

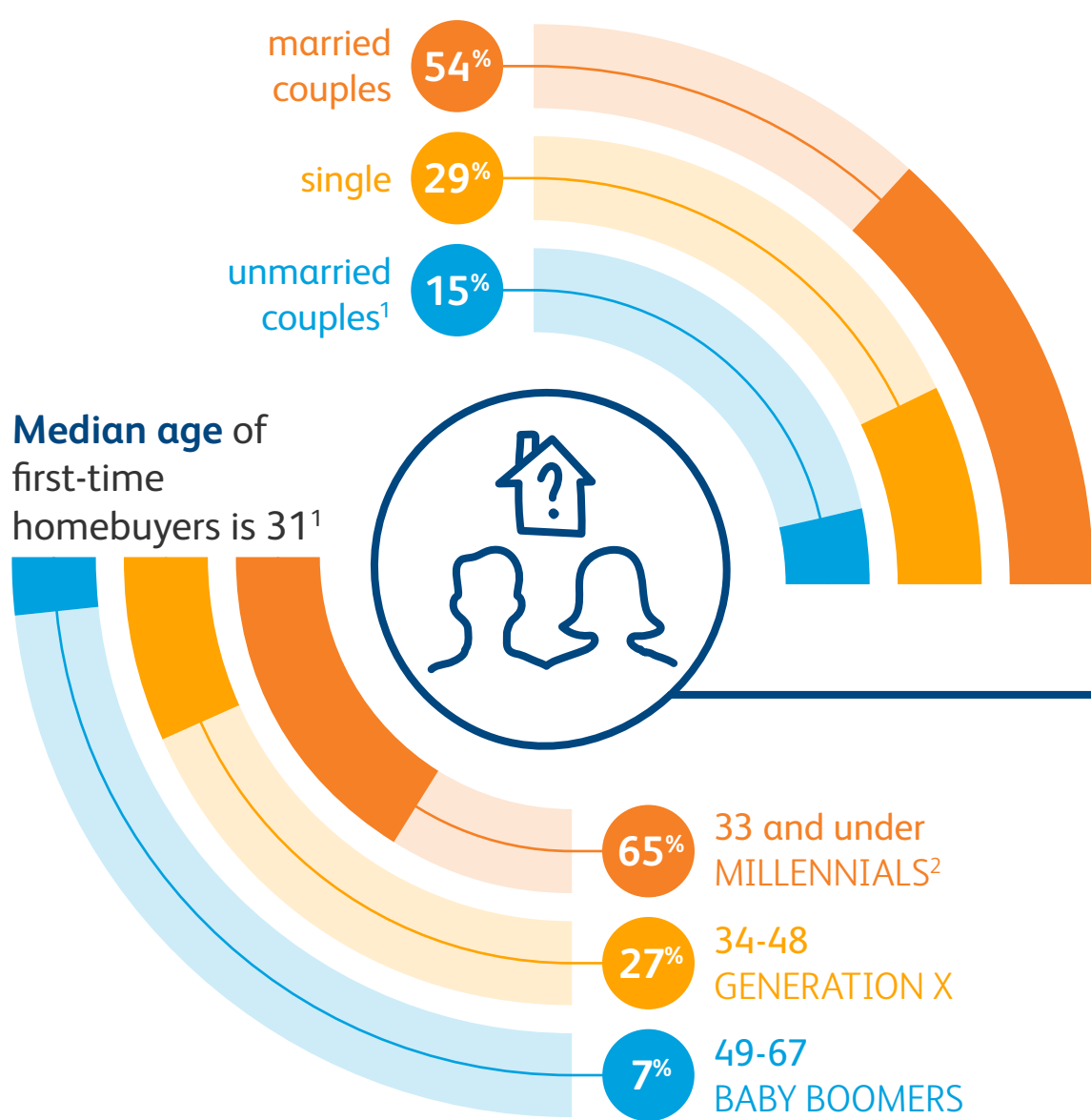


Who Are Today's First-Time Homebuyers?

(AND HOW ARE THEY SAVING?)

With the country well on its way to economic recovery, first-time homebuyers are poised to make a comeback. Here's a look at who is buying and what steps they're taking to find the right homes for their budget:

WHO ARE TODAY'S FIRST-TIME BUYERS?



Median income of first-time homebuyers is¹

\$68,300

First-time buyers plan to stay in their homes for an average of

10 YEARS

53%

said their primary reason for purchasing was the desire to own a home of their own³

HOW ARE BUYERS FINDING HOMES?



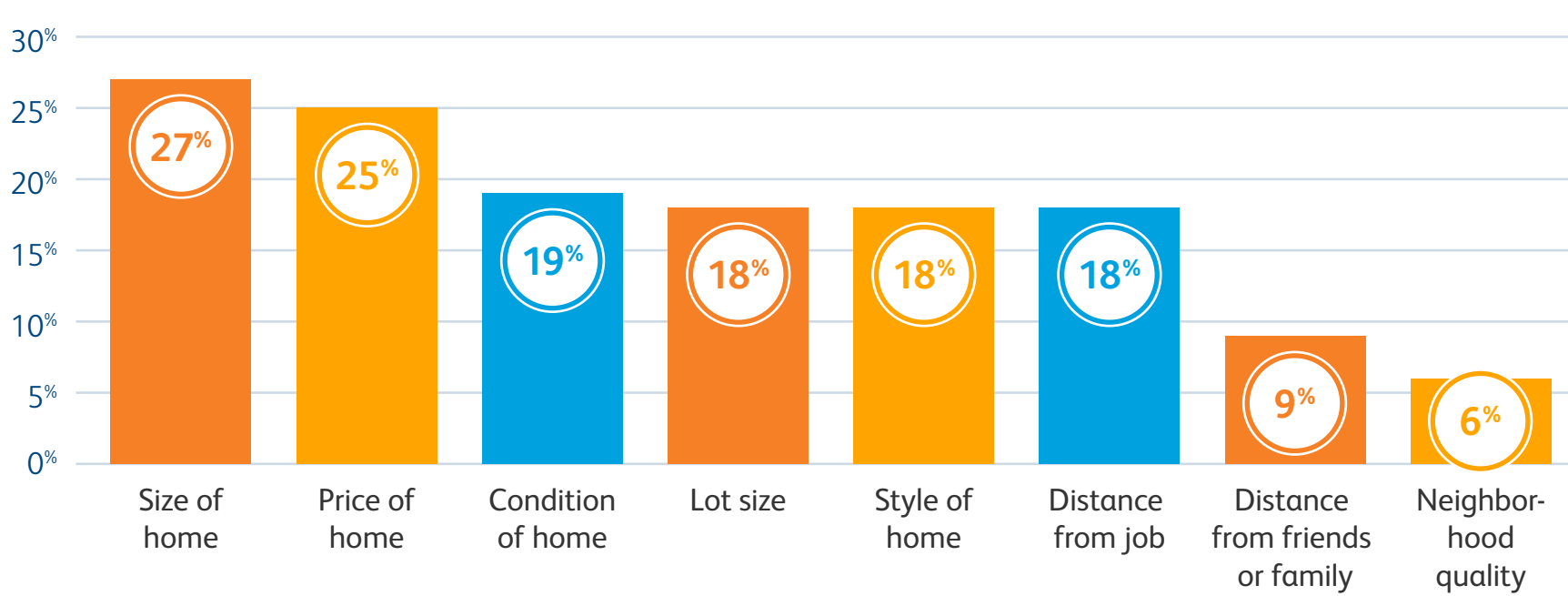
On average, all homebuyers searched for **10 weeks** and viewed **10 homes**⁴



88%

purchased their home through a real estate agent or broker⁴

What did they compromise on?⁵



HOW ARE THEY FINANCING THEIR HOMES?

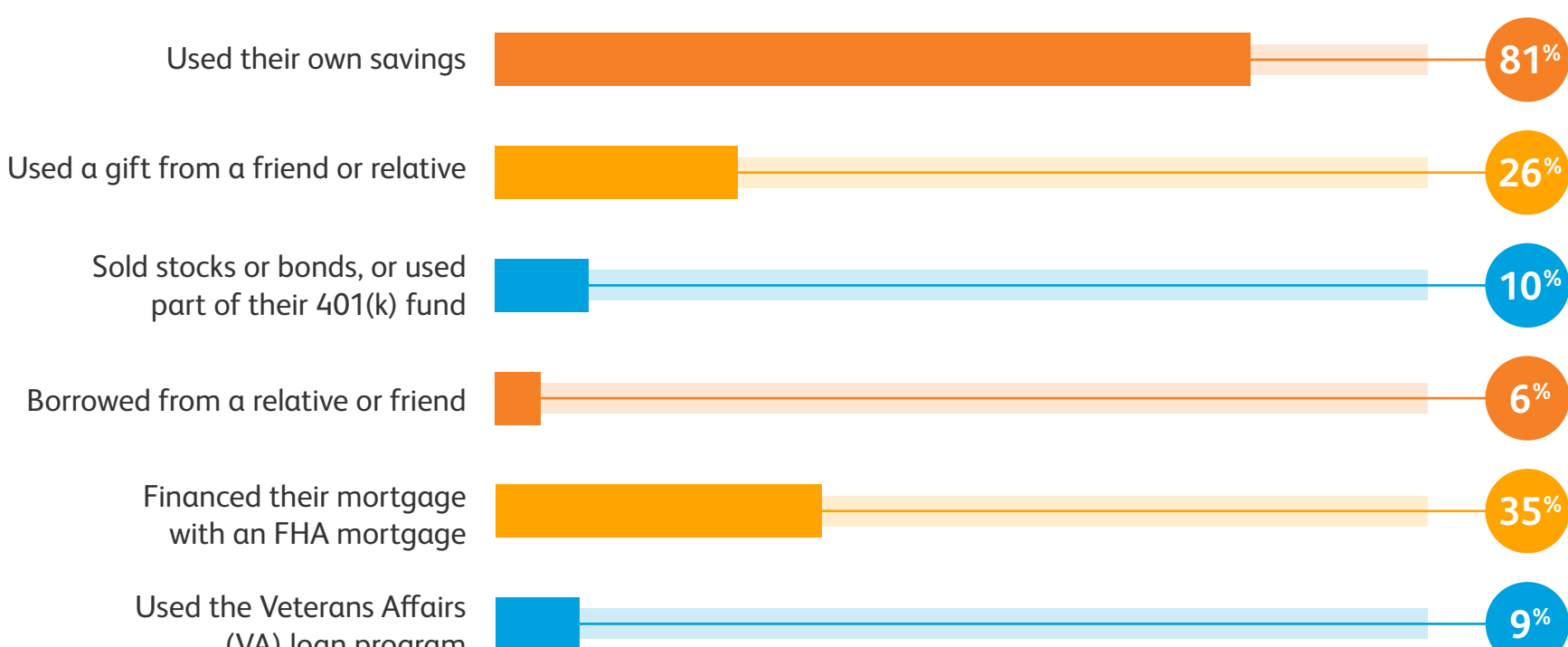
First-time buyers purchased a home spanning a median of **1,570 SQUARE FEET**,⁶ costing an average of **\$169,000**³



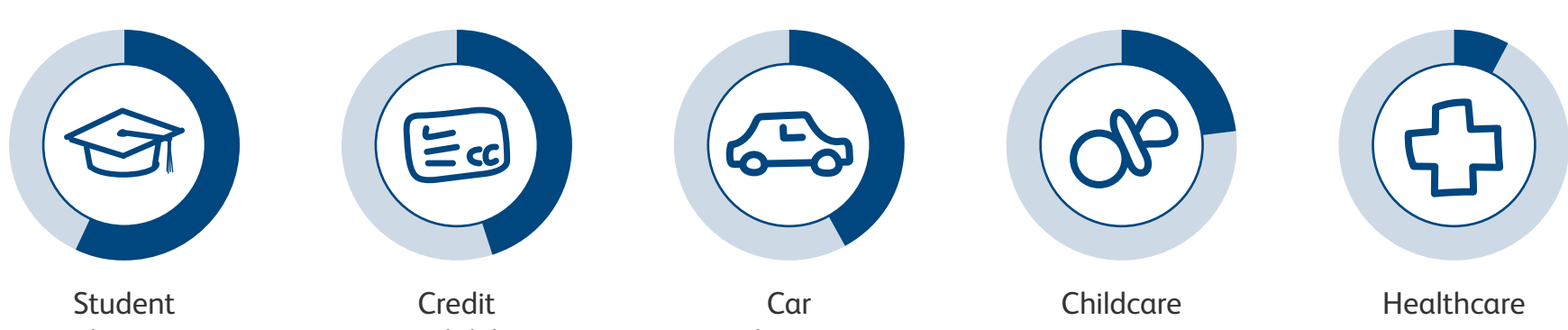
of first-time buyers financed their home⁴

The average first-time buyer paid **3.5%** of the home's value for a down payment (the minimum required for Federal Housing Administration (FHA) loans)⁷

How they paid for the down payment*³



Most common issues that delayed saving for a home:⁵



HOW TO SAVE FOR YOUR OWN HOME



#1: KEEP AN EYE ON YOUR CREDIT

- Make all your bill payments on time, decide when to splurge and when to save, and check your credit score.
- Know that paying everything on time doesn't necessarily mean your credit is impeccable. If the amount you're spending is close to your credit limit, your credit score may be negatively affected.
- Understand that it takes time to improve your credit score, and be patient and diligent while working to elevate that number.



#2: BE HONEST ABOUT YOUR BUDGET

- Keep your housing expenses below 28 percent of your gross income to stay within your means.
- Consider additional payments such as closing costs and homeowners fees.
- Be open to compromise. Decide what you absolutely must have in your home, and what you could live without.



#3: DOCUMENT EVERYTHING

- If you're getting financial help from a parent or relative, document it for the IRS. Track where your money came from so loan providers can do the same.



1. "Presentation: Profile Types of Home Buyers," Nov. 17, 2014, National Association of Realtors
2. "NAR Home Buyer and Seller Generational Trends," March 2014, National Association of Realtors
3. "NAR Annual Survey Reveals Notable Decline in First-Time Buyers," Nov. 3, 2014, National Association of Realtors
4. "Highlights from the 2014 Profile of Home Buyers and Sellers," Nov. 3, 2014, National Association of Realtors
5. "John L. Scott Convention on the 2014 Profile of Home Buyers and Sellers," Oct. 30, 2014, National Association of Realtors
6. "Types of Recent Home Buyers," Nov. 7, 2014, National Association of Realtors Research Division
7. "Let FHA Loans Help You," May 20, 2015, U.S. Department of Housing and Urban Development
8. "5 Tips for First-Time Homebuyers," March 11, 2015, Bankrate
9. "Top Tips for First-Time Home Buyers," Investopedia