

How Sellers Sold Real Estate in 2020: Who is the Typical Seller?

NAR or the National Association of REALTORS has released its 2020 Profile of Home Buyers and Sellers. The profiles are based on a survey using 131 questions mailed to over 132,550 recent home buyers who also purchased a primary residence between July 2019 and June 2020. The focus of this article will be buyers who sold one home to buy another. This was a national survey so your market may be quite different. Real Estate is local: there is no national Real Estate market so please contact me for information about your local market.

NAR conducts their survey annually. This year's results were unique as it was impacted by the pandemic starting in March of 2020.

- The typical seller was 56 years old and had lived in their home for 10 years;
- Sellers aged 18-34 sold within 5 years, those 65 and older sold within 16 years;
- 69% had sold a home before and 31% had not;
- 80% of the homes sold were single, detached;
- 70% bought in the same state and the typical distance moved was 20 miles, 16% moved to another region, 14% stayed in the same region but in a different state;
- 44% bought a larger home, 30% bought a similar size and 28% bought a smaller home;
- 61% bought a newer home than they sold, 21% bought one the same age, 26% bought an older home;
- 49% spent more than their selling price, 23% spent the same, 27% spent less;
- The most commonly cited reasons for selling were to be closer to friends and family (15%), to buy something larger (14%), and a change in their "family situation" (12%);
- 89% used a Real Estate agent, 88% used the MLS, 68% used yard signs;
- 22% wanted to sell within a specific timeframe, 21% wanted help with pricing, 17% of sellers wanted help marketing their home, 16% wanted help with ways to sell it for more, 11% wanted help finding a buyer;
- Houses typically sold within 3 weeks and achieved 99% of their final asking price. Homes on the market for 2 weeks or less got full price, 29% sold in less than one week and got more than the asking price;
- The typical selling price was \$242,300: pre-pandemic median @ \$270,700 compared to \$300,000 later;
- The reported level of urgency rose after the pandemic, 46% compared to 39%;
- The median equity in a sold home was \$66,000;
- 46% used incentives to attract interest. The top two were offering seller assistance with closing costs and home warranties;
- 69% were very satisfied with the process, 21% were somewhat satisfied, 10% were dissatisfied;
- Only 8% sold without an agent, the lowest share since this survey began in 1981;
- The typical FSBO was 57 years old;
- The typical FSBO selling price as \$217,900, more than 10% less than Real Estate-assisted sales (\$242,300);
- 77% of FSBO homes sold within two weeks likely because they sold to someone they knew (51%) and sold for less.

The bottom line is that selling your home or any piece of Real Estate can be a very confusing and emotional process. This NOT a retail transaction! I respectfully suggest that you hire an experienced, trained and educated professional whom you can trust to sell what is likely your largest asset. I understand that signing a formal contract with someone, even if recommended to you, is quite a leap of faith. Most of us can offer options to increase your comfort level. After all, we want to make sure that you “fit” with us as well.

Selling Real Estate is unique compared to most typical purchases: not only is it done much less frequently than other purchases, it typically involves multiple steps, each offering its own challenges. If you would like to discuss selling or buying or if you have any questions about the process, please contact me.

There is no time for inexperience, empty promises or false expectations!

HIRE WISELY! We are not all the same!