The Latest Data in Real Estate

Dr. Jessica Lautz
The Housing Market
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

<table>
<thead>
<tr>
<th></th>
<th>2021 Household Income</th>
<th>2022 Household Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Buyers</td>
<td>$88,000</td>
<td>$107,000</td>
</tr>
<tr>
<td>First-time Buyers</td>
<td>$71,000</td>
<td>$95,900</td>
</tr>
<tr>
<td>Repeat Buyers</td>
<td>$96,000</td>
<td>$111,700</td>
</tr>
</tbody>
</table>

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

Source: NAR Existing-Home Sales
www.nar.realtor/research-and-statistics/housing-statistics/existing-home-sales
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)
Median Downpayment Among Buyers

First-time Buyers
Repeat Buyers

Source: Profile of Home Buyers and Sellers
All Cash Buyers Trend Higher

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)
Share Distressed Sales (Foreclosures/Short Sales)

Source: REALTORS® Confidence Index: www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index
Why Real Estate Matters
Median Net Worth

$450,000

$396,200

$0

Homeowner

$10,400

Renter

THE ECONOMIC IMPACT
OF A TYPICAL HOME SALE

in the United States

The real estate industry accounted for $4.1 trillion or 16.3% of the gross state product in 2022.

TOTAL ECONOMIC IMPACT

$120,500

Income generated from real estate industries

$33,832
28.1% of total impact

Expenditures related to home purchase

$5,240
4.3% of total impact

Multiplier of housing related expenditures

$18,754
15.6% of total impact

New home construction

$62,652
52.0% of total impact

But we’ve left folks behind...
Homeownership Rates by Race

Homeownership rates by race (2011-2021)

- White: 69.8% to 72.7%
- Black: 57.9% to 50.6%
- Asian: 46.5% to 44.0%
- Hispanic: 43.6% to 44.0%

Source: NAR calculations of ACS PUMS data

Race of Recent Home Buyers

Source: Profile of Home Buyers and Sellers
Homeownership Rate for White Americans by state

Source: NAR calculations of ACS PUMS data

Arkansas: 73%
Connecticut: 75%
Delaware: 81%
Maryland: 78%
New York: 67%
New Jersey: 76%
Rhode Island: 70%
Virginia: 74%
Vermont: 74%
West Virginia: 77%

Homeownership Rate
50% - 61%
Homeownership Rate for Black Americans
by state

Source: NAR calculations of ACS PUMS data

Home Buyer Demographics By Race

- **Black/African American**
  - Multi-generational Buyer: 14%
  - Single Female Buyer: 27%
  - First-time buyer: 49%

- **White/Caucasian**
  - Multi-generational Buyer: 14%
  - Single Female Buyer: 17%
  - First-time buyer: 24%

- **Hispanic/Latino**
  - Multi-generational Buyer: 15%
  - Single Female Buyer: 7%
  - First-time buyer: 32%

- **Asian/Pacific Islander**
  - Multi-generational Buyer: 12%
  - Single Female Buyer: 24%
  - First-time buyer: 43%

Downpayment Source By Race

<table>
<thead>
<tr>
<th>Race</th>
<th>Savings</th>
<th>Past Home Equity</th>
<th>401k</th>
<th>Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black/African American</td>
<td>50%</td>
<td>20%</td>
<td>16%</td>
<td>15%</td>
</tr>
<tr>
<td>White/Caucasian</td>
<td>46%</td>
<td>39%</td>
<td>5%</td>
<td>10%</td>
</tr>
<tr>
<td>Hispanic/Latino</td>
<td>66%</td>
<td>24%</td>
<td>8%</td>
<td>13%</td>
</tr>
<tr>
<td>Asian/Pacific Islander</td>
<td>65%</td>
<td>27%</td>
<td>5%</td>
<td>29%</td>
</tr>
</tbody>
</table>

Median Net Worth by Race 1989-2022
(2022 $ in Thousands)

Source: Board of Governors of the Federal Reserve System, The 2022 Survey of Consumer Finances
https://www.federalreserve.gov/econres/scfindex.htm
Generational Warfare
U.S. Population by Age (in millions)

Source: Millennials Still Underperforming Amid Gains in Homeownership Rate
Homeownership rate for those under the age of 35

U.S. Census Data, NAR Calculations
Share of Home Buyers in Each Generation 2013-2023

- **Gen Z**
- **Millennials**
- **Gen X**
- **Baby Boomers**
- **Silent Generation**

Home Buyers and Sellers Generational Trends (2023)
First-time Buyers

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

<table>
<thead>
<tr>
<th></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
Multi-Generational Home Buyers Trends Up

Source: Profile of Home Buyers and Sellers
Agent Use
Buyer Use Agents

Source: Profile of Home Buyers and Sellers

Sellers Want Full-Service Agents

Source: Profile of Home Buyers and Sellers
THANK YOU.