

Baby Boomers Have An Appetite for Real Estate Opportunities for REALTORS® Abound

Highlights You Can Use From

NAR's Baby Boomers and Real Estate: Today and Tomorrow

Baby Boomers LOVE Real Estate

- 78 percent own their home—compared with national average of about 70 percent
- 25 percent own more than one property
- Most boomers believe homeownership is a good investment
- They want to pay off their loan early, and more than half are comfortable buying with a very small downpayment
- Only 13 percent think it's a good idea to buy the most expensive home they can qualify for.

Boomers Tend to Use REALTORS®

- 60 percent used an agent to buy their last home
- 79 percent used a real estate agent for the home they sold

Boomer Buyers and Sellers Want Service, Not Hand-Holding

- Buyers and sellers both want and expect service
- They're not looking for emotional support
- They don't want information they can find themselves

Buyers: "Represent My Interests"

- Almost one fourth of sellers want REALTORS® to represent their interests and coordinate the transaction
- 14 percent want REALTORS® to manage the closing process
- 14 percent want REALTORS® to explain all contracts, forms and agreements
- 11 percent want REALTORS® to negotiate on their behalf

Buyers: "I already know what I can afford...please focus on other things"

- The services boomer buyers rate as least important:
 - Follow-up after closing
 - Support through emotional decisions
 - Help finding a lender
 - Progress reports
 - Determining housing affordability

Sellers: "Help me set the right price, please"

- 17 percent want help setting the right price
- 14 percent want REALTORS® to represent their interests and coordinate the transaction
- 12 percent want REALTORS® to show the home

Sellers: “I’m not as interested in advice or progress reports”

- The services boomer sellers rate as least important:
 - Follow-up after closing
 - Virtual tours
 - Insights about competing properties
 - Progress reports
 - Advice

Windows of Opportunity – As Boomers Approach Retirement

- May not be ready to retire, but ripe and ready for asset diversification
- More than half expect to work until at least 70
- 79 percent say asset diversification is important
- Most report that less than 10 percent or none of their net worth is in real estate investments
- Boomers have a median of \$100,000 in equity in their primary residence
- Boomers earning at least \$100,000 per year have a median of \$150,000 in home equity

A Golden Opportunity -- Let’s sell them a house!

- Near cultural offerings
- Near family
- On a golf course
- Access to education

The Bottom Line

- Boomers have a strong attachment to homeownership
- They want professional services from REALTORS®
- They are likely to keep working into their retirement years
- Adding investment real estate to their financial assets could provide Boomers with additional financial security