

Finding a Real Estate Agent

▪ Exhibits 4-12 through 4-16

Referrals are still by far the most common way buyers found the real estate agent that they worked with. Forty-one percent of buyers used an agent that was referred to them by a friend, neighbor, or relative. Recent buyers also chose to work with agents that they had previously used to buy or sell a home (12 percent). Compared to repeat buyers, first-time buyers were more likely to find their agent through a referral (50 percent), likely to find their agent through a website (11 percent), and also to be referred by another real estate agent or broker (six percent). Married couples were the most likely to use an agent that they had previously used to buy or sell a home.

Nearly seven in ten buyers interviewed only one real estate agent during their home search. Repeat buyers were more likely to only interview one agent (70 percent) whereas only 62 percent of first-time buyers only interviewed one agent. Twenty-two percent of first-time buyers interviewed two agents before deciding on the one to work with. Buyers typically reached out to their agent by phone (44 percent), in person (20 percent), and by e-mail (17 percent). Agents commonly responded to buyers on their first attempt of contact.

The most important factor for recent buyers when choosing an agent was the agent's reputation at 23 percent. Other important factors when choosing included finding an agent that was trustworthy and honest, or using an agent that is a friend or family member.

Factors When Choosing an Agent

▪ Exhibits 4-17 through 4-20

When searching for an agent, buyers are looking for someone who is honest and has integrity, is responsive, has knowledge of the purchase process, and who has knowledge of the real estate market. Having an honest agent with integrity was the most important to first-time buyers, which 97 percent of respondents considered to be very important. Recent buyers also found it very important for their agent to have good communication and negotiation skills. Single female buyers more than any other household composition considered it very important for their agent to have skills with technology at 51 percent.

Overall, 78 percent of buyers felt that it was important that their agent call them personally to inform them of any activity. It was important for first-time buyers that they are able to communicate with their agent through text message, and be able to send their agent emails about their specific needs.

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 nearly nine in ten buyers saying that they were very satisfied with their agent's honesty and integrity. When asked if they would use their real estate agent again or recommend them to others, 88 percent of buyers would probably recommend their agent to others. Buyers have typically already recommended their agent once since purchasing their home.

There are many benefits for buyers using a real estate agent, with the foremost being helping the buyer(s) understand the buying process.

EXHIBIT 4-1 METHOD OF HOME PURCHASE, 2001-2015

(Percentage Distribution)

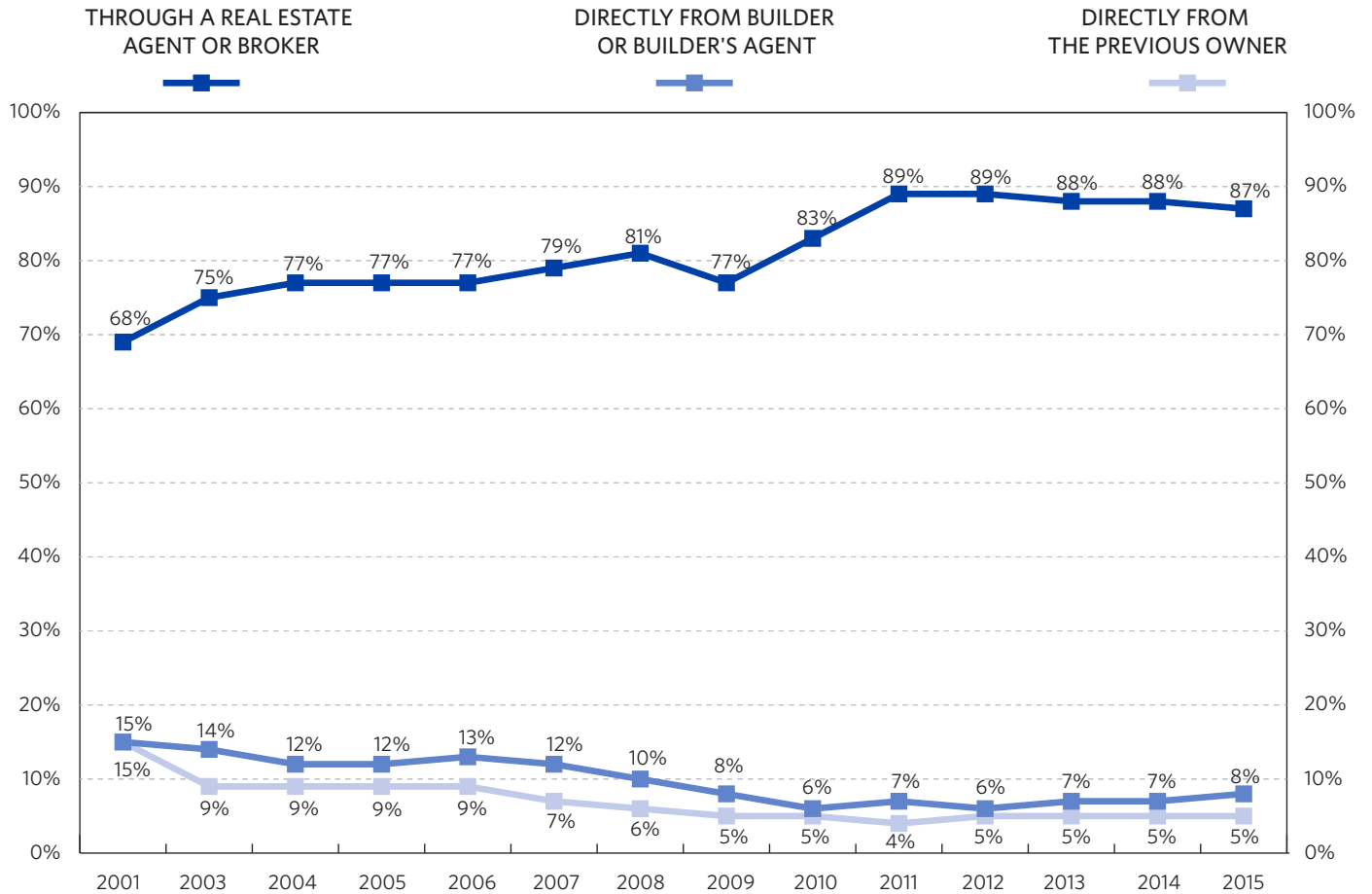


EXHIBIT 4-2 METHOD OF HOME PURCHASE, BY REGION

(Percentage Distribution)

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

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% | 54% | 93% |
| Directly from builder or builder's agent | 8 | 44 | N/A |
| Directly from the previous owner | 5 | 2 | 6 |
| Knew previous owner | 3 | 1 | 3 |
| Did not know previous owner | 2 | * | 3 |

N/A- Not Applicable

*Less than 1 percent

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% | 85% | 90% | 89% | 88% | 84% |
| Directly from builder or builder's agent | 8 | 9 | 5 | 4 | 6 | 8 |
| Directly from the previous owner | 5 | 5 | 5 | 7 | 6 | 3 |
| Knew previous owner | 3 | 3 | 2 | 4 | 2 | 2 |
| Did not know previous owner | 2 | 2 | 3 | 2 | 4 | 2 |

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 | 27% | 22% | 29% |
| Yes, when contract was written | 22 | 19 | 24 |
| Yes, at some other time | 12 | 12 | 12 |
| No | 22 | 27 | 19 |
| Don't know | 18 | 20 | 16 |

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% | 37% | 42% |
| Yes, an oral arrangement | 18 | 20 | 18 |
| No | 29 | 26 | 31 |
| Don't know | 13 | 18 | 10 |

EXHIBIT 4-7 HOW REAL ESTATE AGENT WAS COMPENSATED

(Percentage Distribution)

| | All Types of Representation | TYPE OF AGENT REPRESENTATION | |
|--------------------------|-----------------------------|------------------------------|----------------------------|
| | | Buyer Only | Seller or Seller and Buyer |
| Paid by seller | 56% | 59% | 53% |
| Paid by buyer and seller | 12 | 12 | 12 |
| Paid by buyer only | 21 | 22 | 21 |
| Percent of sales price | 18 | 18 | 17 |
| Flat fee | 2 | 2 | 2 |
| Other | * | * | * |
| Don't know | 2 | 2 | 3 |
| Other | 2 | 1 | 2 |
| Don't know | 9 | 6 | 12 |

*Less than 1 percent

EXHIBIT 4-8 WHAT BUYERS WANT MOST FROM REAL ESTATE AGENTS

(Percentage Distribution)

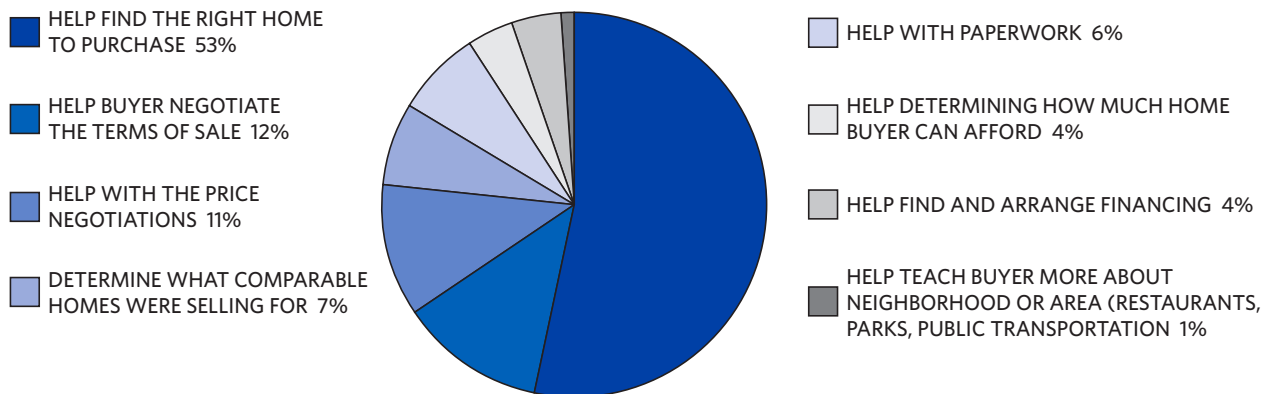


EXHIBIT 4-9 WHAT BUYERS WANT MOST FROM REAL ESTATE AGENTS, FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES

(Percentage Distribution)

| | BUYERS OF | | | | |
|--|------------|-------------------|---------------|-----------|------------------------|
| | All Buyers | First-time Buyers | Repeat Buyers | New Homes | Previously Owned Homes |
| Help find the right home to purchase | 53% | 51% | 53% | 51% | 52% |
| Help buyer negotiate the terms of sale | 12 | 12 | 12 | 12 | 13 |
| Help with the price negotiations | 11 | 11 | 11 | 11 | 11 |
| Determine what comparable homes were selling for | 7 | 6 | 8 | 6 | 7 |
| Help with paperwork | 6 | 7 | 6 | 7 | 6 |
| Help determining how much home buyer can afford | 4 | 6 | 3 | 6 | 4 |
| Help find and arrange financing | 4 | 5 | 3 | 5 | 4 |
| Help teach buyer more about neighborhood or area (restaurants, parks, public transportation) | 1 | 1 | 2 | 1 | 1 |
| Help find renters for buyer's property | * | * | * | * | * |
| Other | 2 | 1 | 2 | 1 | 2 |

* Less than 1 percent

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 | 53% | 52% | 55% | 57% | 46% | 51% |
| Help buyer negotiate the terms of sale | 12 | 13 | 10 | 11 | 13 | 6 |
| Help with the price negotiations | 11 | 11 | 12 | 8 | 14 | 9 |
| Determine what comparable homes were selling for | 7 | 8 | 5 | 7 | 9 | 4 |
| Help with paperwork | 6 | 6 | 6 | 6 | 7 | 12 |
| Help determining how much home buyer can afford | 4 | 3 | 7 | 3 | 5 | 6 |
| Help find and arrange financing | 4 | 3 | 3 | 6 | 5 | 5 |
| Help teach buyer more about neighborhood or area (restaurants, parks, public transportation) | 1 | 2 | 1 | * | 1 | 3 |
| Help find renters for buyer's property | * | * | 1 | * | * | * |
| Other | 2 | 2 | 1 | 2 | 1 | 6 |

* 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 | 60% | 79% | 51% |
| Pointed out unnoticed features/faults with property | 55 | 61 | 52 |
| Negotiated better sales contract terms | 48 | 53 | 45 |
| Provided a better list of service providers (e.g. home inspector) | 47 | 48 | 47 |
| Improved buyer's knowledge of search areas | 45 | 48 | 43 |
| Negotiated a better price | 37 | 39 | 36 |
| Shortened buyer's home search | 30 | 31 | 30 |
| Provided better list of mortgage lenders | 22 | 25 | 21 |
| Expanded buyer's search area | 20 | 23 | 19 |
| Narrowed buyer's search area | 17 | 16 | 17 |
| None of the above | 6 | 5 | 6 |
| Other | 2 | 1 | 2 |

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 | 41% | 50% | 36% |
| Used agent previously to buy or sell a home | 12 | 2 | 17 |
| Internet website (without a specific reference) | 10 | 11 | 10 |
| Visited an open house and met agent | 5 | 5 | 5 |
| Saw contact information on For Sale/Open House sign | 5 | 5 | 5 |
| Referred by another real estate agent/broker | 5 | 6 | 5 |
| Personal contact by agent (telephone, e-mail, etc.) | 4 | 4 | 4 |
| Referred through employer or relocation company | 3 | 2 | 4 |
| Walked into or called office and agent was on duty | 2 | 2 | 3 |
| Search engine | 1 | 1 | 1 |
| Mobile or tablet application | 1 | 1 | 1 |
| Newspaper, Yellow Pages or home book ad | * | * | 1 |
| Direct mail (newsletter, flyer, postcard, etc.) | * | * | * |
| Advertising specialty (calendar, magnet, etc.) | * | * | * |
| Crowdsourcing through social media/knew the person through social media | * | * | * |
| Saw the agent's social media page without a connection | * | * | * |
| Other | 10 | 11 | 10 |

*Less than 1 percent

EXHIBIT 4-13 HOW BUYER FOUND REAL ESTATE AGENT, BY ADULT COMPOSITION OF HOUSEHOLD

(Percentage Distribution)

| | All Buyers | ADULT COMPOSITION OF HOUSEHOLD | | | | |
|---|------------|--------------------------------|---------------|-------------|------------------|-------|
| | | Married couple | Single female | Single male | Unmarried couple | Other |
| Referred by (or is) a friend, neighbor or relative | 41% | 40% | 43% | 39% | 46% | 45% |
| Used agent previously to buy or sell a home | 12 | 13 | 10 | 10 | 6 | 9 |
| Internet website (without a specific reference) | 10 | 11 | 9 | 10 | 11 | 12 |
| Referred by another real estate agent/broker | 5 | 5 | 6 | 5 | 4 | |
| Visited an open house and met agent | 5 | 6 | 3 | 2 | 8 | 4 |
| Saw contact information on For Sale/Open House sign | 5 | 4 | 5 | 6 | 7 | 8 |
| Personal contact by agent (telephone, e-mail, etc.) | 4 | 4 | 5 | 8 | 1 | 4 |
| Referred through employer or relocation company | 3 | 4 | 3 | 3 | 2 | 2 |
| Walked into or called office and agent was on duty | 2 | 2 | 3 | 3 | 3 | * |
| Search engine | 1 | 1 | 1 | 2 | 1 | 1 |
| Mobile or tablet application | 1 | 1 | 1 | 2 | 1 | * |
| Newspaper, Yellow Pages or home book ad | * | * | 1 | 1 | * | * |
| Advertising specialty (calendar, magnet, etc.) | * | 1 | * | * | * | * |
| Direct mail (newsletter, flyer, postcard, etc.) | * | * | * | * | 1 | * |
| Crowdsourcing through social media/knew the person through social media | * | * | * | * | * | * |
| Saw the agent's social media page without a connection | * | * | * | * | * | * |
| Other | 10 | 9 | 11 | 13 | 9 | 17 |

*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 | 44% |
| Talked to them in person | 20 |
| E-mail | 17 |
| Contacted friend/family | 9 |
| Web form on home listing website | 5 |
| Text message | 3 |
| Through agent's website | 2 |
| Social Media (FaceBook, Twitter, LinkedIn, etc.) | 1 |
| Number of Times Contacted (median) | 1 |

EXHIBIT 4-15 NUMBER OF REAL ESTATE AGENTS INTERVIEWED BY FIRST-TIME AND REPEAT BUYERS

(Percentage Distribution)

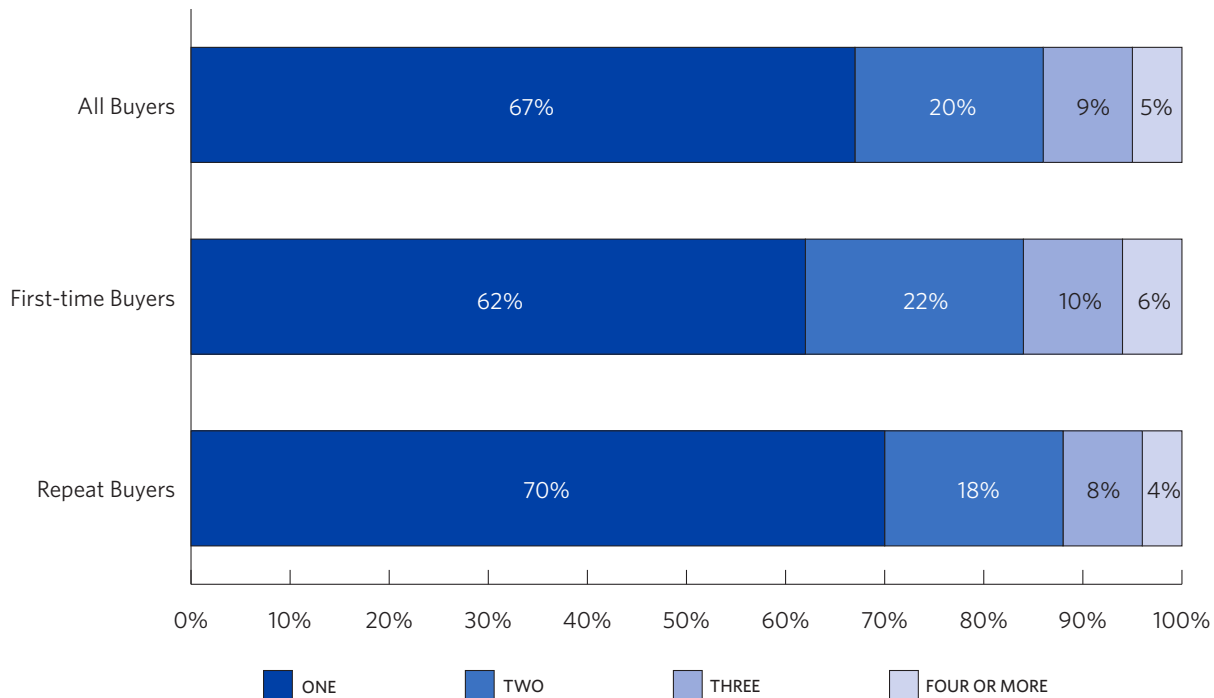


EXHIBIT 4-16 MOST IMPORTANT FACTORS WHEN CHOOSING AN AGENT

(Percentage Distribution)

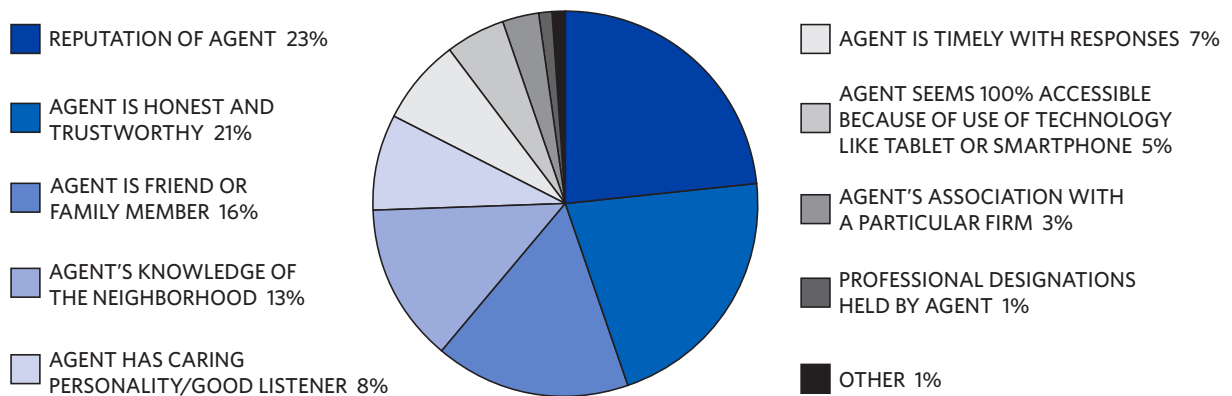


EXHIBIT 4-17 IMPORTANCE OF REAL ESTATE AGENT SKILLS AND QUALITIES

(Percentage Distribution)

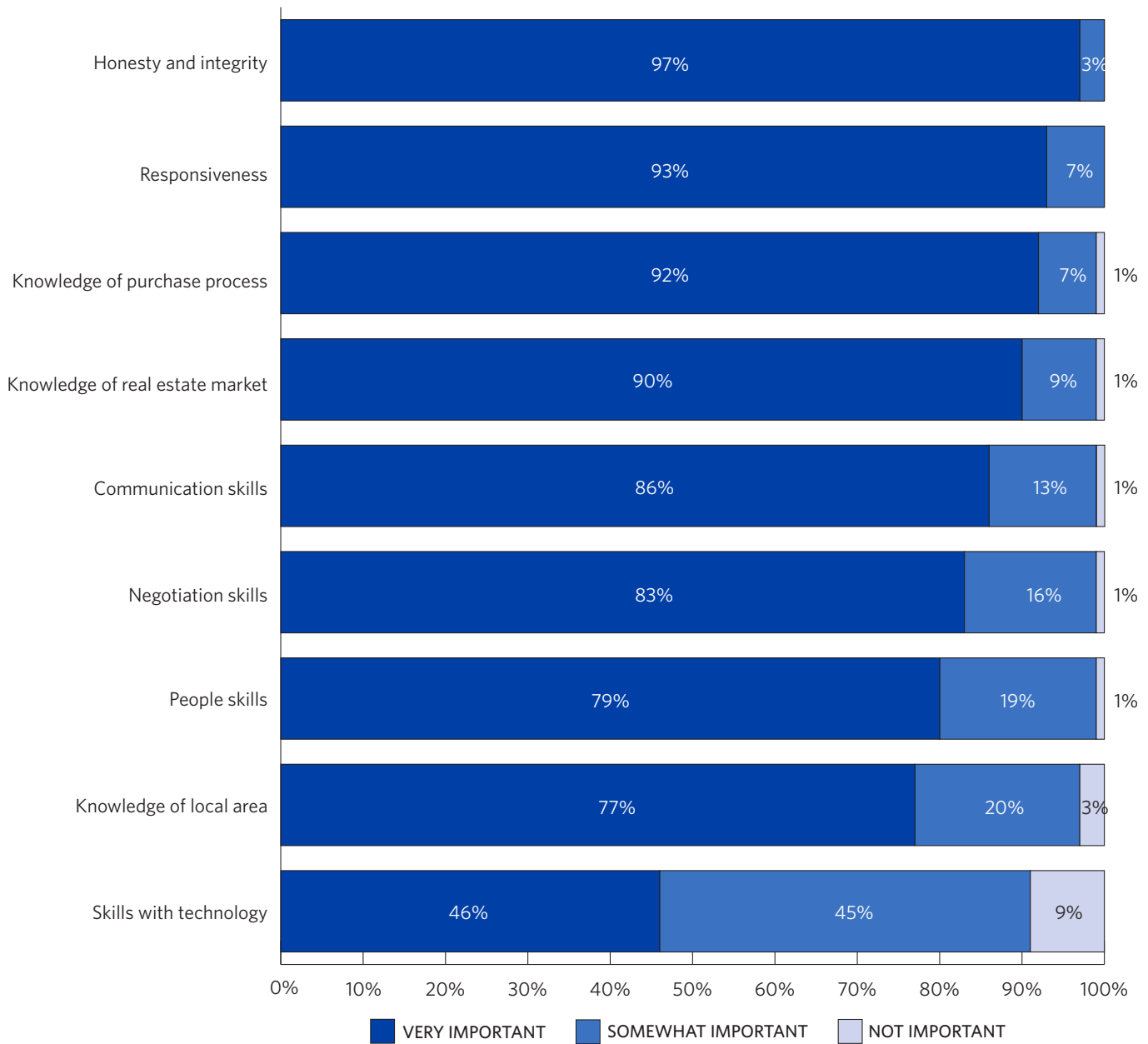


EXHIBIT 4-18 AGENT SKILLS AND QUALITIES CONSIDERED "VERY IMPORTANT" BY FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES

(Percent of Respondents)

| | All Buyers | BUYERS OF | | | |
|---------------------------------|------------|-------------------|---------------|-----------|------------------------|
| | | First-time Buyers | Repeat Buyers | New Homes | Previously Owned Homes |
| Honesty and integrity | 97% | 97% | 97% | 94% | 98% |
| Responsiveness | 93 | 93 | 93 | 90 | 93 |
| Knowledge of purchase process | 92 | 95 | 90 | 89 | 92 |
| Knowledge of real estate market | 90 | 88 | 91 | 88 | 90 |
| Communication skills | 86 | 88 | 85 | 84 | 86 |
| Negotiation skills | 83 | 83 | 83 | 80 | 83 |
| People skills | 79 | 81 | 79 | 75 | 80 |
| Knowledge of local area | 77 | 73 | 79 | 74 | 77 |
| Skills with technology | 46 | 45 | 47 | 51 | 46 |

EXHIBIT 4-19 AGENT SKILLS AND QUALITIES CONSIDERED "VERY IMPORTANT" BY ADULT COMPOSITION OF HOUSEHOLD

(Percentage of Respondents)

| | All Buyers | ADULT COMPOSITION OF HOUSEHOLD | | | | |
|---------------------------------|------------|--------------------------------|---------------|-------------|------------------|-------|
| | | Married couple | Single female | Single male | Unmarried couple | Other |
| Honesty and integrity | 97% | 97% | 99% | 94% | 99% | 93% |
| Responsiveness | 93 | 94 | 95 | 86 | 94 | 89 |
| Knowledge of purchase process | 92 | 91 | 95 | 89 | 95 | 90 |
| Knowledge of real estate market | 90 | 91 | 92 | 88 | 92 | 82 |
| Communication skills | 86 | 87 | 88 | 80 | 85 | 76 |
| Negotiation skills | 83 | 82 | 85 | 79 | 86 | 76 |
| People skills | 79 | 80 | 83 | 71 | 79 | 71 |
| Knowledge of local area | 77 | 78 | 77 | 71 | 74 | 75 |
| Skills with technology | 46 | 46 | 51 | 42 | 41 | 34 |

EXHIBIT 4-20 IMPORTANCE OF AGENT COMMUNICATIONS

(Percent of Respondents)

| | All Buyers | First-time Buyers | Repeat Buyers |
|---|------------|-------------------|---------------|
| Calls personally to inform of activities | 78% | 76% | 79% |
| Sends postings as soon as a property is listed/the price changes/under contract | 68 | 66 | 69 |
| Sends property info and communicates via text message | 55 | 58 | 54 |
| Sends emails about specific needs | 54 | 59 | 51 |
| Can send market reports on recent listings and sales | 51 | 46 | 54 |
| Has a web page | 29 | 29 | 29 |
| Has a mobile site to show properties | 27 | 27 | 27 |
| Is active on Facebook/Twitter | 12 | 11 | 12 |
| Sends an email newsletter | 9 | 8 | 9 |
| Advertises in newspapers | 5 | 4 | 6 |
| Has a blog | 2 | 1 | 2 |

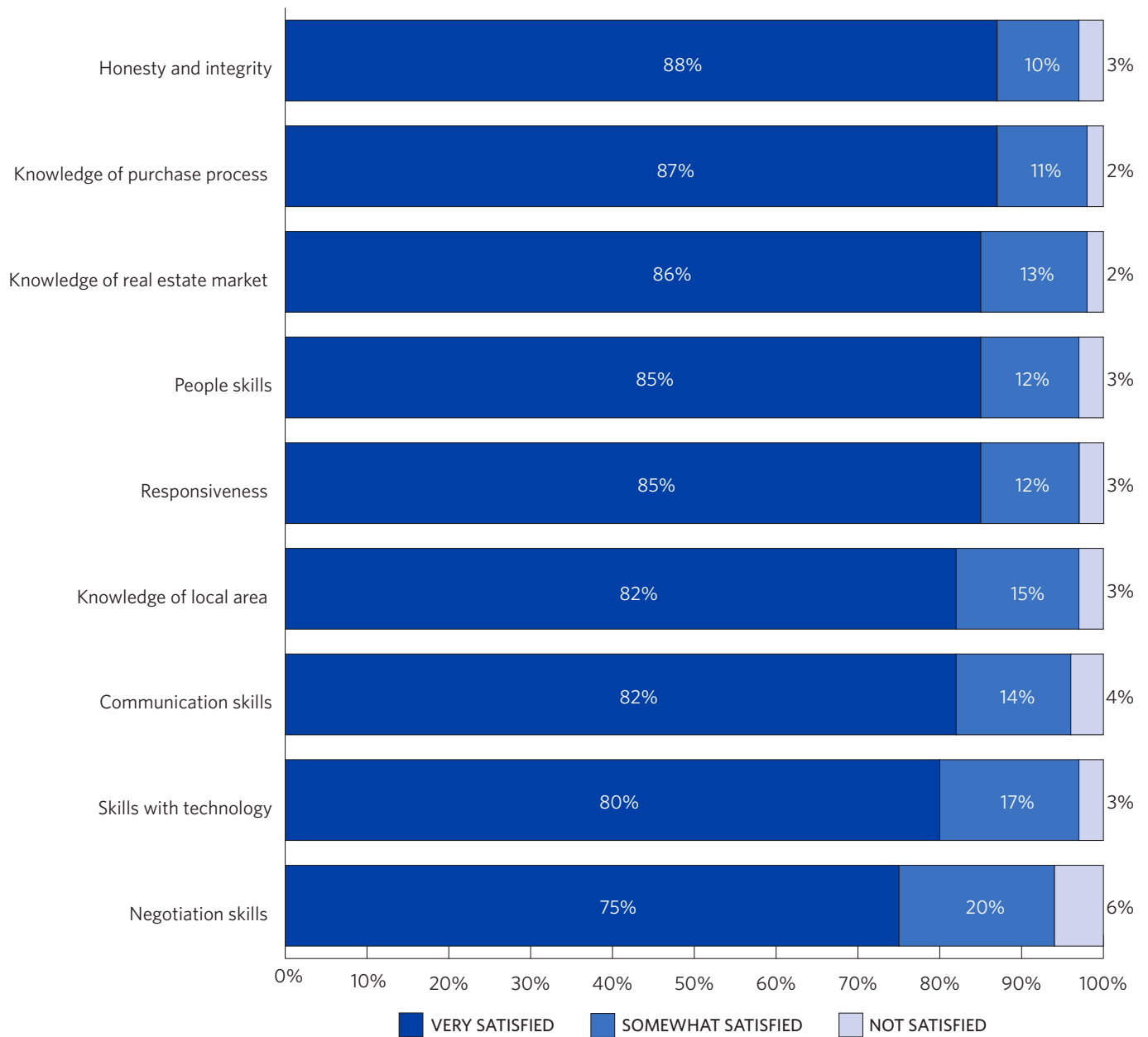
EXHIBIT 4-21 SATISFACTION WITH REAL ESTATE AGENT SKILLS AND QUALITIES*(Percentage Distribution)*

EXHIBIT 4-22 WOULD BUYER USE REAL ESTATE AGENT AGAIN OR RECOMMEND TO OTHERS

(Percentage Distribution)

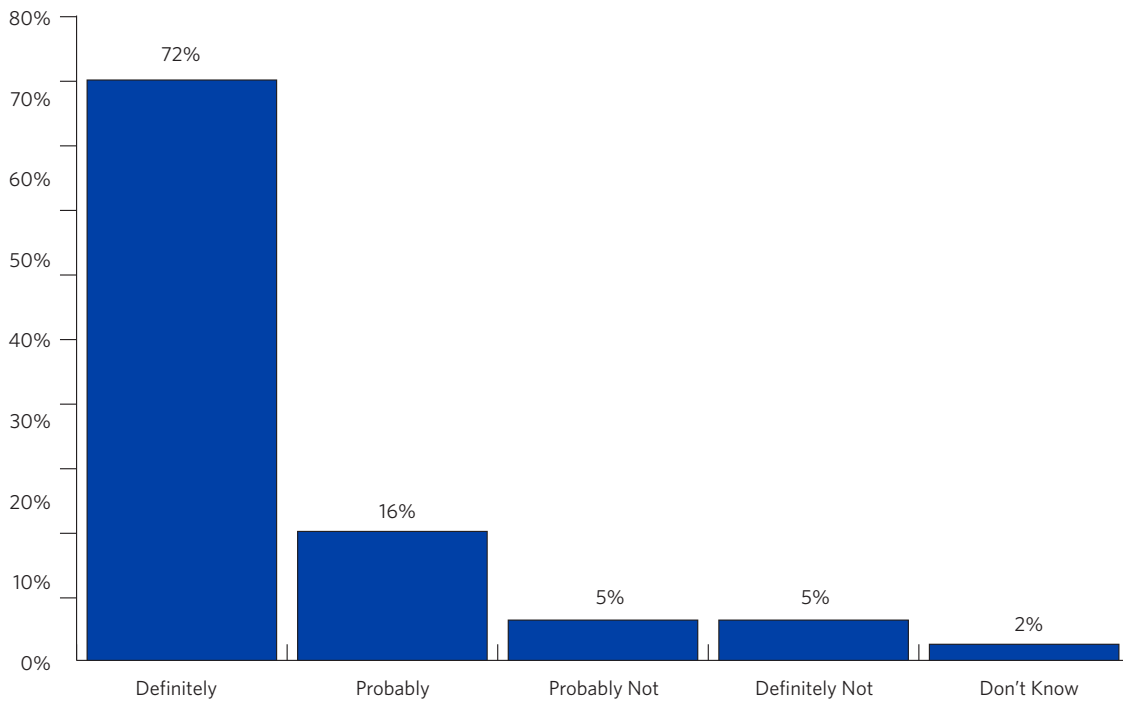


EXHIBIT 4-23 HOW MANY TIMES BUYER RECOMMENDED TYPICAL AGENT

(Percentage Distribution)

| All Buyers | |
|---|-----|
| None | 36% |
| One time | 15 |
| Two times | 19 |
| Three times | 11 |
| Four or more times | 19 |
| 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-six percent of all buyers financed their homes last year and, consistent with previous years, younger buyers are more likely to finance their home purchase.

Savings remain a key source of the downpayment for home buyers, both first-time and repeat buyers alike. Sixty percent of recent home buyers used their savings to finance their home purchase, down from 65 percent last year. Overall, this is still above the historical norm of 53 percent in 2000. For all buyers who saved for a downpayment, 46 percent saved in less than six months, which is up from 37 percent last year. Fifty-four percent of buyers did not need to make any sacrifices, consistent with last year. For those who did, the most common sacrifices reported were cutting spending on luxury goods, entertainment, and clothes shopping.

While the share of home buyers reporting that the process of obtaining a mortgage is more difficult than expected remains high, the figure is about the same as in 2013. It is, however, considerably higher than the figures in the 2009 and 2010 reports. Conventional financing was the most common mortgage type, followed by FHA loans, primarily among first-time home buyers again this year.

Buyers Who Financed Their Home

■ Exhibits 5-1 through 5-3

Eighty-six percent of all buyers financed their homes last year, down from 88 percent the year prior. Consistent with previous years, younger buyers are more likely to finance their home purchase. Ninety-seven percent of buyers aged 25 to 44 years old financed, whereas only 63 percent of buyers over the age of 65 years financed their home. Investors and vacation buyers have higher shares of buyers who purchase these types of properties without financing, but these buyers are not tracked in this survey.

As one might expect, first-time home buyers were more likely to finance their home at 95 percent than repeat buyers at 82 percent. Unmarried couples that were first-time home buyers financed their homes the most at 98 percent whereas single females that were repeat buyers only financed 75 percent of the time.

Fourteen percent of buyers, the same as last year, financed 100 percent of the entire purchase price with a mortgage. The median percent financed for first-time buyers was 94 percent compared to 86 percent for repeat buyers, which was consistent with last year.

Sources of Downpayment

■ Exhibits 5-4 through 5-7

Sixty percent of recent home buyers used their savings to finance their home purchase, down from 65 percent last year. Overall, this is still above the historical norm of 47 percent since 2000. For all buyers, the proceeds from the sale of a primary residence was the next most commonly cited way of financing a home purchase at 38 percent, up from 33 percent last year. This was still below the historical average of 51 percent since 2000. For repeat buyers, this was the most common way to finance a home at 53 percent. This number is up from 47 percent last year and more than double the 25 percent used in 2012, likely due to the increase in property values allowing buyers to use equity from their previous home at higher rates. For first-time buyers, they cited using savings (81 percent) and a gift from relative or friend (27 percent), which is roughly the same as last year.

For all buyers who saved for a downpayment, 46 percent saved in less than six months, which is up from 37 percent last year. Fifty-one percent of first time buyers saved for a year or less, which is up from 47 percent last year, and compared to 66 percent of repeat buyers which is flat from the year prior. Ten percent of first-time buyers and 11 percent of repeat buyers saved for a downpayment for more than five years.

Single males had the highest percent of savings used for the downpayment at 74 percent. Married couples were the most likely to use proceeds from the sale of a primary home and were the most likely to save for a downpayment in less than six months.

Expenses that Delayed Saving for a Downpayment or Home Purchase

■ Exhibits 5-8 through 5-10

Nearly a quarter of buyers were delayed in purchasing a home by more than five years if they had debt that delayed them. The median length of time buyers waited to buy a home while saving for the downpayment 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. It was 25 percent for first-time buyers and seven percent for repeat buyers. These buyers were asked what expenses made saving for a downpayment difficult. Fifty-one percent of all buyers reported student loans (up from 46 percent), 47 reported credit card debt (down from 50 percent), and 35 percent car loans (down from 38 percent).

For first-time home buyers, 25 percent said saving for a downpayment was the most difficult step in the process. Of that number, 58 percent said student loan debt delayed them in saving for a home. Among the seven percent of repeat buyers who reported that saving for a downpayment was the most difficult task, 46 percent reported credit card debt delayed them in saving for a home (down from 58 percent). Twenty-three percent of unmarried couples reported saving for a downpayment was the most difficult task in buying a home (up from just 18 percent). Of that 23 percent, 51 percent reported student loans delayed their saving and 40 percent report credit card debt delayed their savings, slightly down from previous years.

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. Fifty-four percent of buyers did not need to make any sacrifices, consistent with last year. For all buyers, the most common sacrifices reported were a cut in spending on luxury or non-essential items (33 percent), a cut in spending on entertainment (25 percent), and a cut in spending on clothes (20 percent). First-time buyers were more likely to make sacrifices than repeat buyers—64 percent compared to 37 percent made sacrifices respectively. Single females and unmarried couples reported making the most financial sacrifices.

Difficulty of Mortgage Application and Approval Process and Sold a Distressed Property

- Exhibits 5-13 through 5-16

Sixteen percent of buyers said that the mortgage application process was more difficult than expect and 17 percent said it was easier. The bulk of buyers said that the mortgage application and approval process was no more difficult than expected at 43 percent. Forty-five percent of first-time buyers said that the mortgage application and approval process was somewhat to much more difficult than expected compared to 37 percent of repeat buyers. Single female buyers were more likely to report the process was easier than expected for them.

Twenty-five percent of all buyers reported having student loan debt. That number jumps to 41 percent for first-time buyers and drops to 17 percent for repeat buyers. The median amount of student loan debt for all buyers, including first-time and repeat buyers, was \$25,000.

Nine 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 2010.

Type of Mortgage Loan

- Exhibits 5-17 and 5-18

Ninety-one percent of all buyers used a fixed rate mortgage. Fifty-nine percent of buyers chose a conventional loan to finance their home, down from 61 percent last year. Twenty-three percent of buyers reported securing a FHA loan and 11 percent chose a VA loan. First-time buyers sought FHA loans more commonly than repeat buyers at 34 percent to 16 percent. Repeat buyers largely used conventional loans at 66 percent.

Buyers' View of Homes as a Financial Investment

- Exhibits 5-19 and 5-20

Buyers continue to see purchasing a home as a good financial investment. Eighty percent (up from 79 percent last year) reported the view that a home purchase is a good investment and 43 percent said it was better than owning stock. Only six percent reported that it was not a good financial investment, down from seven percent last year. Eighty-four percent of first-time buyers see owning a home as a sound financial endeavor compared to 78 percent of repeat buyers, consistent with last year. Unmarried couples are most likely to feel their home is a good financial investment at 83 percent.

Sixty percent of recent home buyers used their savings to finance their home purchase, down from 65 percent last year. Overall, this is still above the historical norm of 47 percent in 2000.

EXHIBIT 5-1

BUYERS WHO FINANCED THEIR HOME PURCHASE, BY AGE

(Percent of Respondents)

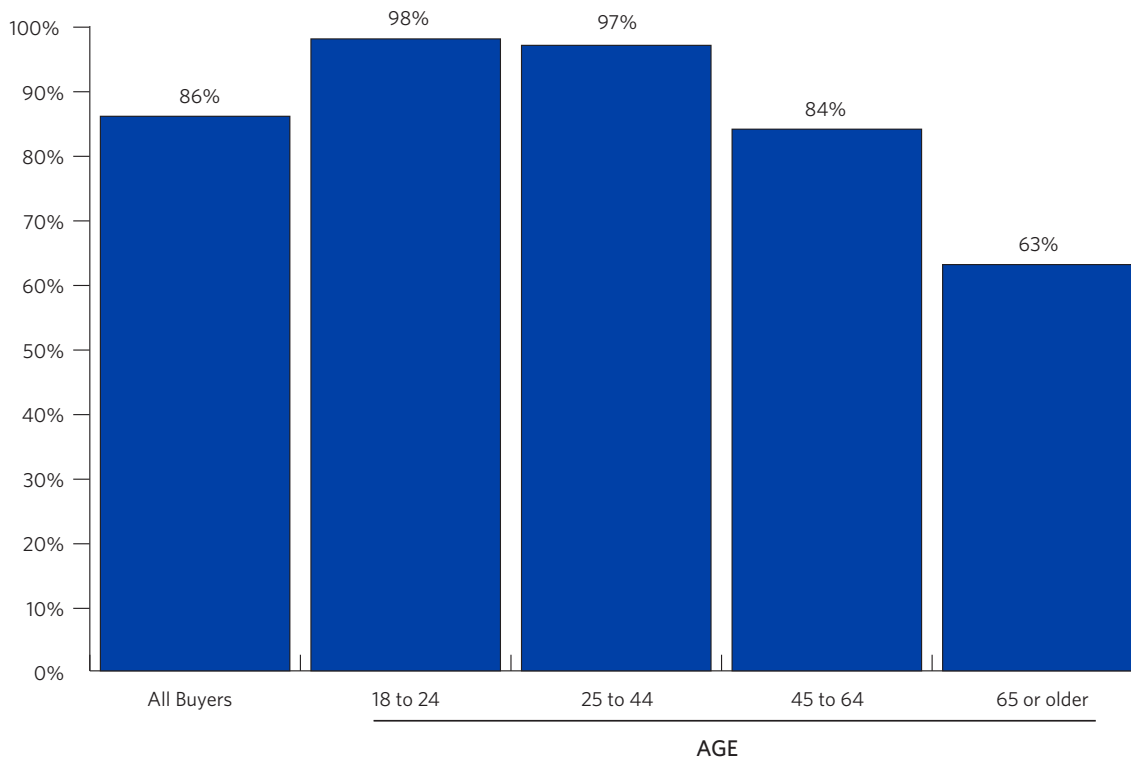


EXHIBIT 5-2

BUYERS WHO FINANCED THEIR HOME PURCHASE, BY ADULT COMPOSITION OF HOUSEHOLD

(Percent of Respondents)

| | ADULT COMPOSITION OF HOUSEHOLD | | | | | |
|-------------------|--------------------------------|----------------|---------------|-------------|------------------|-------|
| | All buyers | Married couple | Single female | Single male | Unmarried couple | Other |
| All Buyers | 86% | 87% | 83% | 86% | 92% | 81% |
| First-time Buyers | 95 | 96 | 94 | 91 | 98 | 91 |
| Repeat Buyers | 82 | 84 | 75 | 81 | 83 | 75 |

EXHIBIT 5-3**PERCENT OF HOME FINANCED BY FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES***(Percentage Distribution)*

| | All Buyers | BUYERS OF | | | |
|---|------------|-------------------|---------------|-----------|------------------------|
| | | First-time Buyers | Repeat Buyers | New Homes | Previously Owned Homes |
| Less than 50% | 9% | 7% | 11% | 11% | 9% |
| 50% to 59% | 3 | 1 | 5 | 3 | 4 |
| 60% to 69% | 4 | 2 | 5 | 6 | 3 |
| 70% to 79% | 13 | 8 | 15 | 16 | 12 |
| 80% to 89% | 22 | 17 | 25 | 20 | 23 |
| 90% to 94% | 15 | 18 | 13 | 13 | 15 |
| 95% to 99% | 20 | 29 | 15 | 18 | 20 |
| 100%—Financed the entire purchase price with a mortgage | 14 | 19 | 12 | 13 | 15 |
| Median percent financed | 90% | 94% | 86% | 87% | 90% |

EXHIBIT 5-4**SOURCES OF DOWNPAYMENT, FIRST-TIME AND REPEAT BUYERS***(Percent of Respondents Among Those Who Made a Downpayment)*

| | All Buyers | BUYERS OF | |
|--|------------|-------------------|---------------|
| | | First-time Buyers | Repeat Buyers |
| Savings | 60% | 81% | 51% |
| Proceeds from sale of primary residence | 38 | 3 | 53 |
| Gift from relative or friend | 13 | 27 | 7 |
| 401k/pension fund including a loan | 8 | 8 | 8 |
| Sale of stocks or bonds | 8 | 8 | 7 |
| Inheritance | 5 | 5 | 4 |
| Individual Retirement Account (IRA) | 4 | 4 | 4 |
| Loan from relative or friend | 3 | 5 | 2 |
| Proceeds from sale of real estate other than primary residence | 2 | 1 | 3 |
| Equity from primary residence buyer continue to own | 2 | 1 | 3 |
| Loan or financial assistance from source other than employer | 1 | 2 | 1 |
| Loan from financial institution other than a mortgage | 1 | 1 | 1 |
| Other | 5 | 6 | 4 |

EXHIBIT 5-5

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 | 60% | 59% | 52% | 74% | 72% | 58% |
| Proceeds from sale of primary residence | 38 | 43 | 34 | 22 | 22 | 27 |
| Gift from relative or friend | 13 | 12 | 15 | 8 | 19 | 11 |
| 401k/pension fund including a loan | 8 | 7 | 6 | 9 | 9 | 18 |
| Sale of stocks or bonds | 8 | 7 | 6 | 9 | 10 | 14 |
| Inheritance | 5 | 4 | 4 | 6 | 5 | 11 |
| Individual Retirement Account (IRA) | 4 | 4 | 3 | 5 | 3 | 4 |
| Loan from relative or friend | 3 | 3 | 3 | 2 | 6 | 6 |
| Proceeds from sale of real estate other than primary residence | 2 | 2 | 3 | 2 | 1 | 7 |
| Equity from primary residence buyer continue to own | 2 | 2 | 1 | 3 | 1 | 7 |
| Loan or financial assistance from source other than employer | 1 | 1 | 2 | 1 | 2 | * |
| Loan from financial institution other than a mortgage | 1 | 1 | 1 | * | * | 5 |
| Loan or financial assistance through employer | * | * | * | 1 | * | * |
| Other | 5 | 4 | 7 | 3 | 4 | 6 |

* Less than 1 percent

EXHIBIT 5-6

LENGTH OF TIME TO SAVE FOR A DOWNPAYMENT, FIRST-TIME AND REPEAT BUYERS

(Percent of Respondents Among Those Who Made a Downpayment)

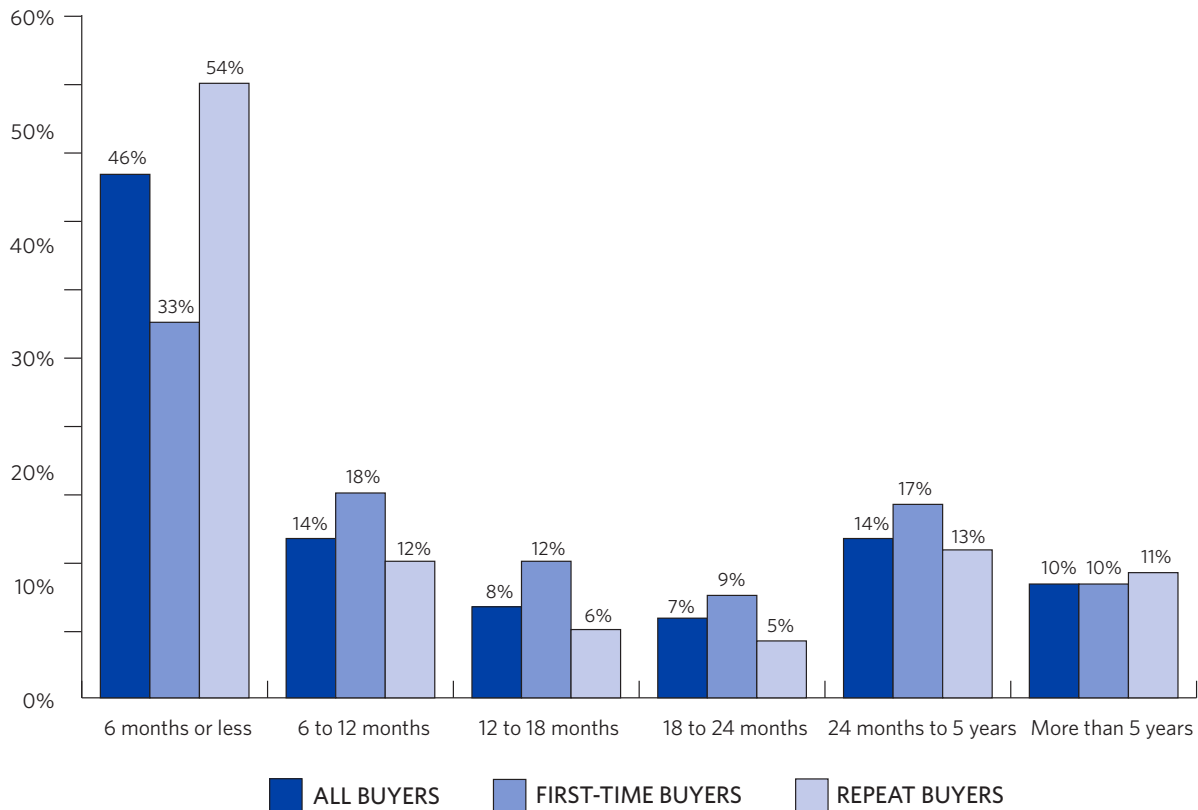
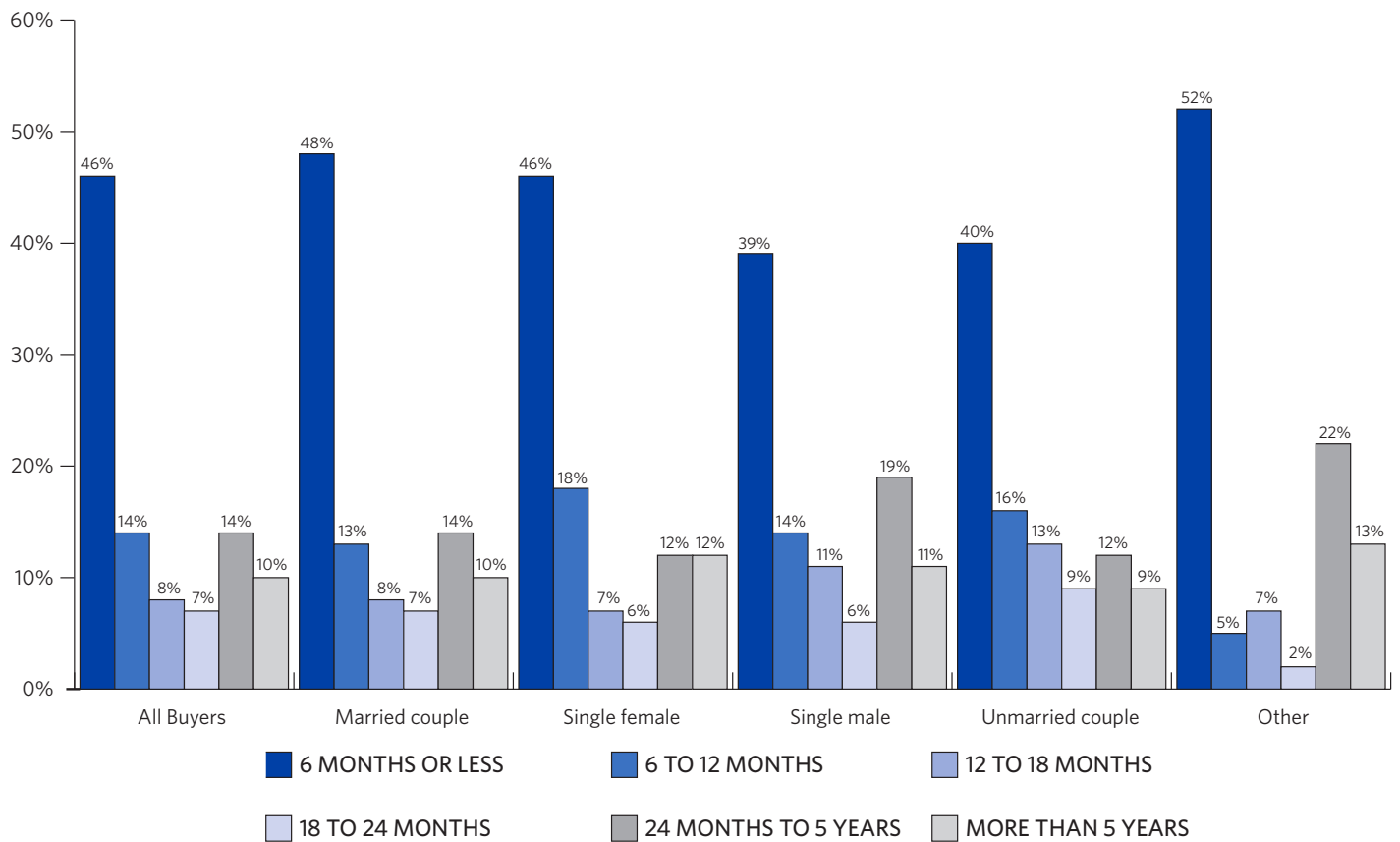


EXHIBIT 5-7**LENGTH OF TIME TO SAVE FOR A DOWNPAYMENT, BY ADULT COMPOSITION OF HOUSEHOLD***(Percent of Respondents Among Those Who Made a Downpayment)***EXHIBIT 5-8****YEARS DEBT DELAYED HOME BUYERS FROM SAVING FOR A DOWNPAYMENT OR BUYING A HOME***(Percentage Distribution)*

| | All Buyers | First-time Buyers | Repeat Buyers |
|---|------------|-------------------|---------------|
| One year | 16% | 17% | 15% |
| Two years | 19% | 21% | 17% |
| Three years | 14% | 13% | 15% |
| Four years | 7% | 8% | 7% |
| Five years | 20% | 19% | 19% |
| More than five years | 24% | 22% | 27% |
| Median Years Debt Delayed Home Purchase Among Those Who Had Difficulty Saving | 4 | 3 | 4 |

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 Down Payment Was Difficult)

| | All Buyers | First-time Buyers | Repeat Buyers |
|---|------------|-------------------|---------------|
| Share Saving for Downpayment was Most Difficult Task in Buying Process: | 13% | 25% | 7% |
| Debt that Delayed Saving: | | | |
| Student Loans | 51% | 58% | 36% |
| Credit card debt | 47 | 47 | 46 |
| Car loan | 35 | 37 | 30 |
| Child care expenses | 18 | 15 | 23 |
| Health care costs | 13 | 13 | 13 |
| Other | 17 | 11 | 29 |
| Median Years Debt Delayed Home Purchase Among Those Who Had Difficulty Saving | 3 | 3 | 3 |

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 Down Payment 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% | 10% | 14% | 23% | 15% |
| Debt that Delayed Saving: | | | | | | |
| Student Loans | 51% | 53% | 51% | 42% | 51% | 50% |
| Credit card debt | 47 | 47 | 56 | 40 | 40 | 63 |
| Car loan | 35 | 35 | 27 | 22 | 53 | 33 |
| Child care expenses | 18 | 20 | 11 | 8 | 8 | 56 |
| Health care costs | 13 | 14 | 11 | 13 | 7 | 27 |
| Other | 17 | 14 | 25 | 27 | 15 | 25 |
| Median Years Debt Delayed Home Purchase Among Those Who Had Difficulty Saving | 3 | 3 | 5 | 4 | 4 | 7 |

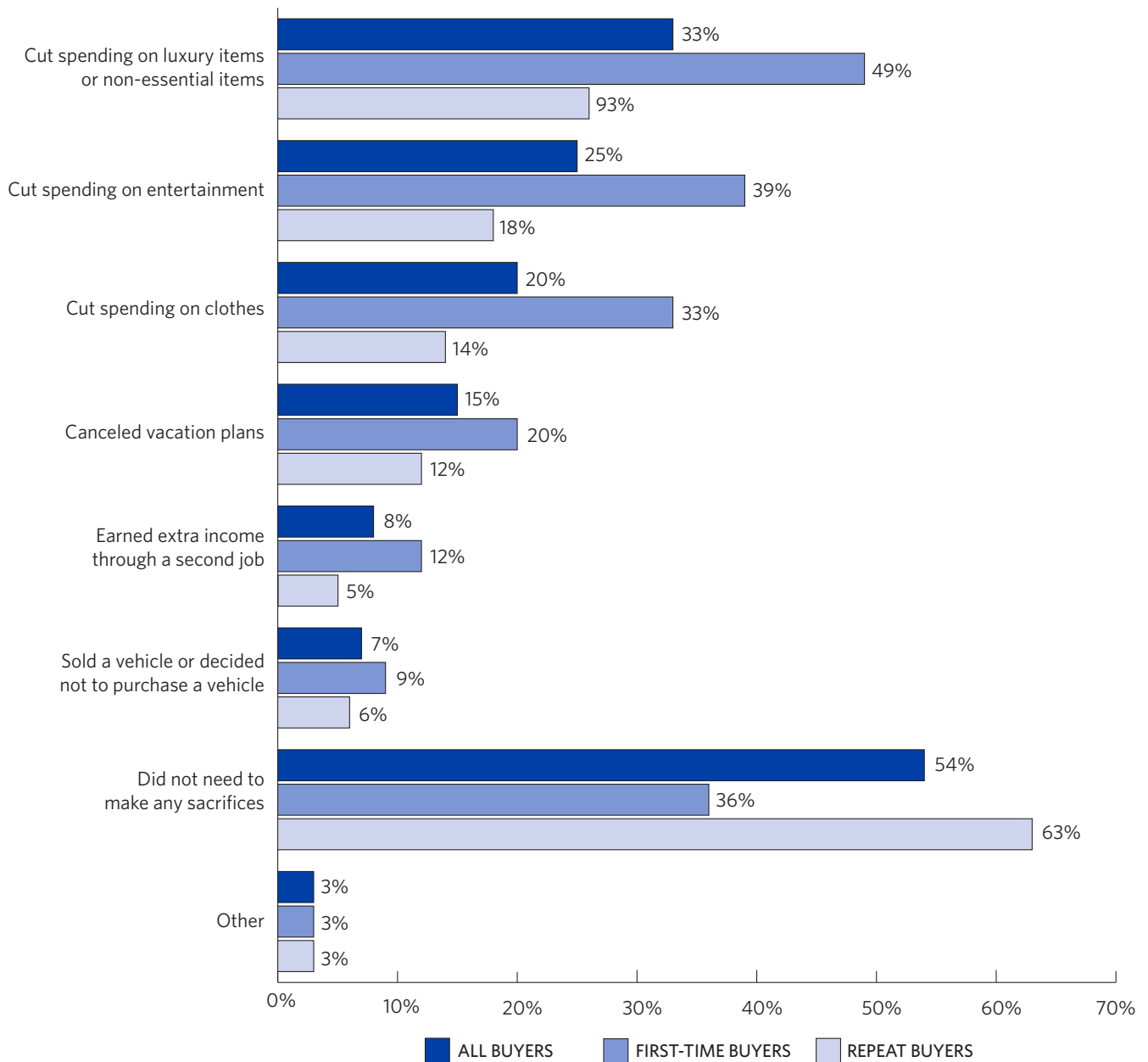
EXHIBIT 5-11 SACRIFICES MADE TO PURCHASE HOME, BY FIRST-TIME AND REPEAT BUYERS*(Percent of Respondents)*

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 items or non-essential items | 33% | 32% | 34% | 29% | 45% | 30% |
| Cut spending on entertainment | 25 | 23 | 28 | 26 | 36 | 31 |
| Cut spending on clothes | 20 | 18 | 27 | 17 | 28 | 25 |
| Canceled vacation plans | 15 | 14 | 13 | 16 | 21 | 15 |
| Earned extra income through a second job | 8 | 7 | 9 | 7 | 7 | 2 |
| Sold a vehicle or decided not to purchase a vehicle | 7 | 8 | 6 | 8 | 7 | 2 |
| Other | 3 | 3 | 3 | 3 | 4 | 8 |
| Did not need to make any sacrifices | 54 | 56 | 52 | 58 | 43 | 56 |

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)

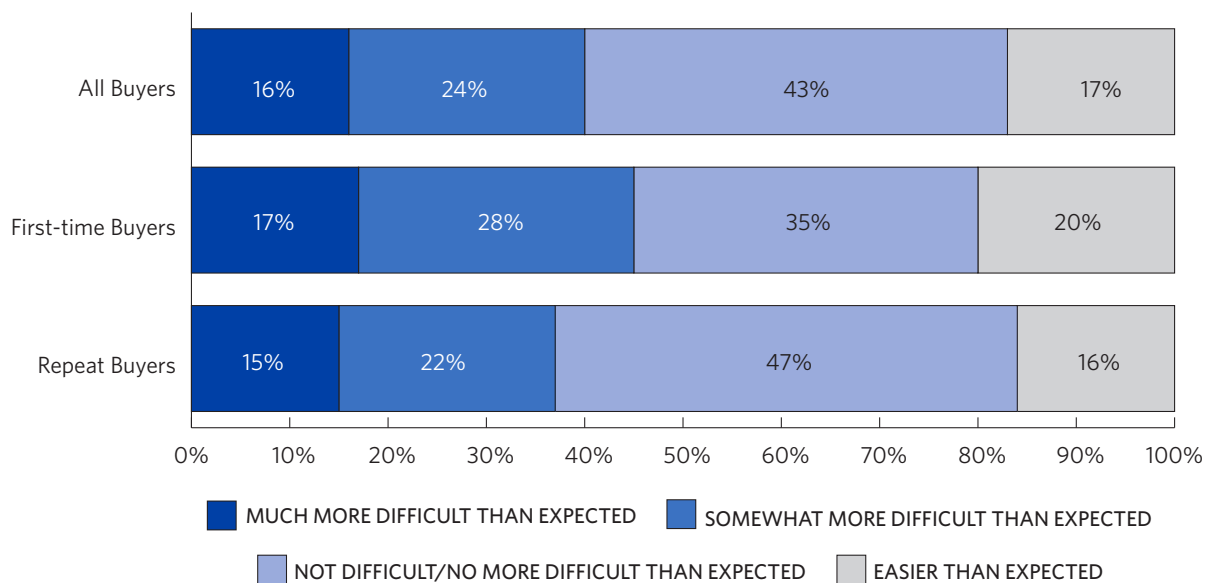


EXHIBIT 5-14 DIFFICULTY OF MORTGAGE APPLICATION AND APPROVAL PROCESS, BY ADULT COMPOSITION OF HOUSEHOLD

(Percentage Distribution Among Those Who Financed Their Home Purchase)

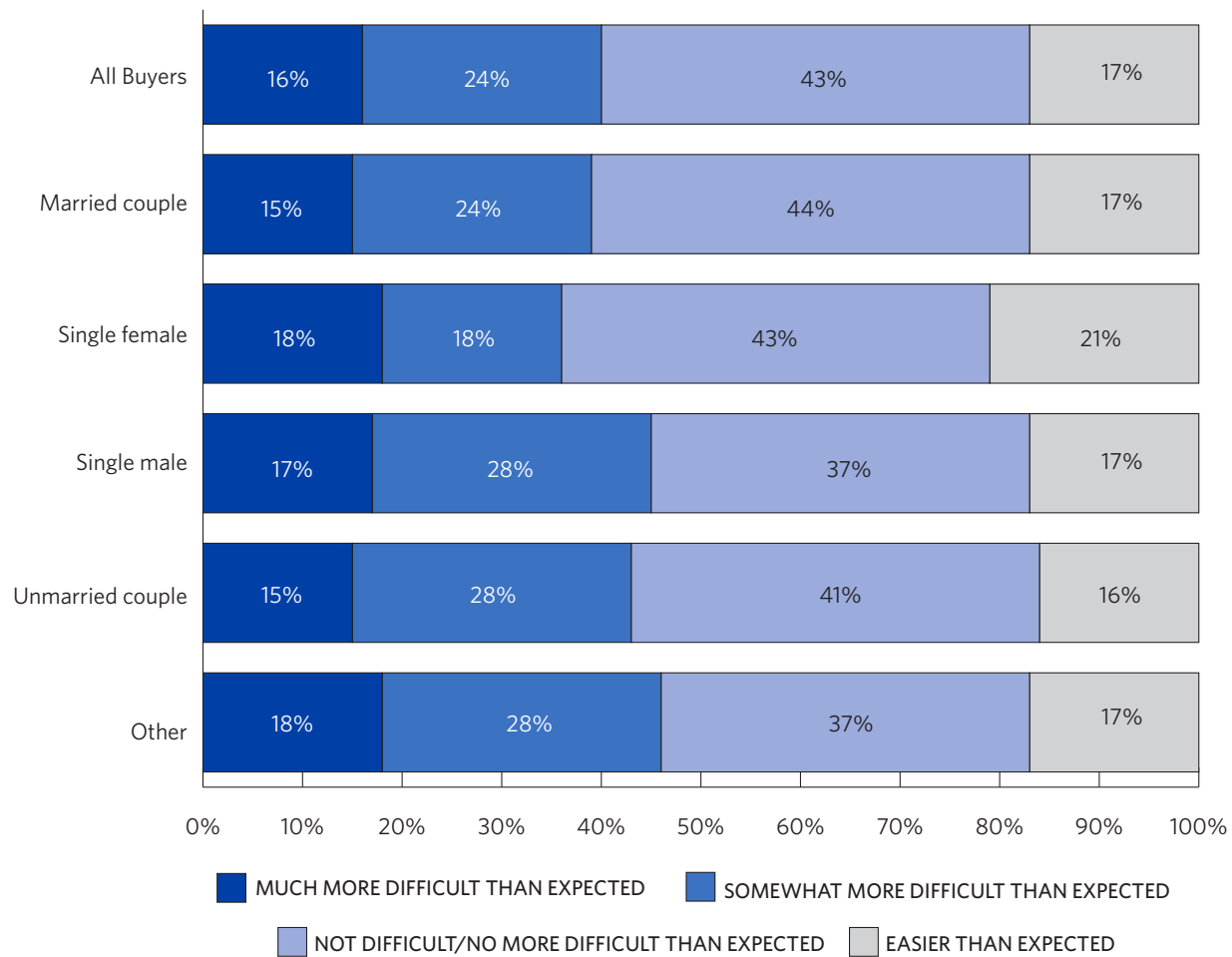


EXHIBIT 5-15 BUYERS WHO HAVE STUDENT LOAN DEBT

(Percentage Distribution)

| | All Buyers | First-time Buyers | Repeat Buyers |
|------------------------------------|------------|-------------------|---------------|
| Have student loan debt | 25% | 41% | 17% |
| Under \$10,000 | 21 | 21 | 22 |
| \$10,000 to \$24,999 | 28 | 28 | 29 |
| \$25,000 to \$49,999 | 22 | 21 | 23 |
| \$50,000 to \$74,999 | 13 | 12 | 13 |
| \$75,000 or more | 16 | 19 | 13 |
| Median amount of student loan debt | \$25,000 | \$25,000 | \$25,000 |

EXHIBIT 5-16 BUYER PREVIOUSLY SOLD A DISTRESSED PROPERTY (SHORT SALE OR FORECLOSURE)

(Percentage Distribution, Median)

All Buyers

| | |
|---|------|
| Previously had a distressed property sale | 9% |
| Median year of sale | 2010 |

EXHIBIT 5-17 TYPE OF MORTGAGE, FIRST-TIME AND REPEAT BUYERS

(Percentage Distribution Among Those Who Financed Their Home Purchase)

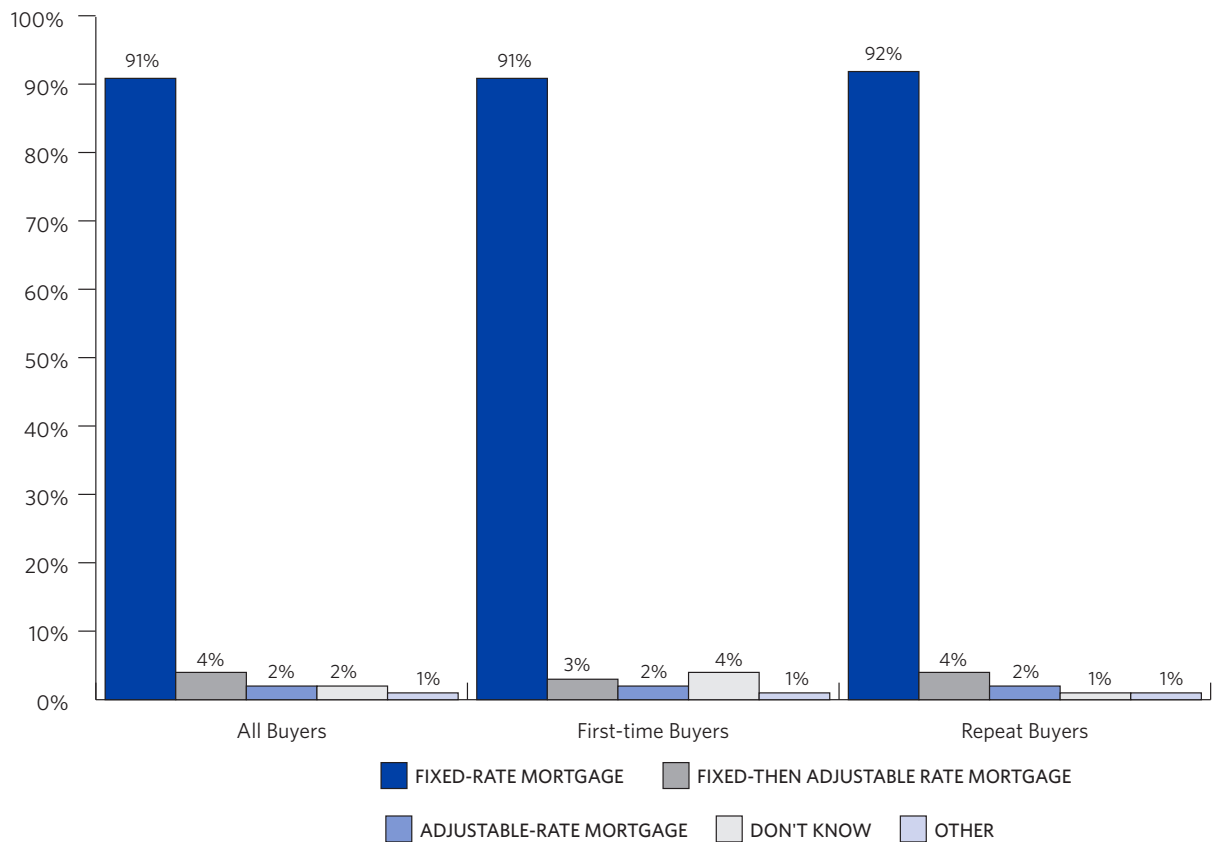
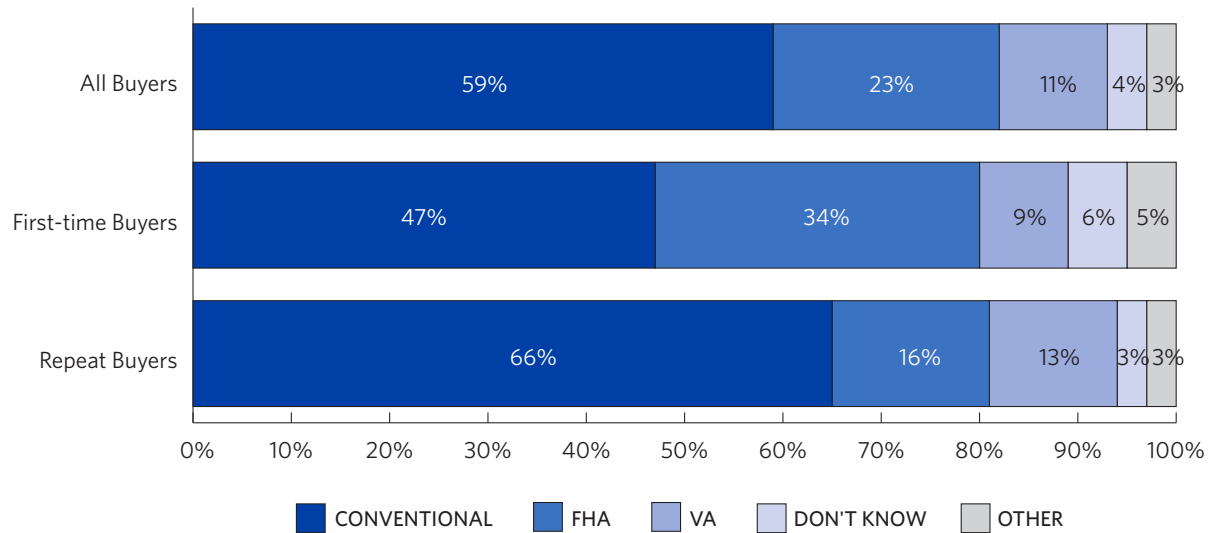


EXHIBIT 5-18 TYPE OF LOAN, FIRST-TIME AND REPEAT BUYERS*(Percentage Distribution Among Those Who Financed Their Home Purchase)***EXHIBIT 5-19 BUYERS' VIEW OF HOMES AS A FINANCIAL INVESTMENT, FIRST-TIME AND REPEAT BUYERS, AND BUYERS OF NEW AND PREVIOUSLY OWNED HOMES***(Percentage Distribution)*

| | BUYERS OF | | | | |
|---------------------------------|------------|-------------------|---------------|-----------|------------------------|
| | All Buyers | First-time Buyers | Repeat Buyers | New Homes | Previously Owned Homes |
| Good financial investment | 80% | 84% | 78% | 82% | 80% |
| Better than stocks | 43 | 48 | 40 | 42 | 43 |
| About as good as stocks | 25 | 25 | 26 | 25 | 26 |
| Not as good as stocks | 12 | 11 | 12 | 15 | 11 |
| Not a good financial investment | 6 | 3 | 7 | 6 | 6 |
| Don't know | 14 | 13 | 15 | 13 | 15 |

EXHIBIT 5-20 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 | 80% | 80% | 79% | 79% | 83% | 74% |
| Better than stocks | 43 | 42 | 47 | 42 | 44 | 50 |
| About as good as stocks | 25 | 26 | 23 | 25 | 28 | 18 |
| Not as good as stocks | 12 | 12 | 9 | 12 | 11 | 6 |
| Not a good financial investment | 6 | 6 | 6 | 5 | 5 | 6 |
| Don't know | 14 | 14 | 15 | 16 | 13 | 20 |

CHAPTER 6:

Home Sellers and Their Selling Experience

Tightened inventory continues to cause prices to increase in many areas of the country. While housing inventory is reduced in many areas, sellers see a favorable market where they receive a median of 98 percent of their asking price and sell their homes typically within four weeks.

Increased home prices have lowered the share of home sellers who report they delayed the sale of their home because their home was worth less than their mortgage. That share of sellers dropped from 17 percent in the 2014 report to 14 percent in the 2015 report. However, sellers who purchased their home eight to 10 years ago continue to report stalling their home sale at higher rates—29 percent of sellers reported delaying their home sale.

The typical seller had \$40,000 in equity in their home when their home sold in comparison to their purchase price of their home.

Home Seller Characteristics

Exhibits 6-1 through 6-6

The typical age of home sellers was 54 this year, the same as in 2013 but up from 46 in 2009. The median income in 2014 for the typical household was \$104,100, a jump from \$96,700. Incomes in the Northeast and South were typically higher than the Midwest and West.

Married couples selling their home jumped back up to 77 percent again this year after a slight dip last year at 74 percent, which has been the historical norm. From 2004 to 2010, the share of married couples selling their homes stayed between 71 and 75 percent. Single females who sold their home dropped two percent this year to 12 percent. Of all homes sold on the market, 65 percent did not have children under the age of 18 residing in the home.

For all sellers, 91 percent identified as white or Caucasian and 98 percent of households speak English as their primary language.

Home Selling Situation

Exhibits 6-7 and 6-8

For repeat buyers, a third (30 percent) sold their home in 2015, another third (36 percent) sold in 2014, and only six percent have not been able to sell yet. Seven percent, down from nine last year, do not plan to sell their home. Two-thirds (63 percent) were repeat sellers and the share of first-time home sellers was 37 percent.

Home Sold vs. Home Purchased

Exhibits 6-9 through 6-20

The majority of homes in the 2015 report were sold in the same state at 70 percent. Seventeen percent of home sellers moved to another region of the country and 13 percent remained in the same region but moved to a nearby state. Half of the homes sold (49 percent) were located in the suburbs or a subdivision. Forty percent of the homes sold this year were located in the South region of the United States.

Detached single-family homes saw the most turnover at eighty-two percent of all homes sold. Apartments or condos in multi-unit buildings sold at 14 percent in urban and city central areas.

Forty-two percent of sellers traded up and purchased a home that was larger in size than what they previously owned, 29 percent bought a home that was similar in size, and 31 percent traded down and purchased a home that was smaller in size. For buyers 65 years in age and older, they purchased a smaller home by 200 square feet. For Millennials 34 years and younger, they purchased a home 600 square feet larger. Buyers age 35 to 44 traded up the most, purchasing homes that were 700 feet larger in square feet. The typical home had three bedrooms and two bathrooms, the same as in the year prior.

Half of all sellers purchased a home that was newer in age than their previous home (54 percent). Those that purchased an older home jumped up from 22 percent last year to 27 percent this year. The share of sellers that purchased a home similar in size went down to 21 percent in this report. Forty-seven percent of sellers traded up to purchase a more expensive home than the home they just sold, 23 percent purchased a home similar in price, and 30 percent traded down for a less expensive home, which was similar to last year. Buyers who are 54 and younger typically bought a more expensive home than the one they just sold. Buyers aged 55 to 64 typically purchased a home that was about the same price, while most buyers over 65 typically bought a less expensive home.

For all sellers, the most commonly cited reason for selling their home was that it was too small (16 percent), followed by a job relocation (14 percent), and the desire to move closer to friends and family (13 percent). For sellers that moved the greatest distances, the primary reason was to relocate for a job. For sellers moving within 10 miles, the home was too small was the most common reason followed by a change in family situation, the home was too big, and the neighborhood became less desirable. For first-time sellers, 29 percent said their home was too small and repeat buyers wanted to be closer to friends and family (16 percent).

Seller Stalled Home Sale

■ Exhibits 6-21 and 6-22

Twelve percent of recent sellers stalled or delayed their home sale because their home was worth less than their mortgage, down from 17 percent in the year prior. Eighty-seven percent were able to sell when they wanted to, indicating a healthy housing market for sellers. Fourteen percent of first-time buyers stalled but lived in the home compared to only 11 percent for repeat buyers. Twenty-six percent of those who purchased their home eight to 10 years ago reported stalling or waiting to sell the home.

Tenure In Home

■ Exhibits 6-23 and 6-24

The median number of years a seller remained in their home was nine, down from 10 years in 2014. That number is still higher than reported in 2001 to 2008 where the tenure in the home was only six years. The highest tenure in a home was for cabins and cottages where sellers typically lived for 14 years. Owners of detached single-family homes, which account for the largest share of homes purchased, sold their homes typically after nine years. Millennial sellers had the shortest tenure in their homes—sellers aged 18 to 34 sold their home within five years, compared to those over 75 years of age who sold their home typically after 18 years.

Distance Moved

■ Exhibits 6-25 and 6-26

The purchasing habits of sellers lead them to buy close to where they previously lived, moving no further than 20 miles away. In the Northeast region, sellers typically moved within 15 miles. This trend varies with age, where younger sellers under the age of 34 only move within five miles. Sellers aged 35 to 54 moved under 10 miles. Sellers of 65 to 74 years moved 101 to 500 miles away 23 percent of the time.

Method of Sale

■ Exhibits 6-27 through 6-30

Eighty-nine percent of home sellers worked with a real estate agent to sell their home. FSBO was low at eight percent this year, which is lower than the historical norm. From 2001 to 2008 the share of FSBO sales ranged from 12 percent to 14 percent. Working with an agent was highest in the West at 93 percent and lowest in the Northeast at 86 percent, which stayed the same from last year. Inversely, FSBO sales were highest in the Northeast at 11 percent and lowest in the West at just six percent.

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 six percent reported that they knew the buyer of their home. Among those sellers that were assisted by an agent, just three percent knew the buyer. In contrast, 36 percent of FSBO sellers, down from 49, said they knew the buyer of their home before the transaction.

The typical age of home sellers was 54 this year, the same as in 2013 but up from 46 in 2009. The median income in 2014 for the typical household was \$104,100, a jump from \$96,700.

Sales Price And Time On The Market

- **Exhibits 6-31 through 6-35**

For recently sold homes, the final sales price was a median 98 percent of the final listing price, one percent higher than the year prior. That figure was the same under seller urgency. In the West, the median final sales price was as high as 99 percent of the listing price. For all sellers, time on market was a median of four weeks. In the Northeast, it was a median of six weeks, four weeks in the Midwest and the South, and just three weeks in the West. Time on the market and the ratio of sales price to listing price are highly correlated; 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. Homes that were on the market for 17 weeks or more typically received just 93 percent of the sale price compared to the listing price, which is the same as last year. Thirty-six percent of sellers reported that their home was on the market for two weeks or less, down from 39 percent.

Homes which are on the market longer tend to reduce their listing price. Eighty-nine percent of homes that were listed on the market for less than one week did not reduce their asking price. Homes that were listed for three to four weeks, 42 percent reduced their asking price overall and 32 percent of those reduced the asking price only once. For homes on the market for 17 weeks or more, only 13 percent were sold at the initial asking price, which is down from 17 percent the year before.

The median number of years a seller remained in their home was nine, down from 10 years in 2014. That number is still higher than reported in 2001 to 2008 where the tenure in the home was only six years.

Incentives To Prospective Buyers

- **Exhibits 6-36 and 6-37**

Thirty-seven percent of all sellers offered incentives to attract buyers. This varies by region where it was the most common in the South and Midwest and less likely in the Northeast and West. Home warranty policies followed by assistance with closing costs were the top two listed incentives when selling a home. As to 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, 55 percent offered some kind of incentive compared to only 15 percent of homes that were listed for less than one week.

Equity by Tenure

- **Exhibit 6-38**

This year, home sellers cited that they sold their homes for a median of \$40,000 more than they purchased it, up from \$30,100 the year prior. This accounts for a 23 percent price gain up from 17 percent the year before. Generally, the longer a seller is in the home the greater the increase attributable to price appreciation. Sellers who owned their homes for one to seven years, all reported selling their homes for roughly \$30-35,000 more than they purchased it. That number drops drastically to only \$3,000 between eight and 10 years, and then appreciates steadily. Homes sold after 21 years reported a price gain of \$138,000.

Satisfaction With Sales Process

- **Exhibit 6-39**

Sixty-one percent of sellers were 'very satisfied' with the selling process, up from 58 percent the year prior. Twenty-seven percent were somewhat satisfied, down from 30 percent the year before. Thirteen percent were dissatisfied with the process, which was the same in years past.

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 | 15% | 11% | 17% | 14% | 18% |
| 35 to 44 years | 17 | 19 | 23 | 18 | 17 |
| 45 to 54 years | 15 | 18 | 16 | 15 | 17 |
| 55 to 64 years | 20 | 24 | 21 | 22 | 20 |
| 65 to 74 years | 21 | 21 | 18 | 26 | 25 |
| 75 years or older | 5 | 7 | 6 | 6 | 4 |
| Median age (years) | 54 | 55 | 51 | 55 | 54 |

EXHIBIT 6-2 HOUSEHOLD INCOME OF HOME SELLERS, 2014

(Percentage Distribution)

| | SELLERS WHO SOLD A HOME IN THE | | | | |
|------------------------|--------------------------------|-----------|-----------|-----------|----------|
| | All Sellers | Northeast | Midwest | South | West |
| Less than \$25,000 | 2% | 2% | 2% | 3% | 2% |
| \$25,000 to \$34,999 | 4 | 3 | 5 | 3 | 4 |
| \$35,000 to \$44,999 | 5 | 3 | 5 | 5 | 6 |
| \$45,000 to \$54,999 | 6 | 7 | 6 | 5 | 6 |
| \$55,000 to \$64,999 | 6 | 4 | 5 | 6 | 8 |
| \$65,000 to \$74,999 | 8 | 7 | 10 | 6 | 9 |
| \$75,000 to \$84,999 | 8 | 8 | 9 | 7 | 9 |
| \$85,000 to \$99,999 | 10 | 12 | 10 | 10 | 9 |
| \$100,000 to \$124,999 | 18 | 18 | 17 | 17 | 19 |
| \$125,000 to \$149,999 | 12 | 12 | 12 | 13 | 11 |
| \$150,000 to \$174,999 | 7 | 6 | 6 | 9 | 4 |
| \$175,000 to \$199,999 | 4 | 4 | 2 | 5 | 4 |
| \$200,000 or more | 11 | 13 | 11 | 11 | 10 |
| Median income (2014) | \$104,100 | \$108,300 | \$100,000 | \$111,700 | \$98,300 |

EXHIBIT 6-3 ADULT COMPOSITION OF HOME SELLER HOUSEHOLDS

(Percentage Distribution)

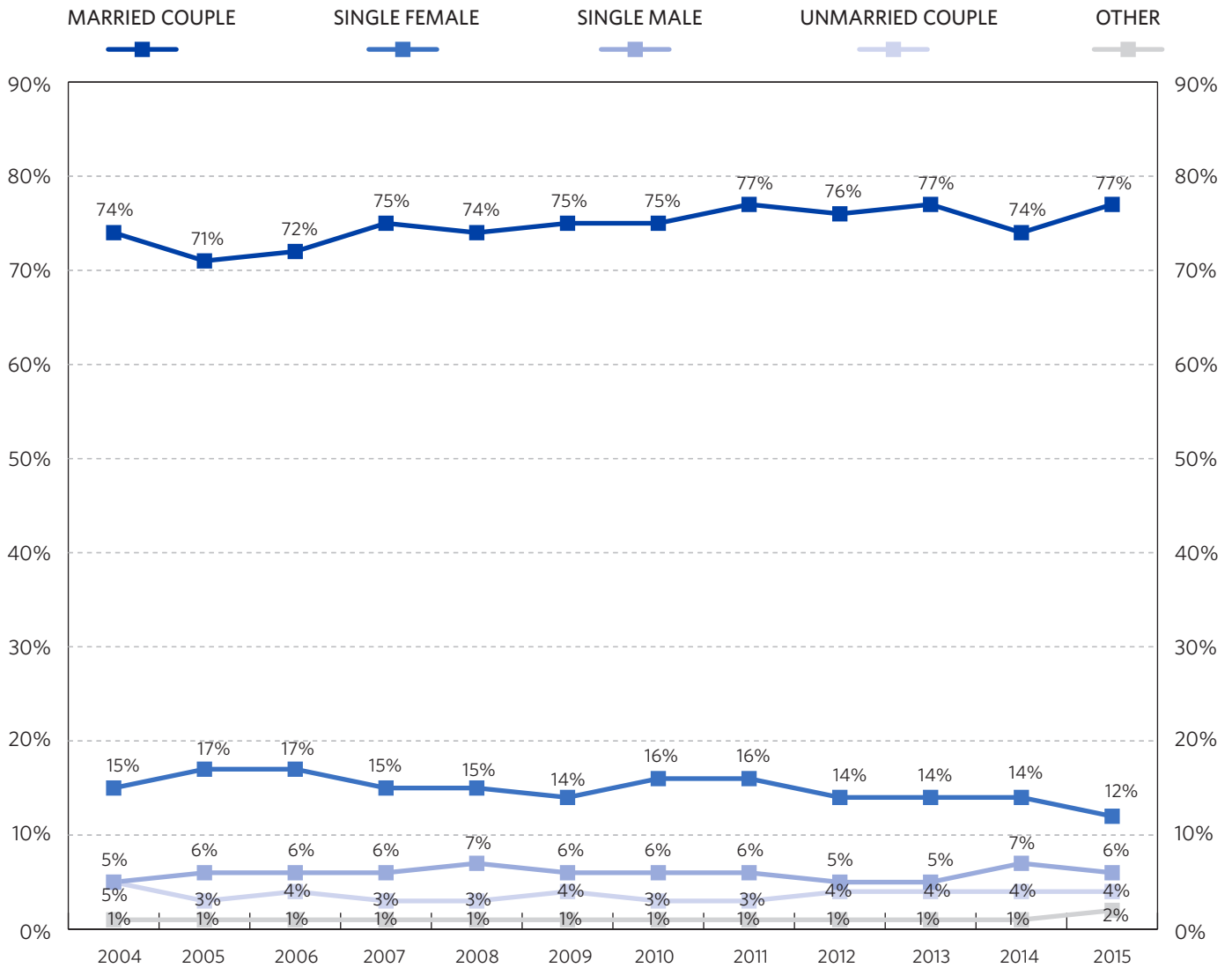


EXHIBIT 6-4 NUMBER OF CHILDREN UNDER THE AGE OF 18 RESIDING IN HOME SELLER HOUSEHOLD

(Percentage Distribution of Home Seller Households)

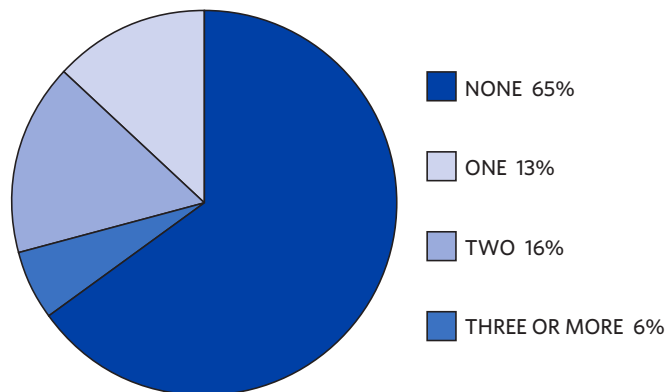


EXHIBIT 6-5 RACE/ETHNICITY OF HOME SELLERS, BY REGION

(Percent of Respondents)

| | All Sellers | SELLERS WHO SOLD A HOME IN THE | | | |
|--------------------------------------|-------------|--------------------------------|---------|-------|------|
| | | Northeast | Midwest | South | West |
| White/Caucasian | 91% | 93% | 95% | 91% | 86% |
| Asian/Pacific Islander | 3 | 2 | 2 | 2 | 7 |
| Hispanic/Latino/Mexican/Puerto Rican | 4 | 4 | 2 | 4 | 6 |
| Black/African-American | 2 | 1 | 2 | 3 | 1 |
| Other | 1 | * | 1 | 1 | 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.

* Less than 1 percent

EXHIBIT 6-6 PRIMARY LANGUAGE SPOKEN IN HOME SELLER HOUSEHOLD, BY REGION

(Percentage Distribution)

| | All Sellers | SELLERS WHO SOLD A HOME IN THE | | | |
|---------|-------------|--------------------------------|---------|-------|------|
| | | Northeast | Midwest | South | West |
| English | 98% | 99% | 99% | 99% | 97% |
| Other | 2 | 1 | 1 | 1 | 3 |

EXHIBIT 6-7 HOME SELLING SITUATION AMONG REPEAT BUYERS

(Percentage Distribution)

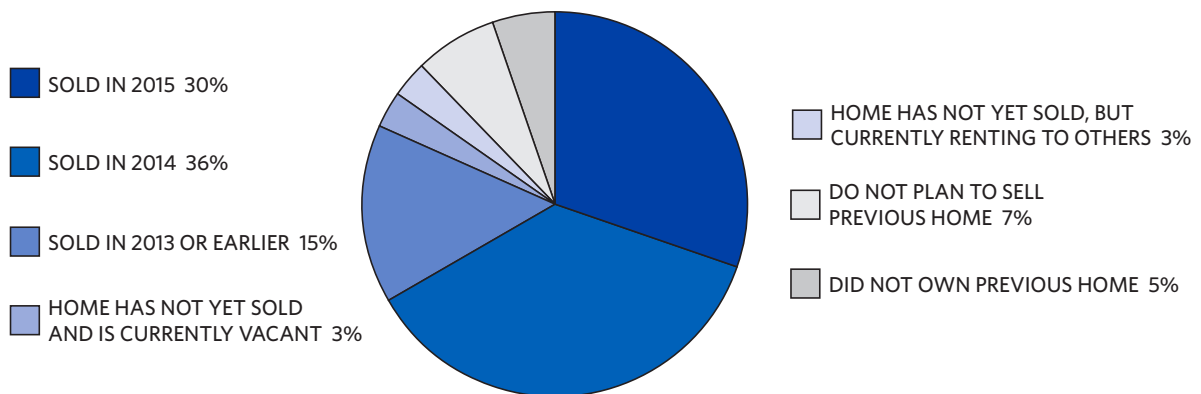
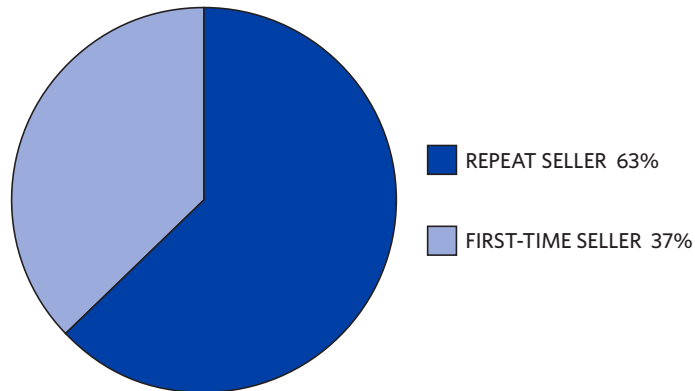


EXHIBIT 6-8 FIRST-TIME OR REPEAT SELLER*(Percentage Distribution)***EXHIBIT 6-9 HOMES SOLD AND FOR SALE, BY REGION***(Percentage Distribution)*

| | Home sold | Home has not yet sold and is currently vacant | Home has not yet sold, but currently renting to others |
|-----------|-----------|---|--|
| Northeast | 14% | 17% | 16% |
| Midwest | 22 | 27 | 19 |
| South | 40 | 47 | 44 |
| West | 24 | 10 | 22 |

EXHIBIT 6-10 LOCATION OF HOME SOLD*(Percentage Distribution)*

| | Home sold | Home has not yet sold and is currently vacant | Home has not yet sold, but currently renting to others |
|-------------------------|-----------|---|--|
| Suburb/Subdivision | 49% | 39% | 47% |
| Small town | 19 | 26 | 23 |
| Urban area/Central city | 16 | 16 | 9 |
| Rural area | 14 | 18 | 18 |
| Resort/Recreation area | 3 | 1 | 3 |

EXHIBIT 6-11 PROXIMITY OF HOME SOLD TO HOME PURCHASED

(Percentage Distribution)

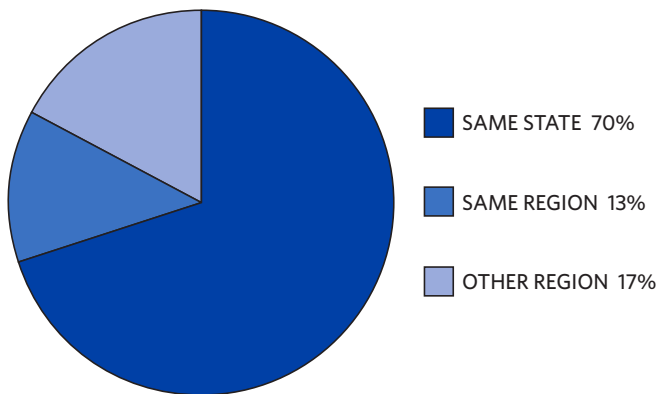


EXHIBIT 6-12 TYPE OF HOME SOLD, BY LOCATION

(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 | 82% | 86% | 83% | 70% | 81% | 58% |
| Townhouse/row house | 6 | 7 | 4 | 8 | 3 | 12 |
| Apartment/condo in a building with 5 or more units | 5 | 4 | 3 | 14 | 2 | 12 |
| Duplex/apartment/condo in 2 to 4 unit building | 2 | 1 | 3 | 4 | * | 3 |
| Other | 6 | 3 | 8 | 5 | 15 | 16 |

* Less than 1 percent

EXHIBIT 6-13 SIZE OF HOME PURCHASED COMPARED TO HOME RECENTLY SOLD

(Percentage Distribution)

SIZE OF HOME PURCHASED

| SIZE OF HOME SOLD | 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 | 1 |
| 1,501 to 2,000 sq ft | * | 2 | 6 | 6 | 5 | 4 |
| 2,001 to 2,500 sq ft | * | 2 | 5 | 8 | 5 | 6 |
| 2,501 to 3,000 sq ft | * | 1 | 3 | 6 | 4 | 4 |
| More than 3,000 sq ft | * | * | 2 | 6 | 4 | 9 |

* Less than 1 percent

42% Trading Up
 29% Remaining at the Same Size Range
 31% 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 | 1,900 | 2,600 | 700 |
| 45 to 54 years | 2,200 | 2,300 | 100 |
| 55 to 64 years | 2,000 | 2,000 | 0 |
| 65 to 74 years | 2,200 | 2,000 | -200 |
| 75 years or older | 2,000 | 1,800 | -200 |

EXHIBIT 6-15 NUMBER OF BEDROOMS AND BATHROOMS BY ADULT COMPOSITION OF HOUSEHOLD AND CHILDREN IN HOUSEHOLD

(Percentage Distribution)

| | All Sellers | ADULT COMPOSITION OF HOUSEHOLD | | | | | CHILDREN IN HOME | |
|---------------------------------|-------------|--------------------------------|---------------|-------------|------------------|-------|---------------------------|---------------------|
| | | Married couple | Single female | Single male | Unmarried couple | Other | Children under 18 in home | No children in home |
| One bedroom | 1% | 1% | 2% | 1% | * | * | * | 1% |
| Two bedrooms | 12 | 10 | 17 | 21 | 17 | 16 | 8 | 14 |
| Three bedrooms or more | 88 | 89 | 81 | 79 | 84 | 84 | 92 | 85 |
| Median number of bedrooms | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| One full bathroom | 13 | 12 | 17 | 15 | 18 | 11 | 14 | 13 |
| Two full bathrooms | 58 | 58 | 58 | 60 | 62 | 59 | 58 | 58 |
| Three full bathrooms or more | 29 | 30 | 25 | 25 | 20 | 30 | 28 | 29 |
| Median number of full bathrooms | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |

* Less than 1 percent

EXHIBIT 6-16 AGE OF HOME PURCHASED COMPARED TO HOME RECENTLY SOLD

(Percentage Distribution)

| YEAR HOME SOLD WAS BUILT | YEAR PURCHASED HOME WAS BUILT | | | | | | | |
|--------------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2014 | 2010 through 2013 | 2006 through 2009 | 2001 through 2005 | 1986 through 2000 | 1960 through 1985 | 1912 through 1959 | 1750 through 1911 |
| 2014 | * | * | * | * | * | * | * | * |
| 2010 through 2013 | 2 | 3 | * | * | 2 | 2 | * | * |
| 2006 through 2009 | 5 | * | 1 | 1 | 1 | 1 | * | * |
| 2001 through 2005 | 5 | 3 | 3 | 3 | 4 | 4 | 1 | * |
| 1986 through 2000 | 4 | 1 | 3 | 4 | 5 | 5 | 4 | * |
| 1960 through 1985 | 5 | 1 | 2 | 3 | 4 | 7 | 2 | * |
| 1912 through 1959 | 1 | * | * | 1 | 1 | 4 | 2 | * |
| 1750 through 1911 | * | * | * | * | 1 | * | 1 | * |

* Less than 1 percent

54% Purchased a Newer Home 21% Purchased a Home the Same Age 27% Purchased Older Home

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 | 2% | 2% | 2% | 1% | * | * | * | * | * |
| \$100,000 to \$149,999 | 1 | 3 | 4 | 3 | 2 | * | 1 | * | * |
| \$150,000 to \$199,999 | 1 | 2 | 3 | 4 | 3 | 2 | 1 | 1 | * |
| \$200,000 to \$249,999 | * | 1 | 3 | 3 | 3 | 1 | 2 | 1 | * |
| \$250,000 to \$299,999 | * | * | 2 | 1 | 2 | 2 | 2 | 2 | 1 |
| \$300,000 to \$349,999 | * | * | 1 | 4 | 1 | 1 | 1 | 1 | 1 |
| \$350,000 to \$399,999 | * | * | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| \$400,000 to \$499,999 | * | * | * | 1 | 1 | 1 | * | 1 | 2 |
| \$500,000 or more | * | * | * | 1 | 1 | 1 | 1 | 2 | 7 |

* Less than 1 percent

47% Trading Up 23% Remaining at the Same Price Range 30% 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 | \$190,000 | \$260,000 | \$70,000 |
| 35 to 44 years | \$233,000 | \$308,000 | \$75,000 |
| 45 to 54 years | \$265,000 | \$289,000 | \$24,000 |
| 55 to 64 years | \$250,000 | \$255,000 | \$5,000 |
| 65 to 74 years | \$278,000 | \$220,000 | -\$58,000 |
| 75 years or older | \$240,000 | \$207,000 | -\$33,000 |

EXHIBIT 6-19 PRIMARY REASON FOR SELLING PREVIOUS HOME, BY MILES MOVED*(Percentage Distribution)*

| | All Sellers | MILES MOVED | | | | | |
|--|-------------|------------------|----------------|----------------|-----------------|------------------|-------------------|
| | | 10 miles or less | 11 to 20 miles | 21 to 50 miles | 51 to 100 miles | 101 to 500 miles | 501 miles or more |
| Home is too small | 16% | 30% | 19% | 11% | 4% | 1% | 1% |
| Job relocation | 14 | 3 | 4 | 6 | 19 | 31 | 38 |
| Want to move closer to friends or family | 13 | 3 | 7 | 13 | 18 | 28 | 24 |
| Neighborhood has become less desirable | 10 | 13 | 17 | 19 | 4 | 1 | 3 |
| Change in family situation (e.g., marriage, birth of a child, divorce) | 10 | 15 | 11 | 10 | 4 | 5 | 4 |
| Home is too large | 9 | 14 | 11 | 7 | 8 | 2 | 2 |
| Moving due to retirement | 7 | 3 | 2 | 7 | 12 | 11 | 16 |
| Upkeep of home is too difficult due to health or financial limitations | 6 | 4 | 8 | 2 | 8 | 17 | 2 |
| Want to move closer to current job | 5 | 2 | 11 | 14 | 18 | 2 | 1 |
| Can not afford the mortgage and other expenses of owning home | 2 | 3 | 2 | 3 | 1 | 1 | 2 |
| To avoid possible foreclosure | * | * | * | * | * | * | * |
| Other | 8 | 11 | 7 | 7 | 4 | 1 | 7 |

* Less than 1 percent

EXHIBIT 6-20 PRIMARY REASON FOR SELLING PREVIOUS HOME, BY FIRST-TIME AND REPEAT SELLERS*(Percentage Distribution)*

| | All Sellers | First-time Seller | Repeat Seller |
|--|-------------|-------------------|---------------|
| Home is too small | 16% | 29% | 8% |
| Job relocation | 14 | 14 | 15 |
| Want to move closer to friends or family | 13 | 8 | 16 |
| Neighborhood has become less desirable | 10 | 13 | 8 |
| Change in family situation (e.g., marriage, birth of a child, divorce) | 10 | 10 | 10 |
| Home is too large | 9 | 4 | 11 |
| Moving due to retirement | 7 | 4 | 9 |
| Upkeep of home is too difficult due to health or financial limitations | 6 | 2 | 8 |
| Want to move closer to current job | 5 | 6 | 5 |
| Can not afford the mortgage and other expenses of owning home | 2 | 1 | 3 |
| To avoid possible foreclosure | * | * | * |
| Other | 8 | 8 | 8 |

* 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)

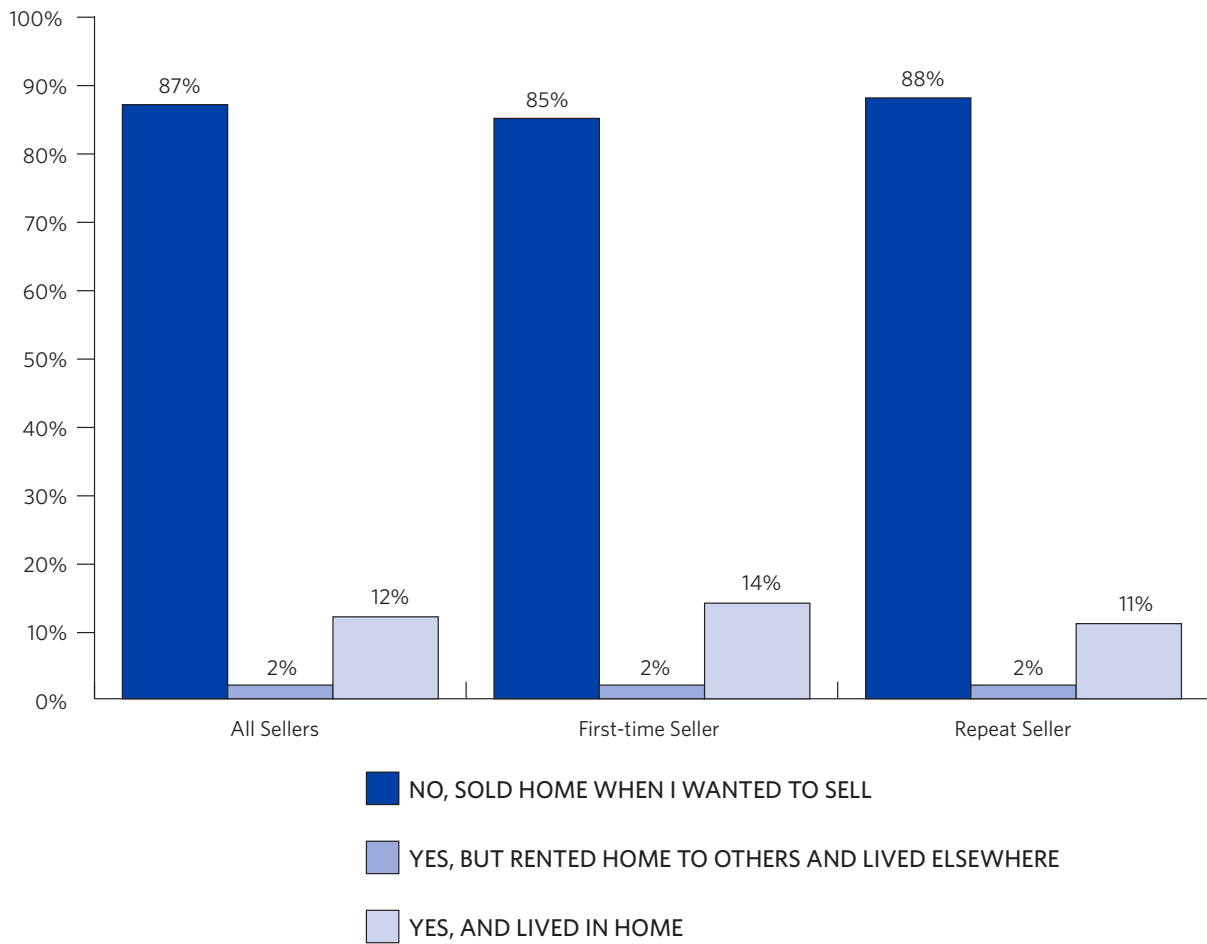


EXHIBIT 6-22 SELLER WANTED TO SELL EARLIER BUT WAITED OR STALLED BECAUSE HOME WAS WORTH LESS THAN MORTGAGE, BY TENURE IN HOME

(Percentage Distribution)

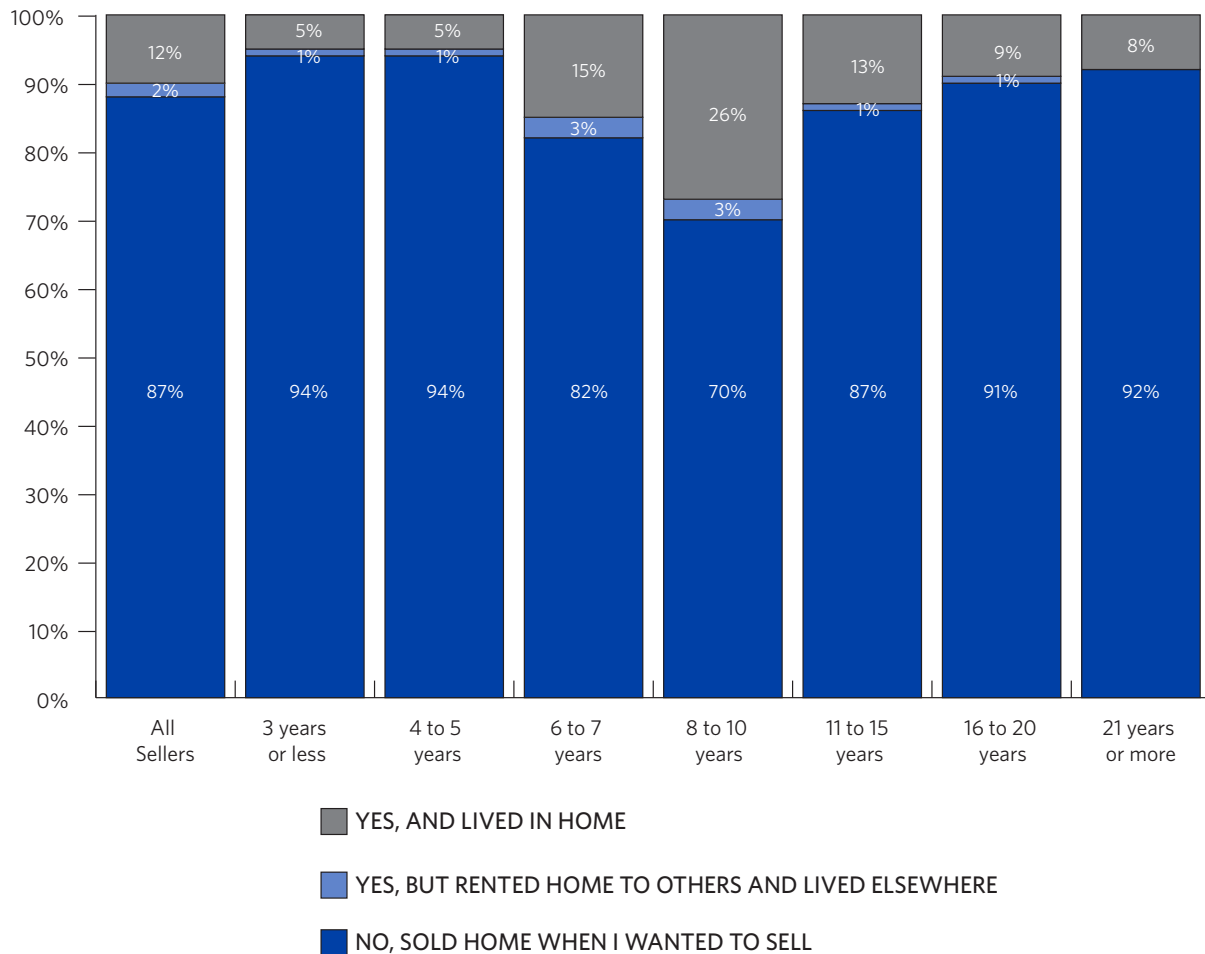


EXHIBIT 6-23 TENURE IN PREVIOUS HOME

(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 | 4% | * | * | 6% | 1% | 4% | 1% | 8% |
| 2 to 3 years | 10 | 5 | 23 | 11 | 17 | 9 | 13 | 3 |
| 4 to 5 years | 13 | 10 | 18 | 22 | 11 | 13 | 9 | 6 |
| 6 to 7 years | 14 | 10 | 23 | 16 | 20 | 14 | 10 | 5 |
| 8 to 10 years | 15 | 19 | 13 | 20 | 20 | 15 | 13 | 16 |
| 11 to 15 years | 19 | 19 | 20 | 16 | 22 | 19 | 27 | 11 |
| 16 to 20 years | 9 | 10 | * | 1 | 8 | 10 | 17 | 11 |
| 21 years or more | 16 | 29 | 5 | 9 | 3 | 17 | 10 | 40 |
| Median | 9 | 14 | 6 | 7 | 8 | 9 | 12 | 16 |

* 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 | 4% | 3% | 5% | 3% | 3% | 4% | 4% |
| 2 to 3 years | 10 | 17 | 9 | 11 | 8 | 7 | 8 |
| 4 to 5 years | 13 | 36 | 17 | 11 | 6 | 5 | 4 |
| 6 to 7 years | 14 | 27 | 17 | 13 | 10 | 13 | 7 |
| 8 to 10 years | 15 | 12 | 26 | 18 | 11 | 13 | 13 |
| 11 to 15 years | 19 | 4 | 21 | 24 | 23 | 22 | 9 |
| 16 to 20 years | 9 | N/A | 3 | 13 | 16 | 9 | 9 |
| 21 years or more | 16 | N/A | 1 | 8 | 23 | 28 | 47 |
| Median | 9 | 5 | 8 | 9 | 13 | 12 | 18 |

N/A- Not Applicable

EXHIBIT 6-25 DISTANCE BETWEEN HOME PURCHASED AND HOME RECENTLY SOLD, BY REGION

(Median Miles)

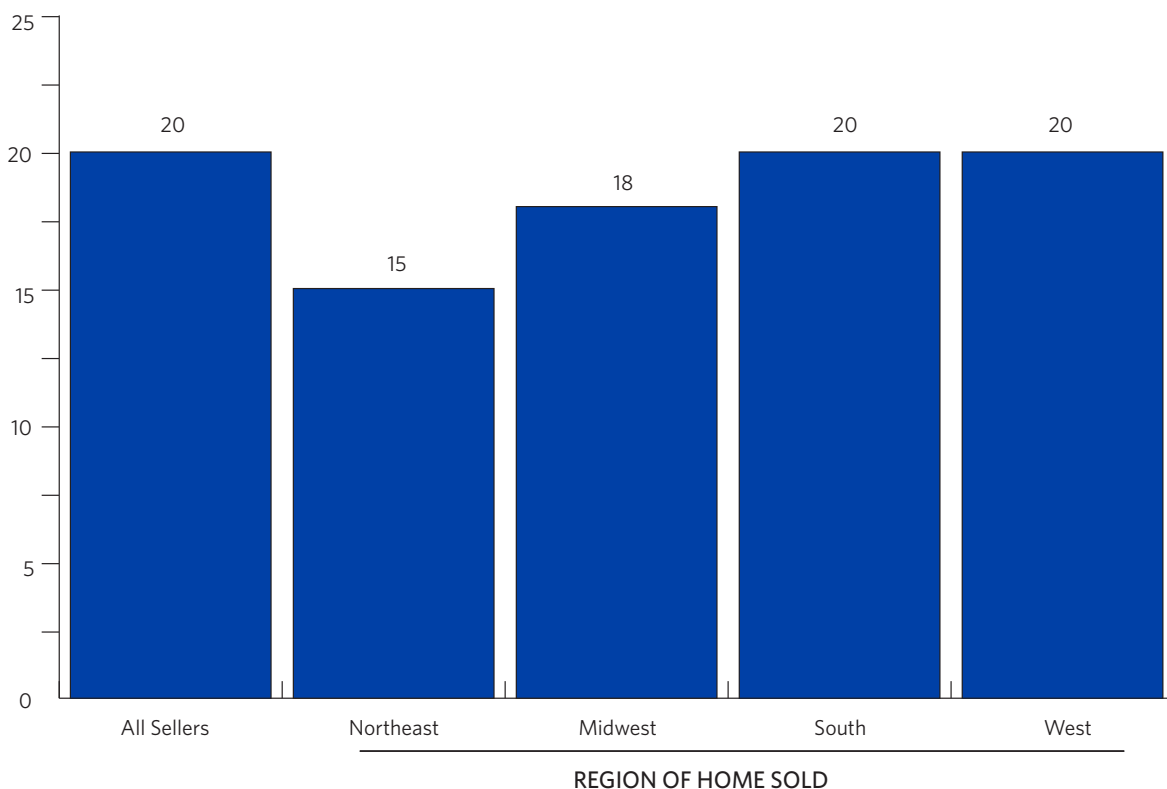


EXHIBIT 6-26 DISTANCE BETWEEN HOME PURCHASED AND HOME RECENTLY SOLD, BY AGE*(Percentage Distribution)*

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 | 30% | 32% | 34% | 25% | 22% | 16% | 22% |
| 6 to 10 miles | 17 | 15 | 15 | 17 | 12 | 10 | 10 |
| 11 to 15 miles | 9 | 9 | 8 | 10 | 11 | 8 | 6 |
| 16 to 20 miles | 7 | 10 | 6 | 5 | 6 | 4 | 6 |
| 21 to 50 miles | 12 | 13 | 12 | 10 | 9 | 10 | 7 |
| 51 to 100 miles | 4 | 3 | 2 | 4 | 7 | 6 | 8 |
| 101 to 500 miles | 9 | 7 | 10 | 11 | 12 | 23 | 12 |
| 501 to 1,000 miles | 5 | 6 | 4 | 10 | 8 | 10 | 13 |
| 1,001 miles or more | 8 | 5 | 9 | 10 | 14 | 13 | 16 |
| Median (miles) | 20 | 13 | 12 | 15 | 20 | 60 | 35 |

EXHIBIT 6-27 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 | 89% | 86% | 87% | 88% | 93% |
| Seller used agent/broker only | 85 | 85 | 86 | 87 | 92 |
| Seller first tried to sell it themselves, but then used an agent | 4 | 1 | 1 | 1 | 1 |
| For-sale-by-owner (FSBO) | 8 | 11 | 9 | 8 | 6 |
| Seller sold home without using a real estate agent or broker | 7 | 10 | 8 | 7 | 5 |
| First listed with an agent, but then sold home themselves | 1 | 1 | 1 | 1 | 1 |
| Sold home to a homebuying company | 1 | * | 1 | 1 | * |
| Other | 2 | 2 | 2 | 2 | 1 |

* Less than 1 percent

EXHIBIT 6-28 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 | 89% | 86% | 92% | 87% |
| Seller used agent/broker only | 85 | 85 | 91 | 86 |
| Seller first tried to sell it themselves, but then used an agent | 4 | 1 | 1 | 1 |
| For-sale-by-owner (FSBO) | 8 | 7 | 7 | 11 |
| Seller sold home without using a real estate agent or broker | 7 | 6 | 6 | 10 |
| First listed with an agent, but then sold home themselves | 1 | 1 | 1 | 1 |
| Sold home to a homebuying company | 1 | 2 | * | * |
| Other | 2 | 4 | 1 | 2 |

* Less than 1 percent

EXHIBIT 6-29 METHOD OF SALE, BY BUYER AND SELLER RELATIONSHIP

(Percentage Distribution)

| Buyer and Seller Relationship | Seller Knew Buyer | Seller did not Know Buyer |
|--|-------------------|---------------------------|
| All sellers | 6% | 94% |
| Sold home using an agent or broker | 3 | 97 |
| Seller used agent/broker only | 3 | 97 |
| Seller first tried to sell it themselves, but then used an agent | 4 | 96 |
| For-sale-by-owner (FSBO) | 36 | 64 |
| Sold home without using a real estate agent or broker | 36 | 64 |
| First listed with an agent, but then sold home themselves | 35 | 65 |
| Other | 51 | 49 |

EXHIBIT 6-30 METHOD USED TO SELL HOME, 2001-2015

(Percentage Distribution)

| | 2001 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|------------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Sold home using an agent or broker | 79% | 83% | 82% | 85% | 84% | 85% | 84% | 85% | 88% | 87% | 88% | 88% | 88% | 89% |
| For-sale-by-owner (FSBO) | 13 | 14 | 14 | 13 | 12 | 12 | 13 | 11 | 9 | 9 | 9 | 9 | 9 | 8 |
| Sold to home buying company | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Other | 7 | 3 | 3 | 2 | 3 | 2 | 2 | 3 | 3 | 3 | 2 | 2 | 2 | 2 |

EXHIBIT 6-31 SALES PRICE COMPARED WITH LISTING PRICE, BY REGION

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

| | All Sellers | SELLERS WHO SOLD A HOME IN THE | | | |
|--|-------------|--------------------------------|---------|-------|------|
| | | Northeast | Midwest | South | West |
| Less than 90% | 9% | 13% | 11% | 9% | 6% |
| 90% to 94% | 15 | 20 | 14 | 15 | 13 |
| 95% to 99% | 41 | 36 | 46 | 41 | 37 |
| 100% | 24 | 22 | 21 | 27 | 23 |
| 101% to 110% | 8 | 7 | 5 | 6 | 15 |
| More than 110% | 3 | 2 | 3 | 2 | 7 |
| Median (sales price as a percent of listing price) | 98% | 97% | 97% | 98% | 99% |

EXHIBIT 6-32 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% | 9% | 13% | 10% | 6% |
| 90% to 94% | 15 | 16 | 15 | 15 |
| 95% to 99% | 41 | 31 | 42 | 43 |
| 100% | 24 | 23 | 24 | 25 |
| 101% to 110% | 8 | 11 | 7 | 9 |
| More than 110% | 3 | 6 | 3 | 2 |
| Median (sales price as a percent of listing price) | 98% | 97% | 98% | 98% |

EXHIBIT 6-33 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 | 6% | 5% | 7% | 6% | 5% |
| 1 to 2 weeks | 36 | 32 | 36 | 33 | 43 |
| 3 to 4 weeks | 12 | 12 | 11 | 12 | 13 |
| 5 to 6 weeks | 6 | 6 | 7 | 6 | 5 |
| 7 to 8 weeks | 7 | 6 | 7 | 8 | 5 |
| 9 to 10 weeks | 5 | 4 | 3 | 5 | 5 |
| 11 to 12 weeks | 7 | 5 | 6 | 6 | 8 |
| 13 to 16 weeks | 4 | 6 | 6 | 4 | 3 |
| 17 to 24 weeks | 6 | 5 | 6 | 6 | 4 |
| 25 to 36 weeks | 5 | 7 | 4 | 5 | 4 |
| 37 to 52 weeks | 5 | 10 | 5 | 4 | 3 |
| 53 or more weeks | 3 | 5 | 2 | 4 | 1 |
| Median weeks | 4 | 6 | 4 | 4 | 3 |

EXHIBIT 6-34 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% | 9% | 4% | 1% | 5% | 8% | 11% | 28% |
| 90% to 94% | 15 | 3 | 5 | 15 | 16 | 23 | 31 |
| 95% to 99% | 41 | 24 | 33 | 55 | 56 | 54 | 30 |
| 100% | 24 | 50 | 39 | 20 | 17 | 9 | 7 |
| 101% to 110% | 8 | 9 | 17 | 5 | 2 | 2 | 2 |
| More than 110% | 3 | 10 | 5 | 1 | 1 | 2 | 1 |
| Median (sales price as a percent of listing price) | 98% | 100% | 100% | 97% | 97% | 96% | 93% |

EXHIBIT 6-35 NUMBER OF TIMES ASKING PRICE WAS REDUCED, BY NUMBER OF WEEKS HOME WAS ON THE MARKET

(Percentage Distribution)

| | All Sellers | SELLERS WHOSE HOME WAS ON THE MARKET FOR | | | | | |
|---------------------------------------|-------------|--|--------------|--------------|--------------|---------------|------------------|
| | | 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 | 57% | 89% | 88% | 58% | 46% | 29% | 13% |
| One | 22 | 10 | 11 | 32 | 31 | 41 | 20 |
| Two | 12 | 1 | 1 | 9 | 16 | 19 | 30 |
| Three | 6 | * | * | 1 | 6 | 9 | 20 |
| Four or more | 4 | * | * | * | 1 | 3 | 16 |

* Less than 1 percent

EXHIBIT 6-36 INCENTIVES OFFERED TO ATTRACT BUYERS, BY REGION

(Percent of Respondents)

| | All Sellers | SELLERS WHO SOLD A HOME IN THE | | | |
|---|-------------|--------------------------------|---------|-------|------|
| | | Northeast | Midwest | South | West |
| None | 63% | 69% | 64% | 59% | 68% |
| Home warranty policies | 21 | 7 | 23 | 26 | 20 |
| Assistance with closing costs | 16 | 16 | 14 | 18 | 13 |
| Credit toward remodeling or repairs | 7 | 7 | 5 | 7 | 8 |
| Other incentives, such as a car, flat screen TV, etc. | 4 | 4 | 4 | 4 | 4 |
| Assistance with condo association fees | 1 | 1 | 1 | * | 1 |
| Other | 3 | 5 | 2 | 3 | 3 |

* Less than 1 percent

EXHIBIT 6-37 INCENTIVES OFFERED TO ATTRACT BUYERS, BY NUMBER OF WEEKS HOME WAS ON THE MARKET

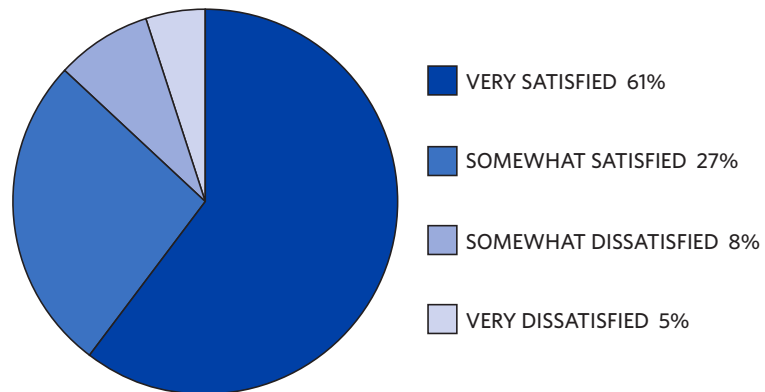
(Percent of Respondents)

| | All Sellers | SELLERS WHOSE HOME WAS ON THE MARKET FOR | | | | | |
|---|-------------|--|--------------|--------------|--------------|---------------|------------------|
| | | 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 | 63% | 85% | 70% | 67% | 62% | 60% | 45% |
| Home warranty policies | 21 | 9 | 20 | 19 | 17 | 21 | 31 |
| Assistance with closing costs | 16 | 5 | 9 | 16 | 18 | 19 | 29 |
| Credit toward remodeling or repairs | 7 | 4 | 3 | 7 | 7 | 9 | 13 |
| Other incentives, such as a car, flat screen TV, etc. | 4 | * | 2 | 4 | 4 | 6 | 8 |
| Assistance with condo association fees | 1 | * | 1 | * | * | * | 1 |
| Other | 3 | 1 | 2 | 3 | 2 | 3 | 7 |

* Less than 1 percent

EXHIBIT 6-38 EQUITY EARNED IN HOME RECENTLY SOLD, BY TENURE IN HOME*(Median)*

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

EXHIBIT 6-39 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 is still paramount. Personal relationships and connections remain the most important feature of the agent-buyer/seller bond. Real estate agents are most commonly referred by a friend, neighbor, or relative. Sellers place a high importance on the reputation of the agent when looking to hire and trustworthiness and honesty are at the top of the list.

Sellers want their agents to perform five tasks when selling their home. Sellers place high priority on the following: marketing the home to potential buyers, selling the home within a specific timeframe, finding a buyer for the home, pricing the home competitively, and helping fix the home to sell better.

Client referrals and repeat business are the predominant sources of business for real estate agents. Most sellers—84 percent—said that they would definitely (67 percent) or probably (17 percent) recommend their agent for future services.

Finding a Real Estate Agent

▪ Exhibits 7-1 through 7-4

Sixty-six percent of recent home sellers used a referral from a friend or family member or used the same real estate agent they had worked with in the past to purchase their second home, which is up from 60 percent last year. Among 50 percent of sellers, they used the same agent to both sell their home and purchase another home. That number jumps to 81 percent for all sellers within 20 miles of their home purchase. If the seller moved out of state or to another region, they typically found a new agent.

Roughly half of first-time sellers worked with an agent that was referred to them by a friend or family to sell their home (47 percent). For repeat buyers, many used an agent they previously worked with (26 percent). Sellers that moved more than 50 miles away increasingly rely on agent referrals from someone they know.

Seven in 10 recent sellers contacted only one agent before finding the right agent they worked with to sell their home, the same as last year.

The typical seller has recommended their agent once since selling their home. Thirty-two percent of sellers recommended their agent three or more times since selling their home.

Home Listed on Multiple Listing Service and Level of Service

▪ Exhibits 7-5 and 7-6

Consistent with last year, 91 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. Seventy-nine percent of sellers reported that their agents provided the lion's share of these services, which is the same as in the year prior. Nine percent of sellers note that their agent only provided a limited set of services and 12 percent said their agent listed the home on a MLS but performed few other services. All are consistent with last year's report.

What Sellers Want Most and Level of Service

▪ Exhibits 7-7 and 7-8

Sellers place high priority on the following five tasks: market the home to potential buyers (21 percent), sell the home within a specific timeframe (21 percent), find a buyer for home (17 percent), price the home competitively (16 percent), and help fix the home to sell better (14 percent).

The reputation of the real estate agent was by far the most important factor when sellers selected an agent to sell their home (34 percent). Sellers also place value on the agent's trustworthiness and honesty (18 percent), if the agent is a friend or family member (16 percent), and knowledge of the neighborhood at (15 percent).

Methods Used to Market the Home

■ Exhibit 7-9

Real estate agents list homes on MLSs first and foremost (89 percent). They also create yard signs (69 percent), list the home on their website (51 percent), host an open house (51 percent), list on Realtor.com (50 percent), and list on their company's website (43 percent). Real estate agents also list homes on social media (12 percent), which is up from nine percent last year.

Sellers place high priority on the following five tasks: market the home to potential buyers (21 percent), sell the home within a specific timeframe (21 percent), find a buyer for home (17 percent), price the home competitively (16 percent), and help fix the home to sell better (14 percent).

Agent's Performance and Compensation

■ Exhibits 7-10 through 7-13

Agents receive their compensation predominantly from sellers at 76 percent, only slightly lower than the previous year at 78 percent. Of that compensation, 72 percent of sellers pay a percent of the sales price. Only a small fraction pay a flat fee (3 percent), and only 10 percent of overall compensation is paid by both the buyer and seller. Seven percent of buyers reported paying as the only means of compensation.

The real estate agent most often initiated the discussion of compensation (46 percent), which is consistent with the year before. The client initiated the discussion and the agent negotiated 20 percent of the time, which was down from 28 percent. In 16 percent of cases, the client did not know that commissions and fees could be negotiated, which was also down from 26 percent.

Client referrals and repeat business are the predominant sources of business for real estate agents. Most sellers — 84 percent — said that they would definitely (67 percent) or probably (17 percent) recommend their agent for future services. Sellers that moved less than 10 miles away were generally (87 percent) inclined to recommend their agent. That figure decreases the further in distance a seller moves. For sellers that moved more than 500 miles, they reported recommending their agent 60 percent of the time. The typical seller has recommended their agent once since selling their home. Thirty-two percent of sellers recommended their agent three or more times since selling their home.

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 | 42% | 47% | 39% |
| Used agent previously to buy or sell a home | 24 | 20 | 26 |
| Internet website (without a specific reference) | 4 | 6 | 4 |
| Personal contact by agent (telephone, email, etc.) | 4 | 3 | 5 |
| Referred by another real estate or broker | 4 | 4 | 4 |
| Visited an open house and met agent | 3 | 3 | 3 |
| Saw contact information on For Sale/Open House sign | 3 | 4 | 2 |
| Referred through employer or relocation company | 3 | 3 | 3 |
| Direct mail (newsletter, flyer, postcard, etc.) | 1 | 2 | 1 |
| Walked into or called office and agent was on duty | 1 | 1 | 1 |
| Newspaper, Yellow pages or home book ad | 1 | * | 1 |
| Advertising specialty (calendar, magnet, etc.) | 1 | 1 | 1 |
| Crowdsourcing through social media/knew the person through social media | * | * | * |
| Saw the person's social media page without a connection | * | * | * |
| Other | 9 | 7 | 10 |

* 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 | 42% | 45% | 43% | 36% | 43% | 49% | 37% |
| Used agent previously to buy or sell a home | 24 | 27 | 21 | 26 | 17 | 18 | 21 |
| Internet website (without a specific reference) | 4 | 4 | 8 | 6 | 6 | 2 | 3 |
| Personal contact by agent (telephone, email, etc.) | 4 | 3 | 3 | 7 | 6 | 2 | 7 |
| Referred by another real estate or broker | 4 | 2 | 3 | 6 | 3 | 6 | 4 |
| Visited an open house and met agent | 3 | 4 | 3 | 2 | * | 1 | 1 |
| Saw contact information on For Sale/Open House sign | 3 | 2 | 5 | 4 | * | 4 | 2 |
| Referred through employer or relocation company | 3 | * | 1 | 1 | 3 | 7 | 9 |
| Direct mail (newsletter, flyer, postcard, etc.) | 1 | 1 | * | 2 | 3 | 1 | 2 |
| Walked into or called office and agent was on duty | 1 | 1 | 1 | * | 4 | 1 | 1 |
| Newspaper, Yellow pages or home book ad | 1 | * | 1 | * | * | 2 | 2 |
| Advertising specialty (calendar, magnet, etc.) | 1 | * | 2 | * | 5 | * | 1 |
| Crowdsourcing through social media/knew the person through social media | * | * | * | * | 1 | * | * |
| Saw the person's social media page without a connection | * | * | * | * | * | * | * |
| Other | 9 | 10 | 8 | 10 | 10 | 7 | 9 |

* Less than 1 percent

EXHIBIT 7-3 NUMBER OF AGENTS CONTACTED BEFORE SELECTING ONE TO ASSIST WITH SALE OF HOME

(Percentage Distribution)

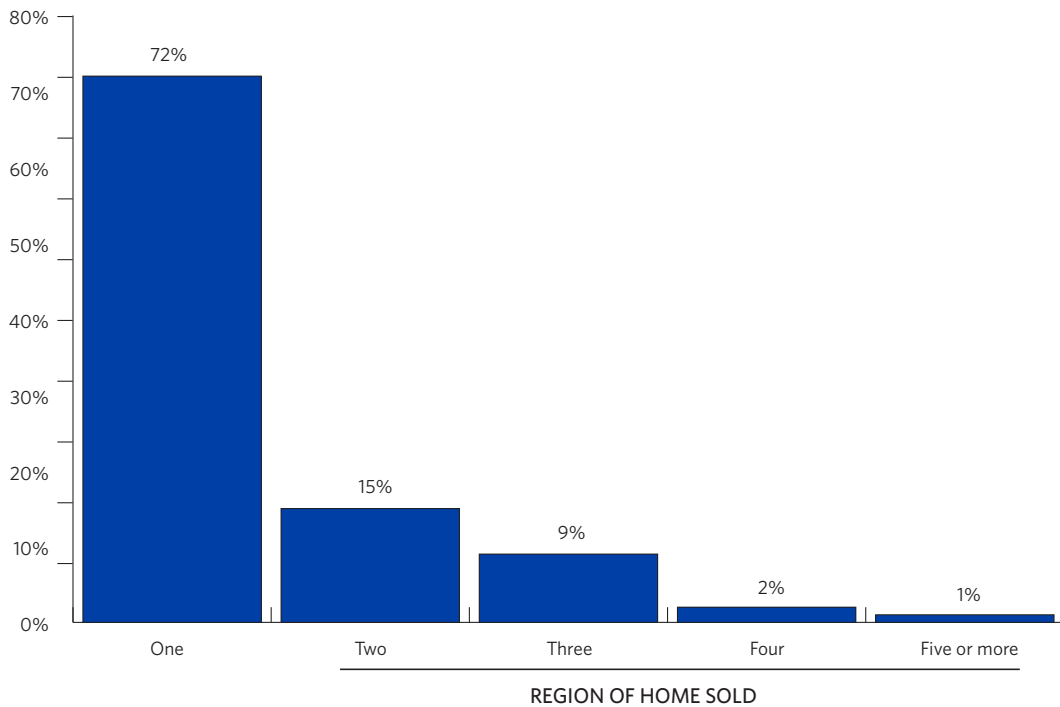


EXHIBIT 7-4 SELLER USED SAME REAL ESTATE AGENT FOR THEIR HOME PURCHASE, BY MILES MOVED

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

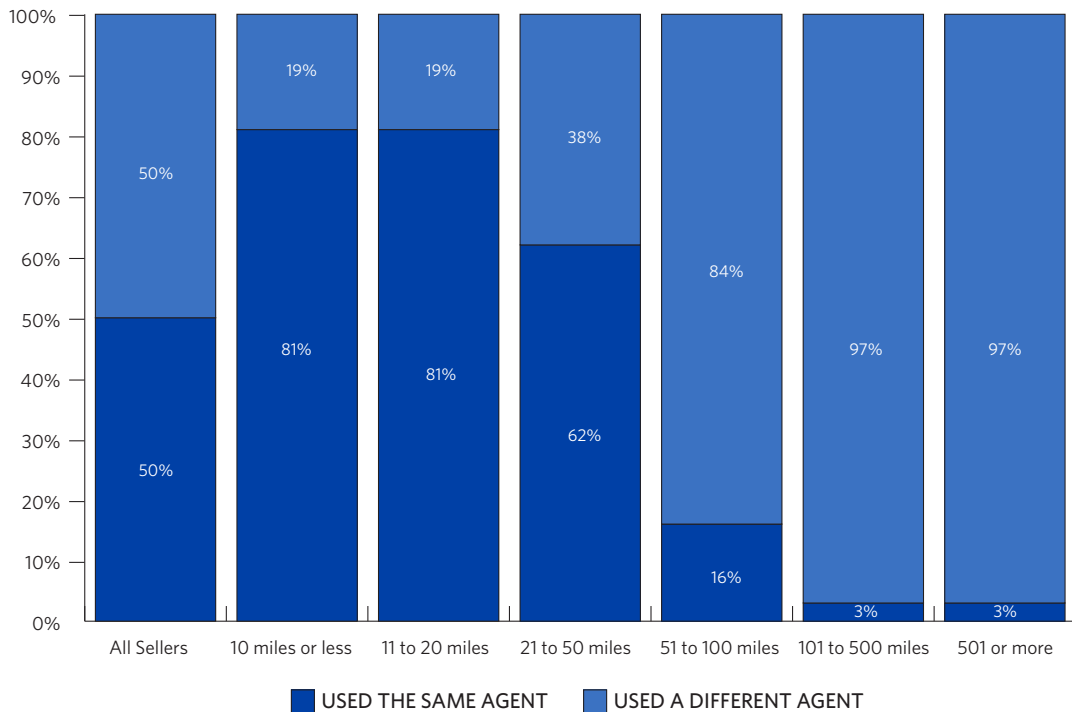
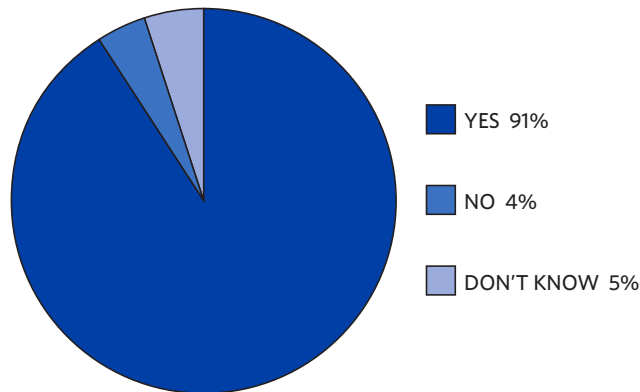
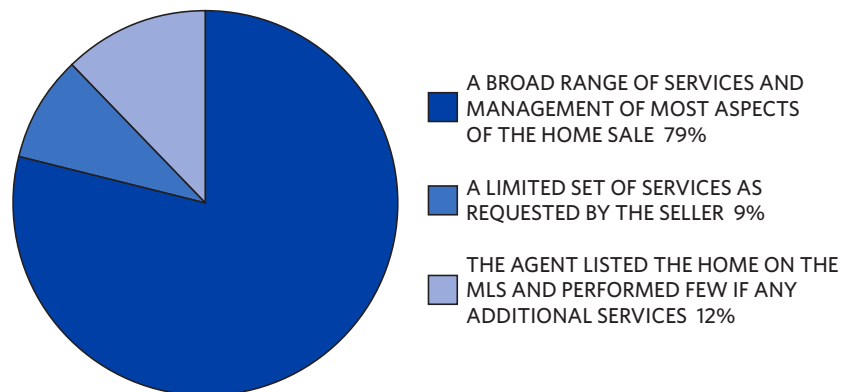


EXHIBIT 7-5**HOME LISTED ON MULTIPLE LISTING SERVICE***(Percentage Distribution)***EXHIBIT 7-6****LEVEL OF SERVICE PROVIDED BY THE REAL ESTATE AGENT***(Percentage Distribution)***EXHIBIT 7-7****WHAT SELLERS MOST WANT FROM REAL ESTATE AGENTS, BY LEVEL OF SERVICE PROVIDED BY THE AGENT***(Percentage Distribution)*

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 seller market home to potential buyers | 21% | 20% | 19% | 27% |
| Help sell the home within specific timeframe | 21 | 21 | 23 | 17 |
| Help find a buyer for home | 17 | 18 | 17 | 16 |
| Help price home competitively | 16 | 16 | 24 | 14 |
| Help seller find ways to fix up home to sell it for more | 14 | 16 | 9 | 10 |
| Help with negotiation and dealing with buyers | 5 | 5 | 5 | 7 |
| Help with paperwork/inspections/preparing for settlement | 3 | 3 | 1 | 3 |
| Help seller see homes available to purchase | 2 | 2 | 2 | 3 |
| Help create and post videos to provide tour of my home | * | * | * | 1 |
| Other | 1 | 1 | 1 | 2 |

* Less than 1 percent

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)

| | All Sellers | LEVEL OF SERVICE SOUGHT FROM THE AGENT BY THE SELLER | | |
|--|-------------|---|--|---|
| | | 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 | 34% | 35% | 29% | 29% |
| Agent is honest and trustworthy | 18 | 19 | 17 | 13 |
| Agent is friend or family member | 16 | 16 | 16 | 10 |
| Agent's knowledge of the neighborhood | 15 | 15 | 18 | 13 |
| Agent has caring personality/good listener | 4 | 4 | 3 | 3 |
| Agent's association with a particular firm | 4 | 3 | 6 | 8 |
| Agent's commission | 4 | 3 | 3 | 7 |
| Agent seems 100% accessible because of use of technology like tablet or smartphone | 2 | 2 | 1 | 6 |
| Professional designations held by agent | 2 | 2 | 3 | 2 |
| Other | 3 | 2 | 5 | 9 |

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 | 89% |
| Yard sign | 69 |
| Real estate agent website | 51 |
| Open house | 51 |
| Realtor.com | 50 |
| Real estate company website | 43 |
| Third party aggregators | 40 |
| Social networking websites | 12 |
| Print newspaper advertisement | 11 |
| Direct mail (flyers, postcards, etc.) | 10 |
| Video | 9 |
| Newspaper website | 9 |
| Real estate magazine | 9 |
| Other websites with real estate listings | 6 |
| Online Classified Ads | 6 |
| Real estate magazine website | 6 |
| | 2 |
| Television | 1 |
| Other | 3 |

EXHIBIT 7-10 HOW REAL ESTATE AGENT WAS COMPENSATED

(Percentage Distribution)

| | |
|--------------------------|-----|
| Paid by seller | 76% |
| Percent of sales price | 72 |
| Flat fee | 3 |
| Per task fee | * |
| Other | * |
| Don't Know | 1 |
| Paid by buyer and seller | 10 |
| Paid by buyer only | 7 |
| Other | 4 |
| Don't Know | 3 |

* Less than 1 percent

EXHIBIT 7-11 NEGOTIATING THE COMMISSION RATE OR FEE WITH THE REAL ESTATE AGENT

(Percentage Distribution)

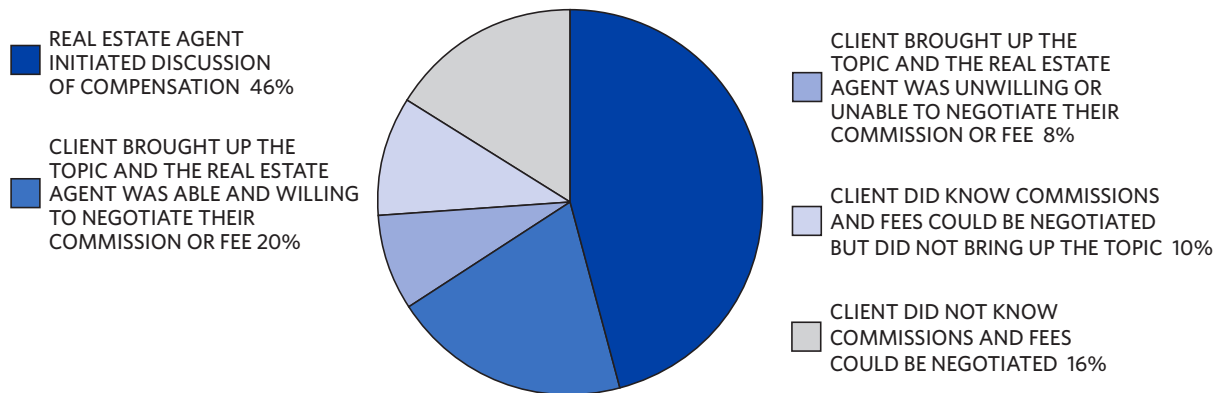


EXHIBIT 7-12 WOULD SELLER USE REAL ESTATE AGENT AGAIN OR RECOMMEND TO OTHERS

(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 | 67% | 69% | 67% | 67% | 68% | 71% | 60% |
| Probably | 17 | 18 | 19 | 13 | 12 | 14 | 20 |
| Probably Not | 7 | 6 | 6 | 9 | 8 | 11 | 9 |
| Definitely Not | 7 | 6 | 8 | 9 | 11 | 4 | 9 |
| Don't Know/ Not Sure | 1 | 1 | 1 | 2 | 2 | * | 2 |

* Less than 1 percent

EXHIBIT 7-13 HOW MANY TIMES SELLER RECOMMENDED AGENT

(Percentage Distribution)

| | All Sellers |
|---|-------------|
| None | 38% |
| One time | 13 |
| Two times | 17 |
| Three times | 12 |
| Four or more times | 20 |
| Times recommended since buying (median) | 1 |

CHAPTER 8:

For-Sale-By-Owner (FSBO) Sellers

For-Sale-By-Owners (FSBOs) accounted for eight percent of total home sales in the 2015 report, down from nine percent the last three years. This is the lowest share since the Profile of Home Buyers and Sellers data collection began. Thirty-eight percent of FSBO sellers knew the buyers for their homes and 62 percent did not know the buyer.

FSBO sellers that knew the buyer predominantly sold to a friend, relative, or neighbor. FSBOs typically sell for less than the selling price of other homes. For FSBO sellers, those who know the buyer tend to be younger and 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 one to less than a week and sellers received 99 percent of the asking price.

FSBO and Agent Assisted Sales, By Location and Over Time

■ Exhibits 8-1 and 8-2

Eighty-nine percent of sellers sold with the assistance of a real estate agent, up slightly from 88 percent the last three years, and only eight percent (down from nine percent) were FSBO sales. The share is the lowest since this data collection started in 1981. In 2004, FSBO sales accounted as much as 14 percent of sales but have steadily decreased over time. This year, only three percent of buyers knew the sellers compared to four percent in the last two years. In five percent of all FSBOs, the buyer and seller had no previous relationship.

Characteristics of Sellers and Homes Sold

■ Exhibit 8-3 through 8-6

The median age for FSBO sellers is 56 years. Seventy-four percent of FSBO sales were by married couples that have a median income of \$84,000. For FSBO sellers, those who knew the buyer tend to be younger and have lower median household incomes compared to those who did not know the buyer. Twenty-four percent of single females reported they knew the buyer, higher than any other demographic group, whereas only nine percent did not know the buyer.

A majority of all homes sold were detached single-family homes at 81 percent. FSBO homes are also predominantly detached single-family homes at 75 percent, yet also are more likely to be mobile or manufactured homes at 10 percent compared to only two percent of agent-assisted sales. Among agent-assisted sales, 82 percent of all homes sold are detached single-family homes, which is consistent with last year. Thirty-eight percent of FSBO sales where the buyer knew the seller were located in rural areas compared to only 13 percent of agent-assisted sales in rural locations. 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 \$210,000 last year (up from \$208,700 the year prior), yet lower than the median of all homes at \$245,000. Agent-assisted homes sold for a median of \$249,000. Both FSBOs and agent-assisted sales typically received 98 percent of their asking price, whereas FSBOs received 99 percent of the asking price when the seller knew the buyer. Sellers who began as a FSBO, then ended up working with an agent, only received 93 percent of the asking price.

The Selling Process for FSBO Sales

■ Exhibits 8-7 through 8-10

FSBO sellers price their homes using a number of different sources to determine the asking price. For FSBO sellers who knew their buyers, the most common ways they priced their homes were comparisons to recent home sales in their area (25 percent), agent presentation where seller did not use the agent (22 percent), and online evaluation tools (19 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 (65 percent), the profit seller needed from sale (20 percent), and to cover what was owed on the home (14 percent).

FSBO homes sold more quickly on the market than agent-assisted homes. All FSBO homes typically sold in less than two weeks. For sellers that knew the buyer, their homes sold in less than a week (28 percent). The median number of weeks FSBOs were on the market was three. Agent-assisted homes generally sold in less than two weeks as well, but the median number of weeks on the market was four. For sellers that started as FSBO and then were agent-assisted, the median number of weeks on the market was 10.

FSBO sellers who did not know the buyer were more likely to not need to sell urgently. FSBO sellers who knew the buyer and those who first listed as a FSBO then used an agent were most likely to need to sell their home at least somewhat urgently. It was not common for FSBOs to use incentives to sell their homes (86 percent of all FSBOs did not offer any incentives). Ninety-three percent of sellers who knew the buyer used no incentives. Agent-assisted sellers offered home warranty policies (23 percent) and assistance with closing costs (17 percent) to help sell their homes.

Reasons of FSBOs, Marketing, and Sellers Experience

■ Exhibits 8-11 through 8-16

For FSBO sellers that knew the buyer, 53 percent sold to a relative, friend, or neighbor and 28 percent did not want to pay a commission or fee. For FSBO sellers that did not know the buyer, 59 percent did not want to pay a commission or fee, and 23 percent of buyers contacted the sellers directly.

Of all sellers, 87 percent sold when they wanted to list on the market. Sellers that started as FSBOs and then received assistance from an agent were the most likely to want to sell but were delayed because their home was worth less than the mortgage, so these sellers rented their home while living elsewhere. Only 13 percent of FSBOs were delayed in selling their home compared to 13 percent of agent-assisted sellers.

Yard signs, word of mouth to friends and family, and third party aggregator were the most common marketing methods for FSBOs. When FSBO sellers knew the buyer, 46 percent did not market their home. Selling within a specific timeframe and understanding the paperwork were the most difficult steps in selling for FSBO sellers.

For FSBO sellers who knew the buyer, 28 percent said they will use an agent to sell their home. Of FSBO sellers who did not know the buyer, 37 percent said they will sell their current home themselves. Seven in ten successful FSBO sellers were satisfied with the process of selling their home.

Eighty-nine percent of sellers sold with the assistance of a real estate agent, up slightly from 88 percent the last three years, and only eight percent (down from nine percent) were FSBO sales. The share is the lowest since this data collection started in 1981.

EXHIBIT 8-1 FSBO AND AGENT-ASSISTED SALES, 2003-2015

(Percentage Distribution)

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| All FSBO (For-sale-by-owner) | 14% | 14% | 13% | 12% | 12% | 13% | 11% | 9% | 10% | 9% | 9% | 9% | 8% |
| Seller knew buyer | 5 | 5 | 5 | 5 | 5 | 6 | 5 | 5 | 4 | 3 | 4 | 4 | 3 |
| Seller did not know buyer | 9 | 10 | 8 | 7 | 7 | 7 | 6 | 5 | 6 | 6 | 6 | 5 | 5 |
| Agent-assisted | 83 | 82 | 85 | 84 | 85 | 84 | 85 | 88 | 87 | 88 | 88 | 88 | 89 |
| Other | 4 | 4 | 2 | 3 | 3 | 3 | 4 | 3 | 3 | 2 | 3 | 2 | 3 |

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) | 8% | 5% | 13% | 8% | 15% | 16% |
| Seller knew buyer | 3 | 1 | 5 | 2 | 9 | 2 |
| Seller did not know buyer | 5 | 4 | 7 | 7 | 5 | 10 |
| Agent-assisted | 89 | 94 | 85 | 90 | 83 | 84 |
| Other | 3 | 2 | 3 | 2 | 3 | * |

* Less than 1 percent

EXHIBIT 8-3 CHARACTERISTICS OF FSBO AND AGENT-ASSISTED SELLERS

(Percentage Distribution)

| | All Sellers | FSBO | | | AGENT-ASSISTED | | |
|-----------------------|-------------|----------|-------------------|---------------------------|--------------------|---------------------|---------------------------------|
| | | All FSBO | Seller Knew Buyer | Seller did not Know Buyer | All Agent-assisted | Agent-assisted only | First FSBO, then Agent-assisted |
| Median age | 54 | 56 | 54 | 57 | 54 | 54 | 54 |
| Median income (2014) | \$104,100 | \$84,000 | \$75,000 | \$92,500 | \$105,600 | \$107,000 | \$89,600 |
| Household composition | | | | | | | |
| Married couple | 77% | 74% | 63% | 81% | 79% | 78% | 86% |
| Single female | 12 | 14 | 24 | 9 | 11 | 11 | 4 |
| Single male | 6 | 7 | 8 | 6 | 5 | 5 | 4 |
| Unmarried couple | 4 | 5 | 5 | 4 | 4 | 4 | 7 |
| Other | 2 | 1 | * | 1 | 2 | 2 | * |

* Less than 1 percent

EXHIBIT 8-4 TYPE OF HOME SOLD, FSBO AND AGENT-ASSISTED SELLERS

(Percentage Distribution)

| | All Sellers | FSBO | | | Agent-Assisted |
|--|-------------|----------|-------------------|---------------------------|----------------|
| | | All FSBO | Seller Knew Buyer | Seller did not Know Buyer | |
| Detached single-family home | 81% | 75% | 80% | 72% | 82% |
| Townhouse/row house | 6 | 2 | 3 | 2 | 6 |
| Duplex/apartment/condo in 2 to 4 unit building | 2 | 1 | 3 | * | 2 |
| Apartment/condo in a building with 5 or more units | 5 | 7 | 3 | 9 | 5 |
| Mobile/manufactured home | 3 | 10 | 9 | 10 | 2 |
| Other | 3 | 6 | 4 | 6 | 3 |

* Less than 1 percent

EXHIBIT 8-5 LOCATION OF HOME SOLD, FSBO AND AGENT-ASSISTED SELLERS

(Percentage Distribution)

| | All Sellers | FSBO | | | Agent-Assisted |
|-------------------------|-------------|----------|-------------------|---------------------------|----------------|
| | | All FSBO | Seller Knew Buyer | Seller did not Know Buyer | |
| Suburb/Subdivision | 49% | 28% | 23% | 32% | 51% |
| Small town | 19 | 18 | 28 | 29 | 18 |
| Urban area/Central city | 16 | 15 | 9 | 18 | 16 |
| Rural area | 14 | 24 | 38 | 15 | 13 |
| Resort/Recreation area | 3 | 5 | 3 | 6 | 3 |

EXHIBIT 8-6 SELLING PRICE, FSBO AND AGENT-ASSISTED SELLERS

(Percentage Distribution)

| | All Sellers | FSBO | | | AGENT-ASSISTED | | |
|---|-------------|-----------|-------------------|---------------------------|--------------------|---------------------|---------------------------------|
| | | All FSBO | Seller Knew Buyer | Seller did not Know Buyer | All Agent-assisted | Agent-assisted only | First FSBO, then Agent-assisted |
| Median selling price | \$245,000 | \$210,000 | \$151,900 | \$223,800 | \$249,000 | \$249,000 | \$228,000 |
| Sales price compared with asking price: | | | | | | | |
| Less than 90% | 9% | 13% | 9% | 15% | 9% | 9% | 13% |
| 90% to 94% | 15 | 13 | 14 | 12 | 15 | 15 | 46 |
| 95% to 99% | 41 | 35 | 30 | 37 | 41 | 42 | 33 |
| 100% | 24 | 34 | 45 | 29 | 23 | 23 | 8 |
| 101% to 110% | 8 | 3 | * | 5 | 9 | 9 | * |
| More than 110% | 3 | 2 | 3 | 2 | 3 | 3 | * |
| Median (sales price as a percent of asking price) | 98% | 98% | 99% | 98% | 98% | 98% | 93% |
| Number of times asking price was reduced: | | | | | | | |
| None | 57% | 60% | 61% | 60% | 56% | 56% | 22% |
| One | 22 | 31 | 33 | 28 | 22 | 21 | 41 |
| Two | 12 | 6 | 1 | 8 | 12 | 12 | 33 |
| Three | 6 | 3 | 5 | 1 | 6 | 6 | 4 |
| Four or more | 4 | 2 | * | 2 | 4 | 4 | * |

* Less than 1 percent

EXHIBIT 8-7

HOW FSBO SELLER DETERMINED ASKING PRICE OF HOME SOLD

(Percent of Respondents)

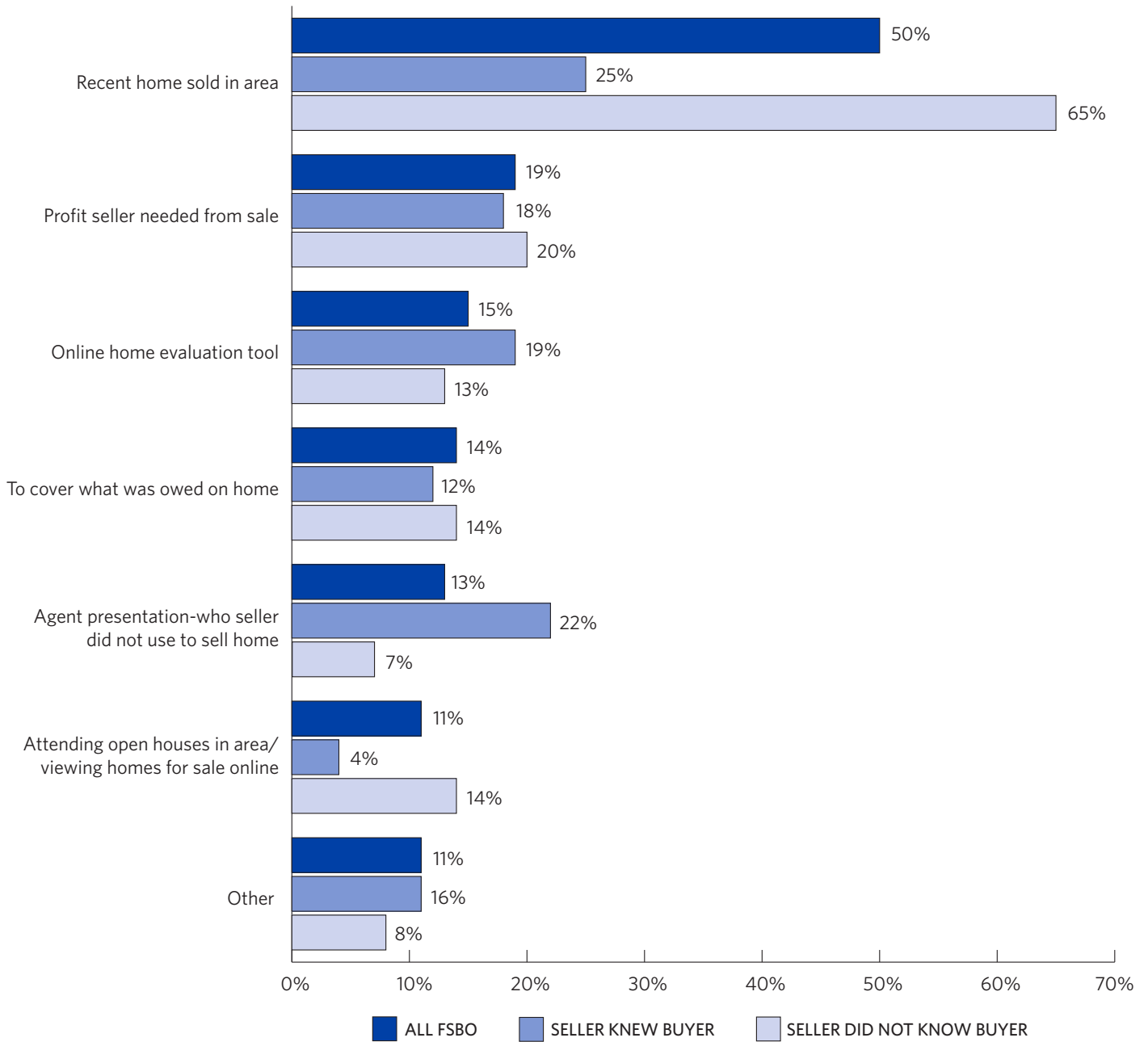


EXHIBIT 8-8 TIME ON THE MARKET, FSBO AND AGENT-ASSISTED SELLERS*(Percentage Distribution)*

| | All Sellers | FSBO | | | AGENT-ASSISTED | | |
|------------------|-------------|----------|-------------------|---------------------------|--------------------|---------------------|---------------------------------|
| | | 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 | 6% | 18% | 28% | 12% | 4% | 4% | 7% |
| 1 to 2 weeks | 36 | 32 | 32 | 33 | 36 | 37 | 10 |
| 3 to 4 weeks | 12 | 10 | 13 | 9 | 12 | 12 | 3 |
| 5 to 6 weeks | 6 | 5 | * | 7 | 6 | 6 | 17 |
| 7 to 8 weeks | 7 | 7 | 7 | 7 | 7 | 7 | 3 |
| 9 to 10 weeks | 5 | 6 | 1 | 8 | 5 | 4 | 13 |
| 11 to 12 weeks | 7 | 8 | 3 | 9 | 7 | 6 | 17 |
| 13 to 16 weeks | 4 | 6 | 7 | 6 | 4 | 4 | 13 |
| 17 to 24 weeks | 6 | 1 | * | 1 | 6 | 6 | 3 |
| 25 to 36 weeks | 5 | 1 | * | 1 | 5 | 5 | * |
| 37 to 52 weeks | 5 | 4 | 4 | 5 | 5 | 5 | 10 |
| 53 or more weeks | 3 | 3 | 6 | 1 | 3 | 3 | 3 |
| Median weeks | 4 | 3 | 1 | 4 | 4 | 4 | 10 |

* Less than 1 percent

EXHIBIT 8-9 SELLER URGENCY, FSBO AND AGENT-ASSISTED SELLERS*(Percentage Distribution)*

| Sellers needed to sell: | All Sellers | FSBO | | | AGENT-ASSISTED | | |
|-------------------------|-------------|----------|-------------------|---------------------------|--------------------|---------------------|---------------------------------|
| | | All FSBO | Seller Knew Buyer | Seller did not Know Buyer | All Agent-assisted | Agent-assisted only | First FSBO, then Agent-assisted |
| Very urgently | 16% | 13% | 21% | 9% | 16% | 16% | 19% |
| Somewhat urgently | 41 | 32 | 33 | 33 | 42 | 42 | 33 |
| Not urgently | 43 | 54 | 47 | 58 | 42 | 42 | 48 |

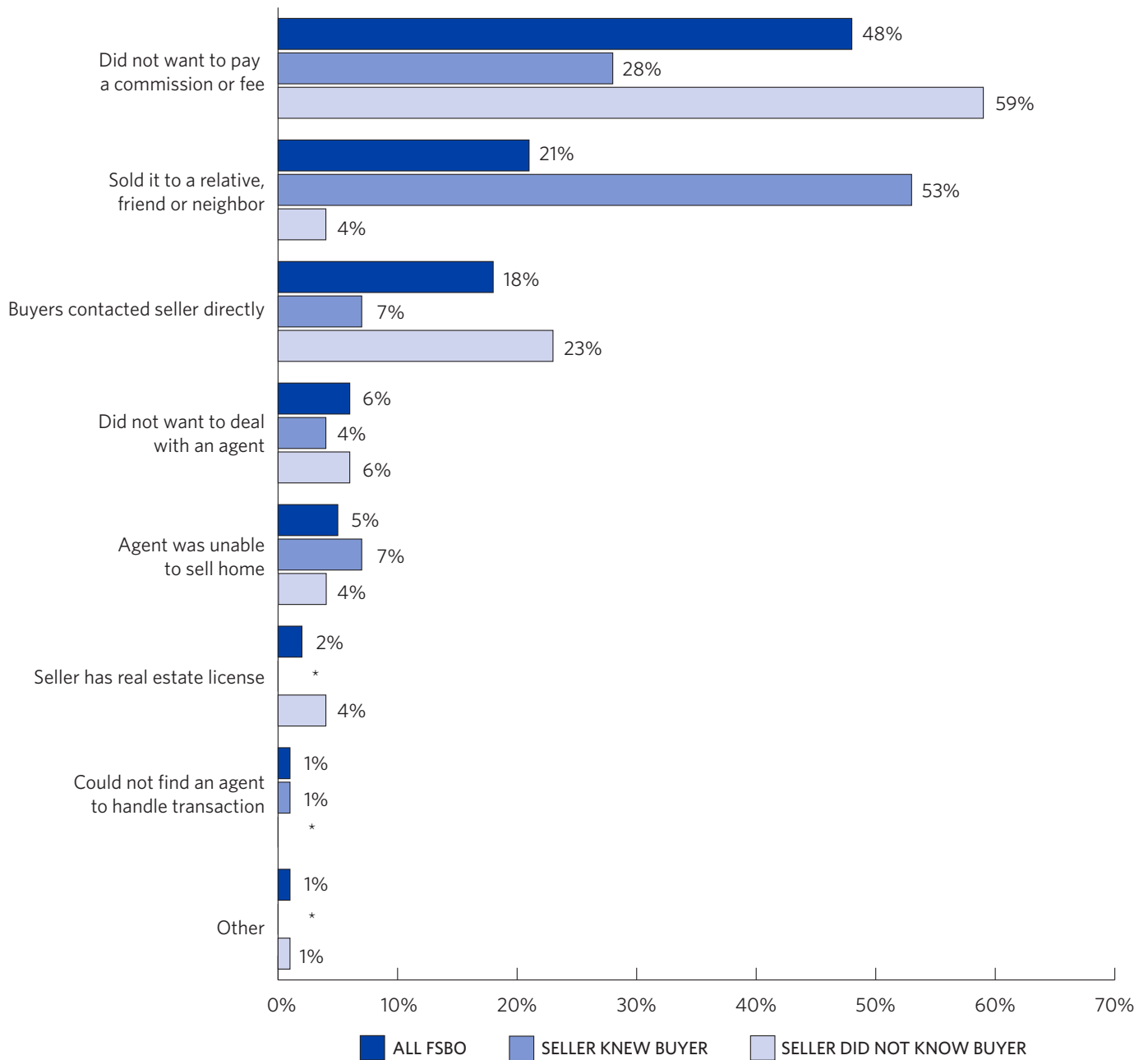
EXHIBIT 8-10 INCENTIVES OFFERED TO ATTRACT BUYERS, FSBO AND AGENT-ASSISTED SELLERS*(Percent of Respondents)*

| | All Sellers | FSBO | | | AGENT-ASSISTED | | |
|---|-------------|----------|-------------------|---------------------------|--------------------|---------------------|---------------------------------|
| | | All FSBO | Seller Knew Buyer | Seller did not Know Buyer | All Agent-assisted | Agent-assisted only | First FSBO, then Agent-assisted |
| None | 63% | 86% | 93% | 83% | 61% | 61% | 39% |
| Home warranty policies | 21 | 5 | * | 7 | 23 | 23 | 32 |
| Assistance with closing costs | 16 | 4 | 3 | 6 | 17 | 17 | 25 |
| Credit toward remodeling or repairs | 7 | 2 | 1 | 3 | 7 | 7 | 4 |
| Other incentives, such as a car, flat screen TV, etc. | 4 | 3 | * | 4 | 4 | 4 | 7 |
| Assistance with condo association fees | 1 | * | * | * | 1 | 1 | * |
| Other | 3 | 2 | 4 | 1 | 3 | 3 | 7 |

* Less than 1 percent

EXHIBIT 8-11 MOST IMPORTANT REASON FOR SELLING HOME AS FSBO

(Percentage Distribution)



* Less than 1 percent

EXHIBIT 8-12 SELLER WANTED TO SELL EARLIER BUT WAITED OR STALLED BECAUSE HOME WAS WORTH LESS THAN MORTGAGE

(Percentage Distribution)

| | All Sellers | FSBO | | | AGENT-ASSISTED | | |
|--|-------------|----------|-------------------|---------------------------|--------------------|---------------------|---------------------------------|
| | | 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 | 12% | 10% | 8% | 10% | 12% | 12% | 7% |
| Yes, but rented home to others and lived elsewhere | 2 | 3 | 4 | 2 | 1 | 1 | 7 |
| No, sold home when I wanted to sell | 87 | 88 | 89 | 88 | 87 | 87 | 86 |

EXHIBIT 8-13 METHOD USED BY FSBO SELLERS TO MARKET HOME

(Percent of Respondents)

| | All FSBO | Seller Knew Buyer | Seller did not Know Buyer |
|--|----------|-------------------|---------------------------|
| Yard sign | 42% | 15% | 58% |
| Friends, relatives, or neighbors | 32 | 42 | 28 |
| Third party aggregator | 21 | 1 | 31 |
| Social networking websites | 15 | 8 | 19 |
| For-sale-by-owner website | 15 | 3 | 22 |
| Online classified ads | 14 | 1 | 20 |
| Open house | 14 | 8 | 17 |
| Multiple Listing Service (MLS) website | 10 | 4 | 13 |
| Newspaper website | 6 | 7 | 6 |
| Realtor.com | 5 | 3 | 7 |
| Other websites with real estate listings | 4 | * | 6 |
| Direct mail (flyers, postcards, etc) | 3 | * | 5 |
| Print newspaper advertisement | 3 | 1 | 5 |
| Video | 2 | 3 | 2 |
| For-sale-by-owner magazine | 2 | * | 3 |
| Video hosting websites | 1 | * | 2 |
| Television | 1 | * | 2 |
| Other | 1 | * | 2 |
| None - Did not actively market home | 25 | 46 | 12 |

* Less than 1 percent

EXHIBIT 8-14 MOST DIFFICULT TASK FOR FSBO SELLERS

(Percentage of Distribution)

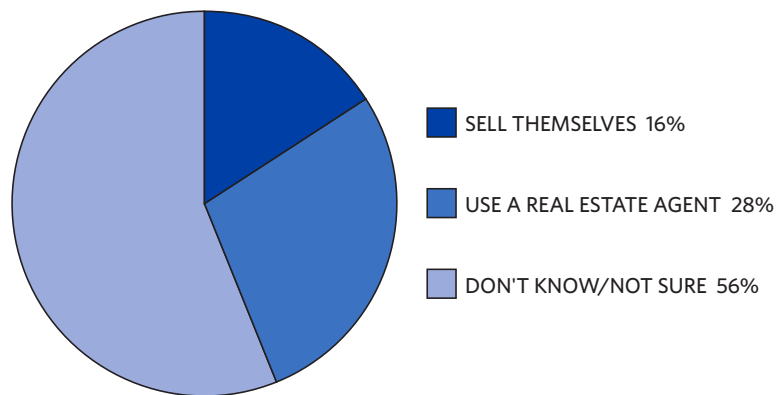
| | All FSBO | Seller Knew Buyer | Seller did not Know Buyer |
|---|----------|-------------------|---------------------------|
| Getting the price right | 6% | 25% | * |
| Selling within the length of time planned | 18 | 50 | 8 |
| Preparing or fixing up the home for sale | 6 | * | 8 |
| Understanding and performing paperwork | 12 | * | 15 |
| Having enough time to devote to all aspects of the sale | 6 | * | 8 |
| Helping buyer obtain financing | * | * | * |
| Attracting potential buyers | * | * | * |
| Other | * | * | * |
| None/Nothing | 53 | 25 | 62 |

* Less than 1 percent

EXHIBIT 8-15 HOW FSBO SELLERS WILL SELL THEIR CURRENT HOME

(Percentage Distribution)

SELLER KNEW BUYER



SELLER DID NOT KNOW BUYER

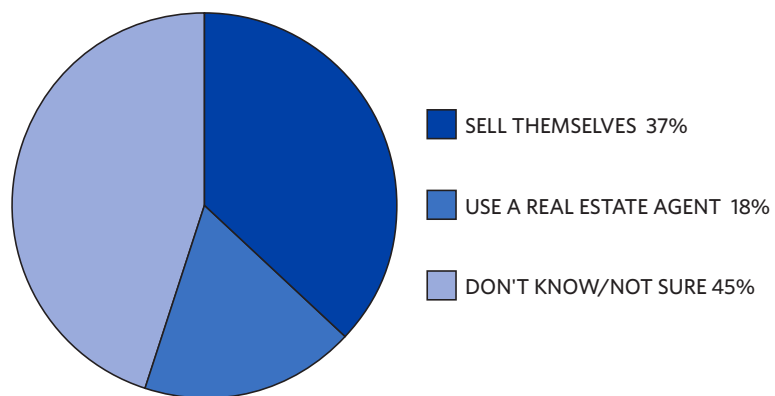
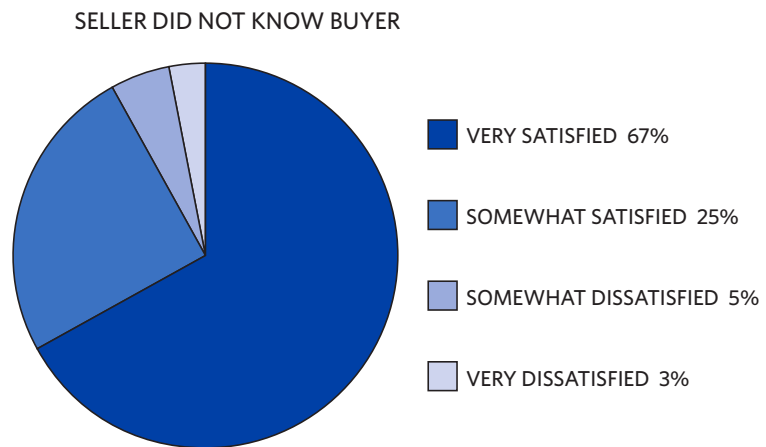
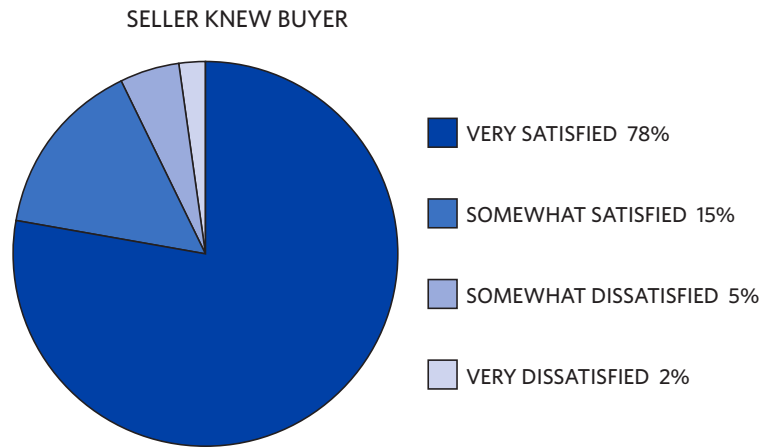


EXHIBIT 8-16 FSBO SELLERS SATISFACTION PROCESS OF SELLING HOME

(Percentage Distribution)



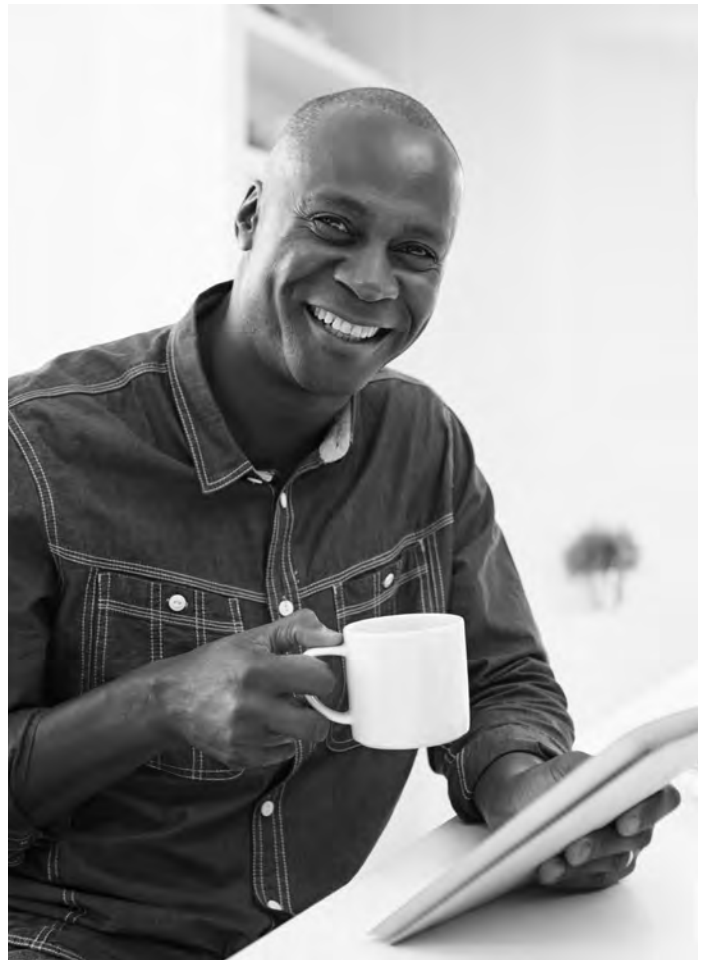
Methodology

In July 2015, NAR mailed out a 128-question survey using a random sample weighted to be representative of sales on a geographic basis to 94,971 recent home buyers. The recent home buyers had to have purchased a primary residence home between July of 2014 and June of 2015. A total of 6,406 responses were received from primary residence buyers. After accounting for undeliverable questionnaires, the survey had an adjusted response rate of 6.7 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 2015, with the exception of income data, which are reported for 2014. 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.



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NAR Issue Brief

Government-Sponsored Enterprises: Guarantee Fees

What is a Guarantee Fee (g-fee)?

GSE guarantee fees are charged by Freddie Mac and Fannie Mae, to lenders for bundling, selling, and guaranteeing the payment of principal and interest on their Mortgage Backed Securities (MBS). These fees are generally passed on to consumers in the form of higher interest rates. The main component of guarantee fee covers projected credit losses from borrower defaults over the life of the loans, administrative costs, and a return on capital (think of it like MBS insurance). The fees are also used to cover internal expenses for such services as:

- Managing and administering the securitized mortgage pools,
- Selling the MBS to investors,
- Reporting to investors and the SEC, and
- Maintaining the MBS on the open market, and selling, general and administrative expense.

Recent Congressional Action Related to G-fees

In 2011, Congress enacted the “Temporary Payroll Tax Cut Continuation Act of 2011” (Payroll Tax) to fund a two-month extension of the payroll tax cut, unemployment benefits, and Medicare reimbursements. The extension is paid for by a 10 basis point (bp) increase in the average g-fee charged by Fannie Mae and Freddie Mac through 2021.

More recently, on July 30, 2015, the U.S. Senate passed a 6-year highway and transit funding reauthorization bill. The bill included a controversial funding provision that would extend the use of guarantee fees (g-fees) for an additional 4 years. The multi-year bill passed by a vote of 65-34. The U.S. House made clear that the U.S. Senate’s 6-year bill wouldn’t receive a vote in the lower chamber. The Senate then passed a short-term highway and transit bill, which extends the highway program through October 29, 2015, but replenishes the Highway Trust Fund into December 2015 without the g-fee language.

Prior to the Senate vote, NAR, along with other industry stakeholders, sent a letter to lawmakers stating that g-fees should only be used to manage the companies’ credit risk and not be diverted for unrelated spending by Congress.

With little time left in the fall session, there is a risk that the Senate 6-year measure will be the starting point for fall negotiations in the House.

Impact of the 10 bps G-fee Increase

Lenders who passed the original increase from the Payroll Tax on to borrowers have increased the rate offered to a borrower by at least .1% since April 1, 2012. Several sources have placed the increase in cost at approximately \$4000 - \$5400 over 30 years on a \$200,000 loan. Since passage of the original 10bps in the Payroll Tax legislation, the g-fee has been increased far more than the legislation called for, costing homebuyers and refinancers significantly more money per annum. Since the initial increase, the average g-fee for a fixed, 30-year loan has been raised 32bps, or more than 114%.

Cost of Additional G-fee Actions

The result of any proposed extension of the g-fee increase will maintain the higher cost of a mortgage credit and continue to cause homebuyers to reconsider a potential home purchase or refinance. At a time when the housing market is beginning to show signs of recovery and inventories are beginning to fall, a punitive fee that does not support the safety and soundness of the housing finance sector, will likely exacerbate the problem it was intended to fix. A slowdown in housing means higher unemployment, but more importantly, a slowdown in loan originations which is what is required to fuel the “pay-for” via the g-fee.

NAR Position

The National Association of REALTORS® strongly opposes the use of guarantee fees for any use other than intended purpose. NAR understands the need to bring financial relief to the middle-class and reauthorize highway programs, but effectively imposing a tax on housing is not prudent given the continued need for stability in the housing sector. It makes little sense to tax mortgage originations or refinances of middle class Americans in order to generate the desired revenue to cover unrelated expenditures.



Stop Congress From Taking Money From Future Homeowners

The House of Representatives Transportation and Infrastructure Committee is considering legislation to reauthorize surface transportation programs.

One proposal would use Fannie Mae and Freddie Mac's credit risk guarantee fees (g-fees) to fund transportation programs.

What is a Guarantee Fee (G-Fee)?

- GSE guarantee fees are charged by Freddie Mac and Fannie Mae to lenders for bundling, selling, and guaranteeing the payment of principal and interest on their Mortgage Backed Securities. These fees are passed on to mortgage seekers by the lender and add to the cost of obtaining a mortgage.

NAR strongly believes that taking g-fees would also prevent Fannie Mae and Freddie Mac from effectively managing their risk.

Take action now to prevent Congress from placing an unnecessary long-term burden on American homeowners!

- [Read NAR's Letter to the U.S. House of Representatives](#)
- [Read NAR's Letter to the U.S. Senate](#)



Message

REALTORS oppose use of G Fees to Pay for Highway Bill

Dear [Decision Maker],

As a REALTOR and your constituent, I ask you to oppose any attempt by the House Transportation and Infrastructure Committee to use Fannie Mae and Freddie Mac's credit risk guarantee fees (g-fees) to fund the surface transportation reauthorization legislation.

G-fees are a critical risk management tool used by Fannie Mae and Freddie Mac to protect against losses from faulty loans, and should be used only to manage the companies' credit risks. I am opposed to the use of g-fees for purposes other than risk management.

Additionally, implementing an extension of the g-fee increase that is unrelated to housing needs could also act to hinder the necessary reforms required of the housing finance system for the foreseeable future.

I understand the need to reauthorize the highway programs and help strengthen our country's infrastructure. However, I also strongly believe that use of an extended g-fee to fund transportation programs saddles future homeowners with an unnecessary long-term burden, and prevents Fannie Mae and Freddie Mac from effectively managing their risk.

Please oppose the use of Fannie Mae and Freddie Mac's credit risk guarantee fees (g-fees) to fund transportation programs.

Sincerely,

[Your Name]

[Your Address]

[City, State ZIP]

Contact Recipients

- Your Senators
- Your Representative

***Required fields**

*Your Email:

*Title:

*First Name:

*Last Name:

*Address 1:

Address 2:

*City:

*State / Province:

*ZIP / Postal Code:

*Phone Number:

Yes, I would like to receive periodic updates and communications from Realtor Action Center.

Remember me. [Privacy Policy](#)

TAKE ACTION NOW

[National Association of Realtors \(comments@realtoractioncenter.com\)](mailto:comments@realtoractioncenter.com)

