

# BRIAN BUFFINI'S REAL ESTATE REPORT



US EDITION  
1<sup>ST</sup> BIENNIAL 2021







The new year is upon us! Although the economy took several unexpected twists and turns in 2020, the housing market remains on solid ground as we enter 2021. While there was plenty of buzz surrounding the uncertain future of the economy and markets, much of it was only noise. That's why at Buffini & Company, my team and I are dedicated to cutting through this noise and identifying the market trends that matter. We present this information in Brian Buffini's Real Estate Report, a biannual publication designed to help real estate agents and their clients access relevant, up-to-date statistics to enhance market knowledge. Dive into this guide to learn all you need to know about what's happening in the industry, both on the national scene and as a whole.

*It's a Good Life!®*

*Brian Buffini*

# Table of Contents

<b>State of the Market</b> .....	<b>3</b>
<b>Today's Buyer Profile</b> .....	<b>4</b>
<b>Today's Seller Profile</b> .....	<b>5</b>
<b>Why I Work by Referral</b> .....	<b>6</b>



# State of the Market

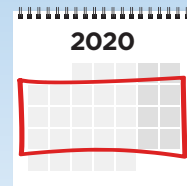
The market experienced a few changes in 2020 as inventory dwindled and buyer demand started to increase. The specific state of any market still varies depending on where you live, but these national trends can help shine a light on how the market is doing.



## Existing Home Sales:

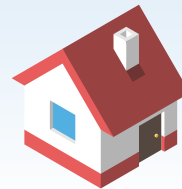
2.7 months of inventory in late 2020

**A RECORD LOW**



The median length of time recently sold homes were on the market:

**3 WEEKS**



Median Home Price:  
**\$272,500**

## New Residential Construction

Builder confidence is high as housing starts increase.



Housing Starts in Late 2020:  
**1,530,000**

Single Family Housing Starts:  
**1,179,000**

## A Country on the Move

Nearly  
**15.9 MILLION**  
Americans moved in 2020

**22%**  
of Americans moved due to the COVID-19 pandemic

**2%**  
increase in permanent moves

**27%**  
increase in temporary moves



# Today's Buyer Profile

Inventory is still tight, but that hasn't stopped buyers from making moves. With increased opportunities for remote work and a need for more space, first-time and move-up buyers are flocking to larger homes in affordable suburban and rural areas. Here's a snapshot of where these buyers stand right now.

In 2020, buyers typically searched for 8 weeks and looked at a median of 9 homes. Home search time decreased from 10 weeks in 2019.



## Buyers' Needs Have Shifted

- ▶ Nearly one-third of aspiring homebuyers would look for a home with a dedicated office, more square footage and more rooms.
- ▶ Suburban cities across the U.S. experienced an increase of new residents looking for more space and affordability in a time of remote work opportunities.
- ▶ Millennial buyers are leaving more expensive, densely populated areas in favor of more affordable regions.

## First-Time Buyers are Getting Back in the Game

**31% OF ALL BUYERS** are first-time buyers

**49% OF MILLENNIALS** have pushed up homebuying plans as a result of the COVID-19 pandemic

**57% OF FIRST-TIME BUYERS** are 18-34 years old

**75% OF FIRST-TIME BUYERS** made less than a 20% down payment

**SOURCES:** 2020 NAR Profile of Home Buyers and Sellers, MyMove, REALTORS® Confidence Index Survey, Realtor.com, SmartAsset, Zillow

# Today's Seller Profile

Home prices have increased due to low inventory, which means sellers can get more bang for their buck in today's market. Whether you need more space or a change of scenery, understanding the latest home selling trends can make your relocation a bit easier.

Listing prices **INCREASED BY 17%** last year, tilting the market in favor of sellers

Sellers sold their homes for a median of **99%** of the final listing price

The typical listing received an average of **3.4 OFFERS** before closing

**22%** of all sellers reduced their asking price at least once

**33%** is the median amount of equity a seller had in the home at the time of sale

In 2020, sellers sold their homes for a median of **\$66,000** more than the price they purchased it at — **in 2019, that amount was only \$60,000**

Recently sold homes were on the market for a median of **3 WEEKS**



## Top 3 Reasons for Selling

- ▶ Desired to move closer to friends and family.
- ▶ Home was too small.
- ▶ Experienced a change in their family situation.

 **67%** of recent sellers used an agent that was referred to them or used an agent they had worked with in the past to buy or sell a home.

SOURCES: 2020 NAR Profile of Home Buyers and Sellers, Realtor.com, REALTORS® Confidence Index



# Why I Work by Referral



## Relationships are more important than transactions.

My business is built on relationships, so I work to provide my clients with outstanding service and care during and long after a transaction.



## You control my business.

Your referrals are the foundation of my business, so I aim to exceed your expectations every step of the way.



## Service that continues after the sale.

I am devoted to serving your needs even after the sale is complete. If you need a referral for a contractor, helpful advice or an agent for your friend or family member, I am here to help.

**MORE THAN 80%**  
of all transactions are conducted through a sphere of influence — there is an existing relationship that leads to sales

**90% OF BUYERS & 70% OF SELLERS**  
would use their agent again or refer them to others

*“There is no lead more powerful than one referred from someone you know — someone who knows you, trusts you and will put their name to you.”*

— BRIAN BUFFINI