2026 PROFILE OF HOME BUYERS AND SELLERS



NATIONAL ASSOCIATION OF REALTORS®

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Introduction

THE HOUSING LANDSCAPE

The NATIONAL ASSOCIATION OF REALTORS® Profile of Home Buyers and Sellers is an annual consumer survey of recent primary residence home buyers and sellers who completed a transaction between July 2025 and June 2026. This flagship report has been published since 1981. Annually, the report evolves with the changing economic and demographic landscape. The report helps industry professionals to gain insight into detailed buying and selling behavior, needs, and challenges.

From mid-2025 through mid-2026, the market continued to show limited housing inventory. Throughout 2026, inventory began entering the housing market, but it was often priced out of reach for potential home buyers. NAR Research found that in most U.S. communities, home buyers with household incomes under $75,000 would have a difficult time finding a home due to lack of affordable housing inventory.

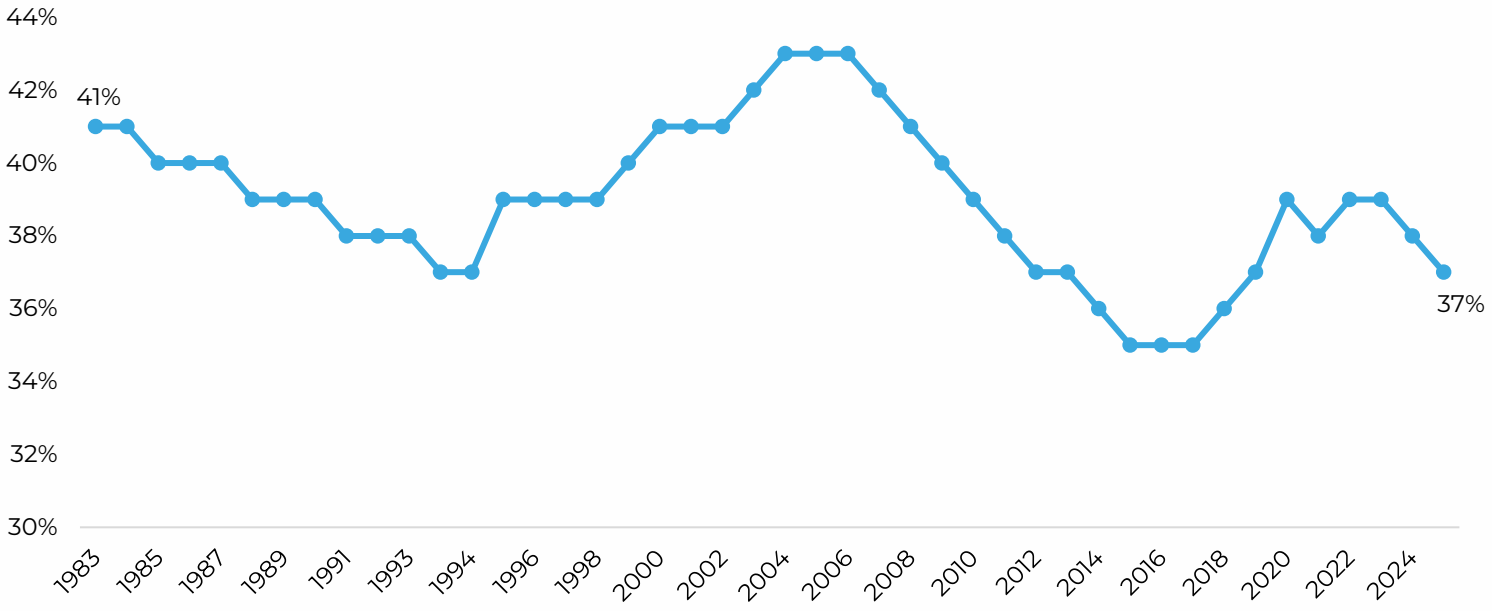
During the data collection time period, mortgage interest rates averaged 6.33 percent. In February 2026, mortgage interest rates dipped to a low of 5.98 percent. This showed encouraging signs for first-time buyers and improved housing affordability. However, after a quick easing in rates, mortgage rates climbed due to inflationary pressure, and fewer home buyers could enter the market.

The housing market over the last year shows a divide between repeat buyers with housing equity and those who continue to struggle to enter the market. When examining the homeownership rate in the U.S. using the Housing Vacancies and Homeownership report there is a mirroring of this trend. For Americans under the age of 35, the homeownership rate declined for the fourth consecutive year and is now at 37 percent. Quarterly data shows continual declines into 2026. However, for Americans above the age of 50, the homeownership rate remains above 70 percent.

Further, the Census American Community Survey showed between 2021 and 2024, the number of households ages 25 to 34 increased by more than 700,000, but the number of homeowners in this age group increased by only about 65,000. Their homeownership rate fell from 41.6 percent to 40.4 percent. Fewer young households are also moving into owner-occupied homes. In 2021, 9.1 percent of households ages 25 to 34 were recent mover-owners. By 2024, that share had dropped to 6.2 percent. That is a 30 percent decline in the number of recent mover-owner households in this age group, larger than for any other age group.

Homeownership Rate for Those Under 35, 1982-2025

(Source: U.S. Census Data for Housing Vacancies and Homeownership)

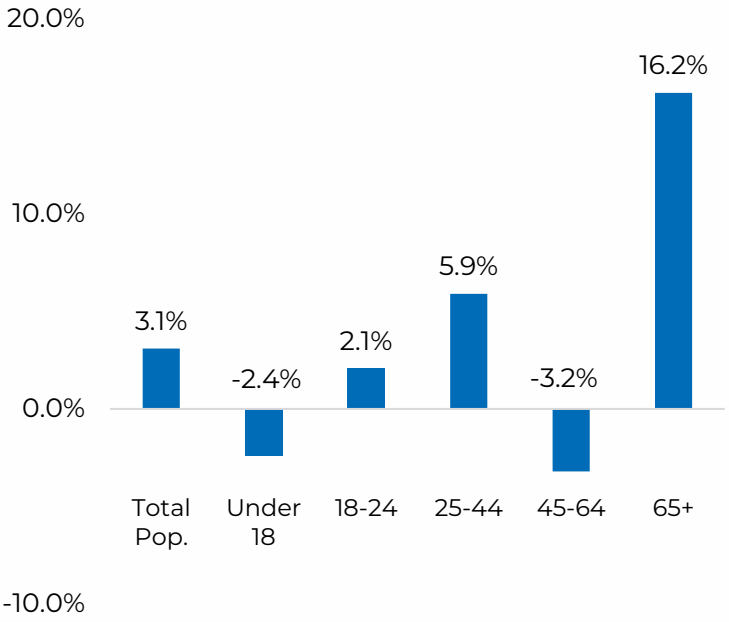


Introduction

Furthering the backdrop of this year's report is the growing share of Americans who are over the age of 65. As is shown in the report, and past reporting by NAR, there is increased buying activity among those over 60. This is both due to housing equity gains among homeowners who are able to make housing trades, but also due to the increased number of Americans in this age category. Based on Census Vintage 2025 Population Estimates, between 2020 and 2025, the percent change in population age 65 and over grew by 16.2 percent, while those 45 to 64 showed a decline of 3.2 percent, and those 25 to 44 only grew 5.9 percent.

Population Change by Age Groups: 2020 to 2025

(Source: Census Vintage 2025 Population Estimates)



FIRST-TIME BUYERS

The declines in the homeownership rate among young adults is reflected in the share of first-time home buyers. First-time buyers, while a straightforward concept, can have many definitions. Some define one as an individual who has not owned for three years, or someone who is newly divorced and repurchasing as a newly single individual. Others make assumptions that if a buyer is purchasing for the desire to have a home of their own instead of renting or if they are starting their own household, they must be a first-time buyer. In NAR's consumer survey of home buyers and sellers, the definition is simple: a home buyer is asked in question one: "was this your first home purchase?" If the buyer answered "yes", they are a first-time home buyer. The direct phrasing of the question has remained the same for decades in order to provide an apples-to-apples comparison over the years of the report. These home buyers may have financed their property or purchased their home without financing.

This year's *Profile of Home Buyers and Sellers* data reflects sustained issues with lack of housing affordability after a slight reprieve in mortgage interest rates, with first-time buyers rising slightly to 22 percent from last year's all-time low of 21 percent. Before 2008, the share of first-time buyers had a historical norm of 40 percent. At the same time, the share of first-time buyers continues at its lowest level, with the age of first-time buyers at the highest recorded. The median age of first-time buyers remains at 40. In the 1980s, the typical first-time home buyer was in their late 20s. NAR estimated in 2025 that delaying homeownership by one decade results in an estimated lost equity gain of $150,000.

It is critical when analyzing first-time buyers to understand there is a growing divide among those who are saving independently and priced out of homeownership, versus those who are waiting on the sidelines but then given a generational transfer of wealth. It is possible the wealth transfer was anticipated for some and unexpected for others. Regardless, the age of those receiving a wealth transfer in the form of financial assets or a home is changing the home buying market for first-time buyers.

As a result of these wealth transfers, first-time, all-cash home buyers are rising. This share of first-time buyers has grown and is now at its highest level on record: 10 percent. The growing share of those first-time buyers who are all-cash home buyers are not traditional home buyers, however; they are, for one, significantly older, at a median age of 54, while the median age of first-time buyers who did finance was 38. This trend was also found in the *2025 Profile.*

Introduction

FIRST-TIME BUYERS

All first-time buyers are more likely today to rely on both financial assets and inheritance than past iterations of the report. However, those making all cash purchases both wait longer to purchase and are significantly more likely to use inheritance of a wealth transfer or a property as a pathway into ownership. Thus, the housing market is starting to see a generational transfer of wealth, which has been discussed as a "silver tsunami" in the housing market. While the transfer of wealth is not yet a tsunami, a wealth transfer is happening, and it is transforming the buying market.

One can also see the rise in large downpayments among first-time buyers, also driven by this trend. Both first-time buyers who have large loan to value ratios and the smallest loan to value ratios have increased the most in age, while those in the middle segment have an increased age, but at a slower pace.

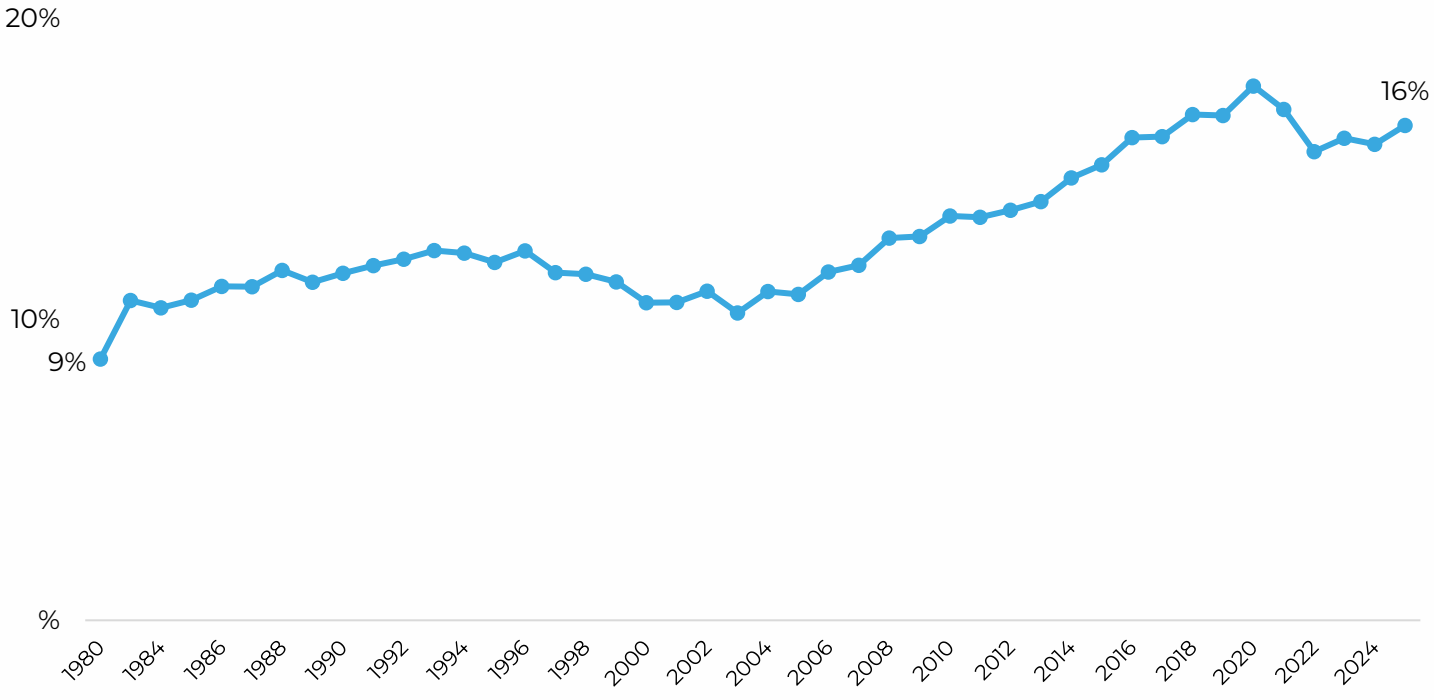
As the Census Current Population Survey reports, the share of young adults who are aged 25 to 34 years old who are living at home continues to remain elevated and in 2025 was at 16.4 percent, up from nine percent in the 1980 Census. As homeownership among this age group remains out of reach and rent is unaffordable for some, living with family becomes a necessary default.

When discussing first-time buyers, the question is often posed, do young adults want to own a home of their own, or would they prefer to rent? According to a survey by Pew Research Center, nine in 10 say it is harder for their generation than their parents to own a home, but the majority believe it is a good investment. According to the New York Federal Reserve Consumer Expectations Housing Survey, only 34.75 percent of renters believe they will ever be able to own a home of their own. This has dropped from 55.89 percent in 2016. The authors note the sharp decline was after 2021. To obtain homeownership, significant financial sacrifices are often undertaken, including moving in with family to save on rent.

As seen in this report, for some first-time buyers this does become an easier pathway into homeownership. In 1993, 12 percent of first-time buyers lived at home before purchasing their first home. In the 2026 report this has risen to 21 percent. By not paying rent, or market value rent, a young adult can have an easier time saving for a down payment.

Share of 25 to 34 Year Olds Living at Home, 1980–2025

(Source: U.S. Census Bureau, Current Population Survey)



Introduction

BUYER CHARACTERISTICS

Household incomes continue to rise among successful home buyers as they work to overcome housing affordability challenges. Repeat buyers had a median household income of $127,000, up from $111,700 in last year's report.

Thirty percent of repeat buyers made all-cash home purchases and did not finance their home. Repeat buyers can enter the housing market with large downpayments (median of 19 percent). Repeat buyers have continued to earn housing equity as home prices increase.

Repeat buyers' age remains at an all-time high, at 62, unchanged from last year's report. As half of repeat home buyers are over 62, they are driven by the desire to buy a home closer to friends and family at 18 percent. With more retirees becoming active in the buying and selling process, the share of buyers moving to be close to friends and family has increased in importance, while the share moving for a job-related relocation has declined. In 2000, 25 percent of home buyers moved for a job-related relocation, while today that is at five percent. In the same year, six percent of home buyers moved to be closer to friends and family, while today that is 14 percent.

Among all home buyers, 63 percent are married couples, 20 percent are single women, and eight percent are single men. The other category, represented by non-romantic roommates, rose to an all-time high of four percent, and five percent among first-time home buyers, a 45-year high. Among first-time buyers, 25 percent are single women, and 12 percent are single men, as the share of married couples dropped to an all-time low of 47 percent.

The share of home buyers with children under 18 rose slightly to 26 percent. Fourteen percent of home buyers purchased a multi-generational home—one with adult siblings, adult children over the age of 18, parents, and/or grandparents—and this remains consistent with last year.

HOME SELLERS

In the data, home seller data is collected among those who also purchased. As such, home seller data is similar to repeat home buyers. However, there are notable trends. Home sellers have owned their home for an all-time high of 12 years before selling and making a housing trade. Homeowners continue to build housing equity and, as interest rates have risen, moving to a new residence becomes less appealing even as these home sellers have housing equity to make a move.

As a reflection of the divided housing market and the housing equity gained by homeowners, the plurality of home sellers moved into a home that was larger, and a near majority moved into a home that was newer than their past residence. Home sellers' number one motivating factor to move is proximity to friends and family. It should be noted this is a choice, and an optional move, versus moving for a job or family change, which forces a home seller to move.

Among home sellers, 25 percent have never sold a home in the past. As they are new to making a housing trade, they may rely more on the real estate agent or broker to guide the way for their transaction.

THE ROLE OF REAL ESTATE AGENT OR BROKER

Ninety percent of home buyers purchased their homes through a real estate agent or broker. Home buyers primarily sought help finding the right home to purchase (51 percent) and negotiating the terms of the sale (15 percent). Home buyers also wanted help with price negotiations (12 percent) and help with paperwork (seven percent). Only one percent of home buyers found their agent through AI; most relied on relationships, working with someone they had worked with before or who was referred to them.

The same is true among home sellers. This year, 92 percent of home sellers worked with a real estate agent or broker to sell their home, and FSBOs remained at an all-time low of just five percent. Sellers prioritized three tasks: marketing the home to potential buyers, pricing it competitively, and selling it within a specific timeframe.

CHAPTER 1

Characteristics of Home Buyers



Chapter 1: Characteristics of Home Buyers

Highlights

Home Buyer Demographics

- The median age decreased to 58 years, down from its peak of 59. Meanwhile, the median age of first-time buyers remained at 40, while the typical repeat buyer age held steady at 62, matching its record high.
- **The median age of first-time buyers who did not finance their property was 54, while the median age of first-time buyers who did finance was 38.** Notably the age of all cash buyers has increased at a more rapid pace than first-time buyers who financed their property.
- The share of married couples increased to 63 percent of all buyers. The share of single females decreased to 20 percent, and the share of single males decreased to eight percent. The share of unmarried couples remained consistent at six percent this year. **The share of those purchasing as "other," which represents non-romantic roommates, has risen to an all-time high of four percent.** Purchasing as a roommate can assist with housing affordability and companionship.
- Eighty-five percent of recent home buyers identified their ethnicity as White or Caucasian. Seven percent identified as Hispanic/Latino, six percent as Black/African-American, four percent as Asian/Pacific Islander, and two percent as some other ethnicity.
- Eighty-eight percent of recent home buyers identified as heterosexual, three percent as gay or lesbian, two percent as bisexual, and seven percent preferred not to answer. Less than one percent of recent buyers identify as transgender.
- Household incomes continue to increase among successful home buyers to overcome housing affordability challenges. The median household income for 2025 rose to $120,000 from $109,000. First-time buyers had a median household income of $100,000, up from $94,400, while repeat buyers had a median household income of $127,000, up from $111,700.

Who Resides in the Home

- Seventy-four percent of all buyers had no children under the age of 18 living at home, down slightly from 76 percent last year.
- Fourteen percent of home buyers purchased a multi-generational home—a home that had adult siblings, adult children over the age of 18, parents, and/or grandparents—this remains consistent from last year. The top reasons for purchasing a multi-generational home were to take care of aging parents (30 percent), cost savings (23 percent), children over the age of 18 never leaving home (19 percent), and children over the age of 18 moving back home (18 percent).

First-time Home Buyers

- With the slight increase in housing inventory and a temporary reduction in mortgage interest rates, there was a small increase in first-time buyers. **First-time home buyers increased to 22 percent of the market share (21 percent last year).** Before 2008, the historical norm for first-time buyers was 40 percent.

Veteran and Military Home Buyers

- Seventeen percent of recent home buyers (or someone within their home) were veterans, and two percent were active-duty service members.

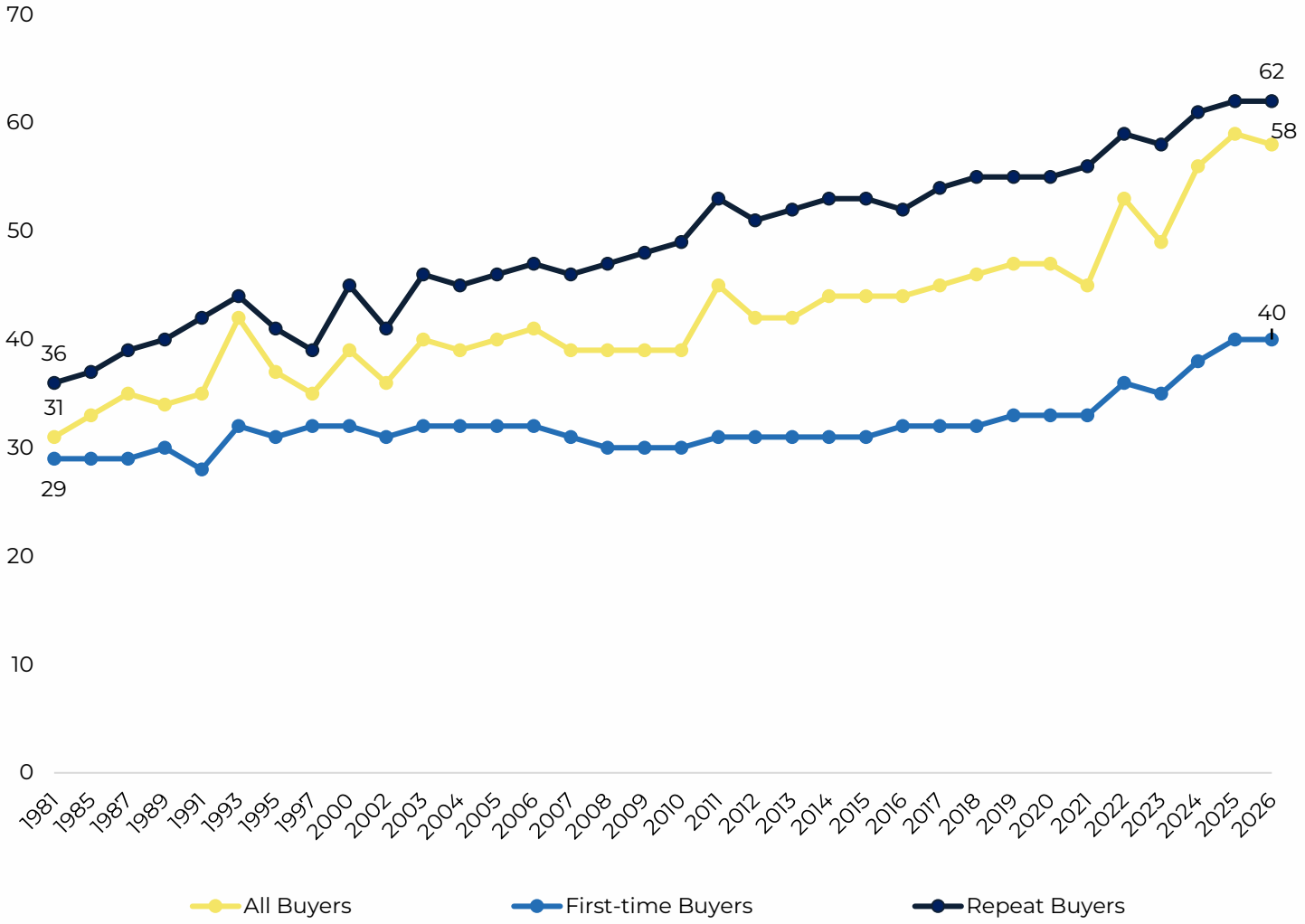
Reasons to Purchase a Home

- At 19 percent, the primary reason for purchasing a home was the desire to own a home of their own. For first-time buyers, this number jumps to 60 percent.
- As more retirees are active in the buying and selling process, the share of buyers who moved to be close to friends and family has moved up in importance, while the share who are moving for a job-related relocation has declined. In 2000, 25 percent of home buyers moved for a job-related relocation, while today that is at five percent. In 2000, six percent of home buyers moved to be close to friends and family, while today that number is 14 percent.
- Forty-six percent of all buyers said that the timing was just right, and they were ready to purchase a home. The second most common reason was that buyers had little choice and had to purchase the home when they did (19 percent).

Chapter 1: Characteristics of Home Buyers

Exhibit 1-1 Median Age of Home Buyers, 1981–2026

(Medians)

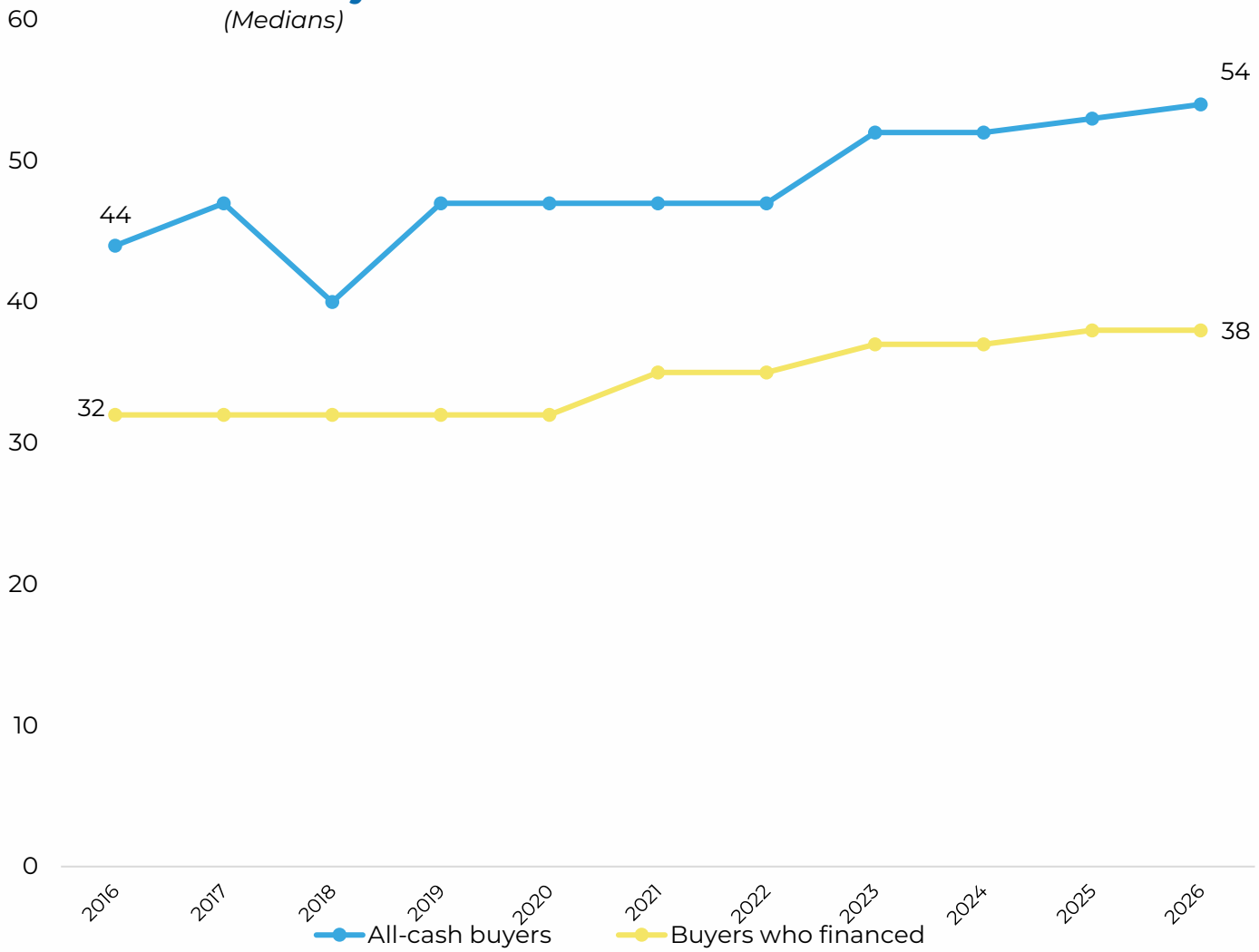


The median age decreased to 58 years, down from its peak of 59. Meanwhile, the median age of first-time buyers remained at 40, while the typical repeat buyer age held steady at 62, matching its record high. It is important to note that the median age of first-time buyers who did not finance their property was 54 years old, while the median age of first-time buyers who did finance was 38 years old. This trend was also found in the 2025 Profile.

Chapter 1: Characteristics of Home Buyers

Exhibit 1-2 Median Age of First-time Home Buyers, All-Cash Buyers and Buyers Who Financed 2016–2026

(Medians)



As is noted in the introduction, there is an increased share of first-time buyers who are making all cash purchases. As will be seen in Chapter 5, the ability to do so, is coming from increased reliance of first-time buyers from both financial assets and generational transfers for wealth from inheritances. There has been a fodder in the housing industry about the "silver tsunami" and the impact of older generations passing their wealth to the next generation and the influence into the housing market. Increasingly, this is appearing in the data. This year, 10 percent of first-time buyers were all cash buyers, an all-time high.

However, the age of all cash first-time buyers is markedly higher than other home buyers. Notably the age of all cash buyers has increased at a more rapid pace than first-time buyers who financed their property. Among those financed, the age reported in this consumer survey of home buyers reflects an increase of one year over a four-year time period and six years over a decade. The age of all-cash buyers, meanwhile, has increased 10 years over a decade. Among those who financed, the reasons are apparent: housing affordability, the dearth of inventory, high rent, student debt, and in recent years inflation. Among all-cash home buyers, they are impacting by all of the above factors, but also are also waiting longer perhaps for a transfer of wealth or waiting to make an all-cash purchase using financial assets and savings. What is clear is that life expectancy has grown, and as older Americans pass their wealth to the next generation, this generation is no longer young adults anticipating a wealth transfer but rather has hit middle age.

Chapter 1: Characteristics of Home Buyers

Exhibit 1-3 Age of First-time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
18 to 24 years	1%	2%	*
25 to 34 years	10%	29%	4%
35 to 44 years	17%	32%	13%
45 to 54 years	16%	17%	16%
55 to 64 years	20%	10%	23%
65 to 74 years	26%	7%	31%
75 years or older	10%	2%	12%
Median age (years)	58	40	62
Married Couple	58	39	61
Single female	60	42	65
Single male	58	39	63
Unmarried Couple	43	36	55
Other	59	52	63

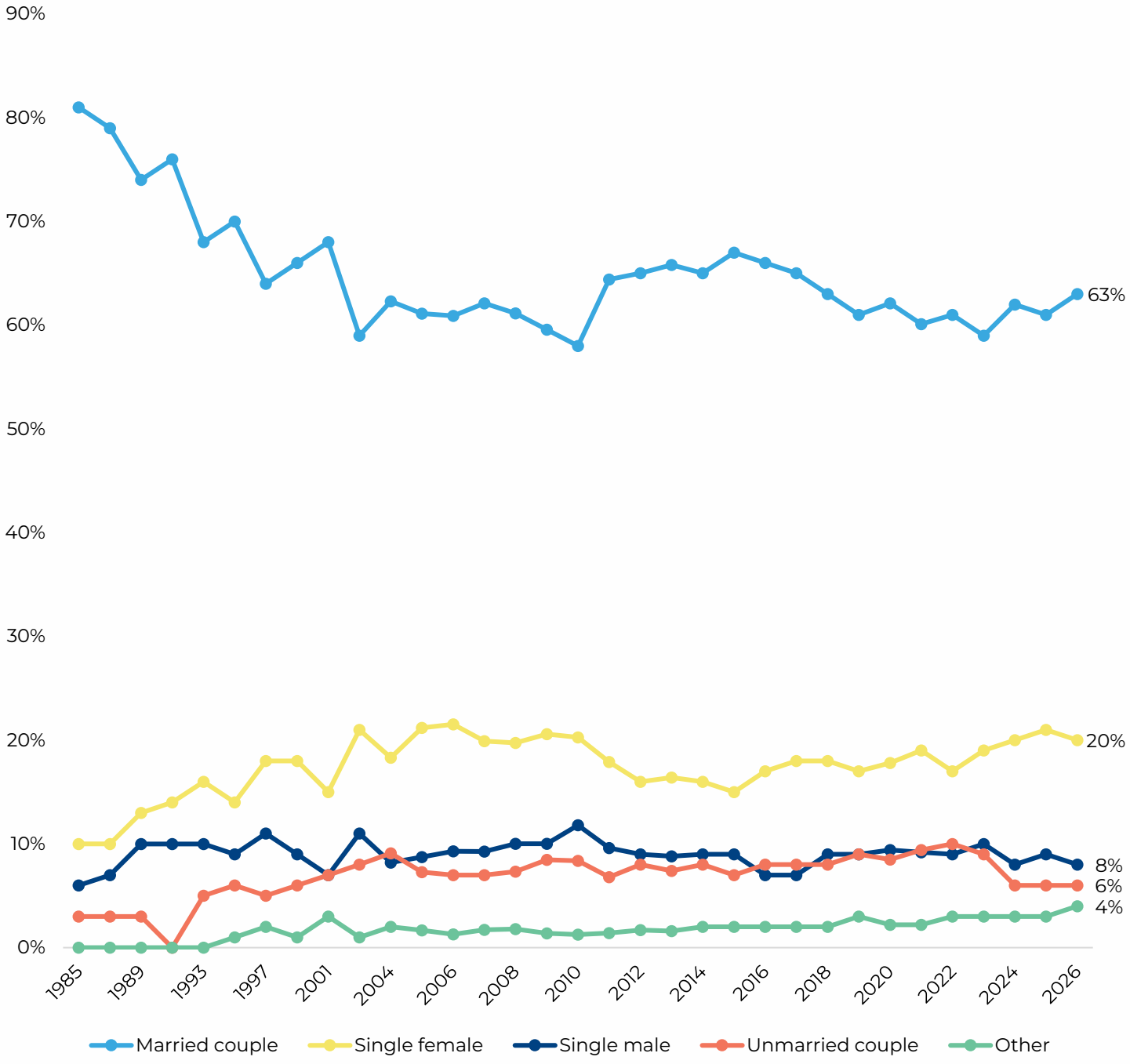
** Less than 1 percent*

Twenty-six percent of all recent buyers were between the ages of 65 and 74, and 20 percent were between the ages of 55 and 64. Among first-time buyers, 32 percent were between the ages of 35 and 44, and 29 percent were between the ages of 25 and 34. As supply remains constrained at affordable price points, active housing-market buyers are more likely to be older and have the equity to make trades.

Chapter 1: Characteristics of Home Buyers

Exhibit 1-4 Adult Composition of Home Buyer Households, 1981–2026

(Percentage Distribution)



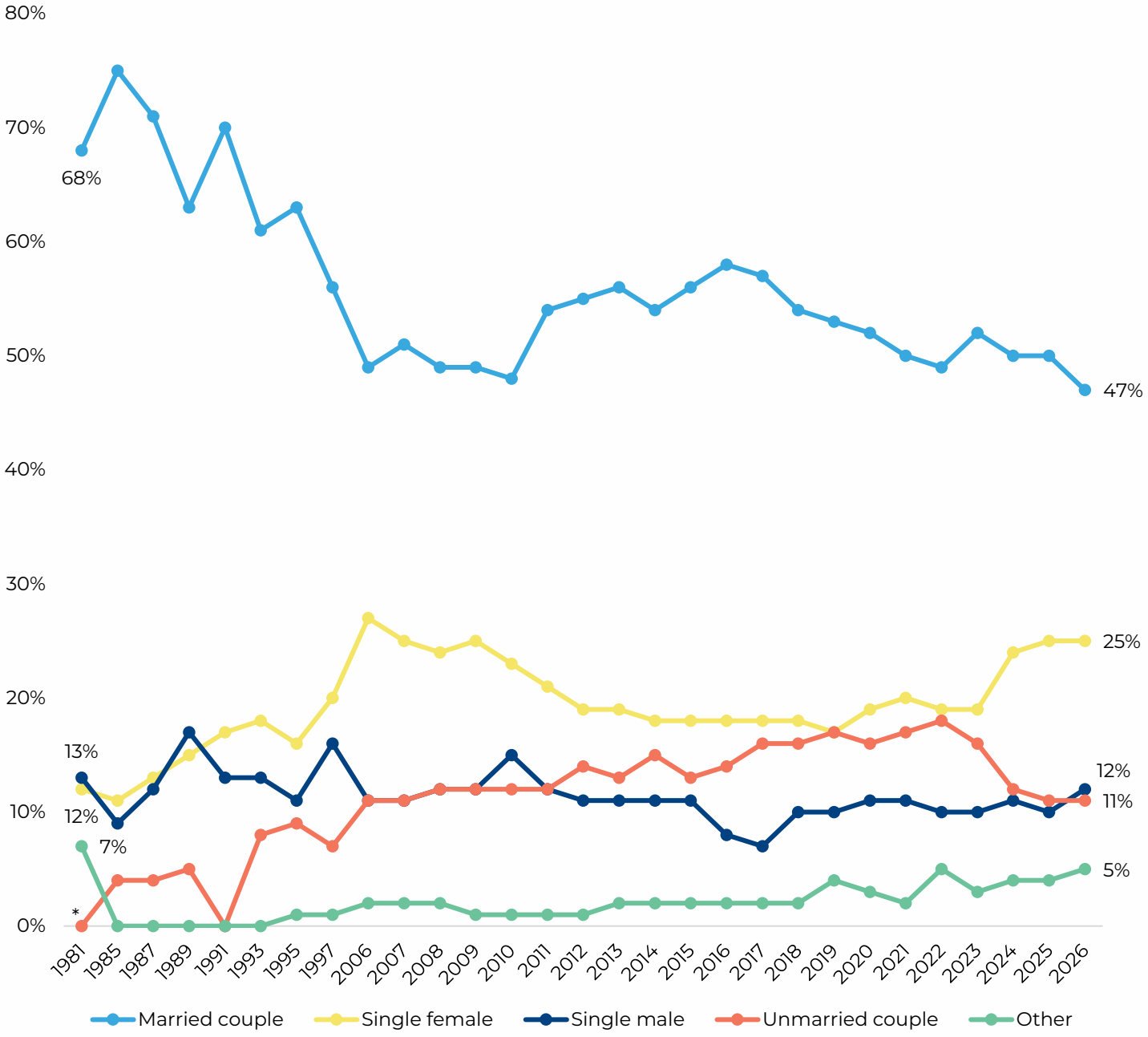
** Less than 1 percent*

The share of married couples increased to 63 percent of all buyers. The share of single females decreased to 20 percent, and the share of single males decreased to eight percent. The share of unmarried couples remained consistent this year at six percent. The share of those purchasing as "other," which represents non-romantic roommates, has risen to an all-time high of four percent. Purchasing as a roommate can assist with housing affordability and companionship.

Chapter 1: Characteristics of Home Buyers

Exhibit 1-5 Adult Composition of First-Time Home Buyer Households, 1981–2026

(Percentage Distribution)



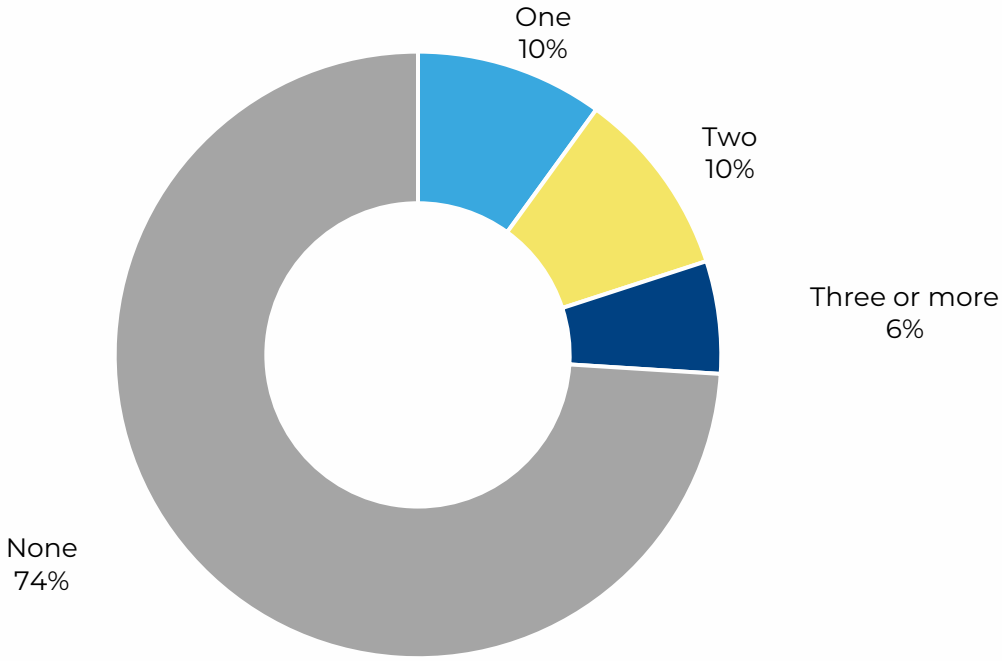
** Less than 1 percent*

The share of first-time buyers who were married couples was 47 percent, a decrease from 50 percent last year. The share of first-time buyers who were single females was 25 percent, unchanged from last year, while 12 percent were single men, an increase from last year and the highest share reported since 2011. Eleven percent were unmarried couples. Five percent purchased as "other," which is defined as unromantic roommates, a 45-year high. As marriage rates decline and housing affordability remains arduous for first-time buyers, creative solutions to enter homeownership, such as roommates, have increased.

Chapter 1: Characteristics of Home Buyers

Exhibit 1-6 Number of Children Under the Age of 18 Residing in Household

(Percentage Distribution)

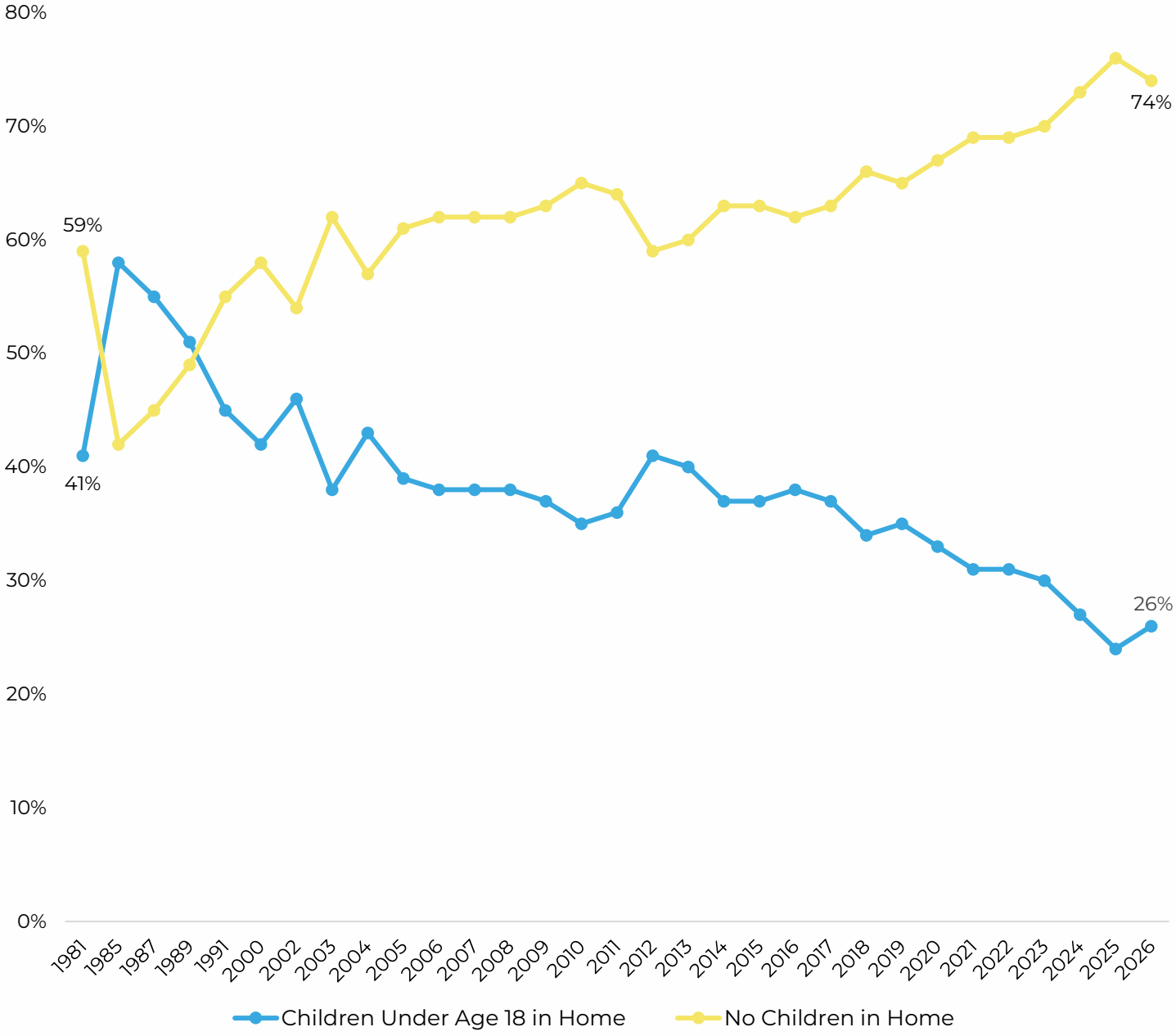


Twenty-six percent of all buyers had children under 18 living at home, up slightly from 24 percent last year. This year, 10 percent of home buyers had one child, 10 percent had two children, and six percent had three or more children. Thirty-three percent of first-time buyers and 24 percent of repeat buyers had children under the age of 18.

Chapter 1: Characteristics of Home Buyers

Exhibit 1-7 Share of Home Buyers with Children Under the Age of 18 in Home, 1981–2026

(Percentage Distribution)



Seventy-four percent of all buyers had no children under the age of 18 living at home, down from 76 percent last year. Twenty-six percent of all buyers had children under the age of 18 living at home, up slightly from 24 percent last year.

Chapter 1: Characteristics of Home Buyers

Exhibit 1-8 Home Purchased Was a Multi-Generational Home (Will Home Adult Siblings, Adult Children, Parents, and/or Grandparents)

(Percent of Respondents)

	ALL BUYERS
Multi-generational household	14%
REASONS FOR PURCHASE	
Health/Caretaking of aging parents	30%
Cost savings	23%
Children/relatives over 18 never left home	19%
Children/relatives over 18 moving back into the house	18%
To spend more time with aging parents	18%
Wanted a larger home that multiple incomes could afford together	11%
Grandchild living in home	9%
Help reduce childcare costs	7%
None of the above	18%
Other	7%
CHILDREN UNDER 18 RESIDING IN THE HOME	
Cost Savings	33%
Health/Caretaking of aging parents	30%
To spend more time with aging parents	26%
Children/relatives over 18 moving back into the house	19%
Children/relatives over 18 never left home	18%
Wanted a larger home that multiple incomes could afford together	17%
Help reduce childcare costs	16%
Grandchild living in home	16%
None of the above	11%
Other	4%

Fourteen percent of home buyers purchased a multi-generational home—one with adult siblings, adult children over the age of 18, parents, and/or grandparents—and this remains consistent with last year. The top reasons for purchasing a multi-generational home were to take care of aging parents (30 percent), cost savings (23 percent), children over the age of 18 never leaving home (19 percent), and children over the age of 18 moving back home (18 percent). In multi-generational homes with children under the age of 18, 33 percent shared that their primary reason for purchasing a multi-generational home was cost savings.

Chapter 1: Characteristics of Home Buyers

Exhibit 1-9 Home Buyer Sexual Orientation

(Percentage Distribution)

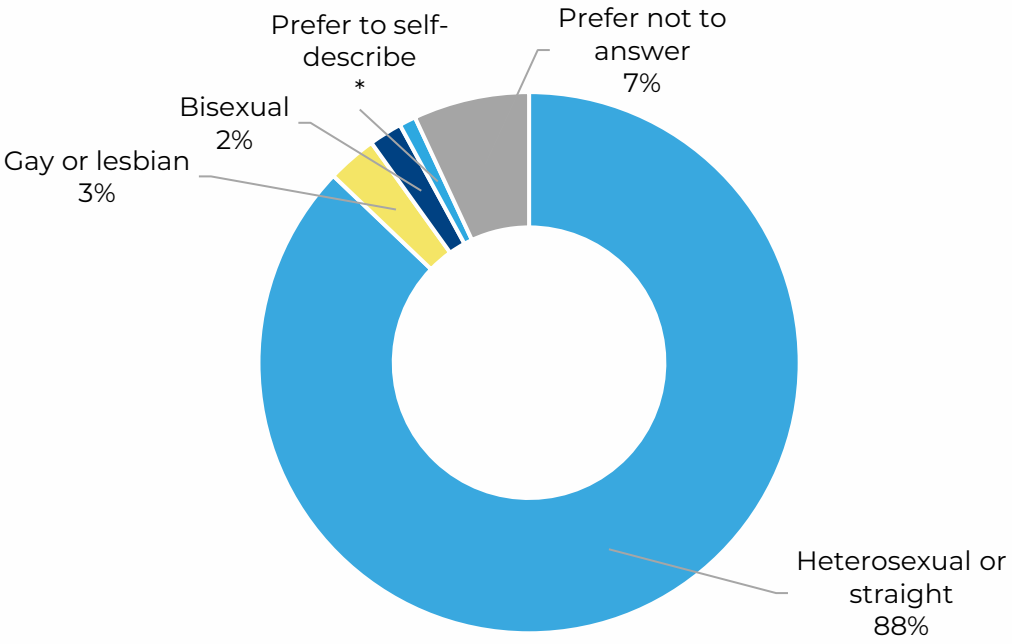
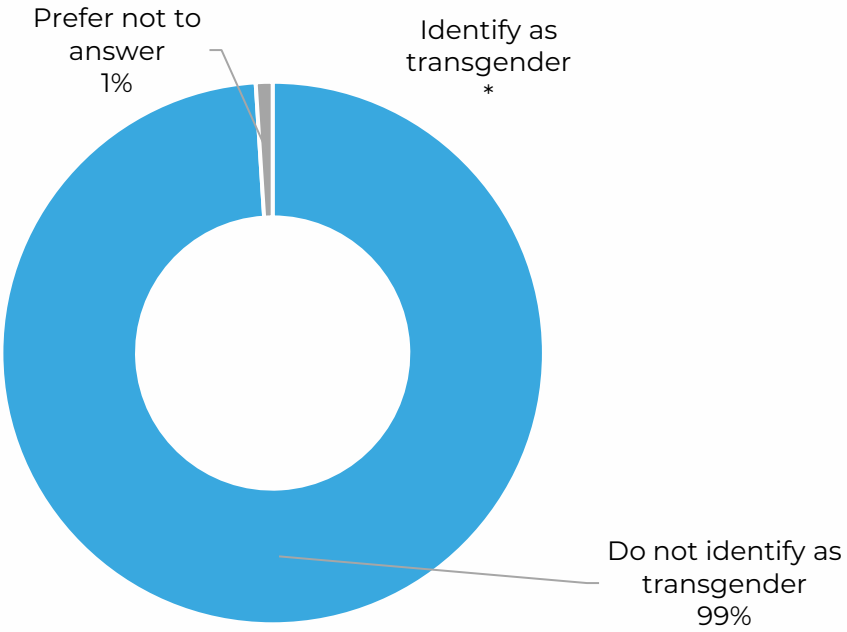


Exhibit 1-10 Home Buyer Identifies as Transgender

(Percentage Distribution)



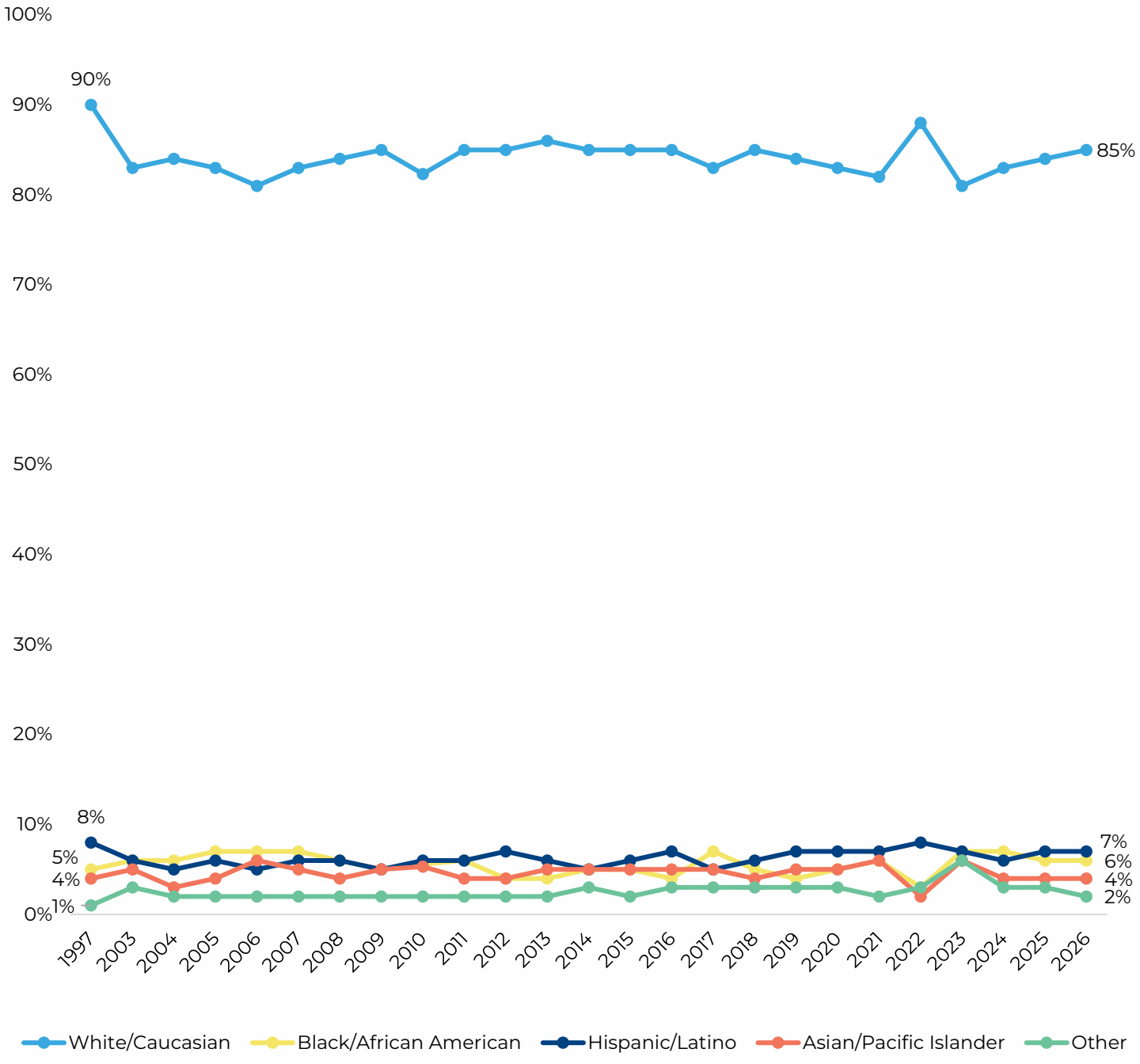
** Less than 1 percent*

Eighty-eight percent of recent home buyers identified as heterosexual, three percent as gay or lesbian, two percent as bisexual, and seven percent preferred not to answer. Less than one percent of recent buyers identify as transgender.

Chapter 1: Characteristics of Home Buyers

Exhibit 1-11 Race/Ethnicity of Home Buyer, 1997–2026

(Percent of Respondents)



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

Eighty-five percent of recent home buyers identified their ethnicity as White or Caucasian. Seven percent identified as Hispanic/Latino, six percent identified as Black/African-American, four percent identified as Asian/Pacific Islander, and two percent identified as some other ethnicity.

Chapter 1: Characteristics of Home Buyers

Exhibit 1-12 Race/Ethnicity of First-time and Repeat Buyers

(Percent of Respondents)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
White/Caucasian	85%	71%	88%
Black/African-American	6%	13%	4%
Hispanic/Latino	7%	11%	5%
Asian/Pacific Islander	4%	7%	3%
Other	2%	4%	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

Thirty-five percent of first-time home buyers identified as non-White/Caucasian, compared to 14 percent of repeat buyers.

Exhibit 1-13 Primary Language Spoken In First-time And Repeat Buyer Households

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
English	97%	95%	98%
Other	3%	5%	2%

Ninety-seven percent of home buyers primarily spoke English. Five percent of first-time buyers, compared to two percent of repeat buyers, reported speaking a language other than English as their primary language.

Exhibit 1-14 National Origin of First-time And Repeat Buyers

(Percentage Distribution)

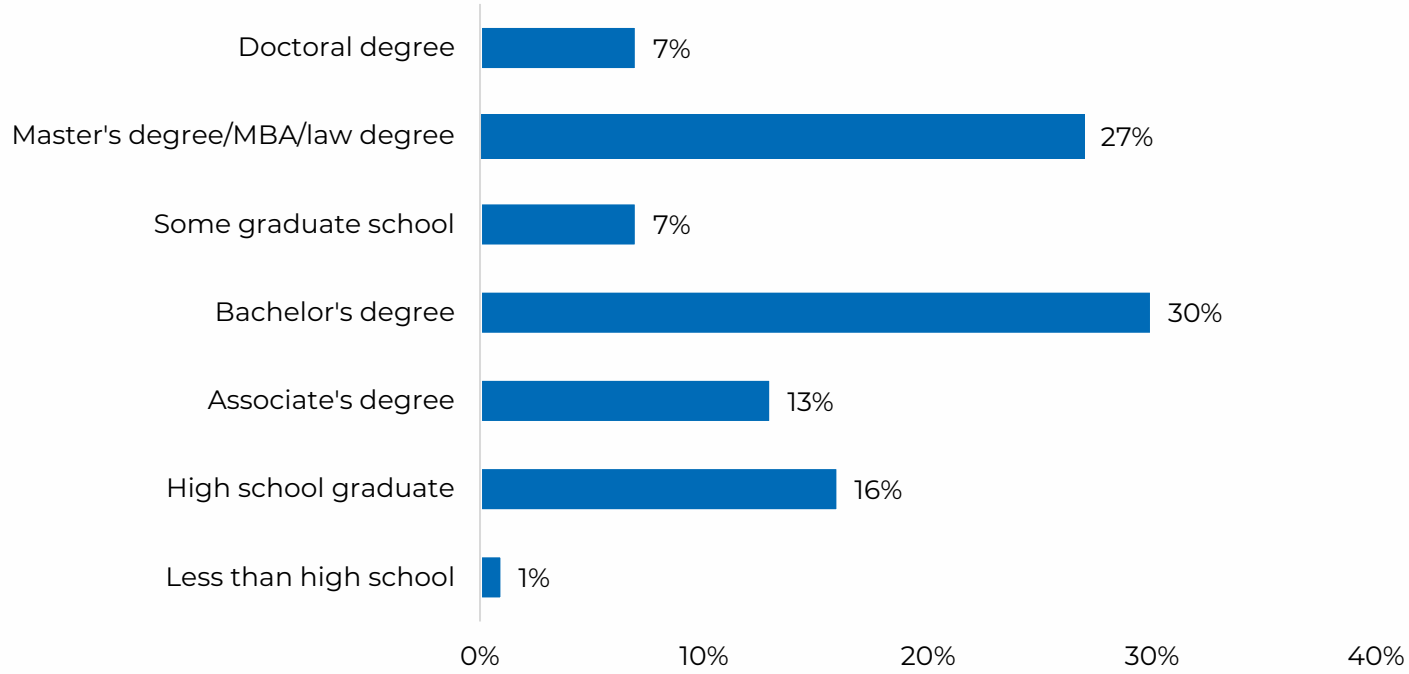
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Born in the U.S.	92%	90%	93%
Not born in the U.S.	8%	10%	7%

Ninety-two percent of buyers reported being born in the United States. Ten percent of first-time home buyers and seven percent of repeat buyers reported being born outside the United States.

Chapter 1: Characteristics of Home Buyers

Exhibit 1-15 Highest Education Achieved by Household Head

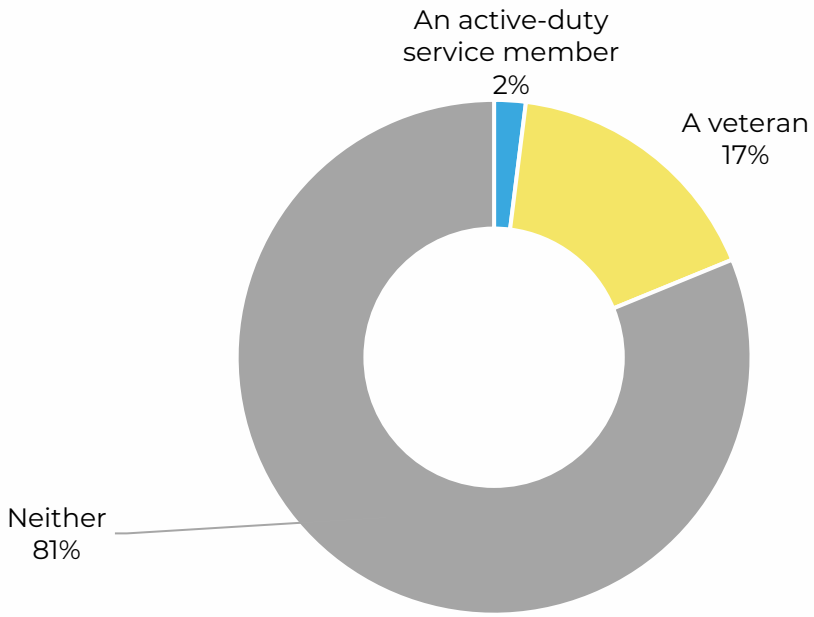
(Percentage Distribution)



Thirty percent of recent buyers held a Bachelor's degree, and 27 percent held a Master's degree/MBA/law degree.

Exhibit 1-16 Self or Spouse/Partner is Active Military or Veteran

(Percentage Distribution)

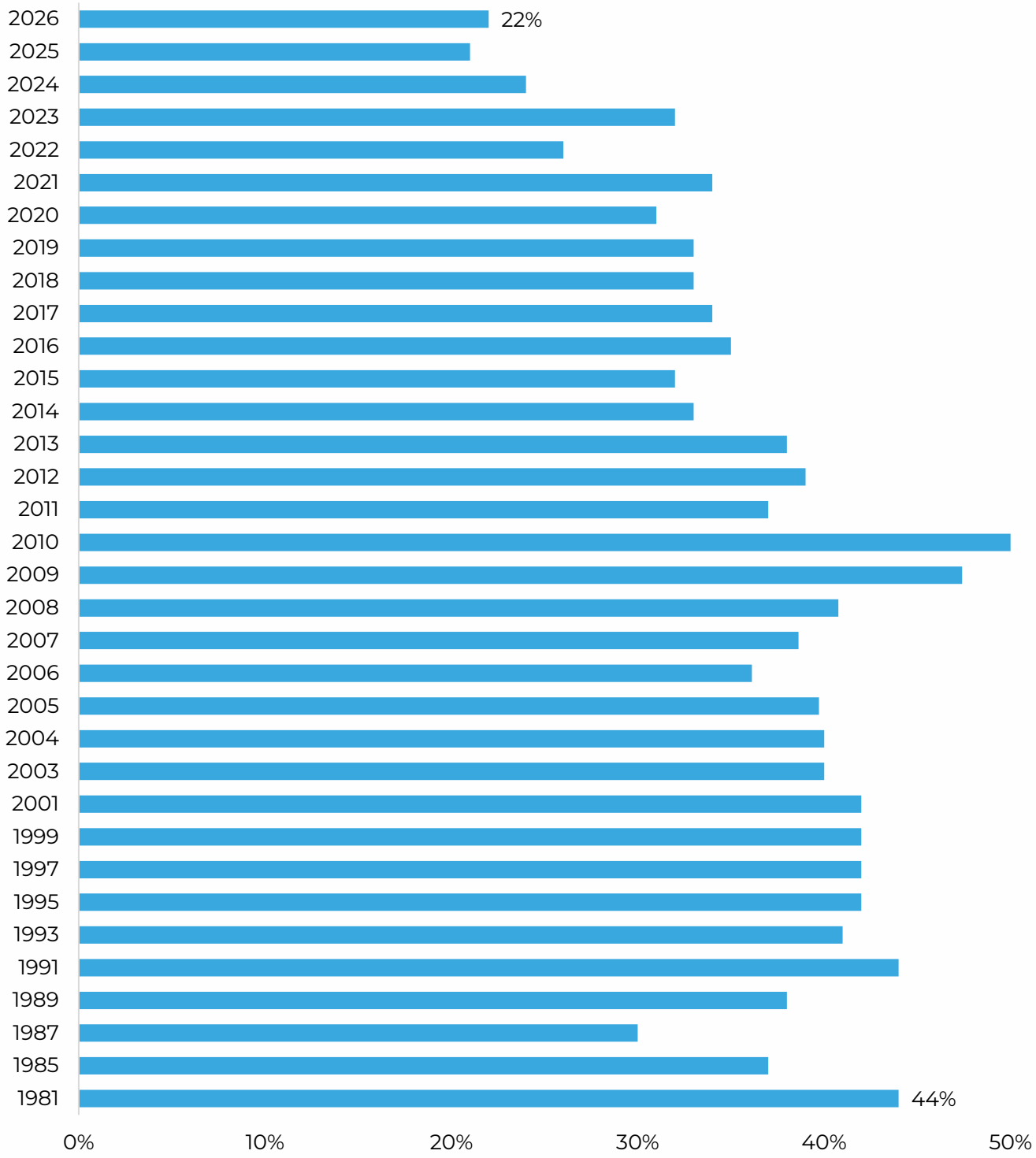


Among recent home buyers (or someone within their home), 17 percent were veterans, and two percent were active-duty service members.

Chapter 1: Characteristics of Home Buyers

Exhibit 1-17 First-Time Home Buyers, 1981–2026

(Percentage Distribution)



With a slight increase in housing inventory and a temporary drop in mortgage interest rates, first-time buyers increased slightly. First-time home buyers increased to 22 percent of the market share (21 percent last year). Before 2008, the historical norm for first-time buyers was 40 percent.

Chapter 1: Characteristics of Home Buyers

Exhibit 1-18 Household Income of First-time and Repeat Buyers, 2025

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Less than $55,000	13%	17%	12%
$55,000 to $74,999	11%	14%	9%
$75,000 to $99,999	15%	19%	14%
$100,000 to $199,999	41%	38%	42%
$200,000 or more	21%	12%	23%
Median income (2025)	$120,000	$100,000	$127,000

Household incomes continue to rise among successful home buyers as they work to overcome housing affordability challenges. The median household income for 2025 rose to $120,000 from $109,000. First-time buyers had a median household income of $100,000, up from $94,400, while repeat buyers had a median household income of $127,000, up from $111,700.

Exhibit 1-19 Median Household Income of Household Compositions by First-time and Repeat Buyers, 2025

(Medians)

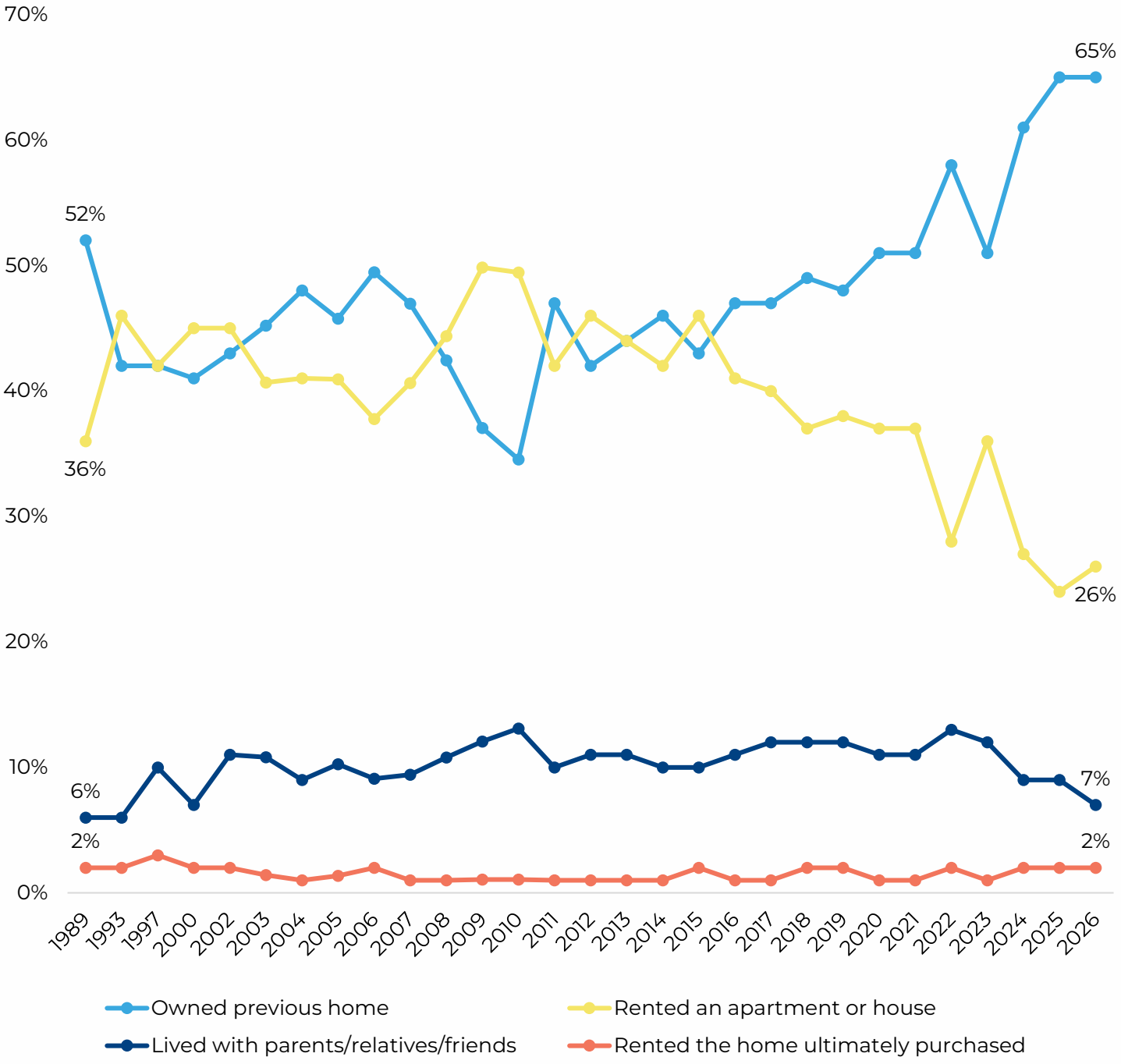
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Married couple	$138,000	$121,000	$142,000
Single female	$76,000	$71,000	$79,000
Single male	$91,000	$86,000	$93,000
Unmarried couple	$117,000	$105,000	$139,000
Other	$93,000	$93,000	$93,000

Married couples had the highest median household income, while single female buyers had the lowest median household income across all household compositions. Notably, among all buyers and first-time buyers, single women continue to outpace single men as home buyers despite lower household incomes.

Chapter 1: Characteristics of Home Buyers

Exhibit 1-20 Prior Living Arrangement, 1989–2026

(Percentage Distribution)

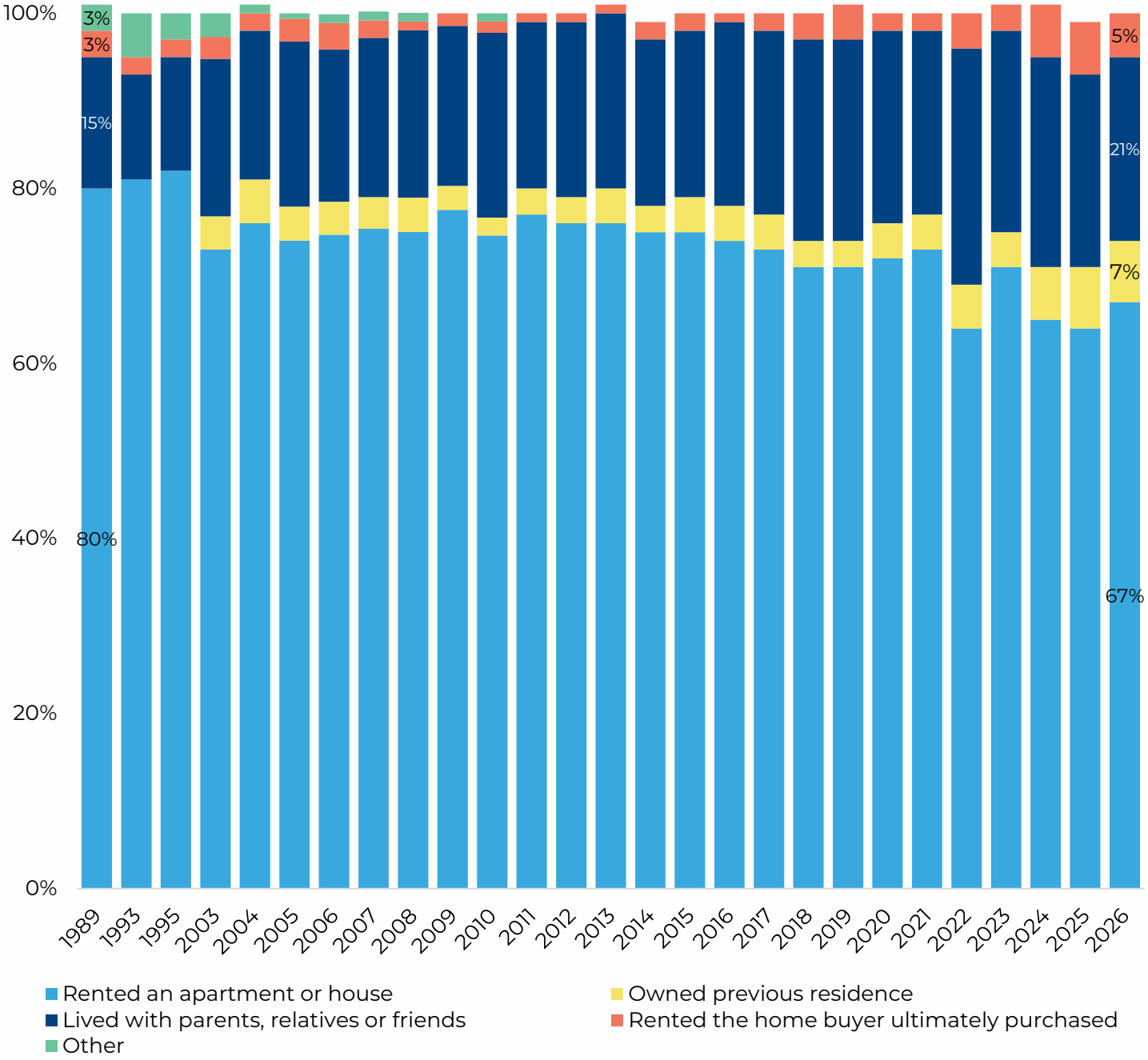


Further underscoring the power of housing equity in this housing market, recent home buyers were more likely to own their previous home (65 percent) than to rent a home or apartment (26 percent).

Chapter 1: Characteristics of Home Buyers

Exhibit 1-21 Prior Living Arrangement of First-Time Buyers, 1989–2026

(Percentage Distribution)



Sixty-seven percent of first-time home buyers rented their previous living arrangement, and 21 percent lived with friends or family. The share of first-time buyers who lived with friends or family has remained consistent at 21 percent from last year but is up from a low of 12 percent in 1993. Living with friends and family before buying a home has become a way for some young adults to avoid market-rate rent, which may delay saving for a down payment.

Chapter 1: Characteristics of Home Buyers

Exhibit 1-22 Primary Reason for Purchasing a Home, First-time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Desire to own a home of own	19%	60%	7%
Desire to be closer to family/friends/relatives	14%	2%	18%
Desire for larger home	11%	4%	13%
Retirement	8%	2%	10%
Desire for smaller home	7%	*	9%
Desire for a home in a better area	7%	3%	9%
Change in family situation (e.g. marriage, birth of child, divorce, etc.)	7%	7%	7%
Job-related relocation or move	5%	2%	5%
Desire to be closer to job/school/transit	3%	1%	3%
Financial security	2%	3%	2%
Affordability of homes	2%	1%	2%
Better weather conditions	2%	*	2%
Desire for a newly built or custom-built home	2%	1%	2%
Establish a household	1%	4%	1%
Desire for better home for pet(s)	1%	2%	1%

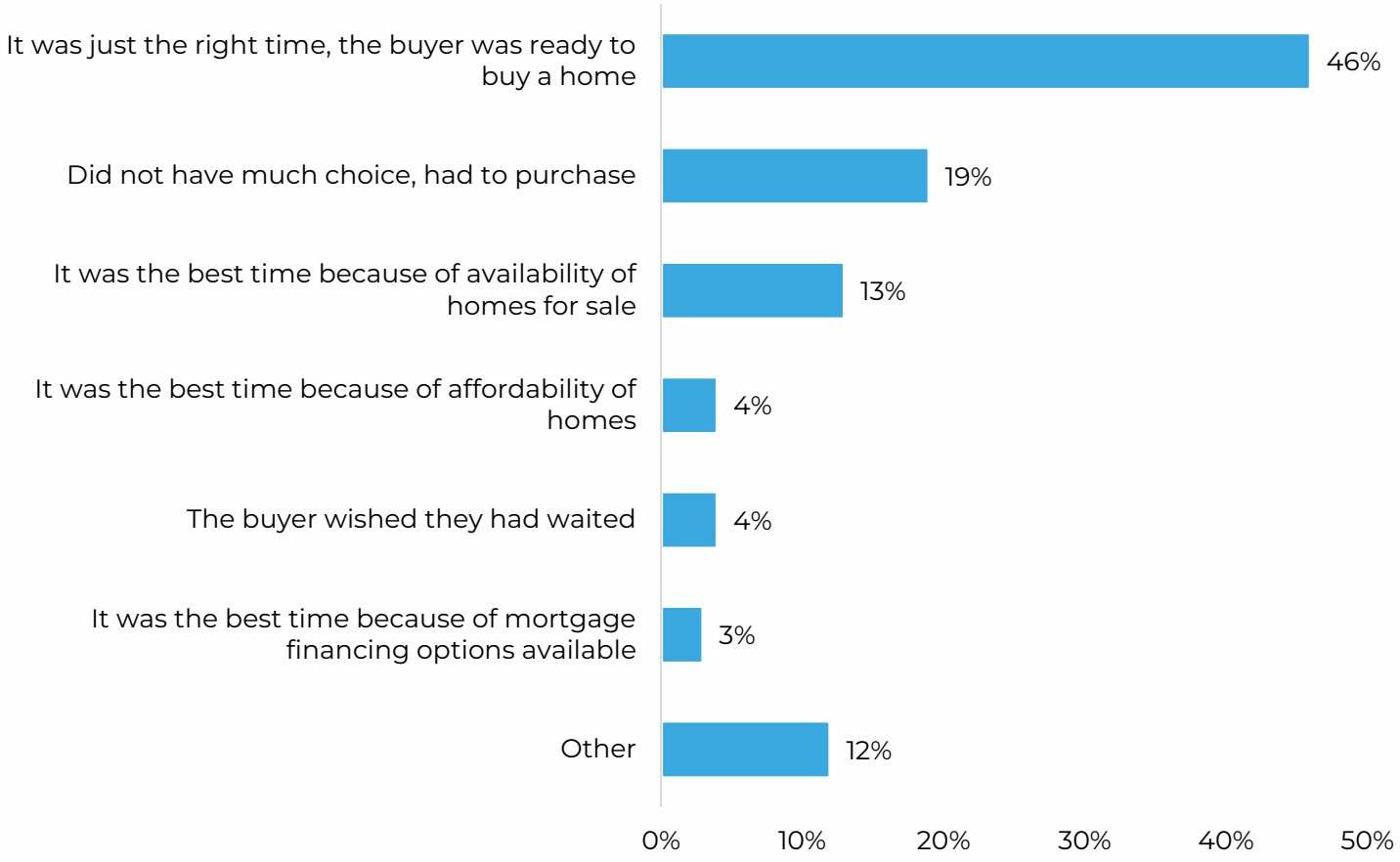
** Less than 1 percent*

Recent home buyers typically bought for the following reasons: the desire to own a home of their own (19 percent), the desire to be closer to friends and family (14 percent), and the desire for a larger home (11 percent). Sixty percent of first-time buyers purchased for the desire to own a home of their own. As more retirees are active in the buying and selling process, the share of buyers who moved to be close to friends and family has moved up in importance, while the share who are moving for a job-related relocation has declined. In 2000, 25 percent of home buyers moved for a job-related relocation, while today that is at five percent. The same year, six percent of home buyers moved for the desire to be close to friends and family, while today that is at 14 percent.

Chapter 1: Characteristics of Home Buyers

Exhibit 1-23 Primary Reason for the Timing of Home Purchase

(Percentage Distribution)



Forty-six percent of buyers said the timing was just right and they were ready to purchase a home. The second most common reason was that buyers had little choice and had to buy when they did (19 percent), followed by the belief that it was the best time because homes were available for sale (13 percent).

Exhibit 1-24 Other Homes Owned

(Percentage Distribution)

	ALL BUYERS
Recently purchased home only	84%
One or more investment properties	7%
One or more vacation homes	3%
Previous homes that buyer is trying to sell	2%
Other	2%

The number of recent home buyers who own more than one home was 14 percent, a slight decrease from 2025.

CHAPTER 2

Characteristics of Homes Purchased



Chapter 2: Characteristics of Homes Purchased

Highlights

New Versus Previously-Owned Home and Age of Home

- In 2025, 16 percent of buyers purchased a new home, and 84 percent of buyers purchased a previously owned home, the same as last year.
- Because the U.S. housing stock remains older due to underbuilding of new construction, which has lagged since the Great Recession, it is not a surprise that home buyers take major upgrades into account when determining what to purchase. Recent buyers who purchased new homes most often looked to avoid renovations and plumbing or electrical problems (47 percent). Buyers who purchased previously owned homes considered them a better value at 28 percent.
- As the typical home purchased is 31 years old, there may be upgrades required unless addressed by the previous owner. **Buyers typically purchased homes built in 1995.**

Home Type and Size

- Detached single-family homes continued to be the most common home type for recent buyers at 76 percent, followed by townhouses or row houses at seven percent. While this is the most commonly purchased home, condo and townhome supply is limited in some communities, and single-family homes are nearly the only product available.
- Recent buyers typically purchased a home that was 1,900 square feet with three bedrooms and two bathrooms.

Senior-Related Housing

- Senior-related housing remained at 18 percent of buyers over the age of 60 this year. Among buyers over 60 who recently purchased senior-related housing, 60 percent purchased a detached single-family home, and 51 percent bought in a suburb or subdivision.

Distance Moved

- The median distance between the home that recent buyers purchased and the home they moved from was 20 miles, the same as last year. While the distance is down from the peak of 50 miles seen in the 2022 report during COVID-19, it remains elevated from the pre-pandemic norm of 15 miles.

Location of Home Purchased

- Forty-eight percent of all buyers purchased in a suburb/subdivision, 21 percent in a small town, 15 percent in an urban or central city, and three percent were purchased in a resort or recreation area. Home buyers are moving into suburban areas at the highest rate since 2021, when it was at 51 percent.
- Quality of the neighborhood (59 percent), convenience to friends and family (46 percent), and overall home affordability (36 percent) remained the most important factors to recent home buyers when choosing a neighborhood.
- Similar to the motivations to purchase a home seen in Chapter 1, there have been considerable changes in neighborhood choice among home buyers. Convenience to the home buyer's job is now at just 31 percent, down from 52 percent in 2014. **Convenience to friends and family is up from a low of 35 percent in 2015 and is now at 46 percent.**

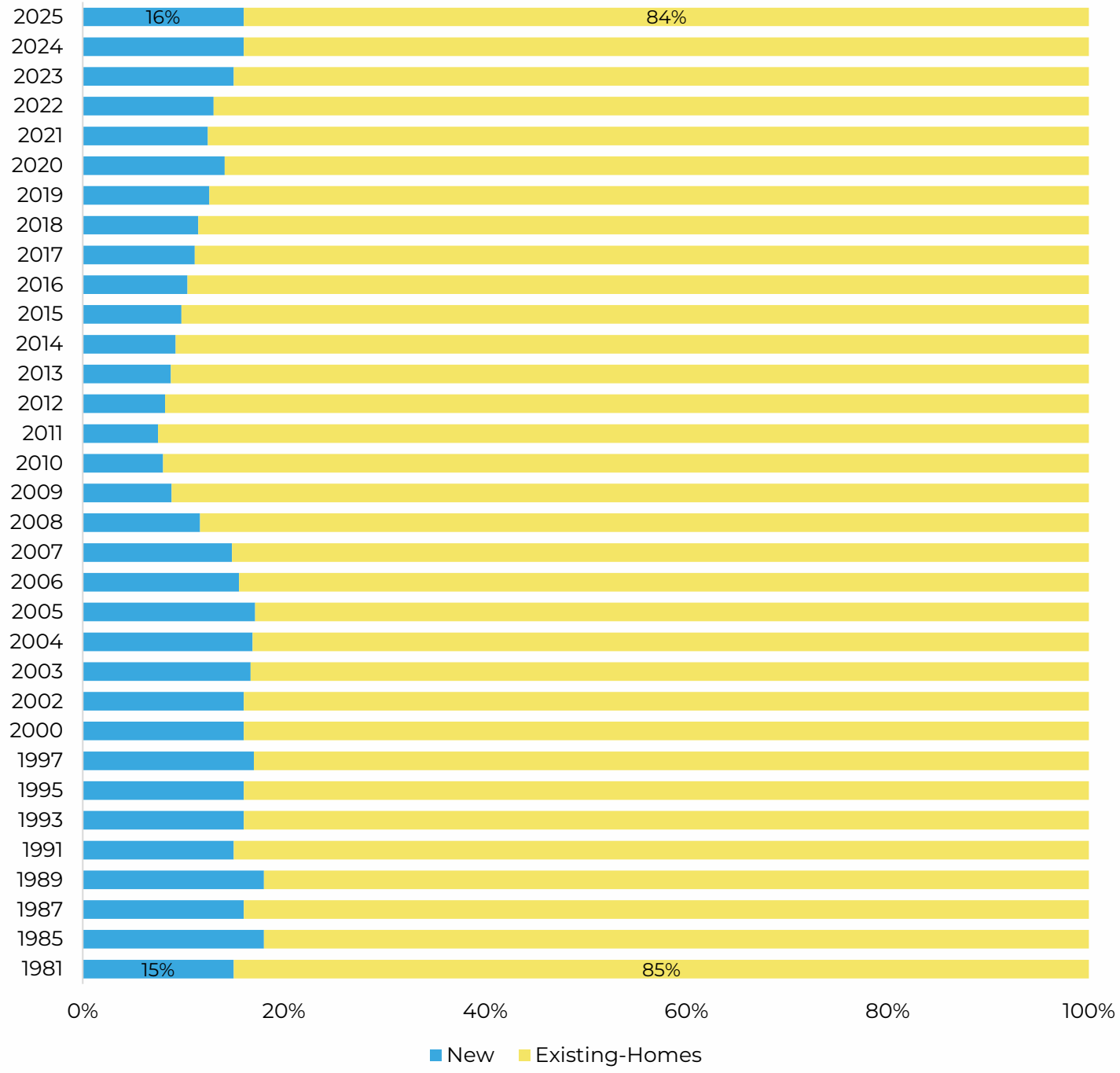
Expected Length of Ownership

- Overall, **buyers expected to live in their homes for a median of 20 years**, while 26 percent said that they were never moving. The expected length of ownership has increased as more retirees are active in the buying market and first-time buyers are older. Even among first-time buyers, the expected length of ownership is 15 years, which is up from seven years in 2007.

Chapter 2: Characteristics of Homes Purchased

Exhibit 2-1 New and Previously Owned Homes Purchased, 1981–2025

(Source: U.S. Census Data for New Homes, National Association of REALTORS® Existing-Home Sales)



The share of new homes purchased remained at 16 percent in 2025. Existing–home purchases also stayed at 84 percent. This is the same as 20 years ago, in 2006, when new home purchases accounted for 16 percent of the market share, while existing homes made up 84 percent.

Chapter 2: Characteristics of Homes Purchased

Exhibit 2-2 Why New and Previously Owned Homes Purchased

(Percent of Respondents)

NEW HOME	ALL BUYERS
Avoid renovations or problems with plumbing or electricity	47%
Amenities of new home construction communities	27%
Ability to choose and customize design features	25%
Green/energy efficiency	14%
Lack of inventory of previously owned homes	11%
Smart home features	10%
Other	29%
PREVIOUSLY OWNED HOME	**ALL BUYERS**
Better overall value	28%
Better price	21%
More charm and character	18%
Lack of inventory of new homes	8%
Want to DIY a fixer upper	3%
Other	23%

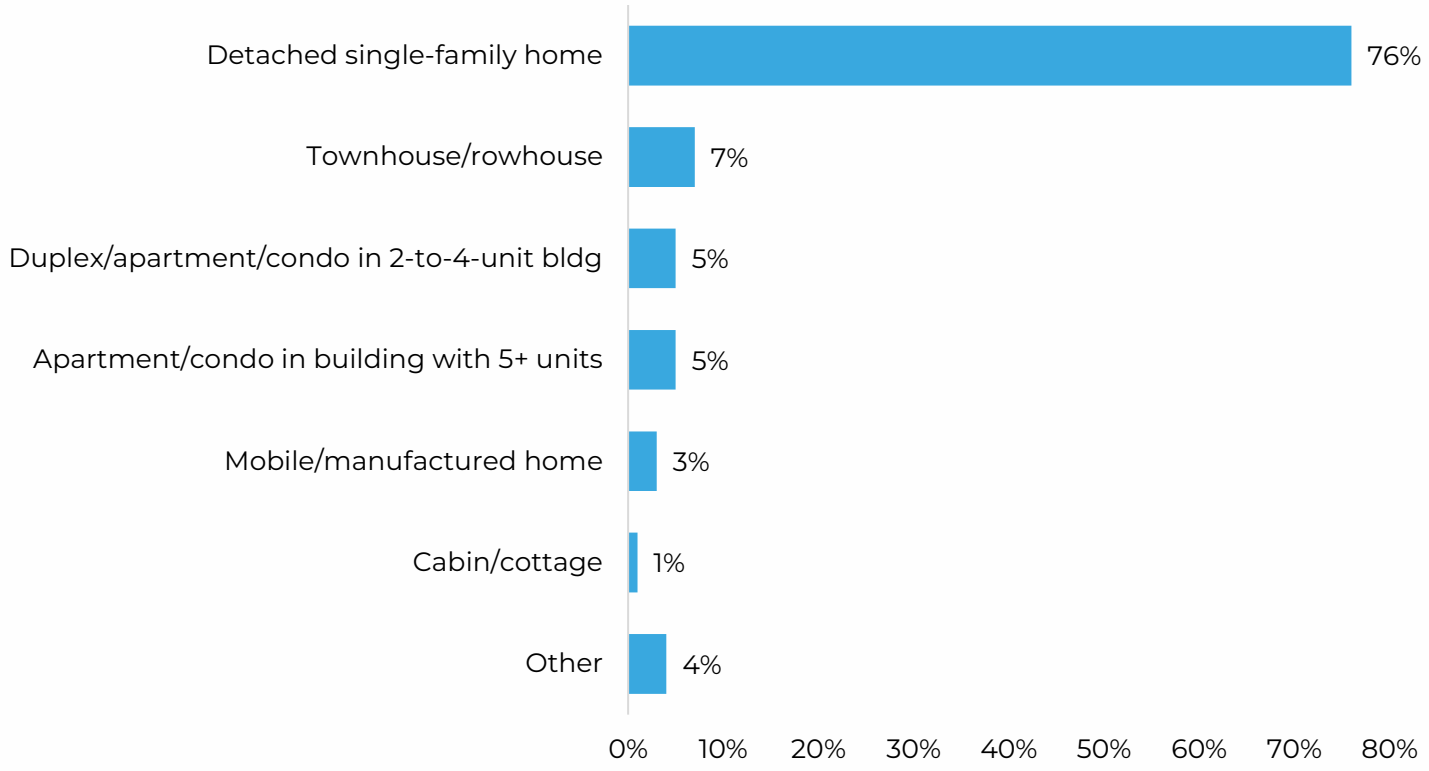
Because the U.S. housing stock remains older due to underbuilding of new construction, which has lagged since the Great Recession, it is not surprising that home buyers consider major upgrades when deciding what to purchase. New-home buyers wanted to avoid renovations and plumbing or electrical problems (47 percent) and to choose and customize design features in their home (25 percent).

In many communities, the lack of new inventory is a barrier to considering a new home. Additionally, home buyers may find better pricing among existing housing stock. Buyers who chose a previously owned home said it offered better overall value (28 percent), a better price (21 percent), and more charm and character (18 percent).

Chapter 2: Characteristics of Homes Purchased

Exhibit 2-3 Type of Home Purchased

(Percentage Distribution)

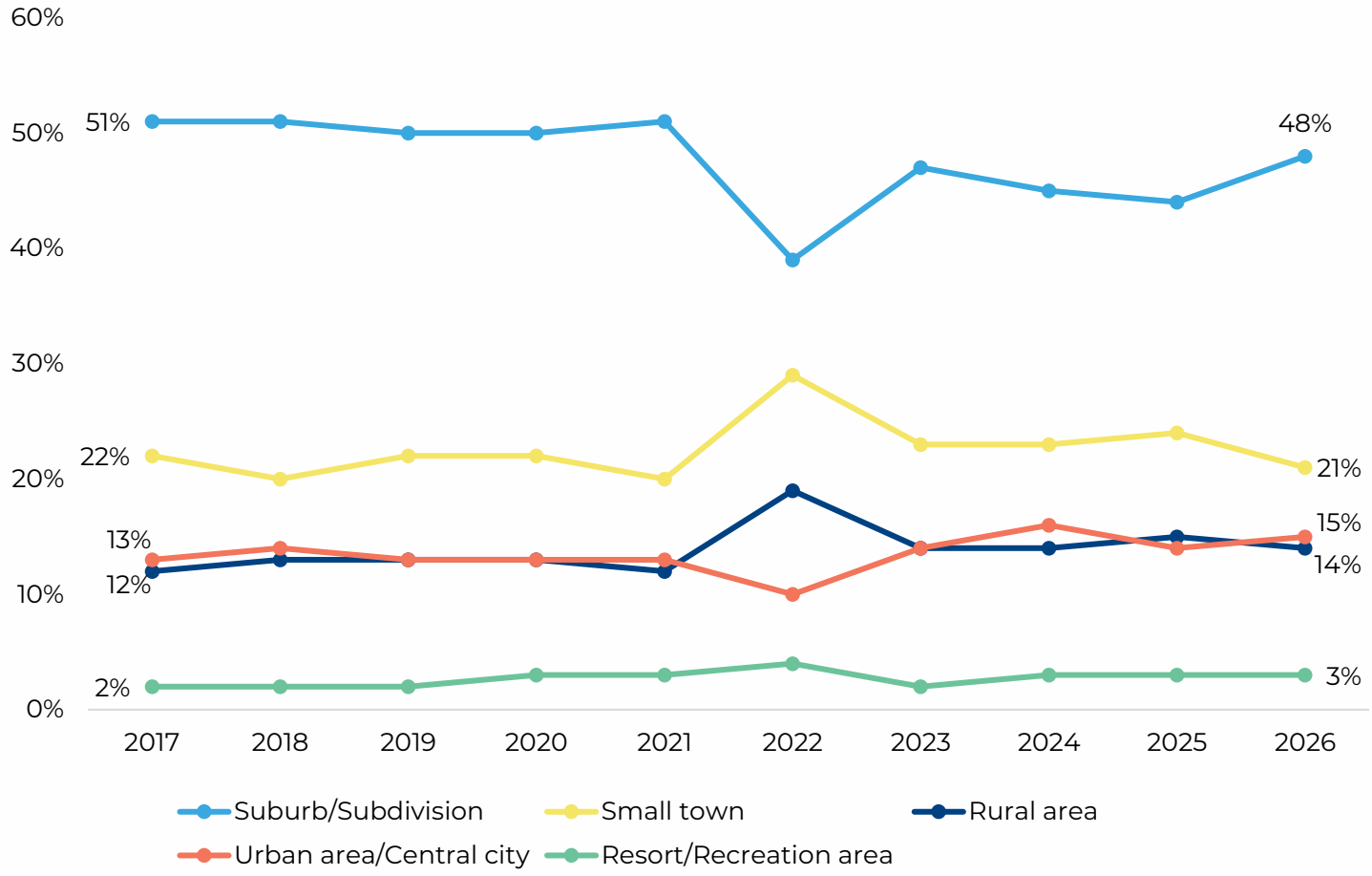


Detached single-family homes remained the most common home type for recent buyers at 76 percent, followed by townhouses or row houses at seven percent. While this is the most commonly purchased home, in some communities, the supply of condos and townhomes is limited, and single-family homes are nearly the only product available.

Chapter 2: Characteristics of Homes Purchased

Exhibit 2-4 Location of Home Purchased, 2017–2026

(Percentage Distribution)



The largest share of home purchases was in suburbs/subdivisions and small towns. Forty-eight percent of all buyers purchased in a suburb/subdivision, 21 percent in a small town, 15 percent purchased in an urban or central city, and 14 percent in a rural area. Three percent were purchased in a resort or recreation area. Home buyers are moving into suburban areas at the highest rate since 2021, when it was 51 percent.

Chapter 2: Characteristics of Homes Purchased

Exhibit 2-5 Senior-Related Housing by Type of Home Purchased and Location

(Percent of Respondents)

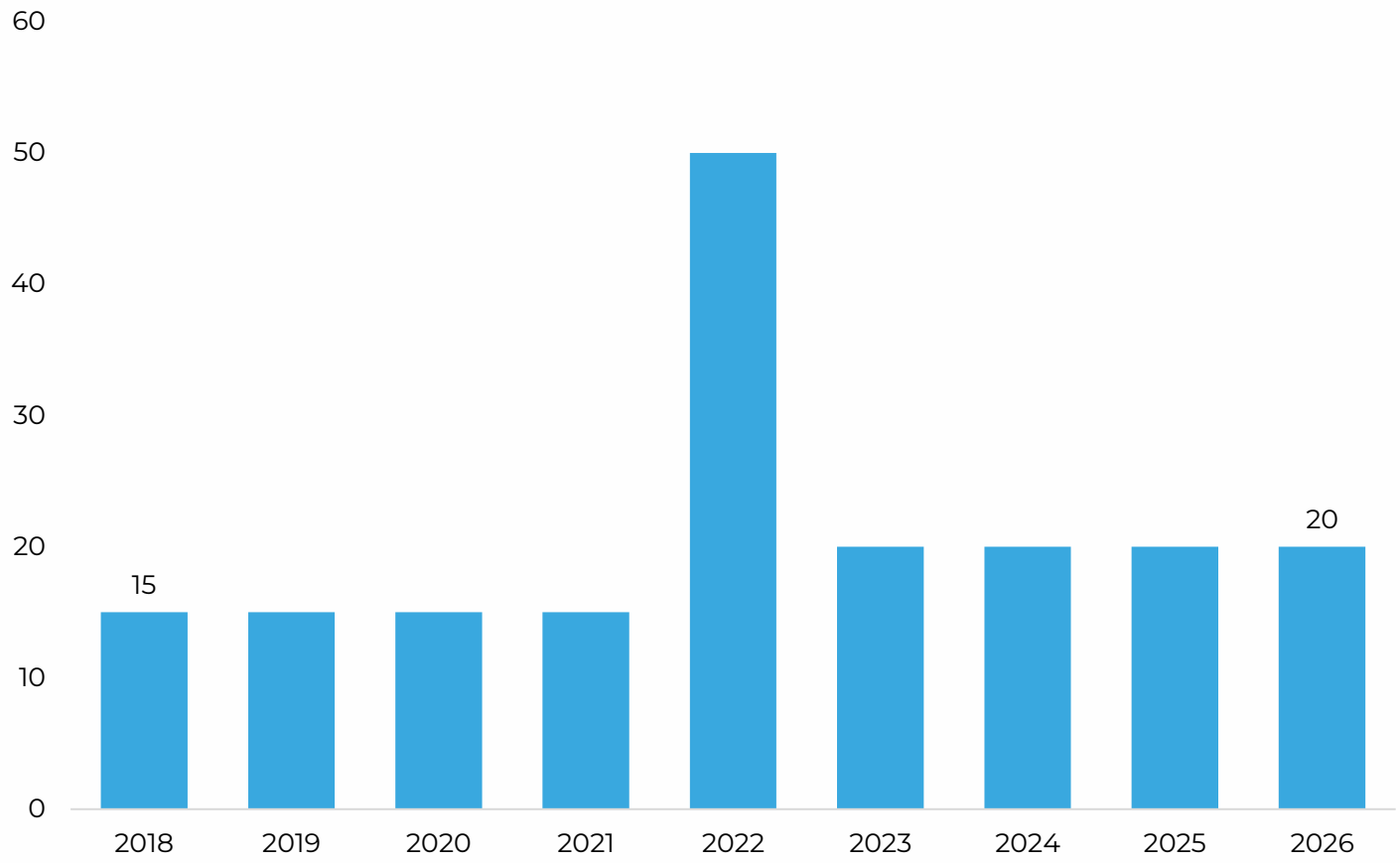
	ALL BUYERS OVER 60
Share who purchased a home in senior-related housing	18%
BUYERS OVER 60 WHO PURCHASED SENIOR-RELATED HOUSING	
TYPE OF HOME PURCHASED	
Detached single-family home	60%
Duplex/apartment/condo in 2-to-4-unit building	13%
Apartment/condo in building with 5 or more units	9%
Townhouse/row house	8%
Other	10%
LOCATION	
Suburb/ Subdivision	51%
Small town	16%
Resort/ Recreation area	14%
Urban/ Central city	11%
Rural area	7%

Senior-related housing accounted for 18 percent of purchases by buyers over age 60 this year. For buyers over 60 who recently purchased senior-related housing, 60 percent purchased a detached single-family home, and 51 percent bought in a suburb or subdivision. Other home types include duplexes/apartments/condos (13 percent) and townhomes and row homes (8 percent). Single-family homes are the most popular housing type regardless of the age of the home buyer. Some communities have HOAs, which help with exterior maintenance.

Chapter 2: Characteristics of Homes Purchased

Exhibit 2-6 Distance Between Home Purchased and Previous Residence, 2018–2026

(Median Miles)



The median distance between the home that recent buyers purchased and the home they moved from was 20 miles, the same as last year. Although the distance is down from the 50-mile peak in the 2022 report during COVID-19, it remains elevated compared with the pre-pandemic norm of 15 miles.

Chapter 2: Characteristics of Homes Purchased

Exhibit 2-7 Factors Influencing Neighborhood Choice

(Percentage Distribution)

	ALL BUYERS
Quality of the neighborhood	59%
Convenient to friends/family	46%
Overall affordability of homes	36%
Convenient to job	31%
Convenient to shopping	30%
Design of neighborhood	28%
Convenient to entertainment/leisure activities	22%
Convenient to health facilities	22%
Convenient to parks/recreational facilities	22%
Walkability	21%
Availability of larger lots or acreage	18%
Convenient to vet/outdoor space for pet	17%
Quality of the school district	16%
Convenient to schools	16%
Convenient to airport	10%
Home in a planned community	8%
Access to bike paths	8%
Convenient to public transportation	6%
Other	9%

Quality of the neighborhood (59 percent), convenience to friends and family (46 percent), and overall home affordability (36 percent) remained the most important factors for recent home buyers when choosing a neighborhood. Similar to the motivations to purchase a home seen in Chapter 1, neighborhood choice among home buyers has changed considerably. Convenience to the home buyer's job is now at just 31 percent, down from 52 percent in 2014. Convenience to friends and family is up from a low of 35 percent in 2015 and is now at 46 percent.

Chapter 2: Characteristics of Homes Purchased

Exhibit 2-8 Purchase Price Compared with Asking Price

(Percentage Distribution)

PERCENT OF ASKING PRICE	ALL BUYERS
Less than 90%	8%
90% to 94%	13%
95% to 99%	32%
100%	30%
101% to 110%	15%
More than 110%	2%
Median (purchase price as a percent of asking price)	99%

Recent buyers typically purchased their homes for a median of 99 percent of the asking price. Seventeen percent of buyers paid more than the asking price.

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

(Percentage Distribution)

				BUYERS OF	
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	NEW HOMES	PREVIOUSLY OWNED HOMES
1,500 sq ft or less	15%	28%	11%	4%	16%
1,501 to 2,000 sq ft	25%	30%	24%	23%	25%
2,001 to 2,500 sq ft	27%	25%	28%	37%	26%
2,501 to 3,000 sq ft	14%	10%	16%	17%	14%
3,001 sq ft or more	19%	9%	22%	20%	19%
Median (sq ft)	1,900	1,600	2,000	2,000	1,900

This year, recently purchased homes averaged 1,900 square feet. The size of homes purchased by repeat buyers was typically larger than those purchased by first-time buyers. The median home size was 1,600 square feet for first-time buyers and 2,000 square feet for repeat buyers. New-home buyers typically purchased homes of about 2,000 square feet, while buyers of previously owned homes typically purchased homes of about 1,900 square feet.

Chapter 2: Characteristics of Homes Purchased

Exhibit 2-10 Number of Bedrooms and Bathrooms, by First-Time and Repeat Buyers and Children within Home

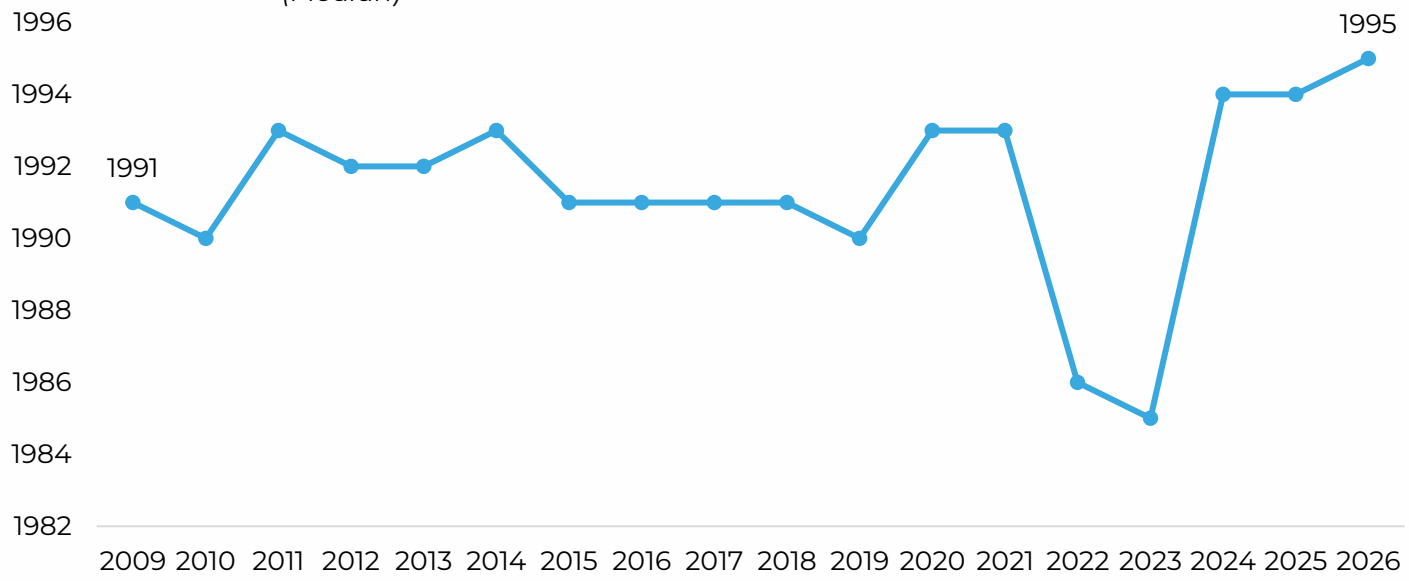
(Percentage Distribution)

				CHILDREN IN HOME	
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS	CHILDREN UNDER 18 IN HOME	NO CHILDREN IN HOME
One bedroom	2%	3%	1%	0%	2%
Two bedrooms	18%	19%	17%	5%	23%
Three bedrooms or more	81%	77%	82%	95%	75%
Median number of bedrooms	3	3	3	4	2
One full bathroom	14%	28%	10%	11%	15%
Two full bathrooms	60%	58%	60%	53%	62%
Three full bathrooms or more	27%	15%	30%	36%	22%
Median number of full bathrooms	2	2	2	3	2

The typical home purchased had a median of three bedrooms and two bathrooms. Buyers with children under 18 in the home purchased homes with a median of four bedrooms and three bathrooms.

Exhibit 2-11 Year Home Built, 2009–2026

(Median)

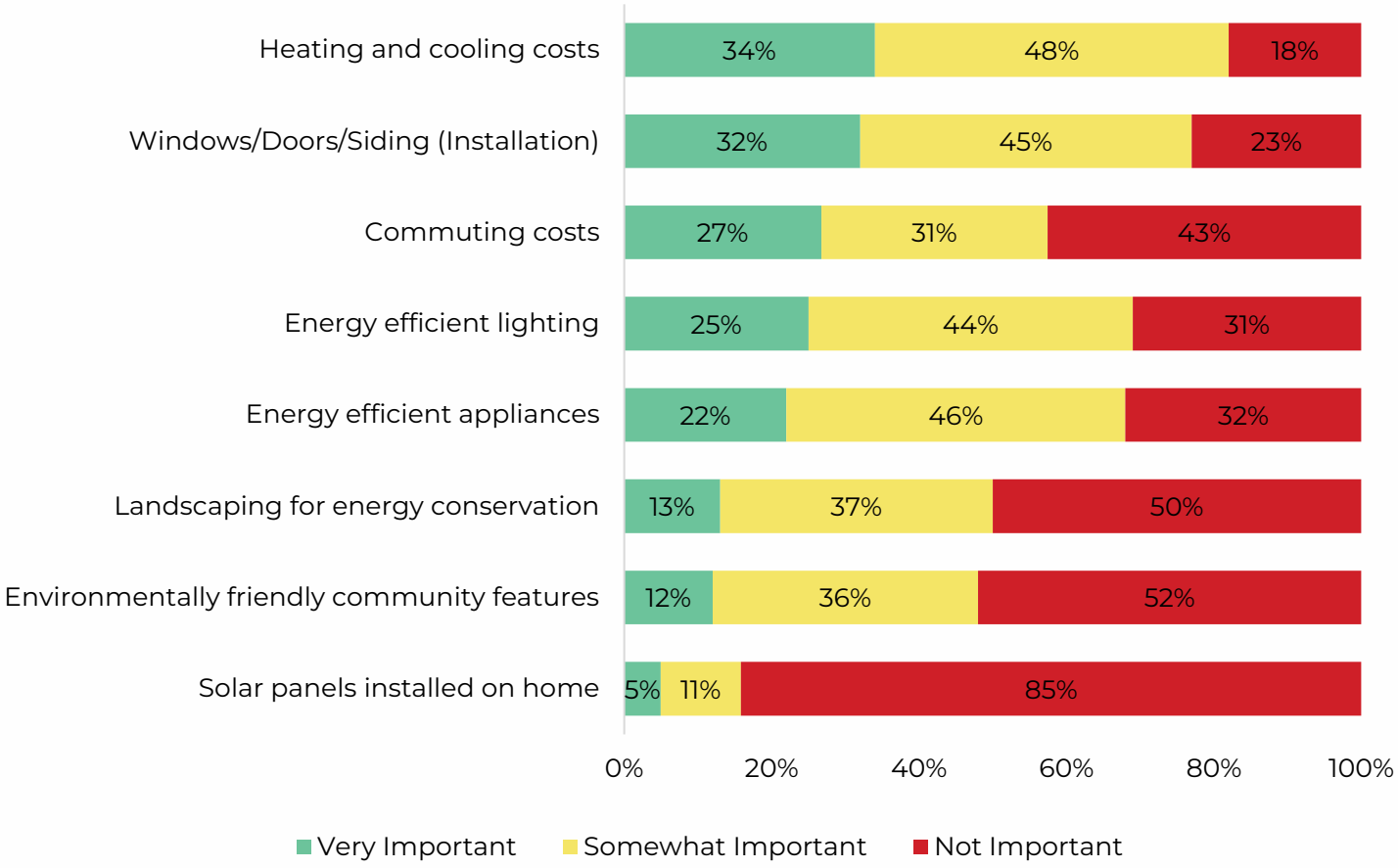


The typical home purchased was built in 1995, an increase from the previous year. Because the typical home purchased is 31 years old, it may need upgrades unless the previous owner addressed them.

Chapter 2: Characteristics of Homes Purchased

Exhibit 2-12 Importance of Home's Environmentally Friendly Features

(Percentage Distribution)



Total cost of ownership matters to home buyers as they consider a home purchase. The most important environmental feature to buyers was heating and cooling costs, which 82 percent of buyers found at least somewhat important. Seventy-seven percent of recent buyers thought their home's windows, doors, and siding were at least somewhat important.

Chapter 2: Characteristics of Homes Purchased

Exhibit 2-13 Characteristics of Home on Which Buyer Compromised, First-Time and Repeat Buyers

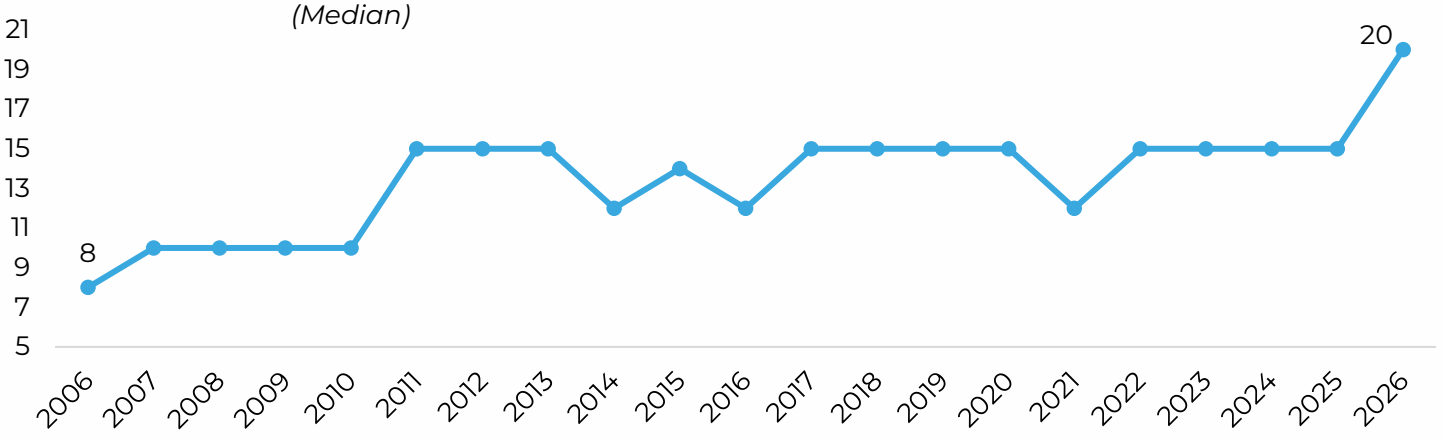
(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Price of home	29%	34%	28%
Condition of home	22%	26%	21%
Size of home	21%	28%	19%
Style of home	18%	22%	16%
Lot size	14%	16%	14%
Distance from job	10%	17%	8%
Distance from friends or family	10%	12%	9%
Quality of the neighborhood	6%	7%	5%
Quality of the schools	2%	4%	2%
Distance from school	1%	3%	1%
None - Made no compromises	30%	23%	32%
Other compromises not listed	10%	10%	10%

When deciding on a home to purchase, recent buyers made compromises on some home characteristics. The most common compromises were the home's price (29 percent) and its condition (22 percent). Thirty percent of buyers said that they made no compromises when purchasing their home. Repeat buyers are less likely to need to make compromises, as they have housing equity to assist their home purchase.

Exhibit 2-14 Expected Length of Tenure in Home Purchased, 2006–2025

(Median)



The expected tenure in homes remained at a median of 20 years. Between 2006 and 2010, the typical buyer expected to own their home for eight to 10 years. First-time buyers expect to own their home for 15 years, and repeat buyers expect to own for 20 years. As retirees purchase at higher rates, they often have no motivation to make a housing trade. This is also true as first-time buyers are trending older.

Chapter 2: Characteristics of Homes Purchased

Exhibit 2-15 Factors That Could Cause Buyer To Move

(Percent of Respondents)

	ALL BUYERS
Move with life changes (addition to family, marriage, children move out, retirement, etc.)	35%
Never moving - forever home	26%
Household member's health	22%
Downsize/smaller house	18%
Move with job or career change	17%
Want nicer home/added features	15%
May desire better area/neighborhood	14%
Want a larger home	12%
Unfit living conditions due to environmental factors	9%
Will flip home	2%
Other	9%

Thirty-five percent of buyers said they might move because of a life change, such as an addition to the family, marriage, children moving out, or retirement. Twenty-six percent of buyers said they were never moving and that this is their forever home.

CHAPTER 3

The Home Search Process



Chapter 3: The Home Search Process

Highlights

Home Search Tools

- Forty-six percent of buyers reported that their initial step was looking online for properties for sale, while 19 percent contacted a real estate agent as their first action. While these are the top two steps taken among first-time buyers and repeat buyers alike, first-time buyers are more likely to turn to others for information on the process: online sources and talking with a friend or relative.
- **The highest source of information in the buying process remains the real estate agent**, with nearly 9 in 10 buyers using the agent as an information resource.
- Real estate agents were the most frequently used source in the homebuying process (63 percent citing frequently and 23 percent occasionally using their agent).
- Underscoring the importance of human connection to the real estate transaction, real estate agents were regarded as very useful by 76 percent of buyers.

Length of Search and Where Buyer Finds Home

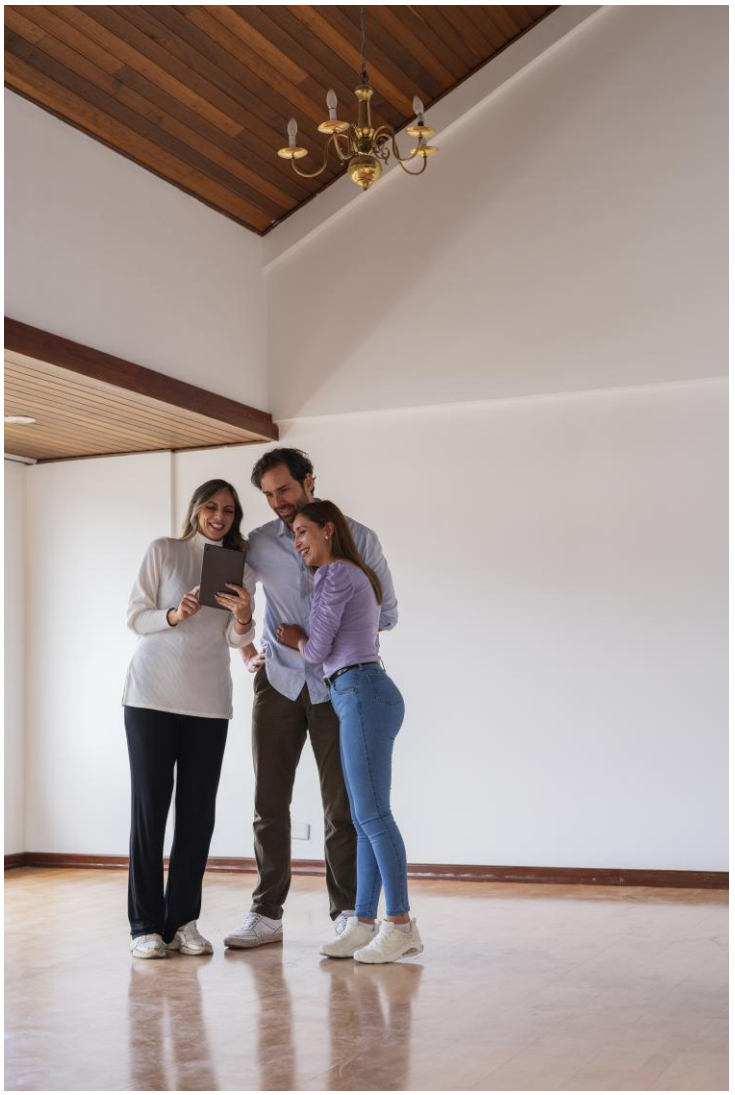
- Buyers spent a median of 10 weeks searching for a home in 2026.
- In 2026, 53 percent of buyers found their home on the internet, 28 percent through a real estate agent, and eight percent through a friend, relative, or neighbor.

Most Difficult Step

- While inventory gains have been incrementally improving in the later portion of 2026, for home buyers who purchased during the data collection period, housing supply remained at historically low levels. The inventory entering the market does not necessarily match local incomes and has been concentrated at less affordable price points. As a result, 56 percent of buyers reported that finding the right property was the most difficult step.
- Thirty-nine percent of first-time buyers cited understanding the process and steps of the home buying process to be the most difficult step.
- Additionally, 28 percent of first-time buyers reported saving for a down payment was the most difficult step.

Search Satisfaction

- Overall, **92 percent of buyers were satisfied with the process:** 60 percent of buyers reported being very satisfied with the home-buying process, while 32 percent were somewhat satisfied.



Chapter 3: The Home Search Process

Exhibit 3-1 First Step Taken During the Home-Buying Process, by First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Looked online for properties for sale	46%	28%	51%
Contacted a real estate agent	19%	16%	20%
Looked online for information about the home buying process	8%	16%	6%
Talked with a friend or relative about home buying process	6%	14%	3%
Contacted a bank or mortgage lender	5%	8%	4%
Drove-by homes/neighborhoods	4%	4%	5%
Visited open houses	4%	4%	4%
Looked up information about different neighborhoods or areas	2%	2%	2%
Contacted a home seller directly	2%	2%	2%
Attended a home buying seminar	1%	3%	*
Contacted builder/visited builder models	1%	*	2%
Other	2%	3%	2%

** Less than 1 percent*

Forty-six percent of buyers reported that their first step was looking online for properties for sale, while 19 percent contacted a real estate agent first. Although these are the top two steps for first-time buyers and repeat buyers alike, first-time buyers are more likely to turn to others for information about the process: online sources and friends or relatives.

Chapter 3: The Home Search Process

Exhibit 3-2 Information Sources Used in Home Search, by First-Time and Repeat Buyers

(Percent of Respondents)

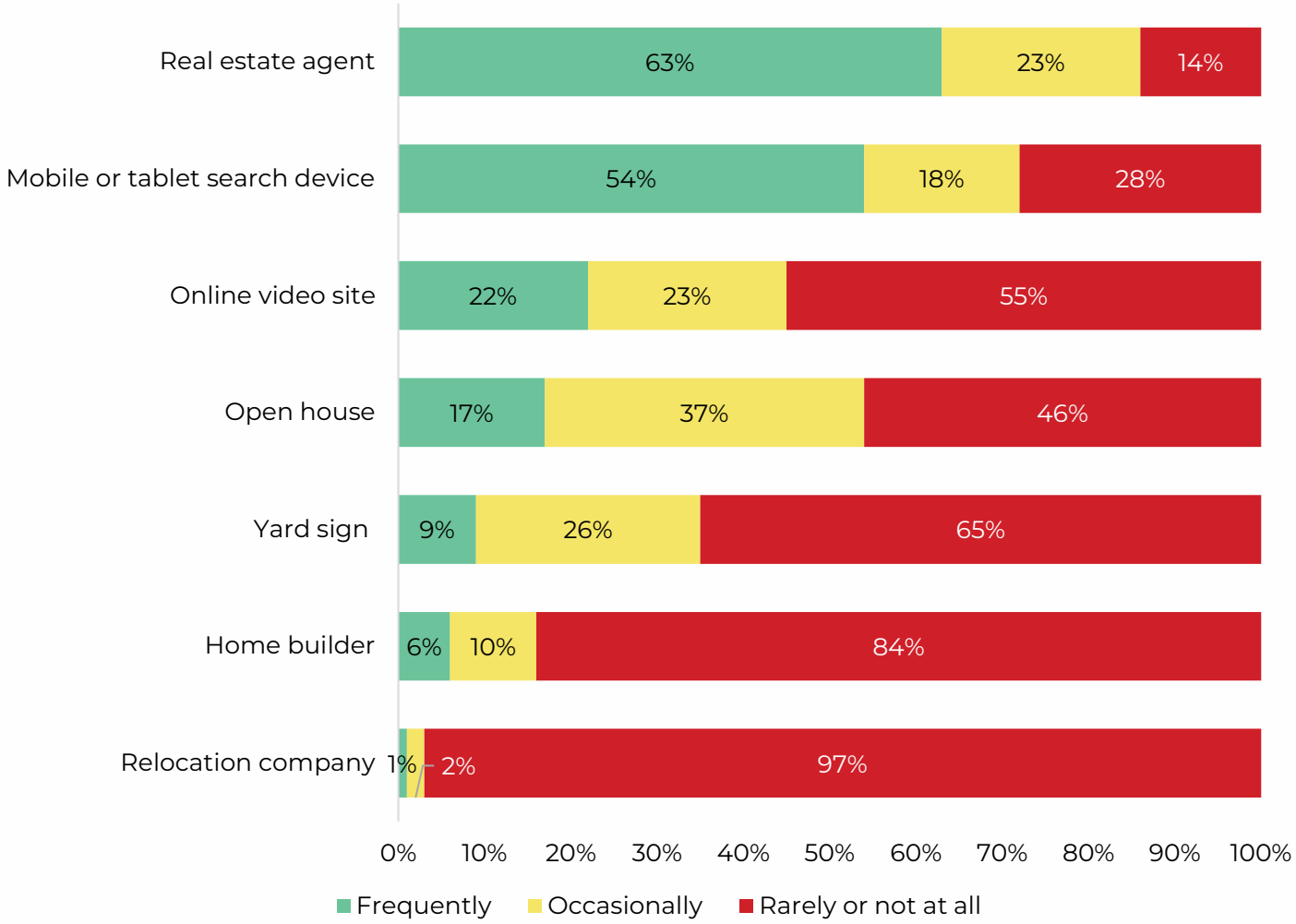
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Real estate agent	86%	85%	87%
Mobile or tablet search device	72%	77%	71%
Open house	54%	52%	54%
Online video site	45%	39%	47%
Yard sign	35%	34%	36%
Home builder	16%	12%	17%
Relocation company	3%	4%	2%

The highest source of information in the buying process remains the real estate agent, with nearly 9 in 10 buyers using the agent as an information resource. While all home buyers use online resources, most do so on mobile devices or tablets. Additionally, more than half of buyers used open houses as an information source.

Chapter 3: The Home Search Process

Exhibit 3-3 Frequency of Use of Different Information Sources

(Percentage Distribution)

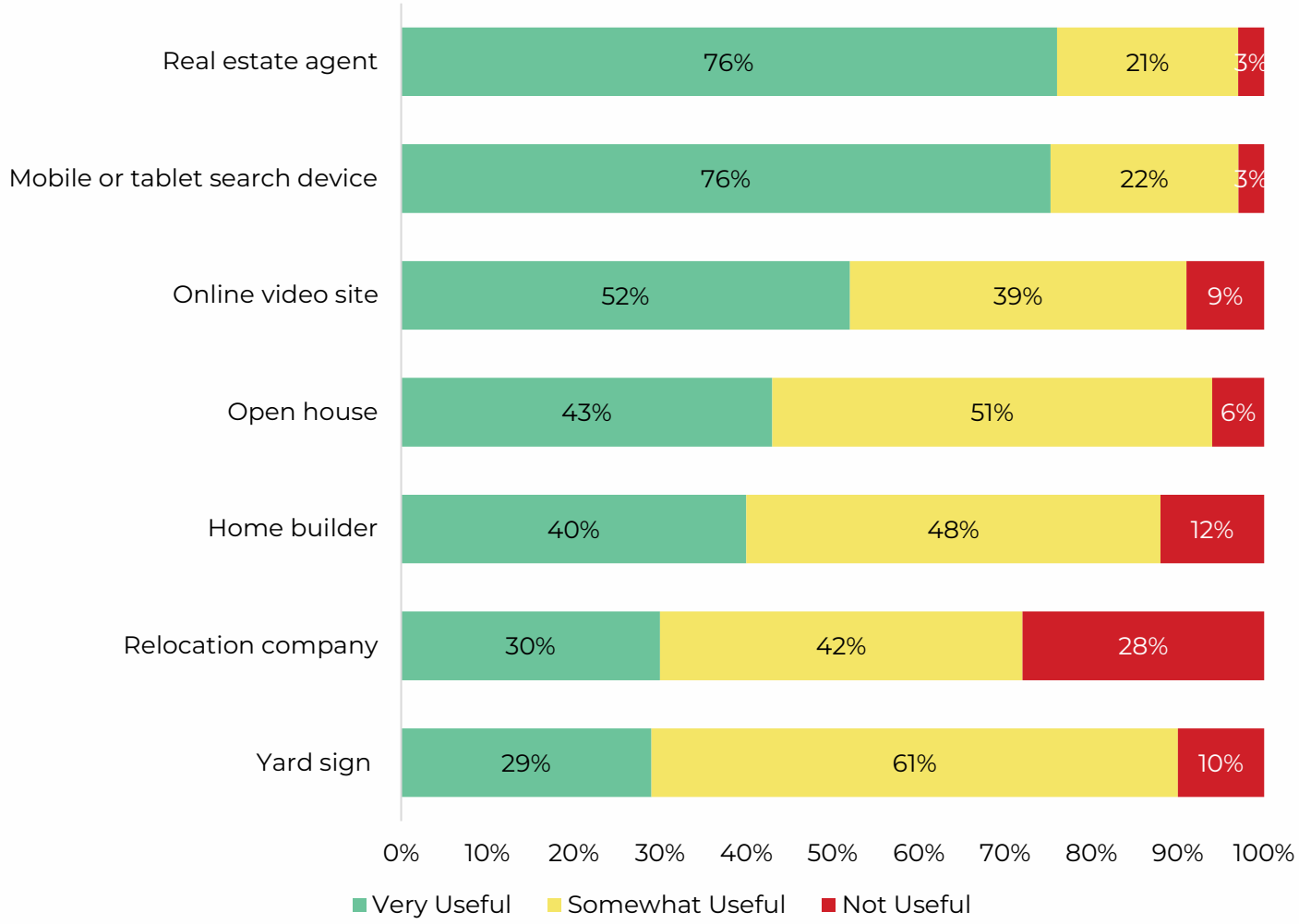


Real estate agents were the most frequently used source in the homebuying process (63 percent cited frequently and 23 percent occasionally using their agent). Online sources, such as mobile and tablet devices and online video sites, were also frequently used for information, but all were used less often than a real estate agent.

Chapter 3: The Home Search Process

Exhibit 3-4 Usefulness of Different Information Sources

(Percentage Distribution)

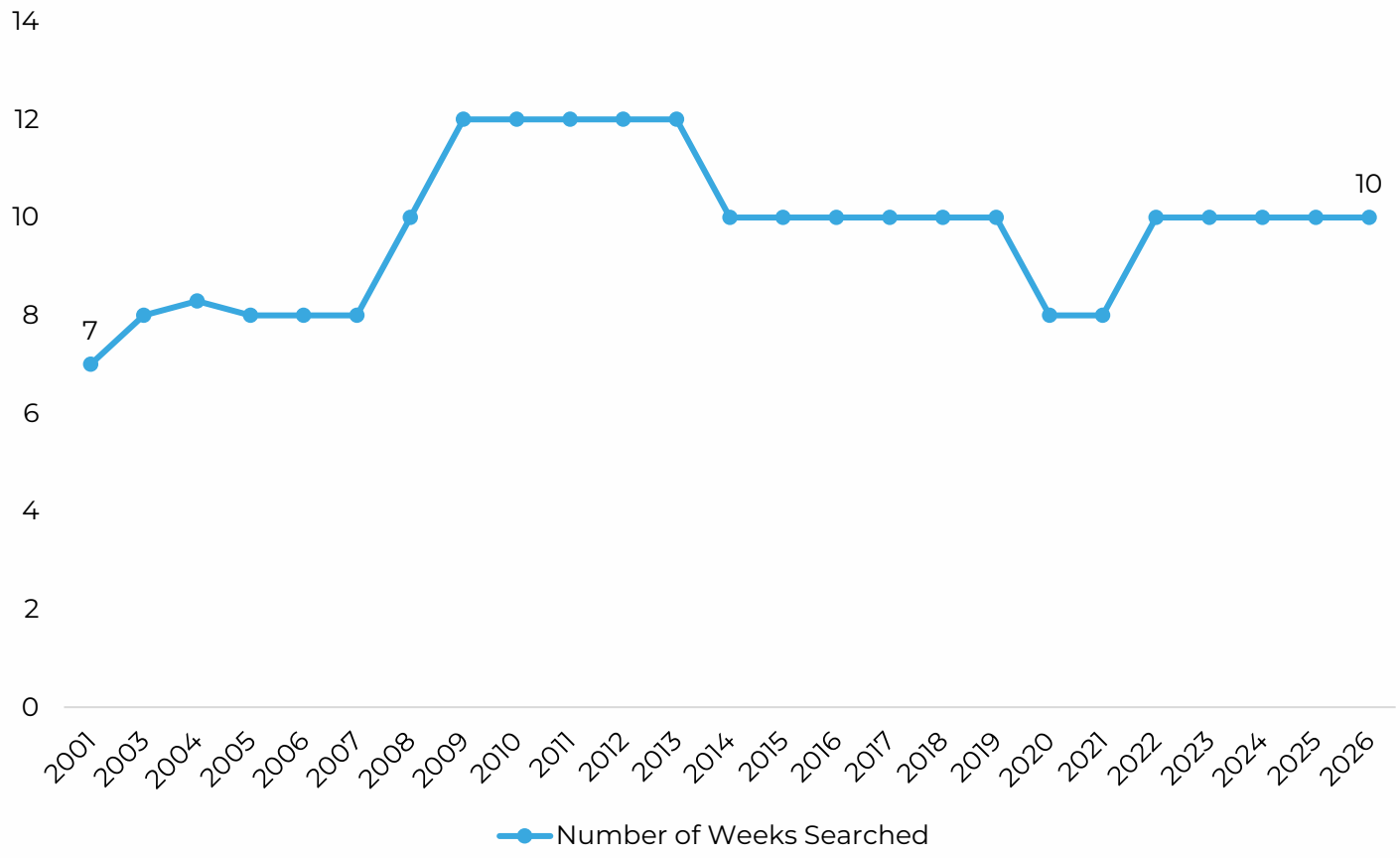


Underscoring the importance of human connection in real estate transactions, 76 percent of buyers rated real estate agents as very useful; they were also the most useful information source. While 76 percent also found mobile or tablet devices very useful. Additionally, 52 percent of buyers considered online video sites very useful.

Chapter 3: The Home Search Process

Exhibit 3-5 Length of Home Search, 2001–2026

(Medians)

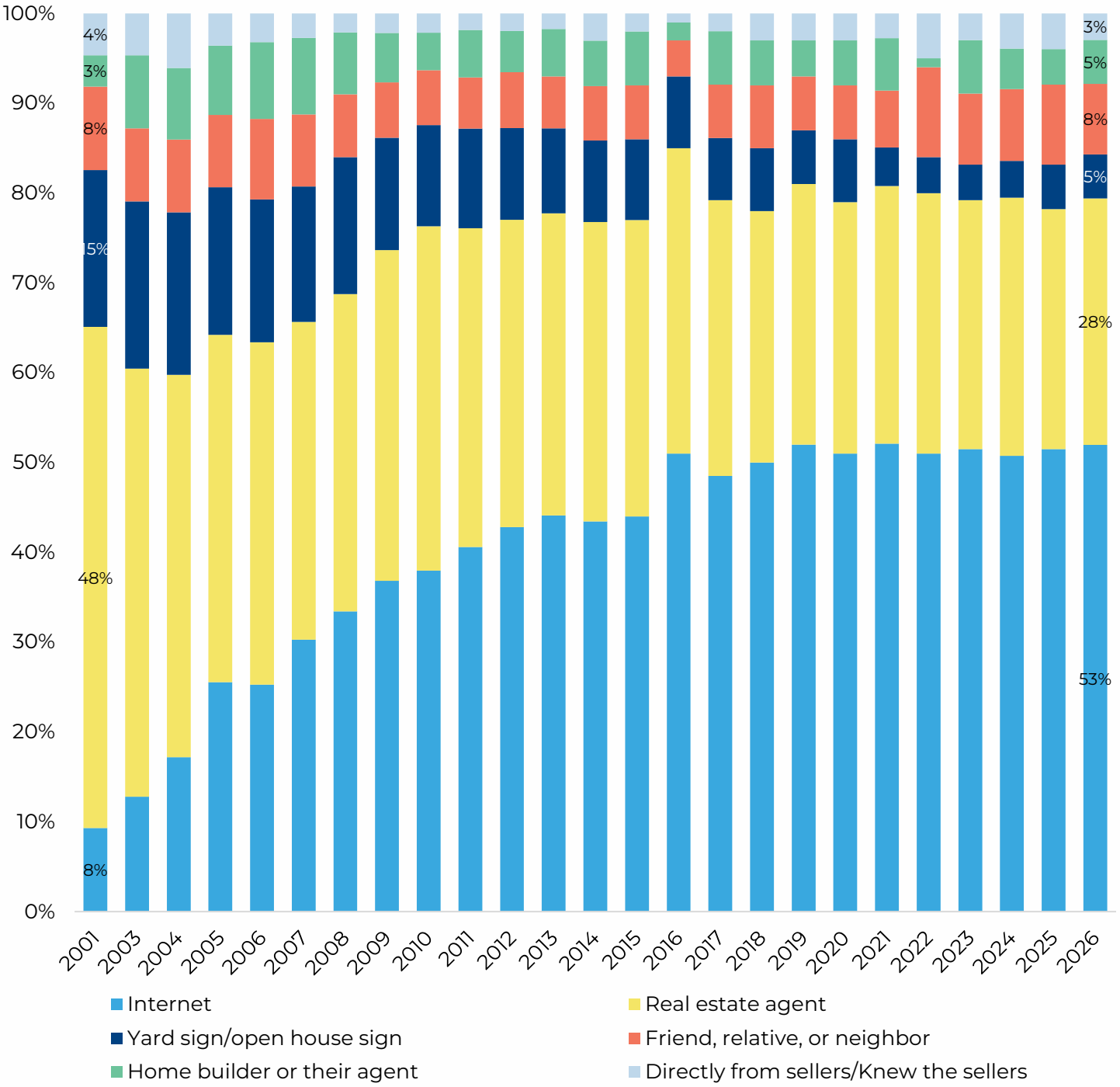


In 2026, the median time buyers spent searching for a home was 10 weeks, the same as last year and unchanged for the last five years.

Chapter 3: The Home Search Process

Exhibit 3-6 Where Buyer Found the Home They Purchased, 2001–2026

(Percentage Distribution)



In 2026, 53 percent of buyers found their home online, 28 percent through a real estate agent, and eight percent through a friend, relative, or neighbor.

Chapter 3: The Home Search Process

Exhibit 3-7 Most Difficult Steps of Home Buying Process by First-Time and Repeat Buyers

(Percentage Distribution)

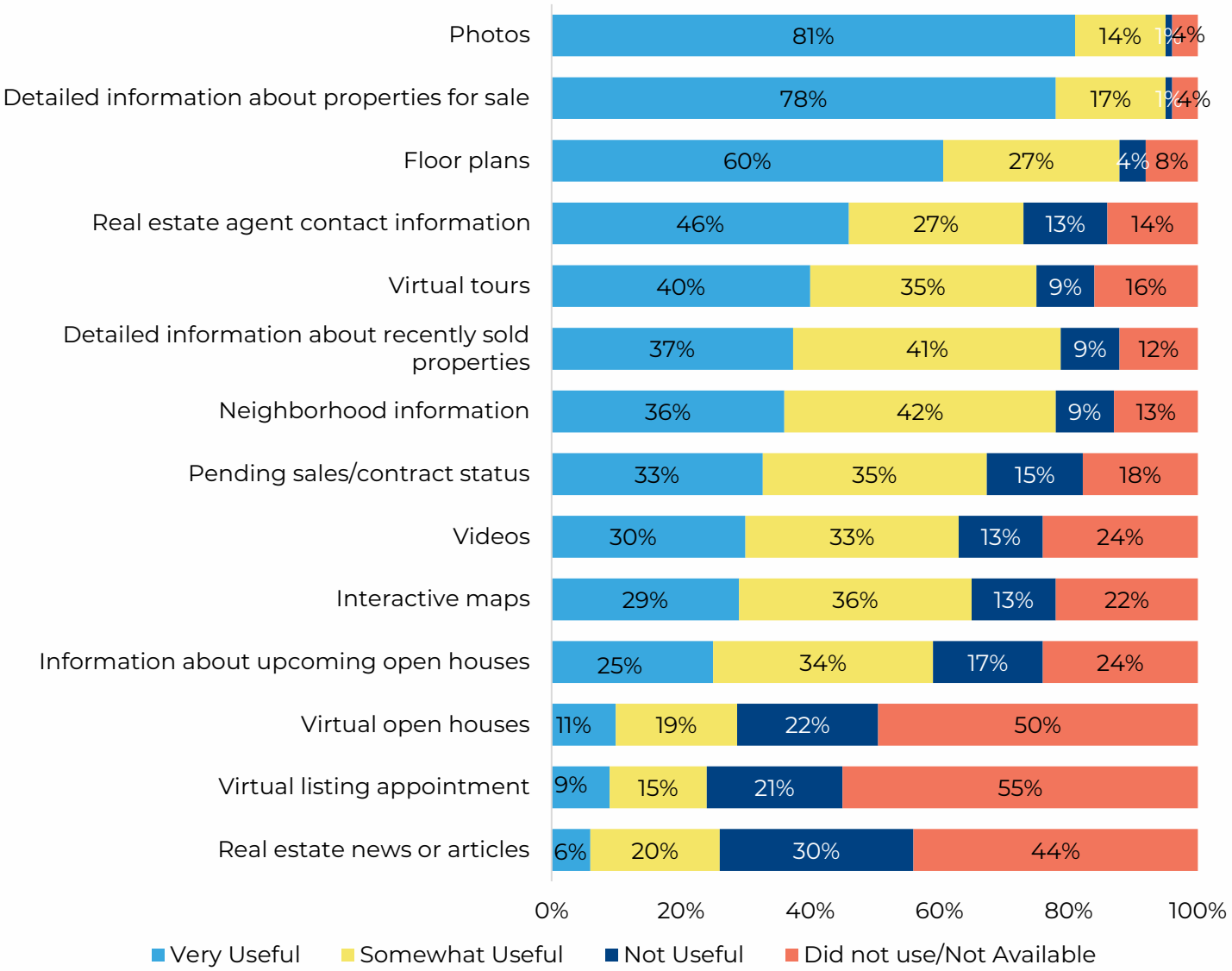
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Finding the right property	56%	55%	57%
Paperwork	17%	26%	14%
Understanding the process and steps	15%	39%	8%
Saving for the down payment	11%	28%	6%
Getting a mortgage	7%	12%	6%
Appraisal of the property	4%	6%	3%
No difficult steps	20%	10%	23%
Other	8%	8%	8%

While inventory has been improving incrementally in the latter part of 2026, housing supply remained at historically low levels for home buyers who purchased during the data collection period. The inventory entering the market does not necessarily match local incomes and has been concentrated at less affordable price points. As a result, 56 percent of buyers reported that finding the right property was the most difficult step. Thirty-nine percent of first-time buyers cited understanding the home-buying process as the most difficult step. Additionally, 28 percent of first-time buyers reported that saving for a down payment was the most difficult step.

Chapter 3: The Home Search Process

Exhibit 3-8 Value of Website Features

(Percentage Distribution)

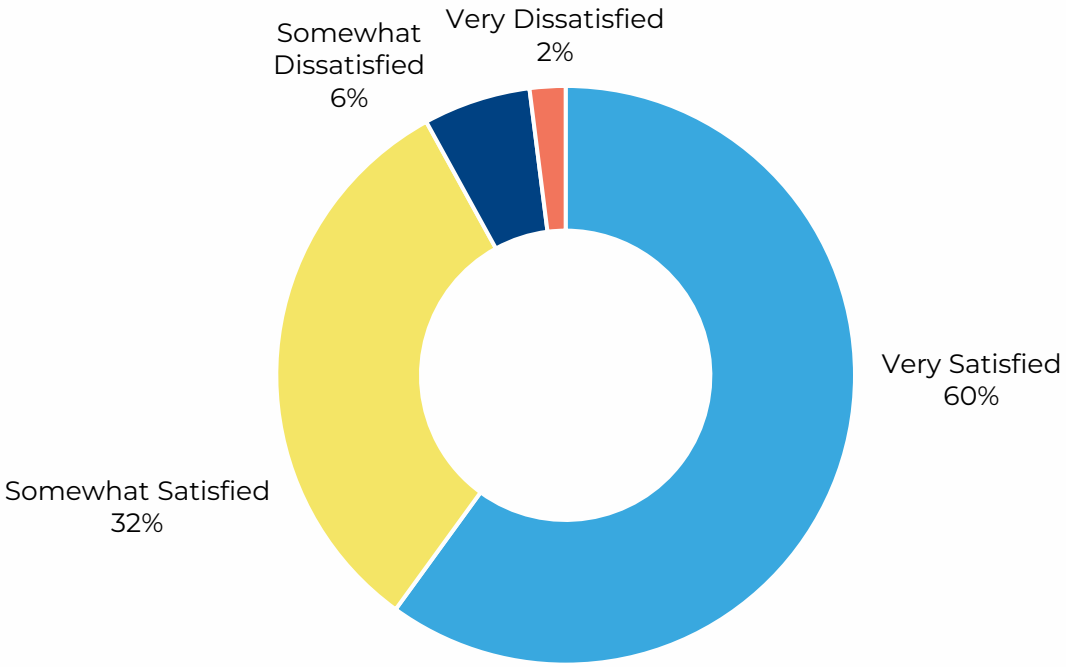


As home buyers search online for a home to buy, they find website features vary in usefulness. Photos (81 percent), detailed information about properties for sale (78 percent), floor plans (60 percent), real estate contact information (46 percent), and virtual tours (40 percent) are considered the most useful features among recent home buyers.

Chapter 3: The Home Search Process

Exhibit 3-9 Satisfaction With Buying Process

(Percentage Distribution)



Overall, 92 percent of buyers were satisfied with the process: 60 percent of buyers reported being very satisfied with the home-buying process, while 32 percent were somewhat satisfied.

CHAPTER 4

Home Buying and Real Estate Professionals



Chapter 4: Home Buying and Real Estate Professionals

Highlights

How the Buyer Purchased Their Home

- In 2026, **90 percent of home buyers purchased their homes through a real estate agent or broker.** This continues to show the importance of agents in the home-buying process.
- Six percent purchased directly from the previous owner, and four percent bought directly from a builder or builder's agent.
- When comparing new and previously owned homes, 62 percent of new home buyers used a real estate agent, while a striking 93 percent of buyers of previously owned homes relied on an agent or broker.

What is Wanted and the Benefits of a Real Estate Agent/Broker

- **The hardest step for home buyers was finding the right home to purchase**, which goes hand in hand with what home buyers want most from their agent. Buyers indicated that the most desired service from real estate agents was help finding the right home to purchase (51 percent).
- The majority of homes that are purchased are previously owned properties, and the median age of the property is 31 years. With these data points in mind, it is not surprising that home buyers are increasingly turning to the real estate agent or broker to help them understand faults and features in the properties they are seeing. Fifty-five percent of buyers reported that their agent pointed out unnoticed features and faults in properties, and 54 percent said their agent helped them understand the home-buying process.

How Buyers Found Their Real Estate Agent/Broker

- The plurality of home buyers (40 percent) were referred to their real estate agent by a friend, neighbor, or relative. This method was even more common for first-time buyers (52 percent).
- Thirty-nine percent of repeat buyers found their agent through a referral, and 24 percent used the agent they had previously worked with to buy or sell a home.
- Most buyers interviewed only one agent before making their decision—this was true for 77 percent of repeat buyers and 67 percent of first-time buyers.

Real Estate Agent/Broker Satisfaction

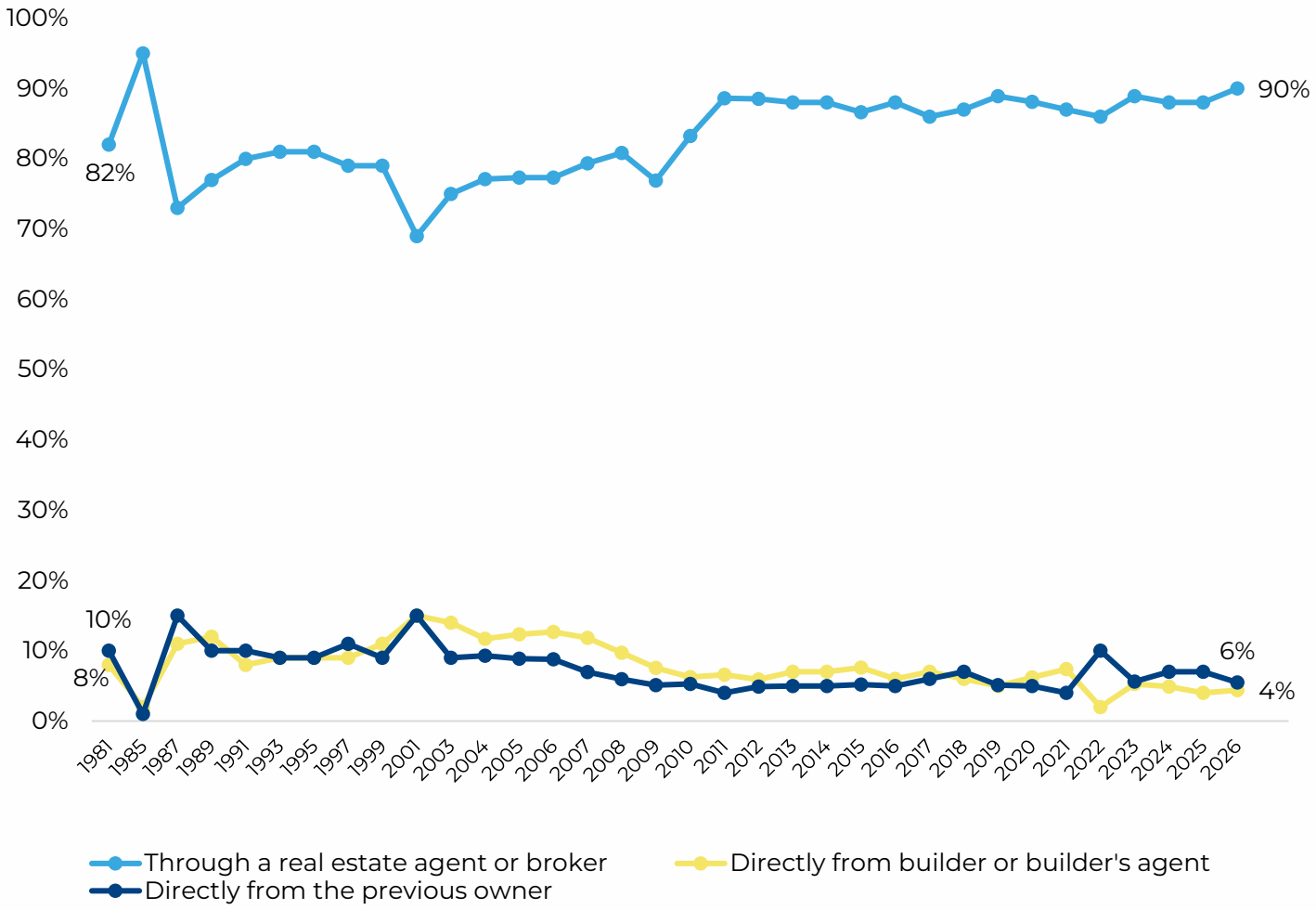
- Satisfaction with real estate agents' skills and qualities was overwhelmingly positive. At least 88 percent of buyers expressed satisfaction with their agent's honesty and integrity, responsiveness, and knowledge of the purchase process.
- **Eighty-eight percent of home buyers would use their agent again or recommend them to others**, with 74 percent saying they definitely would.



Chapter 4: Home Buying and Real Estate Professionals

Exhibit 4-1 Method of Home Purchase, 1981–2026

(Percentage Distribution)



In 2026, 90 percent of home buyers purchased their homes through a real estate agent or broker. As noted in Chapter 3, real estate agents and brokers are the top-rated source of information for home buyers. Six percent purchased directly from the previous owner, and four percent bought directly from a builder or builder's agent.

Chapter 4: Home Buying and Real Estate Professionals

Exhibit 4-2 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	90%	62%	93%
Directly from builder or builder's agent	4%	37%	NA
Directly from the previous owner	6%	1%	6%
Knew previous owner	4%	1%	4%
Did not know previous owner	2%	NA	2%

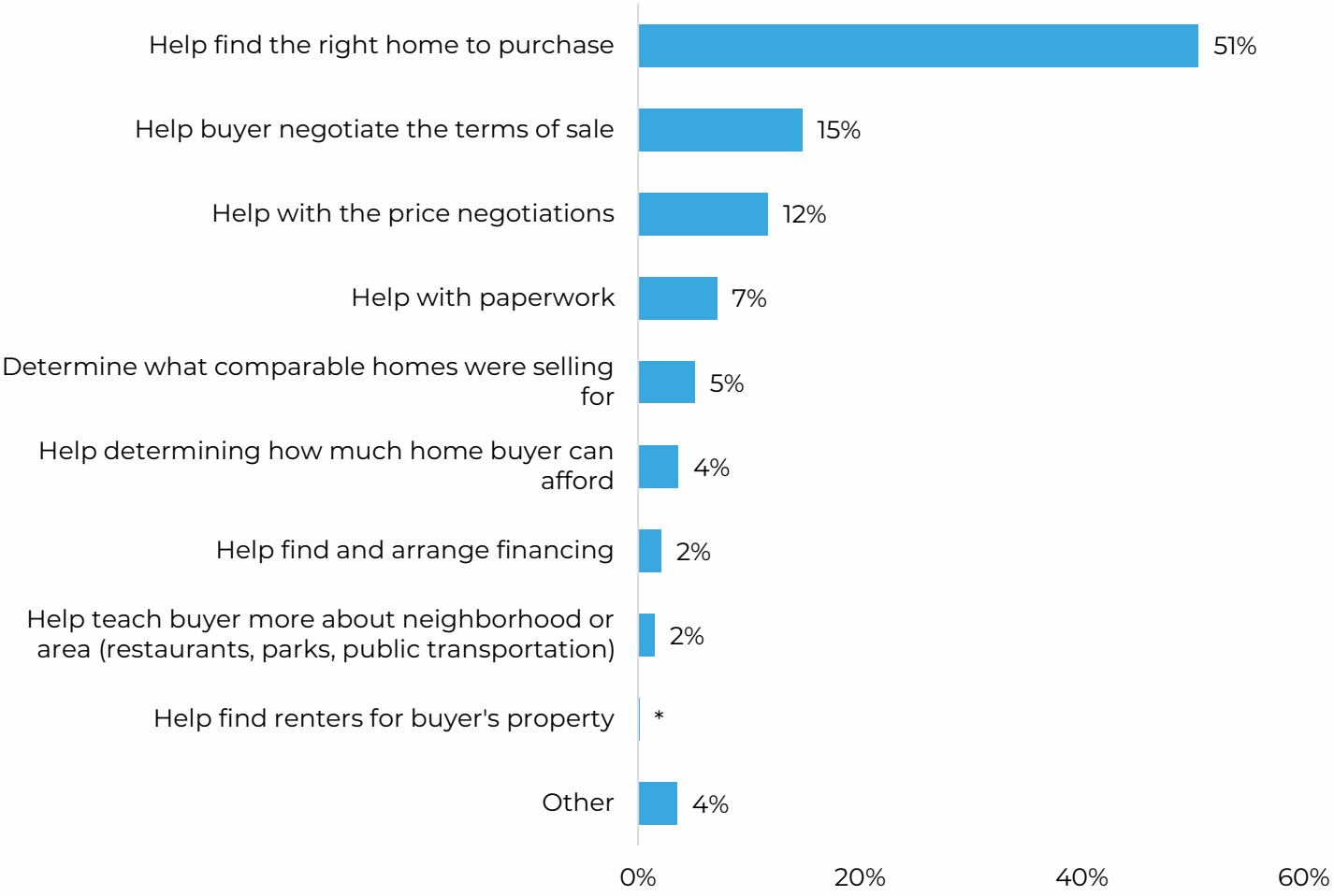
NA=Not Applicable

For buyers of previously owned homes, 93 percent relied on a real estate agent or broker for their transaction. Even among new home buyers, 62 percent used a real estate agent or broker to complete their purchase. Among new-home buyers, a minority of 37 percent purchased directly from the builder or the builder's agent.

Chapter 4: Home Buying and Real Estate Professionals

Exhibit 4-3 What Buyers Want Most From Real Estate Agents

(Percentage Distribution)



** Less than 1 percent*

The hardest step for home buyers was finding the right home to purchase, which was closely tied to what they wanted most from their agent. Buyers indicated that the most desired service from real estate agents was help finding the right home to purchase (51 percent). Other key services included assistance with negotiating the terms of the sale (15 percent) and help with price negotiations (12 percent).

Chapter 4: Home Buying and Real Estate Professionals

Exhibit 4-4 What Buyers Want Most From Real Estate Agents, First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Help find the right home to purchase	51%	47%	52%
Help buyer negotiate the terms of sale	15%	14%	15%
Help with the price negotiations	12%	11%	12%
Help with paperwork	7%	7%	7%
Determine what comparable homes were selling for	5%	4%	5%
Help determining how much home buyer can afford	4%	9%	2%
Help find and arrange financing	2%	4%	2%
Help teach buyer more about neighborhood or area (restaurants, parks, public transportation)	2%	1%	2%
Help find renters for buyer's property	*	*	*
Other	4%	3%	4%

** Less than 1 percent*

Among first-time and repeat home buyers, the top items they needed help with from their real estate agent were finding the right home for sale, followed by help with negotiations. First-time home buyers were more likely to want help determining what they could afford and arranging financing.

Chapter 4: Home Buying and Real Estate Professionals

Exhibit 4-5 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
Pointed out unnoticed features/faults with property	55%	56%	55%
Helped buyer understand the process	54%	78%	47%
Provided a better list of service providers (e.g., home inspector)	45%	44%	45%
Negotiated better sales contract terms	44%	47%	43%
Improved buyer's knowledge of search areas	39%	39%	39%
Negotiated a better price	33%	35%	32%
Shortened buyer's home search	27%	27%	26%
Provided better list of mortgage lenders	19%	26%	18%
Expanded buyer's search area	17%	18%	17%
Narrowed buyer's search area	14%	12%	14%
None of the above	7%	5%	7%
Other	3%	3%	3%

Most homes purchased are previously owned, and the median age of a property is 31 years. With these data points in mind, it is not surprising that home buyers are increasingly turning to real estate agents or brokers to help them understand the faults and features in the properties they are seeing. Fifty-five percent of buyers reported that their agent pointed out unnoticed features and faults, and 54 percent said their agent helped them understand the home-buying process.

Among first-time buyers (78 percent), compared to repeat buyers (47 percent), said their agent helped them understand the buying process. Additionally, first-time home buyers are more likely to cite wanting their agent to provide them with a better list of mortgage lenders, which is not surprising, as repeat buyers may return to a lender they worked with in the past.

Chapter 4: Home Buying and Real Estate Professionals

Exhibit 4-6 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	40%	52%	39%
Used agent previously to buy or sell a home	23%	12%	24%
Website (without a specific reference)	5%	5%	5%
Referred by another real estate agent/broker	4%	6%	4%
Personal contact by agent (telephone, e-mail, etc.)	4%	2%	4%
Visited an open house and met agent	4%	2%	4%
Saw contact information on For Sale/Open House sign	2%	1%	2%
Referred through employer or relocation company	1%	1%	1%
Walked into or called office and agent was on duty	1%	2%	1%
Saw the agent's social media page without a connection	1%	1%	1%
AI Search	1%	*	1%
Direct mail (newsletter, flyer, postcard, etc.)	1%	*	1%
Crowdsourcing through social media/knew the person through social media	1%	*	1%
Advertising specialty (calendar, magnet, etc.)	1%	*	*
Other	12%	15%	12%

** Less than 1 percent*

The plurality of home buyers (40 percent) were referred to their real estate agent by a friend, neighbor, or relative. This method was even more common for first-time buyers (52 percent). Thirty-nine percent of repeat buyers found their agent through a referral, and 24 percent used the agent they had previously worked with to buy or sell a home. Only one percent of home buyers found their real estate agent through an AI search.

Chapter 4: Home Buying and Real Estate Professionals

Exhibit 4-7 How Buyers First Connected with Their Agent

(Percentage Distribution)

Phone call	26%
Talked to them in person	23%
Ask a friend to put in touch	18%
Inquiry for more information through 3rd party website	11%
Text message	9%
E-mail	8%
Through agent's website	3%
Social Media (Facebook, TikTok, X, LinkedIn, etc.)	3%

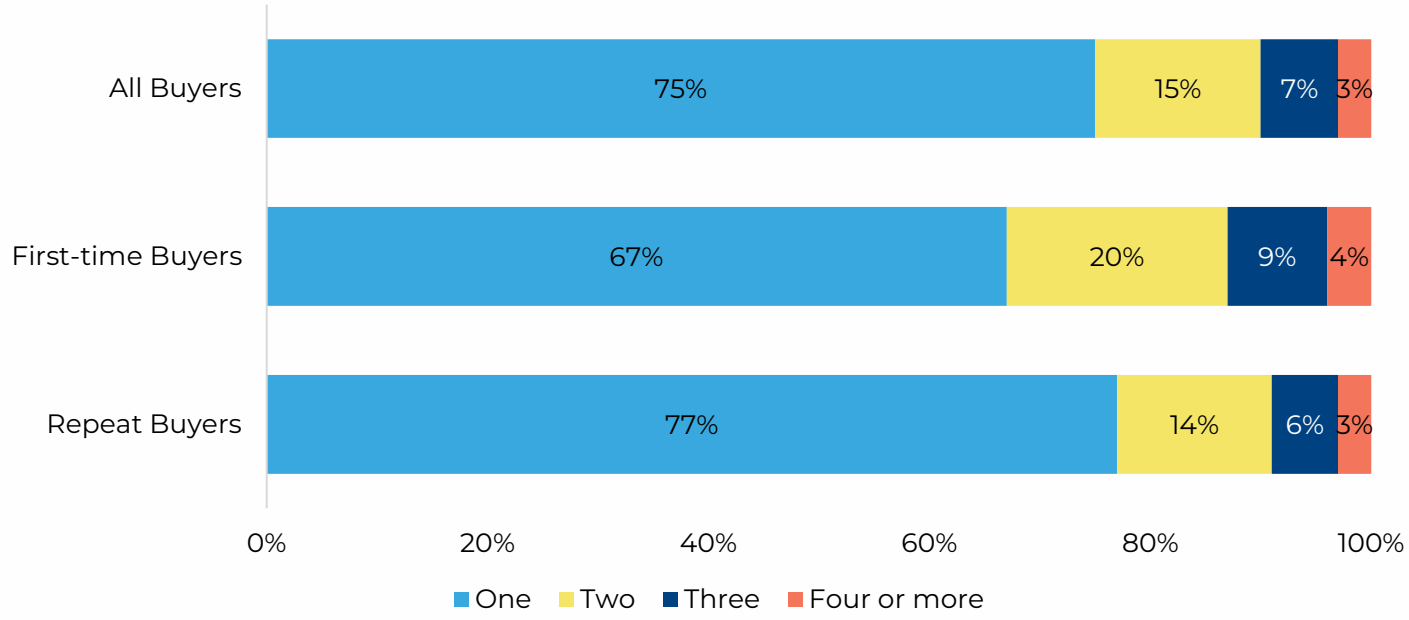
Twenty-six percent of buyers first contacted their agent by phone, while 23 percent first met their agent in person. Additionally, 18 percent of buyers were introduced to their agent by a friend.

Home buyers typically reached out only once before contacting a real estate agent.

Chapter 4: Home Buying and Real Estate Professionals

Exhibit 4-8 Number of Real Estate Agents Interviewed by First-Time and Repeat Buyers

(Percentage Distribution)



Most buyers interviewed only one agent before making their decision—this was true for 77 percent of repeat buyers and 67 percent of first-time buyers. Meanwhile, 15 percent of all buyers interviewed two agents, with a higher rate among first-time buyers (20 percent).

Chapter 4: Home Buying and Real Estate Professionals

Exhibit 4-9 Importance of Agent Communications

(Percent of Respondents)

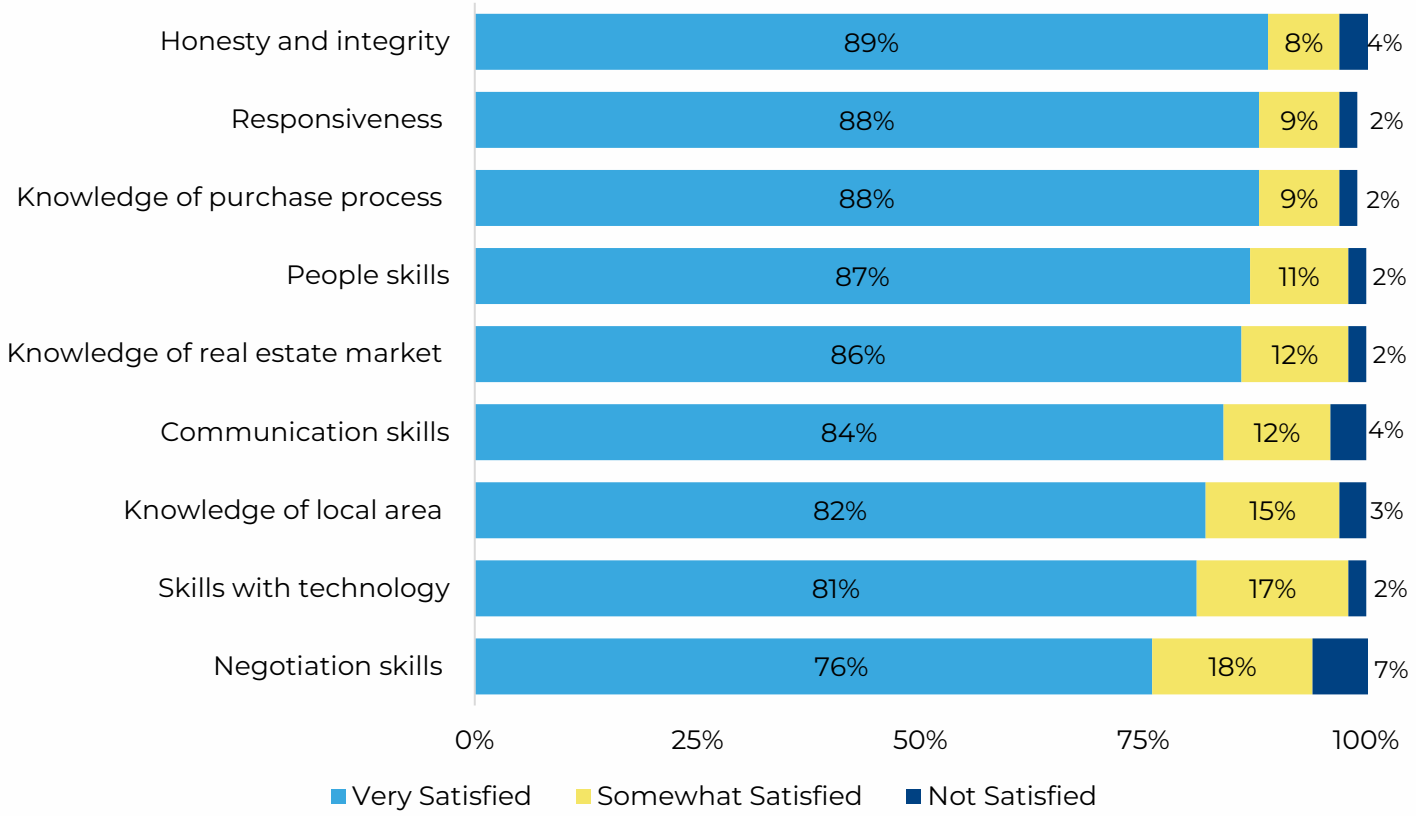
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Sends property info and communicates via text message	74%	78%	73%
Calls personally to inform of activities	73%	71%	74%
Sends postings as soon as a property is listed/the price changes/under contract	71%	71%	71%
Can send market reports on recent listings and sales	50%	44%	52%
Sends me emails about specific needs	49%	52%	48%
Has a website	31%	27%	32%
Has a mobile site to show properties	23%	23%	23%
Active in local community/volunteerism	15%	17%	15%
Is active on social media	14%	14%	14%
Sends an email newsletter	7%	9%	7%
Advertises in newspapers	2%	2%	2%
Has a blog/podcast	1%	1%	1%

Seventy-four percent of buyers valued their real estate agent sending property info and communicating via text messages, and this was even more important among first-time buyers at 78%. Seventy-three percent of home buyers also valued personal calls to inform them of activities.

Chapter 4: Home Buying and Real Estate Professionals

Exhibit 4-10 Satisfaction With Real Estate Agent Skills and Qualities

(Percentage Distribution)

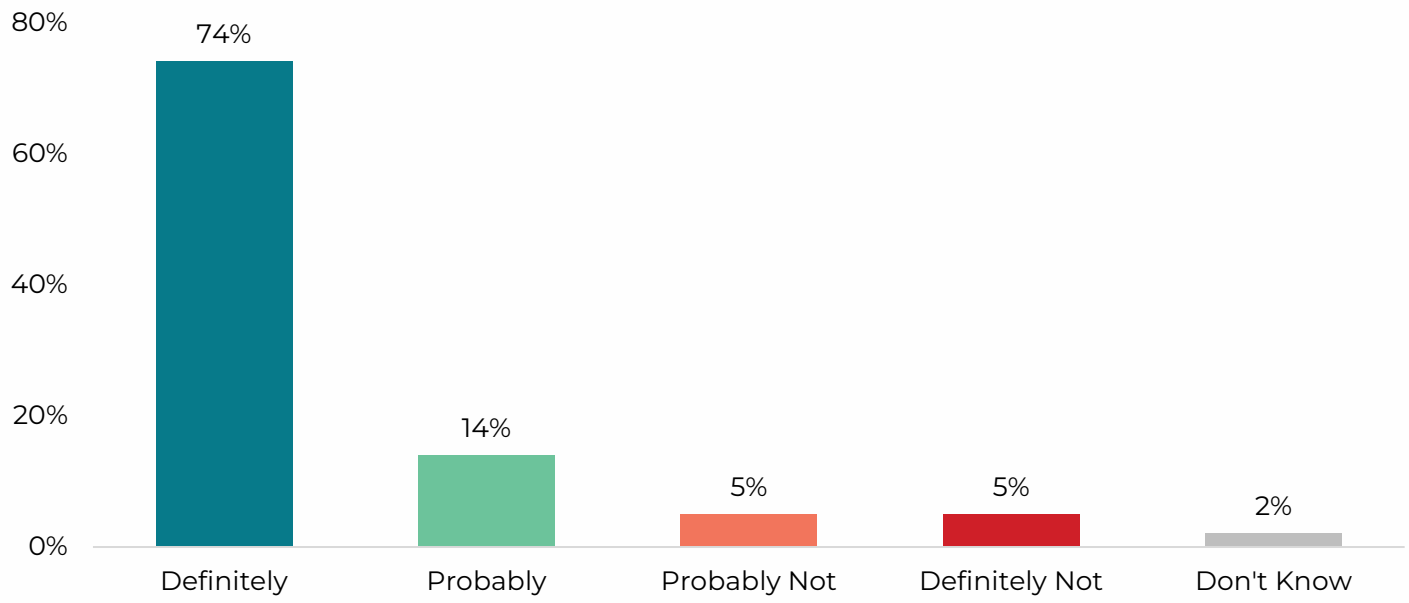


Satisfaction with real estate agents' skills and qualities was overwhelmingly positive. At least 88 percent of buyers expressed satisfaction with their agent's honesty and integrity, responsiveness, and knowledge of the purchase process.

Chapter 4: Home Buying and Real Estate Professionals

Exhibit 4-11 Would Buyer Use Real Estate Agent Again or Recommend to Others

(Percentage Distribution)



Eighty-eight percent of home buyers would use their agent again or recommend them to others, with 74 percent saying they definitely would.

Exhibit 4-12 How Many Times Buyer Recommended Typical Agent

(Percentage Distribution)

	ALL BUYERS
None	38%
One time	16%
Two times	18%
Three times	10%
Four or more times	18%
Times recommended since buying (median)	1

After purchasing within the last year, 62 percent of home buyers have already recommended their agent. Eighteen percent of buyers reported recommending their agent four or more times, and 18 percent recommended their agent twice.

CHAPTER 5

Financing the Home Purchase



Chapter 5: Financing the Home Purchase

Highlights

Buyers Who Financed Their Home, All-Cash Buyers

- Seventy-five percent of all buyers financed their homes, down slightly from the year prior. First-time buyers were more likely to finance their purchase, at 90 percent, while only 70 percent of repeat buyers financed. **This is the largest share of all cash first-time buyers** recorded in the data collection, which dates to 2003 for this question.
- The median percent financed for first-time buyers was 91 percent, up slightly from 90 percent. The median percent financed for repeat buyers was 76 percent, down slightly from last year.
- When examining the age increase by the size of the down payment, one can see the trend of the steepest increase in age among those who placed smallest and largest down payments on their home purchase.
- Twenty-five percent of home buyers paid cash for their home, down slightly from 26 percent. **All-cash buyers remain elevated compared with pre-COVID-19 years**—in 2019, only 12% purchased as a cash buyer compared to 25 percent this year.
- In 2026, the median down payment among all buyers was 18 percent, nine percent for first-time home buyers, and 19 percent for repeat buyers. Thus, if a repeat buyer is not making an all-cash purchase, they are making a comparably large down payment on their home compared with past years.

Sources of Down Payment

- For first-time buyers, there is a marked change in their sources of downpayments. **Thirty percent of first-time buyers used financial assets** such as stocks, bonds, 401(k)s, IRAs, or cryptocurrency. First-time buyers also cited using savings (62 percent) and a gift or loan from a relative or friend (25 percent). This marks the second consecutive year that financial assets have comprised a larger share of down payment sources for first-time buyers than gifts or loans from friends or family.
- Among **first-time buyers, 10 percent used an inheritance for their down payment**; this is the fourth consecutive year of increases and is the largest share recorded. Generational wealth transfers are increasingly affecting first-time buyers.
- **First-time buyers who made an all-cash purchase are more likely than those who financed to use an inheritance (28 percent)** compared to those who financed (nine percent) or use proceeds from sale of primary residence (21 percent). This primary residence is also an inherited property as this is their first home purchase they have made independently.

Type of Mortgage, Type of Loan

- Eighty-five percent of all buyers used a fixed-rate mortgage. Eighty-two percent of first-time buyers and 84 percent of repeat buyers used a fixed-rate mortgage.
- Fifty percent of first-time buyers utilized a conventional loan to finance their home, 28 percent used an FHA loan, 10 percent used a VA loan, and three percent used a USDA loan. The share of first-time buyers using an FHA loan has declined from 55 percent in 2009 to 28 percent in 2026.

Buyers' View of Homes as a Financial Investment

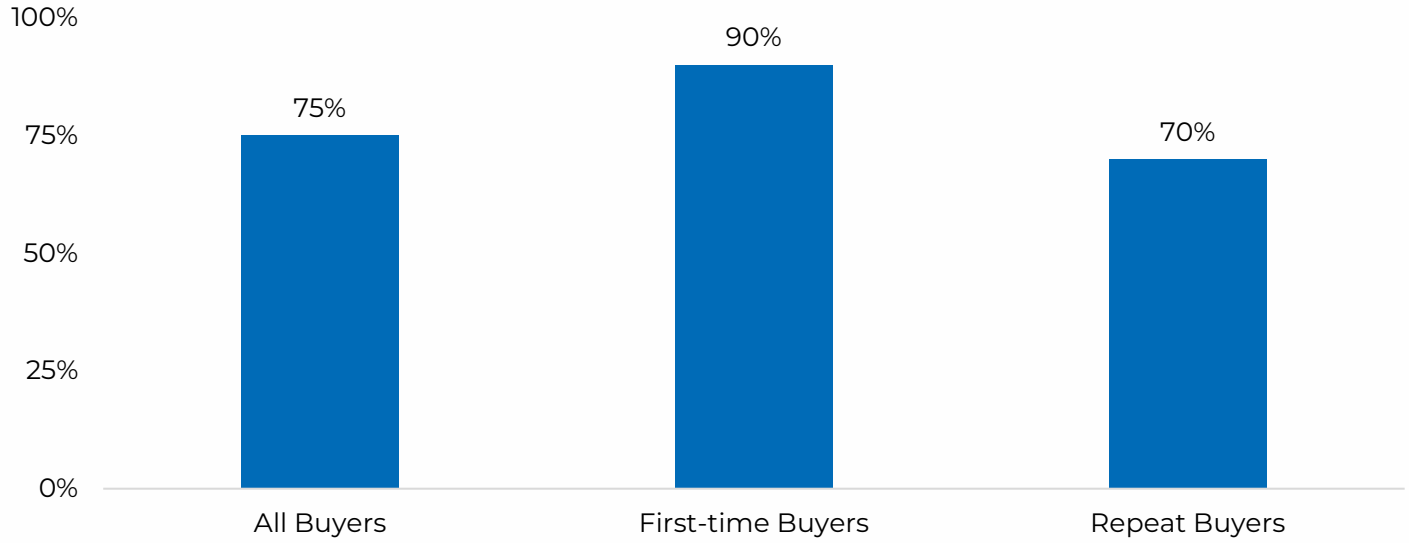
- Buyers continue to see purchasing a home as a good financial investment. Seventy-nine percent said a home purchase is a good investment, and 32 percent said it was better than owning stock. Only six percent reported that it was not a good financial investment.



Chapter 5: Financing the Home Purchase

Exhibit 5-1 Buyers Who Financed Their Home Purchase

(Percentage Distribution)



Seventy-five percent of buyers financed their homes, down slightly from the prior year. First-time buyers were more likely to finance their purchase, at 90 percent, while only 70 percent of repeat buyers financed. This is the largest share of all cash first-time buyers recorded in the data collection, which dates to 2003 for this question.

Exhibit 5-2 Percent of Homes Financed by First-Time and Repeat Buyers

(Percentage Distribution)

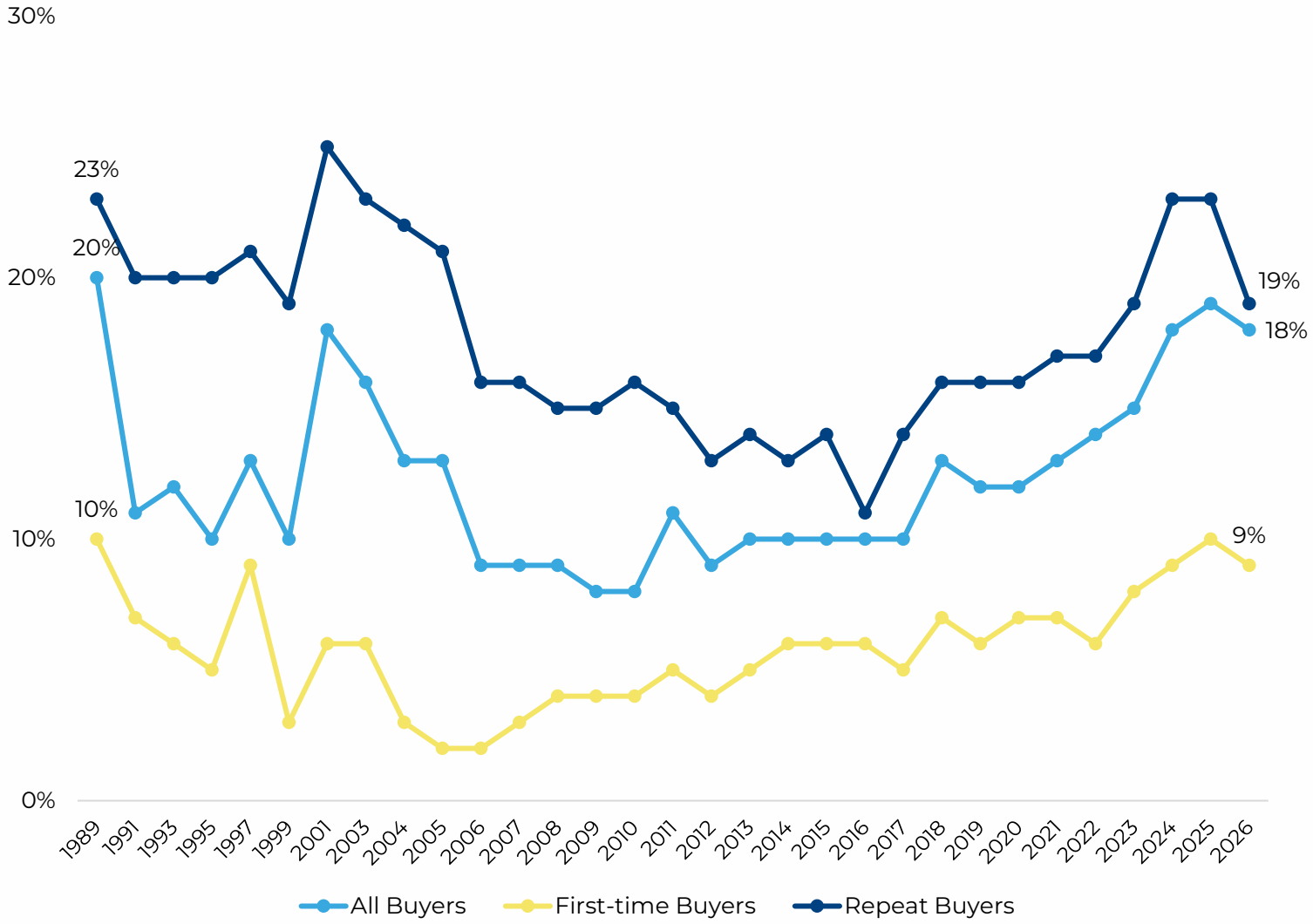
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Less than 50%	20%	12%	24%
50% to 59%	7%	2%	9%
60% to 69%	6%	4%	7%
70% to 79%	14%	10%	16%
80% to 89%	20%	20%	20%
90% to 94%	11%	16%	9%
95% to 99%	11%	20%	7%
100% – Financed the entire purchase price with a mortgage	10%	17%	8%
Median percent financed	82%	91%	81%

This year, 10 percent of buyers financed 100 percent of their entire purchase price with a mortgage, up slightly from last year. The median percent financed for first-time buyers was 91 percent, up slightly from 90 percent. The median percent financed for repeat buyers was 81 percent, down slightly from last year.

Chapter 5: Financing the Home Purchase

Exhibit 5-3 Median Percent Down Payment by First-Time and Repeat Buyers, 1989–2026

(Medians)

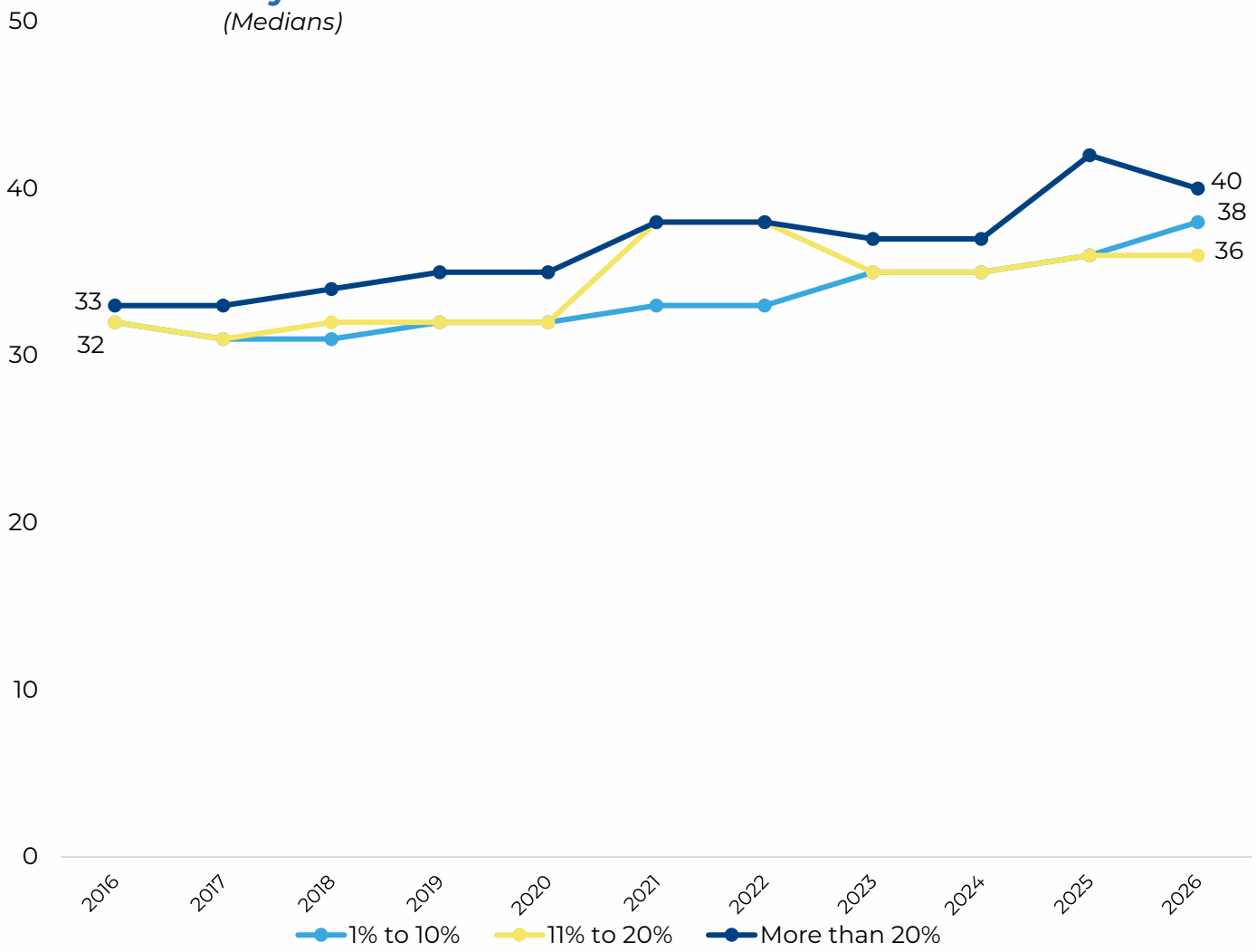


In 2026, the median down payment among all buyers was 18 percent, nine percent for first-time home buyers, and 19 percent for repeat buyers. Thus, if a repeat buyer is not making an all-cash purchase, they are making a comparably large down payment on their home compared with past years. In recent years, as interest rates have climbed, buyers may be placing larger downpayments to offset the monthly mortgage payment if they have the availability to do so.

Chapter 5: Financing the Home Purchase

Exhibit 5-4 Median Age of First-Time Home Buyers, By Down Payment Amount 2016–2026

(Medians)



In the last 10 years, the age of first-time buyers has increased. When examining the age increase by the size of the down payment, one can see the trend of the steepest increase in age among those who placed smallest and largest down payments on their home purchase. Among those who had a down payment more than 20 percent as a first-time buyer, they had the steepest age increase from 33 to 40 over a decade. Among those who had a down payment of 11 to 20 percent, home buyers ages increased four years over a decade. For home buyers placing the smallest down payments of one to 10 percent, their ages increased six years over a decade. As noted in Chapter 1, as buyers have more reliance on both financial assets and inheritances which allow all cash purchases and purchases with large down payments, these buyers wait for a longer period of time to purchase a home. For home buyers with the smallest down payments, they must save for a longer period of time to enter homeownership. Those with moderate down payments, had smaller increases in age over a decade.

Chapter 5: Financing the Home Purchase

Exhibit 5-5 Sources of Down Payment, First-Time and Repeat Buyers

(Respondents Among Those Who Made a Down Payment)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Savings	46%	62%	42%
Proceeds from sale of primary residence	46%	6%	57%
Gift from relative or friend	8%	21%	4%
Sale of stocks or bonds	8%	11%	8%
401k/pension fund including a loan	6%	11%	5%
Inheritance	5%	10%	4%
Individual Retirement Account (IRA)	4%	5%	3%
Proceeds from sale of real estate other than primary residence	3%	1%	3%
Equity from primary residence buyer continues to own	3%	1%	3%
Loan from relative or friend	2%	4%	1%
Community/government down payment assistance program	1%	5%	*
Tax refund	1%	4%	1%
Loan from financial institution other than a mortgage	1%	1%	1%
Loan or financial assistance from source other than employer	1%	1%	*
Sale of cryptocurrency	1%	3%	*
Loan or financial assistance through employer	*	1%	*

** Less than 1 percent*

For first-time buyers, sources of down payments have shifted markedly. Thirty percent of first-time buyers used financial assets such as stocks, bonds, 401(k)s, IRAs, or cryptocurrency. First-time buyers also cited using savings (62 percent) and a gift or loan from a relative or friend (25 percent). This marks the second consecutive year that financial assets have comprised a larger share of down payment sources for first-time buyers than gifts or loans from friends or family. Among first-time buyers, 10 percent used an inheritance for their down payment; this is the fourth consecutive year of increases and is the largest share recorded. Generational wealth transfers are increasingly affecting first-time buyers.

Among repeat buyers, the majority, 57 percent, used proceeds from the sale of their primary residence; however, 42 percent used savings for their down payment. Financial assets are not only common among first-time buyers, but 16 percent of repeat buyers also used financial assets for a portion or all of their down payment.

Chapter 5: Financing the Home Purchase

Exhibit 5-6 Sources of Down Payment, First-Time Buyers Who Paid All-Cash and Financed

(Respondents Among Those Who Made a Down Payment)

	FIRST-TIME BUYERS	FIRST-TIME ALL-CASH BUYERS	FIRST-TIME BUYERS WHO FINANCED
Savings	62%	42%	66%
Gift from relative or friend	21%	11%	23%
Sale of stocks or bonds	11%	14%	12%
401k/pension fund including a loan	11%	7%	13%
Inheritance	10%	28%	9%
Proceeds from sale of primary residence	6%	21%	3%
Community/government down payment assistance program	5%	*	6%
Individual Retirement Account (IRA)	5%	7%	5%
Tax refund	4%	1%	4%
Loan from relative or friend	4%	2%	4%
Sale of cryptocurrency	3%	1%	3%
Equity from primary residence buyer continues to own	1%	4%	1%
Proceeds from sale of real estate other than primary residence	1%	2%	1%
Loan from financial institution other than a mortgage	1%	*	2%
Loan or financial assistance from source other than employer	1%	*	3%
Loan or financial assistance through employer	1%	1%	1%

** Less than 1 percent*

While first-time buyers are most reliant on personal savings to enter homeownership, those who are all cash versus those who financed approach homeownership differently. First-time buyers who made an all-cash purchase are more likely than those who financed to use an inheritance (28 percent) compared to those who financed (nine percent) or use proceeds from sale of primary residence (21 percent). This primary residence is also an inherited property as this is their first home purchase they have made independently. All cash first-time buyers are less likely to use a gift or loan from friend or relative. Thus, for all cash first-time buyers waiting for a generational transfer of wealth was more common than receiving from a living relative.

First-time buyers who financed were more likely to use 401k/pension funds which includes a loan against their retirement accounts, while first-time buyers who made an all-cash purchase were more likely to sell stocks or use an IRA to make their home purchase.

Chapter 5: Financing the Home Purchase

Exhibit 5-7 Expenses That Delayed Saving for a Down Payment or Saving for a Home Purchase, by First-Time and Repeat Buyers

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

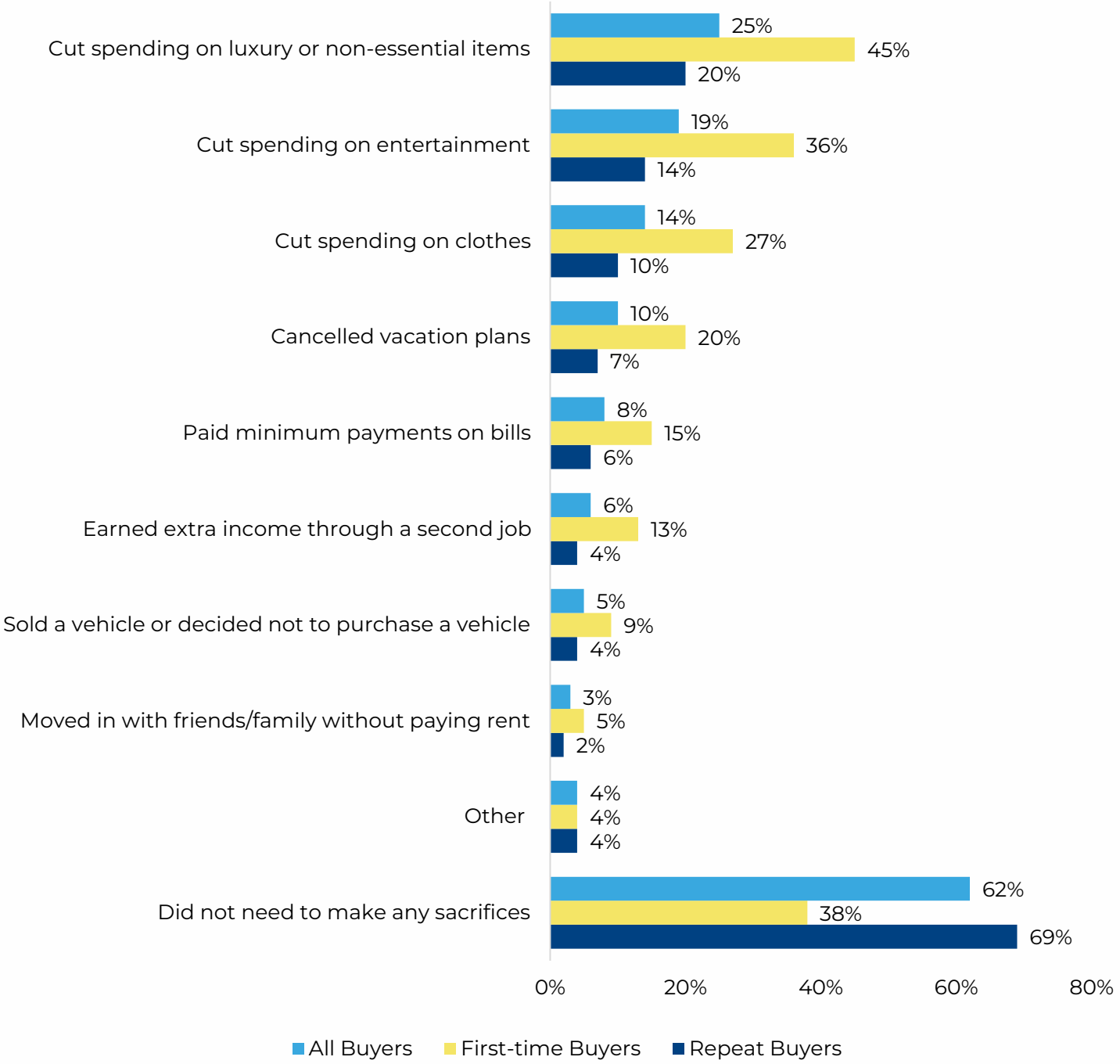
	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Share Saving for Down Payment was Most Difficult Task in Buying Process:	11%	28%	6%
DEBT THAT DELAYED SAVING			
High rent/current mortgage payment	50%	54%	44%
Credit card debt	35%	36%	33%
Student loans	32%	40%	21%
Car loan	31%	35%	26%
Health care costs	19%	19%	18%
Childcare expenses	17%	14%	21%
Other	18%	15%	22%
Median Years Debt Delayed Home Purchase Among Those Who Had Difficulty Saving	0	2	0

Saving for a down payment was the most difficult step in the home-buying process for 11 percent of buyers, and it was higher among first-time buyers at 28 percent. These buyers were asked what expenses made saving for a down payment difficult. Fifty percent reported high rent or a current mortgage payment, 35 percent cited credit card debt, 32 percent mentioned student loans, and 31 percent pointed to a car loan.

Chapter 5: Financing the Home Purchase

Exhibit 5-8 Sacrifices Made To Purchase Home, by First-Time and Repeat Buyers

(Percent of Respondents)

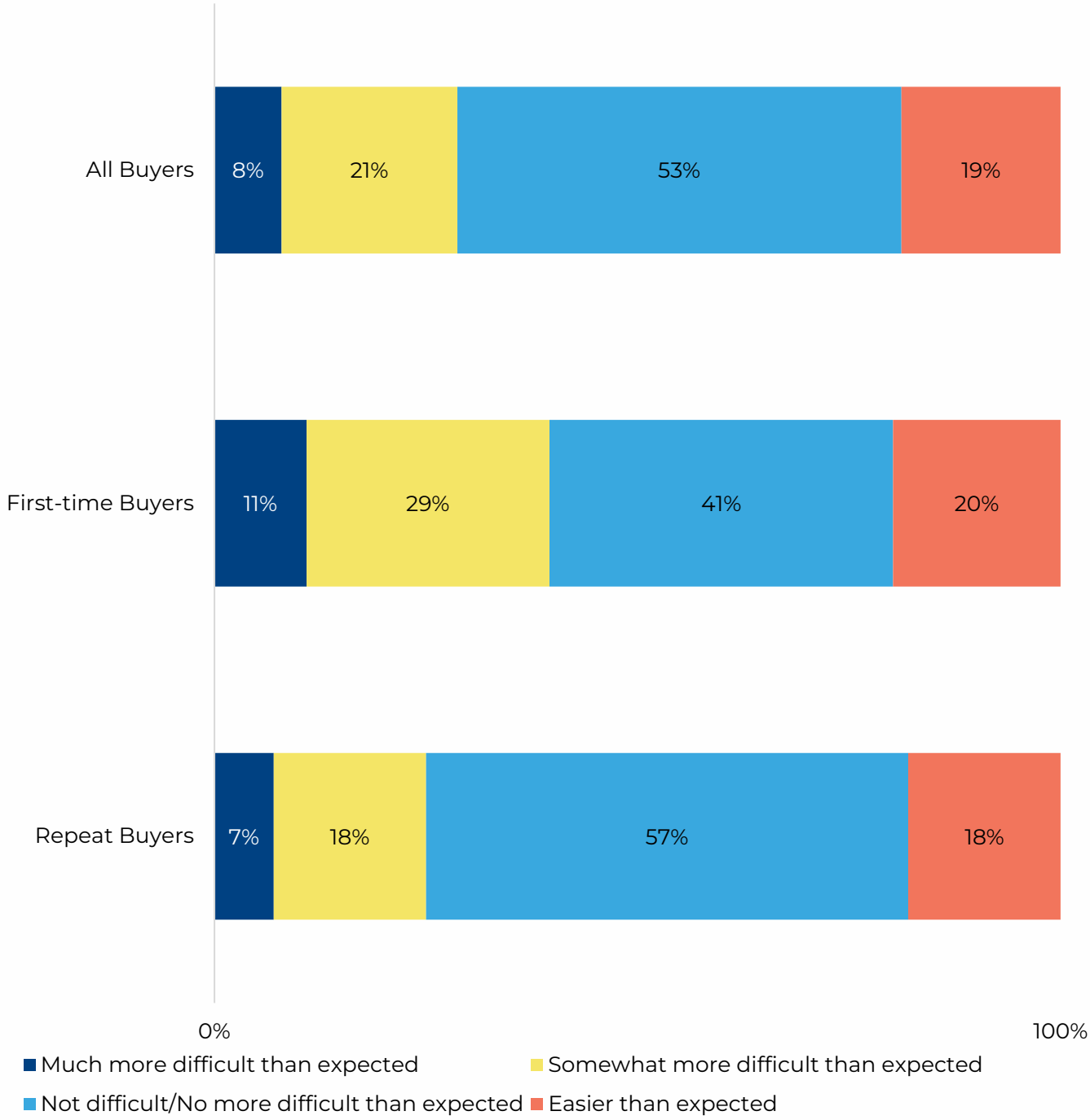


Sixty-two percent of first-time buyers did need to make financial sacrifices to save for a down payment, compared to just 31 percent of repeat buyers. Common financial sacrifices included cutting spending on non-essential goods, entertainment, and clothes, as well as canceling vacation plans.

Chapter 5: Financing the Home Purchase

Exhibit 5-9 Difficulty of Mortgage Application and Approval Process

(Percentage Distribution Among Those Who Financed Their Home Purchase)

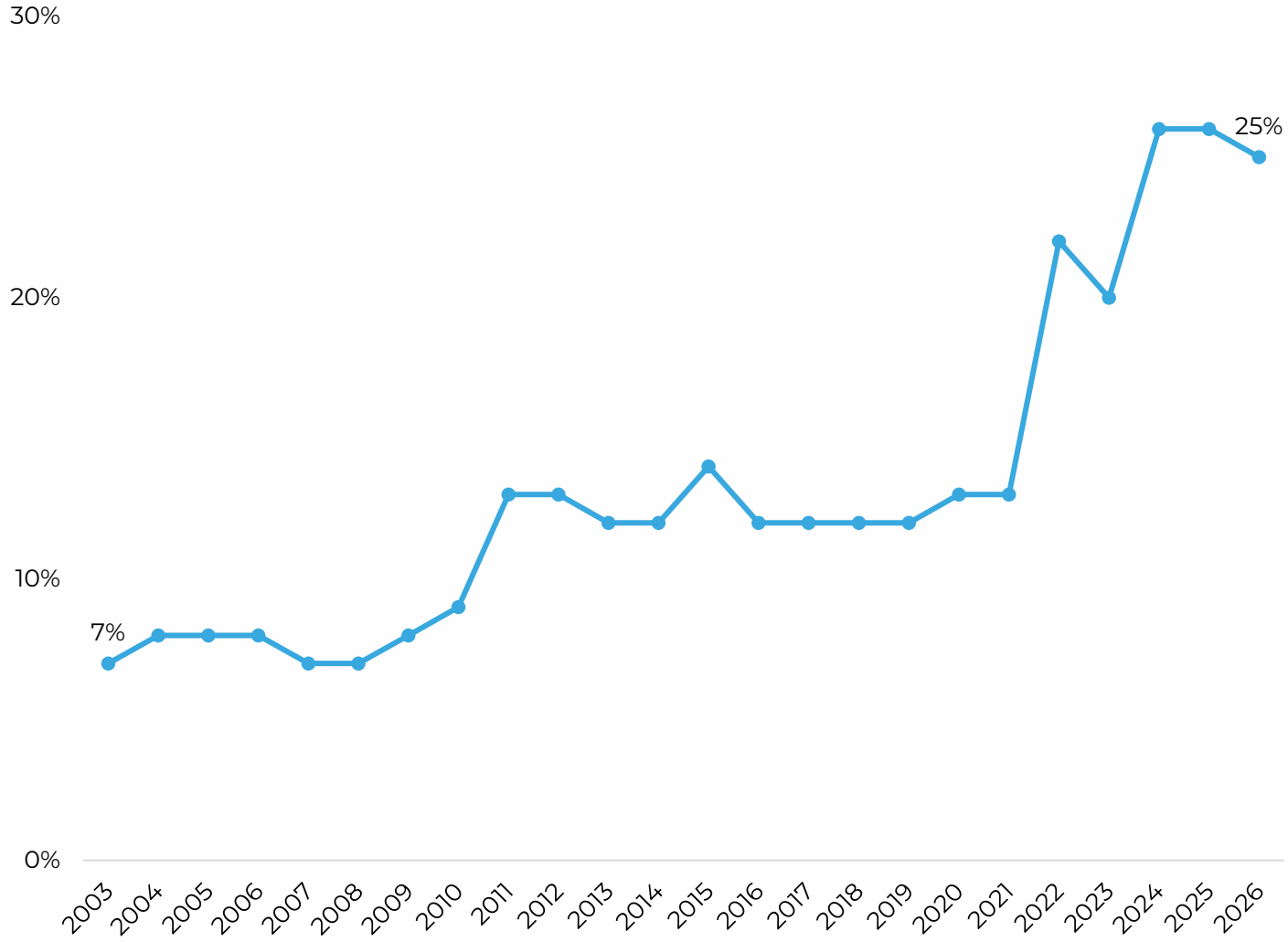


Twenty-nine percent of buyers said the mortgage application process was somewhat or much more difficult than expected, and 19 percent said it was easier than expected. Forty percent of first-time buyers said that the mortgage application and approval process was somewhat or much more difficult than expected, compared to 25 percent of repeat buyers.

Chapter 5: Financing the Home Purchase

Exhibit 5-10 All-Cash Buyers, 2003–2026

(Percentage Distribution)



Twenty-five percent of home buyers paid cash for their home, down slightly from 26 percent in 2025 and 2024. All-cash buyers remain elevated since the pre-COVID-19 years—in 2019, only 12% purchased as cash buyers compared to 25 percent this year. Housing equity continues to play a strong role among primary-residence repeat home buyers who can purchase homes without financing. For both first-time and repeat buyers, the growth in the stock market has allowed some to translate earnings into homeownership. For others, inheritance has been a pathway to making an all-cash purchase.

Chapter 5: Financing the Home Purchase

Exhibit 5-11 Buyer Mortgage Application Had Been Rejected From Mortgage Lender

(Percentage Distribution)

	ALL BUYERS
Have had application denied	4%
Median number of times application was denied	1
BUYERS REASONS WHY REJECTED BY MORTAGE LENDER	
Debt-to-income ratio	46%
Low credit score	27%
Not enough money in reserves	17%
Insufficient down payment	9%
Income was unable to be verified	7%
Too soon after refinancing another property	1%
Don't know	7%
Other	28%

Four percent of successful home buyers had a lender reject their mortgage application before they secured a mortgage. They typically had a median of one rejection. The most common reasons buyers reported being rejected were their debt-to-income ratio (46 percent), low credit score (27 percent), not enough money in reserves (17 percent), and insufficient down payment (nine percent).

Chapter 5: Financing the Home Purchase

Exhibit 5-12 Buyers Who Have Student Loan Debt, by First-Time and Repeat Buyers

(Percentage Distribution)

	ALL BUYERS	FIRST-TIME BUYERS	REPEAT BUYERS
Have student loan debt	14%	29%	10%
Median amount of student loan debt	$35,000	$35,000	$35,000

Overall, 14 percent of buyers carry student loan debt, rising to 29 percent among first-time home buyers and falling to 10 percent for repeat buyers. The median amount of student debt held by home buyers was $35,000.

Exhibit 5-13 Buyer Previously Sold a Distressed Property (Short Sale or Foreclosure)

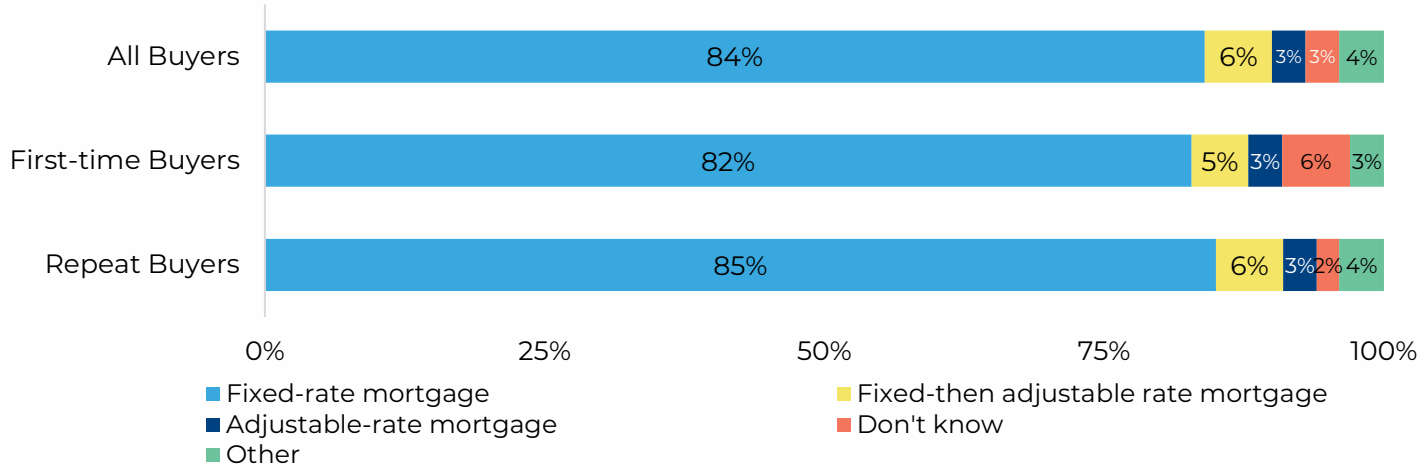
(Percentage Distribution)

	ALL BUYERS
Previously had a distressed property sale	7%
Median year of sale	2012

Seven percent of recent buyers had previously sold a distressed property. The median year in which buyers previously sold a distressed property was 2012.

Exhibit 5-14 Type of Mortgage, First-Time and Repeat Buyers

(Percentage Distribution Among Those Who Financed Their Home Purchase)

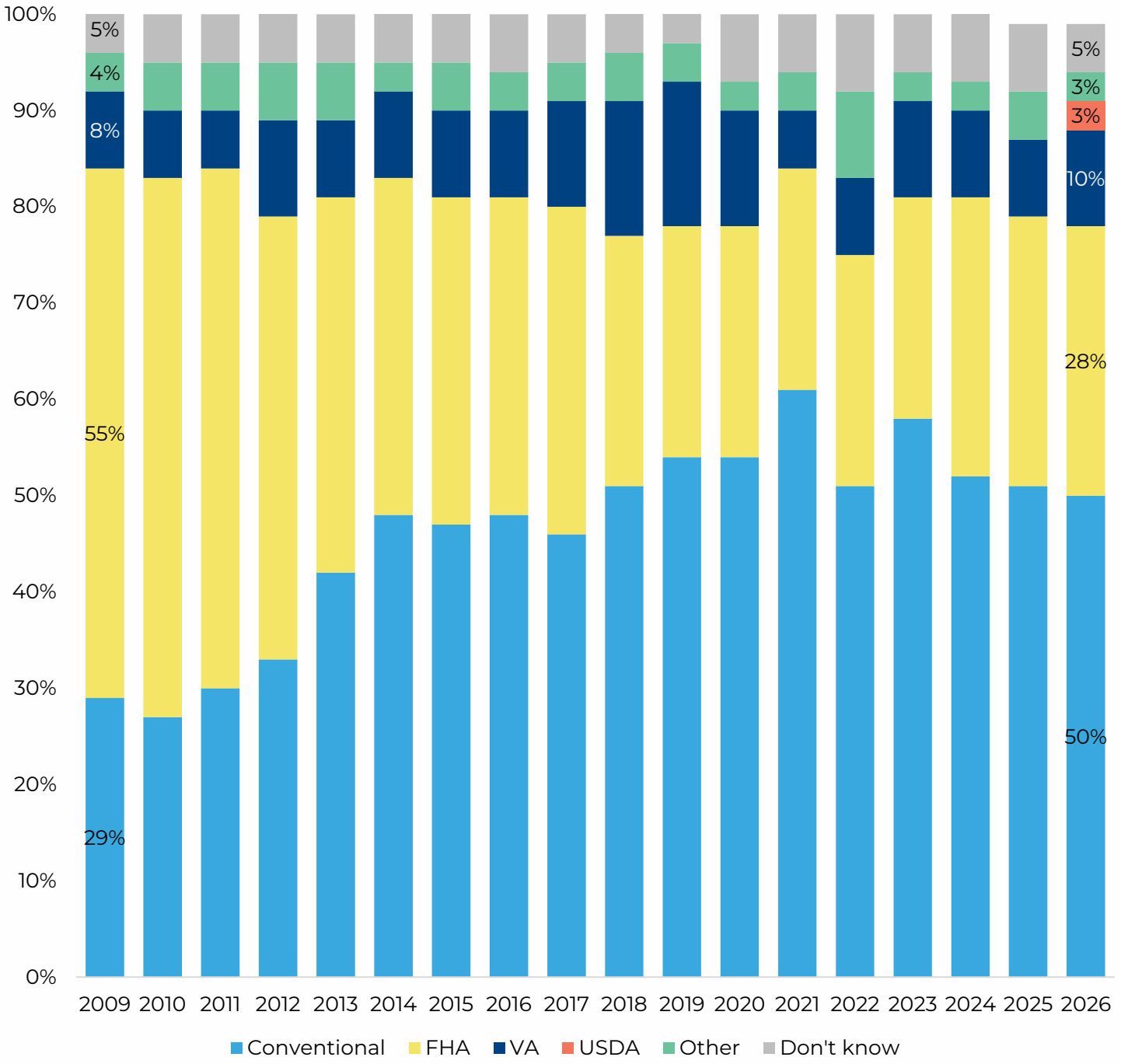


Eighty-four percent of all buyers used a fixed-rate mortgage. Eighty-two percent of first-time buyers, and 85 percent of repeat buyers, use a fixed-rate mortgage.

Chapter 5: Financing the Home Purchase

Exhibit 5-15 Type of Loan for First-Time Buyers, 2009–2026

(Percentage Distribution Among Those Who Financed Their Home Purchase)

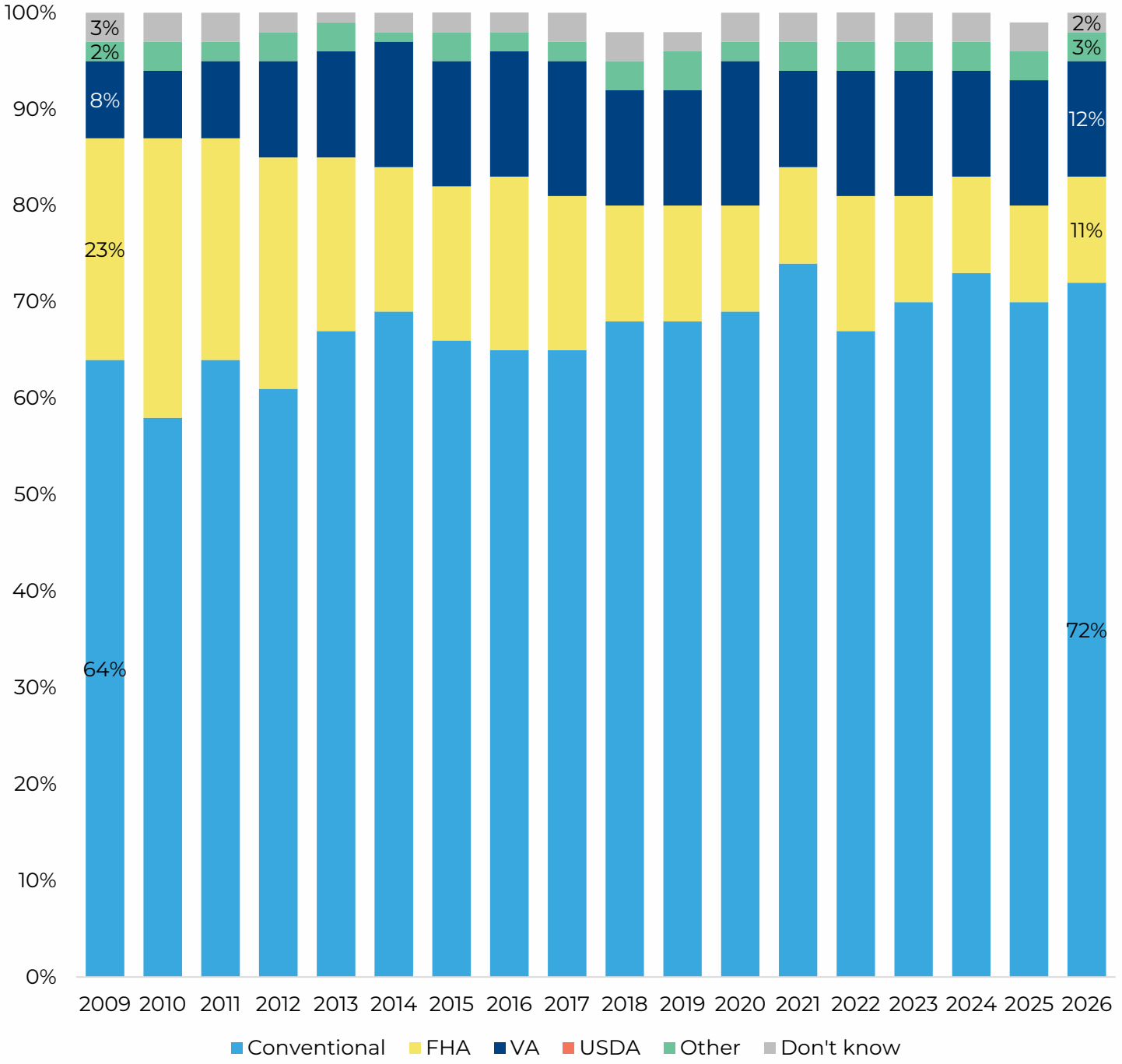


Fifty percent of first-time buyers utilized a conventional loan to finance their home, 28 percent used an FHA loan, 10 percent used a VA loan, and three percent used a USDA loan. The share of first-time buyers using an FHA loan has declined from 55 percent in 2009 to 28 percent in 2026.

Chapter 5: Financing the Home Purchase

Exhibit 5-16 Type of Loan for Repeat Buyers, 2009–2026

(Percentage Distribution Among Those Who Financed Their Home Purchase)



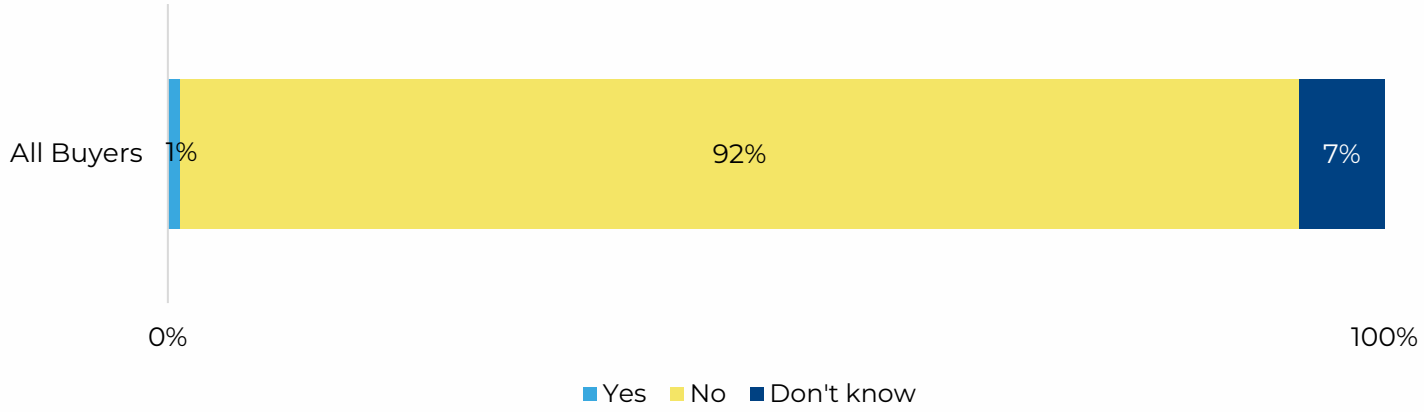
** Less than 1 percent*

Seventy-two percent of repeat buyers utilized a conventional loan to finance their home. Eleven percent of repeat buyers reported securing an FHA loan, and 12 percent used a VA loan. While the share of repeat buyers using a VA loan has stayed relatively steady, the share of buyers using an FHA loan has dropped by more than half.

Chapter 5: Financing the Home Purchase

Exhibit 5-17 Mortgage As An Assumable Loan

(Percentage Distribution)



One percent of recent buyers had an assumable loan from the previous homeowner. Ninety-two percent did not have an assumable loan, and seven percent did not know.

Exhibit 5-18 Individuals on Property's Mortgage

(Percentage Distribution)

	ALL BUYERS
Only resident(s) of the property	93%
Resident(s) of property and cosigner	5%
Only nonresidents of property	*
Other	2%

** Less than 1 percent*

Ninety-three percent of recent buyers reported that only property residents were on the mortgage. Five percent of buyers said that the resident(s) of the property and the cosigner were on the property's mortgage.

Chapter 5: Financing the Home Purchase

Exhibit 5-19 Buyers' View of Homes as a Financial Investment

(Percentage Distribution)

	ALL BUYERS
Good financial investment	79%
Better than stocks	32%
About as good as stocks	30%
Not as good as stocks	17%
Not a good financial investment	6%
Don't know	15%

Buyers continue to see purchasing a home as a good financial investment. Seventy-nine percent said they believed buying a home is a good investment, and 32 percent said it was better than owning stock. Only six percent reported that it was not a good financial investment.

CHAPTER 6

Home Sellers and their Selling Experience



Chapter 6: Home Sellers and their Selling Experience

Highlights

Home Seller Characteristics

- The typical age of home sellers was 63 this year, down from 64 last year.
- The share of married couples selling their home was 69 percent this year, an increase from 68 percent last year. The percentage of single females who sold their homes fell to 18 percent this year from 20 percent last year.
- Of all homes sold on the market, 78 percent did not have children under the age of 18 residing in the home, a decrease from 81 percent last year.

Home Sold Versus Home Purchased

- Twenty-one percent of home sellers in 2026 reported purchasing a home in a different region than the one in which they sold their home. Sixty-five percent of home sellers moved within the same state, and 14 percent remained in the same region.
- **Thirty-six percent of sellers traded up and purchased a home that was larger in size** than what they previously owned, 31 percent bought a home that was similar in size, and 30 percent traded down and purchased a home that was smaller in size.
- **Forty-seven percent of all sellers purchased a home that was newer** than their previous home. Twenty-two percent purchased a home of the same age, and 34 percent purchased an older home.
- For all sellers, the **most commonly cited reason for selling their home was the desire to move closer to friends and family (22 percent),** followed by the home was too small (12 percent), the home was too large (10 percent), a change in family situation (eight percent), and moving due to retirement (eight percent).

Tenure in Home

- The median number of years a **seller owned their home was 12 years, an all-time high.** Tenure is up from 11 last year. From 2000 to 2008, the tenure in the home was only six years.

Sales Price, Time on the Market, Incentives to Prospective Buyers

- For recently sold homes, the final sales price was a median of 99 percent of the final listing price.
- For all sellers, time on the market this year was a median of four weeks, the same as last year.

Satisfaction With the Sales Process

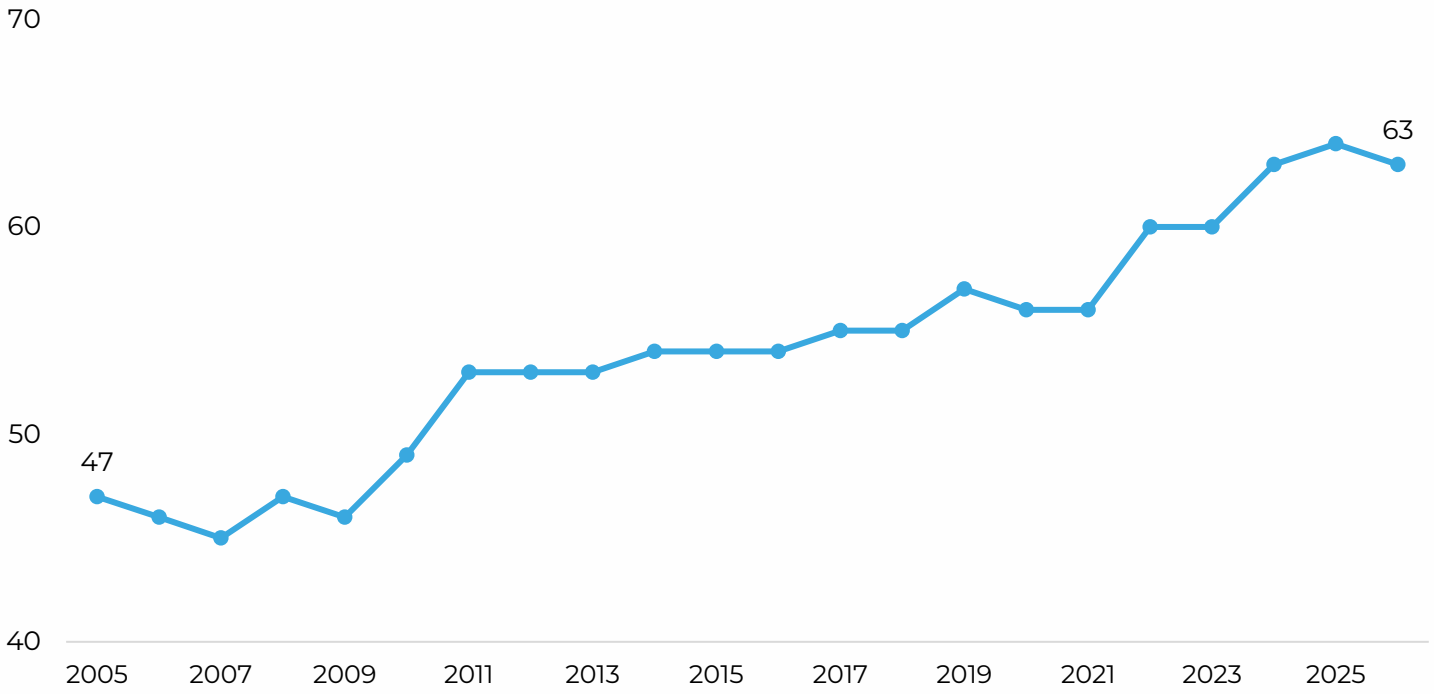
- Sixty-one percent of sellers were very satisfied with the selling process. Twenty-seven percent were somewhat satisfied.



Chapter 6: Home Sellers and their Selling Experience

Exhibit 6-1 Median Age of Home Sellers, 2005–2026

(Median Age)



The typical age of home sellers was 63 this year, down from 64 last year. In 2005, the typical home seller was 47.

Exhibit 6-2 Household Income of Home Sellers, 2025

(Percentage Distribution)

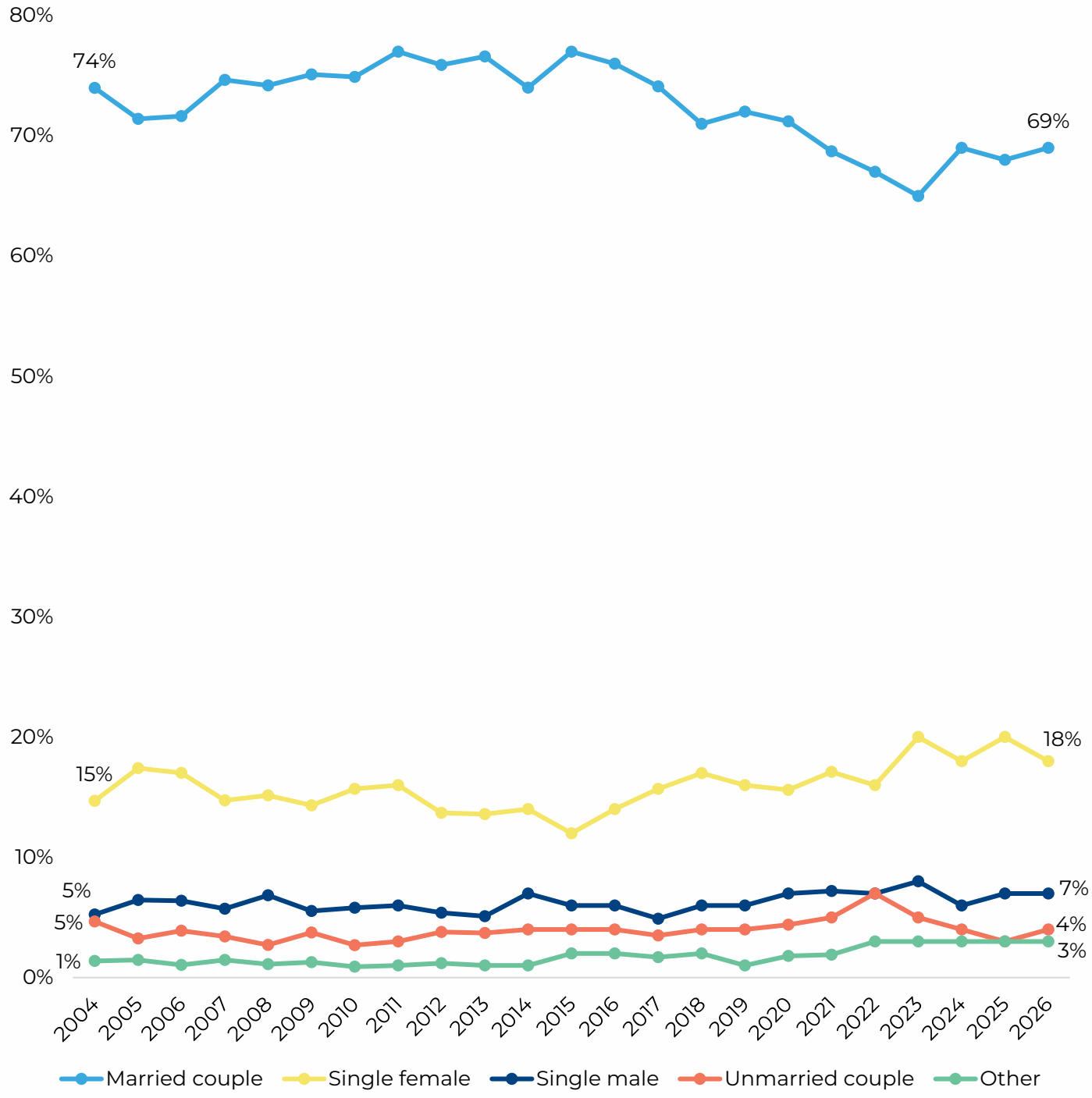
	ALL SELLERS
Less than $54,999	12%
$55,000 to $74,999	10%
$75,000 to $99,999	15%
$100,000 to $199,999	42%
$200,000 or more	23%
Median household income (2025)	$124,100

The median household income for the typical seller in 2025 was $124,100, up from $112,400 last year. Similar to findings among home buyers in Chapter 1, those sellers making housing trades this year have higher incomes.

Chapter 6: Home Sellers and their Selling Experience

Exhibit 6-3 Adult Composition of Home Seller Households, 2004–2026

(Percentage Distribution)

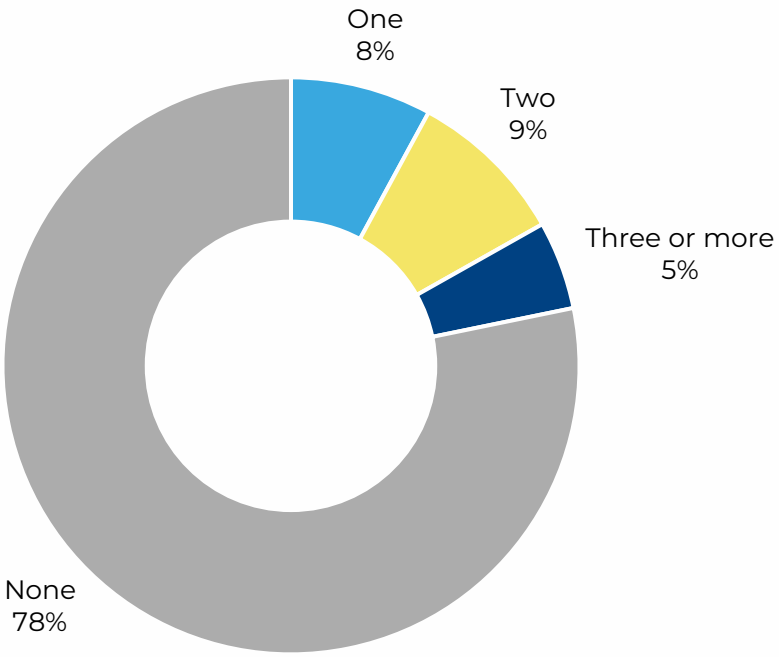


The share of married couples who sold their homes was 69 percent this year, up from 68 percent last year. The percentage of single females who sold their homes decreased this year to 18 percent.

Chapter 6: Home Sellers and their Selling Experience

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

(Percentage Distribution of Home Seller Households)



Of all homes sold on the market, 78 percent did not have children under the age of 18 residing in the home, down from 81 percent last year. Eight percent of home sellers had one child, nine percent had two, and five percent had three or more.

Chapter 6: Home Sellers and their Selling Experience

Exhibit 6-5 Race/Ethnicity of Home Sellers

(Percent of Respondents)

White/Caucasian	91%
Hispanic/Latino	4%
Black/African-American	3%
Asian/Pacific Islander	3%
Other	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

Of all sellers, 91 percent identified as White or Caucasian, four percent identified as Hispanic/Latino, three percent identified as Black/African-American, and three percent identified as Asian/Pacific Islander.

Exhibit 6-6 Primary Language Spoken in Home Seller Household

(Percentage Distribution)

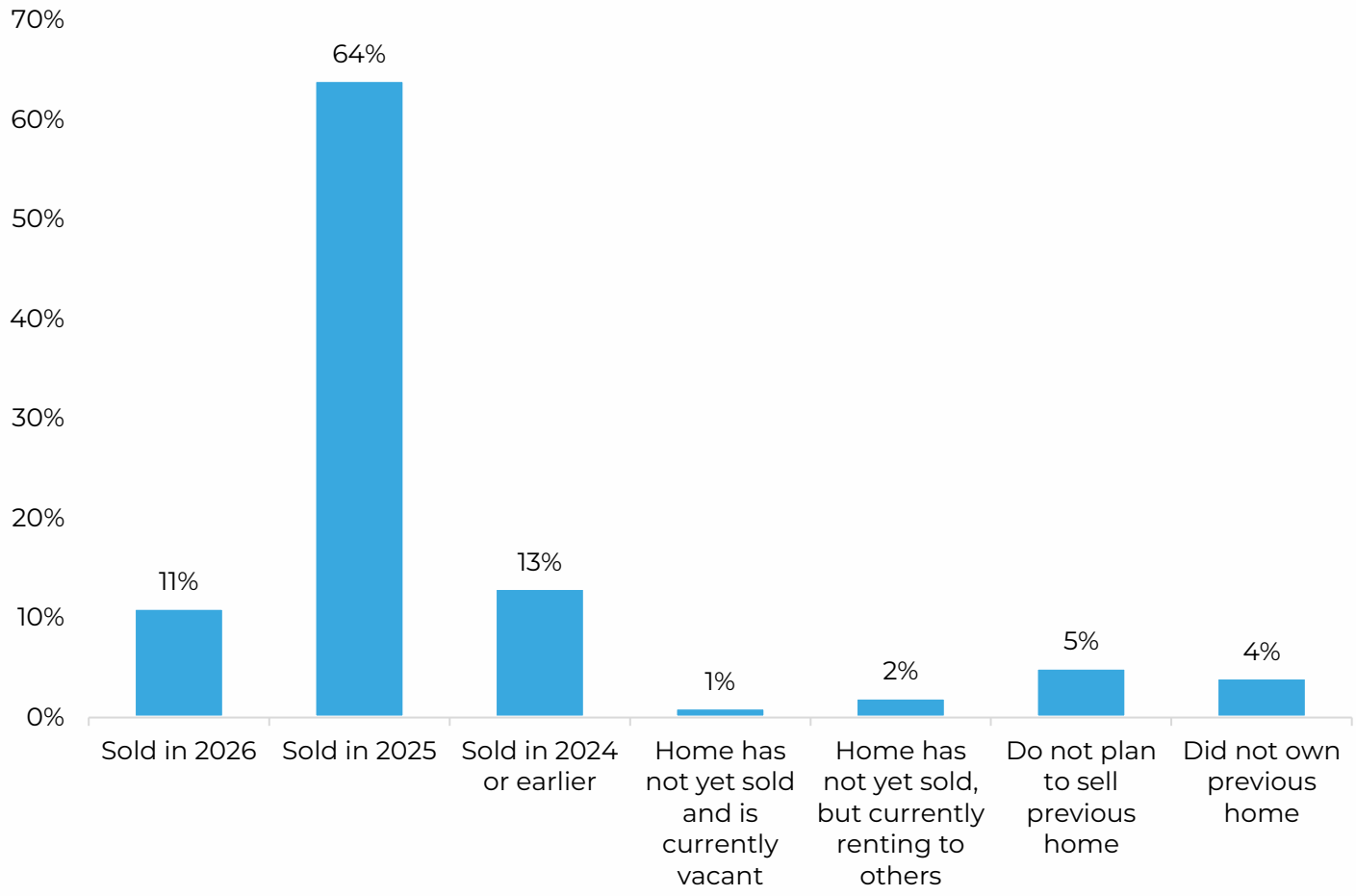
English	98%
Other	2%

Among all sellers, 98 percent of households speak English as their primary language.

Chapter 6: Home Sellers and their Selling Experience

Exhibit 6-7 Home Selling Situation Among Sellers/Potential Sellers

(Percentage Distribution)

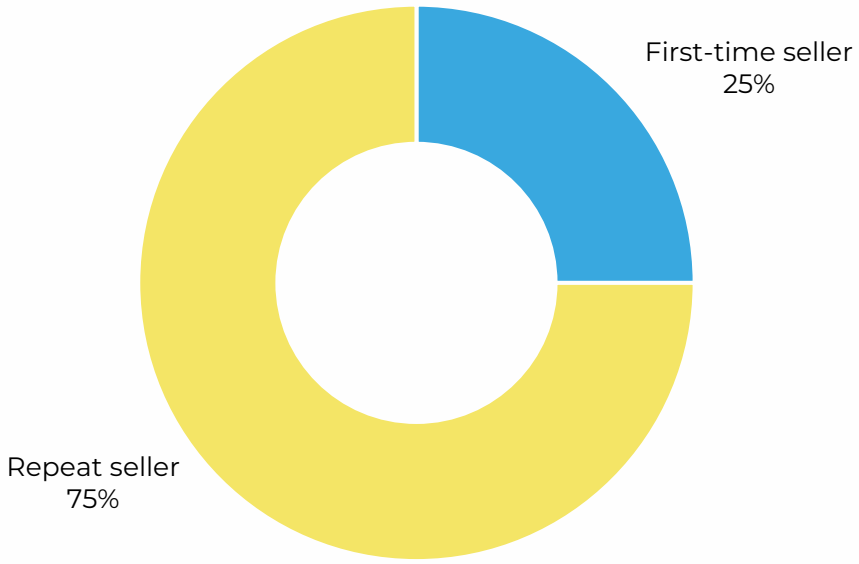


For sellers/potential sellers, 11 percent sold their home in 2026, 64 percent in 2025, 13 percent sold in 2024 or earlier, and only three percent have not yet been able to sell. Five percent of potential sellers did not plan to sell their previous home. Among those who are currently holding onto their past home and do not plan to sell, there has been no measurable change in recent years.

Chapter 6: Home Sellers and their Selling Experience

Exhibit 6-8 First-Time or Repeat Seller

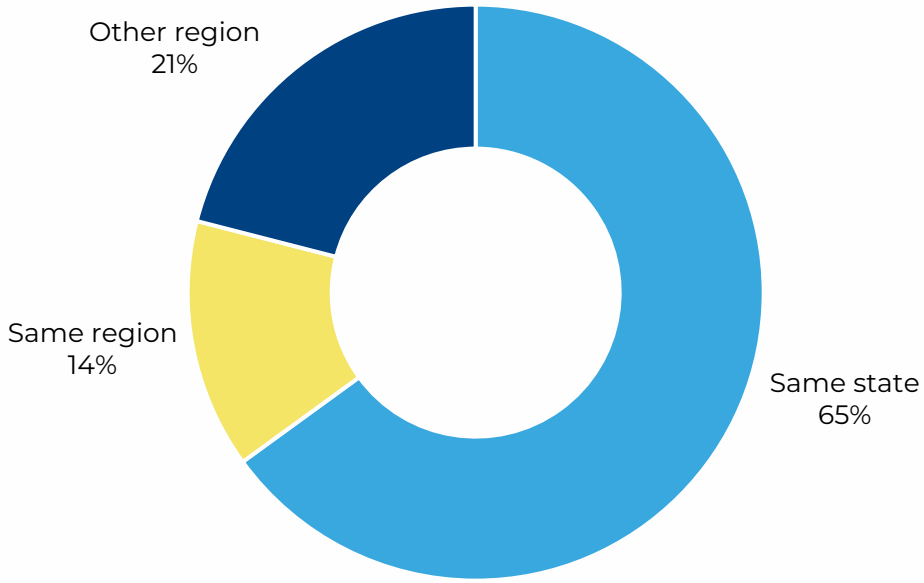
(Percentage Distribution)



Seventy-five percent were repeat sellers, and 25 percent were first-time home sellers.

Exhibit 6-9 Proximity of Home Sold to Home Purchased

(Percentage Distribution)



In 2026, 21 percent of home sellers reported purchasing a home in a different region than the one where they sold. Sixty-five percent of home sellers moved within the same state, and 14 percent remained in the same region.

Chapter 6: Home Sellers and their Selling Experience

Exhibit 6-10 Type of Home Sold, by Location

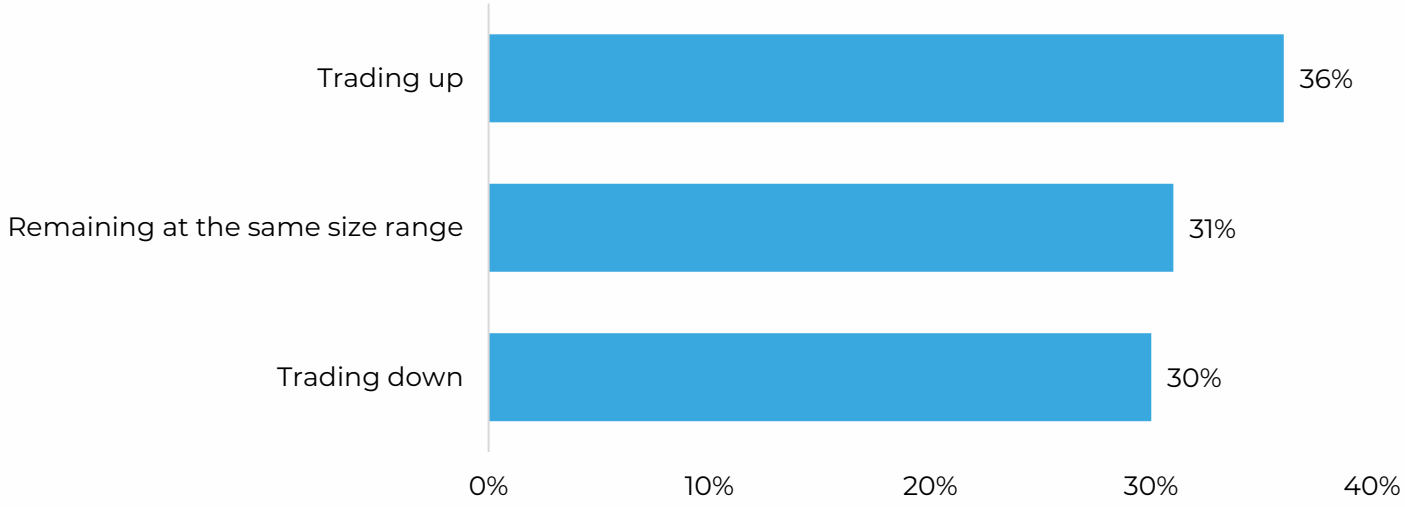
(Percentage Distribution)

Detached single-family home	80%
Townhouse/row house	7%
Duplex/apartment/condo in 2-to-4-unit building	4%
Apartment/condo in a building with 5 or more units	4%
Other	6%

Detached single-family homes were the most common homes sold at 80 percent, a decrease from 82 percent last year. Townhomes and row houses sold at seven percent, and duplex/apartment/condo with two to four units or five or more units both sold at four percent.

Exhibit 6-11 Size of Home Purchased Compared to Home Recently Sold

(Percentage Distribution)



Thirty-six percent of sellers traded up and purchased a larger home than they previously owned, 31 percent bought a home similar in size, and 30 percent traded down and purchased a smaller home.

Chapter 6: Home Sellers and their Selling Experience

Exhibit 6-12 Size of Home Purchased Compared to Home Recently Sold, by Age of Seller

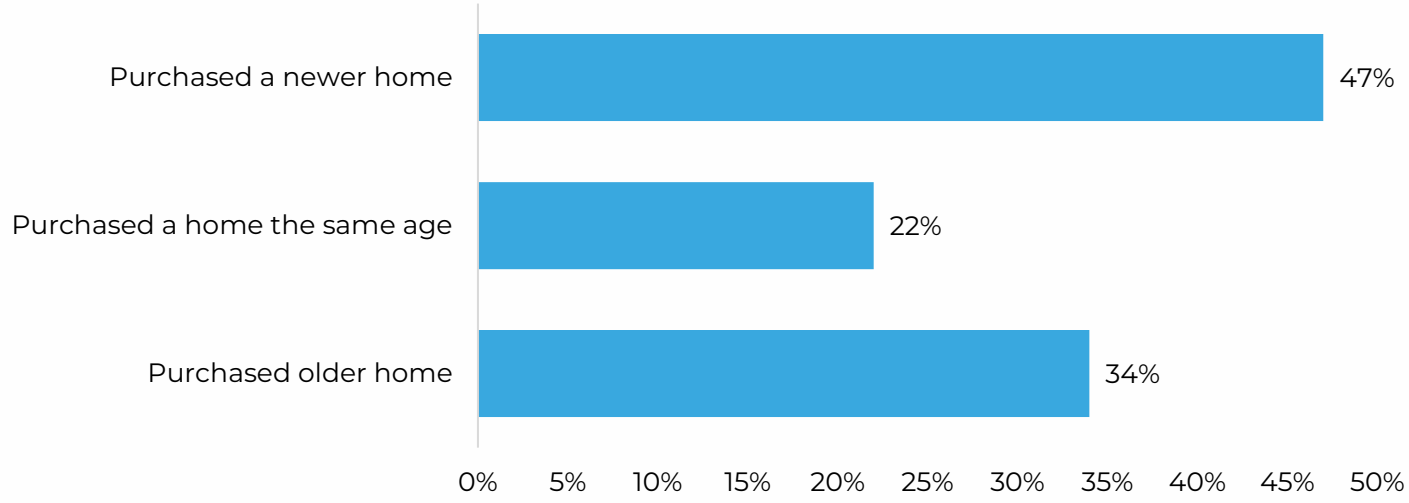
(Median Square Feet)

	SIZE OF HOME SOLD	SIZE OF HOME PURCHASED	DIFFERENCE
18 to 34 years	1,500	2,100	600
35 to 44 years	1,800	2,500	700
45 to 54 years	2,000	2,100	100
55 to 64 years	2,200	2,000	-200
65 to 74 years	2,000	1,900	-100
75 years or older	2,000	1,900	-100

There is a relationship between the age of the home seller and the housing trade. Generally, sellers under the age of 55 tend to buy larger homes, while sellers over the age of 55 tend to buy smaller homes than the ones they sold.

Exhibit 6-13 Age of Home Purchased Compared to Home Recently Sold

(Percentage Distribution)



Forty-seven percent of all sellers purchased a home that was newer than their previous home. Twenty-two percent purchased a home of the same age, and 34 percent purchased an older home.

Chapter 6: Home Sellers and their Selling Experience

Exhibit 6-14 Primary Reason for Selling Previous Home, by Miles Moved

(Percentage Distribution)

	ALL SELLERS	10 miles or less	11 to 50 miles	51 to 100 miles	101 miles or more
Want to move closer to friends or family	22%	4%	15%	35%	38%
Home is too small	12%	26%	10%	8%	1%
Home is too large	10%	16%	14%	7%	3%
Change in family situation (e.g., marriage, birth of a child, divorce)	8%	11%	11%	7%	5%
Moving due to retirement	8%	3%	6%	8%	15%
Neighborhood has become less desirable	7%	9%	13%	5%	2%
Upkeep of home is too difficult due to health or financial limitations	4%	6%	3%	2%	2%
Want to move closer to current job	3%	1%	4%	3%	3%
Can not afford the mortgage and other expenses of owning home	3%	3%	3%	4%	2%
Politics of state/neighbors	3%	1%	2%	*	5%
HOA rules	2%	3%	3%	2%	1%
Job relocation	1%	1%	1%	5%	13%
Schools became less desirable	1%	1%	3%	*	*
Unfit living conditions due to environmental factors	1%	1%	*	3%	1%
Home insurance cost	*	*	*	*	1%
To avoid possible foreclosure	*	*	*	*	*
Other	12%	15%	14%	11%	9%

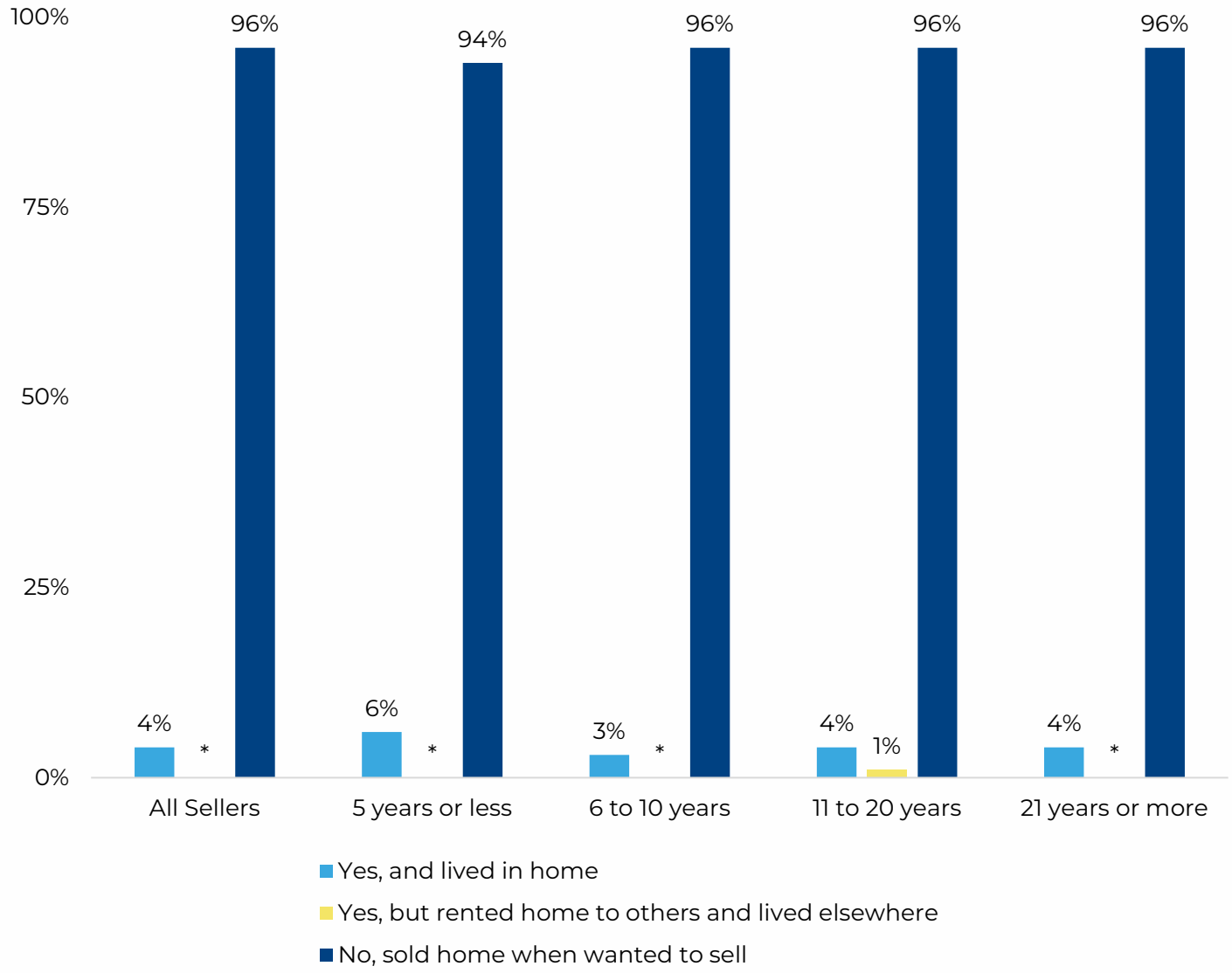
** Less than 1 percent*

For all sellers, the most commonly cited reason for selling their home was the desire to move closer to friends and family (22 percent), followed by the home was too small (12 percent), the home was too large (10 percent), a change in family situation (eight percent), and moving due to retirement (eight percent).

Chapter 6: Home Sellers and their Selling Experience

Exhibit 6-15 Seller Wanted To Sell Earlier but Waited or Stalled Because Home Was Worth Less than Mortgage, by Tenure in Home

(Percentage Distribution)



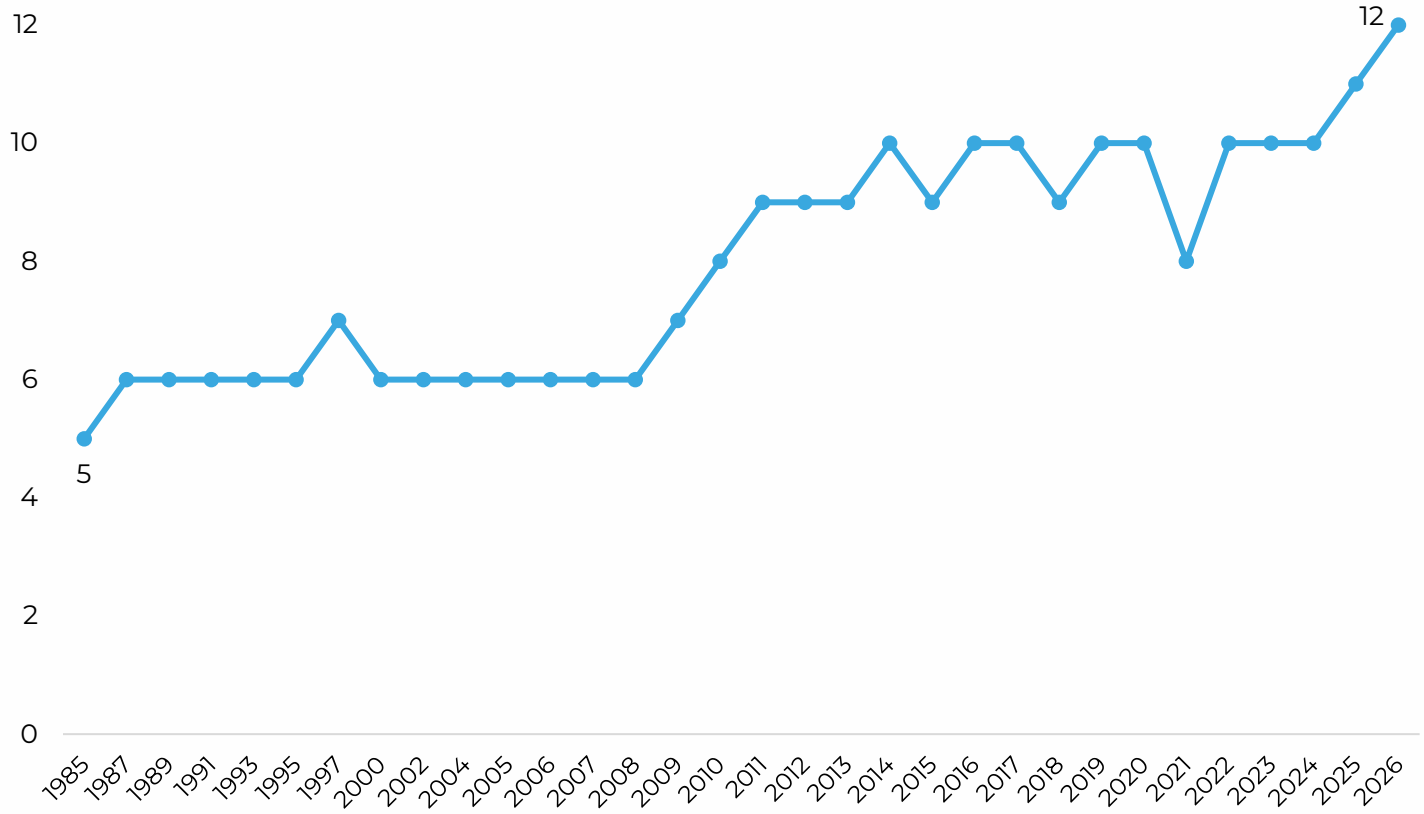
** Less than 1 percent*

Ninety-six percent were able to sell when they wanted to. Six percent of those who purchased their home within the last five years reported stalling or waiting to sell their home.

Chapter 6: Home Sellers and their Selling Experience

Exhibit 6-16 Median Seller Tenure in Home, 1985–2026

(Median Years)



The median number of years a seller owned their home was 12 years, an all-time high. Tenure is up from 11 last year. From 2000 to 2008, the tenure in the home was only six years. Following the Great Recession, the tenure in the home climbed to eight years in 2010 and 10 years in 2024. Since 2024, the length of ownership has incrementally climbed among recent home sellers.

Chapter 6: Home Sellers and their Selling Experience

Exhibit 6-17 Distance Between Home Purchased and Home Recently Sold, by First-Time and Repeat Sellers

(Percentage Distribution)

	ALL SELLERS	FIRST-TIME SELLERS	REPEAT SELLERS
5 miles or less	20%	25%	19%
6 to 10 miles	12%	15%	10%
11 to 15 miles	8%	8%	8%
16 to 20 miles	6%	6%	6%
21 to 50 miles	12%	12%	12%
51 to 100 miles	6%	5%	6%
101 to 500 miles	14%	12%	15%
501 to 1,000 miles	11%	8%	12%
1,001 miles or more	12%	9%	12%
Median (miles)	30	20	36

Sellers' purchasing habits led them to buy farther from where they previously lived, with a median move of 30 miles. First-time sellers moved a median of 20 miles, while repeat sellers moved a median of 36 miles.

Exhibit 6-18 Sales Price Compared with Listing Price

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

	ALL SELLERS
Less than 90%	10%
90% to 94%	13%
95% to 99%	31%
100%	26%
101% to 110%	15%
More than 110%	5%
Median (sales price as a percent of listing price)	99%

For recently sold homes, the final sales price was a median of 99 percent of the final listing price.

Chapter 6: Home Sellers and their Selling Experience

Exhibit 6-19 Number of Weeks Recently Sold Home Was on the Market

(Percentage Distribution)

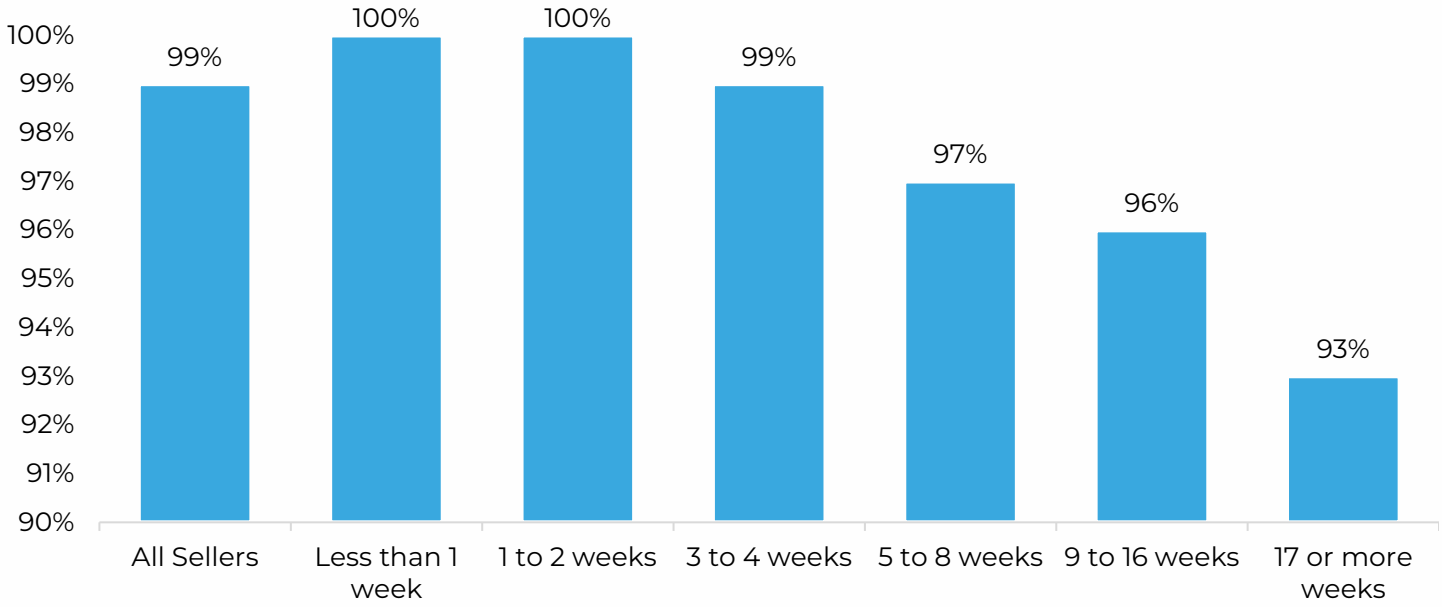
	ALL SELLERS
Less than 1 week	8%
1 to 2 weeks	33%
3 to 4 weeks	15%
5 to 6 weeks	9%
7 to 8 weeks	8%
9 to 10 weeks	4%
11 to 12 weeks	7%
13 to 16 weeks	4%
17 to 24 weeks	6%
25 to 36 weeks	4%
37 to 52 weeks	3%
53 or more weeks	1%
Median weeks	4

For all sellers, the median time on the market this year was four weeks, the same as last year. Nearly one in ten homes sold in under one week.

Chapter 6: Home Sellers and their Selling Experience

Exhibit 6-20 Sales Price Compared with Listing Price, by Number of Weeks Home Was on the Market

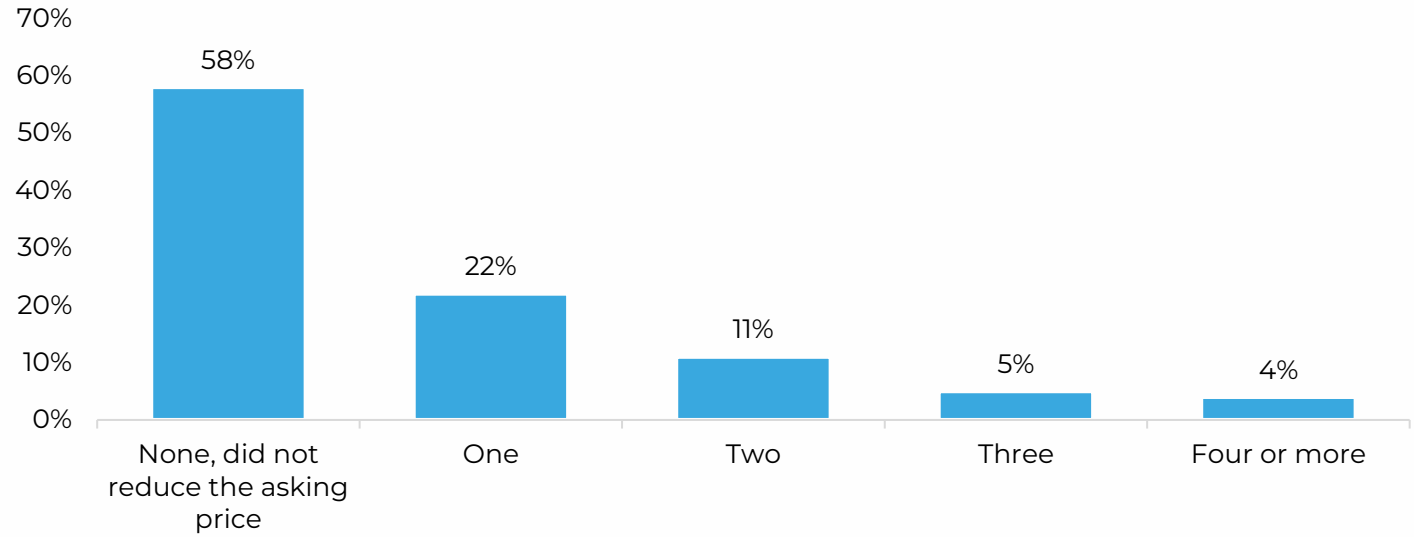
(Medians)



Time on the market and the ratio of the sale price to the listing price are strongly related; generally, the longer a home is on the market, the greater the discount from the listing price at sale. Homes on the market for two weeks or less sold for a median of 100 percent of their asking price.

Exhibit 6-21 Number of Times Asking Price Was Reduced

(Percentage Distribution)



Fifty-eight percent of sellers did not reduce the asking price, while 22 percent reduced it just once.

Chapter 6: Home Sellers and their Selling Experience

Exhibit 6-22 Incentives Offered to Attract Buyers

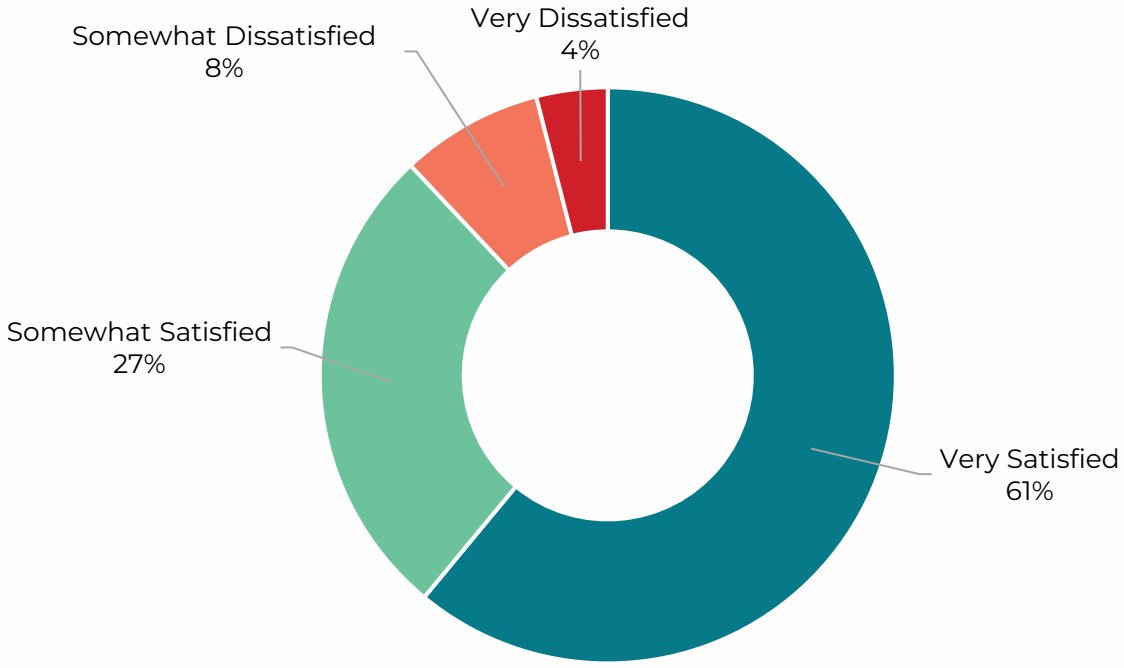
(Percent of Respondents)

	ALL SELLERS
None	68%
Assistance with closing costs	14%
Home warranty policies	9%
Credit toward remodeling or repairs	9%
Other incentives, such as a car, flat screen TV, etc.	4%
Mortgage rate buydown	1%
Assistance with condo association fees	1%
Other	5%

Given the buyer demand and lack of housing inventory, only 32 percent of all sellers offered incentives to attract buyers, an increase from 27 percent last year. Assistance with closing costs and home warranty policies were the top two listed incentives when selling a home.

Exhibit 6-23 Satisfaction with the Selling Process

(Percentage Distribution)



Sixty-one percent of sellers were very satisfied with the selling process. Twenty-seven percent were somewhat satisfied.

CHAPTER 7

Home Selling and Real Estate Professionals



Chapter 7: Home Selling and Real Estate Professionals

Highlights

Method of Home Sale

- **Ninety-two percent of sellers sold with the assistance of a real estate agent**, up from 91 percent last year. **This is an all-time high for agent-assisted sales**.
- **Only five percent were FSBO sales**, an **all-time low** and identical to last year.
- Among sellers who knew the buyer, 62 percent sold their homes themselves. In contrast, 96 percent of sellers who did not know the buyer sold through an agent.

Finding a Real Estate Agent

- **Sixty-three percent of recent sellers used an agent that was referred to them or used an agent they had worked with in the past** to buy or sell a home.
- Seventy-nine percent of recent sellers contacted only one agent before finding the right agent they worked with to sell their home.
- Fifty-three percent of recent home sellers used the same real estate agent to represent them when purchasing or selling their home. That number jumps to 89 percent for sellers within 10 miles of their home purchase.

What Sellers Most Want and Factors for Choosing an Agent

- Eighty-seven percent of sellers reported that their agents provided a broad range of services within the home sale. Only in 2020 did the share of home sellers surpass this year's home sellers in working with an agent providing a broad range of services– in 2020 it was at 88 percent.
- Sellers placed a high priority on the following three tasks: help with marketing the home to potential buyers (20 percent), pricing the home competitively (20 percent), and selling the home within a specific timeframe (17 percent).
- The **reputation of the real estate agent** remains the most important factor when sellers select an agent to sell their home (31 percent). Sellers also valued the agent's trustworthiness and honesty (24 percent).

Methods Used to Market the Home

- Real estate agents listed homes on MLSs first and foremost (86 percent). They also posted yard signs (70 percent), hosted open houses (62 percent), listed on Realtor.com® (50 percent), listed the home on their own website (50 percent), and listed on third-party aggregators (50 percent).

Agent Satisfaction

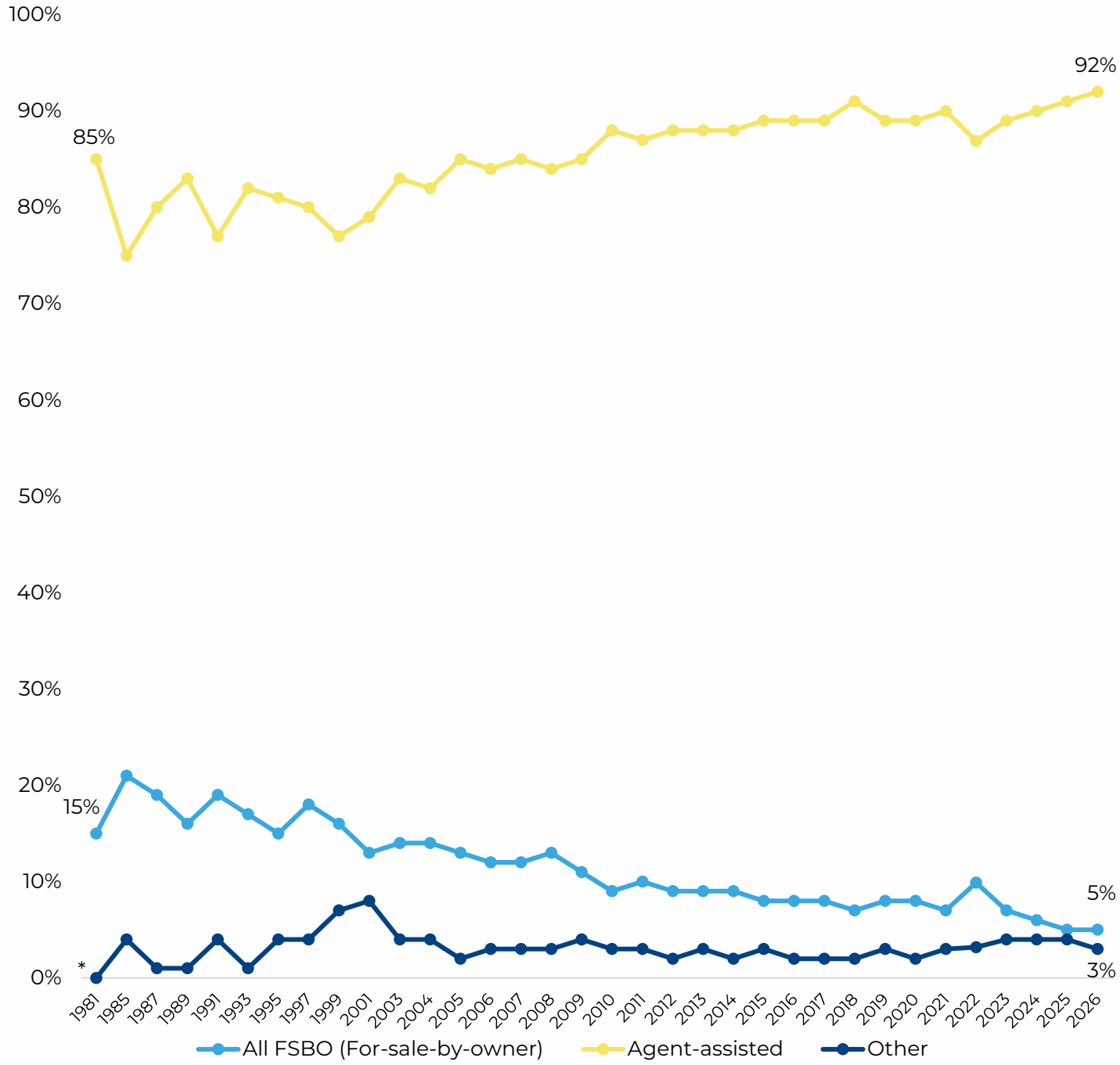
- **Most sellers—86 percent—**said that they would definitely (72 percent) or probably (14 percent) recommend their agent for future services.
- Sixty-two percent of sellers have recommended their agent at least once since selling their home in the last year.



Chapter 7: Home Selling and Real Estate Professionals

Exhibit 7-1 FSBO and Agent-Assisted Sales, 1981–2026

(Percentage Distribution)



** Less than 1 percent*

Ninety-two percent of sellers sold with a real estate agent's help, up from 91 percent last year. This is an all-time high for agent-assisted sales. Only five percent were FSBO sales, an all-time low and identical to last year.

Chapter 7: Home Selling and Real Estate Professionals

Exhibit 7-2 Method Used To Find Real Estate Agent

(Percentage Distribution)

	ALL SELLERS
Referred by (or is) a friend, neighbor or relative	39%
Used agent previously to buy or sell a home	24%
Website (without a specific reference)	5%
Referred by another real estate agent/broker	5%
Personal contact by agent (telephone, e-mail, etc.)	4%
Visited an open house and met agent	4%
Saw contact information on For Sale/Open House sign	2%
Direct mail (newsletter, flyer, postcard, etc.)	1%
AI Search	1%
Walked into or called office and agent was on duty	1%
Referred through employer or relocation company	1%
Saw the agent's social media page without a connection	1%
Crowdsourcing through social media/knew the person through social media	1%
Advertising specialty (calendar, magnet, etc.)	*
Other	12%

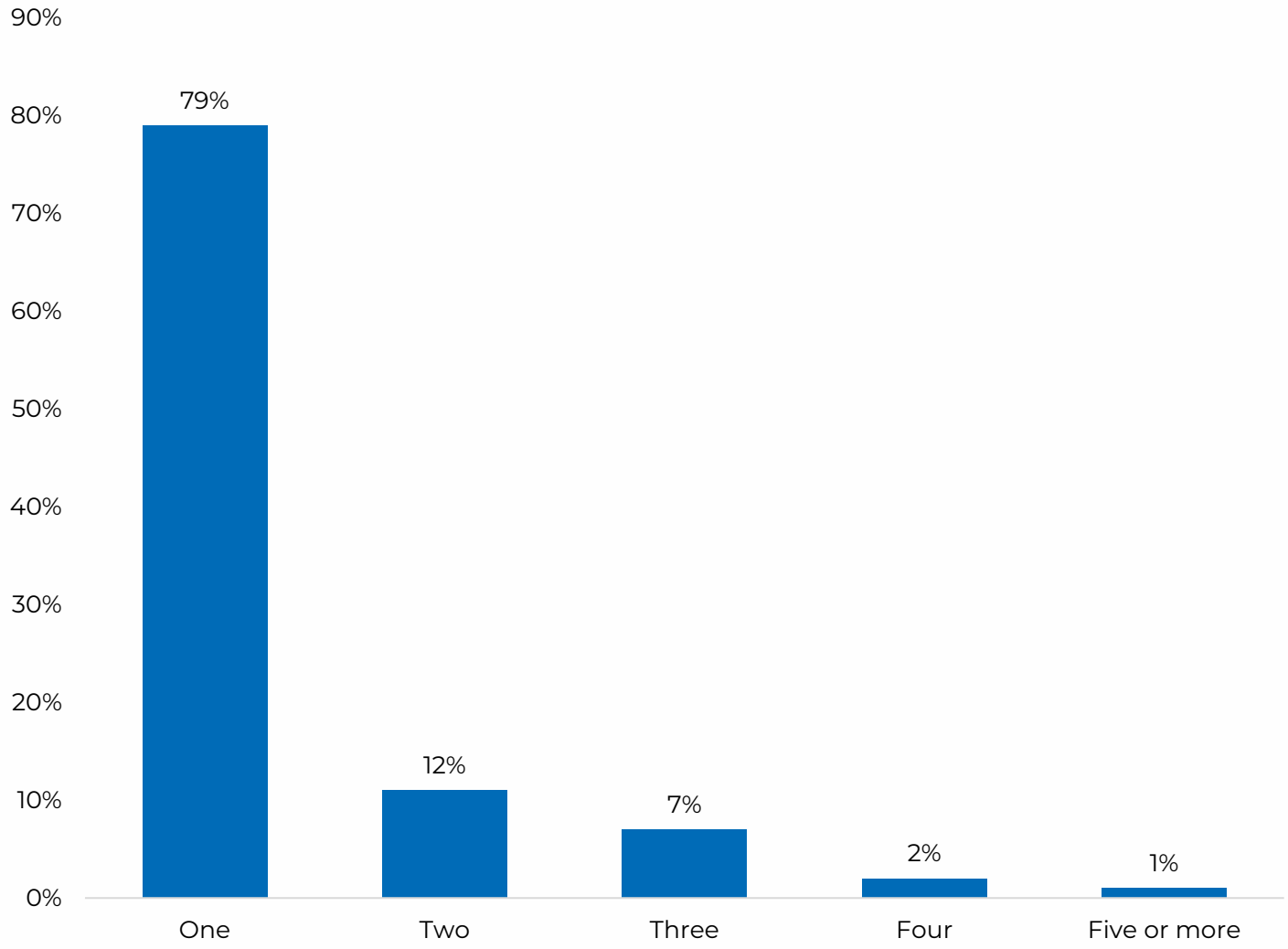
** Less than 1 percent*

Sixty-three percent of recent sellers used an agent who was referred to them or used an agent they had worked with in the past to buy or sell a home. Only one percent of home sellers found their agent through an AI search.

Chapter 7: Home Selling and Real Estate Professionals

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

(Percentage Distribution)

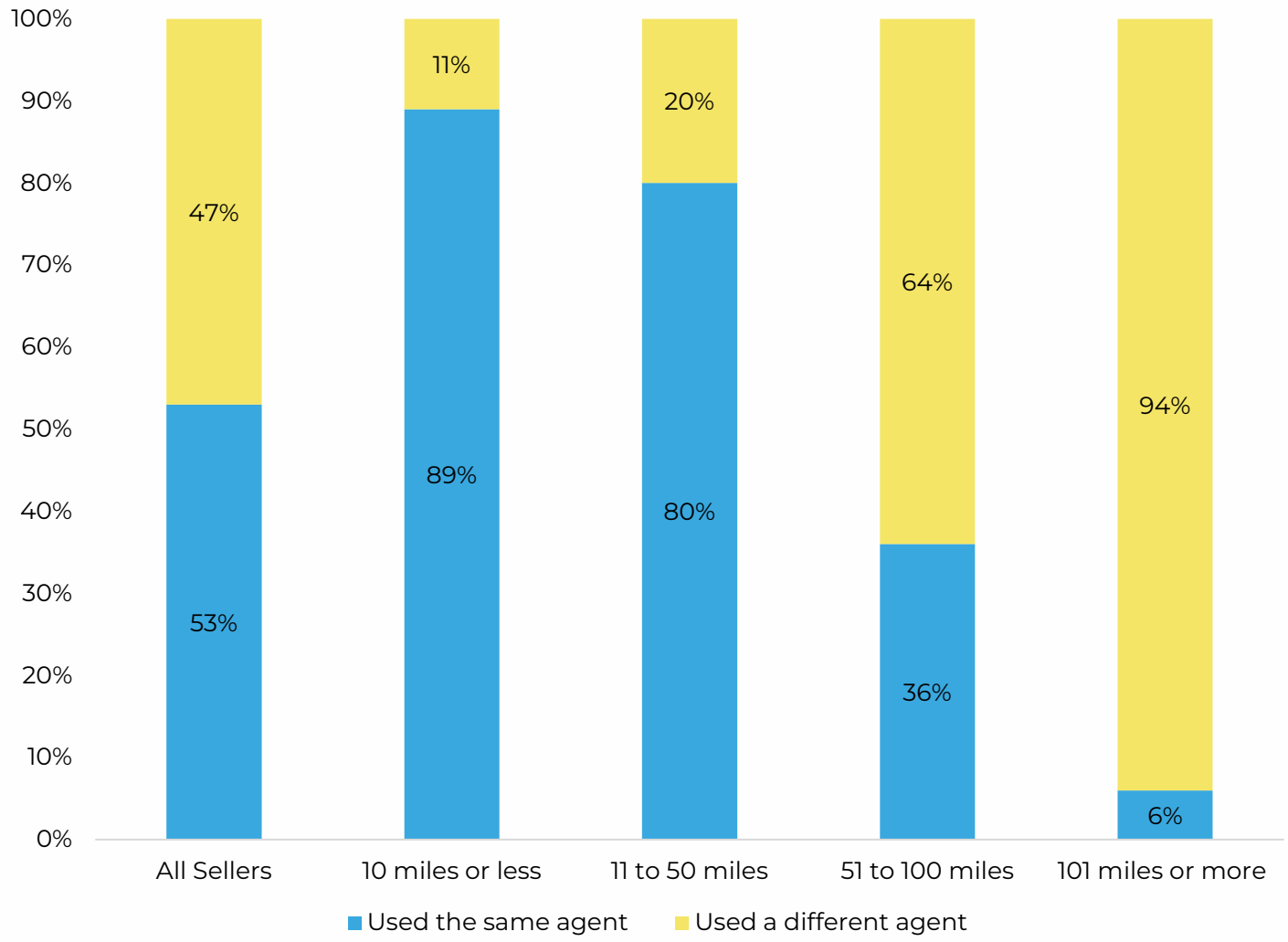


Seventy-nine percent of recent sellers contacted only one agent before finding the right one to sell their home, down slightly from 81 percent last year.

Chapter 7: Home Selling and Real Estate Professionals

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)

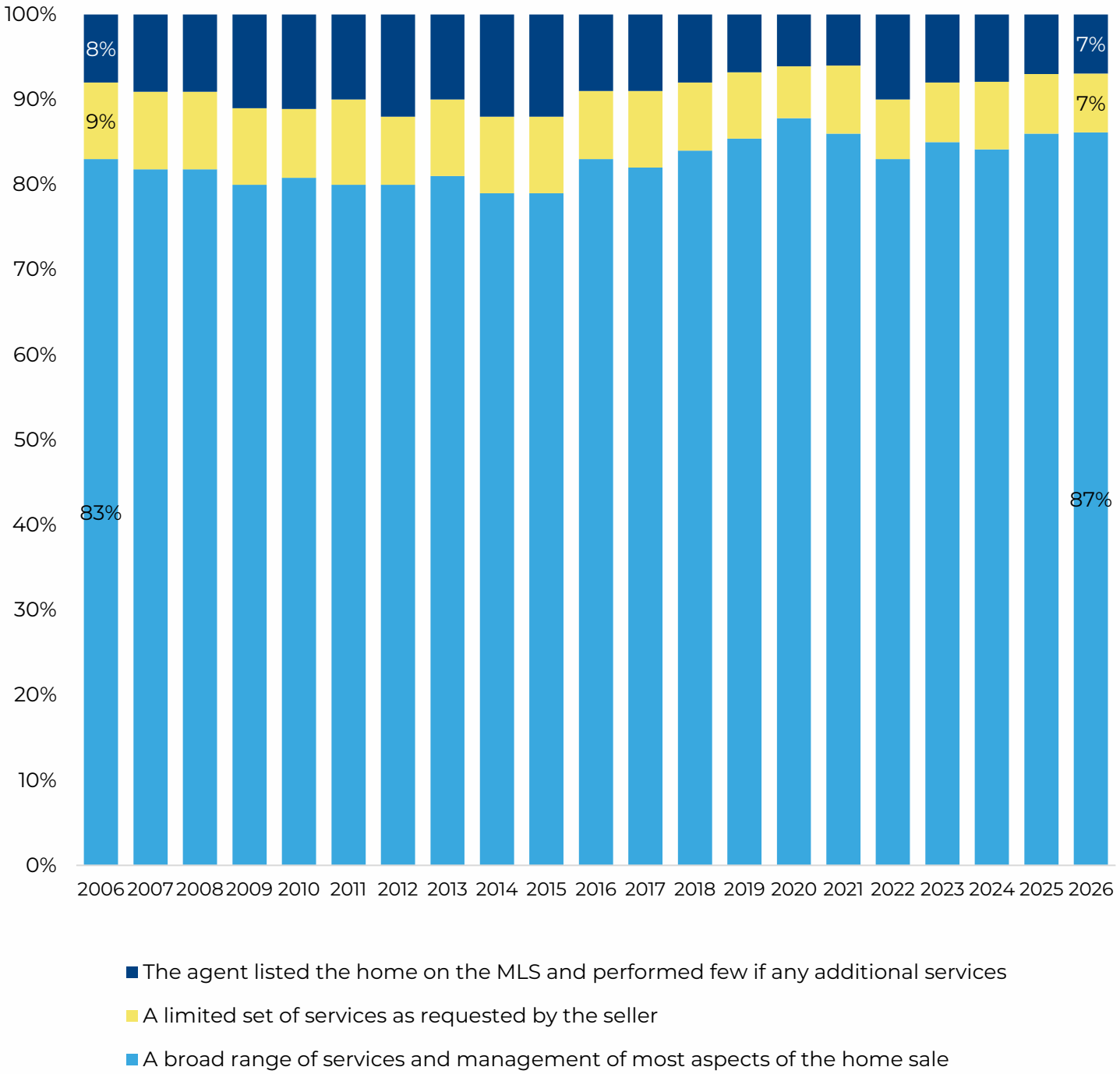


Fifty-three percent of recent home sellers used the same real estate agent to represent them when buying as when selling. That number jumps to 89 percent for all sellers within 10 miles of their home purchase. If the seller was more than 50 miles away, they typically used a different agent for each real estate transaction.

Chapter 7: Home Selling and Real Estate Professionals

Exhibit 7-5 Level of Service Provided by the Real Estate Agent, 2006–2026

(Percentage Distribution)



Real estate agents provide a wide range of services and manage most aspects of the home sale. Eighty-seven percent of sellers reported that their agents provided a broad range of services during the home sale. Seven percent of sellers said their agent provided only a limited set of services, and seven percent said their agent listed the home on the MLS but provided few other services. Only in 2020 did the share of home sellers surpass this year's home sellers in working with an agent providing a broad range of services– in 2020 it was at 88 percent.

Chapter 7: Home Selling and Real Estate Professionals

Exhibit 7-6 What Sellers Most Want from Real Estate Agents

(Percentage Distribution)

	ALL SELLERS
Help seller market home to potential buyers	20%
Help price home competitively	20%
Help sell the home within specific timeframe	17%
Help find a buyer for home	15%
Help seller find ways to fix up home to sell it for more	14%
Help with negotiation and dealing with buyers	7%
Help with paperwork/inspections/preparing for settlement	4%
Help seller see homes available to purchase	2%
Help create and post videos to provide tour of home	1%
Other	1%

Sellers prioritized the following three tasks: marketing the home to potential buyers (20 percent), pricing the home competitively (20 percent), and selling the home within a specific timeframe (17 percent). In recent years, help with competitively pricing and marketing the home to potential buyers has consistently remained at the top of the list. Fourteen percent of sellers wanted their agent to help them find ways to fix up their home for sale.

Chapter 7: Home Selling and Real Estate Professionals

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

(Percentage Distribution)

	ALL SELLERS
Reputation of agent	31%
Agent is honest and trustworthy	24%
Agent is friend or family member	15%
Agent's knowledge of the neighborhood	11%
Agent has caring personality/good listener	5%
Agent's commission	4%
Agent's association with a particular firm	3%
Agent seems 100% accessible because of use of technology like tablet or smartphone	2%
Professional designations held by agent	1%
Other	5%

The real estate agent's reputation remains the most important factor when sellers choose an agent to sell their home (31 percent). Sellers also valued the agent's trustworthiness and honesty (24 percent) and whether the agent was a friend or family member (15 percent).

Chapter 7: Home Selling and Real Estate Professionals

Exhibit 7-8 Methods Real Estate Agent Used To Market Home

(Percent of Respondents Among Sellers Who Used an Agent)

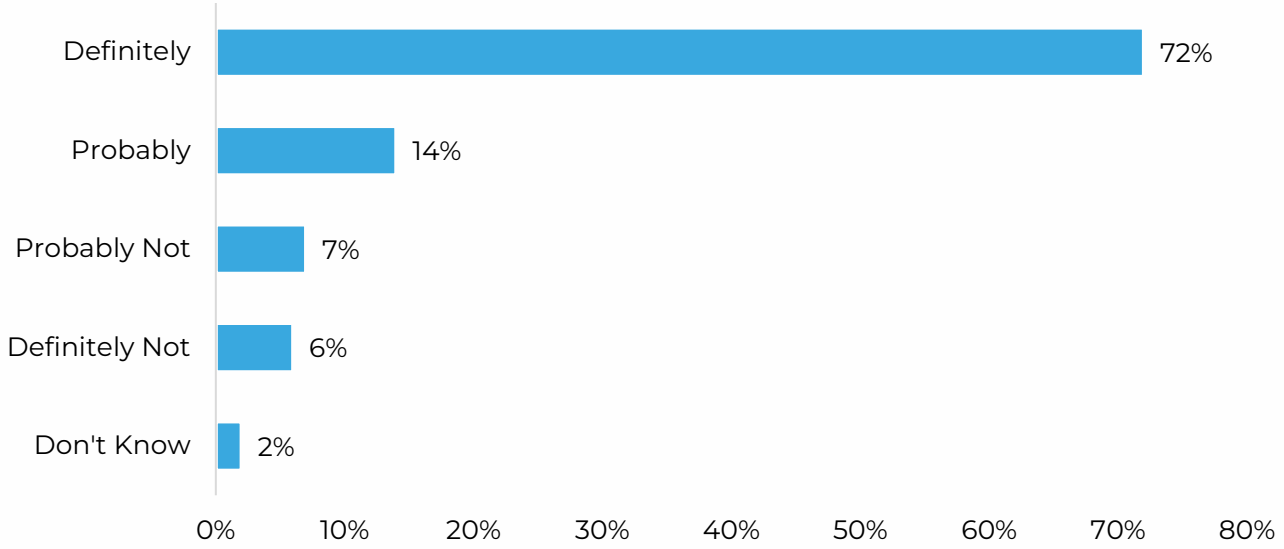
	ALL HOMES
Multiple Listing Service (MLS) website	86%
Yard sign	70%
Open house	62%
Realtor.com®	50%
Real estate agent website	50%
Third party aggregator	50%
Real estate company website	47%
Social networking websites (e.g. Facebook, X, Instagram, etc.)	26%
Virtual tours	21%
Direct mail (flyers, postcards, etc.)	8%
Other websites with real estate listings	7%
Video hosting websites	6%
Virtual open houses	6%
Real estate magazine website	4%
Online classified ads	4%
Other	4%

Real estate agents market homes in many ways. Real estate agents listed homes on MLSs first and foremost (86 percent). They also posted yard signs (70 percent), hosted open houses (62 percent), listed on Realtor.com® (50 percent), listed the home on their own website (50 percent), listed on third-party aggregators (50 percent), and listed on their company's website (47 percent). Real estate agents also listed homes on social media (26 percent).

Chapter 7: Home Selling and Real Estate Professionals

Exhibit 7-9 Would Seller Use Real Estate Agent Again or Recommend to Others

(Percentage Distribution)



Client referrals and repeat business were the predominant sources of business for real estate agents. Most sellers—86 percent—said that they would definitely (72 percent) or probably (14 percent) recommend their agent for future services.

Exhibit 7-10 How Many Times Seller Recommended Typical Agent

(Percentage Distribution)

	ALL SELLERS
None	38%
One time	15%
Two times	16%
Three times	10%
Four or more times	21%
Times recommended since buying (median)	1

Sixty-two percent of sellers have recommended their agent at least once since selling their home in the last year. Twenty-one percent of sellers recommended their agent four or more times since selling their home.

Chapter 7: Home Selling and Real Estate Professionals

Exhibit 7-11 Buyer and Seller Relationship, by Method of Sale

(Percentage Distribution)

BUYER AND SELLER RELATIONSHIP	ALL SELLERS	SELLER KNEW BUYERS	SELLER DID NOT KNOW BUYER
Sold home using an agent or broker	92%	4%	96%
Seller used agent/broker only	91%	4%	96%
Seller first tried to sell it themselves, but then used an agent	1%	42%	58%
Received quote from iBuyer, but sold with real estate agent/broker	*	50%	50%
For-sale-by-owner (FSBO)	5%	62%	38%
Sold home without using a real estate agent or broker	5%	64%	36%
First listed with an agent, but then sold home themselves	*	30%	70%
Sold home to a homebuying company	1%	5%	95%
Sold it through an iBuyer program	*	*	100%
Other	2%	32%	68%

** Less than 1 percent*

Among sellers who knew the buyer, 62 percent sold their homes themselves. In contrast, 96 percent of sellers who did not know the buyer sold through an agent.

CHAPTER 8

For-Sale-by-Owner (FSBO) Sellers



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

Highlights

FSBO and Agent-Assisted Sales

- Ninety-two percent of sellers sold with the assistance of a real estate agent, up from 92 percent last year, and only five percent were FSBO sales. The share of **FSBO sellers remained at a historical low**.
- This year, **62 percent of FSBO sellers knew the buyer**, and 38 percent of FSBO buyers and sellers had no previous relationship.

Characteristics of Homes Sold

- FSBO homes were most common among mobile or manufactured homes at 14 percent. Five percent of detached single-family homes were FSBO homes.
- **FSBOs typically sell for less than the selling price of other homes**; FSBO homes sold at a median of $368,500 in 2025 (up from $360,000 in 2024), and still far lower than the median selling price of all homes at $450,000. Agent-assisted homes sold for a median of $455,000.

The Selling Process for FSBO Sales

- Working without an agent, FSBO sellers determined the pricing for their homes using a number of different sources and methods. Most commonly, FSBO owners priced their home was by recent homes sold in the area (44 percent), followed by an appraisal (32 percent), online home evaluation tools (21 percent), and a presentation from an agent who the seller did not use (21 percent). This year, NAR Research introduced a new category: Used AI. One percent of FSBO sellers priced their homes using AI.
- Nearly eight out of ten (79 percent) FSBOs did not use incentives to sell their homes. FBSO sellers were most likely to offer assistance with closing costs (seven percent) and to offer other incentives (five percent).

Reasons for FSBOs, Marketing, and Sellers' Experience

- For 37 percent of all FSBO sellers, the most important reason to sell via FSBO was that they did not want to pay a commission or fee. The second most common reason was selling to someone they know.
- While 42 percent of FSBO sellers reported not actively marketing their home, 42 percent of FSBO sellers marketed their home to friends, relatives, or neighbors.
- FSBO sellers found preparing or fixing up their home for sale (14 percent) as the most difficult task when selling their own home. Selling within the length of time planned (12 percent), getting the price right (10 percent), understanding the paperwork were also cited as difficult steps for FSBO sellers.
- Seventy-nine percent of successful FSBO sellers who knew the buyer were very satisfied with the process of selling their home.



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

Exhibit 8-1 FSBO and Agent-Assisted Sales, 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)	5%	3%	8%	7%	10%	8%
Seller knew buyer	3%	2%	5%	4%	6%	4%
Seller did not know buyer	2%	1%	3%	3%	4%	4%
Agent-assisted	92%	95%	89%	90%	86%	87%
Other	3%	2%	3%	4%	3%	5%

Ninety-two percent of sellers sold with the assistance of a real estate agent, up from 91 percent last year, and only five percent were FSBO sales. In 1981, FSBO sales accounted for as much as 15 percent of sales. In 1985, FSBO sales peaked in the data set at 21 percent of all sales. This year, 62 percent of FSBO sellers knew the buyer, and 38 percent of FSBO buyers and sellers had no previous relationship. FSBO sales were highest in rural areas at 10 percent and in resort/recreation areas at eight percent, compared to only three percent in suburban areas or subdivisions. Ninety-five percent of sales in suburbs or subdivisions were agent-assisted.

Exhibit 8-2 FSBO and Agent-Assisted Sales, by Type of Home Sold

(Percentage Distribution)

	ALL SELLERS	DETACHED SINGLE-FAMILY HOME	TOWNHOUSE/ ROW HOUSE	DUPLEX/ APARTMENT/ CONDO IN 2 TO 4 UNIT BUILDING	APARTMENT/ CONDO IN A BUILDING WITH 5 OR MORE UNITS	MOBILE/ MANUFACTURED HOME
For-sale-by-owner (FSBO)	5%	5%	3%	5%	8%	14%
Seller knew buyer	3%	3%	1%	4%	4%	8%
Seller did not know buyer	2%	2%	2%	1%	4%	6%
Agent-assisted	92%	92%	95%	90%	90%	79%
Other	3%	3%	2%	4%	2%	7%

Five percent of all homes sold in 2025 were FSBO homes. FSBO homes were most common among mobile or manufactured homes at 14 percent. Five percent of detached single-family homes were FSBO homes. Ninety-five percent of townhouses/row houses, 92 percent of detached single-family homes, and 90 percent of apartments/condos in a building with five or more units were agent-assisted sales.

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

Exhibit 8-3 Selling Price, FSBO and Agent-Assisted Sellers

(Percentage Distribution)

	FSBO			AGENT-ASSISTED	
	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Median selling price	$368,500	$365,000	$404,900	$455,000	$350,000
SALES PRICE COMPARED WITH ASKING PRICE:					
Less than 95%	18%	11%	29%	23%	36%
95% to 99%	18%	14%	25%	32%	20%
100%	56%	69%	36%	25%	42%
101% to 110%	3%	3%	4%	15%	*
More than 110%	5%	3%	7%	5%	1%
Median (sales price as a percent of asking price)	100%	100%	98%	100%	99%
NUMBER OF TIMES ASKING PRICE WAS REDUCED:					
None	72%	79%	59%	57%	54%
One	19%	18%	20%	22%	20%
Two	6%	2%	14%	11%	16%
Three or more	4%	2%	7%	9%	9%
Time on the Market (median weeks)	1	0	3	2	4

** Less than 1 percent*

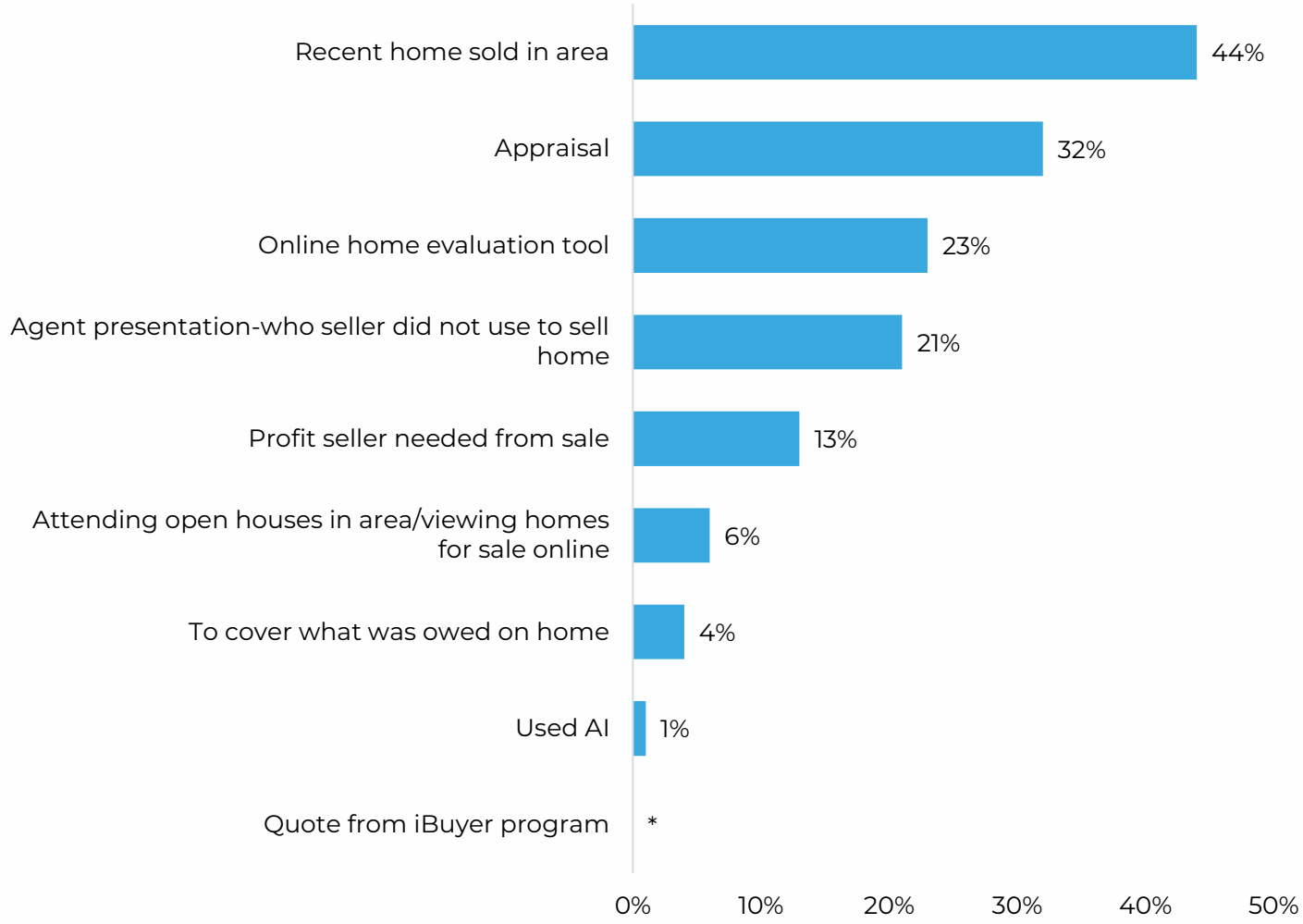
FSBOs typically sell for less than the selling price of other homes; FSBO homes sold at a median of $368,500 in 2025 (up from $360,000 in 2024), and still far lower than the median selling price of all homes at $450,000. Agent-assisted homes sold for a median of $455,000.

FSBO sellers were more likely to know the buyer, and sellers who knew the buyer reported their home was on the market was zero weeks compared to two weeks with agent-assisted sales. As the majority of FSBO transactions are selling to someone they know, the terms of sale and selling price is likely agreed on in advance.

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

Exhibit 8-4 How FSBO Seller Determined Asking Price of Home Sold

(Percentage Distribution)



** Less than 1 percent*

Working without an agent, FSBO sellers determined the pricing for their homes using a number of different sources and methods. Most commonly, FSBO owners priced their home was by recent homes sold in the area (44 percent), followed by an appraisal (32 percent), online home evaluation tools (21 percent), a presentation from an agent who the seller did not use (21 percent), and the profit the seller needed from the sale (13 percent). This year, NAR Research introduced a new category: Used AI. One percent of FSBO sellers priced their homes using AI.

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

Exhibit 8-5 Incentives Offered To Attract Buyers, FSBO and Agent-Assisted Sellers

(Percentage Distribution)

	ALL FSBO	AGENT-ASSISTED
None	79%	67%
Assistance with closing costs	7%	15%
Other incentives, such as a car, flat screen TV, etc.	5%	4%
Home warranty policies	4%	10%
Credit toward remodeling or repairs	3%	9%
Mortgage rate buydown	*	1%
Assistance with condo association fees	*	1%
Other	6%	5%

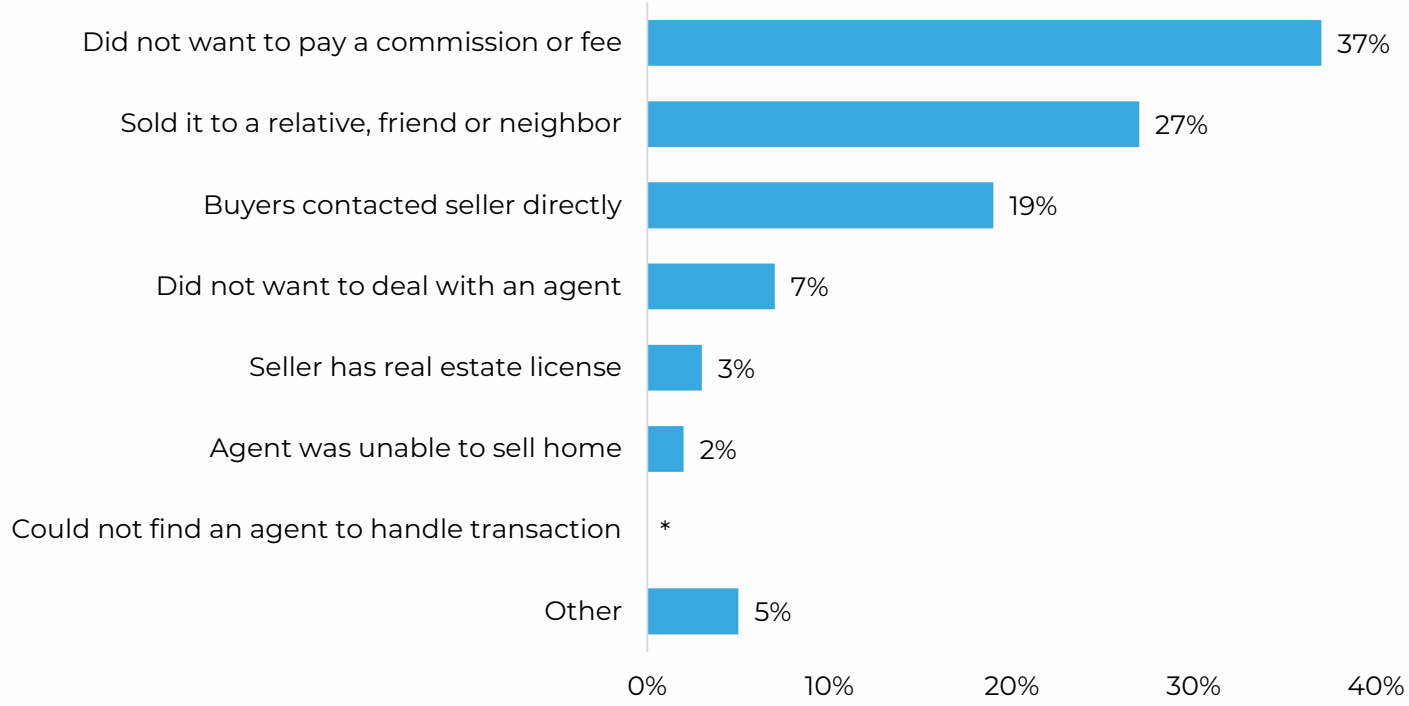
** Less than 1 percent*

Nearly eight out of ten (79 percent) FSBOs did not use incentives to sell their homes. FBSO sellers were most likely to offer assistance with closing costs (seven percent) and to offer other incentives (five percent). Agent-assisted sellers offered assistance with closing costs (15 percent) and home warranty policies (10 percent) to help sell their homes.

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

Exhibit 8-6 Most Important Reason for Selling Home as FSBO

(Percentage Distribution)



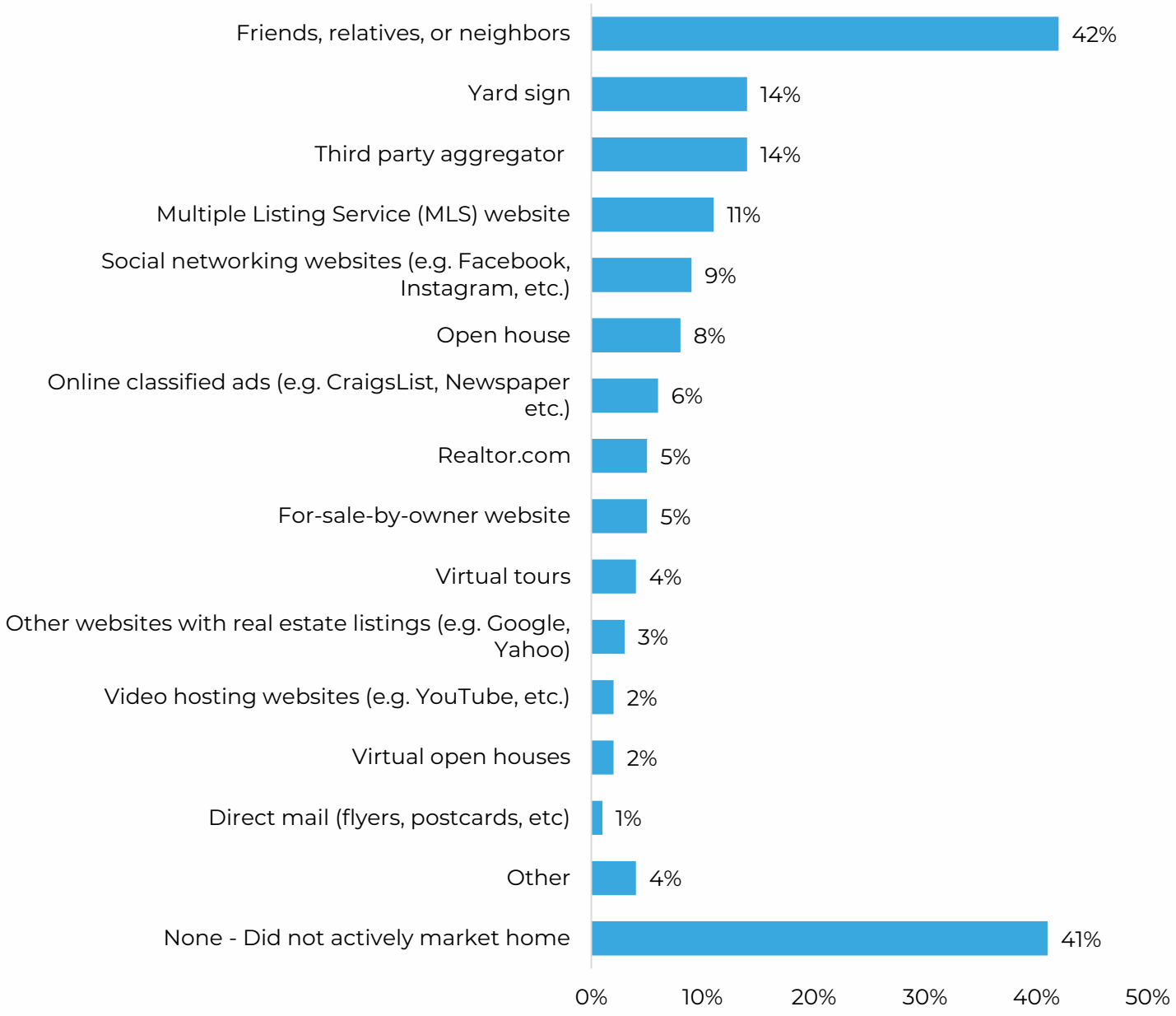
** Less than 1 percent*

For 37 percent of all FSBO sellers, the most important reason to sell via FSBO was that they did not want to pay a commission or fee. Twenty-seven percent of FSBO sellers sold to a relative, friend, or neighbor. For 19 percent of FSBO sellers, the buyer contacted the seller directly to purchase their home.

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

Exhibit 8-7 Method Used by FSBO Sellers To Market Home

(Percent of Respondents)



While 41 percent of FSBO sellers reported not actively marketing their home, 42 percent of FSBO sellers marketed their home to friends, relatives, or neighbors. The next most common marketing tactic among FSBOs was the use of yard signs (14 percent) and third-party aggregators (14 percent). Eleven percent of FSBO seller used the MLS to market their home.

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

Exhibit 8-8 Most Difficult Task for FSBO Sellers

(Percentage Distribution)

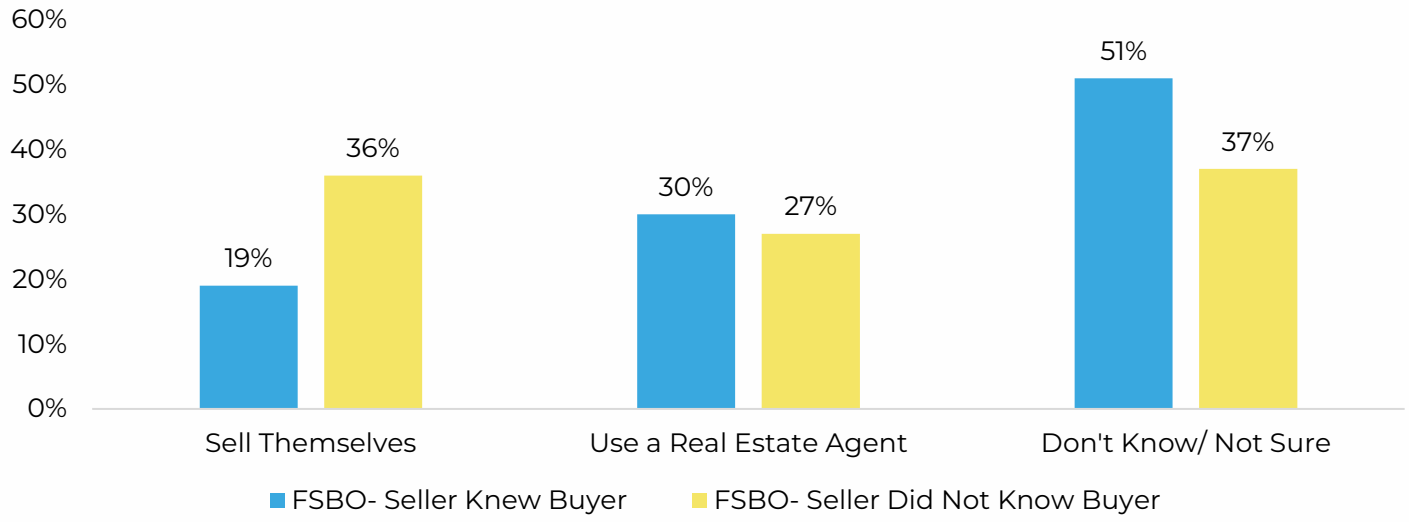
	ALL FSBO
Preparing or fixing up the home for sale	14%
Selling within the length of time planned	12%
Getting the price right	10%
Understanding and performing paperwork	10%
Having enough time to devote to all aspects of the sale	5%
Attracting potential buyers	2%
Helping buyer obtain financing	1%
Other	2%
None/Nothing	44%

** Less than 1 percent*

FSBO sellers found preparing or fixing up their home for sale (14 percent) as the most difficult task when selling their own home. Selling within the length of time planned (12 percent), getting the price right (10 percent), understanding the paperwork were also cited as difficult steps for FSBO sellers.

Exhibit 8-9 How FSBO Sellers Will Sell Their Current Home

(Percentage Distribution)

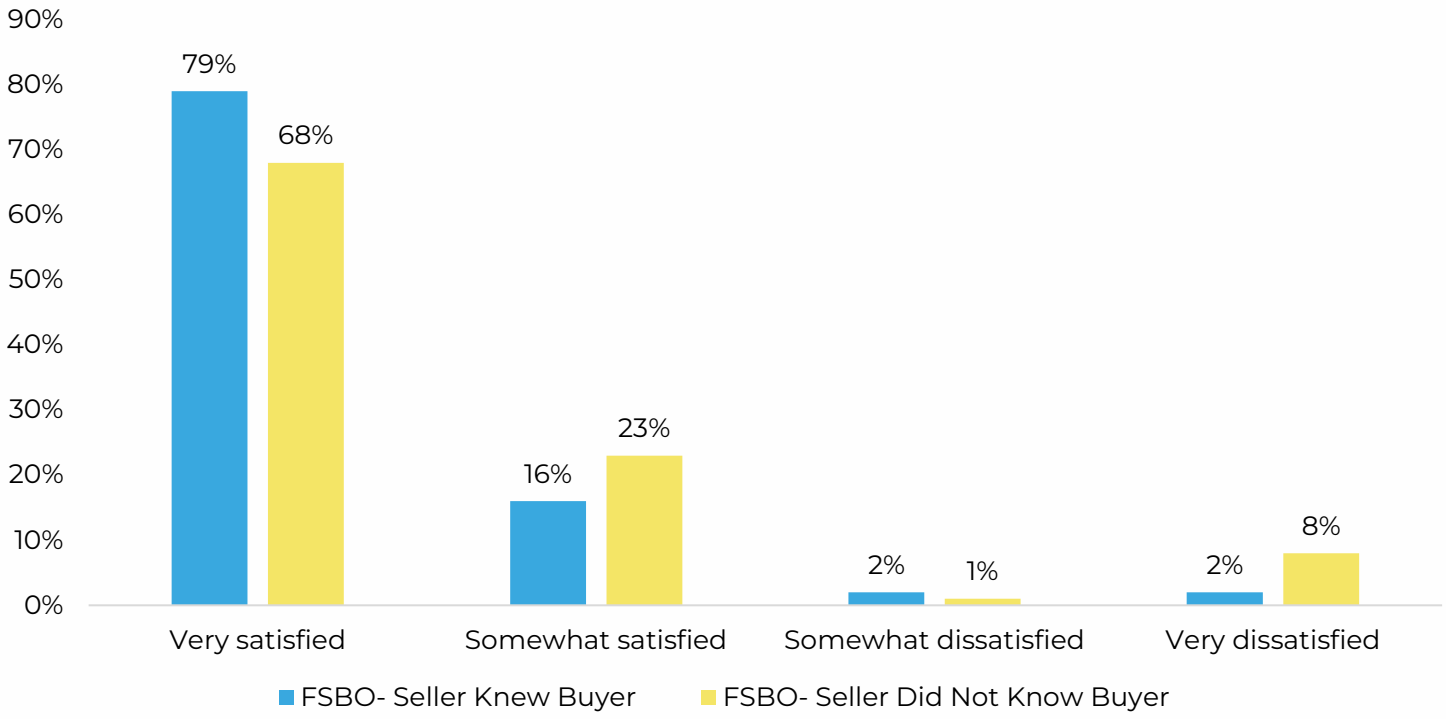


After completing a transaction on their own, 30 percent of FSBO sellers who knew the buyer said they would use an agent to sell their current home. Of FSBO sellers who did not know the buyer, 27 percent said they would sell their current home themselves.

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

Exhibit 8-10 FSBO Sellers Satisfaction Process of Selling Home

(Percentage Distribution)



Seventy-nine percent of successful FSBO sellers who knew the buyer were very satisfied with the process of selling their home. Eight percent of FSBO sellers who did not know the buyer were very dissatisfied with the process of selling their home by themself.

Methodology Among Recent Buyers and Sellers

In July 2026, NAR sent a 121-question survey to 228,250 recent home buyers, using a random sample weighted to be representative of sales by geography, based on Census data from the 2024 American Community Survey.

The survey was mailed to all to recent home buyers in the sample, sent via text message to a subsample of 200,000, and emailed to 50,000 home buyers. Respondents who received the email and text invitation, in addition to the mailed survey were selected randomly. Respondents had the option to fill out the survey via hard copy or online. The online survey was available in English and Spanish.

Sample parameters required recent home buyers to have purchased a primary residence between July 2025 and June 2026. The sample excluded returns from home buyers of vacation or investment properties.

The survey received 7,125 responses total from primary residence buyers. After accounting for undeliverable questionnaires, the survey had an adjusted response rate of 3.1 percent. The data in this report are based on primary residence home buyers. According to the REALTORS® Confidence Index, 83 percent of home buyers purchased primary residences in 2025, accounting for 4,739,000 homes sold that year (new and existing). Using that calculation, the sample at the 95 percent confidence level has a margin of error of plus or minus 1.16 percentage points.

Consumer names and addresses were obtained from Melissa Data Corporation, a firm that maintains an extensive database of recent home buyers. Information about sellers comes from those buyers who have also sold a home.

Returns were weighted by state using the 2024 Census American Community Survey to ensure representation of survey respondents. Early data validation included weighting by age using recent owner-occupied movers in the Census American Community Survey, but this method of weighting produced no measurable changes in the results. As a result, weighting only by geographic area was continued in order to maintain data continuity. This is the same weighting method used in past iterations of the report.

Non-respondent bias was checked based on home price data.

All information in this Profile reflects the 12-month period ending June 2026, except income data, which are reported for 2025. Some sections also compare results with previous surveys. Not all results are directly comparable due to changes in questionnaire design and sample size.

This report uses the median as the primary statistical measure. Due to rounding and omissions for space, percentage distributions may not add to 100 percent.

Definition of first-time home buyer includes a buyer who answered the first question of the survey, “was this your first home purchase?” as “yes.” These home buyers may have financed their property or purchased their home without financing.

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