2025 PROFILE OF HOME BUYERS AND SELLERS

NATIONAL ASSOCIATION OF REALTORS®

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Introduction

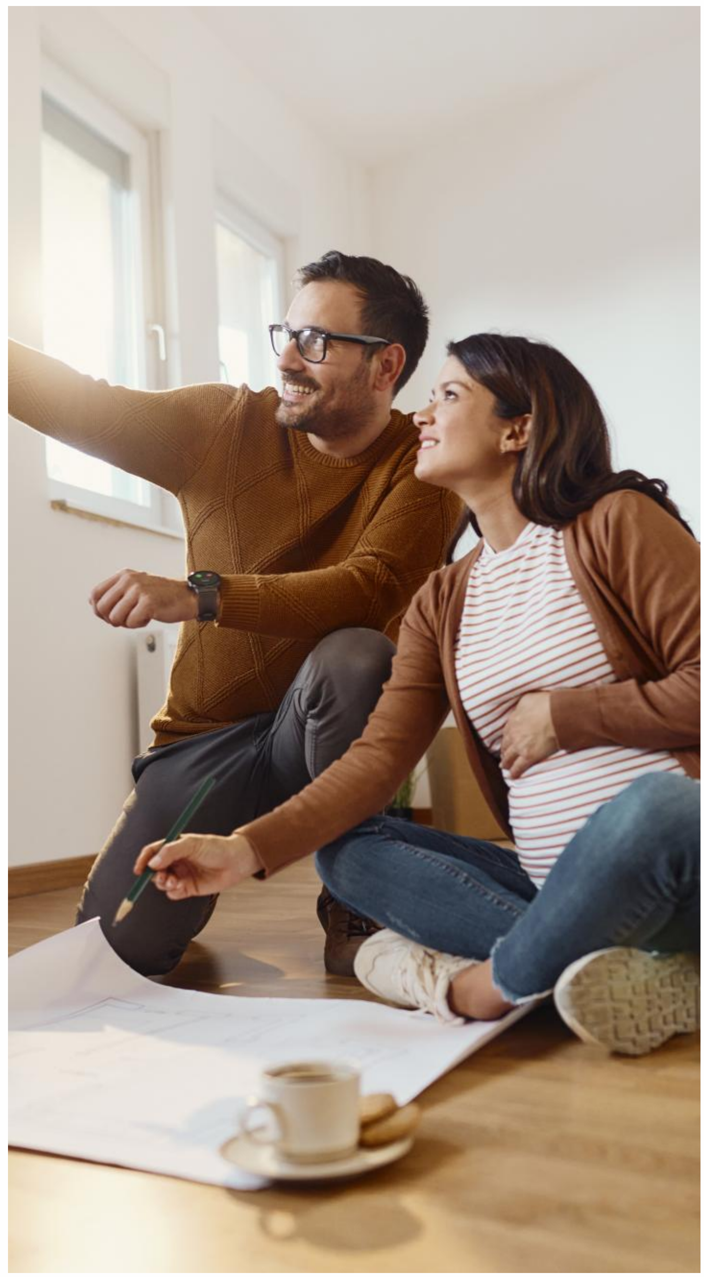
The NATIONAL ASSOCIATION OF REALTORS® Profile of Home Buyers and Sellers is an annual survey of recent home buyers and sellers who recently completed a transaction between July 2024 and June 2025. This flagship report has been published since 1981. The annual report allows industry professionals to gain insight into detailed buying and selling behavior. Each iteration of the report is as unique as the economic, social, and demographic environment in which it is published.

Each year provides new opportunities and challenges for buyers and sellers. From the middle of 2024 through the middle of 2025, the market continued to show extremely limited housing inventory. The inventory entering the housing market was often at unaffordable price points for potential home buyers. During the data collection time period, mortgage interest rates averaged 6.69 percent. As a result of decreased housing affordability and limited housing inventory, potential first-time buyers retreated further from the housing market. Homeowners continued to watch their housing equity grow. The housing market remains divided between an all-time high of all-cash home buyers and an all-time low of first-time buyers.

First-time home buyers in the last year shrank to a historic low of just 21 percent of all buyers. Prior to 2008, the share of first-time buyers had a historical norm of 40 percent. At the same time, the share of first-time buyers is at its lowest level, and the age of first-time buyers has risen to the highest recorded. The median age of first-time buyers is now 40. In the 1980s, the typical first-time home buyer was in their late 20s. First-time buyers who are successful in purchasing cite high rent and student loans as two foremost costs that hold them back from saving. Among the elite first-time buyers who can enter the market, they are most likely to use personal savings (59 percent) or financial assets (26 percent) for their down payment. In past years' reports, a gift or loan from a friend or relative was more common among first-time buyers than financial assets.

Highlighting the rupture in the housing market is the changing landscape for a repeat home buyer. Repeat buyers can enter the housing market with large downpayments (median of 23 percent). Thirty percent paid cash, and did not finance their home. Repeat buyers have continued to earn housing equity as home prices increase. Home sellers have owned their home for an all-time high of 11 years before selling and making a housing trade.

For repeat buyers, this was the same down payment as in 2024, but it is the highest down payment seen since 2003. This year, down payments also grew for first-time buyers. The typical down payment for first-time buyers was 10 percent, which matches the highest share recorded since 1989.



Introduction

Repeat buyers also have the highest median age, at 62, seen in the report's history. As half of repeat home buyers are over the age of 62, they are driven by the desire to purchase a home to be closer to friends and family at 19 percent. It should be noted that while this is the top reason to purchase a home, neighborhood preferences have also changed. Among all buyers, the quality of the neighborhood (59 percent) and convenience to friends and family (47 percent) are the top neighborhood factors. Convenience to the home buyer's job has continued to decline incrementally and is now at 31 percent, down from 52 percent in 2014. The decline in convenience to one's job is notable, as return-to-work orders have become more common among employers between 2024 and 2025.

Among all home buyers, 61 percent are married couples, 21 percent are single women, and nine percent are single men. Among first-time buyers, 25 percent of buyers are single women and 10 percent are single men, as the share of married couples remained flat at 50 percent. The share of home buyers with children under the age of 18 fell to an all-time low of just 24 percent. A reduction of home buyers with children is likely being shaped by a reduction in birth rates and a rise in older repeat buyers. Additionally, a steady share of buyers cite childcare expenses as a barrier to saving for a down payment.

Eighty-eight percent of home buyers purchased their homes through a real estate agent or broker. Home buyers primarily sought help finding the right home to purchase (50 percent) and negotiating the terms of the sale (13 percent). Home buyers also wanted help with price negotiations (12 percent) and help with paperwork (seven percent).

The number of weeks a buyer searched for a home remained steady at 10 weeks compared to last year. Due to limited inventory, it is not surprising that buyers continue to report the most difficult task in the home-buying process is finding the right home to purchase. However, overall, 92 percent of home buyers are satisfied with the buying process.

Ninety-one percent of sellers sold with the assistance of a real estate agent, up from 90 percent last year, and only five percent were FSBO sales, an all-time low. Sellers placed a high priority on the following three tasks: helping market the home to potential buyers, pricing the home competitively, and selling the home within a specific timeframe.

Methodology Among Recent Buyers and Sellers

In July 2025, NAR mailed out a 120-question survey to 173,250 recent home buyers, using a random sample weighted to be representative of sales on a geographic basis. The recent home buyers had to have purchased a primary residence home between July 2024 and June 2025. A total of 6,103 responses were received from primary residence buyers. After accounting for undeliverable questionnaires, the survey had an adjusted response rate of 3.5 percent. Data gathered in the report is based on primary residence home buyers. According to the REALTORS® Confidence Index, 84 percent of home buyers were purchasing as primary residences in 2024, accounting for 4,746,000 homes sold that year (among new and existing homes). Using that calculation, the sample at the 95 percent confidence level has a confidence interval of plus or minus 1.25%.

Respondents had the option to fill out the survey via hard copy or online. The online survey was available in English and Spanish.

Consumer names and addresses were obtained from Melissa Data Corporation, a firm that maintains an extensive database of recent home buyers. Information about sellers comes from those buyers who have also sold a home.

All information in this Profile is characteristic of the 12-month period ending June 2025, with the exception of income data, which are reported for 2024. In some sections, comparisons are also given for results obtained in previous surveys. Not all results are directly comparable due to changes in questionnaire design and sample size. The median is the primary statistical measure used throughout this report. Due to rounding and omissions for space, percentage distributions may not add to 100 percent.

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