

# First-Time Homebuyers Making a Splash



Are first-time homebuyers making an impact on the real estate market?

I recently received a statistical request from a writer at the Oregonian who wanted to know if over the last year the percentage of buyers in lower-price ranges has risen. As it turned out, in Portland, those buying homes in the \$0 – \$499,999 range now make up nearly 4% more of the market of homes that sell compared to 2008, while those buying homes from \$500,000 – \$1+ million has dropped off about 3.6%.

This influx could be attributed in part to first-time homebuyers who are jumping at the opportunity that is being presented to them, given the \$8,000 tax credit, historically low interest rates and significantly lower purchase prices.

You can count me among the many first-time homebuyers taking advantage of the opportunity and I am seeing friends taking advantage of the deal as well. If they have some money saved, jobs they feel secure at, and a desire to own – they are looking to buy.

## **Temper Expectations**

You've probably dealt with first-time homebuyers who expect amazing homes for their money. Sure, maybe they'll get one, depending on their price range, but my experience was not as such.

In my price range (\$200k – \$230k), what I found in the areas that were attractive to me, was generally good, but older homes that may need some updating (and in fact, that's what we

bought).

My point is, remember to manage the expectations of these buyers, as they may have grand ideas in their head due to some reports in mainstream media. Obviously they should buy a home that they'll be happy in, but also remind them that this is an amazing opportunity right now to make a sound investment for the future.

Image courtesy of bellemedia.