



BRIAN BUFFINI'S REAL ESTATE REPORT

 **US EDITION**
2ND BIENNIAL 2022

 **BUFFINI
& COMPANY**

The current real estate market is experiencing unprecedented levels of activity. With so much information, shifts and uncertainty, it's easy to get overwhelmed. This biannual publication is full of well-researched statistics and data to provide you with useful insights. Use this guide to gain the knowledge and peace of mind you need in an ever-changing market.

It's a Good Life!®



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State of the Market

While the market may be shifting, housing inventory remains tight. Buyers are still facing challenges as they try to successfully buy their desired home.

New Home Construction

New Home Builds:
April 2022

**1.72
million**

Single Family Homes:

1.1 million
-7.3% Year-Over-Year

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Lumber prices fell 30% from 2021 as mortgage rates hit a 13-year high. The average price of a new home has increased by more than 18.7% over the past year due to extremely volatile lumber prices.

Housing Inventory

April 2022

**5.6
million**
+19.1% Year-Over-Year



Existing Home Sales

**5.61
million**
-5.4% Year-Over-Year



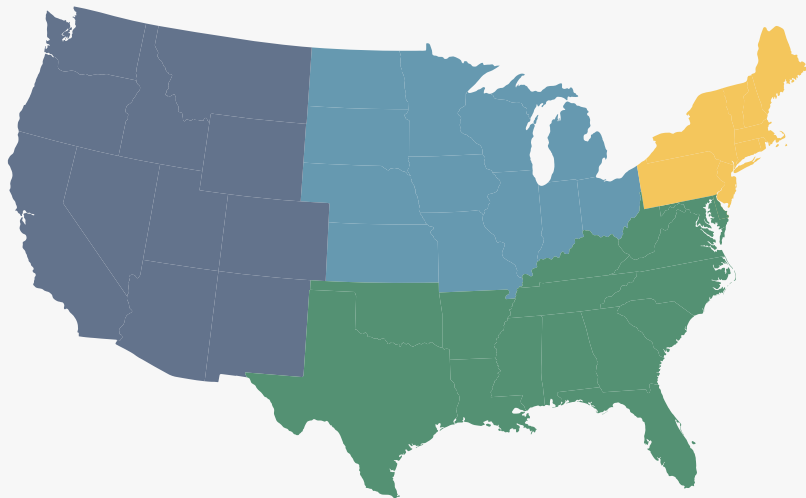
Median Home Sales Price

\$375,000
+13.3% Year-Over-Year



Regional Market Snapshot

Although national trends may hit close to home, at the end of the day, real estate is local. Here's a look at the post-pandemic market rebound in each region.



MIDWEST

Existing Home Sales
1.31 million
-1.5% Year-Over-Year

Median Sales Price
\$282,000
+8.7% Year-Over-Year

NORTHEAST

Existing Home Sales
670,000
-10.7% Year-Over-Year

Median Sales Price
\$412,000
+8.1% Year-Over-Year

SOUTH

Existing Home Sales
2.49 million
-5.7% Year-Over-Year

Median Sales Price
\$352,100
+22.2% Year-Over-Year

WEST

Existing Home Sales
1.14 million
-8.1% Year-Over-Year

Median Sales Price
\$523,000
+4.3% Year-Over-Year

Recession Proof Your Money

Many leading economists believe we are heading toward a recession. Here are some tactics you can put into place now to control the impact on your finances.

Review your personal and business budgets. Cancel subscriptions or other services you no longer need.

Set a goal to save at least six months of personal reserves and three months of business reserves.

Be informed by listening to trusted advisors and experts to help make sound decisions.

Recessions are caused by a loss of business.

A recession is a period of significant economic decline during which trade and industrial activity are reduced, after a fall in two or more consecutive quarters of the Gross Domestic Product (GDP), which is the total goods produced and services provided in a country during one year. A recession typically begins just after the economy reaches a peak of activity and ends as the economy reaches its trough (lowest point).



Why 2022 is Different

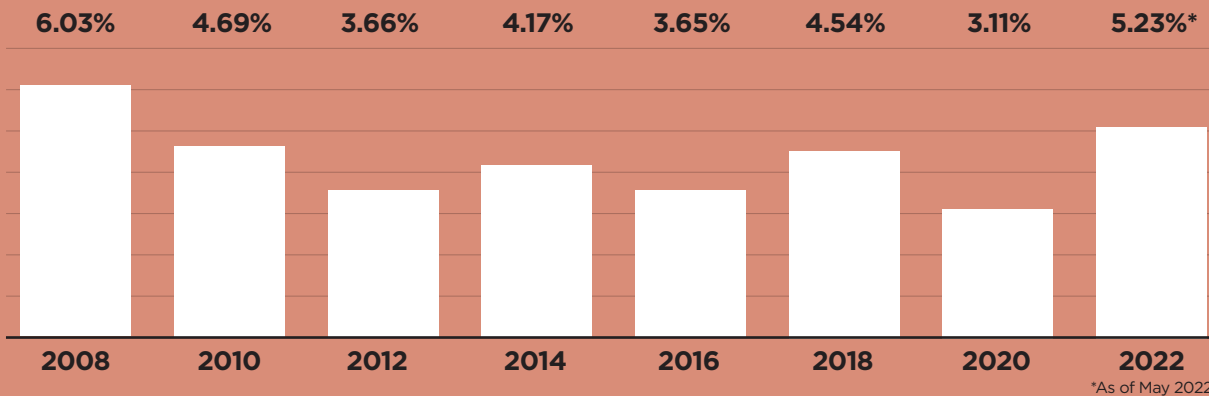
- Unemployment is low (3.6%) yet companies struggle to fill 11.4 million vacancies.
- A high demand for housing exists.
- Consumers are still spending.
- There is pent-up demand for travel.

Mortgage Stats

Despite mortgage rates increasing from last year, the demand is still high for those eager to buy a new home.



Average Interest Rate on a 30-Year Fixed Mortgage



Live in the Payment, Not the Price.

Example: 30-Year Fixed Rate Mortgage

Home Price:

\$330,000

Down Payment:

20%

Average Mortgage Rate at Time of Purchase (2008):

6.03%

Current Average Mortgage Rate (2022):

5.23%

Monthly Mortgage Savings When Refinancing at Today's Current Rate

= \$161.00

Today's Buyer

In this competitive marketplace, buyers will need to be flexible in order to secure their dream home. When a buyer knows what to expect, they are set up for a smooth, successful process.

A Quicker Home Buying Process

Home Buying
Process 2022:
56 Days
-28.57% Year-Over-Year

**40 Days
Less**
than 2021



Buyers toured
an average of
8 Homes
in 2021. They toured
14 in 2020.

Top Buyer Compromises

- **27%** of buyers compromised on the price of the home.
- **21%** of buyers compromised on the condition of the home.
- **19%** of buyers compromised on the size of the home.

First-Time Homebuyer Statistics

- **34%** of all buyers compared to 31% year-over-year.
- **81%** of Millennials ages 23-31 and **48%** of Millennials ages 32-41 were first-time buyers.

What Buyers Want

Environmentally-friendly features are important for most buyers.

- Heating and cooling systems.
- Commuting costs.
- Energy-efficient appliances.
- Drought-friendly landscaping.

Today's Seller

It's been a seller's market! Whether you're thinking of upgrading, downsizing or moving to a new area, these latest insights will help you make the most informed decision possible.

Top Reasons for Selling.

- A desire to live closer to friends and family: **18%**
- Home was too small: **17%**
- Current neighborhood became less desirable: **11%**

Homes spent a median of
17 days
on the market.



88%
of recently sold
homes spent less
than a month
on the market.

90%
of all homes sold in
2022 used a broker or
real estate agent.



Sellers received
an average of
6 offers
compared to the
2021 average of
5 offers.

Even in this hot market,
an overpriced property will still
take longer to sell.
25% of sellers
reduce their asking price at least once.

The Best Investment

Buying a home is one of the most expensive investments you will ever make. But as your home appreciates in value, it will build up equity which contributes to your net worth.

86%

of all buyers believe owning a home is a good financial investment.



88%

of Millennials believe owning a home is a good financial investment.



71%

of homeowners believe buying property in their zip code was a good investment.



Total Year-Over-Year National Homeowner Equity Increase in 2022

\$3.8 trillion

Per homeowner, the year-over-year equity increase was

\$64,000

A Year-Over-Year increase of

32.2%

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In most markets, a monthly payment is nearly the same for owning as it is to rent.

- Typical rent is **\$1,295** per month.
- Typical monthly mortgage payment on a \$368,200 home is **\$1,383**.

Why I Work by Referral



“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,
Founder & Chairman of
Buffini & Company

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80% or more of all transactions were conducted through an existing relationship that leads to sale.

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90% of buyers and **89%** sellers would use their agent again or refer them to others.

You are the backbone of my business.

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

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.

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.