



HOME DELIVERY

Residential Real Estate Trends, Issues and News for Consumers

The National Association of REALTORS® distributes *Home Delivery* every month to real estate, personal finance and consumer journalists as a resource for background or story ideas.

Evolution of the Dream Home

In 1940, according to the U.S. Census Bureau, 35 percent of all housing units in the country did not have a flush toilet. Perhaps today's over-65 crowd remembers those days. According to a recent NAR profile of buyers' home feature preferences, nearly 9 out of 10 homebuyers 65 years or older reported that having two or more bathrooms was very important.

Research has shown that what members of one generation value in a home may not even be a consideration for people in preceding or subsequent generations.

Some features that were once necessary are now considered de rigueur. Sixty years ago, coal and wood were used to heat 3 of every 4 homes. As a recent GFK Roper study reported, Generation Xers (born 1965-1978) dream about owning a home with a fireplace, but it's not likely they're thinking about heating their home with it.

Other features seem headed for extinction. The same GFK Roper study found that baby boomers rank a workshop sixth on their list of dream home elements; the same room ranks tenth for Generation X, and doesn't even appear on the list for Generation Y (born 1979-1994).

Story Springboard

- A home for every life stage Profile a local multigenerational family about what each generation thinks is important in a home. Talk to Realtors® about important considerations at different life stages – young professionals, families with young children or teenagers, empty nesters, and retirees.

Motivating Buyers

In areas of the country in which real estate markets are in transition, an increased supply of homes for sale has underscored the importance of strategic marketing and has encouraged some out-of-the-box marketing techniques.

Some Realtors® are recommending value-range marketing to their seller clients. Using this strategy, sellers set a price range for their home rather than a specific asking price, attracting a larger pool of potential buyers.

Others are helping both buyers and sellers with residential real estate auctions. According to the National Auctioneers Association, the residential market is the fastest growing sector of the auction industry, growing by 4.4 percent in the first half of 2006.

These approaches have advantages and disadvantages, of course, and it's important to discuss all options with an experienced professional.

Story Springboard

- Buy a house, get a car! Some recent media stories tell of sellers trying all kinds of things to attract buyers to their homes. But many of these reports overlook the fact that serious home buyers aren't shopping for a trip to Tahiti; they're looking for a place to call home. Incentives can take a number of forms, from seller financing and lease-to-purchase options, to paid condo association dues and help with closing costs. Interview Realtors® in your area about the incentives that really help sell homes.

Who's Onboard with Online Real Estate?

By now, most people who pay attention to trends in real estate know that home buyers are using the Internet in record numbers to search for home – NAR research has found that more than 3 out of every 4 home buyers search online.

So who can deny the marketing value of the Internet? Apparently, home owners commonly known as FSBOs: for-sale-by-owner sellers. According to the *2005 NAR Profile of Home Buyers and Sellers*, only 17 percent of these recent sellers used the Internet to market their home. Most of them relied on methods with a much more limited reach – yard signs, word-of-mouth, and newspaper ads.

In contrast, 90 percent of Realtor® sales agents with a Web site feature online listings.

Story Springboard

- A picture is worth a thousand words Ask several home owners who are trying to sell their home without professional representation to create an online advertisement for their home. Pair each home with a Realtor® to demonstrate how he or she might present the same home for sale in an Internet posting, and ask a panel of home buyers to determine which homes, based on the online presentations, they'd be most interested to learn more about.

Please contact Stephanie Singer, 202/383-1050, or via e-mail at ssinger@realtors.org, for additional ideas, sources, data and resources.



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