HOME PURCHASE

#### Exhibits 4-1 through 4-4

Recent home buyers most commonly purchased their homes through a real estate agent or broker, at 87 percent. Seven percent purchased directly from the builder or builder's agent, while four percent purchased directly through the previous owner. By comparison, in 1981, 82 percent purchased through an agent, eight percent directly through a builder or builder's agent, and 10 percent from the previous owner. Buyers in the West had the highest percentage who purchased their homes through real estate agents or brokers at 90 percent.

Compared to buyers of previously owned homes, buyers of new homes purchased directly from the builder or builder's agent at a much higher rate: 38 percent of new home buyers did so. Single females (89 percent) were the household compositions that were most likely to purchase through a real estate agent or broker.

### AGENT REPRESENTATION AND COMPENSATION

#### Exhibits 4-5 through 4-7

Fifty-nine percent of recent buyers signed an agent representation disclosure, either at the first meeting, when the contract was written, or at some other time. The most common arrangement was a written agreement at 40 percent, followed by an oral agreement at 17 percent. Only 27 percent of buyers had no representation arrangement with their agent, which is the same as last year.

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

### WHAT BUYERS WANT FROM AGENTS AND BENEFITS PROVIDED

#### Exhibits 4-8 through 4-11

What recent buyers wanted most from their agent was finding the right home to buy (52 percent). Buyers were also looking for someone who could help them negotiate the terms of sale (13 percent) and help with price negotiations (11 percent). First-time buyers were more interested in receiving help from their agent in determining how much they could afford than repeat buyers. Unmarried couples also wanted help negotiating the price (15 percent) more than any other household composition. Single females wanted help to find the right home (53 percent) more than any other household composition.

There were many benefits for buyers using a real estate agent, with the foremost reported as being the buyer(s) received help in understanding the buying process (63 percent). Pointing out unnoticed features or faults with the property was the next most important benefit (58 percent), especially to first-time home buyers (64 percent). Other benefits that their real estate agent contributed that were also important to buyers: providing a better list of services providers, negotiating better sales terms, and gaining improved knowledge of search areas.

**“In general, buyers were very satisfied with their real estate agent’s skill and qualities, with 89 percent saying that they were very satisfied with their knowledge of the purchase process, as well as 88 percent saying that they were very satisfied with their agent’s responsiveness, honesty, and integrity.”**



### FINDING A REAL ESTATE AGENT

#### Exhibits 4–12 through 4–15

Referrals were still by far the most common way for buyers to find the real estate agent that they worked with. Forty-seven percent of buyers used an agent that was referred to them by a friend, neighbor, or relative. Recent buyers also choose to work with agents that they had previously used to buy or sell a home (13 percent). Compared to repeat buyers, first-time buyers were more likely to find their agent through a referral (57 percent) or more likely to have inquired about a specific property online or a website without a specific reference (16 percent). Married couples were the most likely to use an agent that they had previously used to buy or sell a home (14 percent).

Seventy-three percent interviewed only one real estate agent during their home search. Nineteen percent of first-time buyers interviewed two agents before choosing the agent they ultimately worked with. Buyers typically reached out to their agent by phone (29 percent), in person (19 percent), and by e-mail (11 percent). Agents commonly responded to buyers on their first attempted contact.

### FACTORS WHEN CHOOSING AN AGENT

#### Exhibits 4–16 through 4–20

The most important factor to recent buyers when choosing an agent was finding an agent that was trustworthy and honest, at 20 percent. Other important factors when choosing an agent included the agent's experience and their reputation.

When searching for an agent, buyers were looking for someone who was honest and had integrity, was responsive, had knowledge of the purchase process, and who had knowledge of the real estate market. Having an honest agent with integrity was the most important to buyers, and 97 percent of respondents considered this very important. Recent buyers also found it very important that their agent was responsive, had knowledge of the purchase process and real estate market, and had good communication and negotiation skills.

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

### SATISFACTION WITH AGENT

#### Exhibits 4–21 through 4–23

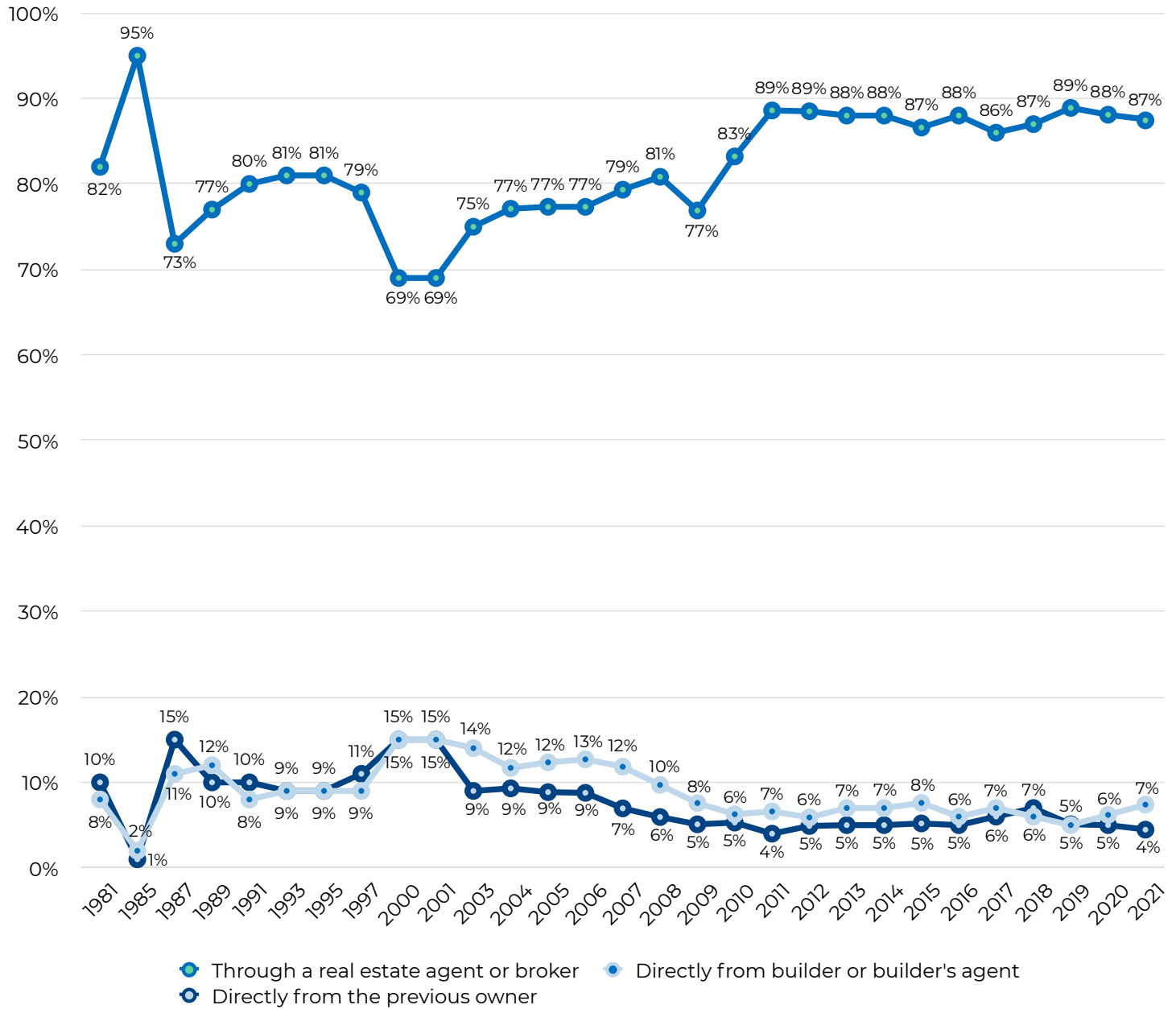
In general, buyers were very satisfied with their real estate agent's skill and qualities, with 89 percent saying that they were very satisfied with their knowledge of the purchase process, as well as 88 percent saying that they were very satisfied with their agent's responsiveness, honesty, and integrity. When asked if they would use their real estate agent again or recommend them to others, 90 percent of buyers would at least probably recommend their agent to others. Buyers have typically already recommended their agent once since purchasing their home.

**“Recent home buyers most commonly purchased their homes through a real estate agent or broker, at 87 percent. Seven percent purchased directly from the builder or builder’s agent, while four percent purchased directly through the previous owner.”**

# Chapter 4: Home Buying and Real Estate Professionals

## Exhibit 4-1 Method of Home Purchase, 2001-2021

(Percentage Distribution)



## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)

#### BUYERS WHO PURCHASED A HOME IN THE

	ALL BUYERS	NORTHEAST	MIDWEST	SOUTH	WEST
Through a real estate agent or broker	87%	87%	85%	88%	90%
Directly from builder or builder's agent	7%	5%	6%	9%	7%
Directly from the previous owner	4%	6%	9%	3%	3%
Knew previous owner	2%	3%	4%	2%	1%
Did not know previous owner	2%	3%	5%	1%	2%

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

(Percentage Distribution)

#### BUYERS OF

	ALL BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Through a real estate agent or broker	87%	60%	94%
Directly from builder or builder's agent	7%	38%	NA
Directly from the previous owner	4%	2%	6%
Knew previous owner	2%	1%	3%
Did not know previous owner	2%	1%	3%

NA = Not Applicable

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

(Percentage Distribution)

#### ADULT COMPOSITION OF HOUSEHOLD

	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Through a real estate agent or broker	87%	87%	89%	82%	88%	88%
Directly from builder or builder's agent	7%	8%	6%	8%	5%	6%
Directly from the previous owner	4%	4%	4%	8%	5%	2%
Knew previous owner	2%	2%	2%	3%	3%	2%
Did not know previous owner	2%	2%	2%	5%	2%	*

\*Less than 1 percent

## Chapter 4: Home Buying and Real Estate Professionals

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

(Percentage Distribution)

DISCLOSURE STATEMENT SIGNED?	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Yes, at first meeting	24%	19%	26%
Yes, when contract was written	23%	20%	24%
Yes, at some other time	12%	11%	12%
No	21%	28%	18%
Don't know	21%	21%	20%

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

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Yes, a written arrangement	40%	34%	44%
Yes, an oral arrangement	17%	18%	15%
No	27%	26%	28%
Don't know	16%	22%	13%

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

(Percentage Distribution)

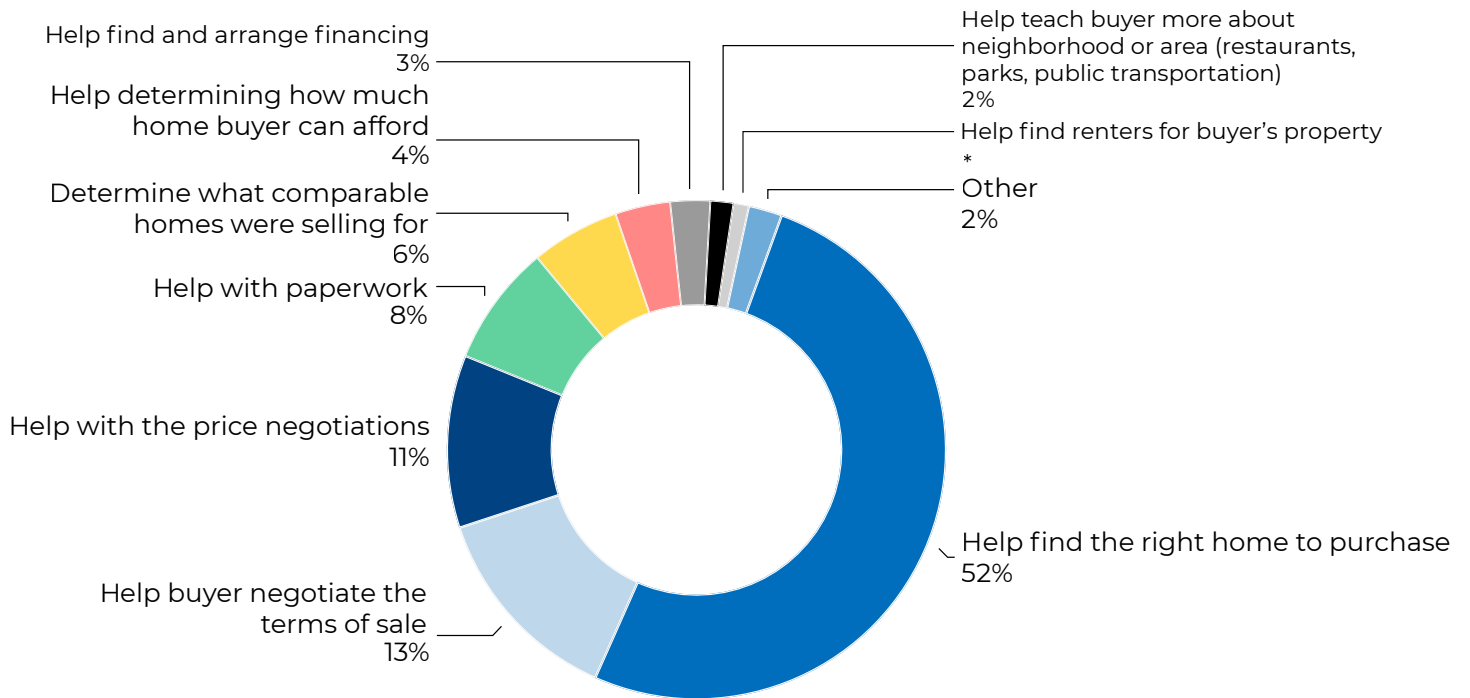
	TYPE OF AGENT REPRESENTATION		
	ALL TYPES OF REPRESENTATION	BUYER ONLY	SELLER OR SELLER AND BUYER
Paid by seller	55%	58%	52%
Paid by buyer and seller	11%	10%	12%
Paid by buyer only	22%	23%	21%
Percent of sales price	77%	82%	71%
Flat fee	3%	3%	3%
Per task fee	*	*	*
Other	1%	1%	1%
Don't know	19%	15%	25%
Other	1%	1%	2%
Don't know	10%	8%	14%

\*Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)



\* Less than 1 percent

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

(Percentage Distribution)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Help find the right home to purchase	52%	48%	53%	53%	51%
Help buyer negotiate the terms of sale	13%	13%	14%	11%	14%
Help with the price negotiations	11%	12%	11%	12%	11%
Help with paperwork	8%	8%	8%	7%	8%
Determine what comparable homes were selling for	6%	5%	6%	5%	6%
Help determining how much home buyer can afford	4%	6%	2%	4%	4%
Help find and arrange financing	3%	4%	2%	3%	3%
Help teach buyer more about neighborhood or area (restaurants, parks, public transportation)	2%	1%	2%	2%	2%
Help find renters for buyer's property	*	*	*	*	*
Other	2%	2%	2%	3%	2%

\* Less than 1 percent

## Chapter 4: Home Buying and Real Estate Professionals

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

(Percentage Distribution)

#### ADULT COMPOSITION OF HOUSEHOLD

	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Help find the right home to purchase	52%	52%	53%	52%	49%	48%
Help buyer negotiate the terms of sale	13%	14%	11%	13%	14%	16%
Help with the price negotiations	11%	11%	12%	11%	15%	9%
Help with paperwork	8%	8%	9%	7%	8%	14%
Determine what comparable homes were selling for	6%	6%	5%	6%	4%	1%
Help determining how much home buyer can afford	4%	3%	4%	4%	3%	5%
Help find and arrange financing	3%	2%	3%	3%	4%	5%
Help teach buyer more about neighborhood or area (restaurants, parks, public transportation)	2%	2%	2%	2%	1	2%
Help find renters for buyer's property	*	*	*	*	*	*
Other	2%	2%	2%	2%	2%	

\* Less than 1 percent

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

(Percent of Respondents)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Helped buyer understand the process	63%	85%	50%
Pointed out unnoticed features/faults with property	58%	64%	55%
Provided a better list of service providers (e.g. home inspector)	49%	52%	47%
Negotiated better sales contract terms	47%	52%	44%
Improved buyer's knowledge of search areas	46%	51%	43%
Negotiated a better price	31%	34%	29%
Shortened buyer's home search	28%	32%	26%
Provided better list of mortgage lenders	26%	33%	23%
Expanded buyer's search area	22%	26%	20%
Narrowed buyer's search area	15%	16%	14%
None of the above	5%	3%	6%
Other	3%	2%	4%

## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Referred by (or is) a friend, neighbor or relative	47%	57%	41%
Used agent previously to buy or sell a home	13%	2%	19%
Inquired about specific property viewed online	7%	7%	7%
Website (without a specific reference)	7%	9%	6%
Saw contact information on For Sale/Open House sign	5%	5%	6%
Referred by another real estate agent/broker	5%	5%	5%
Visited an open house and met agent	4%	3%	4%
Personal contact by agent (telephone, e-mail, etc.)	3%	2%	4%
Referred through employer or relocation company	2%	1%	2%
Walked into or called office and agent was on duty	1%	1%	1%
Mobile or tablet application	1%	2%	1%
Saw the agent's social media page without a connection	1%	1%	1%
Crowdsourcing through social media/ knew the person through social media	1%	1%	*
Advertising specialty (calendar, magnet, etc.)	*	*	*
Direct mail (newsletter, flyer, postcard, etc.)	*	*	*
Newspaper, Yellow Pages or home book ad	*	*	*
Other	4%	5%	3%

\*Less than 1 percent



## Chapter 4: Home Buying and Real Estate Professionals

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

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD					
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Referred by (or is) a friend, neighbor or relative	47%	45%	48%	48%	49%	56%
Used agent previously to buy or sell a home	13%	14%	13%	13%	9%	12%
Inquired about specific property viewed online	7%	7%	8%	5%	10%	4%
Website (without a specific reference)	7%	6%	6%	10%	10%	2%
Visited an open house and met agent	4%	4%	4%	1%	5%	2%
Referred by another real estate agent/broker	5%	5%	4%	5%	3%	11%
Personal contact by agent (telephone, e-mail, etc.)	3%	3%	3%	4%	2%	2%
Saw contact information on For Sale/ Open House sign	5%	5%	6%	5%	5%	6%
Referred through employer or relocation company	2%	2%	1%	1%	1%	*
Walked into or called office and agent was on duty	1%	1%	*	2%	2%	1%
Mobile or tablet application	1%	1%	1%	*	1%	*
Crowdsourcing through social media/ knew the person through social media	1%	1%	*	*	1%	*
Direct mail (newsletter, flyer, postcard, etc.)	*	*	*	*	*	*
Saw the agent's social media page without a connection	1%	1%	1%	1%	1%	1%
Newspaper, Yellow Pages or home book ad	*	*	*	*	*	*
Advertising specialty (calendar, magnet, etc.)	*	*	*	*	*	*
Other	4%	4%	3%	4%	2%	3%

\*Less than 1 percent

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

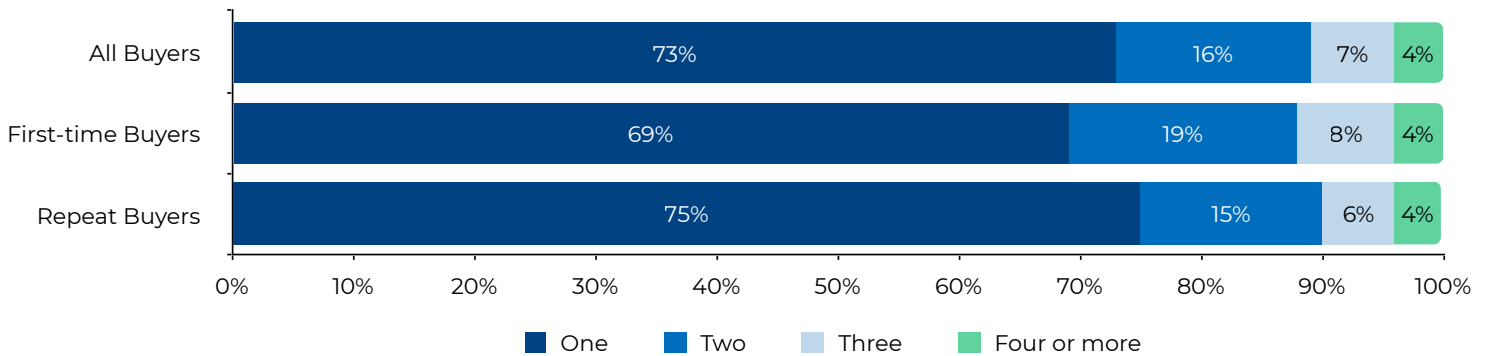
(Median, Percentage Distribution)

Phone call	29%
Talked to them in person	19%
E-mail	11%
Text message	8%
Inquiry for more information through 3rd party website	11%
Ask a friend to put me in touch	15%
Through agent's website	3%
Social Media (FaceBook, Twitter, LinkedIn, etc.)	4%
Number of Times Contacted (median)	1

## 2021 Profile of Home Buyers and Sellers

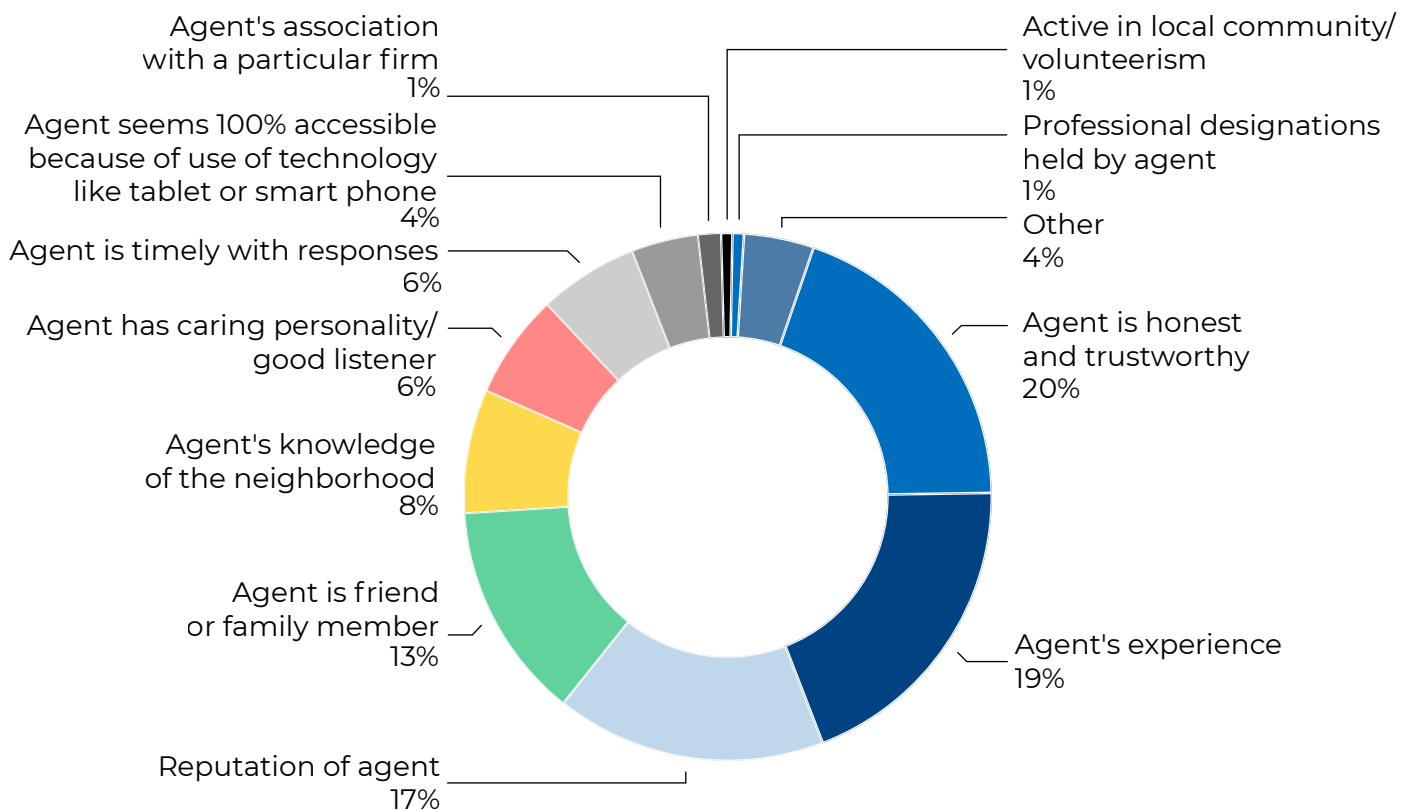
### Exhibit 4-15 Number of Real Estate Agents Interviewed by First-Time and Repeat Buyers

(Percentage Distribution)



### Exhibit 4-16 Most Important Factors When Choosing an Agent

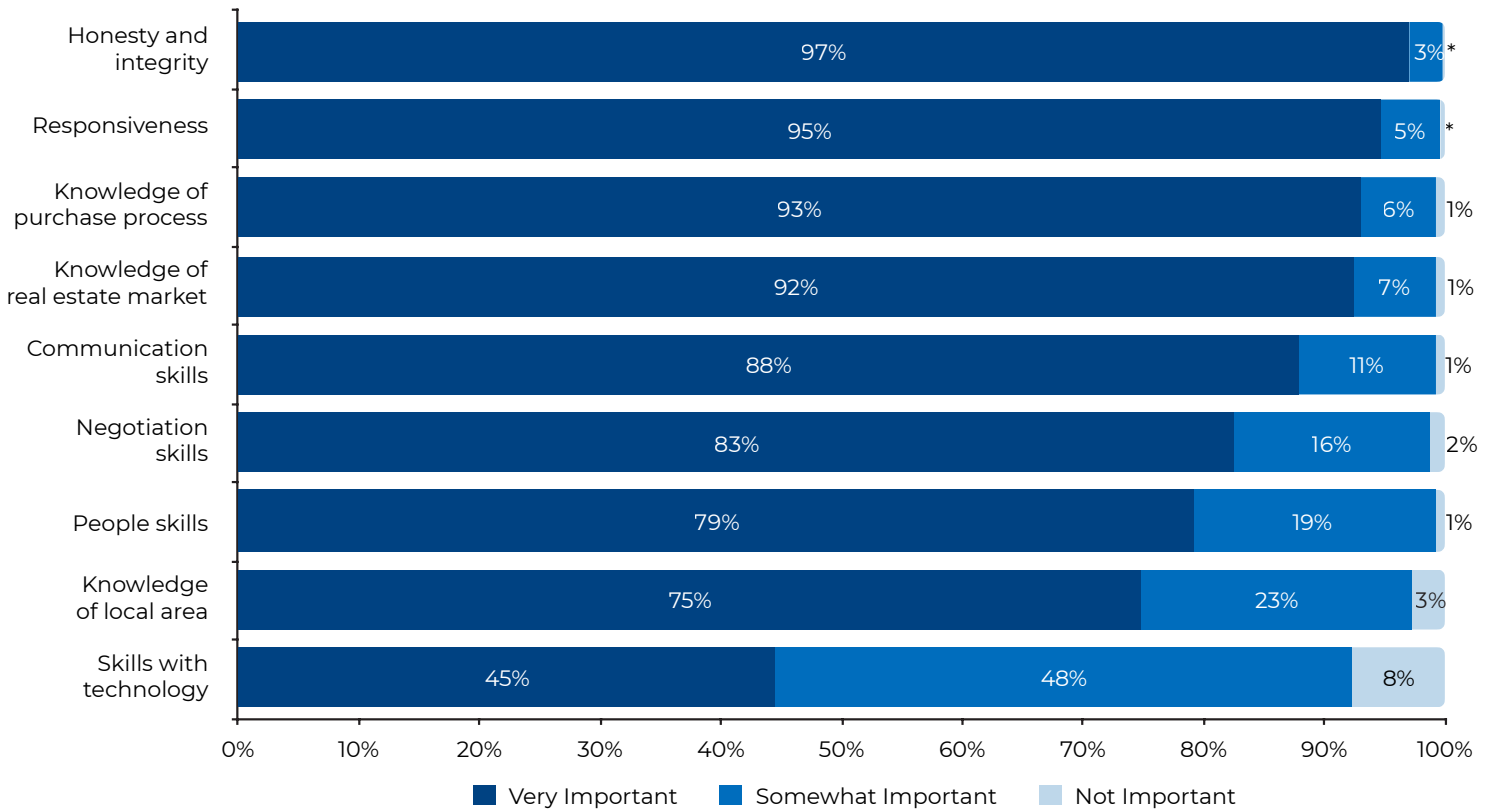
(Percentage Distribution)



## Chapter 4: Home Buying and Real Estate Professionals

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

(Percentage Distribution)



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

(Percent of Respondents)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Honesty and integrity	97%	96%	97%	97%	97%
Responsiveness	95%	95%	95%	94%	95%
Knowledge of purchase process	93%	95%	92%	93%	93%
Knowledge of real estate market	92%	91%	93%	95%	92%
Communication skills	88%	90%	87%	88%	88%
Negotiation skills	83%	82%	83%	84%	82%
People skills	79%	79%	79%	85%	79%
Knowledge of local area	75%	69%	78%	79%	74%
Skills with technology	45%	42%	46%	49%	44%

## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)

#### ADULT COMPOSITION OF HOUSEHOLD

	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Honesty and integrity	97%	98%	97%	94%	96%	98%
Responsiveness	95%	95%	95%	91%	96%	91%
Knowledge of purchase process	93%	93%	94%	88%	94%	94%
Knowledge of real estate market	92%	93%	93%	87%	95%	95%
Communication skills	88%	87%	90%	82%	90%	91%
Negotiation skills	83%	81%	87%	79%	84%	83%
People skills	79%	78%	82%	74%	83%	78%
Knowledge of local area	75%	76%	75%	71%	68%	75%
Skills with technology	45%	43%	52%	42%	43%	48%

### Exhibit 4–20 Importance of Agent Communications

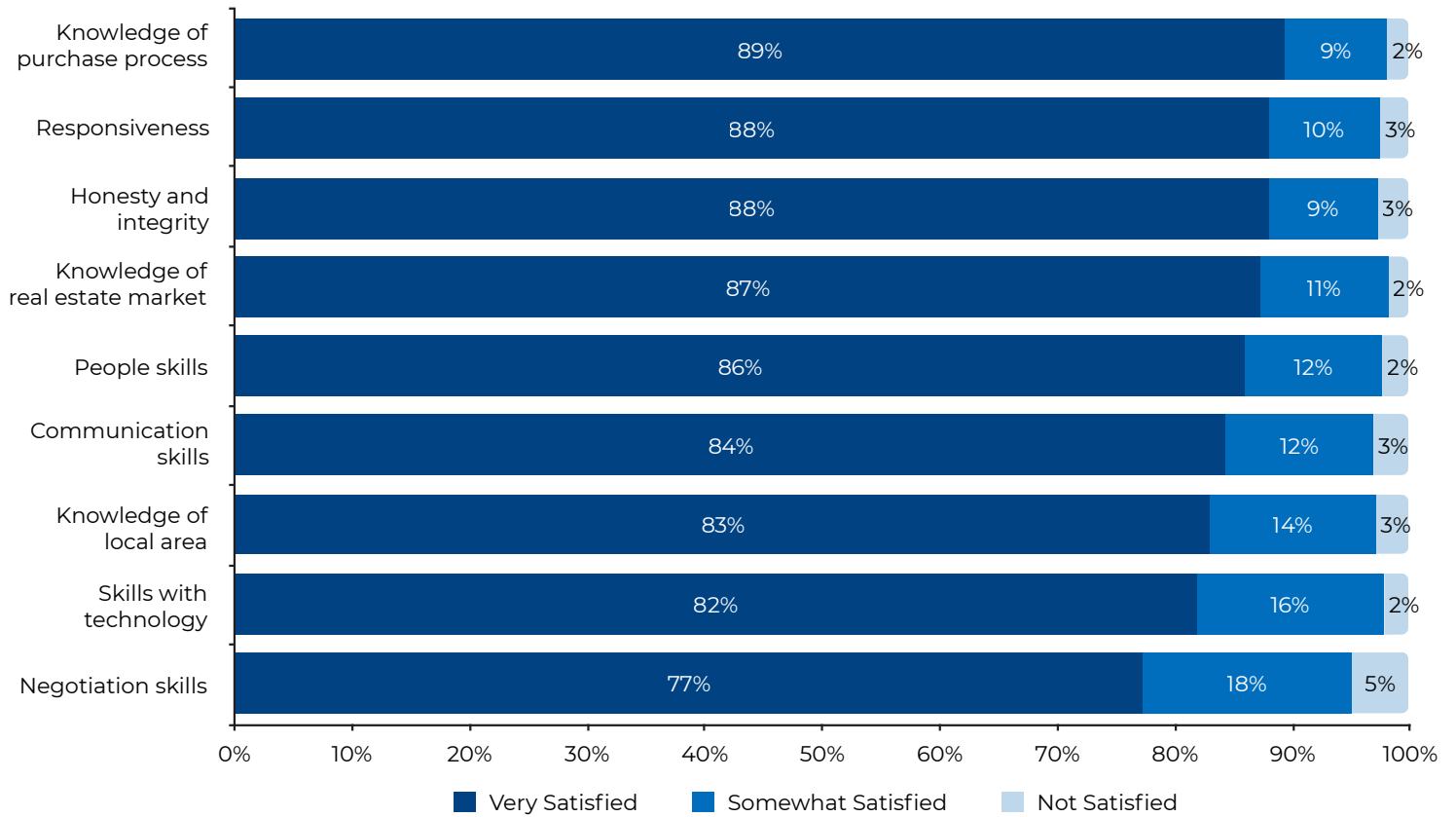
(Percent of Respondents)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Calls personally to inform me of activities	74%	73%	75%
Sends me postings as soon as a property is listed/the price changes/under contract	72%	72%	72%
Sends me property info and communicates via text message	71%	75%	68%
Sends me emails about my specific needs	50%	54%	48%
Can send market reports on recent listings and sales	52%	50%	54%
Has a website	29%	29%	29%
Has a mobile site to show properties	28%	27%	29%
Active in local community/volunteerism	12%	12%	13%
Is active on social media	14%	16%	14%
Sends me an email newsletter	7%	9%	7%
Advertises in newspapers	2%	2%	2%
Has a blog	1%	2%	1%

## Chapter 4: Home Buying and Real Estate Professionals

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

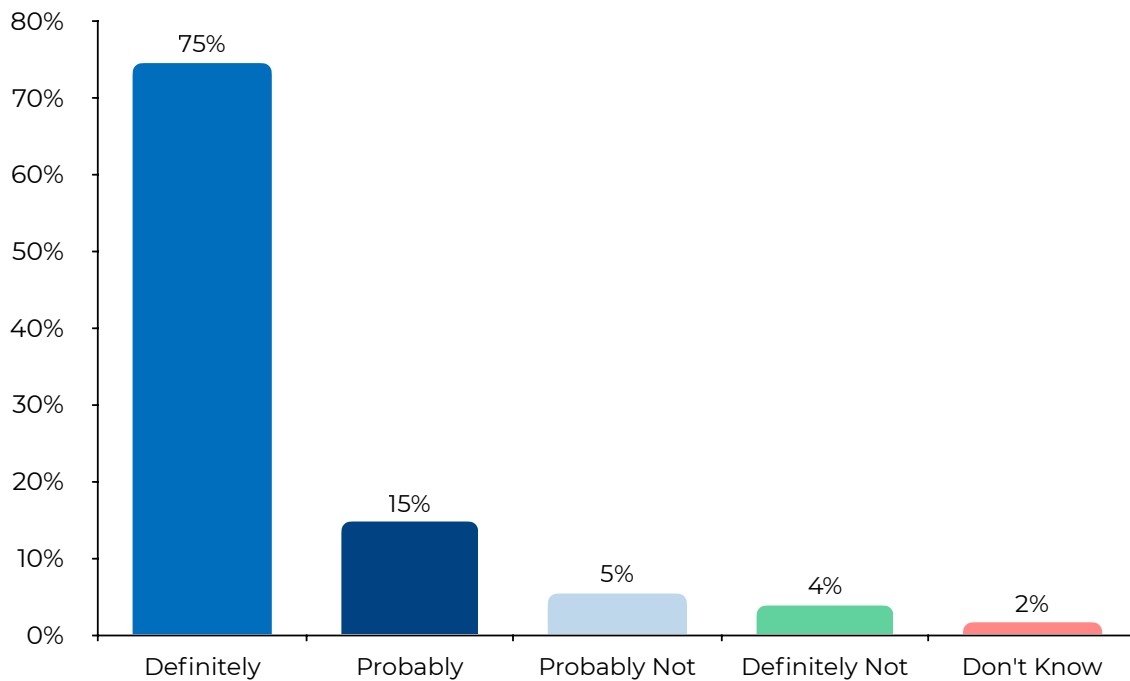
(Percentage Distribution)



## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)



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

(Percentage Distribution)

	ALL BUYERS
None	36%
One time	16%
Two times	18%
Three times	10%
Four or more times	20%
Times recommended since buying (median)	1







# CHAPTER 5:

## Financing the Home Purchase

While many share the desire to own their own home, financing the purchase has a variety of obstacles, according to this year's survey responses. Eighty-seven percent of all buyers financed their homes last year, consistent with the prior year. This is, however, a decline from 93 percent in 2003. First-time buyers were more likely to finance their purchase at 96 percent, while only 83 percent of repeat buyers financed.

NAR has collected data since 1989 on the median downpayment. In 2021, the median downpayment was 13 percent for all buyers, seven percent for first-time buyers, and 17 percent for repeat buyers. Comparing this to previous years, in 1989 the median percent of the downpayment for all buyers was 20 percent, 10 percent for first-time buyers, and 23 percent for repeat buyers. For first-time buyers, the median downpayment has been 10 percent or below since 1989.

Savings remained a key source of the downpayment for home buyers, both for first-time and repeat buyers alike. Sixty-one percent of recent home buyers used their savings for their downpayment. Overall, this is still above the historical norm of 58 percent since 2000 when the report began tracking sources of the downpayment. Fifty-six percent of repeat buyers used the proceeds of their past home sale for a downpayment, while 28 percent of first-time buyers used a gift or loan from a family member or friend for their downpayment.

Sixty-five percent of buyers did not need to make any financial sacrifices to purchase their home, down slightly from 67 percent last year. The majority of first-time buyers did make financial sacrifices to purchase a home. For those who did, the most common sacrifices buyers reported were cutting spending on luxury goods, entertainment, and clothes.

While the number of home buyers who reported that obtaining a mortgage was more difficult than expected (30 percent in 2021) was considerably higher in the 2009 and 2010 reports, it has steadily decreased in the last few years. Conventional financing was the most common mortgage type, followed by FHA loans, primarily among first-time home buyers again this year.

## Chapter 5: Financing the Home Purchase

### BUYERS WHO FINANCED THEIR HOME

#### Exhibits 5-1 through 5-4

Eighty-seven percent of all buyers financed their homes last year, consistent with the prior year. This is, however, a decline from 93 percent in 2003. First-time buyers were more likely to finance their purchase at 96 percent, while only 83 percent of repeat buyers financed. Nearly all married couples that were first-time home buyers financed their homes at 97 percent compared to only 79 percent of single female repeat buyers.

This year, 10 percent of buyers financed 100 percent of the entire purchase price with a mortgage, a decrease from 14 percent last year. The median percent financed for first-time buyers was 93 percent compared to 83 percent for repeat buyers, which was about the same as last year. The median percent financed for all buyers across the board was 87 percent.

In 2021, the median downpayment was 13 percent for all buyers, seven percent for first-time buyers, and 17 percent for repeat buyers. In 1989, the median downpayment for all buyers was 20 percent, 10 percent for first-time buyers, and 23 percent for repeat buyers. The downpayment has either decreased or held steady since 2005, but the past two years have seen an increasing trend towards higher downpayments within a more competitive market, and more equity earned from the past sale of a home.

### SOURCES OF DOWNPAYMENT

#### Exhibits 5-5 through 5-7

Sixty-one percent of recent home buyers used their savings to finance their home purchase, up slightly from 58 percent last year. Overall, this is above the historical norm of 58 percent since 2000. For repeat buyers, the proceeds from the sale of a primary residence was the most commonly cited way of financing a home purchase at 56 percent, up from 47 percent in 2014 and more than double the 25 percent in 2012. This is likely due to the continued increase in property values, allowing buyers to use equity from their previous home at higher rates. First-time buyers cited using savings (83 percent) and a gift or loan from relative or friend (28 percent).

Unmarried couples are the highest share using savings for a downpayment at 74 percent. Married couples and single females were the most likely to use proceeds from the sale of a primary home (44 percent and 35 percent respectively).

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

#### Exhibits 5-8 through 5-10

More than a quarter of buyers (27 percent) were delayed in purchasing a home by more than five years if they had debt that impeded them. The median length of time buyers waited to buy a home while saving for the downpayment and paying down debt was four years. Buyers were asked what difficulties they encountered in their home search and home buying process. The share that cited their most difficult step in the home buying process was saving for a downpayment was 13 percent this year, the same share as in 2020. These buyers were asked what expenses made saving for a downpayment difficult. Forty-three percent of these buyers reported student loans, 43 percent reported high rent/current mortgage payment, 33 percent credit card debt, and 32 percent car loans.

For first-time home buyers, 29 percent said saving for a downpayment was the most difficult step in the process. Of that share, 46 percent said student loan debt and 45 said high rent delayed them in saving for a home. Among the five percent of repeat buyers who reported that saving for a downpayment was the most difficult task, 35 percent reported that high rent or their current mortgage payment or credit card debt delayed them saving. Twenty percent of unmarried couples reported saving for a downpayment was the most difficult task in the home buying process. Of that 20 percent, 57 percent reported a high rent or current mortgage payment delayed their savings and 40 percent report their student loans.

**“Buyers continue to see purchasing a home as a good financial investment. Eighty-six percent reported believing that a home purchase is a good investment and 43 percent said it was better than owning stock.”**

## 2021 Profile of Home Buyers and Sellers

### SACRIFICES MADE TO PURCHASE HOME

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

Some buyers chose to make financial sacrifices in order to make a home purchase. Sixty-five 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 (23 percent), a cut in spending on entertainment (16 percent), and a cut in spending on clothes (13 percent). First-time buyers were more likely to make sacrifices than repeat buyers—53 percent compared to 26 percent made sacrifices, respectively. Unmarried couples reported making the most financial sacrifices at 45 percent.

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

#### Exhibits 5-13 through 5-17

Thirty percent of buyers said the mortgage application process was at least somewhat more difficult than expected and 22 percent said it was easier than expected. Forty-nine percent of buyers said that the mortgage application and approval process was no more difficult than expected. Twenty-five percent of first-time buyers said that the mortgage application and approval process was somewhat more difficult than expected, compared to 18 percent of repeat buyers. Unmarried couples were more likely than other groups to report the process was easier than expected at 26 percent.

Four percent of successful home buyers did have a mortgage application rejected from a mortgage lender before securing a mortgage. They typically had a median of one rejection. The most common reasons for the buyer reporting they were rejected was because of their debt-to-income ratio (32 percent), low credit score (23 percent), because their income was unable to be verified (11 percent), insufficient downpayment (eight percent), or not enough money in reserves (eight percent).

Twenty-three percent of all buyers reported having student loan debt. That number jumps to 37 percent for first-time buyers and drops to 16 percent for repeat buyers. The median amount of student loan debt for all buyers was \$30,000, \$30,000 for first-time buyers and \$30,000 for repeat buyers.

Six percent of recent buyers had a distressed property sale in the past—either a short sale or a foreclosure—and the typical year for a distressed sale was in 2011.

### TYPE OF MORTGAGE LOAN

#### Exhibits 5-18 and 5-19

Ninety-four percent of all buyers used a fixed-rate mortgage. Sixty-nine percent of buyers chose a conventional loan to finance their home, up from 64 percent last year. Fifteen percent of buyers reported securing a FHA loan and nine percent chose a VA loan. First-time buyers sought FHA loans more commonly than repeat buyers at 23 percent compared to 10 percent. Repeat buyers largely used conventional loans at 74 percent, compared to 61 percent of first-time buyers.

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

#### Exhibits 5-20 and 5-21

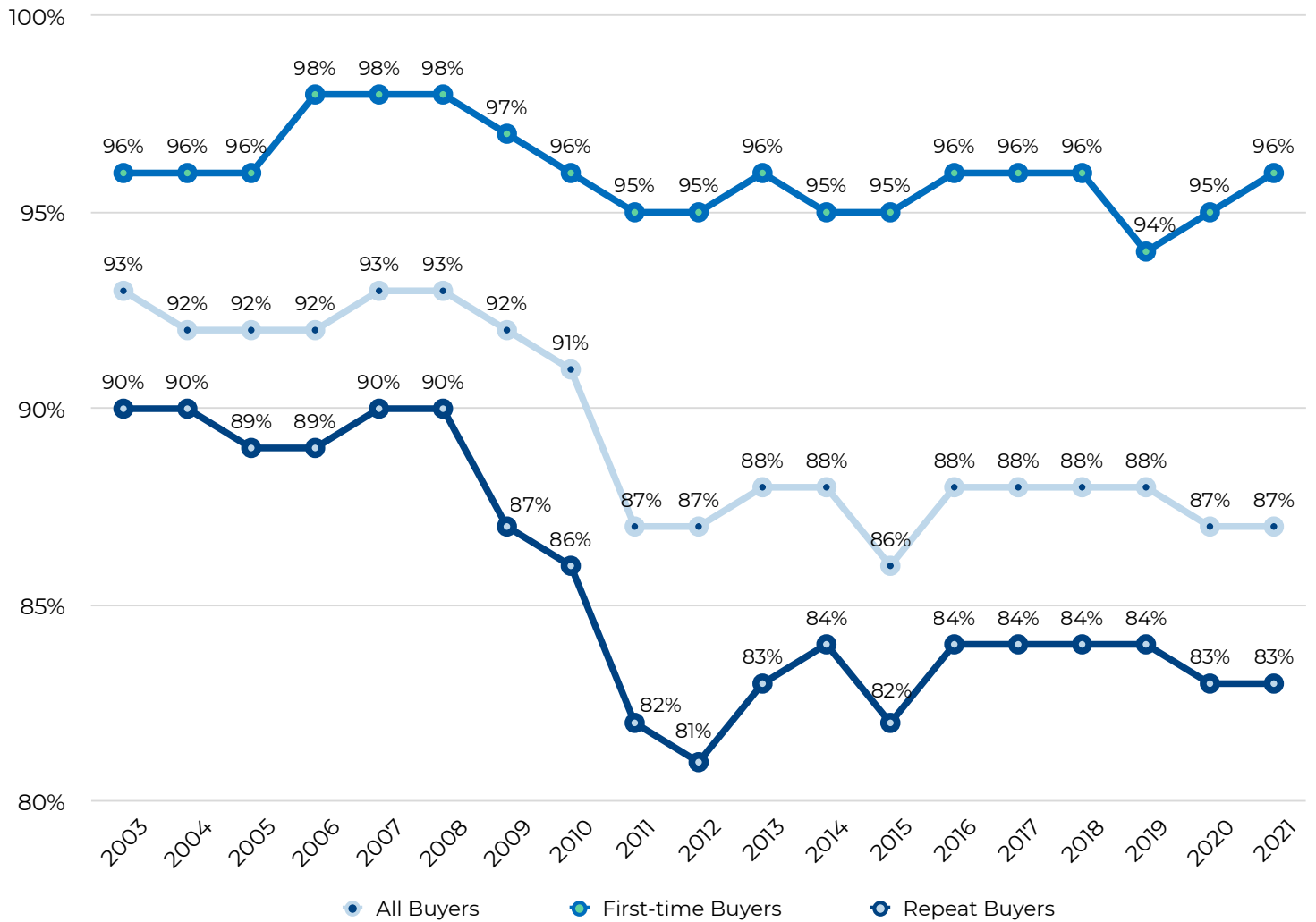
Buyers continue to see purchasing a home as a good financial investment. Eighty-six percent reported believing that a home purchase is a good investment and 43 percent said it was better than owning stock. This is up from 83 percent in last year's report. Only three percent reported that it was not a good financial investment. Eighty-six percent of first-time buyers see owning a home as a sound financial endeavor which is the same share among repeat buyers. Unmarried couples are most likely to feel their home is a good financial investment at 88 percent.

**“In 2021, the median downpayment was 13 percent for all buyers, seven percent for first-time buyers, and 17 percent for repeat buyers.”**

# Chapter 5: Financing the Home Purchase

## Exhibit 5-1 Buyers Who Financed Their Home Purchase, 2003-2021

(Percentage Distribution)



## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)

#### ADULT COMPOSITION OF HOUSEHOLD

	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
All Buyers	87%	88%	84%	86%	94%	83%
First-time Buyers	96%	97%	95%	93%	98%	90%
Repeat Buyers	83%	84%	79%	80%	87%	79%

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

(Percentage Distribution)

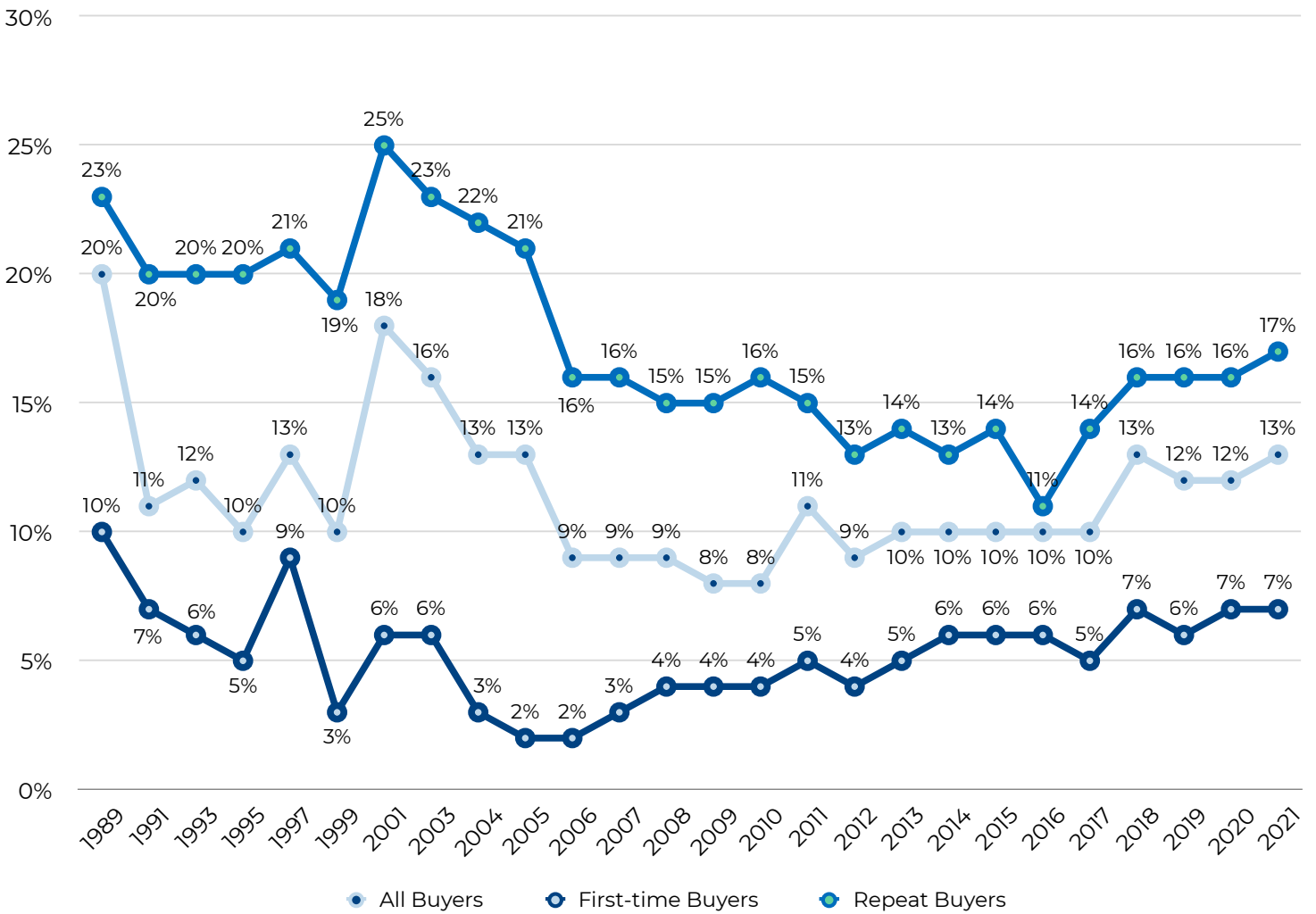
#### BUYERS OF

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Less than 50%	11%	7%	14%	17%	10%
50% to 59%	5%	1%	7%	7%	5%
60% to 69%	5%	2%	6%	6%	4%
70% to 79%	13%	8%	16%	12%	13%
80% to 89%	24%	20%	27%	22%	25%
90% to 94%	15%	20%	12%	14%	15%
95% to 99%	17%	29%	10%	14%	18%
100%—Financed the entire purchase price with a mortgage	10%	14%	8%	9%	10%
Median percent financed	87%	93%	83%	84%	87%

# Chapter 5: Financing the Home Purchase

## Exhibit 5-4 Median Percent Downpayment by First-Time and Repeat Buyers, 1989-2021

(Percentage Distribution)



## 2021 Profile of Home Buyers and Sellers

### Exhibit 5-5 Sources of Downpayment

(Percent of Respondents Among those who Made a Downpayment)

	2000	2002	2003	2005	2006	2007	2008	2009	2010	2011
Savings	57%	57%	49%	50%	50%	52%	56%	54%	66%	67%
Proceeds from sale of primary residence	35%	37%	37%	43%	44%	43%	34%	23%	22%	26%
Gift from relative or friend	13%	14%	12%	11%	9%	10%	13%	14%	18%	14%
Sale of stocks or bonds	NA	3%	6%	6%	7%	8%	8%	6%	7%	10%
401k/pension fund including a loan	5%	5%	5%	5%	4%	4%	5%	5%	7%	8%
Inheritance	3%	3%	2%	3%	2%	3%	4%	3%	4%	5%
Tax Refund	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Proceeds from sale of real estate other than primary residence	NA	NA	NA	NA	3%	2%	2%	1%	2%	2%
Individual Retirement Account (IRA)	3%	2%	3%	2%	2%	2%	3%	2%	3%	4%
Equity from primary residence buyer continues to own	NA	NA	NA	NA	5%	5%	4%	2%	2%	3%
Loan from relative or friend	4%	3%	5%	5%	4%	3%	5%	4%	6%	5%
Loan or financial assistance from source other than employer	NA	NA	NA	NA	NA	NA	NA	NA	NA	2%
Loan from financial institution other than a mortgage	NA	NA	NA	6%	2%	2%	1%	1%	1%	1%
Loan or financial assistance through employer	NA	NA	NA	NA	NA	NA	NA	NA	NA	*
Other	8%	7%	6%	7%	4%	*	5%	4%	4%	4%

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Savings	65%	64%	65%	60%	61%	59%	58%	60%	58%	61%
Proceeds from sale of primary residence	25%	31%	33%	38%	35%	38%	39%	38%	38%	38%
Gift from relative or friend	14%	14%	14%	13%	13%	13%	12%	13%	10%	12%
Sale of stocks or bonds	8%	9%	9%	8%	4%	6%	7%	8%	7%	9%
401k/pension fund including a loan	9%	8%	9%	8%	9%	8%	7%	7%	7%	7%
Inheritance	4%	4%	4%	5%	4%	4%	4%	4%	4%	4%
Tax Refund	NA	NA	NA	NA	NA	4%	3%	4%	2%	4%
Proceeds from sale of real estate other than primary residence	1%	2%	2%	2%	2%	3%	3%	3%	3%	3%
Individual Retirement Account (IRA)	5%	4%	3%	4%	3%	3%	3%	3%	3%	3%
Equity from primary residence buyer continues to own	2%	2%	*	2%	2%	2%	2%	2%	2%	2%
Loan from relative or friend	4%	4%	4%	3%	3%	3%	3%	3%	2%	2%
Loan or financial assistance from source other than employer	2%	*	*	1%	1%	1%	1%	1%	1%	2%
Loan from financial institution other than a mortgage	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Loan or financial assistance through employer	1%	2%	1%	1%	1%	NA	NA	*	*	*
Other	4%	4%	4%	5%	3%	4%	4%	3%	3%	3%

\* Less than 1 percent

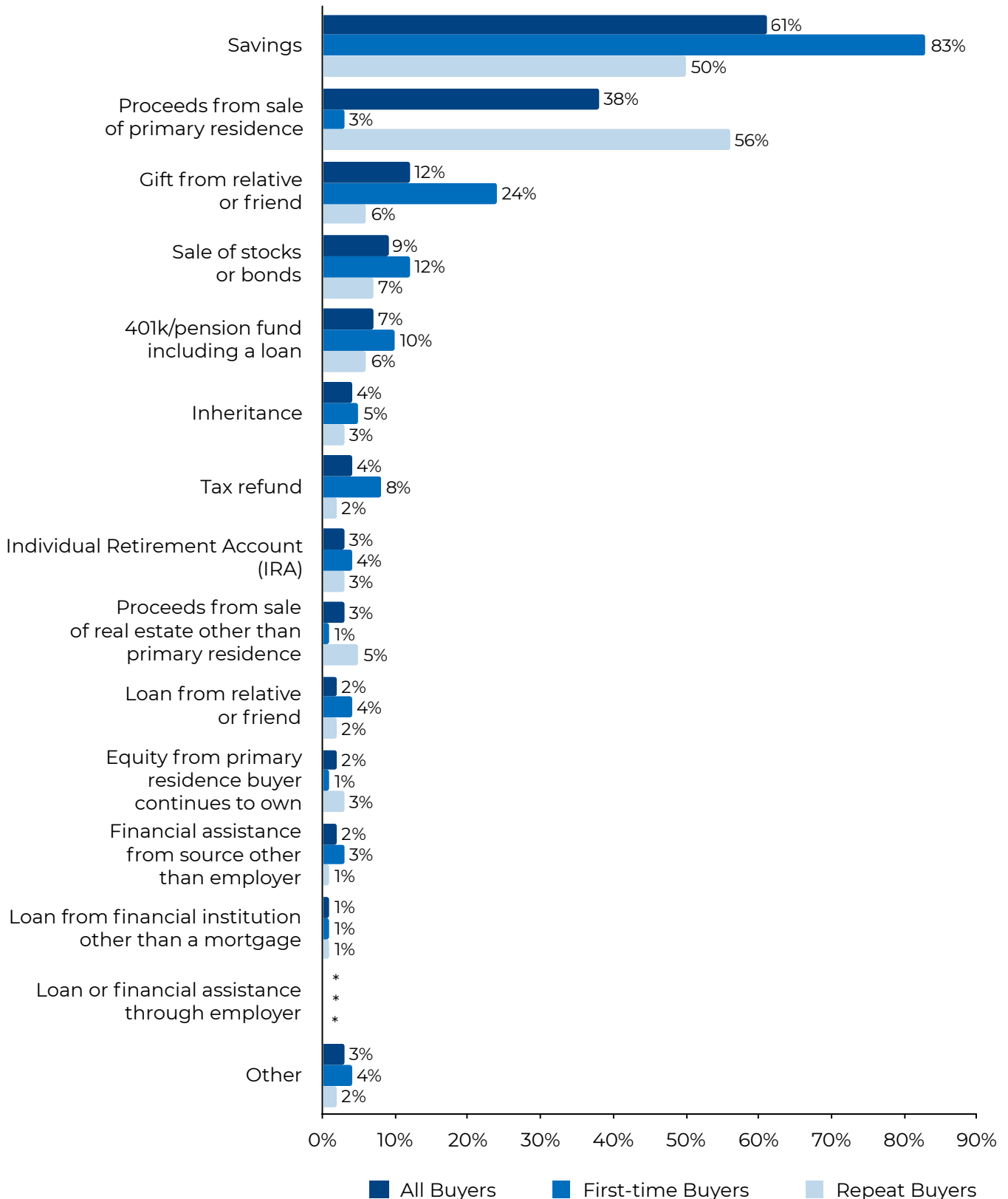
NA=Not Asked



# Chapter 5: Financing the Home Purchase

## Exhibit 5-6 Sources of Downpayment, First-Time and Repeat Buyers

(Percent of Respondents Among Those Who Made a Downpayment)



\* Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

### Exhibit 5-7 Sources of Downpayment, by Adult Composition of Household

(Percent of Respondents Among Those Who Made a Downpayment)

#### ADULT COMPOSITION OF HOUSEHOLD

	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Savings	61%	60%	55%	67%	74%	63%
Proceeds from sale of primary residence	38%	44%	35%	28%	19%	35%
Gift from relative or friend	12%	11%	12%	13%	19%	9%
Sale of stocks or bonds	9%	8%	8%	13%	11%	6%
401k/pension fund including a loan	7%	7%	8%	6%	9%	6%
Inheritance	4%	3%	5%	4%	5%	7%
Tax Refund	4%	4%	4%	3%	4%	5%
Proceeds from sale of real estate other than primary residence	3%	3%	3%	3%	2%	5%
Individual Retirement Account (IRA)	3%	3%	3%	5%	3%	4%
Equity from primary residence buyer continues to own	2%	2%	2%	3%	1%	5%
Loan from relative or friend	2%	2%	2%	5%	1%	1%
Loan or financial assistance from source other than employer	2%	1%	2%	2%	3%	*
Loan from financial institution other than a mortgage	1%	1%	1%	1%	1%	*
Loan or financial assistance through employer	*	*	*	*	*	*
Other	3%	3%	4%	4%	2%	6%

\* Less than 1 percent

### Exhibit 5-8 Years Debt Delayed Home Buyers From Saving for a Downpayment or Buying a Home

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
One year	16%	13%	20%
Two years	17%	17%	18%
Three years	14%	14%	14%
Four years	7%	7%	6%
Five years	19%	19%	19%
More than five years	27%	29%	23%
Median	4	4	3

## Chapter 5: Financing the Home Purchase

### Exhibit 5–9 Expenses That Delayed Saving for a Downpayment or Saving for a Home Purchase, by First-Time and Repeat Buyers

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

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Share Saving for Downpayment was Most Difficult Task in Buying Process:	13%	29%	5%
<b>DEBT THAT DELAYED SAVING:</b>			
Student Loans	43%	46%	31%
High rent/current mortgage payment	43%	45%	35%
Credit card debt	33%	33%	35%
Car loan	32%	29%	41%
Child care expenses	13%	10%	23%
Health care costs	13%	12%	15%
Other	13%	13%	14%
Median Years Debt Delayed Home Purchase Among Those Who Had Difficulty Saving	3	3	2

### Exhibit 5–10 Expenses That Delayed Saving for a Downpayment or Saving for a Home Purchase, by Adult Composition of Household

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

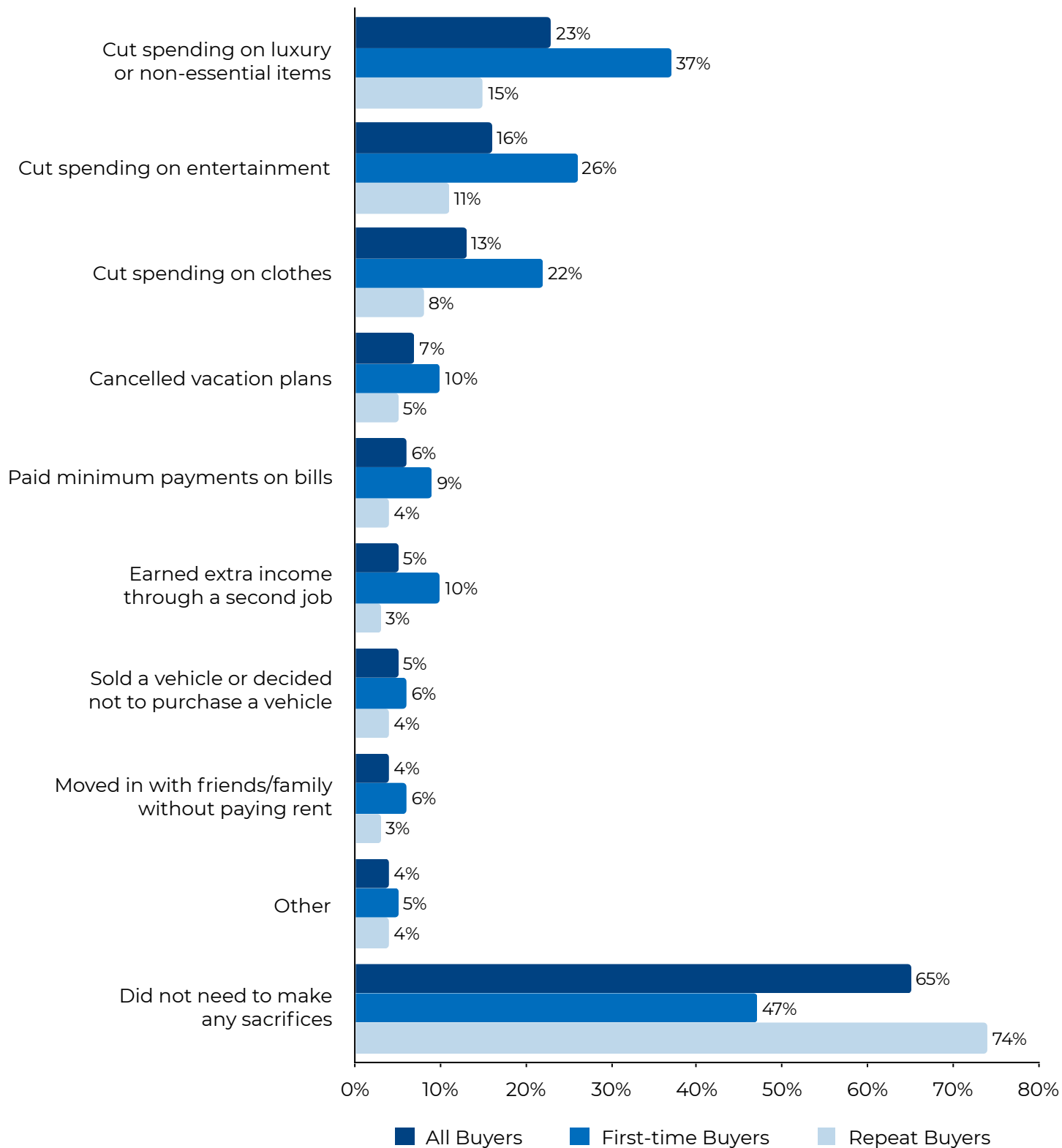
	ADULT COMPOSITION OF HOUSEHOLD					
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Share Saving for Downpayment was Most Difficult Task in Buying Process:	13%	12%	13%	14%	20%	11%
<b>DEBT THAT DELAYED SAVING:</b>						
Student Loans	43%	44%	46%	38%	40%	0%
High rent/current mortgage payment	43%	42%	33%	38%	57%	67%
Credit card debt	33%	33%	40%	21%	38%	*
Car loan	32%	33%	31%	32%	33%	8%
Child care expenses	13%	17%	11%	8%	7%	8%
Health care costs	13%	14%	13%	10%	12%	*
Other	13%	11%	14%	16%	18%	46%
Median Years Debt Delayed Home Purchase Among Those Who Had Difficulty Saving	3	3	3	3	2	3

\* Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

### Exhibit 5-11 Sacrifices Made To Purchase Home, by First-Time and Repeat Buyers

(Percent of Respondents)



## Chapter 5: Financing the Home Purchase

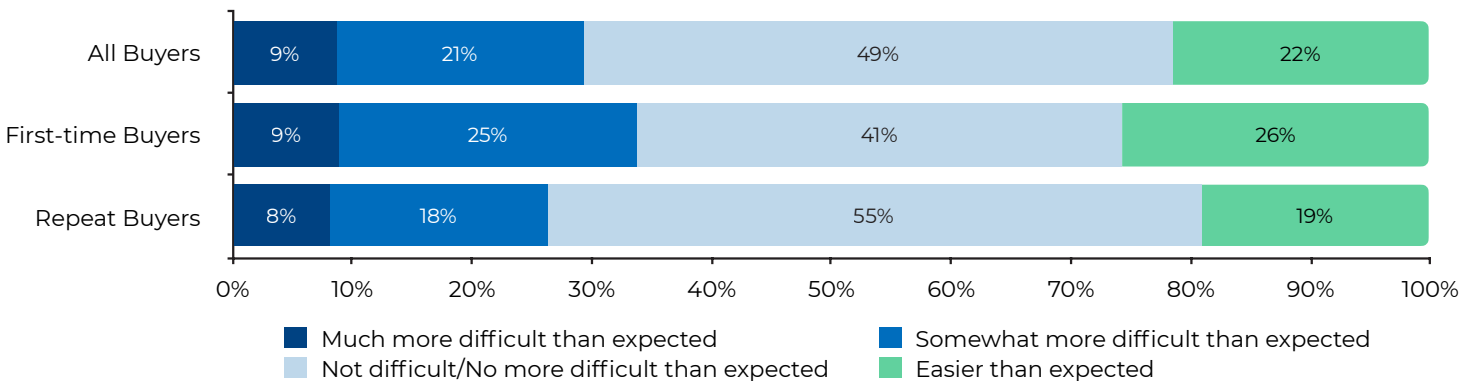
### Exhibit 5-12 Sacrifices Made To Purchase Home, by Adult Composition of Household

(Percent of Respondents)

	ADULT COMPOSITION OF HOUSEHOLD					
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Cut spending on luxury or non-essential items	23%	20%	27%	18%	30%	30%
Cut spending on entertainment	16%	14%	22%	15%	23%	22%
Cut spending on clothes	13%	10%	21%	10%	18%	18%
Cancelled vacation plans	7%	6%	9%	4%	7%	11%
Paid minimum payments on bills	6%	5%	7%	5%	9%	3%
Earned extra income through a second job	5%	5%	6%	5%	7%	5%
Sold a vehicle or decided not to purchase a vehicle	5%	5%	3%	5%	7%	4%
Moved in with friends/family without paying rent	4%	4%	5%	5%	4%	2%
Other	4%	3%	6%	4%	4%	10%
Did not need to make any sacrifices	65%	68%	58%	68%	55%	58%

### Exhibit 5-13 Difficulty of Mortgage Application and Approval Process, by First-Time and Repeat Buyers

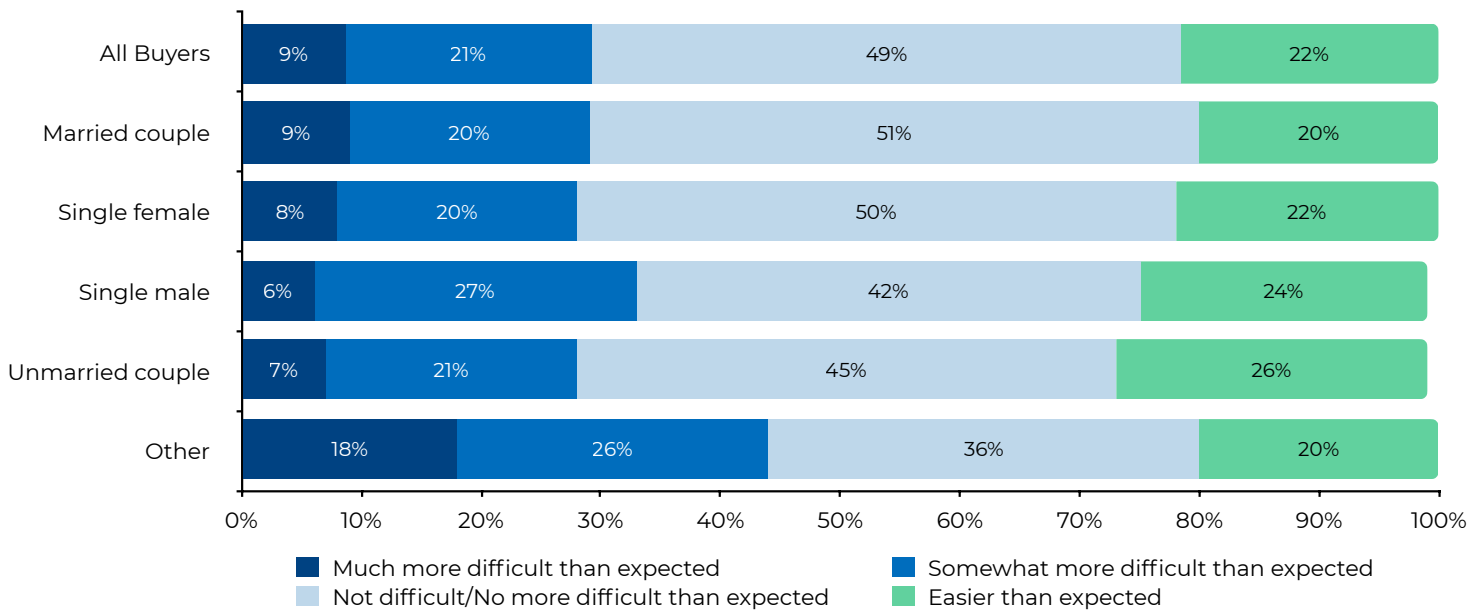
(Percentage Distribution Among Those Who Financed Their Home Purchase)



## 2021 Profile of Home Buyers and Sellers

### Exhibit 5-14 Difficulty of Mortgage Application and Approval Process, by Adult Composition of Household

(Percentage Distribution Among Those Who Financed Their Home Purchase)



### Exhibit 5-15 Buyer Mortgage Application Had Been Rejected From Mortgage Lender

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Have had application denied	4%	6%	4%
Median number of times application was denied	1	1	1
<b>BUYER REASONS WHY REJECTED BY MORTGAGE LENDER</b>			
Debt to income ratio	32%	36%	29%
Low credit score	23%	36%	12%
Income was unable to be verified	11%	11%	12%
Insufficient downpayment	8%	13%	2%
Not enough money in reserves	8%	11%	5%
Too soon after refinancing another property	1%	*	2%
Don't know	8%	5%	10%
Other	36%	25%	45%

\* Less than 1 percent

## Chapter 5: Financing the Home Purchase

### Exhibit 5-16 Buyers Who Have Student Loan Debt

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Have student loan debt	23%	37%	16%
Under \$10,000	17%	15%	19%
\$10,000 to \$24,999	25%	25%	25%
\$25,000 to \$49,999	22%	22%	21%
\$50,000 to \$74,999	16%	19%	12%
\$75,000 or more	20%	18%	23%
Median amount of student loan debt	\$30,000	\$30,000	\$30,000

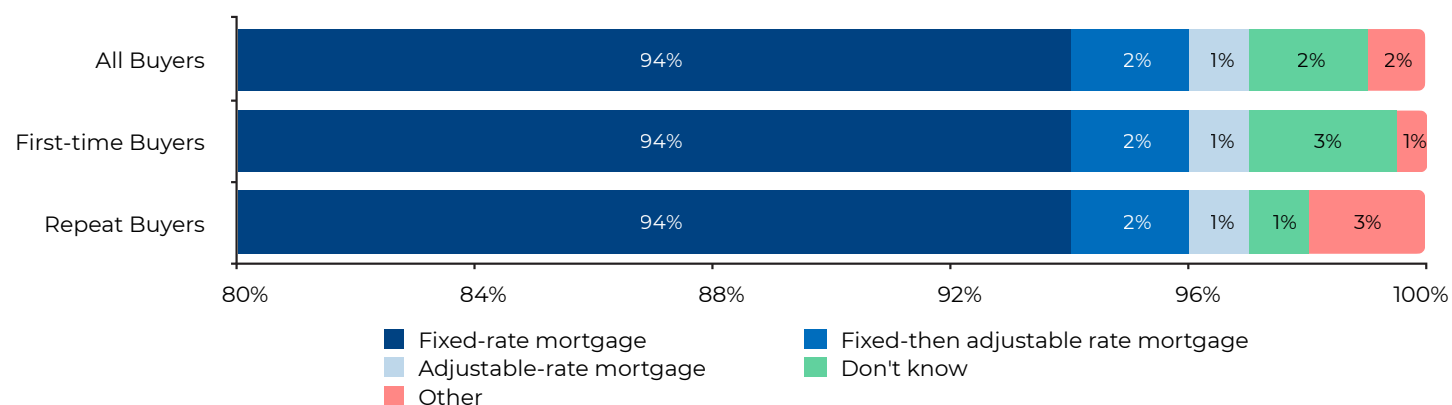
### Exhibit 5-17 Buyer Previously Sold a Distressed Property (Short Sale or Foreclosure)

(Percentage Distribution)

	ALL BUYERS
Previously had a distressed property sale	6%
Median year of sale	2011

### Exhibit 5-18 Type of Mortgage, First-Time and Repeat Buyers

(Percentage Distribution Among Those Who Financed Their Home Purchase)

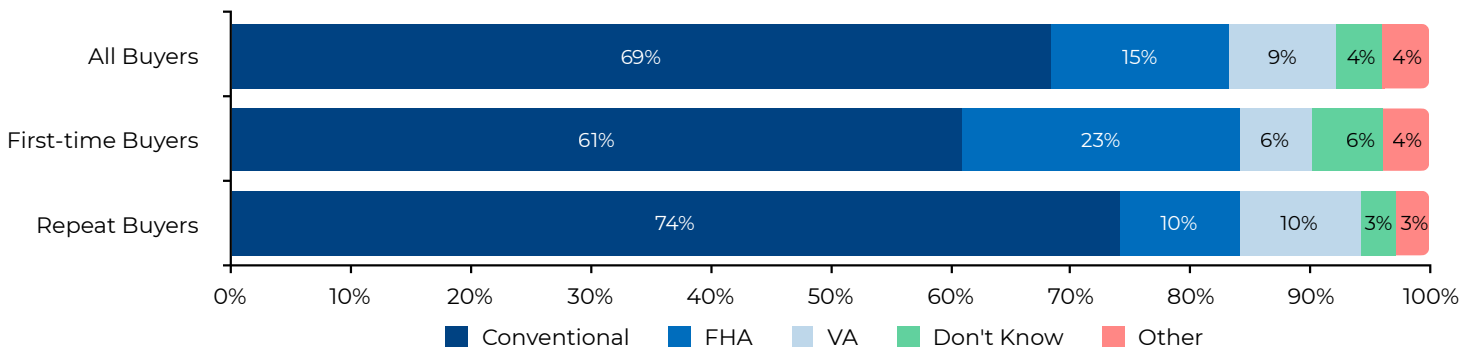




## 2021 Profile of Home Buyers and Sellers

### Exhibit 5-19 Type of Loan, First-Time and Repeat Buyers

(Percentage Distribution Among Those Who Financed Their Home Purchase)



### Exhibit 5-20 Buyers' View of Homes as a Financial Investment, First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes

(Percentage Distribution)

	BUYERS OF				
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
Good financial investment	86%	86%	86%	86%	86%
Better than stocks	43%	44%	43%	43%	43%
About as good as stocks	30%	30%	29%	31%	30%
Not as good as stocks	13%	12%	14%	12%	13%
Not a good financial investment	3%	2%	4%	3%	3%
Don't know	11%	12%	11%	10%	11%

### Exhibit 5-21 Buyers' View of Homes as a Financial Investment, by Adult Composition of Household

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD					
	ALL BUYERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER
Good financial investment	86%	86%	84%	87%	88%	82%
Better than stocks	43%	42%	43%	42%	49%	48%
About as good as stocks	30%	30%	31%	29%	28%	28%
Not as good as stocks	13%	14%	10%	16%	11%	6%
Not a good financial investment	3%	3%	2%	3%	2%	4%
Don't know	11%	10%	13%	9%	11%	14%







# CHAPTER 6:

## Home Sellers and their Selling Experience

NAR has collected data on the median tenure in the home since 1985. In 1985, the median tenure was just five years. Over the past 30 years, sellers have remained in the same home for longer periods of time. In recent years, seller tenure increased to a high of 10 years. Given attractive financing and shifting priorities in homes, in 2021, the median tenure for sellers in their sold home decreased to eight years from 10 years in 2020. The decreased tenure in 2021 was the largest year-to-year shift since data has been collected.

Tightened inventory continues to cause prices to increase in many areas of the country. While housing inventory was reduced in many areas, sellers saw a favorable market where they typically received 100 percent of their asking price and usually sold their homes within just one week. This is the highest percent of received asking price recorded since 2002. The typical percent of received asking price ranged between 95 and 99 percent.

The share of home sellers who reported they delayed the sale of their home because their home was worth less than their mortgage has been kept low by increased home prices. That share of sellers dropped from seven percent in the 2019 report to six percent in 2020, and remained level in 2021. However, sellers who purchased their home 11 to 15 years ago continue to report stalling their home sale at higher rates—14 percent of sellers reported delaying their home sale. Joining this tenure group, 10 percent of sellers who purchased their home 16-20 years ago also reported stalling their sale.

The typical seller had \$85,000 in equity in their home when their home sold, in comparison to the purchase price of their home, which is a significant increase from a median of \$66,000 in 2020.

## Chapter 6: Home Sellers and Their Selling Experience

### HOME SELLER CHARACTERISTICS

#### Exhibits 6-1 through 6-6

The typical age of home sellers was 56 this year, the same as last year. The median income in 2020 for the typical household was \$112,300, up from \$107,100 just last year. Incomes in the Northeast were highest when compared by region.

The share of married couples selling their home was 69 percent this year, down slightly from 71 percent last year, which marks the second year of decline for this share, and the lowest level recorded. Single females who sold their home increased slightly this year to 17 percent. Of all homes sold on the market, 69 percent did not have children under the age of 18 residing in the home, an increase from 61 percent last year.

For all sellers, 89 percent identified as White or Caucasian and 98 percent of households speak English as their primary language.

### HOME SELLING SITUATION

#### Exhibits 6-7 through 6-8

For repeat buyers, 24 percent sold their home in 2021, 50 percent in 2020, 14 percent sold in 2019 or earlier, and only two percent have not yet been able to sell. Six percent did not plan to sell their previous home. Two-thirds (68 percent) were repeat sellers, and the share of first-time home sellers was 32 percent.

### HOME SOLD VS. HOME PURCHASED

#### Exhibits 6-9 through 6-20

The majority of home sellers in 2021 reported they purchased a home in the same state as they sold a home at 69 percent. Seventeen percent of home sellers moved to another region of the country, and 15 percent remained in the same region but moved to a nearby state. Half of the homes sold (50 percent) were located in the suburbs or a subdivision. Thirty-eight percent of the homes sold this year were located in the South region, 24 percent were in the Midwest region, 22 percent were in the West region, and 15 percent were in the Northeast.

Detached single-family homes were the most common homes sold at 78 percent, a decrease from 80 percent last year. Townhome and row houses sold at eight percent and multi-unit apartments or condos buildings sold at nine percent. Townhomes and condos were more common in urban and central city areas at 11 percent and 24 percent, respectively.

Forty-six percent of sellers traded up and purchased a home that was larger in size than what they previously owned, 28 percent bought a home that was similar in size, and 26 percent traded down and purchased a home that was smaller in size. Buyers 65 years in age and older downsized and purchased a home 100

square feet smaller. For buyers who were 54 years and younger, they purchased a home at least 400 square feet larger. The typical home had three bedrooms and two bathrooms, larger than the median of two bedrooms the year prior.

Sixty-one percent of all sellers purchased a home that was newer than their previous home. Twenty-three percent purchased a home the same age, and 20 percent purchased an older home. Forty-eight percent of sellers traded up to purchase a more expensive home than the home they just sold, 29 percent purchased a less expensive home, and 28 percent purchased a home similar in price. Buyers who are 64 and younger typically bought a more expensive home than the one they just sold. Buyers aged 35 to 44 bought the most expensive trade-ups this year by an increase of \$101,000. Buyers aged 65 and over typically bought a less expensive home.

For all sellers, the most commonly cited reason for selling their home was the desire to move closer to friends and family (18 percent), followed by the home was too small (17 percent), their neighborhood becoming less desirable (11 percent), a change in family situation (nine percent), and the home was too large (nine percent). For sellers that moved the greatest distances, the primary reasons were moving closer to friends and family and to relocate for a job. For sellers moving within 10 miles, the most common reason was that the home was too small. First-time sellers were most likely to sell because their home was too small (30 percent), and repeat sellers were most likely to sell to be closer to friends and family (20 percent).

### SELLER STALLED HOME SALE

#### Exhibits 6-21 and 6-22

Six percent of recent sellers stalled or delayed their home sale because their home was worth less than their mortgage. Ninety-four percent were able to sell when they wanted to. Seven percent of first-time buyers stalled but lived in the home, compared to four percent for repeat buyers. Fourteen percent of those who purchased their home 11 to 15 years ago reported stalling or waiting to sell the home.

# 2021 Profile of Home Buyers and Sellers

## TENURE IN HOME

### Exhibits 6–23 through 6–25

The median number of years a seller remained in their home was eight years, down from 10 years in 2020. That number was still higher than reported in 2000 to 2008 where the tenure in the home was only six years. The highest tenure in a home was for detached single-family homes, where sellers typically lived for nine years, followed by mobile or manufactured homes which were sold typically after eight years. Sellers who were 18 to 34 years of age had the shortest tenure in their homes—selling after four years, compared to those aged 55 to 64 who typically remained in their homes for 10 years.

## DISTANCE MOVED

### Exhibits 6–26 and 6–27

The purchasing habits of sellers led them to buy close to where they previously lived, moving a median of 20 miles away. In the Midwest and Northeast, sellers typically moved within 15 and 20 miles respectively, compared to 25 miles in the South and 40 miles in the West. This trend varied with age, where sellers between 35 to 44 years only moved within 10 miles. Sellers of 65 to 74 years moved the furthest at a median of 50 miles and moved over 100 miles away 44 percent of the time.

## METHOD OF SALE

### Exhibits 6–28 through 6–31

Ninety percent of home sellers worked with a real estate agent to sell their home, a slight increase from 89 percent last year. The share of FSBO sales remains below the historic norm at seven percent this year. From 2001 to 2008, FSBO sales ranged from 12 percent to 14 percent. Working with an agent was highest in the West and Northeast at 94 and 92 percent, respectively, and lowest in the Midwest and South at 87 and 90 percent, respectively. FSBO sales were highest in the Midwest and Northeast at 10 and eight percent, respectively. Less than one percent of recent sellers used an iBuyer program to sell their home.

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

Of all home sellers, only eight percent reported that they knew the buyer of their home. Among those sellers that sold their home themselves, 55 percent knew the buyer. In contrast, 96 percent of sellers that were assisted by an agent did not know the buyer.



## Chapter 6: Home Sellers and Their Selling Experience

### SALES PRICE AND TIME ON THE MARKET

#### Exhibits 6-32 through 6-37

For recently sold homes, the final sales price was a median 100 percent of the final listing price, which was consistent across all regions. This is the highest recorded median since 2002. For all sellers, time on market decreased this year to a median of just one week, from three weeks in 2020. Time on the market and the ratio of sales price to listing price have a strong relationship; generally, the longer a home is on the market the greater the discount from the listing price upon sale. Homes that were on the market for two weeks or less received a median of 100 percent of their asking price. Forty-three percent of sellers who sold their home in less than a week, sold for more than the asking price. Homes that were on the market for 17 weeks or more typically received 95 percent of the sale price compared to the listing price. Sixty-two percent of sellers reported their home was on the market for two weeks or less.

Homes which are on the market longer tend to reduce their listing price. Ninety-six percent of homes that were listed on the market for less than one week did not reduce their asking price. For homes that were listed for three to four weeks, 35 percent reduced their asking price overall and 28 percent reduced the asking price only once. For homes on the market for 17 weeks or more, only 17 percent were sold at the initial asking price.

**“Ninety percent of home sellers worked with a real estate agent to sell their home, a slight increase from 89 percent last year. The share of FSBO sales remains below the historic norm at seven percent this year.”**

### INCENTIVES TO PROSPECTIVE BUYERS

#### Exhibits 6-38 and 6-39

Given the buyer demand, only 26 percent of all sellers offered incentives to attract buyers, a significant decrease from 46 percent last year. This varies by region, and was the most common in the South, Midwest, and West and less likely in the Northeast. Home warranty policies followed by assistance with closing costs were the top two listed incentives when selling a home. As might be expected, the longer a home is on the market, the more likely the seller is to add an incentive. For homes that were listed on the market for over 17 weeks, 43 percent offered some kind of incentive compared to only 13 percent of homes that were listed for less than one week.

### EQUITY BY TENURE

#### Exhibit 6-40

This year, home sellers cited that they sold their homes for a median of \$85,000 more than they purchased it, up significantly from \$66,000 the year prior. This accounted for a 41 percent price gain, up from 33 percent the year prior. Generally, the longer a seller is in the home the greater the increase attributable to price appreciation. Sellers who owned their homes for eight to 10 years reported roughly selling their homes for \$103,900 more than they purchased it. That number dropped to \$67,000 between 11 and 15 years, and then increased again. Homes sold after 21 years reported a price gain of \$182,400.

### SATISFACTION WITH THE SALES PROCESS

#### Exhibit 6-41

Seventy percent of sellers were 'very satisfied' with the selling process. Twenty-two percent were somewhat satisfied. Nine percent were dissatisfied with the process.

# 2021 Profile of Home Buyers and Sellers

## Exhibit 6-1 Age of Home Sellers, by Region

(Percentage Distribution)

### SELLERS WHO SOLD A HOME IN THE

	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
18 to 34 years	11%	11%	13%	11%	10%
35 to 44 years	19%	20%	22%	19%	16%
45 to 54 years	15%	17%	15%	16%	12%
55 to 64 years	22%	20%	24%	19%	25%
65 to 74 years	25%	24%	20%	27%	26%
75 years or older	8%	8%	6%	8%	10%
Median age (years)	56	55	53	57	59

## Exhibit 6-2 Household Income of Home Sellers, 2020

(Percentage Distribution)

### SELLERS WHO SOLD A HOME IN THE

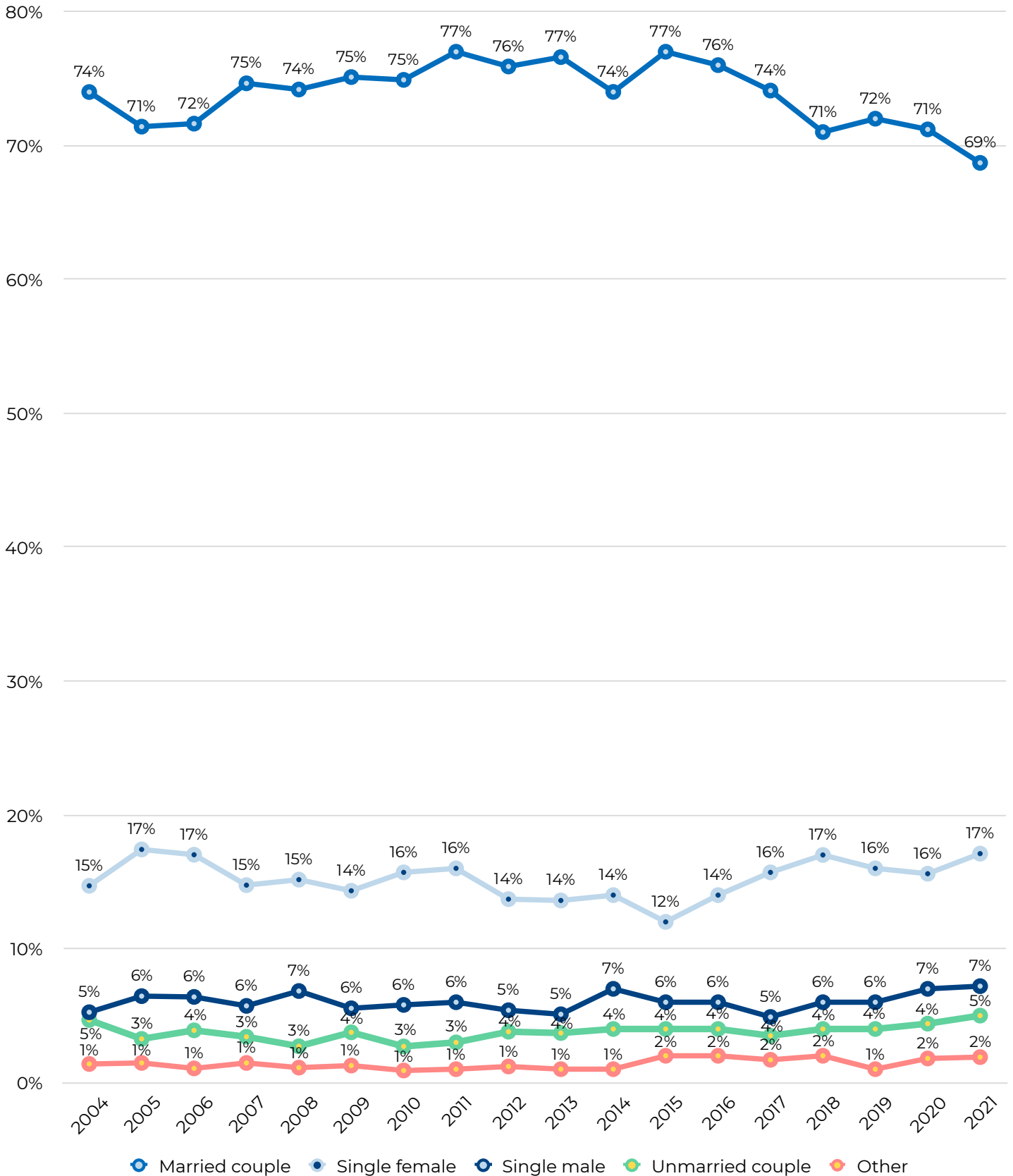
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than \$25,000	2%	2%	1%	3%	1%
\$25,000 to \$34,999	3%	3%	3%	2%	3%
\$35,000 to \$44,999	4%	3%	4%	3%	5%
\$45,000 to \$54,999	5%	3%	5%	4%	4%
\$55,000 to \$64,999	6%	4%	4%	8%	5%
\$65,000 to \$74,999	7%	6%	6%	7%	6%
\$75,000 to \$84,999	8%	7%	8%	7%	9%
\$85,000 to \$99,999	10%	10%	12%	9%	10%
\$100,000 to \$124,999	14%	15%	16%	14%	13%
\$125,000 to \$149,999	11%	12%	11%	11%	11%
\$150,000 to \$174,999	10%	8%	10%	10%	11%
\$175,000 to \$199,999	6%	6%	6%	6%	5%
\$200,000 or more	16%	21%	14%	16%	17%
Median income (2020)	\$112,300	\$120,000	\$110,900	\$112,500	\$113,500



# Chapter 6: Home Sellers and Their Selling Experience

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

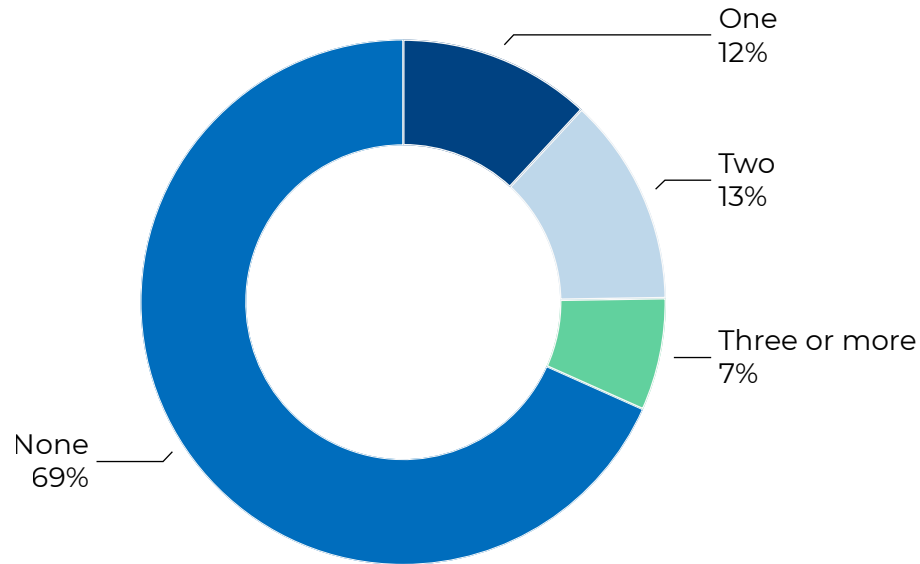
(Percentage Distribution)



## 2021 Profile of Home Buyers and Sellers

### Exhibit 6-4 Number of Children Under the Age of 18 Residing in Home Seller Household

(Percentage Distribution of Home Seller Households)



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

(Percent of Respondents)

#### SELLERS WHO SOLD A HOME IN THE

	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
White/Caucasian	89%	93%	94%	87%	82%
Hispanic/Latino/Mexican/Puerto Rican	5%	3%	1%	5%	10%
Black/African-American	4%	2%	3%	6%	2%
Asian/Pacific Islander	3%	2%	2%	2%	5%
Other	2%	2%	*	2%	2%

\* Less than 1 percent

Note: Respondents were permitted to select as many races and ethnicities as they felt applicable.

The percentage distribution may therefore sum to more than 100 percent.

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

(Percentage Distribution)

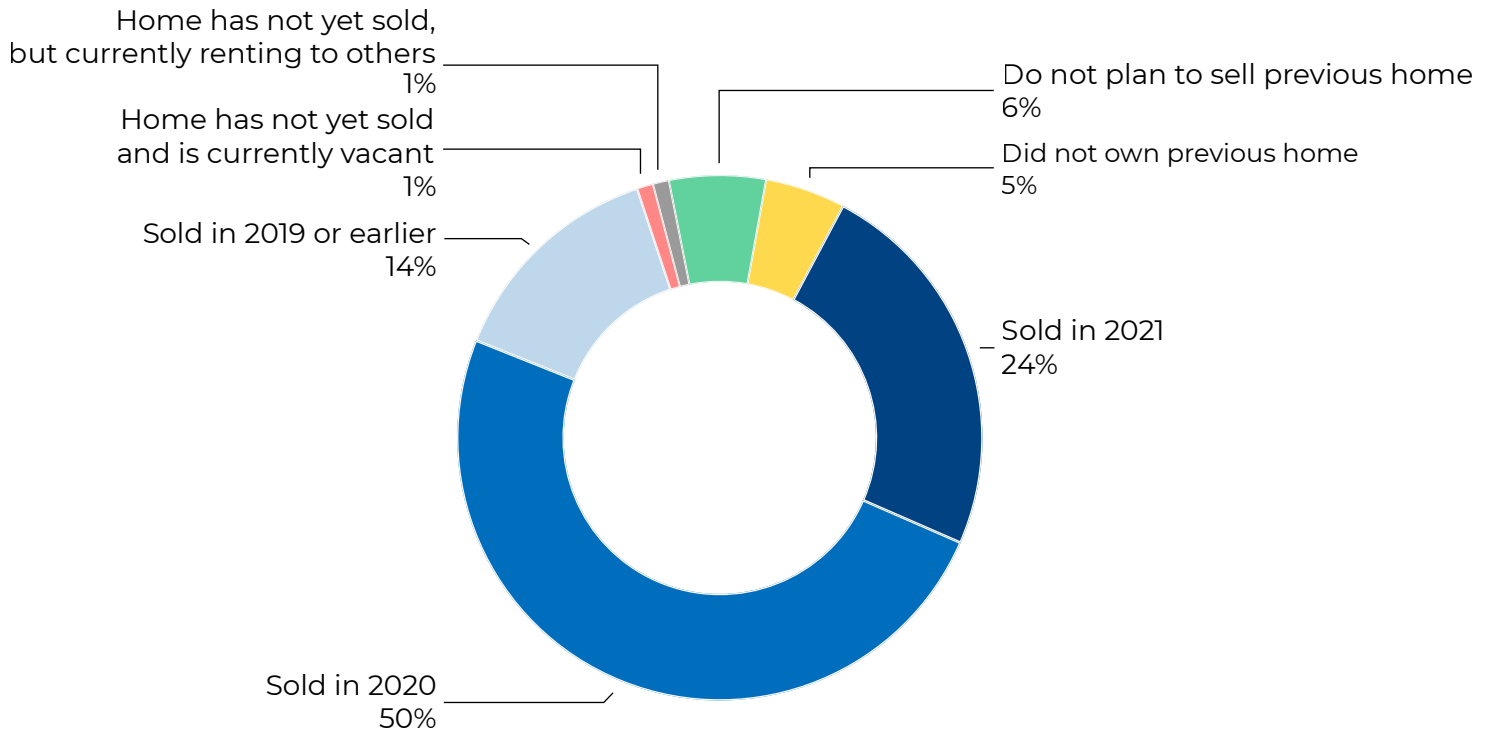
#### SELLERS WHO SOLD A HOME IN THE

	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
English	98%	98%	98%	98%	98%
Other	2%	3%	2%	2%	2%

## Chapter 6: Home Sellers and Their Selling Experience

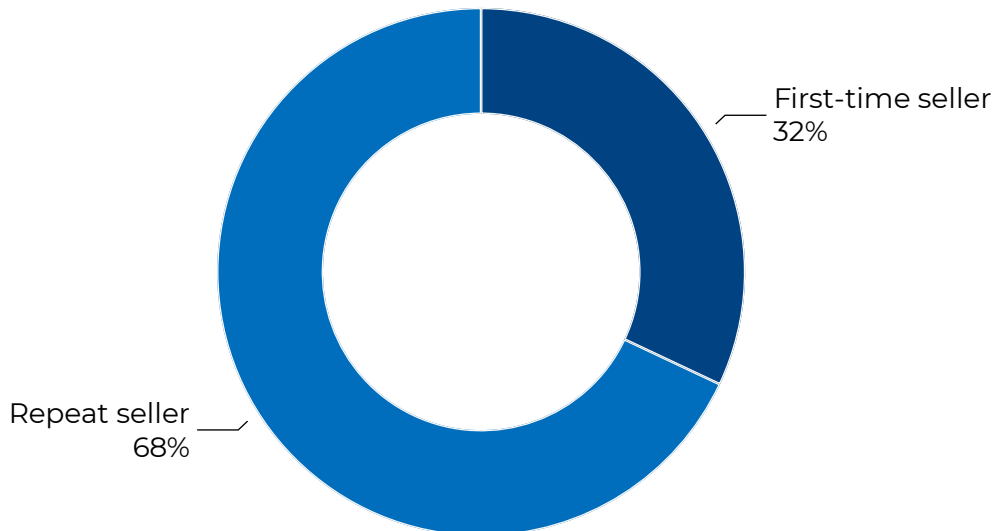
### Exhibit 6-7 Home Selling Situation Among Repeat Buyers

(Percentage Distribution)



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

(Percentage Distribution)



## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)

	HOMES SOLD	HOME HAS NOT YET SOLD AND IS CURRENTLY VACANT	HOME HAS NOT YET SOLD, BUT CURRENTLY RENTING TO OTHERS
Northeast	15%	10%	24%
Midwest	24%	27%	30%
South	38%	38%	16%
West	22%	25%	30%

### Exhibit 6–10 Location of Home Sold

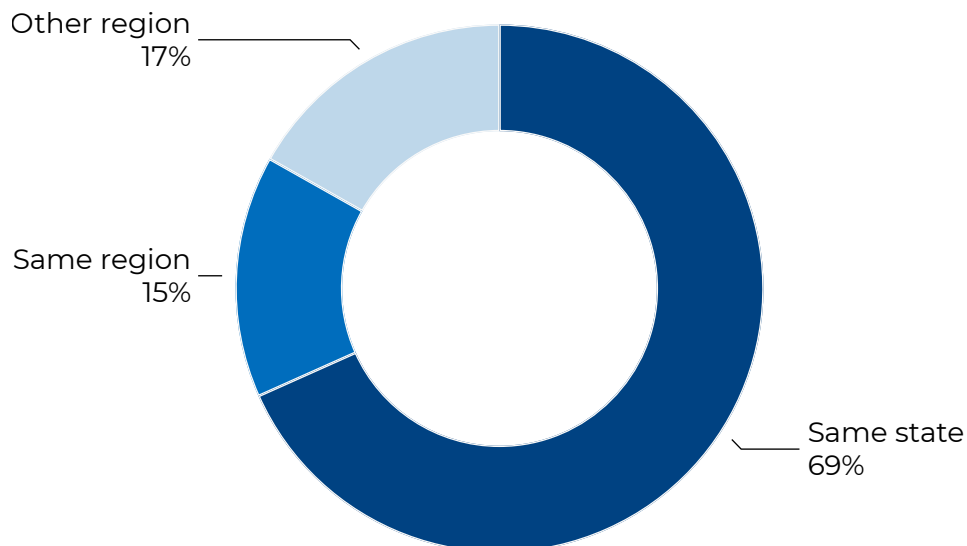
(Percentage Distribution)

	HOMES SOLD	HOME HAS NOT YET SOLD AND IS CURRENTLY VACANT	HOME HAS NOT YET SOLD, BUT CURRENTLY RENTING TO OTHERS
Suburb/Subdivision	50%	34%	19%
Small town	18%	13%	30%
Urban area/Central city	16%	21%	32%
Rural area	13%	32%	11%
Resort/Recreation area	3%	*	8%

\* Less than 1 percent

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

(Percentage Distribution)



## Chapter 6: Home Sellers and Their Selling Experience

### Exhibit 6-12 Type of Home Sold, by Location

(Percentage Distribution)

	SELLERS WHO SOLD A HOME IN A					
	ALL SELLERS	SUBURB/ SUBDIVISION	SMALL TOWN	URBAN/ CENTRAL CITY	RURAL AREA	RESORT/ RECREATION AREA
Detached single-family home	78%	82%	80%	63%	82%	64%
Townhouse/row house	8%	9%	6%	11%	1%	8%
Apartment/condo in a building with 5 or more units	5%	4%	3%	15%	*	9%
Duplex/apartment/condo in 2 to 4 unit building	4%	4%	2%	9%	1%	7%
Other	5%	2%	9%	3%	16%	12%

\* Less than 1 percent

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

(Percentage Distribution)

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

\* Less than 1 percent

■ 46% Trading Up   ■ 28% Remaining at the Same Size Range   ■ 26% Trading Down

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

(Median Square Feet)

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

## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)

	ADULT COMPOSITION OF HOUSEHOLD						CHILDREN IN HOME	
	ALL SELLERS	MARRIED COUPLE	SINGLE FEMALE	SINGLE MALE	UNMARRIED COUPLE	OTHER	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
One bedroom	1%	1%	2%	4%	3%	2%	1%	2%
Two bedrooms	15%	12%	22%	20%	29%	20%	12%	16%
Three bedrooms or more	84%	87%	77%	76%	68%	78%	87%	82%
Median number of bedrooms	3	3	3	3	3	3	3	3
One full bathroom	17%	16%	19%	24%	22%	12%	21%	16%
Two full bathrooms	57%	56%	59%	50%	62%	67%	55%	57%
Three full bathrooms or more	26%	28%	21%	26%	16%	20%	24%	27%
Median number of full bathrooms	2	2	2	2	2	2	2	2

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

(Percentage Distribution)

YEAR HOME SOLD WAS BUILT	YEAR PURCHASED HOME WAS BUILT								
	2021	2020	2019 THROUGH 2014	2013 THROUGH 2008	2007 THROUGH 2002	2001 THROUGH 1986	1985 THROUGH 1960	1959 THROUGH 1917	1916 AND OLDER
2021	*	*	*	*	*	*	*	*	*
2020	*	*	*	*	*	*	*	*	*
2019 THROUGH 2014	1%	2%	2%	1%	1%	1%	1%	*	*
2013 THROUGH 2008	1%	2%	1%	1%	1%	1%	*	*	*
2007 THROUGH 2002	1%	2%	1%	2%	3%	3%	2%	1%	*
2001 THROUGH 1986	1%	4%	2%	2%	4%	7%	3%	1%	*
1985 THROUGH 1960	1%	2%	2%	1%	4%	7%	7%	3%	*
1959 THROUGH 1917	*	1%	1%	1%	2%	4%	5%	3%	1%
1916 AND OLDER	*	*	*	*	1%	1%	1%	1%	*

\* Less than 1 percent

61% Purchased a Newer Home    23% Purchased a Home the Same Age    20% Purchased Older Home

## Chapter 6: Home Sellers and Their Selling Experience

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

(Percentage Distribution)

#### PRICE OF HOME PURCHASED

PRICE OF HOME SOLD	LESS THAN \$100,000	\$100,000 TO \$149,999	\$150,000 TO \$199,999	\$200,000 TO \$249,999	\$250,000 TO \$299,999	\$300,000 TO \$349,999	\$350,000 TO \$399,999	\$400,000 TO \$499,999	\$500,000 OR MORE
LESS THAN \$100,000	1%	1%	1%	1%	1%	*	*	*	*
\$100,000 TO \$149,999	1%	1%	1%	2%	1%	*	*	*	*
\$150,000 TO \$199,999	*	1%	2%	3%	2%	1%	*	*	*
\$200,000 TO \$249,999	*	1%	2%	2%	3%	3%	2%	1%	1%
\$250,000 TO \$299,999	*	*	1%	2%	2%	2%	3%	2%	1%
\$300,000 TO \$349,999	*	*	1%	1%	2%	2%	2%	2%	2%
\$350,000 TO \$399,999	*	*	*	1%	1%	1%	2%	2%	3%
\$400,000 TO \$499,999	*	*	*	1%	2%	1%	2%	3%	5%
\$500,000 OR MORE	*	*	*	1%	1%	1%	2%	3%	13%

\* Less than 1 percent

■ 48% Trading Up   ■ 28% Remaining at the Same Price Range   ■ 29% Trading Down

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

(Median)

	PRICE OF HOME SOLD	PRICE OF HOME PURCHASED	DIFFERENCE
18 to 34 years	\$248,000	\$345,600	\$97,600
35 to 44 years	\$276,700	\$377,700	\$101,000
45 to 54 years	\$325,000	\$365,000	\$40,000
55 to 64 years	\$340,000	\$349,400	\$9,400
65 to 74 years	\$349,500	\$326,900	-\$22,600
75 years or older	\$365,000	\$305,000	-\$60,000



## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)

	MILES MOVED						
	ALL SELLERS	10 MILES OR LESS	11 TO 20 MILES	21 TO 50 MILES	51 TO 100 MILES	101 TO 500 MILES	501 MILES OR MORE
Want to move closer to friends or family	18%	4%	7%	15%	25%	37%	36%
Home is too small	17%	31%	22%	13%	5%	3%	*
Neighborhood has become less desirable	11%	13%	19%	14%	9%	6%	4%
Change in family situation (e.g., marriage, birth of a child, divorce)	9%	12%	11%	13%	8%	6%	4%
Home is too large	9%	14%	11%	11%	4%	3%	3%
Job relocation	7%	1%	*	3%	7%	17%	20%
Moving due to retirement	7%	2%	2%	4%	14%	13%	15%
Want to move closer to current job	3%	1%	3%	6%	8%	3%	1%
Upkeep of home is too difficult due to health or financial limitations	3%	4%	3%	2%	4%	1%	2%
Schools became less desirable	2%	1%	5%	1%	1%	1%	*
Can not afford the mortgage and other expenses of owning home	1%	1%	1%	1%	2%	2%	1%
Unfit living conditions due to environmental factors	*	*	*	1%	2%	*	*
To avoid possible foreclosure	*	*	*	*	*	*	*
Other	13%	14%	16%	15%	14%	8%	13%

\* Less than 1 percent

## Chapter 6: Home Sellers and Their Selling Experience

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

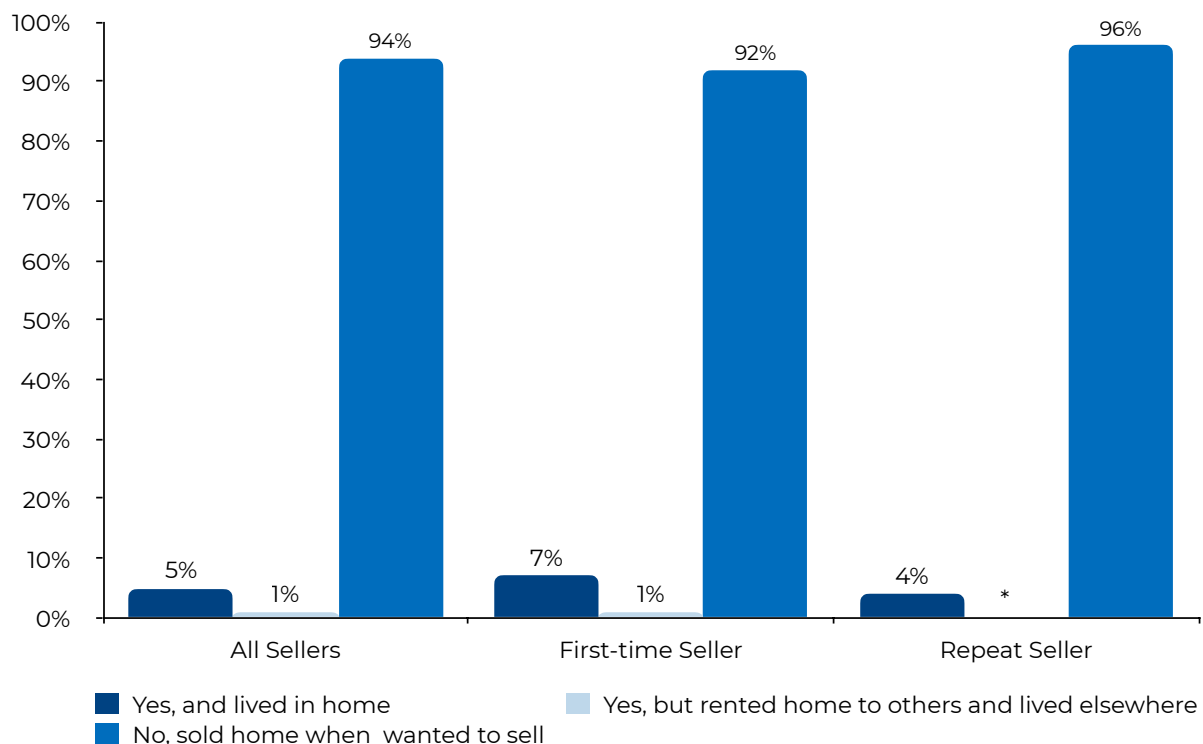
(Percentage Distribution)

	ALL SELLERS	FIRST-TIME SELLER	REPEAT SELLER
Want to move closer to friends or family	18%	12%	20%
Home is too small	17%	30%	10%
Neighborhood has become less desirable	11%	13%	10%
Change in family situation (e.g., marriage, birth of a child, divorce)	9%	11%	9%
Home is too large	9%	3%	12%
Job relocation	7%	9%	7%
Moving due to retirement	7%	3%	8%
Want to move closer to current job	3%	4%	2%
Upkeep of home is too difficult due to health or financial limitations	3%	3%	3%
Schools became less desirable	2%	2%	1%
Can not afford the mortgage and other expenses of owning home	1%	1%	2%
Unfit living conditions due to environmental factors	*	1%	*
To avoid possible foreclosure	*	*	*
Other	13%	8%	16%

\* Less than 1 percent

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

(Percentage Distribution)

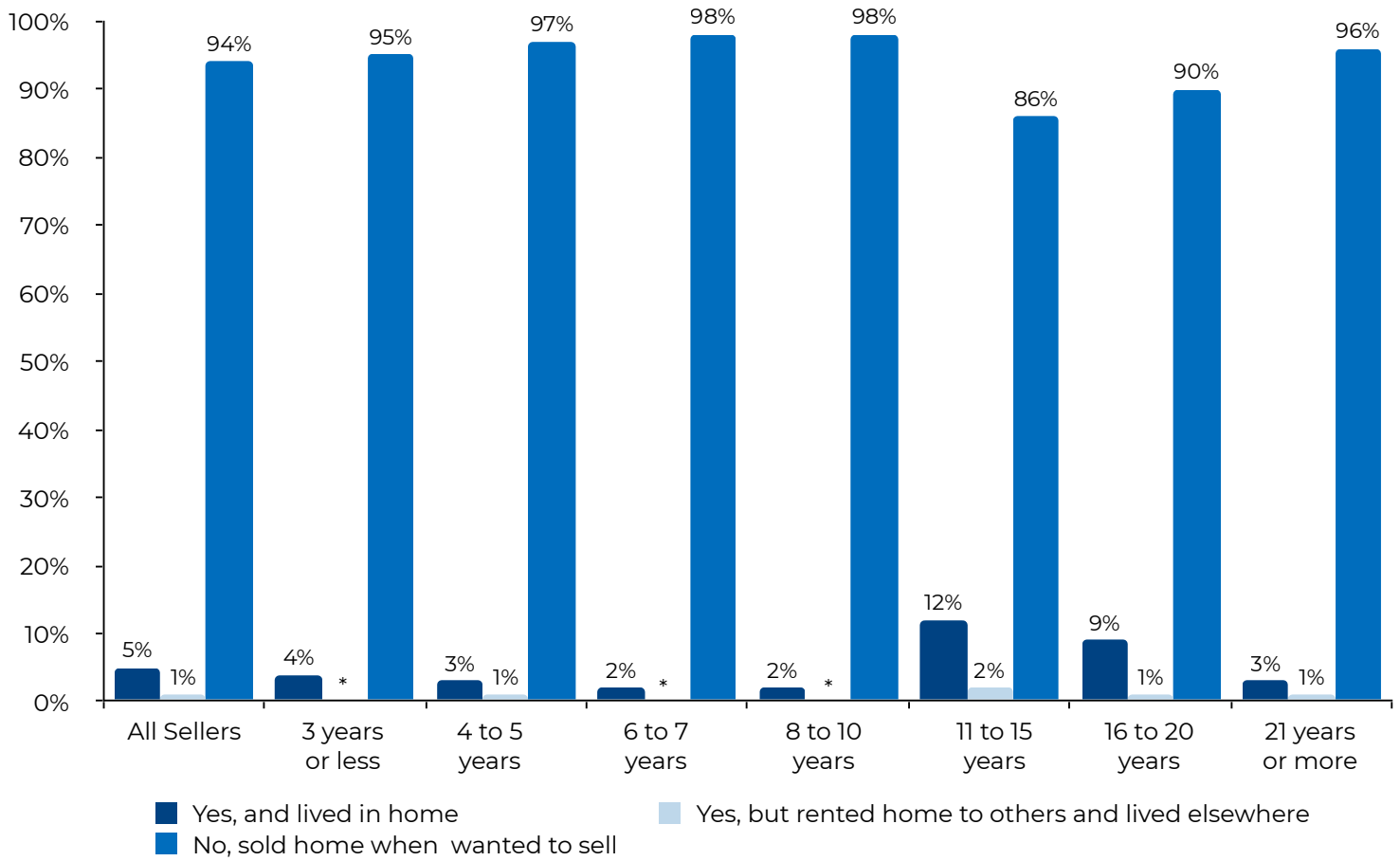


\* Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)



\* Less than 1 percent

## Chapter 6: Home Sellers and Their Selling Experience

### Exhibit 6-23 Tenure in Previous Home

(Percentage Distribution)

	ALL TYPES	CABIN/COTTAGE	DUPLEX/APARTMENT/CONDO IN 2-4 UNIT STRUCTURE	APARTMENT/CONDO IN BUILDING WITH 5 OR MORE UNITS	TOWNHOUSE/ROW HOUSE	DETACHED SINGLE-FAMILY HOME	MOBILE/MANUFACTURED HOME	OTHER
1 year or less	8%	16%	7%	7%	12%	7%	11%	6%
2 to 3 years	16%	8%	24%	22%	18%	15%	14%	13%
4 to 5 years	14%	12%	18%	13%	25%	13%	12%	6%
6 to 7 years	10%	24%	7%	13%	7%	10%	8%	4%
8 to 10 years	9%	4%	13%	10%	8%	9%	14%	10%
11 to 15 years	15%	16%	13%	17%	20%	14%	17%	8%
16 to 20 years	11%	*	10%	11%	5%	11%	12%	17%
21 years or more	18%	20%	9%	7%	4%	21%	12%	37%
Median	8	6	6	6	5	9	8	18

\* Less than 1 percent

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

(Percentage Distribution)

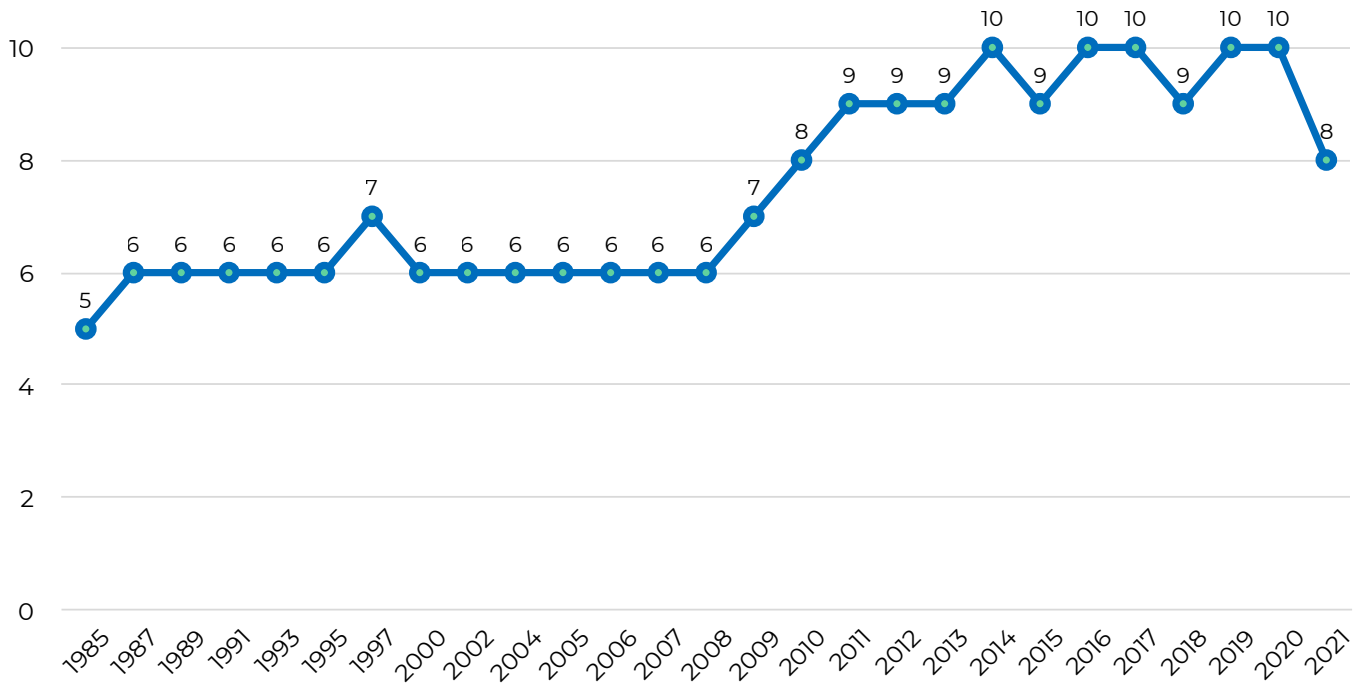
	AGE OF HOME SELLER						
	ALL SELLERS	18 TO 34 YEARS	35 TO 44 YEARS	45 TO 54 YEARS	55 TO 64 YEARS	65 TO 74 YEARS	75 YEARS OR OLDER
1 year or less	8%	14%	7%	8%	7%	6%	5%
2 to 3 years	16%	34%	20%	15%	14%	10%	9%
4 to 5 years	14%	33%	16%	13%	12%	8%	10%
6 to 7 years	10%	12%	16%	6%	9%	7%	6%
8 to 10 years	9%	3%	17%	12%	9%	6%	6%
11 to 15 years	15%	3%	20%	23%	13%	14%	12%
16 to 20 years	11%	NA	3%	15%	14%	13%	16%
21 years or more	18%	NA	NA	7%	22%	35%	36%
Median	8	4	6	9	10	5	6

NA = Not Applicable

# 2021 Profile of Home Buyers and Sellers

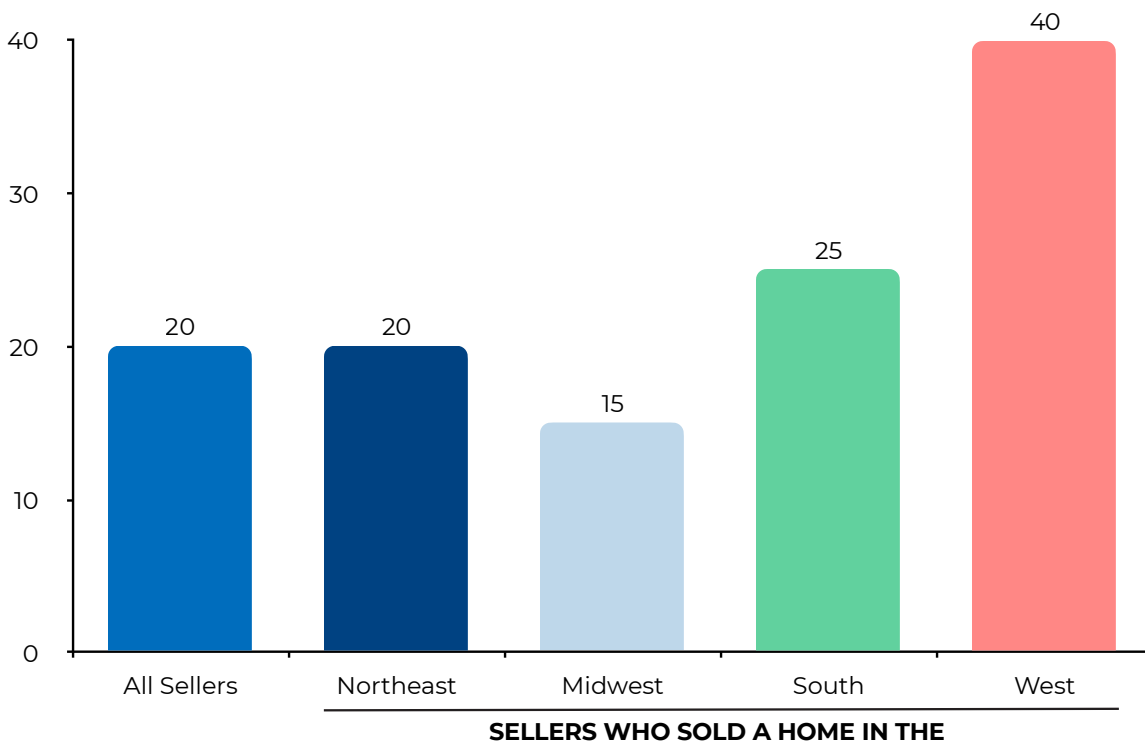
**Exhibit 6–25 Median Seller Tenure in Home, 1985–2021**

(Median Years)



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

(Median Miles)



## Chapter 6: Home Sellers and Their Selling Experience

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

(Percentage Distribution)

	AGE OF HOME SELLER						
	ALL SELLERS	18 TO 34 YEARS	35 TO 44 YEARS	45 TO 54 YEARS	55 TO 64 YEARS	65 TO 74 YEARS	75 YEARS OR OLDER
5 miles or less	23%	26%	31%	24%	21%	17%	22%
6 to 10 miles	14%	18%	19%	18%	11%	10%	11%
11 to 15 miles	8%	14%	9%	10%	6%	7%	7%
16 to 20 miles	5%	11%	5%	5%	5%	4%	4%
21 to 50 miles	12%	9%	12%	15%	13%	13%	7%
51 to 100 miles	5%	6%	4%	4%	6%	6%	6%
101 to 500 miles	13%	9%	8%	8%	17%	19%	15%
501 to 1,000 miles	7%	2%	6%	7%	6%	10%	11%
1,001 miles or more	12%	6%	8%	9%	16%	15%	17%
Median (miles)	20	15	10	15	35	50	48

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

(Percentage Distribution)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
Sold home using an agent or broker	90%	92%	87%	90%	94%
Seller used agent/broker only	89%	90%	86%	89%	93%
Seller first tried to sell it themselves, but then used an agent	1%	1%	1%	1%	1%
Received quote from iBuyer, but sold with real estate agent/broker	*	1%	*	*	*
For-sale-by-owner (FSBO)	7%	8%	10%	6%	5%
Seller sold home without using a real estate agent or broker	7%	8%	10%	6%	4%
First listed with an agent, but then sold home themselves	*	*	*	*	1%
Sold home to a homebuying company	1%	*	1%	1%	1%
Sold it through an iBuyer program	*	*	*	*	*
Other	2%	1%	1%	2%	1%

\* Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)

	SELLER NEEDED TO SELL			
	ALL SELLERS	VERY URGENTLY	SOMEWHAT URGENTLY	NOT URGENTLY
Sold home using an agent or broker	90%	91%	92%	88%
Seller used agent/broker only	89%	90%	91%	87%
Seller first tried to sell it themselves, but then used an agent	1%	1%	1%	1%
Received quote from iBuyer, but sold with real estate agent/broker	*	*	*	*
For-sale-by-owner (FSBO)	7%	3%	5%	9%
Seller sold home without using a real estate agent or broker	7%	3%	5%	9%
First listed with an agent, but then sold home themselves	*	*	*	*
Sold home to a homebuying company	1%	4%	1%	1%
Sold it through an iBuyer program	*	*	*	*
Other	2%	2%	2%	1%

\* Less than 1 percent

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

(Percentage Distribution)

BUYER AND SELLER RELATIONSHIP	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER
All sellers	8%	92%
Sold home using an agent or broker	4%	96%
Seller used agent/broker only	4%	96%
Seller first tried to sell it themselves, but then used an agent	4%	96%
Received quote from iBuyer, but sold with real estate agent/broker	40%	60%
For-sale-by-owner (FSBO)	55%	45%
Sold home without using a real estate agent or broker	55%	45%
First listed with an agent, but then sold home themselves	44%	56%
Sold home to a homebuying company	4%	96%
Sold it through an iBuyer program	*	*
Other	31%	69%

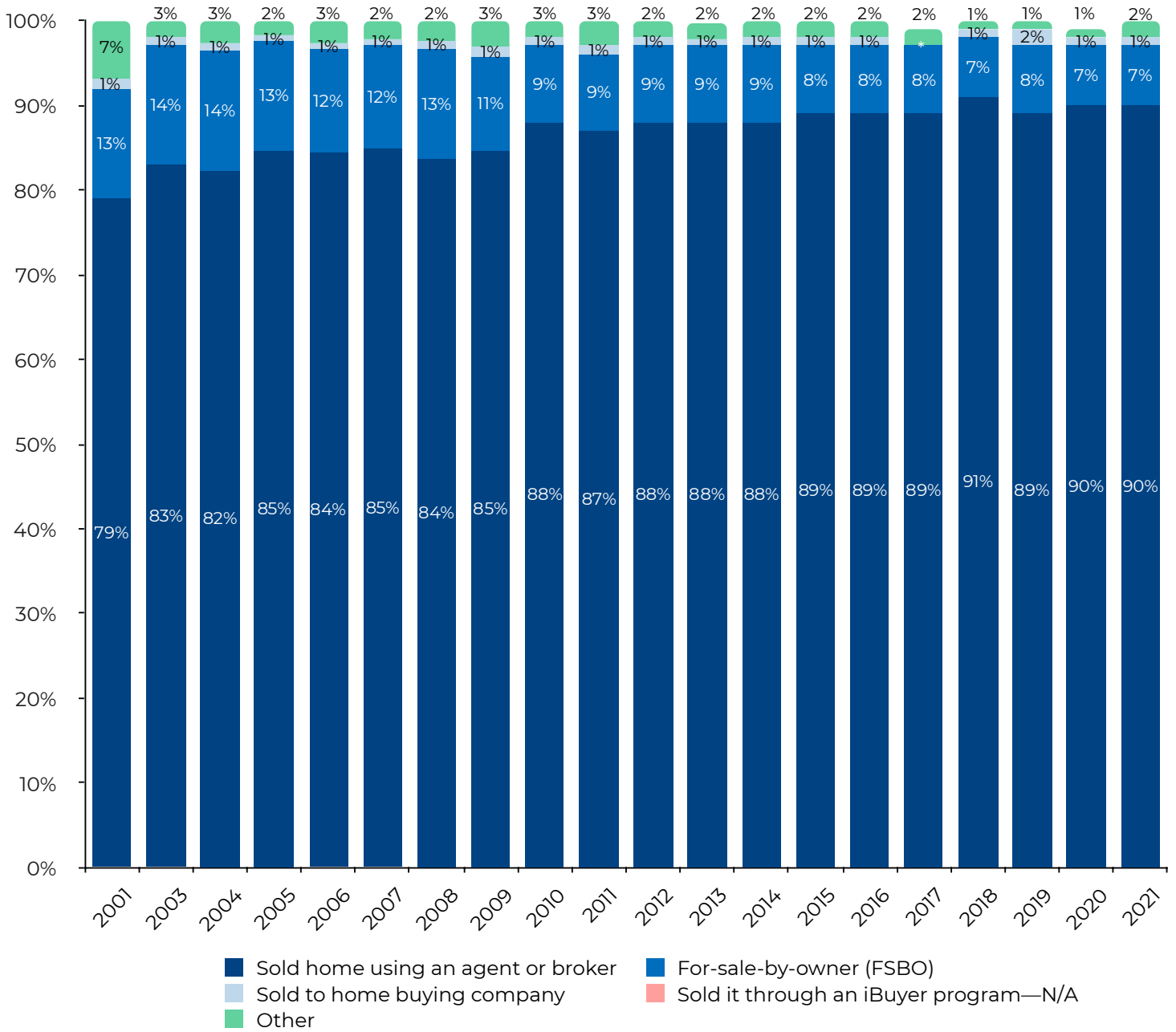
\* Less than 1 percent



# Chapter 6: Home Sellers and Their Selling Experience

## Exhibit 6–31: Method Used To Sell Home, 2001–2021

(Percentage Distribution)



## 2021 Profile of Home Buyers and Sellers

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

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

#### SELLERS WHO SOLD A HOME IN THE

	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than 90%	4%	4%	5%	4%	3%
90% to 94%	8%	10%	9%	8%	4%
95% to 99%	26%	22%	24%	28%	24%
100%	28%	22%	30%	30%	27%
101% to 110%	28%	34%	26%	24%	33%
More than 110%	7%	9%	5%	5%	9%
Median (sales price as a percent of listing price)	100%	100%	100%	100%	100%

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

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

#### SELLER NEEDED TO SELL

	ALL SELLERS	VERY URGENTLY	SOMEWHAT URGENTLY	NOT URGENTLY
Less than 90%	4%	6%	4%	3%
90% to 94%	8%	11%	9%	6%
95% to 99%	26%	27%	28%	24%
100%	28%	20%	26%	32%
101% to 110%	28%	29%	29%	27%
More than 110%	7%	7%	5%	8%
Median (sales price as a percent of listing price)	100%	100%	100%	100%

## Chapter 6: Home Sellers and Their Selling Experience

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

(Percentage Distribution)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
Less than 1 week	17%	13%	19%	18%	14%
1 to 2 weeks	45%	50%	45%	41%	49%
3 to 4 weeks	13%	12%	10%	15%	14%
5 to 6 weeks	5%	4%	5%	5%	5%
7 to 8 weeks	4%	5%	4%	3%	5%
9 to 10 weeks	2%	1%	2%	2%	1%
11 to 12 weeks	4%	2%	5%	4%	4%
13 to 16 weeks	3%	4%	2%	3%	2%
17 to 24 weeks	3%	2%	3%	4%	2%
25 to 36 weeks	2%	2%	1%	1%	1%
37 to 52 weeks	1%	1%	1%	2%	1%
53 or more weeks	2%	3%	2%	2%	1%
Median weeks	1	1	1	1	1

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

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

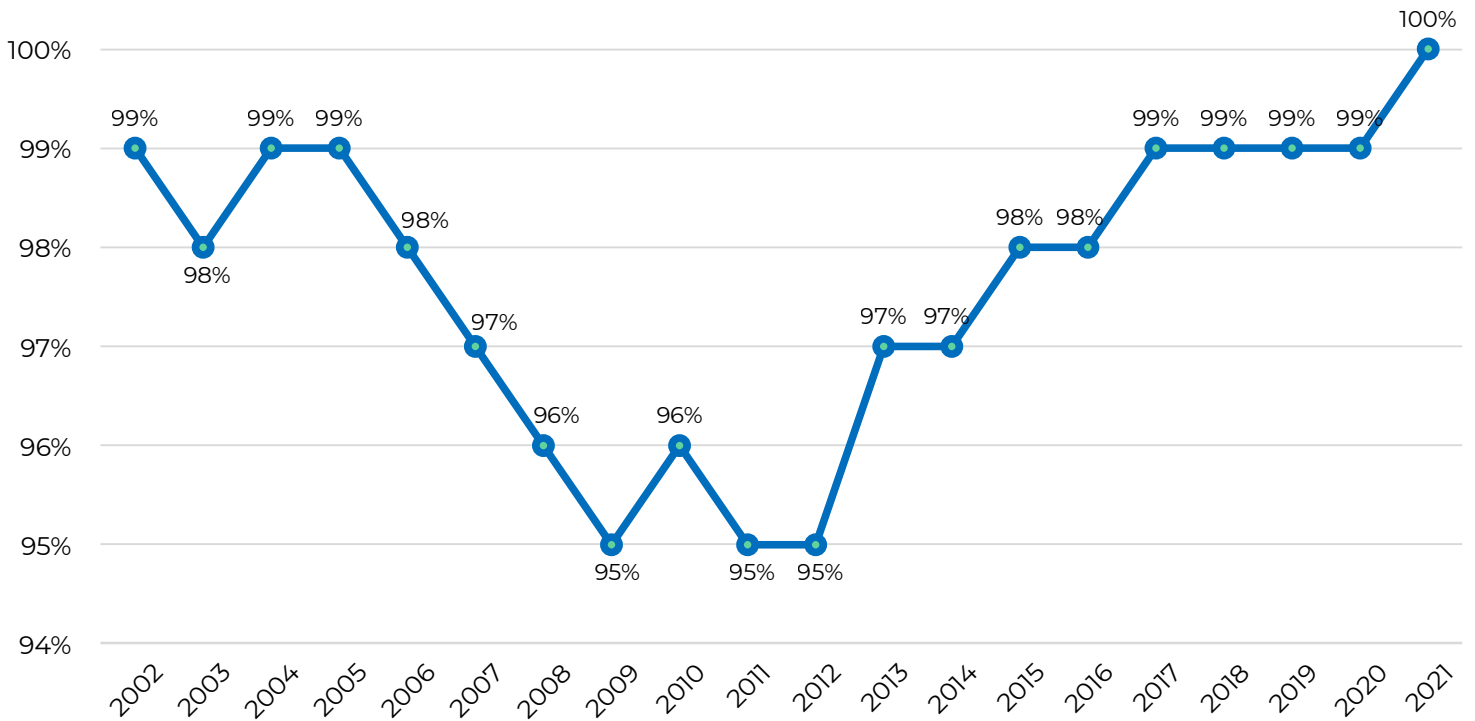
	SELLERS WHOSE HOME WAS ON THE MARKET FOR						
	ALL SELLERS	LESS THAN 1 WEEK	1 TO 2 WEEKS	3 TO 4 WEEKS	5 TO 8 WEEKS	9 TO 16 WEEKS	17 OR MORE WEEKS
Less than 90%	4%	2%	1%	2%	2%	6%	27%
90% to 94%	8%	1%	4%	9%	15%	22%	22%
95% to 99%	26%	12%	18%	41%	45%	43%	30%
100%	28%	41%	29%	30%	20%	19%	11%
101% to 110%	28%	34%	39%	15%	15%	8%	7%
More than 110%	7%	9%	9%	3%	3%	2%	3%
Median (sales price as a percent of listing price)	100%	100%	100%	99%	98%	97%	95%

\* Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

**Exhibit 6-36 Sales Price as a Percent of Listing Price, 2002-2021**

(Median)



**Exhibit 6-37 Number of Times Asking Price Was Reduced, by Number of Weeks Home Was on the Market**

(Percentage Distribution)

### SELLERS WHOSE HOME WAS ON THE MARKET FOR

	ALL SELLERS	LESS THAN 1 WEEK	1 TO 2 WEEKS	3 TO 4 WEEKS	5 TO 8 WEEKS	9 TO 16 WEEKS	17 OR MORE WEEKS
None, did not reduce the asking price	74%	96%	89%	66%	52%	40%	17%
One	16%	3%	10%	28%	36%	28%	24%
Two	5%	*	*	6%	9%	19%	27%
Three	3%	*	*	1%	3%	11%	19%
Four or more	1%	*	*	*	*	1%	14%

\* Less than 1 percent

## Chapter 6: Home Sellers and Their Selling Experience

### Exhibit 6–38 Incentives Offered To Attract Buyers, by Region

(Percent of Respondents)

	SELLERS WHO SOLD A HOME IN THE				
	ALL SELLERS	NORTHEAST	MIDWEST	SOUTH	WEST
None	74%	83%	74%	72%	75%
Home warranty policies	13%	6%	14%	14%	13%
Assistance with closing costs	9%	5%	8%	12%	6%
Credit toward remodeling or repairs	7%	5%	7%	7%	7%
Other incentives, such as a car, flat screen TV, etc.	2%	3%	2%	1%	1%
Assistance with condo association fees	*	*	*	*	*
Other	3%	2%	3%	3%	4%

\* Less than 1 percent

### Exhibit 6–39 Incentives Offered To Attract Buyers, by Number of Weeks Home Was on the Market

(Percent of Respondents)

	SELLERS WHOSE HOME WAS ON THE MARKET FOR						
	ALL SELLERS	LESS THAN 1 WEEK	1 TO 2 WEEKS	3 TO 4 WEEKS	5 TO 8 WEEKS	9 TO 16 WEEKS	17 OR MORE WEEKS
None	74%	87%	78%	69%	61%	67%	57%
Home warranty policies	13%	6%	12%	17%	19%	15%	19%
Assistance with closing costs	9%	4%	6%	11%	16%	11%	21%
Credit toward remodeling or repairs	7%	4%	7%	8%	9%	7%	11%
Other incentives, such as a car, flat screen TV, etc.	2%	1%	1%	2%	1%	4%	3%
Assistance with condo association fees	*	*	*	*	*	2%	1%
Other	3%	3%	2%	4%	4%	2%	9%

\* Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

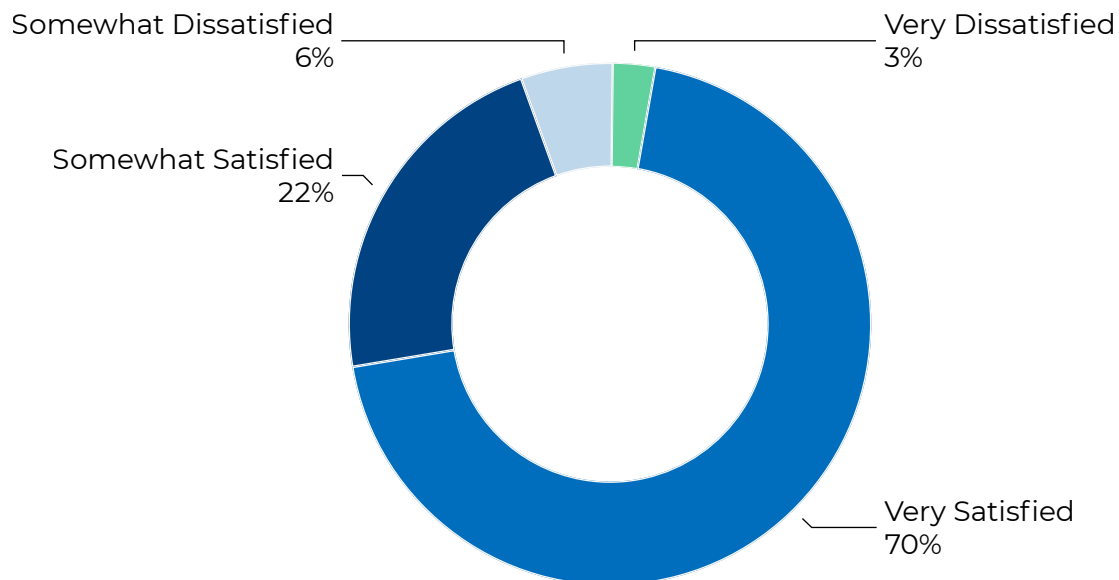
### Exhibit 6–40 Equity Earned in Home Recently Sold, by Tenure in Home

(Median)

TENURE IN HOME	DOLLAR VALUE	PERCENT
1 year or less	\$45,000	18%
2 to 3 years	\$46,700	19%
4 to 5 years	\$72,500	31%
6 to 7 years	\$90,800	44%
8 to 10 years	\$103,900	54%
11 to 15 years	\$67,000	31%
16 to 20 years	\$114,200	69%
21 years or more	\$182,400	162%
Median	\$85,000	41%

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

(Percentage Distribution)









# CHAPTER 7:

## Home Selling and Real Estate Professionals

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

Sellers placed a high importance on the reputation of the agent when looking to hire, and trustworthiness and honesty were also at the top of the list. In 2006 when data collection started on the level of service provided by real estate agents, 83 percent of agents provided a broad range of services and the management of most aspects of the home sale, nine percent provided limited services as requested by the seller, and eight percent listed the home on the MLS with few other services provided. The share of sellers that want an agent who provides a broad range of services has increased some over time. In 2021, 86 percent of agents also provided a broad range of services and the management of most aspects of the home sale, eight percent provided limited services as requested by the seller, and six percent listed the home on the MLS with few other services provided.

Sellers placed high priority on the following four tasks: price the home competitively (21 percent), help market the home to potential buyers (20 percent), sell the home within a specific timeframe (16 percent), and help fix the home to sell for more (16 percent). While the top three priorities of sellers have stayed relatively the same, there is an increase in recent years of sellers who want help understanding how to fix up the home for sale.

Client referrals and repeat business were the predominant ways sellers found their real estate agent. Most sellers—89 percent—said that they would definitely (74 percent) or probably (15 percent) recommend their agent for future services.

## Chapter 7: Home Selling and Real Estate Professionals

### FINDING A REAL ESTATE AGENT

#### Exhibit 7-1 through Exhibit 7-4

Sixty-eight 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. Nearly half of first-time sellers worked with an agent that was referred to them by a friend or family member to sell their home (47 percent). For repeat buyers, many used an agent they previously worked with (31 percent).

Eighty-two percent of recent sellers contacted only one agent before finding the right agent they worked with to sell their home, up from 77 percent last year.

Fifty-three percent of recent home sellers used the same real estate agent to represent them purchasing their home as selling their home. That number jumps to 85 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.

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

#### Exhibits 7-5 through Exhibit 7-6

Eighty-nine percent of sellers listed their homes on the Multiple Listing Service (MLS), which is the number one source for sellers to list their home. Only four percent opted not to list on a MLS.

Real estate agents provide a wide range of services and conduct the management of most aspects of the home sale. Eighty-six 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 six percent said their agent listed the home on a MLS but performed few other services. By way of comparison, in 2006 when data collection started on this question, 83 percent of agents provided a broad range of services and the management of most aspects of the home sale.

### WHAT SELLERS MOST WANT AND FACTORS FOR CHOOSING AN AGENT

#### Exhibit 7-7 through 7-8

Sellers placed high priority on the following five tasks: price the home competitively (21 percent), help market the home to potential buyers (20 percent), sell the home within a specific timeframe (16 percent), help fix the home to sell for more (16 percent), and find a buyer for home (12 percent). In recent years, helping a seller understand how to fix up the home for sale has become more important to sellers.

The reputation of the real estate agent was by far the most important factor when sellers selected an agent to sell their home (32 percent). Sellers also placed value on the agent's trustworthiness and honesty (19 percent) and whether the agent was a friend or family member (17 percent).

### METHODS USED TO MARKET THE HOME

#### Exhibit 7-9

Real estate agents listed homes on MLSs first and foremost (86 percent). They also posted yard signs (59 percent), listed on realtor.com (49 percent), listed the home on their own website (48 percent), listed on third party aggregators (45 percent), hosted open houses (43 percent), and listed on their company's website (42 percent). Real estate agents also listed homes on social media (22 percent, in line with last year).

### AGENT'S PERFORMANCE AND COMPENSATION

#### Exhibit 7-10 through 7-13

Agents received compensation predominantly from sellers at 76 percent. Of that compensation, 92 percent of sellers paid a percent of the sales price. Only a small fraction paid a flat fee (four percent), and only 12 percent of overall compensation was paid by both the buyer and seller. Seven percent of sellers reported buyers paying as the only means of compensation.

The real estate agent most often initiated the discussion of compensation (47 percent). The client initiated the discussion and the agent was able and willing to negotiate 20 percent of the time. Fifteen percent of the time, the client did not know that commissions and fees could be negotiated.

Client referrals and repeat business were the predominant sources of business for real estate agents. Most sellers—89 percent—said that they would definitely (74 percent) or probably (15 percent) recommend their agent for future services. Regardless of distance moved, recommendations remained strong. The typical seller (69 percent) has recommended their agent twice since selling their home, in the last year. Twenty-seven percent of sellers recommended their agent four or more times since selling their home.

## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)

	ALL SELLERS	FIRST-TIME SELLER	REPEAT SELLER
Referred by (or is) a friend, neighbor or relative	39%	47%	35%
Used agent previously to buy or sell a home	29%	24%	31%
Personal contact by agent (telephone, email, etc.)	4%	3%	4%
Referred by another real estate or broker	4%	4%	4%
Internet website (without a specific reference)	3%	3%	4%
Visited an open house and met agent	2%	2%	2%
Saw contact information on For Sale/Open House sign	2%	1%	3%
Referred through employer or relocation company	1%	1%	1%
Direct mail (newsletter, flyer, postcard, etc.)	1%	1%	1%
Walked into or called office and agent was on duty	1%	1%	1%
Advertising specialty (calendar, magnet, etc.)	1%	*	1%
Crowdsourcing through social media/knew the person through social media	1%	1%	*
Saw the person's social media page without a connection	1%	1%	*
Newspaper, Yellow pages or home book ad	*	*	*
Other	13%	10%	12%

\* Less than 1 percent

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

(Percentage Distribution)

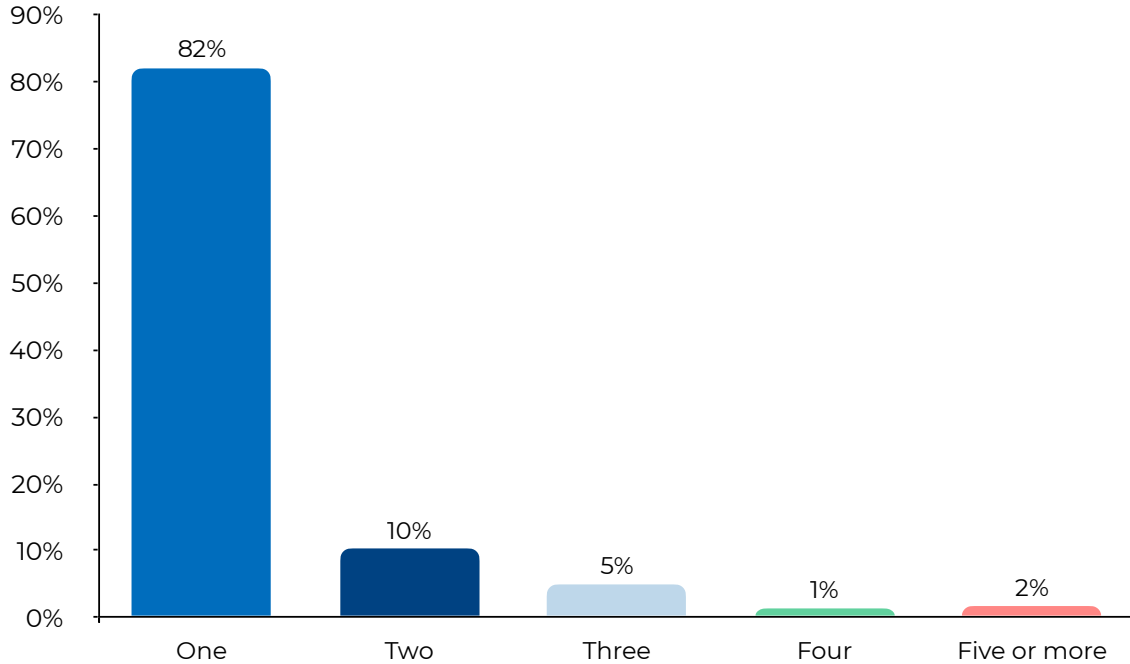
	ALL SELLERS	10 MILES OR LESS	11 TO 20 MILES	21 TO 50 MILES	51 TO 100 MILES	101 TO 500 MILES	501 MILES OR MORE
Referred by (or is) a friend, neighbor or relative	39%	38%	39%	41%	37%	36%	43%
Used agent previously to buy or sell a home	29%	34%	30%	23%	22%	28%	27%
Personal contact by agent (telephone, email, etc.)	4%	3%	5%	5%	6%	3%	3%
Referred by another real estate or broker	4%	3%	4%	3%	6%	7%	4%
Internet website (without a specific reference)	3%	3%	3%	5%	3%	3%	4%
Visited an open house and met agent	2%	2%	3%	2%	2%	1%	1%
Saw contact information on For Sale/Open House sign	2%	2%	2%	2%	3%	3%	3%
Referred through employer or relocation company	1%	*	*	*	*	3%	3%
Direct mail (newsletter, flyer, postcard, etc.)	1%	1%	1%	2%	1%	3%	1%
Walked into or called office and agent was on duty	1%	1%	2%	*	*	1%	*
Advertising specialty (calendar, magnet, etc.)	1%	*	*	*	*	*	2%
Crowdsourcing through social media/knew the person through social media	1%	1%	1%	1%	*	*	*
Saw the person's social media page without a connection	1%	*	*	1%	*	*	1%
Newspaper, Yellow pages or home book ad	*	*	*	*	*	*	1%
Other	13%	11%	12%	15%	20%	11%	9%

\* Less than 1 percent

## Chapter 7: Home Selling and Real Estate Professionals

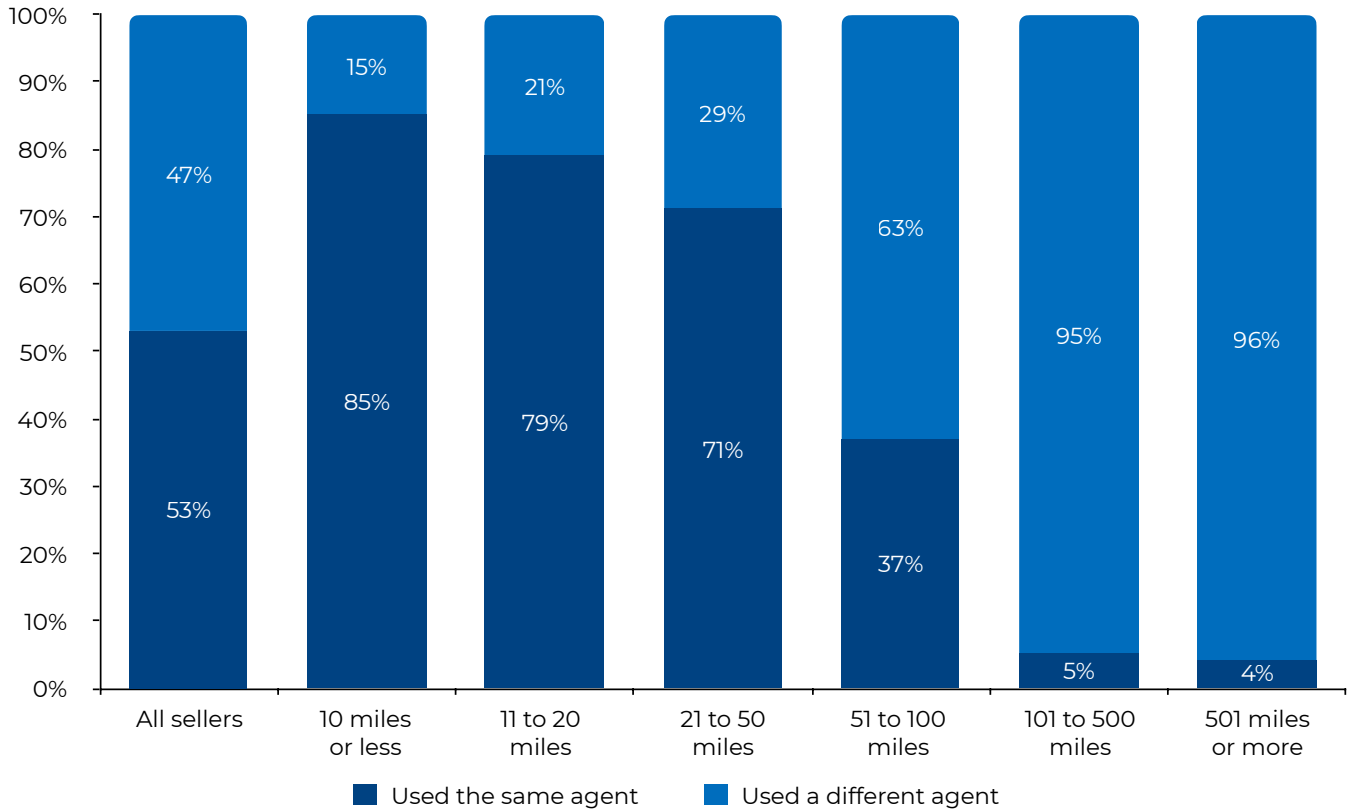
### Exhibit 7-3 Number of Agents Contacted Before Selecting One To Assist With Sale of Home

(Percentage Distribution)



### Exhibit 7-4 Seller Used Same Real Estate Agent for Their Home Purchase, by Miles Moved

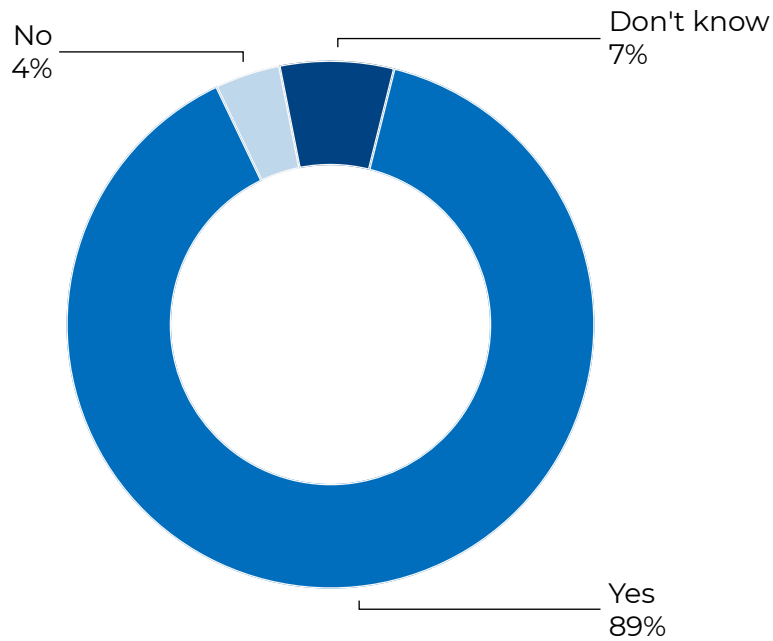
(Percentage Distribution Among Sellers Who Used an Agent to Purchase a Home)



# 2021 Profile of Home Buyers and Sellers

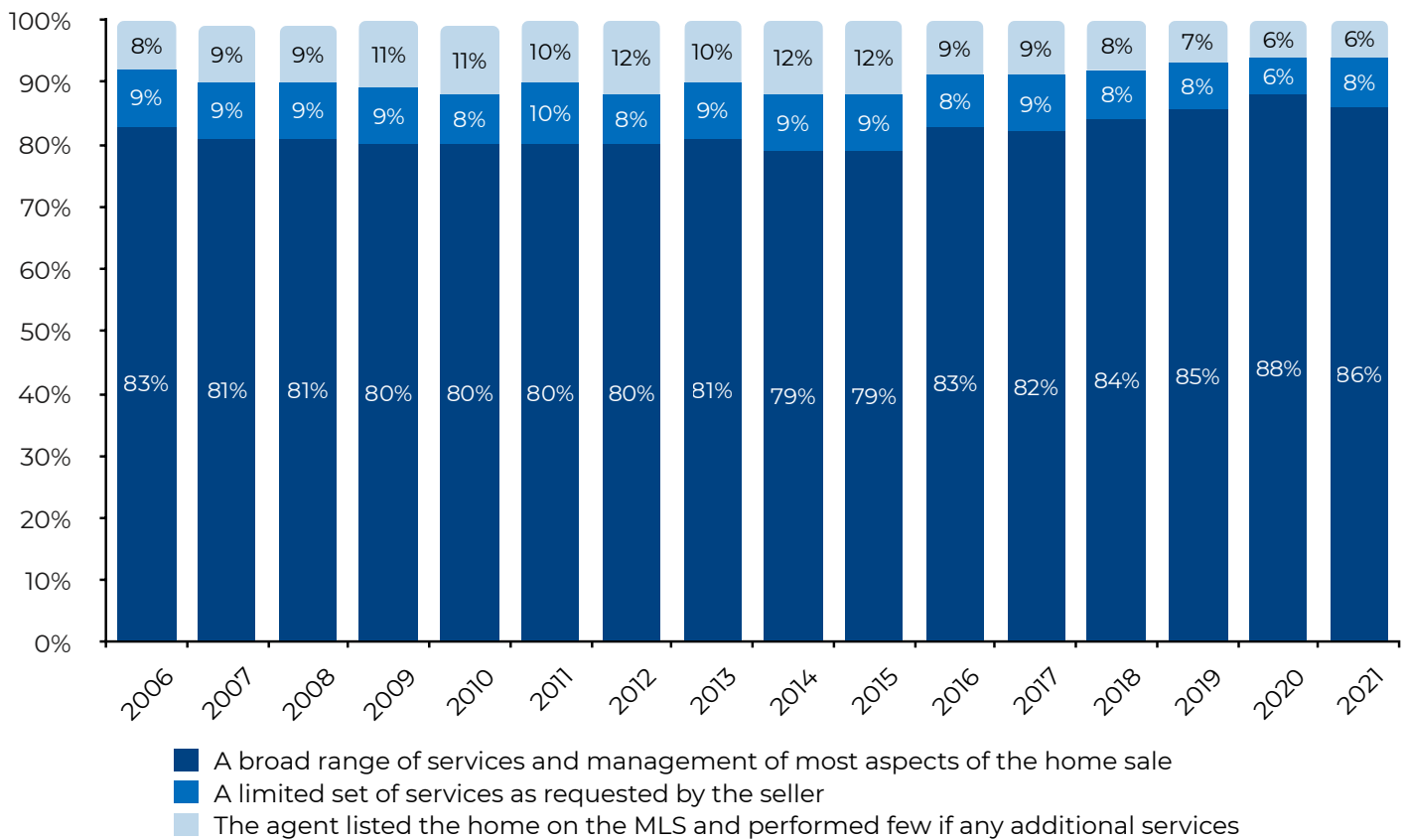
## Exhibit 7-5 Home Listed on Multiple Listing Service

(Percentage Distribution)



## Exhibit 7-6 Level of Service Provided by the Real Estate Agent, 2006-2021

(Percentage Distribution)



## Chapter 7: Home Selling and Real Estate Professionals

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

(Percentage Distribution)

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

	ALL SELLERS	A BROAD RANGE OF SERVICES AND MANAGEMENT OF MOST ASPECTS OF THE HOME SALE	A LIMITED SET OF SERVICES AS REQUESTED BY THE SELLER	THE AGENT LISTED THE HOME ON THE MLS AND PERFORMED FEW IF ANY ADDITIONAL SERVICES
Help price home competitively	21%	21%	20%	17%
Help seller market home to potential buyers	20%	21%	11%	18%
Help sell the home within specific timeframe	16%	15%	26%	18%
Help seller find ways to fix up home to sell it for more	16%	17%	10%	7%
Help find a buyer for home	12%	11%	12%	19%
Help with negotiation and dealing with buyers	6%	6%	6%	11%
Help with paperwork/ inspections/preparing for settlement	5%	5%	7%	9%
Help seller see homes available to purchase	1%	1%	2%	1%
Help create and post videos to provide tour of my home	1%	1%	1%	1%
Other	1%	1%	5%	*

\* Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)

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

	ALL SELLERS	A BROAD RANGE OF SERVICES AND MANAGEMENT OF MOST ASPECTS OF THE HOME SALE	A LIMITED SET OF SERVICES AS REQUESTED BY THE SELLER	THE AGENT LISTED THE HOME ON THE MLS AND PERFORMED FEW IF ANY ADDITIONAL SERVICES
Reputation of agent	32%	33%	28%	21%
Agent is honest and trustworthy	19%	20%	10%	18%
Agent is friend or family member	17%	17%	21%	23%
Agent's knowledge of the neighborhood	11%	11%	13%	13%
Agent has caring personality/good listener	5%	5%	3%	3%
Agent's commission	4%	4%	3%	3%
Agent's association with a particular firm	4%	3%	6%	6%
Agent seems 100% accessible because of use of technology like tablet or smartphone	3%	3%	3%	1%
Professional designations held by agent	1%	1%	2%	*
Other	5%	4%	10%	11%

\* Less than 1 percent



## Chapter 7: Home Selling and Real Estate Professionals

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

(Percent of Respondents Among Sellers Who Used an Agent)

	ALL HOMES
Multiple Listing (MLS) website	86%
Yard sign	59%
Realtor.com	49%
Real estate agent website	48%
Third party aggregators	45%
Open house	43%
Real estate company website	42%
Social networking websites (e.g. Facebook, Twitter, etc.)	22%
Virtual tours	21%
Video	13%
Direct mail (flyers, postcards, etc.)	7%
Other websites with real estate listings	7%
Virtual open houses	6%
Online Classified Ads	5%
Print newspaper advertisement	4%
Real estate magazine	3%
Real estate magazine website	3%
Video hosting websites	3%
Television	1%
Other	4%

### Exhibit 7-10 How Real Estate Agent Was Compensated

(Percentage Distribution)

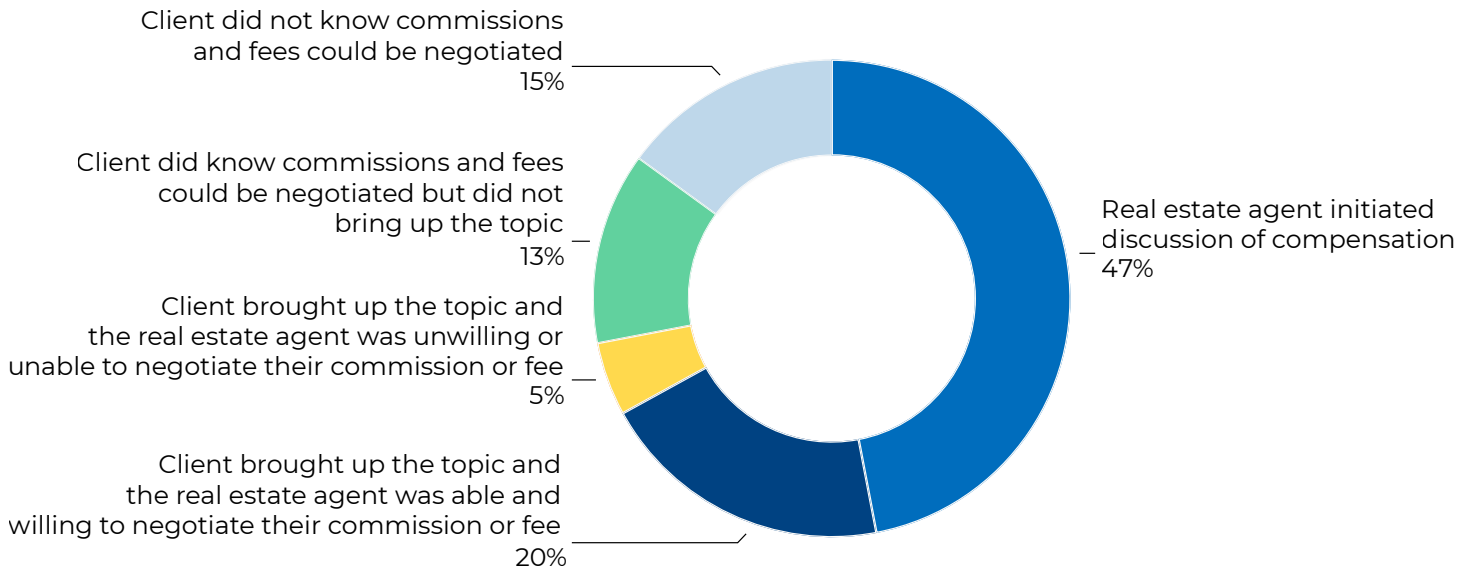
Paid by seller	76%
Percent of sales price	92%
Flat fee	4%
Per task fee	*
Other	1%
Don't Know	4%
Paid by buyer and seller	12%
Paid by buyer only	7%
Other	1%
Don't Know	4%

\* Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)



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

(Percentage Distribution)

	ALL SELLERS	10 MILES OR LESS	11 TO 20 MILES	21 TO 50 MILES	51 TO 100 MILES	101 TO 500 MILES	501 MILES OR MORE
Definitely	74%	77%	75%	74%	69%	71%	72%
Probably	15%	14%	14%	14%	11%	17%	16%
Probably Not	6%	5%	7%	5%	11%	7%	5%
Definitely Not	5%	4%	4%	6%	7%	4%	6%
Don't Know/Not Sure	1%	1%	*	1%	2%	1%	*

\* Less than 1 percent

### Exhibit 7-13 How Many Times Seller Recommended Agent

(Percentage Distribution)

	ALL SELLERS
None	31%
One time	15%
Two times	16%
Three times	11%
Four or more times	27%
Times recommended since buying (median)	2



# CHAPTER 8:

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

In 1981, FSBO home sales accounted for 15 percent of all sales, and agent-assisted sales accounted for 85 percent. In 1985, FSBO sales peaked in the data set at 21 percent of all sales. FSBO sales have declined over time and in 2021, FSBO sales accounted for seven percent of total home sales, down from eight percent last year. This is close to the lowest share since the *Profile of Home Buyers and Sellers* data collection began. Regardless of tightened housing inventory, sellers rely on agents to sell their home rather than marketing on the open market. Among FSBO sellers, the majority know the buyer of their home. In 2021, four percent of FSBO sellers knew the buyers for their homes and three percent did not know the buyer.

FSBO sellers that knew the buyer predominantly sold to a friend, relative, or neighbor. FSBOs typically sold for less than the selling price of other homes. For FSBO sellers, those who knew the buyer tended to have lower median household incomes compared to those who did not know the buyer. Where FSBO sellers knew the buyer, the time on market for the home was usually less than a week, and sellers received 100 percent of the asking price.



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

### FSBO and Agent Assisted Sales, By Location and Over Time

#### Exhibits 8-1 and 8-2

Ninety percent of sellers sold with the assistance of a real estate agent, up slightly from 89 percent last year, and only seven percent were FSBO sales. In 1981, FSBO sales accounted for as much as 15 percent of sales. In 1985, FSBO sales peaked in the data set at 21 percent of all sales. This year, four percent of sellers knew the buyers and three percent of FSBOs buyers and sellers had no previous relationship. FSBO sales were highest in rural areas at 12 percent and in small towns at 10 percent, compared to only four percent in urban areas or central cities.

### Characteristics of Sellers and Homes Sold

#### Exhibits 8-3 through 8-6

The median age for FSBO sellers was 55 years, compared to 56 for agent-assisted sellers. Seventy-one percent of FSBO sellers were married couples and the median income for all FSBO sellers was \$106,300. For FSBO sellers, those who did not know the buyer tended to have higher median household incomes compared to those who did know the buyer. Those who had an agent-assisted sale had the highest median income of \$114,300.

A majority of all homes sold were detached single-family homes at 78 percent. FSBO homes were also predominantly detached single-family homes at 77 percent, yet were also more likely to be mobile or manufactured homes at five percent compared to only two percent of agent-assisted sales. Among agent-assisted sales, 78 percent of all homes sold were detached single-family homes, which is slightly down from 81 percent last year. Twenty-one percent of FSBO sales were located in rural areas compared to only 12 percent of agent-assisted sales in rural areas. Most agent-assisted sales were located in suburban areas at 51 percent.

FSBOs typically sell for less than the selling price of other homes; FSBO homes sold at a median of \$260,000 in 2021 (up from \$217,900 in 2020), and still far lower than the median selling price of all homes at \$314,500. Agent-assisted homes sold for a median of \$318,000. FSBOs and agent-assisted sales both typically received 100 percent of their asking price. Sellers who began as a FSBO, then ended up working with an agent, received 98 percent of the asking price, but had to reduce their price the most before arriving at a final listing price.

### The Selling Process for FSBO Sales

#### Exhibits 8-7 through 8-10

FSBO sellers priced their homes using a number of different sources and methods. For FSBO sellers who knew their buyers, the most common ways they priced their homes were by appraisals (40 percent), by comparisons to recent home sales in their area (38 percent), by the profit the seller needed from the sale (18 percent), and from an online home evaluation tool (17 percent). For FSBO sellers who did not know their buyers, the most common ways they determined their home price were comparisons to recent home sales in their area (61 percent), by online home evaluation tools (26 percent), by the profit the seller needed from the sale (20 percent), and by attending open houses in the area (15 percent).

FSBO homes sold on a similar timeline as compared to agent-assisted homes. Most FSBO homes typically sold in less than two weeks. For sellers that knew the buyer, their homes sold in less than a week (63 percent, up from 52 percent in 2020). The median number of weeks FSBOs were on the market was one, in line with last year. Agent-assisted homes also typically sold in a median of one week, down from three weeks in 2020. For sellers that started as FSBO and then were agent-assisted, the median number of weeks on the market was 12.

FSBO sellers were most likely to report not needing to sell urgently in comparison to agent-assisted sellers. FSBO sellers who did not know the buyer were most likely to not need to sell urgently (69 percent). It was not common for FSBOs to use incentives to sell their homes (88 percent of all FSBOs did not offer any incentives). Ninety-four percent of sellers who knew the buyer used no incentives. Agent-assisted sellers offered home warranty policies (14 percent) and assistance with closing costs (nine percent) to help sell their homes, which is lower than last year.

## 2021 Profile of Home Buyers and Sellers

### Reasons for FSBOs, Marketing, and Sellers Experience

#### Exhibits 8-11 through 8-16

For 63 percent of FSBO sellers that knew the buyer the main reason to sell via FSBO was because they sold to a relative, friend, or neighbor. Of FSBO sellers that sold to a buyer they knew 25 percent did not want to pay a commission or fee. For FSBO sellers that did not know the buyer, 60 percent sold this way because they did not want to pay a commission or fee, and 12 percent because the buyers contacted the sellers directly.

Of all sellers, 94 percent sold when they wanted to list on the market. FSBO sellers that knew the buyer were the most likely to want to sell but were delayed because their home was worth less than the mortgage.

Yard signs, third party aggregators, and using friends, relatives, and neighbors were the most common marketing methods for FSBOs. When FSBO sellers knew the buyer, 43 percent did not need to market their home. Preparing and fixing the home up for sale, getting the price right, and understanding and performing the paperwork were the most difficult steps for FSBO sellers.

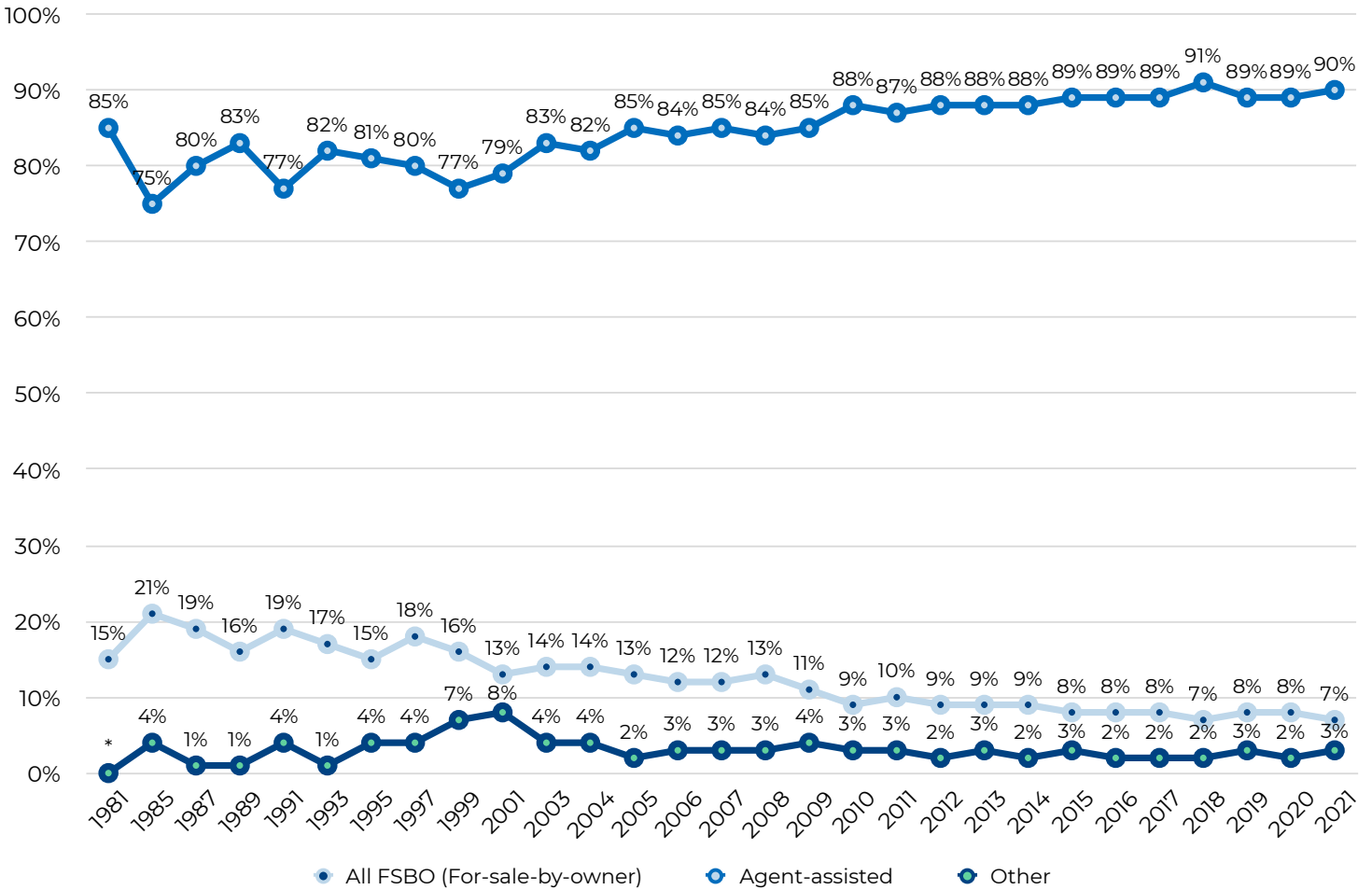
For FSBO sellers who knew the buyer, 33 percent said they would use an agent to sell their current home. Of FSBO sellers who did not know the buyer, 48 percent said they would sell their current home themselves. Eight in 10 successful FSBO sellers were very satisfied with the process of selling their home.



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

### Exhibit 8-1 FSBO and Agent-Assisted Sales, 1981-2021

(Percentage Distribution)



\* Less than 1 percent

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

(Percentage Distribution)

#### SELLERS WHO SOLD A HOME IN A

	ALL SELLERS	SUBURB/ SUBDIVISION	SMALL TOWN	URBAN/ CENTRAL CITY	RURAL AREA	RESORT/ RECREATION AREA
For-sale-by-owner (FSBO)	7%	6%	10%	4%	12%	9%
Seller knew buyer	4%	3%	6%	2%	8%	2%
Seller did not know buyer	3%	3%	4%	2%	4%	7%
Agent-assisted	90%	91%	88%	94%	86%	90%
Other	3%	3%	2%	2%	2%	*

\* Less than 1 percent



## 2021 Profile of Home Buyers and Sellers

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

(Percentage Distribution)

	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Median age	56	55	55	55	56	56	67
Median income (2020)	\$112,300	\$106,300	\$100,000	\$110,500	\$114,300	\$114,300	\$67,500
<b>HOUSEHOLD COMPOSITION</b>							
Married couple	69%	71%	63%	80%	69%	69%	48%
Single female	17%	14%	17%	12%	17%	17%	22%
Single male	7%	6%	10%	2%	7%	7%	22%
Unmarried couple	5%	7%	9%	5%	5%	5%	9%
Other	2%	2%	2%	1%	2%	2%	*

\* Less than 1 percent

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

(Percentage Distribution)

	FSBO				
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	AGENT-ASSISTED
Detached single-family home	78%	77%	73%	81%	78%
Townhouse/row house	8%	5%	6%	5%	8%
Duplex/apartment/condo in 2 to 4 unit building	4%	3%	2%	4%	4%
Apartment/condo in a building with 5 or more units	5%	4%	3%	5%	5%
Mobile/manufactured home	3%	5%	8%	4%	2%
Other	3%	6%	9%	2%	2%

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

(Percentage Distribution)

	FSBO				
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	AGENT-ASSISTED
Suburb/Subdivision	50%	41%	39%	43%	51%
Small town	18%	25%	25%	23%	17%
Urban area/Central city	16%	9%	9%	10%	17%
Rural area	13%	21%	25%	16%	12%
Resort/Recreation area	3%	4%	2%	7%	3%

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

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

(Percentage Distribution)

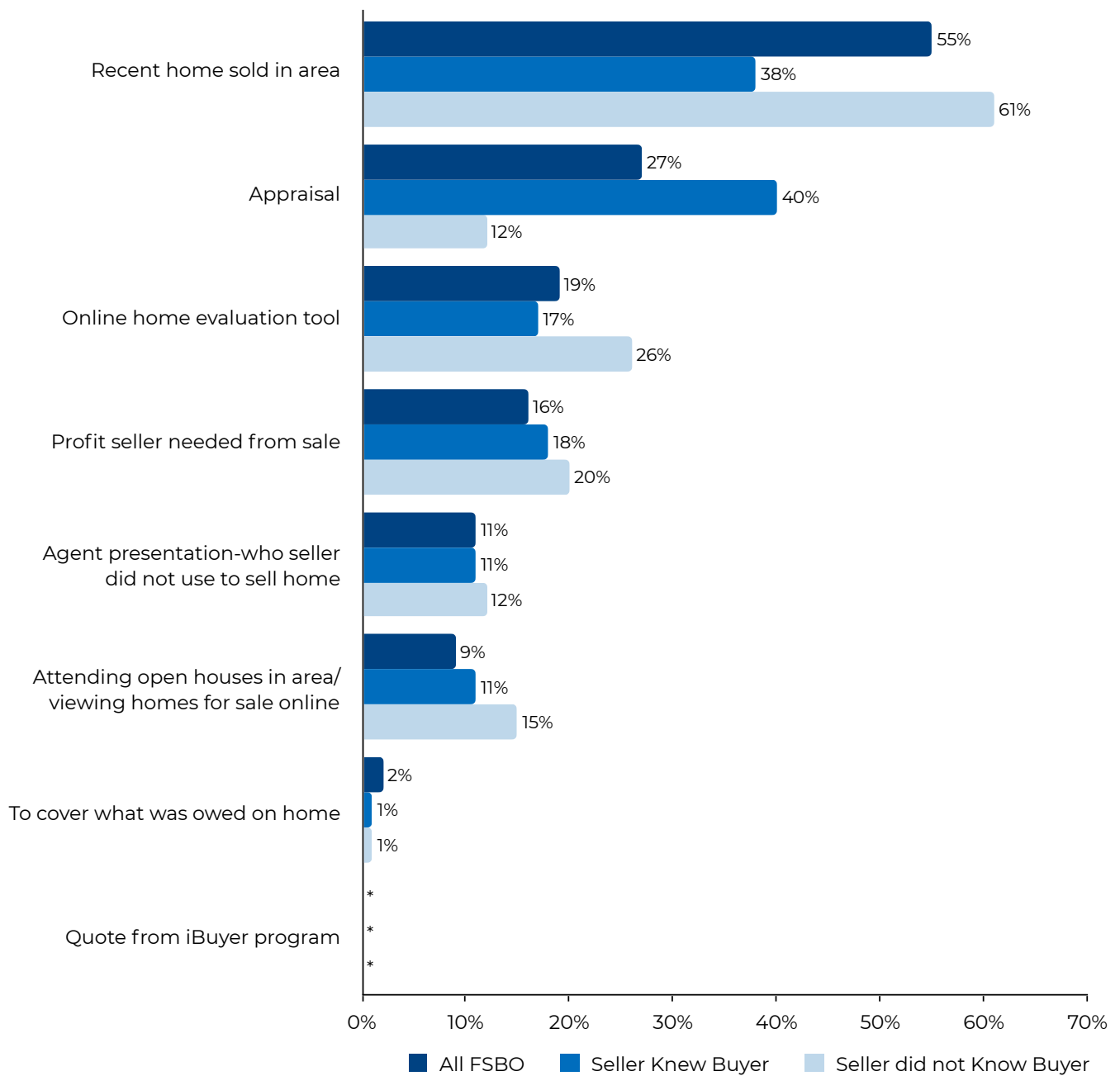
	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Median selling price	\$314,500	\$260,000	\$227,500	\$273,800	\$318,000	\$319,000	\$244,800
<b>SALES PRICE COMPARED WITH ASKING PRICE:</b>							
Less than 90%	4%	4%	4%	5%	4%	4%	18%
90% to 94%	8%	4%	3%	6%	8%	8%	18%
95% to 99%	26%	13%	8%	18%	27%	27%	27%
100%	28%	66%	78%	52%	24%	24%	18%
101% to 110%	28%	9%	3%	17%	30%	30%	18%
More than 110%	7%	4%	4%	2%	7%	7%	*
Median (sales price as a percent of asking price)	100%	100%	100%	100%	100%	100%	98%
<b>NUMBER OF TIMES ASKING PRICE WAS REDUCED:</b>							
None	74%	89%	94%	83%	73%	73%	46%
One	16%	4%	2%	7%	17%	17%	21%
Two	5%	4%	3%	6%	6%	6%	13%
Three	3%	2%	1%	4%	3%	3%	17%
Four or more	1%	*	*	*	*	*	4%

\* Less than 1 percent

## 2021 Profile of Home Buyers and Sellers

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

(Percent of Respondents)



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

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

(Percentage Distribution)

	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Less than 1 week	17%	46%	63%	24%	13%	13%	13%
1 to 2 weeks	45%	31%	23%	41%	47%	47%	22%
3 to 4 weeks	13%	9%	6%	12%	14%	14%	4%
5 to 6 weeks	5%	1%	2%	*	6%	6%	4%
7 to 8 weeks	4%	4%	2%	7%	4%	4%	*
9 to 10 weeks	2%	2%	*	5%	2%	2%	*
11 to 12 weeks	4%	2%	1%	2%	4%	4%	9%
13 to 16 weeks	3%	1%	*	1%	3%	3%	4%
17 to 24 weeks	3%	2%	2%	2%	3%	3%	13%
25 to 36 weeks	2%	1%	*	2%	2%	1%	13%
37 to 52 weeks	1%	*	*	*	1%	1%	9%
53 or more weeks	2%	1%	1%	1%	2%	2%	9%
Median weeks	1	1	0	1	1	1	12

\* Less than 1 percent

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

(Percentage Distribution)

SELLERS NEEDED TO SELL	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Very urgently	11%	5%	6%	5%	11%	11%	9%
Somewhat urgently	40%	31%	35%	26%	41%	41%	48%
Not urgently	48%	64%	60%	69%	47%	47%	43%

# 2021 Profile of Home Buyers and Sellers

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

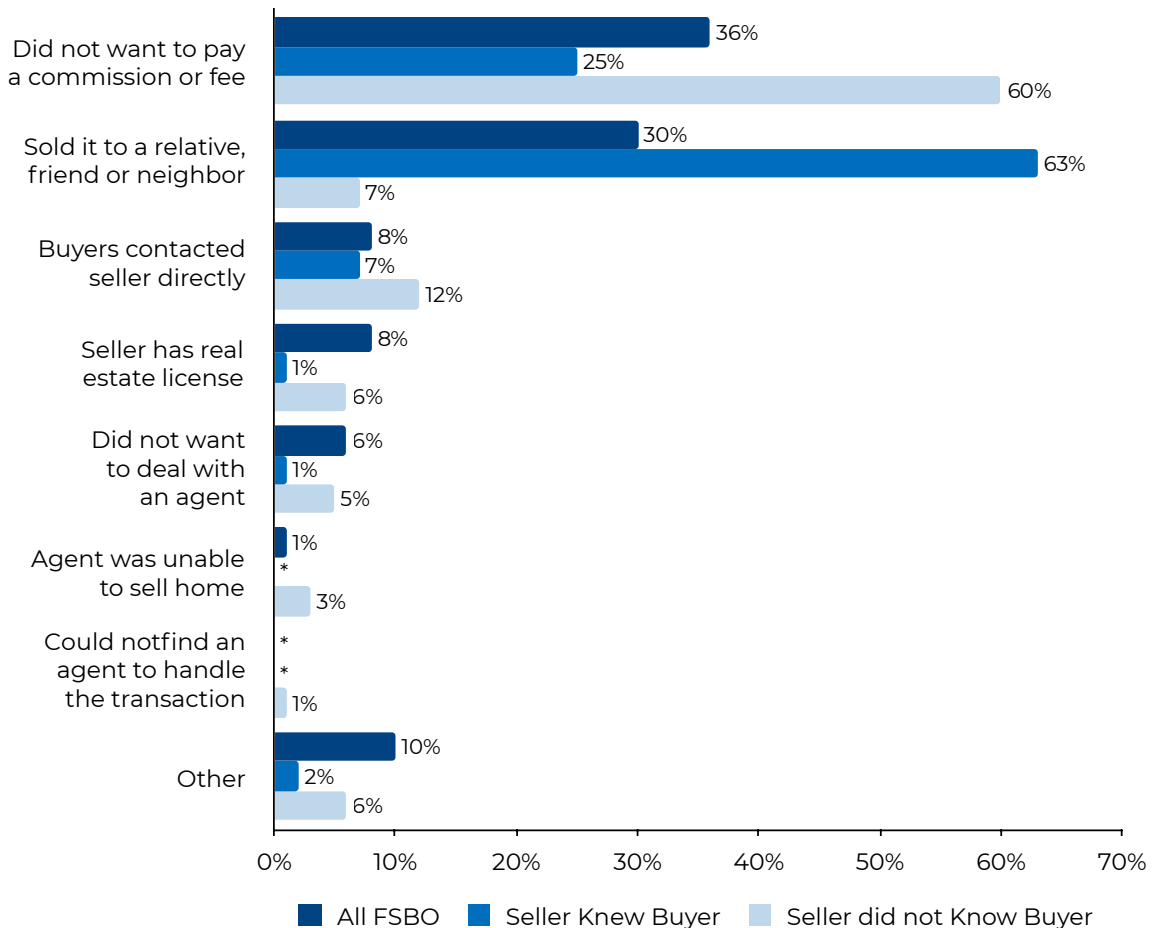
(Percent of Respondents)

	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
None	74%	88%	94%	81%	73%	73%	61%
Home warranty policies	13%	3%	2%	3%	14%	14%	*
Assistance with closing costs	9%	5%	1%	9%	9%	9%	17%
Credit toward remodeling or repairs	7%	2%	1%	2%	7%	7%	14%
Other incentives, such as a car, flat screen TV, etc.	2%	1%	*	1%	2%	2%	9%
Assistance with condo association fees	*	1%	*	2%	*	*	*
Other	3%	2%	2%	*	3%	3%	*

\* Less than 1 percent

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

(Percentage Distribution)



\* Less than 1 percent

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

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

(Percentage Distribution)

	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Yes, and lived in home	5%	4%	6%	1%	5%	5%	*
Yes, but rented home to others and lived elsewhere	1%	2%	1%	5%	1%	1%	*
No, sold home when I wanted to sell	94%	94%	93%	94%	95%	94%	100%

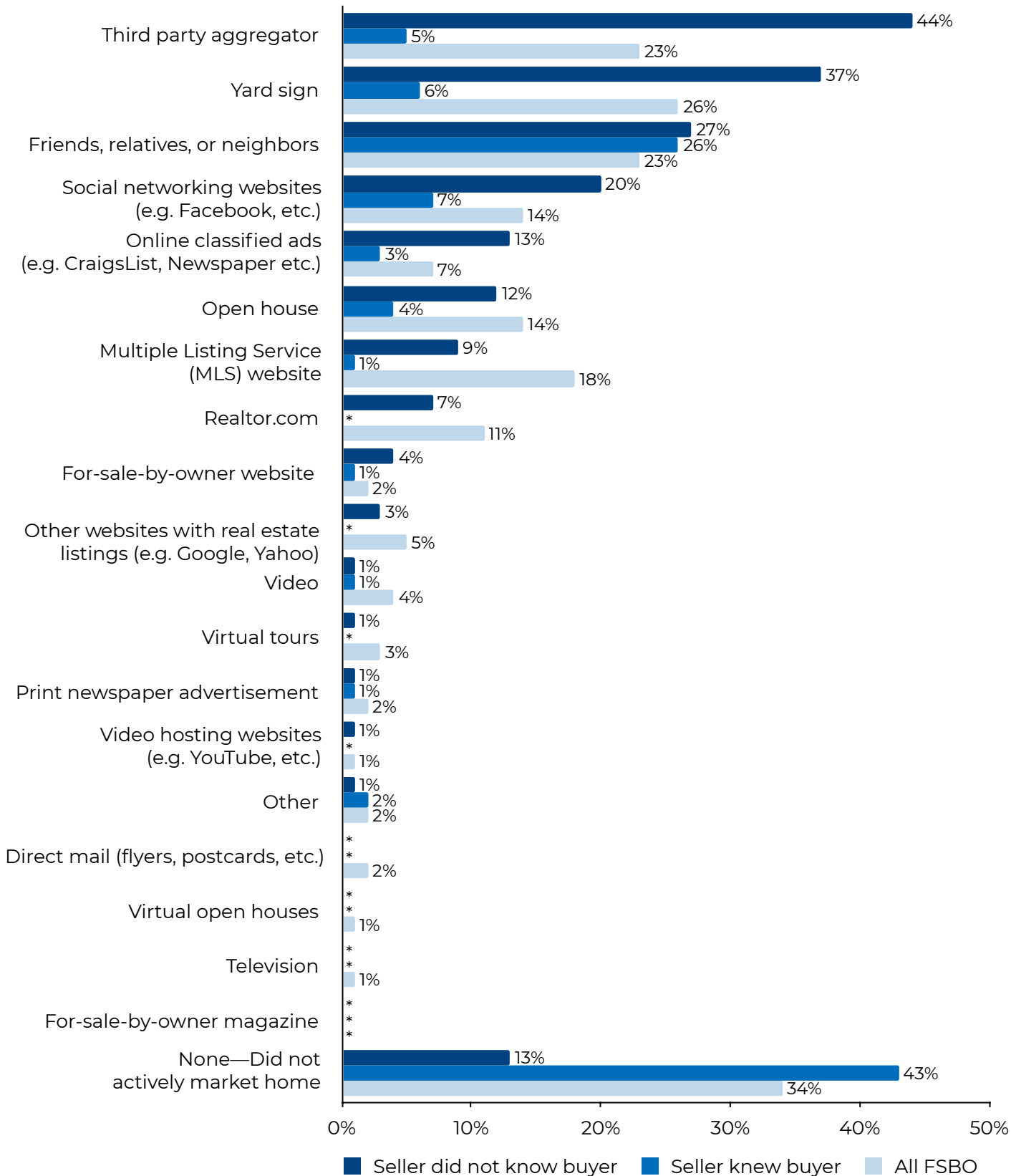
\* Less than 1 percent



# 2021 Profile of Home Buyers and Sellers

## Exhibit 8-13 Method Used by FSBO Sellers To Market Home

(Percent of Respondents)



\* Less than 1 percent



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

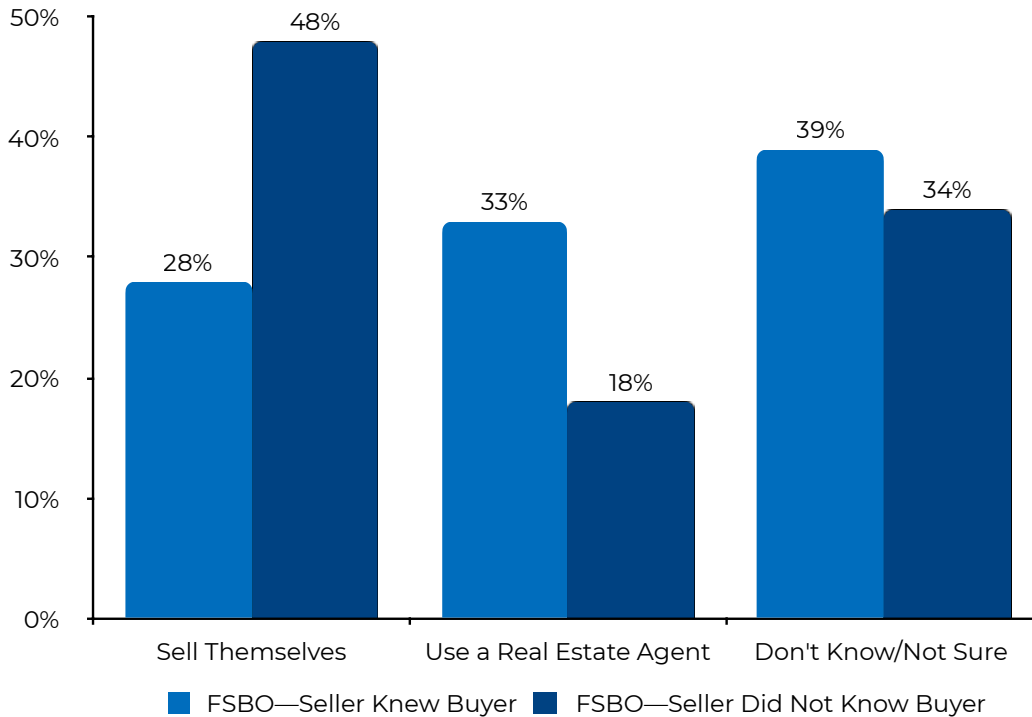
### Exhibit 8-14 Most Difficult Task for FSBO Sellers

(Percentage of Distribution)

	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER
Preparing or fixing up the home for sale	17%	10%	24%
Getting the price right	14%	11%	15%
Understanding and performing paperwork	11%	11%	14%
Selling within the length of time planned	5%	5%	2%
Having enough time to devote to all aspects of the sale	5%	3%	4%
Attracting potential buyers	3%	1%	2%
Helping buyer obtain financing	3%	4%	2%
Other	2%	3%	1%
None/Nothing	40%	51%	35%

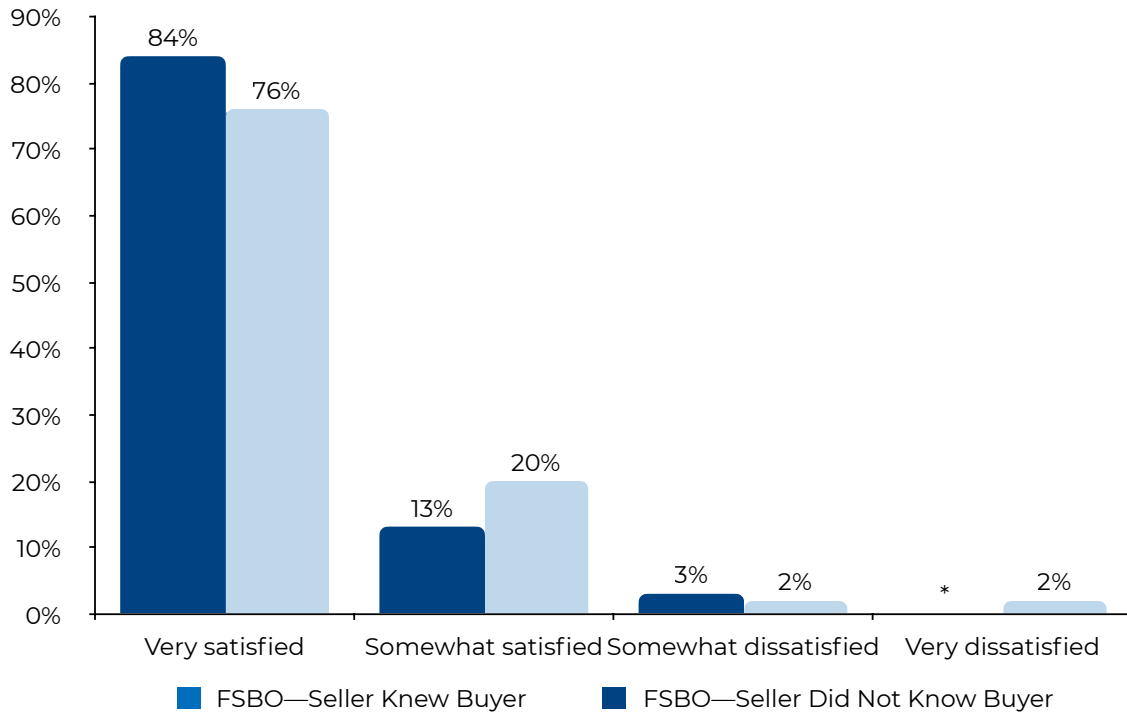
### Exhibit 8-15 How FSBO Sellers Will Sell Their Current Home

(Percentage Distribution)



## Exhibit 8-16 FSBO Sellers Satisfaction Process of Selling Home

(Percentage Distribution)



\* Less than 1 percent









## 2021 Profile of Home Buyers and Sellers

### METHODOLOGY AMONG RECENT BUYERS AND SELLERS

In July 2021, NAR mailed out a 129-question survey using a random sample weighted to be representative of sales on a geographic basis to 129,800 recent home buyers. The recent home buyers had to have purchased a primary residence home between July of 2020 and June of 2021. A total 5,795 responses were received from primary residence buyers. After accounting for undeliverable questionnaires, the survey had an adjusted response rate of 4.5 percent.

Respondents had the option to fill out the survey via hard copy or online. The online survey was available in English and Spanish.

Consumer names and addresses were obtained from Experian, a firm that maintains an extensive database of recent home buyers derived from county records. Information about sellers comes from those buyers who also sold a home.

All information in this Profile is characteristic of the 12-month period ending June 2021, with the exception of income data, which are reported for 2020. In some sections comparisons are also given for results obtained in previous surveys. Not all results are directly comparable due to changes in questionnaire design and sample size. Some results are presented for the four U.S. Census regions: Northeast, Midwest, South, and West. The median is the primary statistical measure used throughout this report. Due to rounding and omissions for space, percentage distributions may not add to 100 percent.

Data gathered in the report is based on primary residence home buyers. From the *Realtors Confidence Index*, 85 percent of home buyers were primary residence buyers in 2020, which accounts for 5,502,900 homes sold in 2020 (accounting for new and existing homes). Using that calculation, the sample at the 95 percent confidence level has a confidence interval of plus-or-minus 1.29%.



# 2021 Profile of Home Buyers and Sellers

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- Exhibit 1-1 Median Age of Home Buyers 1981–2021
- Exhibit 1-2 Age of Home Buyers, by Region
- Exhibit 1-3 Household Income of Home Buyers, by Region, 2020
- Exhibit 1-4 Adult Composition of Home Buyer Households, 1981–2021
- Exhibit 1-5 Number of Children Under the Age of 18 Residing in Household
- Exhibit 1-6 Share of Home Buyers with Children Under the Age of 18 in Home
- Exhibit 1-7 Home Purchased was a Multi-Generational Home (Will Home Adult Siblings, Adult Children, Parents, and/or Grandparents)
- Exhibit 1-8 Home Buyer Sexual Orientation
- Exhibit 1-9 Home Buyer Identify as Transgender
- Exhibit 1-10 Race/Ethnicity of Home Buyers, by Region
- Exhibit 1-11 Race/Ethnicity of Home Buyers, by Adult Composition of Household
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## 2021 Profile of Home Buyers and Sellers

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## 2021 Profile of Home Buyers and Sellers

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- Exhibit 4–15 Number of Real Estate Agents Interviewed by First-Time and Repeat Buyers
- Exhibit 4–16 Most Important Factors When Choosing an Agent
- Exhibit 4–17 Importance of Real Estate Agent Skills and Qualities
- Exhibit 4–18 Agent Skills and Qualities Considered “Very Important” by First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes
- Exhibit 4–19 Agent Skills and Qualities Considered “Very Important” by Adult Composition of Household
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## 2021 Profile of Home Buyers and Sellers

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- Exhibit 5–20 Buyers' View of Homes as a Financial Investment, First-Time and Repeat Buyers, and Buyers of New and Previously Owned Homes
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- Exhibit 6–2 Household Income of Home Sellers, 2020
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- Exhibit 6–7 Home Selling Situation Among Repeat Buyers
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- Exhibit 6–13 Size of Home Purchased Compared to Home Recently Sold
- Exhibit 6–14 Size of Home Purchased Compared to Home Recently Sold, by Age of Seller
- Exhibit 6–15 Number of Bedrooms and Bathrooms by Adult Composition of Household and Children in Household
- Exhibit 6–16 Age of Home Purchased Compared to Home Recently Sold
- Exhibit 6–17 Price of Home Purchased Compared to Home Recently Sold
- Exhibit 6–18 Price of Home Purchased Compared to Home Recently Sold, by Age of Seller
- Exhibit 6–19 Primary Reason for Selling Previous Home, by Miles Moved
- Exhibit 6–20 Primary Reason for Selling Previous Home, by First-Time and Repeat Sellers
- Exhibit 6–21 Seller Wanted to Sell Earlier But Waited or Stalled Because Home was Worth Less than Mortgage, by First-Time and Repeat Sellers
- Exhibit 6–22 Seller Wanted to Sell Earlier But Waited or Stalled Because Home was Worth Less than Mortgage, by Tenure in Home
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- Exhibit 6–25 Median Seller Tenure in Home 1985–2021
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- Exhibit 6–30 Method of Sale, by Buyer and Seller Relationship
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- Exhibit 6–32 Sales Price Compared with Listing Price, by Region
- Exhibit 6–33 Sales Price Compared with Listing Price, by Seller Urgency
- Exhibit 6–34 Number of Weeks Recently Sold Home was on the Market, by Region
- Exhibit 6–35 Sales Price Compared with Listing Price, by Number of Weeks Home was on the Market
- Exhibit 6–36 Sales Price as a Percent of Listing Price (Median), 2002–2021
- Exhibit 6–37 Number of Times Asking Price was Reduced, by Number of Weeks Home was on the Market
- Exhibit 6–38 Incentives offered to Attract Buyers, by Region
- Exhibit 6–39 Incentives offered to Attract Buyers, by Number of Weeks Home was on the Market
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# 2021 Profile of Home Buyers and Sellers

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- Exhibit 7-2 Method Used to Find Real Estate Agent, by Miles Moved
- Exhibit 7-3 Number of Agents Contacted Before Selecting One to Assist with Sale of Home
- Exhibit 7-4 Seller Used the Same Real Estate Agent for their Home Purchase, by Miles Moved
- Exhibit 7-5 Home Listed on Multiple Listing Service
- Exhibit 7-6 Level of Service Provided by the Real Estate Agent, 2006–2021
- Exhibit 7-7 What Sellers Most Want from Real Estate Agents, by Level of Service Provided by the Agent
- Exhibit 7-8 Most Important Factor in Choosing a Real Estate Agent to Sell Home, by Level of Service Provided by the Agent
- Exhibit 7-9 Methods Real Estate Agent Used to Market Home
- Exhibit 7-10 How Real Estate Agent was Compensated
- Exhibit 7-11 Negotiating the Commission Rate or Fee with the Real Estate Agent
- Exhibit 7-12 Would Seller Use Real Estate Agent Again or Recommend to Others
- Exhibit 7-13 How Many Times Seller Recommended Typical Agent

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

- Exhibit 8-1 FSBO and Agent-Assisted Sales, 1981–2021
- Exhibit 8-2 FSBO and Agent-Assisted Sales, by Location
- Exhibit 8-3 Characteristics of FSBO and Agent-Assisted Sellers
- Exhibit 8-4 Type of Home Sold, FSBO and Agent-Assisted Sellers
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- Exhibit 8-6 Selling Price, FSBO and Agent-Assisted Sellers
- Exhibit 8-7 How FSBO Seller Determined Asking Price of Home Sold
- Exhibit 8-8 Time on the Market, FSBO and Agent-Assisted Sellers
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- Exhibit 8-10 Incentives offered to Attract Buyers, FSBO and Agent-Assisted Sellers
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- Exhibit 8-13 Method Used by FSBO Sellers to Market Home
- Exhibit 8-14 Most Difficult Task for FSBO Sellers
- Exhibit 8-15 How FSBO Sellers Will Sell their Current Home
- Exhibit 8-16 FSBO Sellers Satisfaction Process of Selling Home

## 2021 Profile of Home Buyers and Sellers

The National Association of REALTORS® is America's largest trade association, representing more than 1.4 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate.

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

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