Top Trends in Real Estate

Dr. Jessica Lautz
Deputy Chief Economist & VP of Research
National Association of REALTORS®
The Housing Market
### Record High Home Price, but Worst Sales Since 1995

<table>
<thead>
<tr>
<th>Comparison</th>
<th>1995</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual existing-home sales</td>
<td>3.85 million</td>
<td>4.09 million</td>
</tr>
<tr>
<td>U.S. population</td>
<td>266.6 million</td>
<td>336.0 million</td>
</tr>
<tr>
<td>Single-family inventory (December)</td>
<td>1.58 million</td>
<td>870,000</td>
</tr>
<tr>
<td>Months supply</td>
<td>4.8 months</td>
<td>3.1 months</td>
</tr>
<tr>
<td>Median annual existing-home sales price</td>
<td>$114,600 ($227,826 inflation adjusted)</td>
<td>$389,800</td>
</tr>
</tbody>
</table>

**Source:** National Association of Realtors®
30-Year Fixed Mortgage Interest Rate

Source: Freddie Mac https://www.freddiemac.com/pmms
NAR Housing Affordability: Payment as Percent of Income

Source: Housing Affordability Index
Income of Home Buyers

- **All Buyers**: $88,000 (2021) vs $107,000 (2022)
- **First-time Buyers**: $71,000 (2021) vs $95,900 (2022)
- **Repeat Buyers**: $96,000 (2021) vs $111,700 (2022)

Source: Profile of Home Buyers and Sellers

Median Downpayment Among Buyers

Source: Profile of Home Buyers and Sellers
Inventory of Existing Homes

Average Number of Offers Received on Most Recent Sale

Source: REALTORS® Confidence Index: [www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index](http://www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index)
All Cash Buyers Trend Higher

Source: REALTORS® Confidence Index: www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index
Share Distressed Sales (Foreclosures/Short Sales)

Source: REALTORS® Confidence Index: www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index
U.S. Population by Age (in 2022)

Source: Millennials Still Underperforming Amid Gains in Homeownership Rate
Unique Attributes to Today’s Senior Buyers

- Following the grandbaby
- Downsizing trend is out—space/new in
- Buying new forever home
- Roommates!
- Smart home features important

Multi-Generational Home Buyers Maintains High

Source: Profile of Home Buyers and Sellers
Demographic Changes
# First-time Buyers: Household Composition

<table>
<thead>
<tr>
<th>Household Type</th>
<th>1985</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married Couples</td>
<td>75%</td>
<td>52%</td>
</tr>
<tr>
<td>Single Women</td>
<td>11</td>
<td>19</td>
</tr>
<tr>
<td>Single Men</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>Unmarried Couples</td>
<td>4</td>
<td>16</td>
</tr>
<tr>
<td>Other (roommates)</td>
<td>0</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: Profile of Home Buyers and Sellers
Baby Bust Among Buyers

Children Under Age 18 in Home

Source: Profile of Home Buyers and Sellers
Fur Babies Decide the Home

19% buyers factor pet into neighborhood choice

18% REALTORS® had a client moving solely for pets

A Stunning Stat: There Are More American Households With Pets Than Children
Back to the Office
Domestic Net Migration, 2022

Source: State-to-State Migration Trends in 2022
Buyers Purchased a Property Based on Virtual Tour/Showing/Open House Only

Source: REALTORS® Confidence Index: [www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index](http://www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index)
Commuting Costs Considered Very Important

Median Distance Moved In Miles

Why Real Estate Matters
Median Net Worth

Source: Board of Governors of the Federal Reserve System, The 2022 Survey of Consumer Finances
https://www.federalreserve.gov/econres/scfindex.htm
Agent Role
Buyer Use Agents

Source: Profile of Home Buyers and Sellers
Sellers Use Agents (Full-Service Even More)

Source: Profile of Home Buyers and Sellers
THANK YOU.

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Facebook: facebook.com/narresearchgroup