



**NAHREP Member
Hispanic Real Estate Market Survey
Key Findings
October 2009**

The dream of homeownership has been severely threatened by an historic record of foreclosures, delivering the most significant losses to minority communities. Are Latinos still interested in homeownership and, if so, what are their primary motives for wanting to buy? Do any particular barriers or consequences of the recent crisis challenge them? The National Association of Hispanic Real Estate Professionals polled its members for insights about how their clients feel.

The following are highlights from a poll of 500 respondents:

- **76 percent** of respondents said that stability of family ranked first or second as the primary reason why clients want to buy a home. **Thirty percent** said utility and the freedom to create a home that suited their personal or cultural style, was the top one and two reasons why their clients want to purchase a home;
- Only **18 percent** of practitioners polled viewed financial investment as the primary reason for buying a home;
- **50 percent** of members that answered the poll said that wasting money on rent ranked first or second as the primary motivation for their clients to become homeowners;
- **49 percent** of members said that tighter lending standards remain the biggest barrier to homeownership for their clients; while 44 percent ranked first or second the competition from cash investors as the main obstacle to homeownership of their buyers. Thirty percent of respondents ranked lack of down payment as one of the top two challenges for their buyers.
- **63 percent** of members polled say they have six or more mortgage-ready clients that are ready to buy a home;
- **51 percent** of those surveyed said that today's buyers are more sensitive to purchase price and mortgage payment, more apt to want house payments that include taxes and insurance and prefer a 30-year fixed-rate loan;
- **65 percent** of Hispanic real estate professionals that participated in the poll said that some form of consumer education would be most useful to enabling Latinos to achieve homeownership;
- **44 percent** of respondents report that first-time homebuyers constitute more than **50 percent** of their client base;
- **48 percent** said that Latinos constitute **50 percent** or more of their client base;

- Of the practitioners that responded to the survey, **86 percent** work in real estate sales, **14 percent** are mortgage originators; **41 percent** have worked in the business five or more years.

Summary

In summary, the 2009 Hispanic Market Real Estate Survey that included 500 NAHREP members who work in markets across the nation. The poll also included a consumer survey of Latino renters that live in the foreclosure impacted markets of Las Vegas, Los Angeles, Miami and Phoenix. Responses indicate the following:

- ❖ **A strong interest in homeownership** among Latino renters and first-time homebuyers: Fifty-four percent of Latinos that participated in a phone survey said they plan to buy a home in the next five years;
- ❖ **Family stability** and the freedom to create a home to suit their liking is the top one or two priorities for Latino homebuyers, according to Hispanic real estate professionals. **Seventy-six percent** of practitioners say that their clients want to own a home for the stability it will offer their family; only **18 percent** said their clients want to buy a home for a financial investment;
- ❖ **Tight lending standards and competition from cash investors** are the primary challenges that face consumers that are ready to buy a home, according to Latino practitioners.
- ❖ Some form of consumer education is what new buyers need most to prepare for homeownership, according to **65 percent** of the real estate professionals that participated in the poll.

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About NAHREP

The National Association of Hispanic Real Estate Professionals, a non-profit 501c6 trade association, is dedicated to increasing the homeownership rate among Latinos by educating and empowering the real estate professionals that serve them. Based in Washington D.C., NAHREP is the premier trade organization for Hispanics and has more than 16,000 members in 48 states and 62 affiliate chapters.