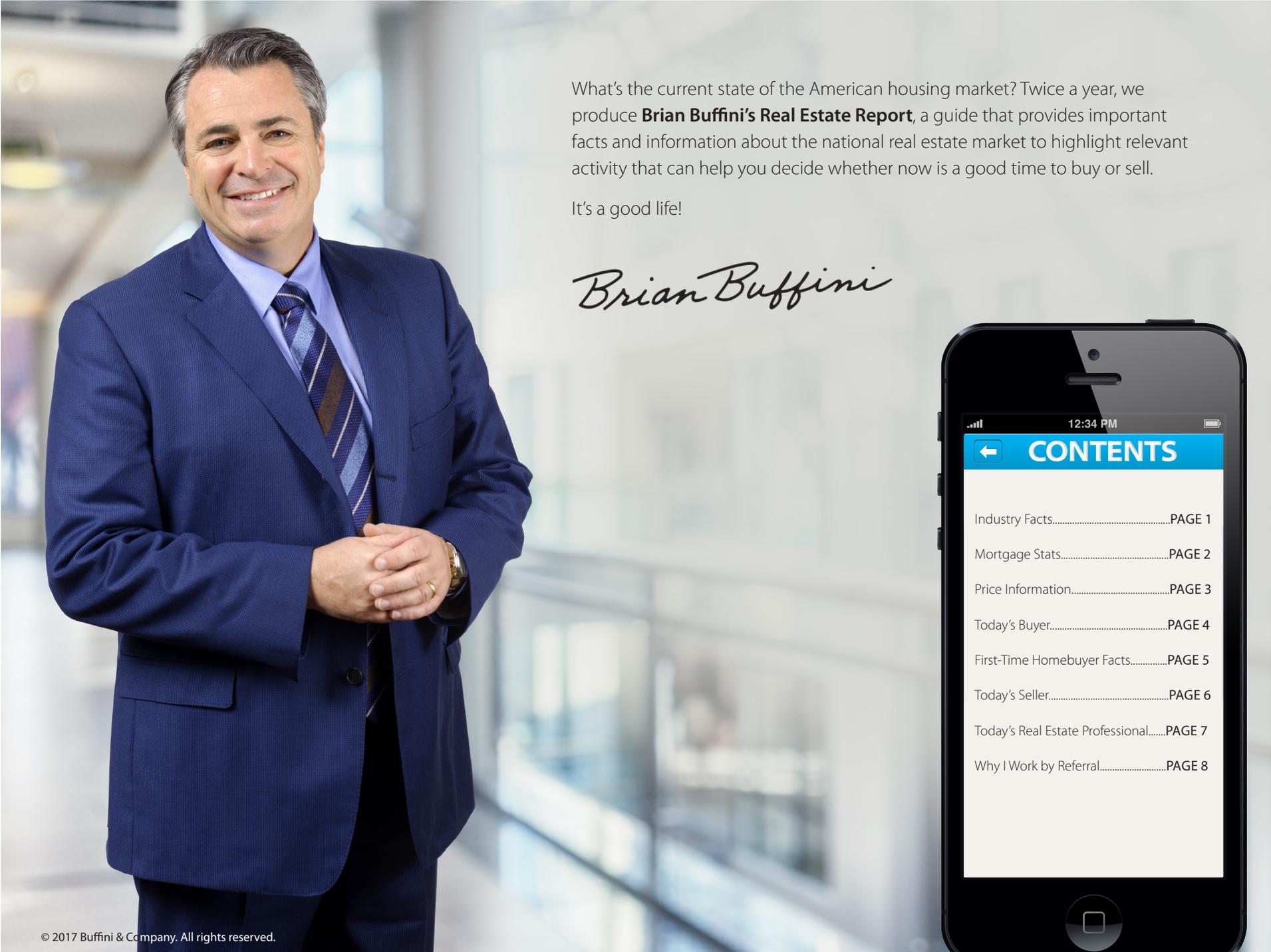


 US EDITION

BRIAN BUFFINI'S REAL ESTATE REPORT

2ND BIENNIAL 2017

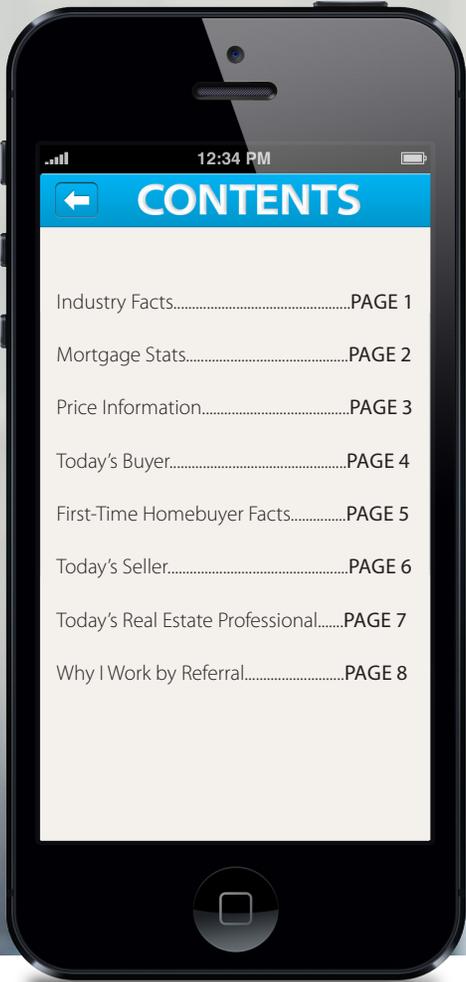




What's the current state of the American housing market? Twice a year, we produce **Brian Buffini's Real Estate Report**, a guide that provides important facts and information about the national real estate market to highlight relevant activity that can help you decide whether now is a good time to buy or sell.

It's a good life!

Brian Buffini



INDUSTRY FACTS

Nationally, homes are selling faster now than ever before. How fast? The average time a home is on the market has reached a new low of 27 days; that's less than a month!. At the current sales pace, there's still a 4.2 month supply of homes, meaning if you're ready to buy, there's still inventory available for purchase. With the majority of Americans saying rents will likely increase over the next 12 months, look for increased competition in the market, as renters become interested in joining the 63 percent of Americans who are homeowners. With many Americans expecting their financial situations to improve over the next year, many current homeowners may consider moving, whether they are interested in upsizing, downsizing or moving to a new neighborhood.



←... **57%** of homes sold in May were on the market for less than a month.



←... **67%** of Americans said that they would buy if they were going to move today.



←... **60%** of Americans say that now is a good time to buy; **61%** say that it's a good time to sell.



←... **57%** of Americans say that rents will increase in the next 12 months.



←... **49%** of Americans expect their personal financial situation will get better in the next 12 months.



EXISTING HOME SALES BY REGION:

Northeast:

Existing home sales increased **6.8%** to an annual rate of **780,000**.

Midwest:

Existing home sales decreased **5.9%** to an annual rate of **1.28 million**.

South:

Existing home sales increased **2.2%** to an annual rate of **2.34 million**.

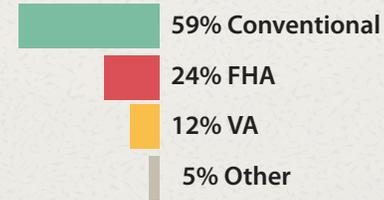
West:

Existing home sales increased **3.4%** to an annual rate of **1.22 million**.

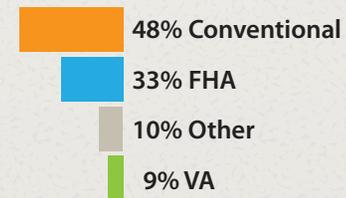
Is it a good time to apply for a mortgage? Although experts expect rates to increase slightly, they're still considered historically low. Most Americans agree that rates will go up in the next 12 months; if you're interested in financing your home purchase or refinancing your current mortgage, now is the time to discuss your options with your trusted lender.



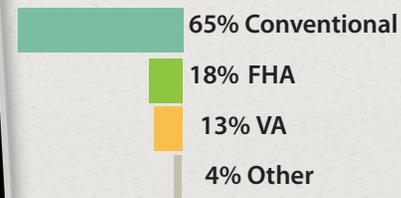
3 TYPES OF LOANS BUYERS CHOSE:



AMONG FIRST-TIME BUYERS:

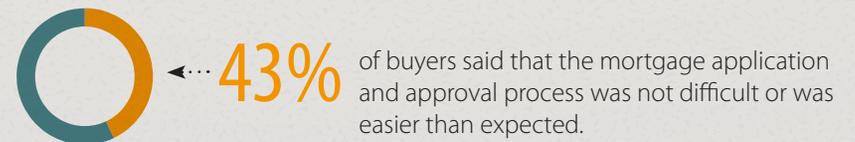


AMONG REPEAT BUYERS:



TOP 3 SOURCES OF DOWN PAYMENTS

1. Savings
2. Sale of a primary residence
3. Gift from family or friend



PRICE INFORMATION

Home prices are on the rise, and, according to the National Association of Realtors, have been steadily increasing year after year for the last five years. Many Americans expect home prices to continue to increase over the next 12 months. Experts agree, but they predict price gains will begin to slow.

The median existing home price for all housing types in May 2017 was **\$252,800**, up **5.8%** from May 2016.



48% of Americans say that home prices will increase in the next 12 months.

The average price of a new home was **\$406,400** in May 2017.

MEDIAN EXISTING HOME PRICES BY REGION:

Northeast:

Median home price increased

4.7% to **\$281,300**

South:

Median home price increased

5.3% to **\$221,900**

Midwest:

Median home price increased

7.3% to **\$203,900**

West:

Median home price increased

6.9% to **\$368,800**



The age of the average buyer held steady at 44 years old, but the median household income increased to \$88,500. For more than half of buyers, the most difficult part of the real estate process is finding the right property to purchase. The average buyer searched for 10 weeks and viewed 10 homes before they found the one they bought—this is unchanged from last year. Buyers continue to view homes online as their first step in the home buying process; and more the 67 percent schedule a showing of the homes that have caught their interest.

TOP 5 FACTORS INFLUENCING NEIGHBORHOOD CHOICE:

1. Quality of the neighborhood
2. Proximity to job
3. Overall affordability of homes
4. Proximity to friends/family
5. Quality of the school district

Buyers purchased their homes for an average of **98%** of the asking price.

Buyers expect to live in their homes for **12 years**.

Buyers searched for an average of **10 weeks** and viewed an average of **10 homes**, unchanged from last year.



←... **67%** of buyers walked through a home they first found as a result of an internet home search.



←... **51%** found the home they purchased after first finding it on the internet.

More first-time buyers are consulting the internet as their first step in the home buying process:

- **32%** searched for properties online
- **21%** searched for information about the buying process



FIRST-TIME HOMEBUYER FACTS

First-time buyers are back, making up 35 percent of all buyers. The majority of first-time buyers felt that now was the right time to buy, citing emotional reasons, including wanting to have a place of their own and the desire to put roots down. However, the home may not be their “forever home” –69 percent want to save money now and move into another home in the future. Since the majority of first-time home buyers are millennials and nearly 40 percent have children under the age of 18 living in the home, many may need to eventually upsize or downsize as their needs and family situations change. While they may search the internet for a new home, they'll use a real estate professional to help them through the process—one that they most likely found through a referral.

\$72,000: The median income of first-time homebuyers.

 **74%** rented an apartment or house before buying a home.

21% lived with parents, relatives or friends before purchasing a home.

32 The median age of first-time homebuyers.

 **35%** of buyers were first-time buyers, including:

44% of buyers in the Northeast

38% of buyers in the Midwest

31% of buyers in the South

32% of buyers in the West

First-time buyers financed **94%** of their home purchase.

 **26%** of homebuyers are between the ages of 25 and 34, the largest share of any age group.

 **50%** of millennials found their real estate agent through a referral.

66% of millennial first-time buyers expect their parents to help with their home purchase in one of the following ways:

36% help moving in

25% deciding which home to buy

19% money for a down payment

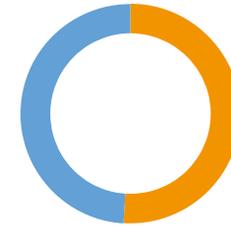
15% help with mortgage payment



Although the majority of sellers have sold a home before, more than 40 percent were selling for the first time. On average, sellers were 54 years of age, had an income of \$100,700 per year and lived in their homes for 10 years, up from nine years in 2015. The average home was on the market for four weeks before it sold; however, 34 percent of homes sold within one to two weeks of listing.

TOP 3 REASONS FOR SELLING:

1. Home is too small
2. Want to move closer to friends or family
3. Job relocation



51% of sellers offered incentives to attract buyers, including home warranty policies and closing costs.

Sellers sold their homes for an average of **98%** of the listing price.

22% of sellers reduced the initial asking price at least once.



SELLERS UPGRADED



- 46%** purchased a home that was larger in size than the one they previously owned.
- 44%** purchased a more expensive home.
- 56%** purchased a newer home.

TODAY'S REAL ESTATE PROFESSIONAL

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Homebuyers and sellers are working with real estate professionals at higher rates than seen in the past. More than 88 percent of buyers and 89 percent of sellers worked with real estate professionals, percentages that have steadily increased since 2001.

WHAT DO BUYERS WANT MOST FROM THEIR AGENTS?

1. Help finding the right home to purchase
2. Help negotiating the terms of sale
3. Help with the price negotiations
4. Help finding comparable home sales for their search
5. Help with buyer paperwork

WHAT DO SELLERS WANT MOST FROM THEIR AGENTS?

1. Effective marketing of their home to potential buyers
2. Sell the home within a specific time frame
3. Price the home competitively
4. Find a buyer for the home
5. Help fixing up or staging their home to obtain a higher price



WHY I WORK BY REFERRAL

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Studies show **82%** of real estate sales are the result of agents' contact with previous clients, referrals, friends and family.

88% of buyers would use their agent again or refer them to others.



Relationships are more important than transactions.

Since my primary source of new business is referrals from people who know and trust me, I can dedicate myself fully to the activities that benefit you most and always deliver truly exceptional service.

You control my business.

I know that I must earn your referrals, so I aim to exceed your expectations.

Service that continues after the sale.

I devote myself to serving the needs of my clients before, during and after each sale.