



FACTS AND FINDINGS ON FIRST-TIME HOMEBUYERS: MOTIVATIONS & DECIDING FACTORS IN CHOOSING LENDERS, REAL ESTATE AGENTS & HOMES

- 1 Homebuyers want real estate agents to be sources of advice and support at each phase of buying a home.**
 - 66% of first-time homebuyers want a real estate agent to guide them through the entire homebuying process from the home search to closing.
- 2 The importance of low fees and closing costs are taken into greater consideration than name recognition for first-time homebuyers.**
 - First-time homebuyers are more familiar with large banks (35%), rather than small banks (21%) or online financial institutions (15%).
 - 25% of first-time homebuyers view large banks as having the highest fees and closing costs.
- 3 No single type of lending institution is considered the best when it comes to approval for a mortgage.**
 - 23% of first-time homebuyers think online financial institutions provide the easiest route for mortgage approval.
 - 22% indicated they thought large banks would provide the easiest approval process while 20% said small banks were the easiest.
- 4 Small banks, independent mortgage companies, online banks and peer lending institutions were ultimately the financiers of choice for new homeowners.**
 - 62% of new homeowners financed their mortgages with a small bank, independent lender, online bank or peer lending institution.
- 5 Potential homebuyers are open to buying a fixer-upper home as long as the renovations aren't too significant.**
 - 63% of potential homebuyers indicated that they would prefer a fixer upper that only required minor to moderate cosmetic upgrades, remodeling work and electrical and plumbing changes.

Source: Essent 2018 First-Time Homebuyer Study. To get the complete study visits: essent.us/first-time-homebuyer-study.

Try EssentIQ®!

Use our interactive tool to educate first-time homebuyers about their homebuying options outside the conventional 20% down.

EssentIQ is available in English and Spanish at essent.us/essentiq.

Mortgage Insurance provided by Essent Guaranty, Inc.

© 2024 Essent Guaranty, Inc., All rights reserved. | Two Radnor Corporate Center, 100 Matsonford Road, Radnor, PA 19087
EGI-6200.117 (07/24)

