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Homes and the Single Buyer

By David S. Jones

Single homebuyers can no longer be ignored. Historically, they represented a relatively small total of the homebuying market, and builders and agents gave them little attention. All that has changed. The most recent profile of homebuyers and sellers from the National Association of Realtors (NAR) reveals that 27 percent of all homebuyers in 1999 were single.

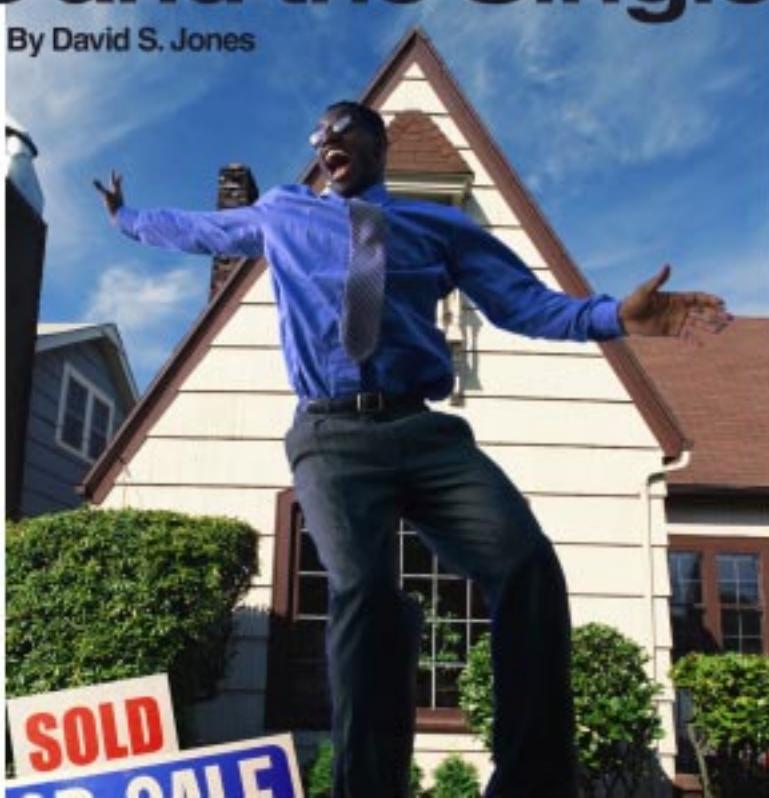
Today the influence of single homebuyers is significant. With only one adult wage earner in the household, they generally have a lower median income. This means they are more likely to purchase smaller homes, including condominiums, co-ops, townhouses, apartments or row houses. More than half of single homebuyers are first-time buyers.

Single buyers are attracted to the easier maintenance and lower cost of smaller homes. Therefore, the demand for smaller homes increased in the 1990s. Nearly 40 percent of single women and 33 percent of single men buy smaller homes. During the 1990s, sales of apartments, condos and co-ops grew 7 percent per year. By comparison, only 18 percent of the overall homebuying population opted for the smaller dwellings.

Single homebuyers also represent the potential for repeat business as their households expand and increase in spending power. In general, single homebuyers say they are pleased with their real estate agents, although men are more dependent on professional help than single women.

While 42 percent of all homebuyers are first-timers, 53 percent of single men and 52 percent of single women are new to homebuying. The median household income for single males is \$46,300 and \$39,700 for single women. Overall homebuyer household income — usually with two wage earners — is \$60,400.

It's no surprise that first-time homebuyers are typically younger than repeat buyers. What is surprising, however, is that the median age for single



women homebuyers is actually higher than that for the total homebuying population, considering that more than half the single women buyers are first-timers.

The median age of homebuyers is 39; first-time buyers are 32. The typical single woman buyer is 41. Interestingly, the typical single male homebuyer is 36, a little younger than the general homebuying population.

Many single women homebuyers have children, although they are less likely to

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have children than married buyers. Twenty-seven percent of single women who are buying a home have children age 18 or younger. Thirteen percent of single men homebuyers have children.

Some of the biggest differences between single men and women buyers are

along race and ethnic lines. The NAR survey shows 12 percent of single women homebuyers to be African-American compared to 5 percent of single male buyers and 6 percent of all buyers.

Most single homebuyers were previous renters. More than half — 56 percent of men and 52 percent of women — rented an apartment, condo, townhouse or single-family home prior to purchasing. In comparison, 45 percent of all homebuyers are previous renters.

While 36 percent of all homebuyers are previous owners, only 23 percent of single women and 18 percent of single men own an existing home.

Single homebuyers have a different motivation for buying. Only one-third of homeowners in general say they buy out of a desire to own their own home. How-

ever, 51 percent of single men and 48 percent of single women do. While homebuyers in general (20 percent) are likely to buy a new home for additional space, fewer single buyers (10 percent) cite that reason for buying. Single buyers aren't as likely to buy a home because they get a new job as buyers in general are.

In 1999, the median-priced home bought by the typical single man was \$110,000 and by the typical single woman, \$102,300. Overall, the typical homebuyer paid \$127,500. While most single men (67 percent) and single women (63 percent) buy single-family homes, their numbers are significantly lower than the 82 percent for overall homebuyers.

Single men are more likely to buy in the city. Single women and homebuyers in general prefer the suburbs. Very few singles (6 percent) choose to live in rural areas. Single men prefer to buy a previously owned home. Ninety percent of single men bought an existing home. By comparison, 80 percent of women and 78 percent of all homebuyers opt for a previously owned house.

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