

# The State of America's Housing Market

More than **80%** of Americans view housing as critical to the nation's economic recovery, and nearly **70%** feel that a presidential candidate's position on housing will be an important consideration in the voting booth.<sup>1</sup> Whether you're thinking of buying, selling or are actively involved in the market, the statistics below will give you a clearer perspective of the state of the market.

## Current National Trends in Housing

**70%** of Americans view owning a home as part of the American dream.<sup>2</sup>

**62%** of consumers feel that buying a home in the current market is a good investment over the next 10 years.<sup>3</sup>

**\$190,000:** Median home price,<sup>4</sup>

up from **\$170,000** the previous year<sup>5</sup>

**\$155,000:** Median home price of first-time buyers<sup>4</sup>

**\$219,500:** Median home price of repeat buyers<sup>4</sup>

Homeownership rate rose to **66.1%** in Q3 2011, up from **66.0%** in Q2 2011.<sup>6</sup>

**95%** of metro areas are expected to see home prices rise in the next year.<sup>7</sup>

**75.1%** of homeowners state that their home defines their identity.<sup>1</sup>

## Buyer Overview

Buyers searched for a median of **12 weeks** and visited **12 homes** before they found the one they purchased.<sup>4</sup>

**27%** of homebuyers, including **60%** of first-time homebuyers, said that the desire to own a home of their own was the biggest reason they bought.<sup>4</sup>

First-time homebuyers comprise **37%** of the market.<sup>4</sup>

**64%** of all buyers are married couples, **18%** are single women, **10%** are single men and **7%** are unmarried couples.<sup>4</sup>

**\$80,900:** The median household income of homebuyers.<sup>4</sup>

**84%** of buyers purchased a previously-owned home and **16%** purchased a new home.<sup>4</sup>

## Seller Overview

**35%** of homes were on the market less than **2 months** before they sold.<sup>6</sup>

The average time a home was on the market was **9 weeks**.<sup>4</sup>

**66%** of sellers were first-time sellers.<sup>4</sup>

**39%** of sellers did not reduce the asking price, **26%** of sellers reduced it once and **35%** reduced the price two or more times.<sup>4</sup>

Sources: 1. Move, Inc.

2. Wall Street Journal, October 4, 2011

3. Bank of America: Mortgage Index Study, December 8, 2011

4. National Association of REALTORS® Profile of Home Buyers and Sellers 2011

5. National Association of REALTORS® Profile of Home Buyers and Sellers 2010

6. National Association of REALTORS®

7. CNN Money, November 4, 2011

# Financing the Home Purchase

The average rent on vacant properties is **28%** higher than the average mortgage payment.<sup>1</sup>

The estimated median monthly mortgage principal and interest payment of a first-time homebuyer was **\$794**.<sup>2</sup>

The estimated median monthly mortgage principal and interest payment of a repeat buyer was **\$1,006**.<sup>2</sup>

**94%** of buyers financed their home purchase, including

- 96%** of 25-44 year olds
- 82%** of 45-64 year olds
- 66%** of buyers 65 and older<sup>2</sup>

**35%** of buyers had a down payment of **20%** or more.<sup>2</sup>

**74%** of consumers who plan to buy a home in the next 12 months will use their personal savings for a down payment.<sup>3</sup>

The average buyer financed **89%** of the home purchase.<sup>2</sup>

**94%** of first-time homebuyers chose a fixed-rate mortgage.<sup>2</sup>

**54%** of first-time homebuyers used a low down payment FHA mortgage.<sup>2</sup>

Mortgage rates are expected to rise and reach **4.5%** by mid-2012.<sup>4</sup>

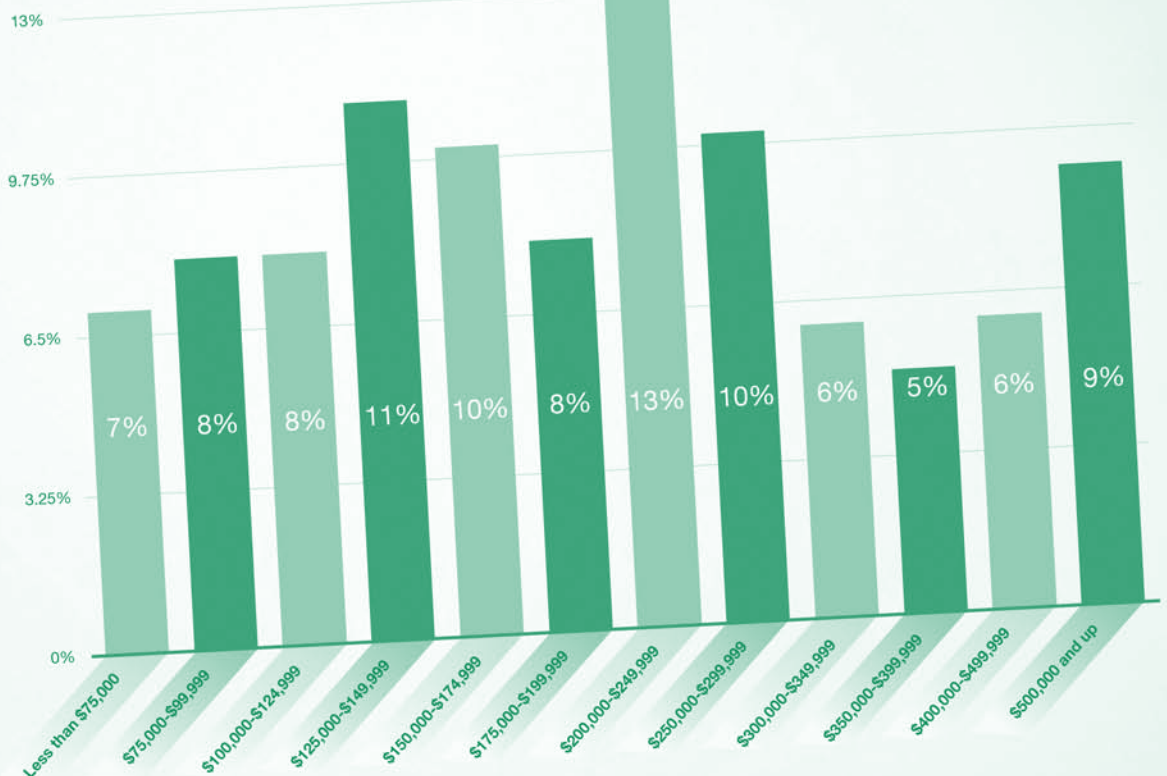
Sources: 1. Forbes, November 14, 2011  
 2. National Association of REALTORS® Profile of Home Buyers and Sellers 2011  
 3. Bank of America: Mortgage Index Study, December 8, 2011  
 4. National Association of REALTORS®



## Talk to Your Real Estate Professional Today

While these figures provide an overview of the national market, keep in mind that your local market may differ. Consult your trusted real estate professional for more information about your local market.

## Price of Home Purchased



Source: National Association of REALTORS® Profile of Home Buyers and Sellers 2011