

The Texas 2005 Profile of Home Buyers and Sellers

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NATIONAL ASSOCIATION OF REALTORS®

The Voice for Real Estate®

The 2005 NATIONAL ASSOCIATION OF REALTORS®
Profile of Home Buyers and Sellers
Texas Report

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NATIONAL ASSOCIATION OF REALTORS®
2005 NAR Profile of Home Buyers and Sellers
Texas Report

Introduction

Throughout 2005, the U.S. housing market remained one of the strongest segments of the U.S. economy with record sales volumes and strong price appreciation in many areas. Existing home sales set a record in 2005 as the combined forces of low mortgage interest rates, strong demand and a strengthening economy contributed to robust sales of new and existing homes. The strength of the housing market was reflected in a homeownership rate that approached 70 percent, a remarkable increase from 65 percent 10 years ago.

The robust housing market has also contributed significantly to the growth in household wealth. By mid-2005, aggregate homeowners' equity had increased by 50 percent since year-end 2001 and by 15 percent in the previous year alone. For many homeowners this equity represents a major portion of their net worth. In addition, mortgage refinancing, home equity loans and home equity lines of credit have allowed homeowners to unlock equity that they have used to make home improvements, reduce high cost consumer debt, and support consumer spending.

First-time buyers continued to be a significant share of the market, accounting for roughly two of every five home sales. Most first-time buyers seek to fulfill their desire to own a home and enjoy the pride of ownership. Trade-up buyers still seek the pride of ownership, but lifestyle changes often drive their desire for a different home. The need for more space, a job change, or the desire to be closer to friends and family motivate some buyers to purchase another home. Others purchase a vacation home to serve as a personal retreat or an investment property that will generate additional income.

Whatever the motivation for purchasing a home, real estate professionals have continued to work with consumers to help them find the right home. From the initial search to the closing, real estate agents and brokers help guide homebuyers through the many steps that culminate in a successful home purchase. Real estate professionals also help home sellers by developing a marketing plan, pricing the home competitively and utilizing their experience to assist sellers through each step of the process. Buyers and sellers may also choose to complete a home sales transaction without a real estate professional. However, a majority of buyers and sellers value the experience and expertise of real estate professionals; a majority of both buyers and sellers would recommend their agent to others.

The NATIONAL ASSOCIATION OF REALTORS® periodically surveys homebuyers and sellers to gather detailed information on the homebuying and selling process. These surveys provide information on demographics, housing characteristics and the experience of buyers and sellers in the housing market. Buyers and sellers also share information on the role of real estate professionals in home sales transactions. The results of the most recent survey are reported in *The 2005 NATIONAL ASSOCIATION OF REALTORS® Profile of Home Buyers and Sellers*. This report provides REALTORS® with insights into the characteristics and needs of their clients and enables them to improve their client service. Others benefit from the findings of this research by better understanding the housing market and how the unique role of real estate professionals continues to be important as the housing market evolves.

The *2005 NATIONAL ASSOCIATION OF REALTORS® Profile of Home Buyers and Sellers* shows that homebuyers rely on real estate professionals to guide them through the complex process of collecting and evaluating information about local real estate market conditions and using that knowledge to choose a home that fits their needs. On the other side of the transaction, sellers report that real estate professionals are key to marketing their home and negotiating the best deals on price, contingencies, transaction date and other important elements. The *2005 Profile* highlights the significant role of real estate professionals in serving both buyers and sellers.

NOTES

In August 2005, the NATIONAL ASSOCIATION OF REALTORS® mailed an 8-page questionnaire to 4,000 Texas consumers who bought a home between August 2004 and July 2005. Information on sellers comes from those buyers who also sold a home. Hurricane Katrina disrupted mail service in late August 2005 in some areas of the country and artificially depressed the response rate to the survey. Consequently, the questionnaire was re-fielded to an additional 4,000 homebuyers in the Texas area. All told, the survey yielded 610 usable responses yielding a response rate of 8 percent. Consumer names and addresses were obtained from Experian, a firm that maintains an extensive database of recent home buyers derived from county records.

This report consists of eight chapters that focus on specific areas of the homebuying and selling process.

- Chapter 1: Characteristics of Home Buyers
- Chapter 2: Characteristics of Homes Purchased
- Chapter 3: The Home Search Process
- Chapter 4: Home Buying and Real Estate Professionals
- Chapter 5: Financing the Home Purchase
- Chapter 6: Home Sellers and Their Selling Experience
- Chapter 7: Home Selling and Real Estate Professionals
- Chapter 8: For Sale by Owner Sellers

All information in this *Profile* is characteristic of the 12-month period ending July 2005, with the exception of income data which was reported for 2004. In some sections comparisons are also given for results obtained in previous surveys. Not all results are directly comparable due to changes in questionnaire design and sample size. Some results are presented for the four Census regions: Northeast, West, Midwest and South. The median is the primary statistical measure used throughout this report. Due to rounding and omissions for space, percentage distributions may not add to 100 percent.

NATIONAL ASSOCIATION OF REALTORS®

2005 NAR Profile of Home Buyers and Sellers

Highlights – Texas Area

Today's consumers have access to a vast amount of information about the home buying and selling process, including a large and growing number of Internet-based tools that provide detailed information about local property markets whether they are across town or across the country. Consequently, home buyers and sellers are becoming increasingly sophisticated and require real estate professionals to meet their heightened expectations for service. Even with increasing access to information, however, most home buyers and sellers depend on the experience and expertise of real estate professionals to assist them with the complex task of completing a real estate transaction. Because of this evolution, it is important for real estate professionals to have a clear picture of today's home buyers and sellers. The *2005 NATIONAL ASSOCIATION OF REALTORS® Profile of Home Buyers and Sellers* describes the characteristics and motivations of recent home buyers and sellers and in so doing will help real estate professionals track the changing demands of consumers in a dynamic real estate market. Results for the Texas area show:

CHARACTERISTICS OF HOME BUYERS

- The median age of homebuyers was 42 years old compared to 40 years old in the U.S.
- The median household income of homebuyers was \$72,200 compared to \$71,600 in the U.S.
- Fifty-seven percent of homebuyers reported that there were no children under age 18 years residing in the home.
- First time homebuyers accounted for 42 percent of homes purchased in 2005.
- Forty-eight percent of first time home buyers were between 25 and 34 years old.
- The median income of first time home buyers was \$55,200.

CHARACTERISTICS OF HOMES PURCHASED

- Eighty-five percent of homes purchased in Texas were detached single family homes compared to 75 percent of homes purchased in the U.S.
- Fifty-two percent of homebuyers remained in the suburbs when they purchased another home.
- The typical homebuyer purchased a home 14 miles from their previous residence.
- Seventy-two percent of recent buyers ranked neighborhood quality as the most important factor influencing the location of their home purchase.
- Sixty-six percent of homes purchased were in the suburbs.
- The median price of homes purchased was \$140,000 compared to \$195,000 in the U.S.

THE HOME SEARCH PROCESS

- Home buyers searched for a home for a median seven weeks and saw a median 10 homes.
- Eighty-nine percent of homebuyers used a real estate professional during their home search.
- Thirty-two percent of homebuyers first learned about the home they purchased from a real estate professional; down from 34% in 2004.
- Sixty-two percent of first-time homebuyers used the Internet frequently to search for homes compared with 60 percent of repeat homebuyers.
- Twenty-five percent of buyers first found their home on the Internet.
- The majority of Internet home searchers were looking for sale.

HOME BUYING AND REAL ESTATE PROFESSIONALS

- Seventy-three percent of homebuyers purchased their home through a real estate agent.
- Buyers searched for a median of two weeks on their own before contacting a real estate professional.
- Eighty-six percent of homebuyers used only one agent in their home search.

- Forty-one percent of first time buyers were referred to their agent by a friend, neighbor or relative.
- More than half of recent buyers wanted their agent to help them find the right home.
- Buyers ranked reputation as the most important factor when choosing a real estate professional to assist with a home purchase. The next most important factor was the agent's knowledge of the neighborhood.
- Sixty-seven percent of recent buyers will definitely use their agent again.

FINANCING THE HOME PURCHASE

- Ninety-three percent of homebuyers financed their home purchase and 34 percent financed the entire purchase price.
- Almost all first time home buyers (99 percent) financed the purchase of their home compared to 82 percent of repeat buyers.
- Savings was the primary source of first-time homebuyers' downpayment.
- Fifty-four percent of repeat buyers used equity from the previous home as a downpayment.
- Ninety-one percent of all buyers believe that their home purchase was a good financial investment.

HOME SELLERS AND THEIR SELLING EXPERIENCE

- The median age of home sellers was 48 years in 2005.
- The median income of home sellers was \$89,800.
- Nearly three out of four home sellers were married and 60 percent have no children under 18 years old living at home.
- Ninety percent of homes sold were detached single family homes.
- Twenty-eight percent of sellers spent three to four years in their previous home.
- Eighty-eight percent of sellers used an agent or broker to sell their home.
- The typical home was on the market for eight weeks.
- Sixty-two percent of all sellers were very satisfied with the selling process.

HOME SELLERS AND REAL ESTATE PROFESSIONAL

- Seventy-three percent of sellers contacted only one agent before selecting one to help assist in the sale of their home.
- When selecting a real estate professional, 40 percent of sellers received a recommendation from a friend, neighbor or relative.
- Nearly half of sellers used the same agent for their home purchase.
- Thirty-four percent of sellers wanted their real estate professional to help sell their home within a specific timeframe; twenty-five percent wanted help finding the right buyer for their home.
- Eighty-nine percent of sellers used the Internet to market their home.
- Seventy-one percent of sellers reported they would definitely use the same real estate agent again.

FOR SALE BY OWNER SELLERS (FSBO)

- Seven percent of sellers sold their home without the assistance of an agent.
- Eighty-eight percent of FSBO sellers sold a detached single-family home.
- Sixty-seven percent of FSBO's previous homes were in the suburbs.
- The median selling price of FSBO homes was \$132,800 compared with \$160,000 for agent-assisted home sales.
- The primary reason FSBO sellers did not use a real estate agent was to avoid paying a commission.
- Sixty-four percent of FSBO sellers relied on yard signs or newspaper advertisements (60 percent) to help them market their home.

AGE OF HOMEBUYERS, BY REGION

(Percentage Distribution)

| | Texas | U.S. | Northeast | Midwest | South | West |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Less than 25 years | 4% | 6% | 7% | 10% | 5% | 4% |
| 25 - 34 years | 30 | 32 | 34 | 34 | 31 | 29 |
| 35 - 44 years | 24 | 24 | 25 | 23 | 24 | 26 |
| 45 - 54 years | 23 | 19 | 16 | 18 | 20 | 20 |
| 55 - 64 years | 13 | 11 | 12 | 8 | 12 | 14 |
| 65 - 74 years | 5 | 5 | 6 | 5 | 6 | 5 |
| 75 years or older | 1 | 2 | 1 | 2 | 2 | 3 |
| Median age (years) | 42 | 40 | 39 | 38 | 41 | 42 |

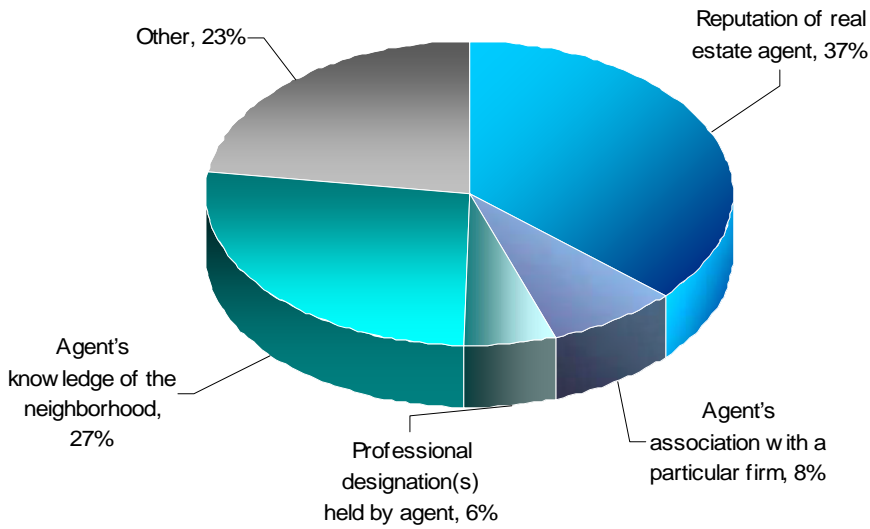
HOUSEHOLD INCOME OF HOMEBUYERS, 2004

(Percentage Distribution)

| | Texas | U.S. | Northeast | Midwest | South | West |
|-----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Less than \$25,000 | 3% | 4% | 6% | 4% | 4% | 4% |
| \$25,000 - \$34,999 | 9 | 8 | 8 | 10 | 8 | 7 |
| \$35,000 - \$44,999 | 13 | 9 | 7 | 10 | 9 | 9 |
| \$45,000 - \$54,999 | 9 | 11 | 10 | 14 | 11 | 10 |
| \$55,000 - \$64,999 | 7 | 11 | 13 | 11 | 10 | 11 |
| \$65,000 - \$74,999 | 11 | 10 | 10 | 11 | 9 | 10 |
| \$75,000 - \$84,999 | 7 | 9 | 7 | 10 | 9 | 9 |
| \$85,000 - \$94,999 | 7 | 7 | 6 | 8 | 7 | 7 |
| \$95,000 - \$104,999 | 8 | 8 | 9 | 6 | 8 | 10 |
| \$105,000 - \$114,999 | 5 | 5 | 5 | 2 | 5 | 7 |
| \$115,000 - \$124,999 | 3 | 3 | 5 | 3 | 2 | 3 |
| \$125,000 - \$134,999 | 5 | 3 | 2 | 2 | 4 | 2 |
| \$135,000 - \$149,999 | 3 | 2 | 2 | 2 | 2 | 3 |
| \$150,000 - \$174,999 | 2 | 3 | 3 | 2 | 3 | 3 |
| \$175,000 - \$199,999 | 1 | 1 | 1 | 1 | 1 | 1 |
| \$200,000 or more | 6 | 5 | 5 | 5 | 5 | 5 |
| Median income | \$72,200 | \$71,600 | \$71,500 | \$66,800 | \$72,500 | \$75,400 |

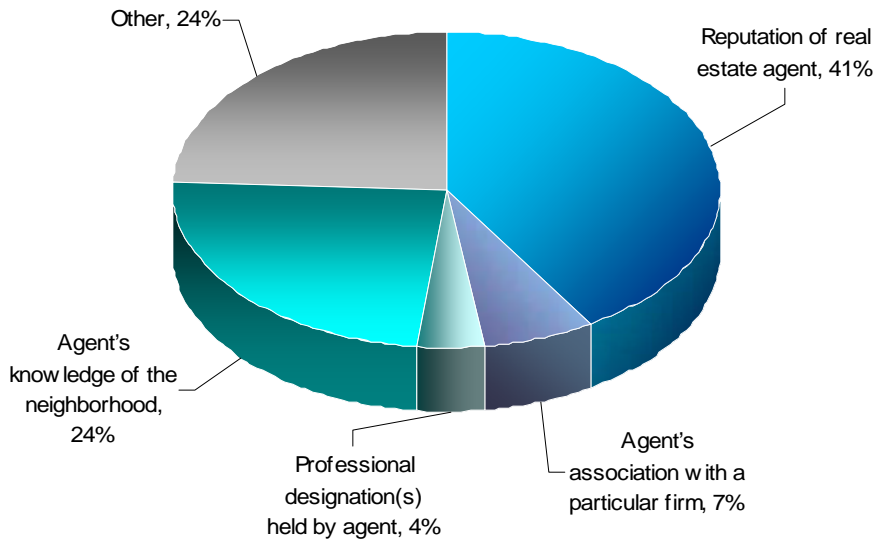
MOST IMPORTANT FACTORS IN CHOOSING AN AGENT
(Percentage Distribution)

TEXAS



MOST IMPORTANT FACTORS IN CHOOSING AN AGENT
(Percentage Distribution)

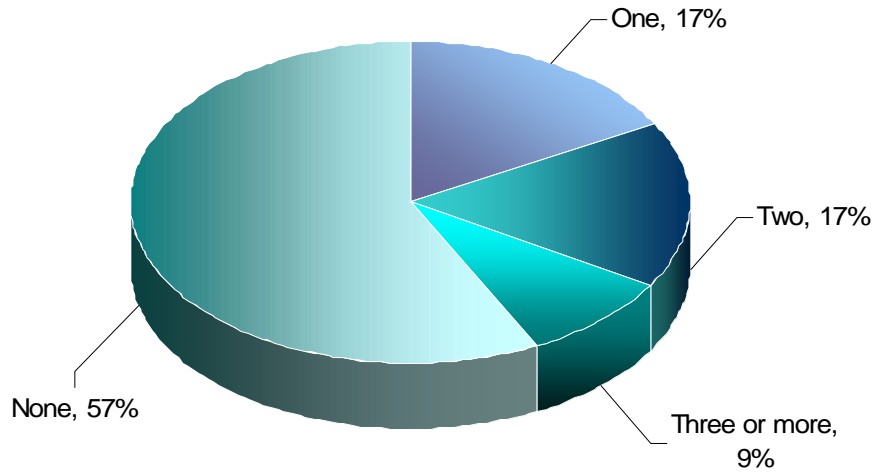
U.S.



NUMBER OF CHILDREN UNDER THE AGE OF 18 RESIDING IN HOUSEHOLD

(Percentage Distribution of Households)

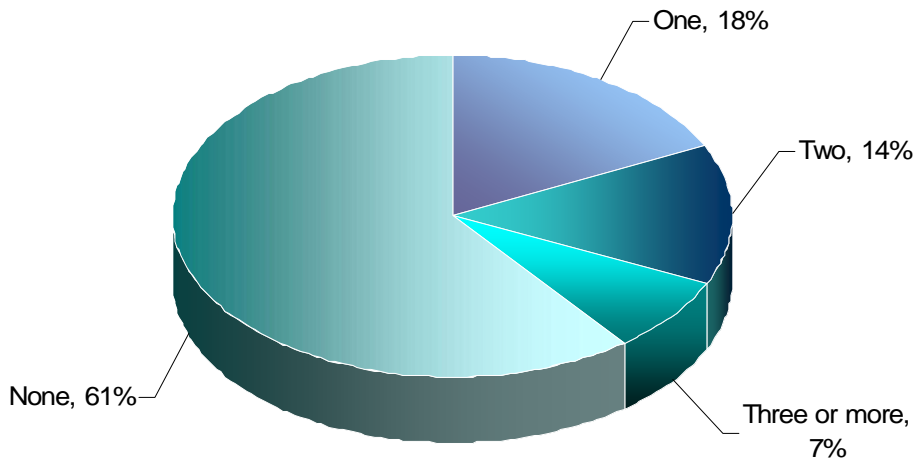
TEXAS



NUMBER OF CHILDREN UNDER THE AGE OF 18 RESIDING IN HOUSEHOLD

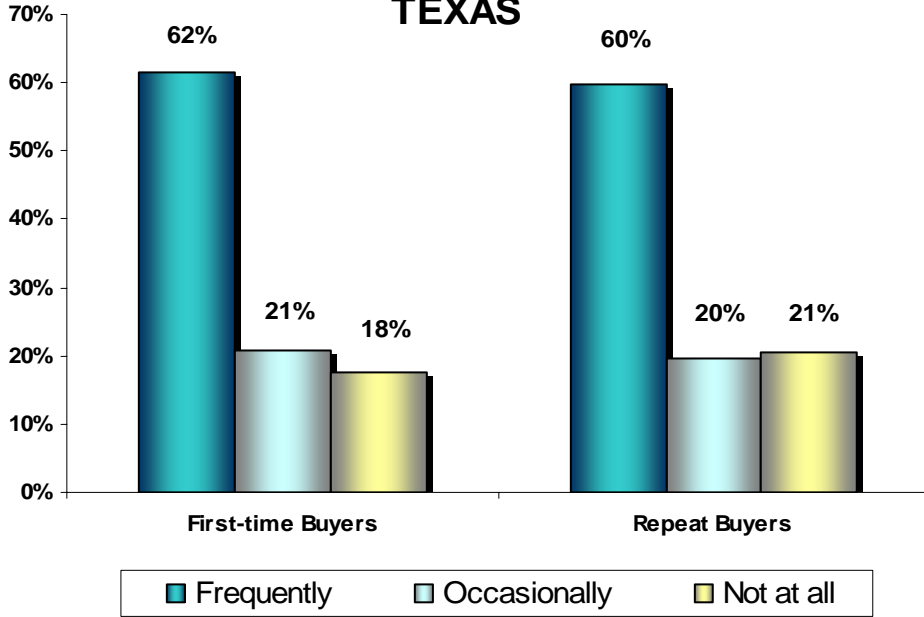
(Percentage Distribution of Households)

U.S.



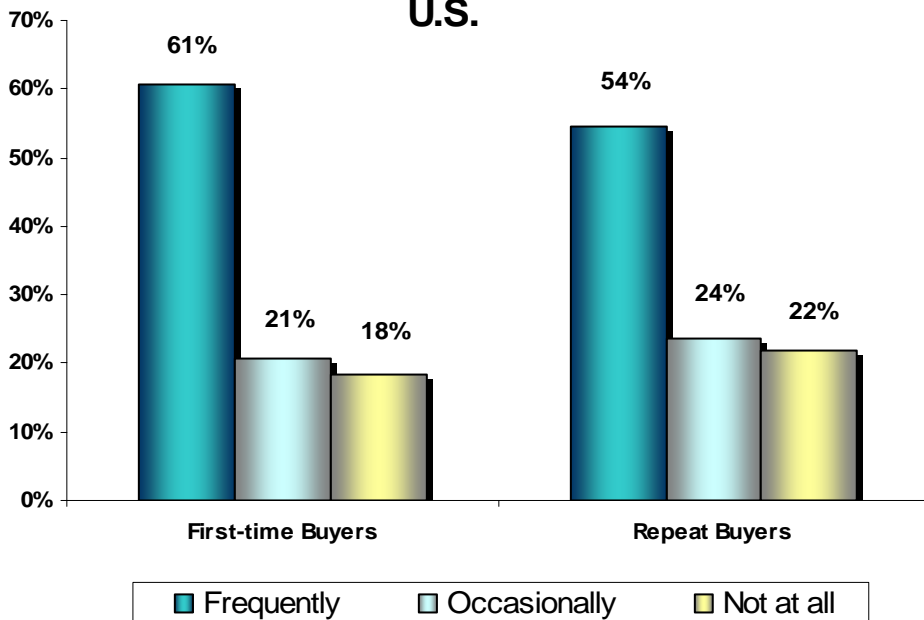
USE OF INTERNET TO SEARCH FOR HOMES, FIRST-TIME AND REPEAT BUYERS

TEXAS



USE OF INTERNET TO SEARCH FOR HOMES, FIRST-TIME AND REPEAT BUYERS

U.S.



TYPE OF HOME PURCHASED BY FIRST-TIME AND REPEAT BUYERS
(Percentage Distribution)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|--|------------|-------------------|---------------|
| Detached single family | 85% | 86% | 83% |
| Townhouse/row house | 5 | 4 | 6 |
| Apartment/condo in building with 5 or more units | 3 | 3 | 3 |
| Duplex/apartment/condo in 2-4 unit structure | 2 | 1 | 3 |
| Other | 6 | 6 | 5 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|--|------------|-------------------|---------------|
| Detached single family | 75% | 69% | 79% |
| Townhouse/row house | 9 | 11 | 8 |
| Apartment/condo in building with 5 or more units | 7 | 9 | 5 |
| Duplex/apartment/condo in 2-4 unit structure | 2 | 3 | 2 |
| Other | 6 | 7 | 5 |

LOCATION OF HOME PURCHASED, BY REGION
(Percentage Distribution)

| | Texas | U.S | Northeast | Midwest | South | West |
|------------------------|-------|-----|-----------|---------|-------|------|
| Suburb/Subdivision | 66% | 56% | 44% | 60% | 62% | 49% |
| Small town | 8 | 17 | 30 | 15 | 13 | 16 |
| Urban/Central city | 19 | 17 | 12 | 17 | 14 | 24 |
| Rural area | 6 | 9 | 12 | 7 | 9 | 9 |
| Resort/Recreation area | 1 | 1 | 1 | * | 1 | 2 |

* Less than one percent

PERCENT OF HOME FINANCED
(Percentage Distribution)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|--------------------------------|------------|-------------------|---------------|
| Less than 50% | 5% | 3% | 6% |
| 51% to 60% | 2 | -- | 4 |
| 61% to 70% | 4 | 1 | 6 |
| 71% to 80% | 23 | 11 | 32 |
| 81% to 90% | 12 | 9 | 15 |
| 91% to 95% | 10 | 11 | 9 |
| 96% to 99% | 10 | 15 | 6 |
| 100% (entire purchase price) | 34 | 50 | 23 |
| Median percent financed | 95% | 99% | 82% |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|--------------------------------|------------|-------------------|---------------|
| Less than 50% | 9% | 4% | 13% |
| 51% to 60% | 3 | 1 | 4 |
| 61% to 70% | 5 | 2 | 8 |
| 71% to 80% | 24 | 13 | 32 |
| 81% to 90% | 13 | 12 | 14 |
| 91% to 95% | 10 | 13 | 7 |
| 96% to 99% | 7 | 12 | 4 |
| 100% (entire purchase price) | 28 | 43 | 18 |
| Median percent financed | 87% | 98% | 79% |

PERCENT OF HOME FINANCED
(Percentage Distribution)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|--------------------------------|------------|-------------------|---------------|
| Less than 50% | 5% | 3% | 6% |
| 51% to 60% | 2 | -- | 4 |
| 61% to 70% | 4 | 1 | 6 |
| 71% to 80% | 23 | 11 | 32 |
| 81% to 90% | 12 | 9 | 15 |
| 91% to 95% | 10 | 11 | 9 |
| 96% to 99% | 10 | 15 | 6 |
| 100% (entire purchase price) | 34 | 50 | 23 |
| Median percent financed | 95% | 99% | 82% |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|--------------------------------|------------|-------------------|---------------|
| Less than 50% | 9% | 4% | 13% |
| 51% to 60% | 3 | 1 | 4 |
| 61% to 70% | 5 | 2 | 8 |
| 71% to 80% | 24 | 13 | 32 |
| 81% to 90% | 13 | 12 | 14 |
| 91% to 95% | 10 | 13 | 7 |
| 96% to 99% | 7 | 12 | 4 |
| 100% (entire purchase price) | 28 | 43 | 18 |
| Median percent financed | 87% | 98% | 79% |

TEXAS

Number of Total Respondents = 610

Exhibit 1-1

AGE OF HOMEBUYERS, BY REGION

(Percentage Distribution)

| | Texas | U.S. | Northeast | Midwest | South | West |
|---------------------------|-------|------|-----------|---------|-------|------|
| Less than 25 years | 4% | 6% | 7% | 10% | 5% | 4% |
| 25 - 34 years | 30 | 32 | 34 | 34 | 31 | 29 |
| 35 - 44 years | 24 | 24 | 25 | 23 | 24 | 26 |
| 45 - 54 years | 23 | 19 | 16 | 18 | 20 | 20 |
| 55 - 64 years | 13 | 11 | 12 | 8 | 12 | 14 |
| 65 - 74 years | 5 | 5 | 6 | 5 | 6 | 5 |
| 75 years or older | 1 | 2 | 1 | 2 | 2 | 3 |
| Median age (years) | 42 | 40 | 39 | 38 | 41 | 42 |

Exhibit 1-2
HOUSEHOLD INCOME OF HOMEBUYERS, 2004
(Percentage Distribution)

| | Texas | U.S. | Northeast | Midwest | South | West |
|-----------------------|----------|----------|-----------|----------|----------|----------|
| Less than \$25,000 | 3% | 4% | 6% | 4% | 4% | 4% |
| \$25,000 - \$34,999 | 9 | 8 | 8 | 10 | 8 | 7 |
| \$35,000 - \$44,999 | 13 | 9 | 7 | 10 | 9 | 9 |
| \$45,000 - \$54,999 | 9 | 11 | 10 | 14 | 11 | 10 |
| \$55,000 - \$64,999 | 7 | 11 | 13 | 11 | 10 | 11 |
| \$65,000 - \$74,999 | 11 | 10 | 10 | 11 | 9 | 10 |
| \$75,000 - \$84,999 | 7 | 9 | 7 | 10 | 9 | 9 |
| \$85,000 - \$94,999 | 7 | 7 | 6 | 8 | 7 | 7 |
| \$95,000 - \$104,999 | 8 | 8 | 9 | 6 | 8 | 10 |
| \$105,000 - \$114,999 | 5 | 5 | 5 | 2 | 5 | 7 |
| \$115,000 - \$124,999 | 3 | 3 | 5 | 3 | 2 | 3 |
| \$125,000 - \$134,999 | 5 | 3 | 2 | 2 | 4 | 2 |
| \$135,000 - \$149,999 | 3 | 2 | 2 | 2 | 2 | 3 |
| \$150,000 - \$174,999 | 2 | 3 | 3 | 2 | 3 | 3 |
| \$175,000 - \$199,999 | 1 | 1 | 1 | 1 | 1 | 1 |
| \$200,000 or more | 6 | 5 | 5 | 5 | 5 | 5 |
| Median income | \$72,200 | \$71,600 | \$71,500 | \$66,800 | \$72,500 | \$75,400 |

Exhibit 1-3

ADULT COMPOSITION OF HOMEBUYER HOUSEHOLDS

(Percentage Distribution)

TEXAS

| | 2004 | 2005 |
|-------------------------|------|------|
| Married couple | 65% | 58% |
| Single female | 16 | 23 |
| Single male | 12 | 10 |
| Unmarried couple | 6 | 7 |
| Other | 1 | 1 |

U.S.

| | 1993 | 1995 | 1997 | 1999 | 2001 | 2003 | 2004 | 2005 |
|-------------------------|------|------|------|------|------|------|------|------|
| Married couple | 68% | 70% | 64% | 66% | 68% | 59% | 62% | 61% |
| Single female | 16 | 14 | 18 | 18 | 15 | 21 | 18 | 21 |
| Single male | 10 | 9 | 11 | 9 | 7 | 11 | 8 | 9 |
| Unmarried couple | 5 | 6 | 5 | 6 | 7 | 8 | 9 | 7 |
| Other | * | 1 | 2 | 1 | 3 | 1 | 2 | 2 |

* *Less than one percent*

Exhibit 1-4

NUMBER OF CHILDREN UNDER THE AGE OF 18 RESIDING IN HOUSEHOLD

(Percentage Distribution of Households)

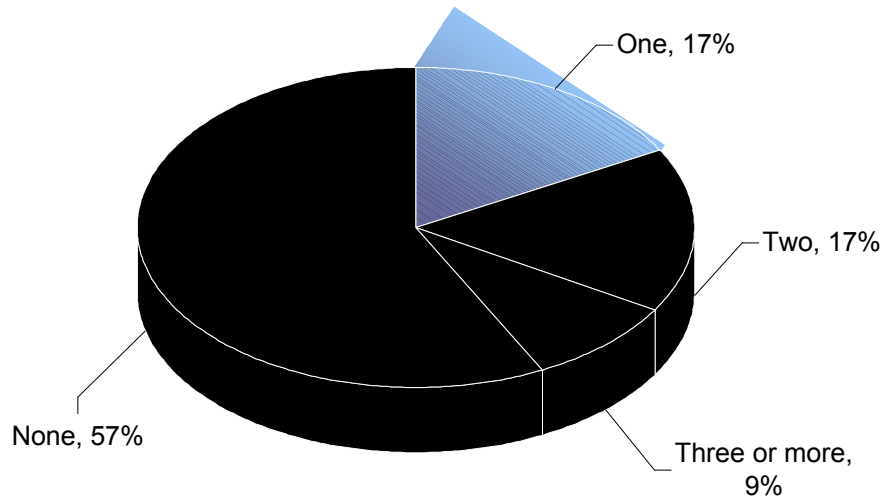
TEXAS

| | |
|----------------------|-----|
| One | 17% |
| Two | 17% |
| Three or more | 9% |
| None | 57% |

NUMBER OF CHILDREN UNDER THE AGE OF 18 RESIDING IN HOUSEHOLD

(Percentage Distribution of Households)

TEXAS



U.S.

| | |
|----------------------|-----|
| One | 18% |
| Two | 14% |
| Three or more | 7% |
| None | 61% |

NUMBER OF CHILDREN UNDER THE AGE OF 18 RESIDING IN HOUSEHOLD

(Percentage Distribution of Households)

U.S.

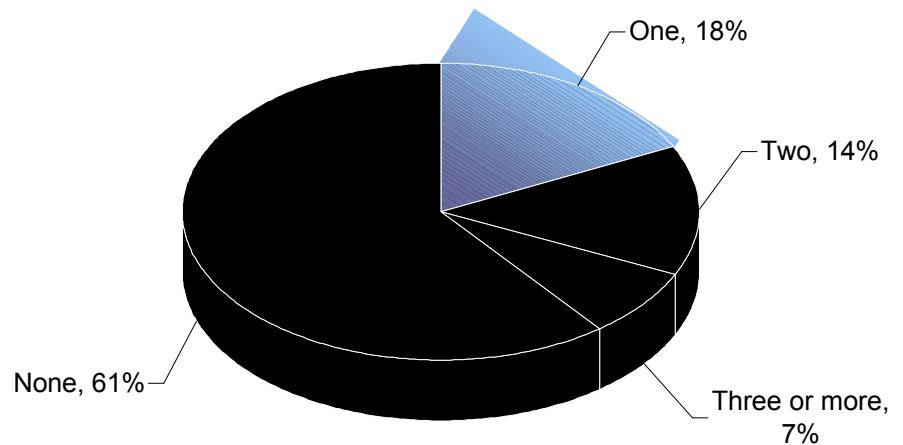


Exhibit 1-5

RACE/ETHNICITY OF HOMEBUYERS, BY REGION

(Percent of Respondents)

| | Texas | U.S. | Northeast | Midwest | South | West |
|-------------------------------|-------|------|-----------|---------|-------|------|
| White/Caucasian | 71% | 83% | 88% | 90% | 80% | 78% |
| Black/African-American | 10 | 7 | 5 | 5 | 10 | 4 |
| Asian/Pacific Islander | 3 | 4 | 3 | 3 | 3 | 9 |
| Hispanic/Latino | 16 | 6 | 3 | 2 | 7 | 10 |
| Other | 2 | 2 | 2 | 2 | 1 | 3 |

Note: Respondents were permitted to select as many races and ethnicities as they felt applicable. The percentage distribution may therefore sum to more than 100 percent.

Exhibit 1-6

PRIMARY LANGUAGE SPOKEN IN HOMEBUYER HOUSEHOLD, BY REGION

(Percentage Distribution)

| | Texas | U.S. | Northeast | Midwest | South | West |
|----------------|-------|------|-----------|---------|-------|------|
| English | 92% | 95% | 96% | 95% | 94% | 94% |
| Other | 8 | 5 | 4 | 5 | 6 | 6 |

Exhibit 1-7

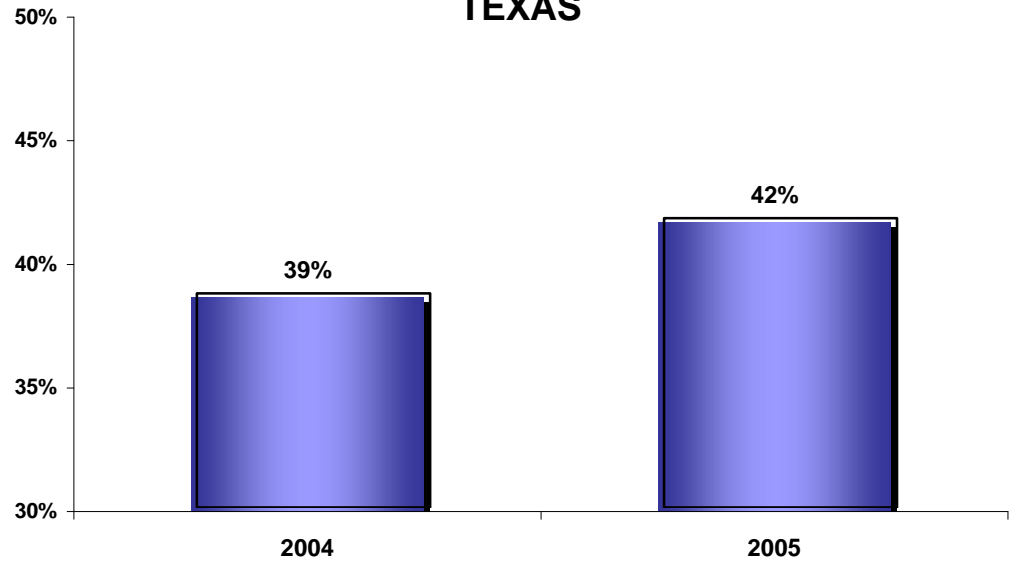
PERCENTAGE OF FIRST-TIME HOMEBUYERS

(Percentage Distribution)

TEXAS

| Year | Percentage |
|------|------------|
| 2004 | 39% |
| 2005 | 42% |

PROPORTION OF FIRST-TIME HOMEBUYERS TEXAS



U.S.

| Year | Percentage |
|------|------------|
| 1993 | 41% |
| 1995 | 42% |
| 1997 | 42% |
| 1999 | 42% |
| 2001 | 42% |
| 2003 | 40% |
| 2004 | 40% |
| 2005 | 40% |

PROPORTION OF FIRST-TIME HOMEBUYERS U.S.

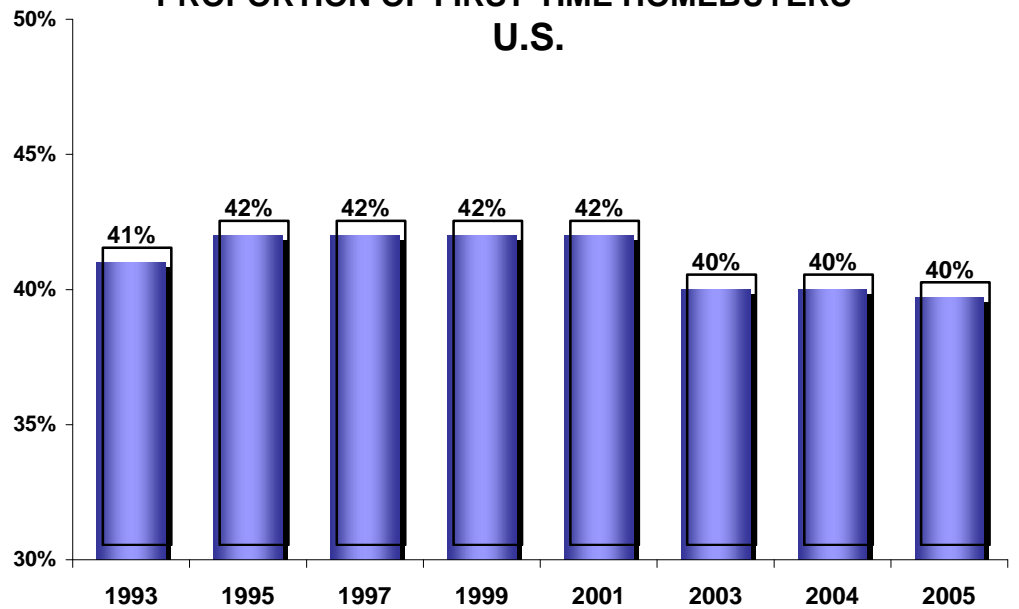


Exhibit 1-9

AGE OF FIRST-TIME AND REPEAT BUYERS

(Percentage Distribution)

TEXAS

| | First-time Buyers | Repeat Buyers |
|---------------------------|-------------------|---------------|
| Less than 25 years | 8% | 1% |
| 25 - 34 years | 48 | 17 |
| 35 - 44 years | 23 | 25 |
| 45 - 54 years | 14 | 30 |
| 55 - 64 years | 4 | 19 |
| 65 - 74 years | 2 | 7 |
| 75 years or older | -- | 2 |
| Median age (years) | 34 | 48 |

U.S.

| | First-time Buyers | Repeat Buyers |
|---------------------------|-------------------|---------------|
| Less than 25 years | 14% | 1% |
| 25-34 years | 50 | 20 |
| 35-44 years | 22 | 26 |
| 45-54 years | 10 | 25 |
| 55-64 years | 2 | 18 |
| 65-74 years | 1 | 9 |
| 75 years or older | * | 3 |
| Median age (years) | 32 | 46 |

* Less than one percent

Exhibit 1-10

HOUSEHOLD INCOME OF FIRST-TIME AND REPEAT BUYERS, 2004

(Percentage Distribution)

TEXAS

| | First-time Buyers | Repeat Buyers |
|-----------------------|-------------------|-----------------|
| Less than \$25,000 | 6% | 2% |
| \$25,000 - \$34,999 | 15 | 3 |
| \$35,000 - \$44,999 | 17 | 10 |
| \$45,000 - \$54,999 | 11 | 8 |
| \$55,000 - \$64,999 | 11 | 5 |
| \$65,000 - \$74,999 | 11 | 11 |
| \$75,000 - \$84,999 | 5 | 9 |
| \$85,000 - \$94,999 | 4 | 10 |
| \$95,000 - \$104,999 | 6 | 9 |
| \$105,000 - \$114,999 | 3 | 6 |
| \$115,000 - \$124,999 | 2 | 4 |
| \$125,000 - \$134,999 | 2 | 7 |
| \$135,000 - \$149,999 | 2 | 3 |
| \$150,000 - \$174,999 | 2 | 3 |
| \$175,000 - \$199,999 | -- | 1 |
| \$200,000 or more | 2 | 9 |
| Median income | \$55,200 | \$87,000 |

U.S.

| | First-time Buyers | Repeat Buyers |
|-----------------------|-------------------|-----------------|
| Less than \$25,000 | 6% | 3% |
| \$25,000 - \$34,999 | 13 | 5 |
| \$35,000 - \$44,999 | 13 | 6 |
| \$45,000 - \$54,999 | 15 | 9 |
| \$55,000 - \$64,999 | 13 | 9 |
| \$65,000 - \$74,999 | 10 | 10 |
| \$75,000 - \$84,999 | 8 | 9 |
| \$85,000 - \$94,999 | 6 | 8 |
| \$95,000 - \$104,999 | 6 | 10 |
| \$105,000 - \$114,999 | 2 | 6 |
| \$115,000 - \$124,999 | 1 | 4 |
| \$125,000 - \$134,999 | 2 | 4 |
| \$135,000 - \$149,999 | 1 | 3 |
| \$150,000 - \$174,999 | 1 | 4 |
| \$175,000 - \$199,999 | * | 2 |
| \$200,000 or more | 2 | 7 |
| Median income | \$57,200 | \$83,200 |

* Less than one percent

Exhibit 1-11

RACE/ETHNICITY OF FIRST-TIME AND REPEAT BUYERS

(Percent of Respondents)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|------------------------|------------|-------------------|---------------|
| White/Caucasian | 71% | 59% | 79% |
| Black/African-American | 10 | 14 | 7 |
| Asian/Pacific Islander | 3 | 4 | 2 |
| Hispanic/Latino | 16 | 22 | 12 |
| Other | 2 | 2 | 1 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|------------------------|------------|-------------------|---------------|
| White/Caucasian | 83% | 77% | 87% |
| Black/African-American | 7 | 10 | 5 |
| Asian/Pacific Islander | 4 | 6 | 3 |
| Hispanic/Latino | 6 | 7 | 5 |
| Other | 2 | 3 | 1 |

Note: Respondents were permitted to select as many races and ethnicities as they felt applicable. The percentage distribution may therefore sum to more than 100 percent.

Exhibit 1-12

PRIMARY LANGUAGE SPOKEN BY FIRST-TIME AND REPEAT BUYERS

(Percentage Distribution)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|---------|------------|-------------------|---------------|
| English | 92% | 88% | 95% |
| Other | 8 | 12 | 5 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|---------|------------|-------------------|---------------|
| English | 95% | 92% | 96% |
| Other | 5 | 8 | 4 |

Exhibit 1-13
PRIOR LIVING ARRANGEMENT
(Percentage Distribution)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|---|------------|-------------------|---------------|
| Owned previous residence | 44% | 5% | 71% |
| Rented an apartment or house | 49 | 84 | 23 |
| Lived with parents, relatives or friends | 6 | 10 | 3 |
| Rented the home buyer ultimately purchased | 1 | 1 | 1 |
| Not applicable or no change in living arrangement | 1 | -- | 2 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|---|------------|-------------------|---------------|
| Owned previous residence | 46% | 4% | 73% |
| Rented an apartment or house | 41 | 74 | 19 |
| Lived with parents, relatives or friends | 10 | 19 | 5 |
| Rented the home buyer ultimately purchased | 1 | 3 | 1 |
| Not applicable or no change in living arrangement | 2 | 1 | 2 |

* *Less than one percent*

Note: After selling their previous home, buyers may have rented a home or apartment before purchasing their next home. A first-time buyer could have acquired ownership of their previous home (as an inheritance or gift, for example) without having been the buyer of the home. Thus, a first-time buyer could have owned a home prior to their first home purchase.

Exhibit 1-14

PRIMARY REASON FOR MAKING A HOUSING CHANGE, FIRST-TIME AND REPEAT BUYERS

(Percentage Distribution)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|--|------------|-------------------|---------------|
| Desire to own a home of my own | 40% | 75% | 14% |
| Desire for more space/larger home | 20 | 9 | 26 |
| New job in another area or corporate relocation | 13 | 6 | 19 |
| Desire to be closer to job, school, relatives, transit | 8 | 1 | 12 |
| Desire for less space (children left, divorce, etc.) | 6 | 1 | 9 |
| Retirement | 3 | 1 | 4 |
| Desire for vacation home/investment property | 1 | -- | 2 |
| Other | 10 | 7 | 12 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|--|------------|-------------------|---------------|
| Desire to own a home of my own | 39% | 80% | 13% |
| Desire for more space/larger home | 20 | 7 | 29 |
| New job in another area or corporate relocation | 11 | 3 | 16 |
| Desire to be closer to job, school, relatives, transit | 8 | 3 | 12 |
| Desire for less space (children left, divorce, etc.) | 6 | * | 9 |
| Retirement | 3 | 1 | 5 |
| Desire for vacation home/investment property | 1 | * | 2 |
| Other | 11 | 6 | 14 |

* *Less than one percent*

Exhibit 1-15

PRIMARY REASON FOR MAKING A HOUSING CHANGE, AGE

(Percentage Distribution)

TEXAS

| | All Buyers | Age | | | |
|--|------------|-------|-------|-------|-------------|
| | | 18-24 | 25-44 | 45-64 | 65 or older |
| Desire to own a home of my own | 40% | 75% | 49% | 27% | -- |
| Desire for more space/larger home | 20 | -- | 23 | 19 | 9 |
| New job in another area or corporate relocation | 13 | 17 | 12 | 17 | -- |
| Desire to be closer to job, school, relatives, transit | 8 | 8 | 6 | 10 | 11 |
| Desire for less space (children left, divorce, etc.) | 6 | -- | 1 | 9 | 26 |
| Retirement | 3 | N/A | 1 | 5 | 17 |
| Desire for vacation home/investment property | 1 | -- | 1 | 3 | -- |
| Other | 10 | -- | 7 | 11 | 37 |

U.S.

| | All Buyers | Age | | | |
|--|------------|-------|-------|-------|-------------|
| | | 18-24 | 25-44 | 45-64 | 65 or older |
| Desire to own a home of my own | 39% | 75% | 49% | 22% | 6% |
| Desire for more space/larger home | 20 | 9 | 23 | 20 | 9 |
| New job in another area or corporate relocation | 11 | 4 | 12 | 13 | 1 |
| Desire to be closer to job, school, relatives, transit | 8 | 4 | 6 | 10 | 26 |
| Desire for less space (children left, divorce, etc.) | 6 | * | 1 | 12 | 20 |
| Retirement | 3 | N/A | * | 7 | 15 |
| Desire for vacation home/investment property | 1 | 1 | 1 | 2 | 1 |
| Other | 11 | 6 | 8 | 13 | 22 |

* Less than one percent

Exhibit 1-16

AGE OF HOMEBUYER, BY INTENDED USE OF HOME

(Percentage Distribution)

TEXAS

| | As Primary Residence | As Second-Home |
|---------------------------|-----------------------------|-----------------------|
| Less than 25 years | 4% | -- |
| 25 - 34 years | 31 | 7 |
| 35 - 44 years | 24 | 21 |
| 45 - 54 years | 22 | 45 |
| 55 - 64 years | 13 | 17 |
| 65 - 74 years | 5 | 10 |
| 75 years or older | 1 | -- |
| Median age (years) | 41 | 50 |

U.S.

| | As Primary Residence | As Second-Home |
|---------------------------|-----------------------------|-----------------------|
| Less than 25 years | 6% | 2% |
| 25 - 34 years | 33 | 15 |
| 35 - 44 years | 25 | 20 |
| 45 - 54 years | 18 | 28 |
| 55 - 64 years | 11 | 20 |
| 65 - 74 years | 5 | 11 |
| 75 years or older | 2 | 4 |
| Median age (years) | 40 | 50 |

Exhibit 1-17

HOUSEHOLD INCOME OF BUYERS, BY INTENDED USE OF HOME, 2004

(Percentage Distribution)

TEXAS

| | As Primary Residence | As Second-Home |
|-----------------------|----------------------|------------------|
| Less than \$25,000 | 3% | 7% |
| \$25,000 - \$34,999 | 8 | 14 |
| \$35,000 - \$44,999 | 14 | -- |
| \$45,000 - \$54,999 | 10 | -- |
| \$55,000 - \$64,999 | 7 | 7 |
| \$65,000 - \$74,999 | 11 | 7 |
| \$75,000 - \$84,999 | 7 | 7 |
| \$85,000 - \$94,999 | 7 | -- |
| \$95,000 - \$104,999 | 8 | -- |
| \$105,000 - \$114,999 | 5 | 7 |
| \$115,000 - \$124,999 | 3 | -- |
| \$125,000 - \$134,999 | 5 | 11 |
| \$135,000 - \$149,999 | 3 | 7 |
| \$150,000 - \$174,999 | 2 | 4 |
| \$175,000 - \$199,999 | 1 | 7 |
| \$200,000 or more | 5 | 21 |
| Median income | \$71,600 | \$115,000 |

U.S.

| | As Primary Residence | As Second-Home |
|-----------------------|----------------------|-----------------|
| Less than \$25,000 | 4% | 6% |
| \$25,000 - \$34,999 | 8 | 8 |
| \$35,000 - \$44,999 | 9 | 10 |
| \$45,000 - \$54,999 | 11 | 9 |
| \$55,000 - \$64,999 | 11 | 7 |
| \$65,000 - \$74,999 | 10 | 10 |
| \$75,000 - \$84,999 | 9 | 10 |
| \$85,000 - \$94,999 | 7 | 3 |
| \$95,000 - \$104,999 | 8 | 10 |
| \$105,000 - \$114,999 | 5 | 2 |
| \$115,000 - \$124,999 | 3 | 2 |
| \$125,000 - \$134,999 | 3 | 5 |
| \$135,000 - \$149,999 | 2 | 4 |
| \$150,000 - \$174,999 | 3 | 1 |
| \$175,000 - \$199,999 | 1 | 2 |
| \$200,000 or more | 5 | 12 |
| Median income | \$71,400 | \$74,900 |

Exhibit 1-18

COMPOSITION OF SECOND-HOME BUYER HOUSEHOLDS

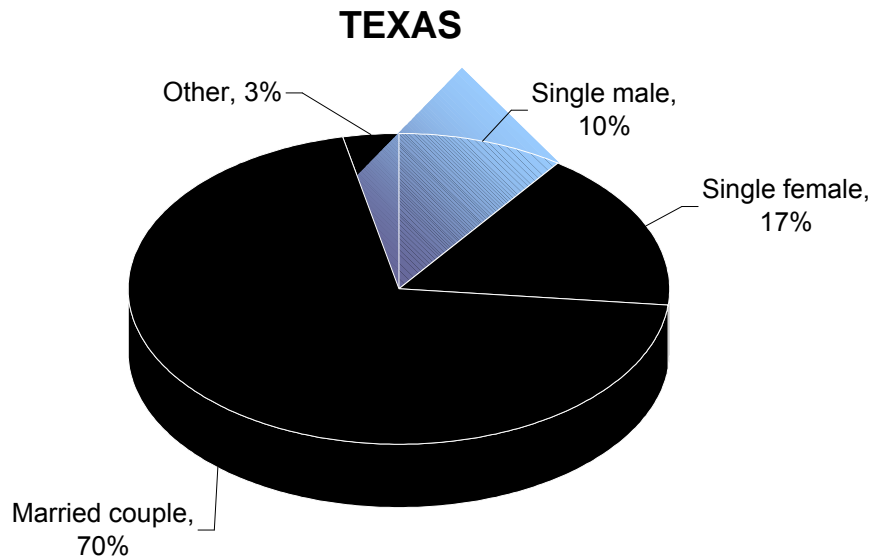
(Percentage Distribution)

TEXAS

| | |
|------------------|-----|
| Single male | 10% |
| Single female | 17% |
| Married couple | 70% |
| Unmarried couple | -- |
| Other | 3% |

COMPOSITION OF SECOND-HOME BUYER HOUSEHOLDS

(Percentage Distribution)



U.S.

| | |
|------------------|-----|
| Single male | 6% |
| Single female | 18% |
| Married couple | 66% |
| Unmarried couple | 5% |
| Other | 5% |

COMPOSITION OF SECOND-HOME BUYER HOUSEHOLDS

(Percentage Distribution)

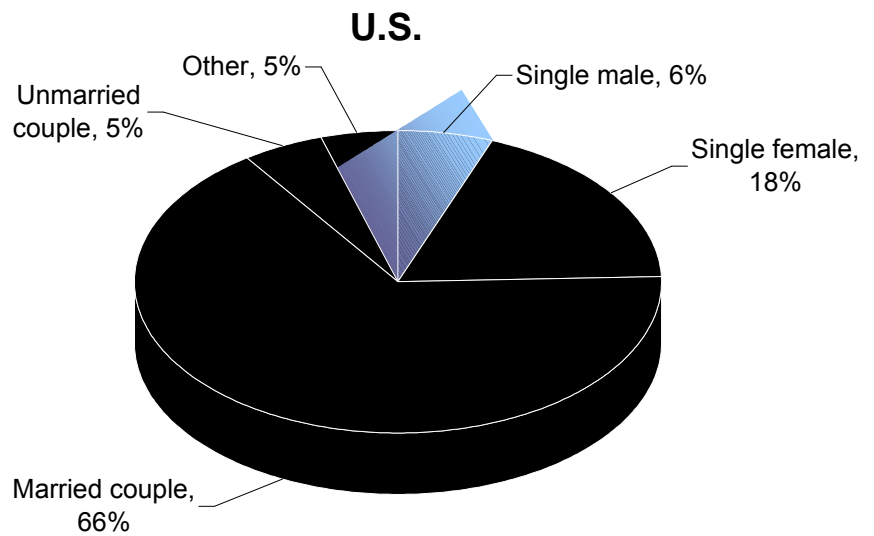


Exhibit 2-1

NEW AND PREVIOUSLY OWNED HOMES PURCHASED

(Percentage Distribution)

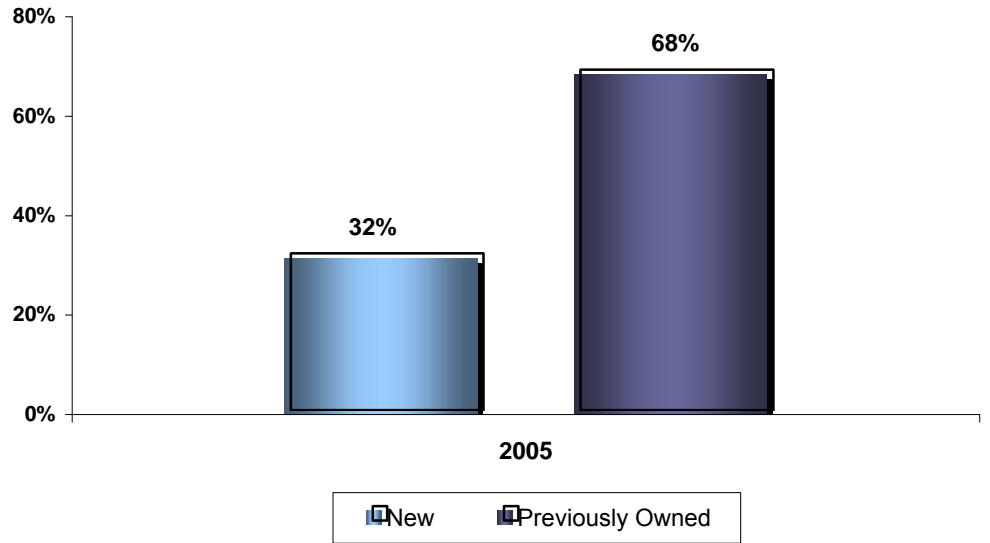
TEXAS

| | New | Previously Owned |
|-------------|-----|------------------|
| 2005 | 32% | 68% |

NEW AND PREVIOUSLY OWNED HOMES PURCHASED

(Percentage Distribution)

TEXAS



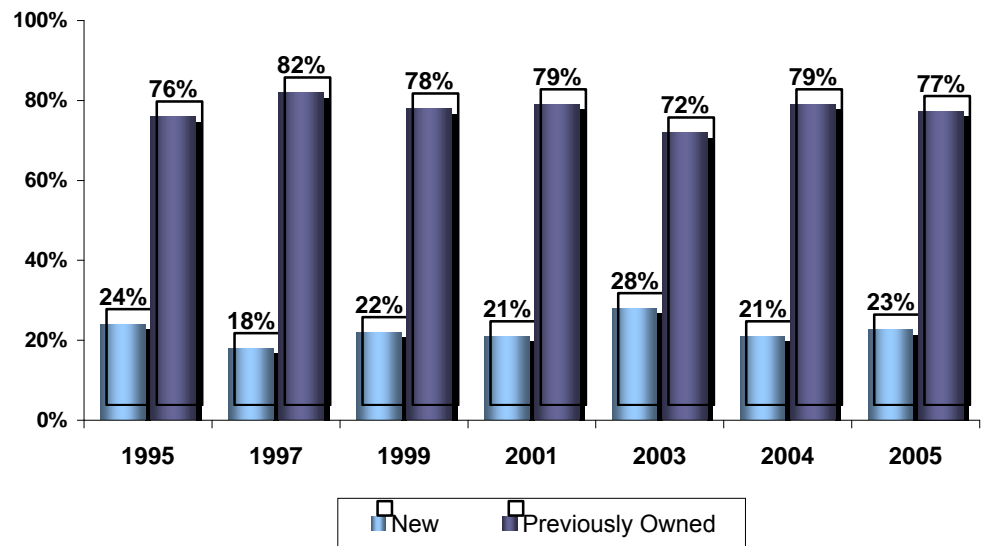
U.S.

| | New | Previously Owned |
|-------------|-----|------------------|
| 1995 | 24% | 76% |
| 1997 | 18% | 82% |
| 1999 | 22% | 78% |
| 2001 | 21% | 79% |
| 2003 | 28% | 72% |
| 2004 | 21% | 79% |
| 2005 | 23% | 77% |

NEW AND PREVIOUSLY OWNED HOMES PURCHASED

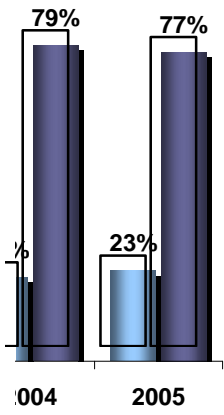
(Percentage Distribution)

U.S.



ASED

ASED



TEXAS

Exhibit 2-3

TYPE OF HOME PURCHASED, BY REGION

(Percentage Distribution)

| | Texas | U.S. | Northeast | Midwest | South | West |
|---|-------|------|-----------|---------|-------|------|
| Detached single family | 85% | 75% | 69% | 74% | 79% | 74% |
| Townhouse/row house | 5 | 9 | 12 | 9 | 9 | 8 |
| Apartment/condo in building with 5 or more units | 3 | 7 | 6 | 8 | 5 | 10 |
| Duplex/apartment/condo in 2-4 unit structure | 2 | 2 | 6 | 3 | 1 | 1 |
| Other | 6 | 6 | 6 | 6 | 6 | 7 |

Exhibit 2-4

TYPE OF HOME PURCHASED BY FIRST-TIME AND REPEAT BUYERS

(Percentage Distribution)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|---|-------------------|--------------------------|----------------------|
| Detached single family | 85% | 86% | 83% |
| Townhouse/row house | 5 | 4 | 6 |
| Apartment/condo in building with 5 or more units | 3 | 3 | 3 |
| Duplex/apartment/condo in 2-4 unit structure | 2 | 1 | 3 |
| Other | 6 | 6 | 5 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|---|-------------------|--------------------------|----------------------|
| Detached single family | 75% | 69% | 79% |
| Townhouse/row house | 9 | 11 | 8 |
| Apartment/condo in building with 5 or more units | 7 | 9 | 5 |
| Duplex/apartment/condo in 2-4 unit structure | 2 | 3 | 2 |
| Other | 6 | 7 | 5 |

TEXAS

Exhibit 2-5

LOCATION OF HOME PURCHASED, BY REGION

(Percentage Distribution)

| | Texas | U.S | Northeast | Midwest | South | West |
|-------------------------------|-------|-----|-----------|---------|-------|------|
| Suburb/Subdivision | 66% | 56% | 44% | 60% | 62% | 49% |
| Small town | 8 | 17 | 30 | 15 | 13 | 16 |
| Urban/Central city | 19 | 17 | 12 | 17 | 14 | 24 |
| Rural area | 6 | 9 | 12 | 7 | 9 | 9 |
| Resort/Recreation area | 1 | 1 | 1 | * | 1 | 2 |

* *Less than one percent*

Exhibit 2-6

LOCATION OF HOME PURCHASED, FIRST-TIME AND REPEAT BUYERS

(Percentage Distribution)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|------------------------|------------|-------------------|---------------|
| Suburb/Subdivision | 66% | 62% | 69% |
| Small town | 8 | 7 | 9 |
| Urban/Central city | 19 | 24 | 16 |
| Rural area | 6 | 7 | 5 |
| Resort/Recreation area | 1 | -- | 1 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|------------------------|------------|-------------------|---------------|
| Suburb/Subdivision | 56% | 52% | 58% |
| Small town | 17 | 17 | 17 |
| Urban/Central city | 17 | 22 | 13 |
| Rural area | 9 | 8 | 10 |
| Resort/Recreation area | 1 | * | 2 |

* *Less than one percent*

Exhibit 2-7

LOCATION OF NEW HOME PURCHASED VS LOCATION OF HOME SOLD

(Percentage Distribution)

TEXAS

LOCATION OF HOME PURCHASED

| | | Suburb/ Subdivision | Small town | Urban/ Central city | Rural area | Resort/ Recreation area |
|--------------------------------------|------------------------|------------------------|---------------|------------------------|---------------|-------------------------------|
| LOCATION OF HOME SOLD | Suburb/Subdivision | 52% | 3% | 3% | 3% | 1% |
| | Small town | 5 | 2 | 3 | 1 | -- |
| | Urban/Central city | 8 | 1 | 8 | -- | -- |
| | Rural area | 6 | 1 | 1 | 1 | -- |
| | Resort/Recreation area | 1 | 1 | -- | * | -- |

U.S.

LOCATION OF HOME PURCHASED

| | | Suburb/ Subdivision | Small town | Urban/ Central city | Rural area | Resort/ Recreation area |
|--------------------------------------|------------------------|------------------------|---------------|------------------------|---------------|-------------------------------|
| LOCATION OF HOME SOLD | Suburb/Subdivision | 41% | 4% | 4% | 4% | 1% |
| | Small town | 5 | 8 | 1 | 1 | * |
| | Urban/Central city | 7 | 2 | 7 | 1 | * |
| | Rural area | 5 | 2 | 1 | 3 | * |
| | Resort/Recreation area | 1 | * | * | * | 1 |

* Less than one percent

Exhibit 2-8

DISTANCE BETWEEN HOME RECENTLY PURCHASED AND PREVIOUS RESIDENCE

(Median Miles)

| | Miles |
|------------------|-------|
| Texas | 14 |
| U.S. | 12 |
| Northeast | 9 |
| Midwest | 11 |
| South | 13 |
| West | 12 |

MEDIAN DISTANCE BETWEEN HOME RECENTLY PURCHASED AND PREVIOUS RESIDENCE

(Median Miles)

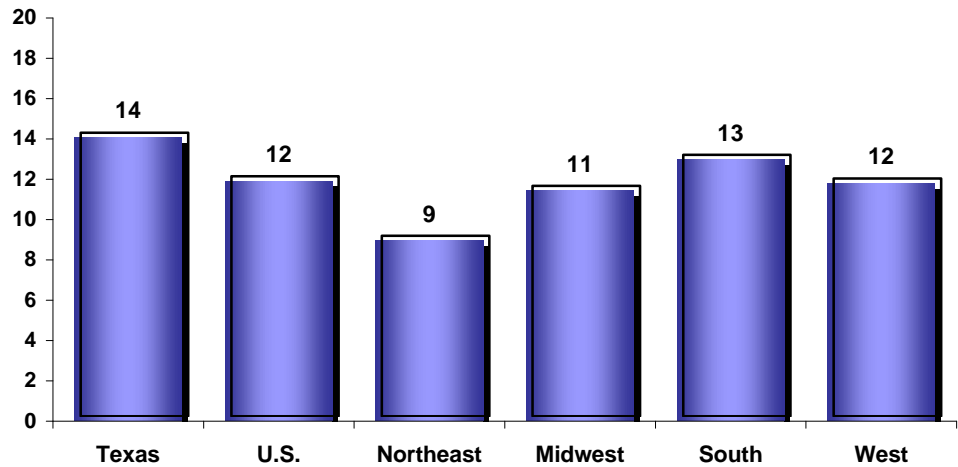


Exhibit 2-9

FACTORS INFLUENCING NEIGHBORHOOD CHOICE, BY LOCATION

(Percent of Respondents)

TEXAS

Buyers who purchased a home in:

| | All Buyers | Buyers who purchased a home in: | | | | |
|-----------------------------|------------|---------------------------------|---------------|---------------------------|-------|-------------------------------|
| | | Suburb/ Subdivision | Small town | Urban/ Central city | Rural | Resort/ Recreation area |
| Neighborhood quality | 72% | 74% | 62% | 73% | 51% | 60% |
| Close to job/school | 44 | 48 | 20 | 49 | 23 | -- |
| Close to friends/family | 33 | 32 | 46 | 38 | 17 | -- |
| School district | 31 | 37 | 26 | 20 | 9 | -- |
| Parks/recreation facilities | 12 | 12 | 12 | 17 | -- | 50 |
| Shopping | 16 | 15 | 10 | 23 | 11 | -- |
| Entertainment venues | 8 | 5 | 4 | 18 | 6 | 40 |
| Proximity to airport | 5 | 5 | 4 | 5 | 9 | -- |
| Health facilities | 5 | 5 | 2 | 7 | -- | 40 |
| Planned community | 17 | 20 | 14 | 4 | 17 | 50 |
| Public transportation | 2 | 1 | 4 | 4 | 6 | -- |
| Other | 15 | 14 | 24 | 11 | 25 | -- |

U.S.

Buyers who purchased a home in:

| | All Buyers | Buyers who purchased a home in: | | | | |
|-----------------------------|------------|---------------------------------|---------------|---------------------------|-------|-------------------------------|
| | | Suburb/ Subdivision | Small town | Urban/ Central city | Rural | Resort/ Recreation area |
| Neighborhood quality | 68% | 74% | 63% | 63% | 57% | 56% |
| Close to job/school | 43 | 44 | 41 | 55 | 27 | 30 |
| Close to friends/family | 36 | 37 | 39 | 35 | 33 | 30 |
| School district | 23 | 27 | 23 | 12 | 19 | 7 |
| Shopping | 19 | 21 | 13 | 23 | 7 | 19 |
| Parks/recreation facilities | 15 | 16 | 14 | 16 | 8 | 38 |
| Planned community | 11 | 14 | 8 | 6 | 7 | 24 |
| Entertainment venues | 9 | 8 | 5 | 19 | 3 | 26 |
| Public transportation | 6 | 5 | 4 | 15 | 3 | 1 |
| Proximity to airport | 6 | 7 | 4 | 8 | 4 | 11 |
| Health facilities | 6 | 6 | 5 | 8 | 3 | 5 |
| Other | 18 | 14 | 20 | 20 | 33 | 24 |

TEXAS

Exhibit 2-10

PRICE OF HOME BY REGION

(Percentage Distribution)

| | Texas | U.S. | Northeast | Midwest | South | West |
|------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Less than \$75,000 | 10% | 6% | 12% | 6% | 5% | 2% |
| \$75,000 to \$99,999 | 11 | 7 | 6 | 7 | 10 | 3 |
| \$100,000 to \$124,999 | 14 | 9 | 6 | 13 | 10 | 5 |
| \$125,000 to \$149,999 | 20 | 11 | 6 | 12 | 14 | 7 |
| \$150,000 to \$174,999 | 13 | 10 | 8 | 13 | 11 | 7 |
| \$175,000 to \$199,999 | 7 | 9 | 8 | 11 | 9 | 7 |
| \$200,000 to \$249,999 | 10 | 12 | 14 | 14 | 11 | 10 |
| \$250,000 to \$299,999 | 5 | 9 | 10 | 8 | 9 | 11 |
| \$300,000 to \$349,999 | 3 | 6 | 7 | 5 | 6 | 7 |
| \$350,000 to \$399,999 | 2 | 6 | 6 | 3 | 5 | 9 |
| \$400,000 to \$499,999 | 2 | 6 | 7 | 3 | 5 | 12 |
| \$500,000 or more | 2 | 9 | 9 | 4 | 6 | 20 |
| Median price | \$140,000 | \$195,000 | \$212,000 | \$170,000 | \$175,000 | \$290,000 |

Exhibit 2-11

PURCHASE PRICE OF HOME, NEW AND PREVIOUSLY OWNED

(Percentage Distribution)

TEXAS

| | New | Previously Owned |
|------------------------|------------------|------------------|
| Less than \$75,000 | 1% | 14% |
| \$75,000 to \$99,999 | 6 | 14 |
| \$100,000 to \$124,999 | 10 | 15 |
| \$125,000 to \$149,999 | 29 | 17 |
| \$150,000 to \$174,999 | 12 | 12 |
| \$175,000 to \$199,999 | 10 | 6 |
| \$200,000 to \$249,999 | 13 | 9 |
| \$250,000 to \$299,999 | 8 | 4 |
| \$300,000 to \$349,999 | 3 | 4 |
| \$350,000 to \$399,999 | 4 | 1 |
| \$400,000 to \$499,999 | 1 | 3 |
| \$500,000 or more | 2 | 2 |
| Median price | \$157,000 | \$136,000 |

U.S.

| | New | Previously Owned |
|------------------------|------------------|------------------|
| Less than \$75,000 | 1% | 7% |
| \$75,000 to \$99,999 | 2 | 8 |
| \$100,000 to \$124,999 | 6 | 10 |
| \$125,000 to \$149,999 | 10 | 11 |
| \$150,000 to \$174,999 | 12 | 10 |
| \$175,000 to \$199,999 | 10 | 8 |
| \$200,000 to \$249,999 | 16 | 11 |
| \$250,000 to \$299,999 | 13 | 8 |
| \$300,000 to \$349,999 | 9 | 5 |
| \$350,000 to \$399,999 | 8 | 5 |
| \$400,000 to \$499,999 | 6 | 7 |
| \$500,000 or more | 9 | 10 |
| Median price | \$226,300 | \$185,000 |

* *Less than one percent*

Exhibit 2-12

PRICE OF HOME PURCHASED, FIRST-TIME AND REPEAT BUYERS

(Percentage Distribution)

TEXAS

| | First-time Buyers | Repeat Buyers |
|------------------------|-------------------|------------------|
| Less than \$75,000 | 17% | 5% |
| \$75,000 to \$99,999 | 14 | 10 |
| \$100,000 to \$124,999 | 21 | 9 |
| \$125,000 to \$149,999 | 23 | 18 |
| \$150,000 to \$174,999 | 10 | 14 |
| \$175,000 to \$199,999 | 5 | 8 |
| \$200,000 to \$249,999 | 4 | 15 |
| \$250,000 to \$299,999 | 1 | 8 |
| \$300,000 to \$349,999 | 2 | 4 |
| \$350,000 to \$399,999 | * | 3 |
| \$400,000 to \$499,999 | 2 | 3 |
| \$500,000 or more | * | 3 |
| Median price | \$124,000 | \$165,000 |

U.S.

| | First-time Buyers | Repeat Buyers |
|------------------------|-------------------|------------------|
| Less than \$75,000 | 10% | 3% |
| \$75,000 to \$99,999 | 12 | 3 |
| \$100,000 to \$124,999 | 14 | 6 |
| \$125,000 to \$149,999 | 13 | 9 |
| \$150,000 to \$174,999 | 11 | 10 |
| \$175,000 to \$199,999 | 8 | 9 |
| \$200,000 to \$249,999 | 10 | 13 |
| \$250,000 to \$299,999 | 6 | 12 |
| \$300,000 to \$349,999 | 4 | 8 |
| \$350,000 to \$399,999 | 4 | 6 |
| \$400,000 to \$499,999 | 4 | 8 |
| \$500,000 or more | 4 | 13 |
| Median price | \$150,000 | \$235,000 |

* *Less than one percent*

TEXAS

Exhibit 2-13

PURCHASE PRICE COMPARED WITH LISTING PRICE, BY REGION

(Percentage Distribution)

| Percent of listing price: | Texas | U.S. | Northeast | Midwest | South | West |
|--|--------------|-------------|------------------|----------------|--------------|-------------|
| Less than 90% | 9% | 7% | 9% | 9% | 7% | 4% |
| 90% to 94% | 21 | 13 | 17 | 14 | 14 | 7 |
| 95% to 99% | 37 | 32 | 32 | 42 | 29 | 28 |
| 100% | 25 | 36 | 32 | 29 | 38 | 41 |
| 101% to 110% | 6 | 10 | 8 | 5 | 10 | 16 |
| More than 110% | 2 | 2 | 1 | 1 | 2 | 3 |
| Median (purchase price as a percent of listing price) | 97% | 99% | 98% | 98% | 100% | 100% |

Exhibit 2-14

SIZE OF HOME PURCHASED, FIRST-TIME BUYER AND REPEAT BUYERS

(Percentage Distribution)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|-----------------------|--------------|-------------------|---------------|
| 1,000 sq ft or less | 4% | 6% | 3% |
| 1,001 to 1,500 sq ft | 18 | 24 | 14 |
| 1,501 to 2,000 sq ft | 27 | 32 | 25 |
| 2,001 to 2,500 sq ft | 23 | 23 | 22 |
| 2,501 to 3,000 sq ft | 13 | 8 | 17 |
| 3,001 to 3,500 sq ft | 7 | 2 | 11 |
| 3,501 sq ft or more | 7 | 4 | 9 |
| Median (sq ft) | 2,007 | 1,812 | 2,196 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|-----------------------|--------------|-------------------|---------------|
| 1,000 sq ft or less | 7% | 12% | 4% |
| 1,001 to 1,500 sq ft | 25 | 36 | 18 |
| 1,501 to 2,000 sq ft | 29 | 31 | 28 |
| 2,001 to 2,500 sq ft | 17 | 12 | 21 |
| 2,501 to 3,000 sq ft | 11 | 6 | 15 |
| 3,001 to 3,500 sq ft | 5 | 2 | 7 |
| 3,501 sq ft or more | 6 | 2 | 8 |
| Median (sq ft) | 1,816 | 1,546 | 2,015 |

TEXAS

Exhibit 2-15

HOME SIZE AND PRICE PER SQUARE FOOT, BY REGION

(Median)

| | Texas | U.S. | Northeast | Midwest | South | West |
|------------------------------|-------|-------|-----------|---------|-------|-------|
| Square feet | 2,007 | 1,816 | 1,788 | 1,690 | 1,930 | 1,764 |
| Price per square foot | \$74 | \$109 | \$123 | \$103 | \$94 | \$160 |

Exhibit 2-16

HOME SIZE AND PRICE PER SQUARE FOOT, BY TYPE OF HOME

(Median)

TEXAS

| | Detached single- family | Townhouse or row house | Duplex/ apartment in 2-4 unit structure | Apartment/ condo in building with 5 or more units |
|------------------------------|------------------------------------|-----------------------------------|--|--|
| Square feet | 2,106 | 1,689 | 1,608 | 1,144 |
| Price per square foot | \$74 | \$74 | \$76 | \$77 |

U.S.

| | Detached single- family | Townhouse or row house | Duplex/ apartment in 2-4 unit structure | Apartment/ condo in building with 5 or more units |
|------------------------------|------------------------------------|-----------------------------------|--|--|
| Square feet | 1,927 | 1,570 | 1,702 | 1,181 |
| Price per square foot | \$106 | \$124 | \$100 | \$163 |

TEXAS

Exhibit 2-17

CHARACTERISTICS OF HOME ON WHICH BUYER COMPROMISED, BY REGION

(Percent of Respondents)

| | Texas | U.S. | Northeast | Midwest | South | West |
|---------------------------|-------|------|-----------|---------|-------|------|
| Size of house | 13% | 15% | 14% | 15% | 14% | 16% |
| Neighborhood quality | 10 | 12 | 13 | 11 | 11 | 13 |
| Distance from work/school | 11 | 11 | 11 | 13 | 11 | 11 |
| Planned expenditures | 9 | 10 | 9 | 11 | 10 | 11 |
| Condition of house | 8 | 6 | 9 | 5 | 5 | 7 |
| Lot size | 6 | 7 | 7 | 7 | 8 | 7 |
| Other | 3 | 3 | 4 | 4 | 3 | 2 |
| None, made no compromise | 41 | 35 | 34 | 35 | 38 | 33 |

Exhibit 2-18

CHARACTERISTICS OF HOME ON WHICH BUYER COMPROMISED, FIRST-TIME AND REPEAT BUYERS

(Percentage of Respondents)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|---------------------------|------------|-------------------|---------------|
| Size of house | 13% | 13% | 13% |
| Neighborhood quality | 10 | 13 | 7 |
| Distance from work/school | 11 | 15 | 8 |
| Planned expenditures | 9 | 11 | 8 |
| Condition of house | 8 | 8 | 7 |
| Lot size | 6 | 6 | 7 |
| Other | 3 | 2 | 3 |
| None, made no compromise | 41 | 32 | 48 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|---------------------------|------------|-------------------|---------------|
| Size of house | 15% | 16% | 14% |
| Neighborhood quality | 12 | 16 | 9 |
| Distance from work/school | 11 | 14 | 10 |
| Planned expenditures | 10 | 9 | 11 |
| Lot size | 7 | 5 | 9 |
| Condition of house | 6 | 5 | 7 |
| Other | 3 | 4 | 3 |
| None, made no compromise | 35 | 31 | 38 |

Exhibit 2-19

PURCHASE PRICE, PRIMARY RESIDENCE AND SECOND HOME

(Percentage Distribution)

TEXAS

| | Primary Residence | Non-primary Residence/ Second-Home |
|------------------------|-------------------|---------------------------------------|
| Less than \$75,000 | 10% | 13% |
| \$75,000 to \$99,999 | 11 | 13 |
| \$100,000 to \$124,999 | 14 | -- |
| \$125,000 to \$149,999 | 20 | 27 |
| \$150,000 to \$174,999 | 13 | 10 |
| \$175,000 to \$199,999 | 7 | -- |
| \$200,000 to \$249,999 | 10 | 10 |
| \$250,000 to \$299,999 | 5 | 3 |
| \$300,000 to \$349,999 | 3 | 7 |
| \$350,000 to \$399,999 | 2 | -- |
| \$400,000 to \$499,999 | 2 | 7 |
| \$500,000 or more | 1 | 10 |
| Median price | \$140,000 | \$143,760 |

U.S.

| | Primary Residence | Non-primary Residence/ Second-Home |
|------------------------|-------------------|---------------------------------------|
| Less than \$75,000 | 5% | 11% |
| \$75,000 to \$99,999 | 7 | 10 |
| \$100,000 to \$124,999 | 9 | 4 |
| \$125,000 to \$149,999 | 11 | 9 |
| \$150,000 to \$174,999 | 10 | 9 |
| \$175,000 to \$199,999 | 9 | 5 |
| \$200,000 to \$249,999 | 12 | 13 |
| \$250,000 to \$299,999 | 9 | 8 |
| \$300,000 to \$349,999 | 6 | 5 |
| \$350,000 to \$399,999 | 6 | 5 |
| \$400,000 to \$499,999 | 6 | 7 |
| \$500,000 or more | 9 | 14 |
| Median price | \$194,700 | \$211,600 |

Exhibit 2-20

TYPE OF HOME, PRIMARY RESIDENCE AND SECOND-HOME

(Percentage Distribution)

TEXAS

| | Primary Residence | Non-primary Residence/ Second-Home |
|--|-------------------|---------------------------------------|
| Detached single family | 86% | 66% |
| Townhouse/row house | 5 | 6 |
| Duplex/apartment/condo in 2-4 unit structure | 2 | 6 |
| Apartment/condo in building with 5 or more units | 2 | 16 |
| Other | 6 | 6 |

U.S.

| | Primary Residence | Non-primary Residence/ Second-Home |
|--|-------------------|---------------------------------------|
| Detached single family | 76% | 63% |
| Townhouse/row house | 9 | 8 |
| Duplex/apartment/condo in 2-4 unit structure | 2 | 7 |
| Apartment/condo in building with 5 or more units | 6 | 12 |
| Other | 6 | 10 |

Exhibit 2-21

LOCATION OF HOME, PRIMARY RESIDENCE, VACATION HOME AND INVESTMENT PROPERTY

(Percentage Distribution)

TEXAS

| | Primary Residence | Second-Home |
|------------------------|-------------------|-------------|
| Suburb/Subdivision | 67% | 53% |
| Small town | 8 | 16 |
| Urban/Central city | 19 | 16 |
| Rural area | 6 | 6 |
| Resort/Recreation area | * | 9 |

U.S.

| | Primary Residence | Second-Home |
|------------------------|-------------------|-------------|
| Suburb/Subdivision | 57% | 40% |
| Small town | 17 | 21 |
| Urban/Central city | 16 | 24 |
| Rural area | 9 | 10 |
| Resort/Recreation area | 1 | 5 |

* *Less than one percent*

TEXAS

Exhibit 3-1
ACTIVE HOME SEARCH
(Median)

| | Texas | U.S. | Northeast | Midwest | South | West |
|---------------------------------|-------|------|-----------|---------|-------|------|
| Number of Weeks Searched | | | | | | |
| 2001 | | 7 | 7 | 7 | 7 | 7 |
| 2003 | | 8 | 10 | 8 | 8 | 6 |
| 2004 | 7 | 8 | 12 | 8 | 8 | 8 |
| 2005 | 6 | 8 | 10 | 8 | 8 | 6 |
| Number of Homes Seen | | | | | | |
| 2001 | | 10 | 11 | 8 | 7 | 10 |
| 2003 | | 10 | 9 | 10 | 9 | 12 |
| 2004 | 11 | 9 | 8 | 10 | 9 | 10 |
| 2005 | 11 | 9 | 8 | 11 | 9 | 9 |

SEARCH ACTIVITY, FIRST-TIME VS. REPEAT BUYERS

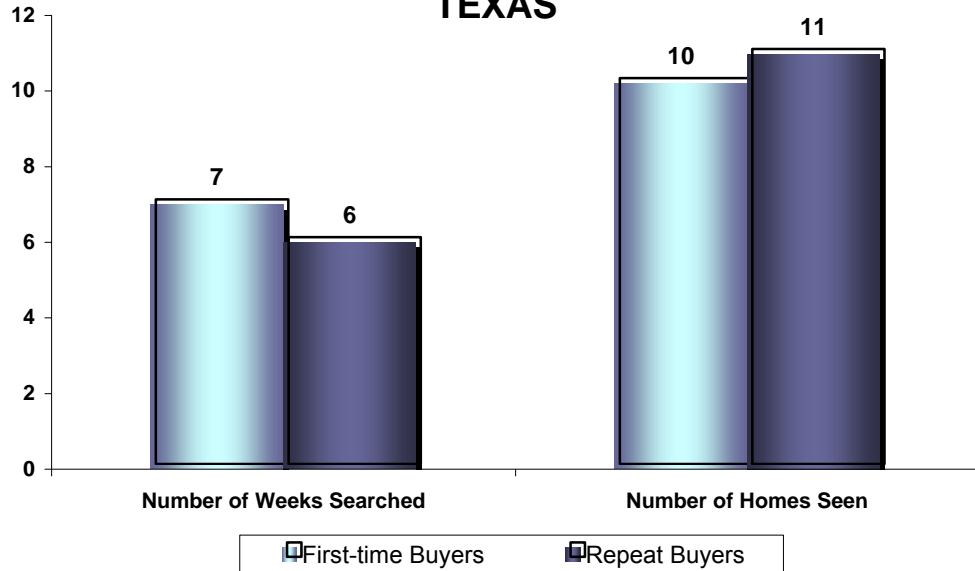
(Median)

| | TEXAS | | U.S. | |
|--------------------------|-------------------|---------------|-------------------|---------------|
| | First-time Buyers | Repeat Buyers | First-time Buyers | Repeat Buyers |
| Number of Weeks Searched | 7 | 6 | 8 | 8 |
| Number of Homes Seen | 10 | 11 | 8 | 10 |

SEARCH ACTIVITY, FIRST-TIME AND REPEAT BUYERS

(Median)

TEXAS



SEARCH ACTIVITY, FIRST-TIME AND REPEAT BUYERS

(Median)

U.S.

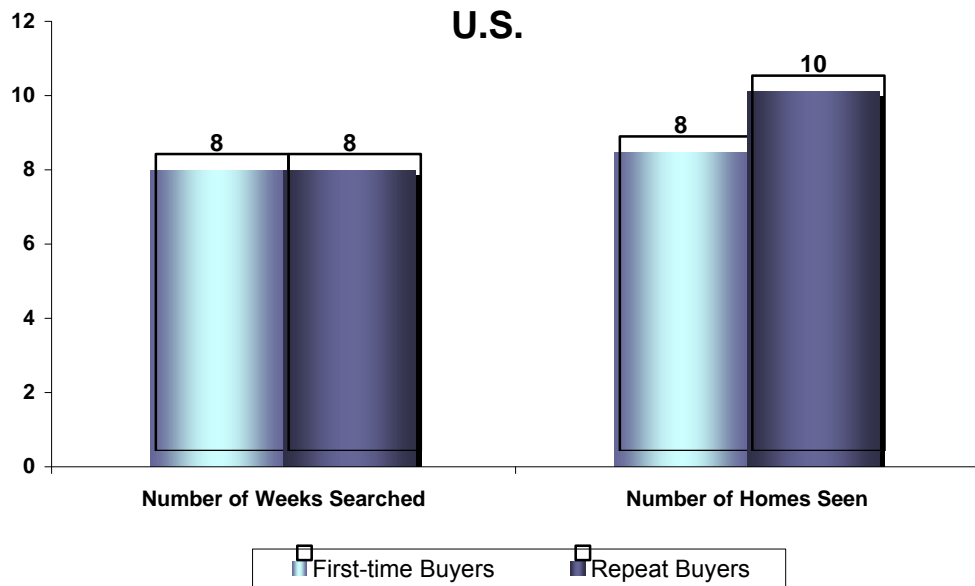


Exhibit 3-3

INFORMATION SOURCES USED IN HOME SEARCH

(Percent of Respondents)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|-------------------------|------------|-------------------|---------------|
| Real estate agent | 89% | 92% | 87% |
| Yard sign | 71 | 66 | 75 |
| Internet | 78 | 81 | 76 |
| Newspaper advertisement | 39 | 37 | 40 |
| Open house | 43 | 42 | 43 |
| Home builder | 49 | 48 | 50 |
| Home book or magazine | 35 | 41 | 30 |
| Television | 25 | 29 | 23 |
| Billboard | 24 | 30 | 20 |
| Relocation company | 20 | 17 | 21 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|-------------------------|------------|-------------------|---------------|
| Real estate agent | 90% | 90% | 90% |
| Internet | 77 | 79 | 77 |
| Yard sign | 71 | 70 | 71 |
| Open house | 51 | 51 | 52 |
| Newspaper advertisement | 50 | 51 | 50 |
| Home book or magazine | 38 | 39 | 37 |
| Home builder | 36 | 30 | 41 |
| Television | 25 | 26 | 24 |
| Billboard | 19 | 19 | 18 |
| Relocation company | 15 | 14 | 16 |

Exhibit 3-4

WHERE BUYER FIRST LEARNED ABOUT HOME PURCHASED

(Percentage Distribution)

TEXAS

| | 2004 | 2005 |
|-------------------------------|------|------|
| Real estate agent | 34% | 32% |
| Internet | 17 | 25 |
| Yard sign | 16 | 17 |
| Print newspaper advertisement | 3 | 2 |
| Friend, neighbor or relative | 6 | 6 |
| Knew the seller | 4 | 2 |
| Home builder or their agent | 15 | 15 |
| Home book or magazine | 1 | 1 |
| Other | 3 | -- |

U.S.

| | 1997 | 1999 | 2001 | 2003 | 2004 | 2005 |
|-------------------------------|------|------|------|------|------|------|
| Real estate agent | 50% | 49% | 48% | 41% | 38% | 36% |
| Internet | 2 | 4 | 8 | 11 | 15 | 24 |
| Yard sign | 17 | 15 | 15 | 16 | 16 | 15 |
| Friend, neighbor or relative | 9 | 8 | 8 | 7 | 7 | 7 |
| Home builder or their agent | 3 | 4 | 3 | 7 | 7 | 7 |
| Print newspaper advertisement | 8 | 8 | 7 | 7 | 5 | 5 |
| Knew the seller | 4 | 3 | 4 | 4 | 5 | 3 |
| Home book or magazine | 3 | 3 | 2 | 1 | 2 | 1 |
| Other | * | 4 | 3 | 6 | 4 | -- |

* Less than one percent

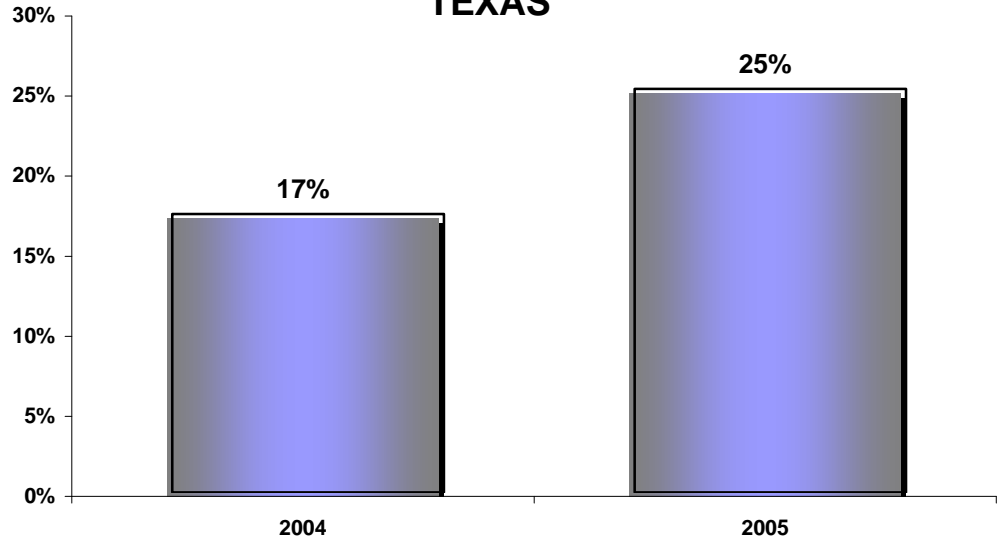
Exhibit 3-5

Proportion of buyers who first found their home on the Internet, 1997-2005

TEXAS

| | |
|------|-----|
| 2004 | 17% |
| 2005 | 25% |

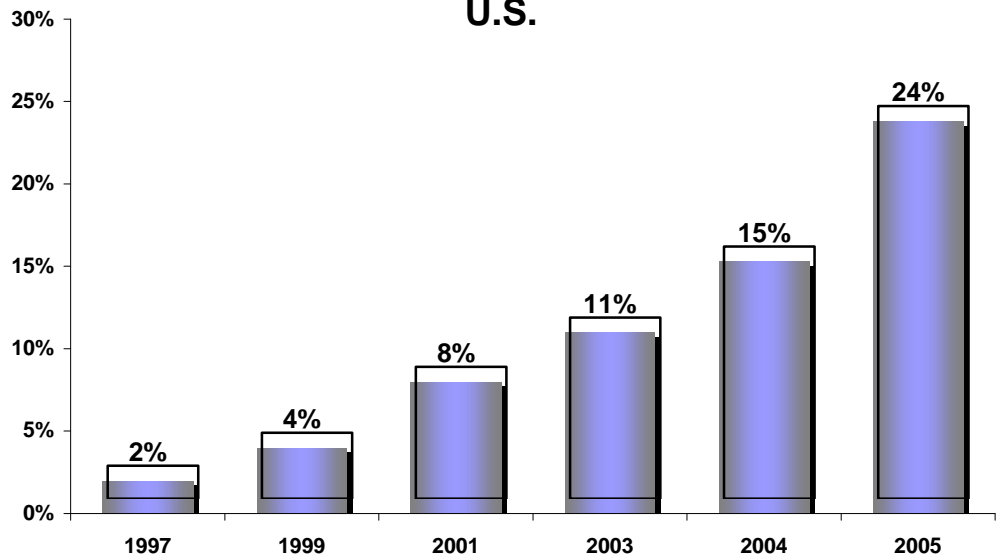
PERCENT OF BUYERS WHO FIRST FOUND THEIR HOME ON THE INTERNET, 1995-2004
TEXAS



U.S.

| | |
|------|-----|
| 1997 | 2% |
| 1999 | 4% |
| 2001 | 8% |
| 2003 | 11% |
| 2004 | 15% |
| 2005 | 24% |

PERCENT OF BUYERS WHO FIRST FOUND THEIR HOME ON THE INTERNET, 1995-2004
U.S.



TEXAS

Exhibit 3-6

USE OF INTERNET TO SEARCH FOR HOMES, BY REGION

(Percentage Distribution)

| | Texas | U.S. | Northeast | Midwest | South | West |
|---------------------|-------|------|-----------|---------|-------|------|
| Frequently | 61% | 57% | 59% | 60% | 54% | 58% |
| Occasionally | 20 | 22 | 22 | 23 | 24 | 20 |
| Not at all | 19 | 21 | 20 | 17 | 22 | 22 |

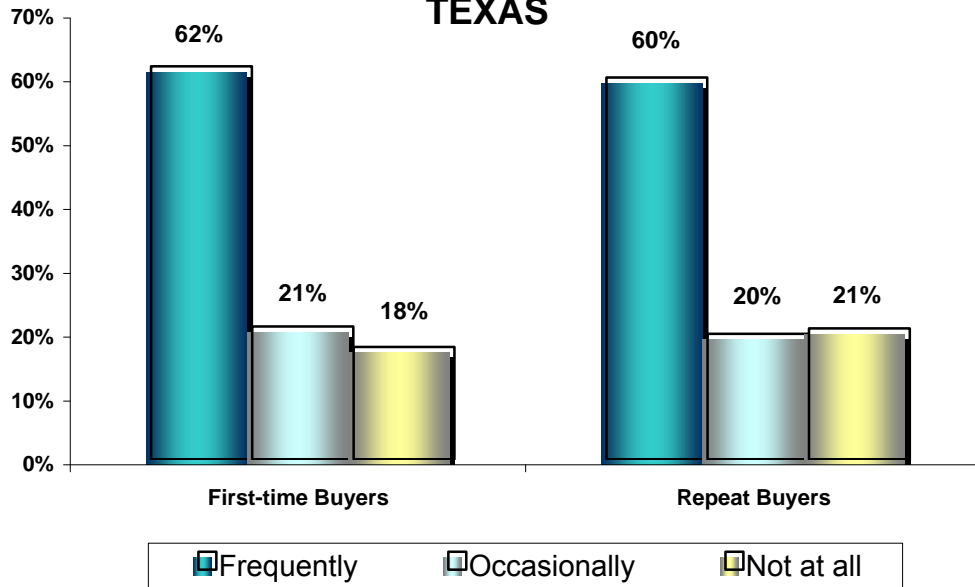
USE OF INTERNET TO SEARCH FOR HOMES, FIRST-TIME AND REPEAT BUYERS

(Percentage Distribution)

| | TEXAS | | U.S. | |
|--------------|-------------------|---------------|-------------------|---------------|
| | First-time Buyers | Repeat Buyers | First-time Buyers | Repeat Buyers |
| Frequently | 62% | 60% | 61% | 54% |
| Occasionally | 21% | 20% | 21% | 24% |
| Not at all | 18% | 21% | 18% | 22% |

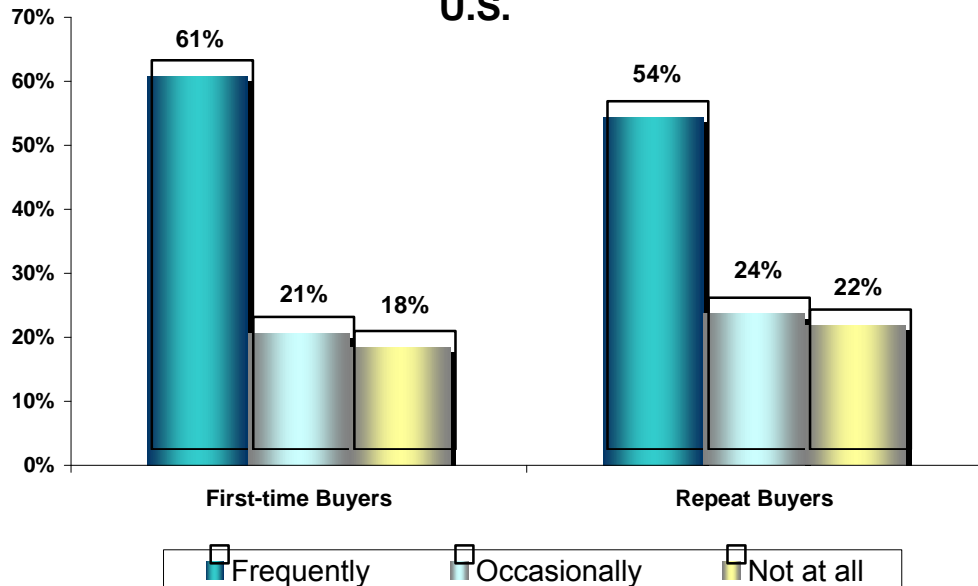
USE OF INTERNET TO SEARCH FOR HOMES, FIRST-TIME AND REPEAT BUYERS

TEXAS



USE OF INTERNET TO SEARCH FOR HOMES, FIRST-TIME AND REPEAT BUYERS

U.S.



Use of Internet to Search for Homes

| | TEXAS | |
|------|------------|--------------|
| | Frequently | Occasionally |
| 2003 | | |
| 2004 | 57% | 20% |
| 2005 | 61% | 20% |

| | U.S. | |
|------|------------|--------------|
| | Frequently | Occasionally |
| 2003 | 42% | 29% |
| 2004 | 53% | 24% |
| 2005 | 57% | 22% |

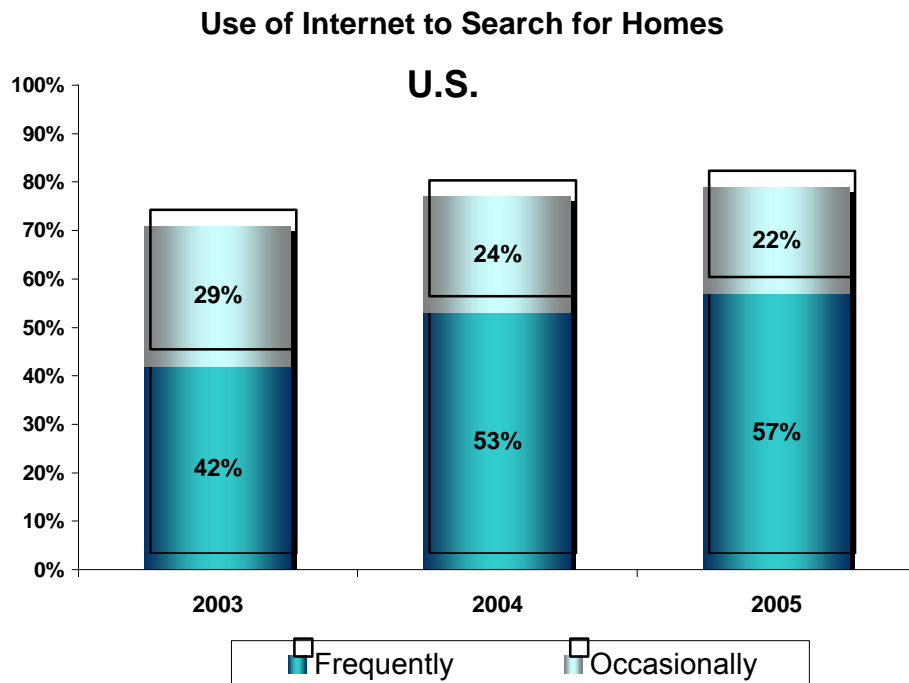
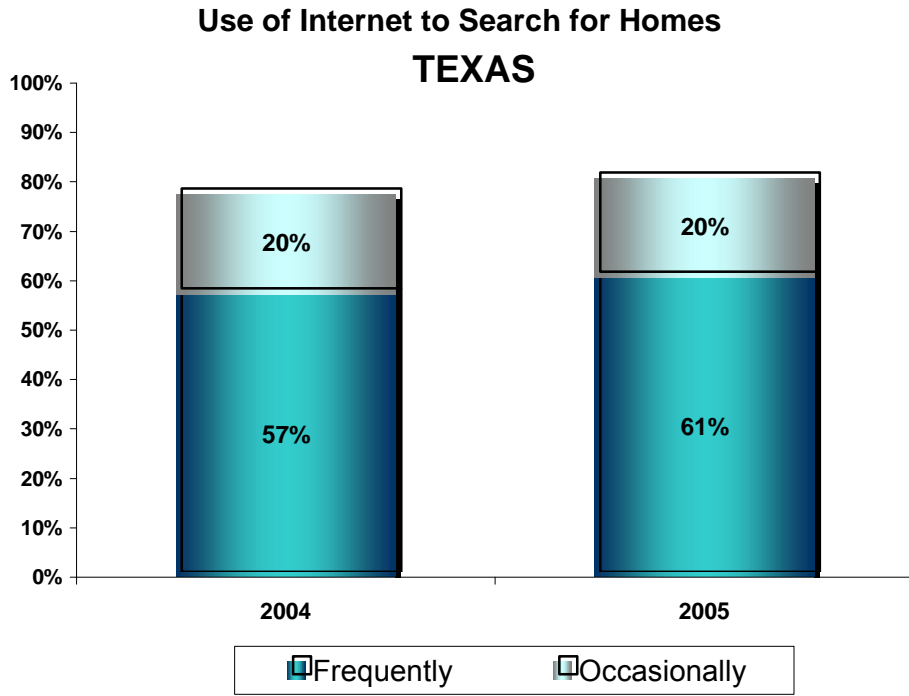


Exhibit 3-9

USEFULNESS OF INFORMATION SOURCES AMONG THOSE BUYERS THAT USED EACH SOURCE

(Percentage Distribution)

TEXAS

| | Very Useful | Somewhat Useful | Not Useful |
|-------------------------|-------------|-----------------|------------|
| Internet | 71% | 25% | 4% |
| Real estate agent | 76 | 19 | 5 |
| Open house | 32 | 54 | 14 |
| Yard sign | 52 | 38 | 10 |
| Newspaper advertisement | 29 | 49 | 22 |
| Home builder | 47 | 39 | 14 |
| Home book or magazine | 21 | 51 | 29 |
| Relocation company | 16 | 28 | 56 |
| Television | 13 | 37 | 50 |
| Billboard | 29 | 33 | 39 |

U.S.

| | Very Useful | Somewhat Useful | Not Useful |
|-------------------------|-------------|-----------------|------------|
| Real estate agent | 72% | 22% | 6% |
| Internet | 69 | 27 | 4 |
| Yard sign | 49 | 40 | 11 |
| Open house | 42 | 45 | 12 |
| Newspaper advertisement | 29 | 52 | 19 |
| Home builder | 37 | 36 | 26 |
| Home book or magazine | 24 | 51 | 25 |
| Billboard | 19 | 32 | 49 |
| Television | 11 | 34 | 55 |
| Relocation company | 16 | 31 | 53 |

TEXAS

Exhibit 3-10

CHARACTERISTICS OF HOME SEARCHERS BY USE OF INTERNET

(Percentage Distribution)

| Household Composition | Used Internet to Search | Did Not Use Internet to Search |
|-----------------------|-------------------------|--------------------------------|
| Married couple | 59% | 54% |
| Single female | 22 | 25 |
| Single male | 10 | 11 |
| Unmarried couple | 6 | 9 |
| Other | 2 | -- |

| Age of Buyer Household | Used Internet to Search | Did Not Use Internet to Search |
|---------------------------|-------------------------|--------------------------------|
| Less than 25 years | 4% | 2% |
| 25 - 34 years | 33 | 14 |
| 35 - 44 years | 22 | 32 |
| 45 - 54 years | 24 | 22 |
| 55 - 64 years | 12 | 18 |
| 65 - 74 years | 4 | 9 |
| 75 years or older | 0 | 4 |
| Median age (years) | 41 | 46 |

| Household Income (2004) | Used Internet to Search | Did Not Use Internet to Search |
|-------------------------|-------------------------|--------------------------------|
| Less than \$25,000 | 3% | 7% |
| \$25,000 - \$34,999 | 7 | 13 |
| \$35,000 - \$44,999 | 12 | 18 |
| \$45,000 - \$54,999 | 9 | 10 |
| \$55,000 - \$64,999 | 8 | 6 |
| \$65,000 - \$74,999 | 12 | 8 |
| \$75,000 - \$84,999 | 7 | 8 |
| \$85,000 - \$94,999 | 8 | 6 |
| \$95,000 - \$104,999 | 8 | 6 |
| \$105,000 - \$114,999 | 4 | 7 |
| \$115,000 - \$124,999 | 4 | 1 |
| \$125,000 - \$134,999 | 5 | 2 |
| \$135,000 - \$149,999 | 3 | 2 |
| \$150,000 - \$174,999 | 3 | -- |
| \$175,000 - \$199,999 | 1 | -- |
| \$200,000 or more | 6 | 6 |
| Median income | \$74,300 | \$58,300 |

* Less than one percent

U.S.

Exhibit 3-10

CHARACTERISTICS OF HOME SEARCHERS BY USE OF INTERNET

(Percentage Distribution)

| Household Composition | Used Internet to Search | Did Not Use Internet to Search |
|-----------------------|-------------------------|--------------------------------|
| Married couple | 63% | 53% |
| Single female | 19 | 28 |
| Single male | 8 | 10 |
| Unmarried couple | 8 | 6 |
| Other | 1 | 3 |

| Age of Buyer Household | Used Internet to Search | Did Not Use Internet to Search |
|---------------------------|-------------------------|--------------------------------|
| Less than 25 years | 6% | 6% |
| 25 - 34 years | 36 | 18 |
| 35 - 44 years | 26 | 18 |
| 45 - 54 years | 18 | 21 |
| 55 - 64 years | 10 | 18 |
| 65 - 74 years | 4 | 12 |
| 75 years or older | 1 | 6 |
| Median age (years) | 38 | 49 |

| Household Income (2004) | Used Internet to Search | Did Not Use Internet to Search |
|-------------------------|-------------------------|--------------------------------|
| Less than \$25,000 | 3% | 8% |
| \$25,000 - \$34,999 | 7 | 13 |
| \$35,000 - \$44,999 | 8 | 13 |
| \$45,000 - \$54,999 | 10 | 15 |
| \$55,000 - \$64,999 | 12 | 9 |
| \$65,000 - \$74,999 | 11 | 7 |
| \$75,000 - \$84,999 | 10 | 7 |
| \$85,000 - \$94,999 | 8 | 6 |
| \$95,000 - \$104,999 | 9 | 7 |
| \$105,000 - \$114,999 | 5 | 3 |
| \$115,000 - \$124,999 | 3 | 2 |
| \$125,000 - \$134,999 | 3 | 2 |
| \$135,000 - \$149,999 | 2 | 2 |
| \$150,000 - \$174,999 | 3 | 2 |
| \$175,000 - \$199,999 | 1 | 1 |
| \$200,000 or more | 5 | 4 |
| Median income | \$74,600 | \$56,600 |

Exhibit 3-11

SOURCES OF INFORMATION USED BY HOME SEARCHERS

(Percent of Respondents)

TEXAS

| | Used Internet to Search | Did Not Use Internet to Search |
|-------------------------|-------------------------|--------------------------------|
| Real estate agent | 94% | 68% |
| Yard sign | 74 | 62 |
| Open house | 46 | 30 |
| Newspaper advertisement | 41 | 30 |
| Home book or magazine | 37 | 21 |
| Home builder | 47 | 57 |
| Television | 26 | 18 |
| Billboard | 24 | 26 |
| Relocation company | 20 | 15 |

U.S.

| | Used Internet to Search | Did Not Use Internet to Search |
|-------------------------|-------------------------|--------------------------------|
| Real estate agent | 93% | 75% |
| Yard sign | 74 | 55 |
| Open house | 55 | 33 |
| Newspaper advertisement | 53 | 37 |
| Home book or magazine | 41 | 22 |
| Home builder | 36 | 38 |
| Television | 26 | 18 |
| Billboard | 19 | 16 |
| Relocation company | 16 | 11 |

Exhibit 3-12

HOW BUYER FIRST LEARNED HOME THEY PURCHASED WAS AVAILABLE FOR SALE

(Percentage Distribution)

TEXAS

| | Used Internet to Search | Did Not Use Internet to Search |
|-------------------------------|-------------------------|--------------------------------|
| Real estate agent | 33% | 30% |
| Internet | 31 | 2 |
| Yard sign | 16 | 22 |
| Friend, neighbor or relative | 4 | 16 |
| Print newspaper advertisement | 2 | 2 |
| Knew the sellers | 1 | 6 |
| Home builder or their agent | 13 | 23 |
| Home book or magazine | 1 | -- |

* Less than one percent

U.S.

| | Used Internet to Search | Did Not Use Internet to Search |
|-------------------------------|-------------------------|--------------------------------|
| Real estate agent | 36% | 36% |
| Internet | 29 | 4 |
| Yard sign | 15 | 16 |
| Home builder or their agent | 6 | 11 |
| Friend/Neighbor/Relative | 6 | 15 |
| Print newspaper advertisement | 5 | 8 |
| Knew the sellers | 2 | 9 |
| Home book or magazine | 1 | 1 |

Exhibit 3-13

METHOD OF HOME PURCHASE

(Percentage Distribution)

TEXAS

| | Used Internet to Search | Did Not Use Internet to Search |
|---|-------------------------|--------------------------------|
| Real estate agent | 78% | 57% |
| Directly from builder or builder's agent | 17 | 27 |
| Directly from previous owner whom buyer didn't know | 3 | 7 |
| Directly from previous owner whom buyer knew | 1 | 8 |
| Foreclosure or trustee sale | 1 | -- |
| Other | * | 2 |

U.S.

| | Used Internet to Search | Did Not Use Internet to Search |
|---|-------------------------|--------------------------------|
| Real estate agent | 81% | 63% |
| Directly from builder or builder's agent | 11 | 19 |
| Directly from previous owner whom buyer didn't know | 5 | 6 |
| Directly from previous owner whom buyer knew | 2 | 10 |
| Foreclosure or trustee sale | * | * |
| Other | 1 | 2 |

* *Less than one percent*

TEXAS

Exhibit 3-14

MEDIAN LENGTH OF HOME SEARCH

(Weeks)

| | Texas | U.S. | Northeast | Midwest | South | West |
|--------------------------------|-------|------|-----------|---------|-------|------|
| Used Internet to search | 6 | 8 | 10 | 10 | 8 | 8 |
| Did not use Internet to search | 4 | 4 | 8 | 4 | 4 | 4 |

Exhibit 3-15

NUMBER OF HOMES VISITED

(Percentage Distribution)

TEXAS

| | Used Internet to Search | Did Not Use Internet to Search |
|---------------|-------------------------|--------------------------------|
| None | 1% | 12% |
| 1 to 4 | 17 | 34 |
| 5 to 9 | 23 | 17 |
| 10 to 14 | 24 | 17 |
| 15 to 19 | 11 | 2 |
| 20 to 24 | 6 | 6 |
| 25 or more | 17 | 12 |
| Median | 11 | 6 |

U.S.

| | Used Internet to Search | Did Not Use Internet to Search |
|---------------|-------------------------|--------------------------------|
| None | 2% | 13% |
| 1 to 4 | 18 | 33 |
| 5 to 9 | 26 | 23 |
| 10 to 14 | 22 | 15 |
| 15 to 19 | 10 | 5 |
| 20 to 24 | 8 | 4 |
| 25 or more | 13 | 7 |
| Median | 11 | 6 |

Exhibit 3-16

WHAT HOMEBUYERS WERE LOOKING FOR ONLINE

(Percent of Respondents)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|---------------------------|------------|-------------------|---------------|
| Properties for sale | 93% | 92% | 93% |
| Information about an area | 30 | 33 | 27 |
| A real estate company | 3 | 2 | 4 |
| A real estate agent | 7 | 7 | 6 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|---------------------------|------------|-------------------|---------------|
| Properties for sale | 95% | 95% | 95% |
| Information about an area | 22 | 21 | 22 |
| A real estate company | 5 | 5 | 4 |
| A real estate agent | 4 | 4 | 4 |

Exhibit 3-17

VALUE OF WEB SITE FEATURES

(Percentage Distribution of Internet Searchers)

TEXAS

| | Very Useful | Somewhat Useful | Not Useful | Did Not Use |
|---|--------------------|------------------------|-------------------|--------------------|
| Detailed property information | 86% | 11% | 1% | 1% |
| Photos | 88 | 10 | 1 | 1 |
| Virtual tours | 62 | 23 | 4 | 11 |
| Interactive maps | 53 | 34 | 4 | 9 |
| Real estate agent contact | 32 | 28 | 15 | 25 |
| Neighborhood and community information | 42 | 39 | 6 | 12 |

U.S.

| | Very Useful | Somewhat Useful | Not Useful | Did Not Use |
|---|--------------------|------------------------|-------------------|--------------------|
| Photos | 84% | 14% | 1% | 1% |
| Detailed property information | 83 | 15 | 1 | 1 |
| Virtual tours | 59 | 26 | 6 | 10 |
| Interactive maps | 44 | 36 | 8 | 11 |
| Neighborhood and community information | 36 | 43 | 9 | 13 |
| Real estate agent contact | 29 | 35 | 14 | 22 |

** Less than one percent*

Exhibit 3-18

ACTIONS TAKEN AS A RESULT OF INTERNET HOME SEARCH

(Percent of Respondents)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|--|------------|-------------------|---------------|
| Drove by or viewed a home | 73% | 79% | 68% |
| Walked through a home viewed online | 60 | 62 | 58 |
| Requested more information | 24 | 28 | 21 |
| Found agent used to assist in the search or purchase of a home | 20 | 22 | 19 |
| Pre-qualified for a mortgage online | 7 | 8 | 7 |
| Found a mortgage lender online | 5 | 9 | 3 |
| Applied for a mortgage online | 7 | 9 | 5 |
| Contacted builder or developer | 18 | 19 | 18 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|--|------------|-------------------|---------------|
| Drove by or viewed a home | 75% | 75% | 74% |
| Walked through a home viewed online | 57 | 56 | 57 |
| Requested more information | 25 | 27 | 23 |
| Found agent used to assist in the search or purchase of a home | 21 | 23 | 20 |
| Contacted builder or developer | 11 | 8 | 12 |
| Pre-qualified for a mortgage online | 9 | 11 | 7 |
| Applied for a mortgage online | 5 | 6 | 5 |
| Found a mortgage lender online | 5 | 7 | 3 |

TEXAS

Exhibit 3-19

WEB SITES USED IN HOME SEARCH

(Percent of Respondents)

| | Texas | U.S. | Northeast | Midwest | South | West |
|--|-------|------|-----------|---------|-------|------|
| REALTOR.com® | 50% | 54% | 63% | 59% | 53% | 42% |
| Multiple listing service (MLS) Web site | 46 | 50 | 48 | 53 | 46 | 55 |
| Real estate company Web site | 31 | 38 | 39 | 42 | 36 | 33 |
| Real estate agent Web site | 23 | 31 | 33 | 33 | 30 | 30 |
| Local newspaper Web site | 14 | 15 | 17 | 13 | 14 | 17 |
| Real estate magazine Web site | 4 | 6 | 5 | 4 | 7 | 5 |
| Other | 16 | 11 | 9 | 9 | 12 | 10 |

Exhibit 4-1

METHOD OF HOME PURCHASE

(Percentage Distribution)

TEXAS

| | 2004 | 2005 |
|---------------------------------------|------|------|
| Through a real estate agent or broker | 74% | 73% |
| Directly from the builder | 17 | 18 |
| Directly from the previous owner | 6 | 6 |
| Through a foreclosure or trustee sale | * | 1 |

U.S.

| | 1995 | 1997 | 1999 | 2001 | 2003 | 2004 | 2005 |
|---------------------------------------|------|------|------|------|------|------|------|
| Through a real estate agent or broker | 81% | 79% | 79% | 69% | 75% | 77% | 77% |
| Directly from the builder | 9 | 9 | 11 | 15 | 14 | 12 | 12 |
| Directly from the previous owner | 9 | 11 | 9 | 15 | 9 | 9 | 9 |
| Through a foreclosure or trustee sale | 1 | 1 | 1 | 1 | 1 | 1 | * |

**Less than one percent*

TEXAS

Exhibit 4-2

METHOD OF HOME PURCHASE, BY REGION

(Percentage Distribution)

| | Texas | U.S. | Northeast | Midwest | South | West |
|---------------------------------------|-------|------|-----------|---------|-------|------|
| Through a real estate agent or broker | 73% | 77% | 83% | 78% | 74% | 78% |
| Directly from the builder | 18 | 12 | 6 | 11 | 15 | 13 |
| Directly from the previous owner | 6 | 9 | 11 | 9 | 9 | 7 |
| Knew previous owner | 2 | 4 | 6 | 3 | 3 | 3 |
| Did not know previous owner | 4 | 5 | 4 | 6 | 6 | 4 |
| Through a foreclosure or trustee sale | 1 | * | 1 | 1 | * | * |

**Less than one percent*

Exhibit 4-3

METHOD OF HOME PURCHASE, NEW AND PREVIOUSLY OWNED HOMES

(Percentage Distribution)

TEXAS

| | All Buyers | New Home | Previously Owned Home |
|---------------------------------------|------------|----------|-----------------------|
| Through a real estate agent or broker | 73% | 42% | 88% |
| Directly from the builder | 18 | 55 | 1 |
| Directly from the previous owner | 6 | 1 | 9 |
| Knew previous owner | 2 | 1 | 3 |
| Did not know previous owner | 4 | -- | 6 |
| Through a foreclosure or trustee sale | 1 | 1 | 1 |

U.S.

| | All Buyers | New Home | Previously Owned Home |
|---------------------------------------|------------|----------|-----------------------|
| Through a real estate agent or broker | 77% | 49% | 86% |
| Direct from the builder | 12 | 48 | 2 |
| Directly from the previous owner | 9 | 1 | 11 |
| Knew previous owner | 4 | * | 5 |
| Did not know previous owner | 5 | 1 | 6 |
| Through a foreclosure or trustee sale | * | * | * |

**Less than one percent*

TEXAS

Exhibit 4-4

LENGTH OF SEARCH FOR BUYERS WHO USED AN AGENT, BY REGION

(Median Weeks)

| | Texas | U.S. | Northeast | Midwest | South | West |
|--|-------|------|-----------|---------|-------|------|
| Search time before contacting an agent | 2 | 2 | 2 | 3 | 2 | 2 |
| Length of entire search | 6 | 8 | 10 | 8 | 6 | 7 |

Exhibit 4-5

LENGTH OF SEARCH FOR BUYERS WHO USED AN AGENT

(Median Weeks)

TEXAS

| | All Buyers | First-time Buyer | Repeat Buyers |
|--|------------|------------------|---------------|
| Search time before contacting an agent | 2 | 3 | 1 |
| Length of entire search | 6 | 6 | 6 |

U.S.

| | All Buyers | First-time Buyer | Repeat Buyers |
|--|------------|------------------|---------------|
| Search time before contacting an agent | 2 | 3 | 2 |
| Length of entire search | 8 | 8 | 8 |

Exhibit 4-6

NUMBER OF REAL ESTATE AGENTS INTERVIEWED

(Percentage Distribution)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|--------------|------------|-------------------|---------------|
| One | 68% | 63% | 71% |
| Two | 21 | 24 | 18 |
| Three | 7 | 6 | 8 |
| Four | 2 | 2 | 2 |
| Five or more | 2 | 4 | * |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|--------------|------------|-------------------|---------------|
| One | 64% | 58% | 69% |
| Two | 20 | 23 | 18 |
| Three | 10 | 13 | 9 |
| Four | 3 | 3 | 2 |
| Five or more | 2 | 3 | 2 |

**Less than one percent*

THE NUMBER OF REAL ESTATE AGENTS USED IN THE HOME SEARCH

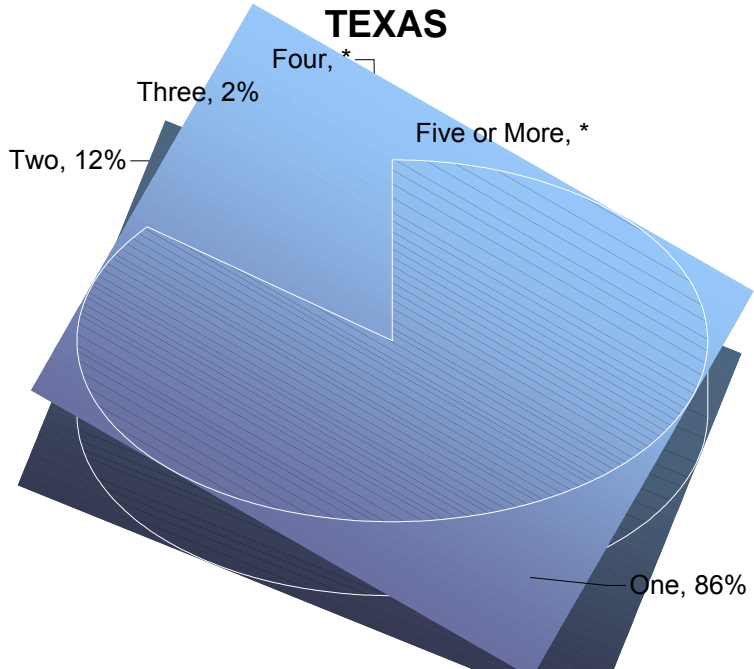
(Percentage Distribution)

TEXAS

| | |
|---------------------|-----|
| One | 86% |
| Two | 12% |
| Three | 2% |
| Four | * |
| Five or More | * |

THE NUMBER OF REAL ESTATE AGENTS USED IN THE HOME SEARCH

(Percentage Distribution)

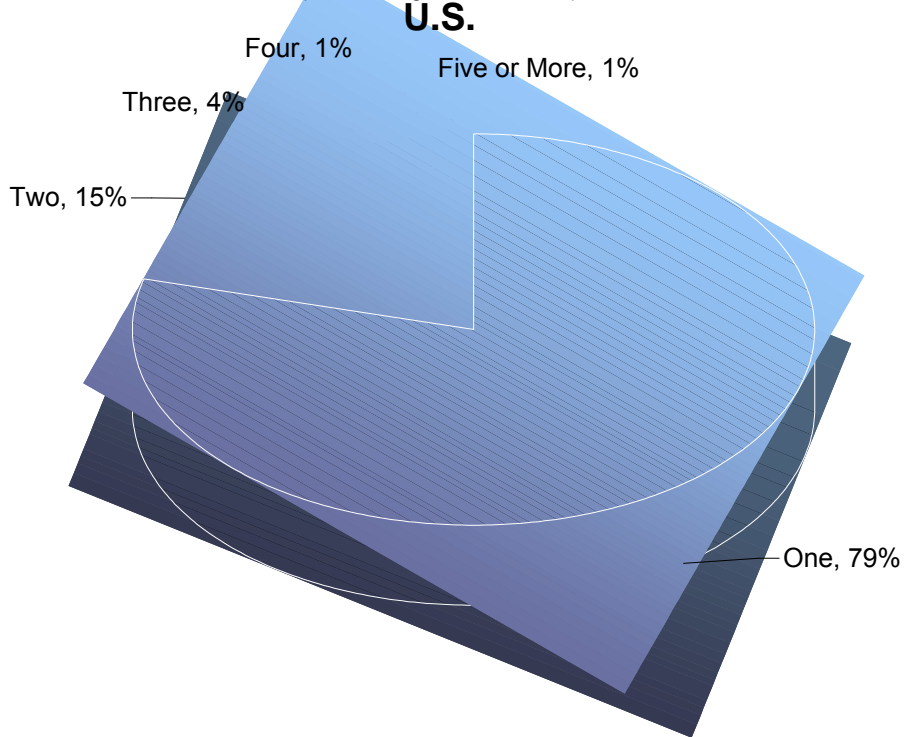


U.S.

| | |
|---------------------|-----|
| One | 79% |
| Two | 15% |
| Three | 4% |
| Four | 1% |
| Five or More | 1% |

THE NUMBER OF REAL ESTATE AGENTS USED IN THE HOME SEARCH

(Percentage Distribution)



*Less than one percent

Exhibit 4-8

HOW BUYER FOUND REAL ESTATE AGENT USED

(Percentage Distribution)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|--|------------|-------------------|---------------|
| Referred by (or is) a friend, neighbor or relative | 41% | 46% | 36% |
| Visited open house and met agent | 3 | 2 | 3 |
| Used agent previously to buy or sell a house | 9 | 2 | 15 |
| Personal contact by agent (telephone, etc.) | 3 | 3 | 3 |
| Saw contact information on For Sale sign | 8 | 9 | 8 |
| Walked into/called office and agent was on duty | 6 | 7 | 5 |
| Internet site | 6 | 9 | 5 |
| Referred through employer or relocation company | 7 | 3 | 10 |
| Referred by another real estate broker | 5 | 5 | 5 |
| Newspaper/Yellow Pages/home book ad | 1 | 2 | * |
| Advertising specialty (calendar, magnet, etc.) | 1 | 3 | * |
| Direct mail (newsletter, flyer, letter, postcard) | 1 | 1 | 1 |
| Other | 9 | 10 | 8 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|--|------------|-------------------|---------------|
| Referred by (or is) a friend, neighbor or relative | 44% | 54% | 38% |
| Used agent previously to buy or sell a house | 11 | 3 | 17 |
| Internet site | 7 | 9 | 7 |
| Visited open house and met agent | 7 | 6 | 7 |
| Saw contact information on For Sale sign | 6 | 6 | 7 |
| Walked into/called office and agent was on duty | 4 | 6 | 4 |
| Referred through employer or relocation company | 4 | 2 | 5 |
| Referred by another real estate broker | 3 | 3 | 3 |
| Personal contact by agent (telephone, etc.) | 3 | 2 | 3 |
| Newspaper/Yellow Pages/home book ad | 2 | 2 | 2 |
| Direct mail (newsletter, flyer, letter, postcard) | 1 | 1 | 1 |
| Advertising specialty (calendar, magnet, etc.) | 1 | 1 | 0 |
| Other | 6 | 7 | 6 |

*Less than one percent

WHAT BUYERS WANT MOST FROM REAL ESTATE PROFESSIONALS

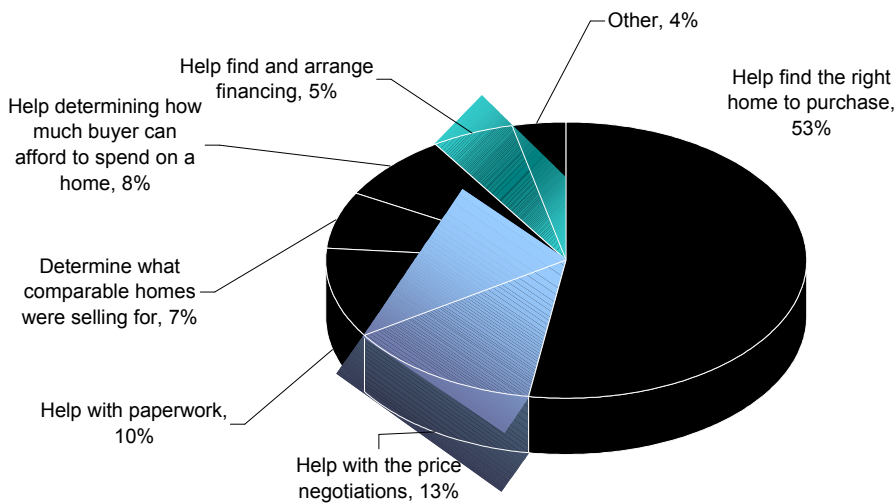
(Percentage Distribution)

| | TEXAS | U.S. |
|---|--------------|-------------|
| Help find the right home to purchase | 53% | 59% |
| Help with the price negotiations | 13% | 10% |
| Help with paperwork | 10% | 10% |
| Determine what comparable homes were selling for | 7% | 9% |
| Help determining how much buyer can afford to spend on a home | 8% | 5% |
| Help find and arrange financing | 5% | 3% |
| Help find renters for buyer's property | -- | 1% |
| Other | 4% | 3% |

WHAT BUYERS WANT MOST FROM REAL ESTATE PROFESSIONALS

(Percentage Distribution)

TEXAS



WHAT BUYERS WANT MOST FROM REAL ESTATE PROFESSIONALS

(Percentage Distribution)

U.S.

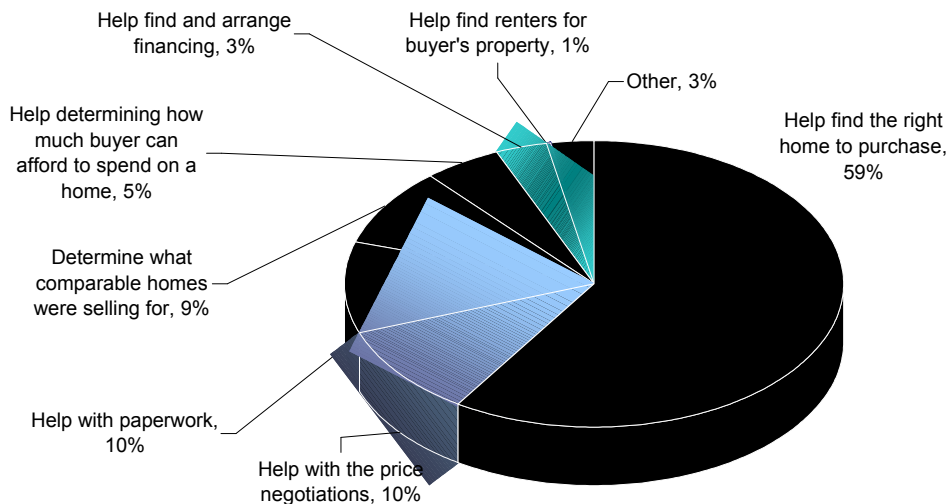


Exhibit 4-10

WHAT BUYERS WANT MOST FROM REAL ESTATE PROFESSIONALS

(Percentage Distribution)

TEXAS

| | First time Buyers | Repeat Buyers |
|---|-------------------|---------------|
| Help find the right home to purchase | 45% | 59% |
| Help with the price negotiations | 14 | 13 |
| Help with paperwork | 11 | 10 |
| Determine what comparable homes were selling for | 6 | 8 |
| Help determining how much buyer can afford to spend on a home | 12 | 5 |
| Help find and arrange financing | 9 | 3 |
| Help find renters for buyer's property | -- | -- |
| Other | 4 | 3 |

U.S.

| | First time Buyers | Repeat Buyers |
|---|-------------------|---------------|
| Help find the right home to purchase | 57% | 60% |
| Help with the price negotiations | 11 | 10 |
| Help with paperwork | 10 | 10 |
| Determine what comparable homes were selling for | 7 | 10 |
| Help determining how much buyer can afford to spend on a home | 7 | 4 |
| Help find and arrange financing | 5 | 2 |
| Help find renters for buyer's property | 0 | 1 |
| Other | 2 | 3 |

Exhibit 4-11

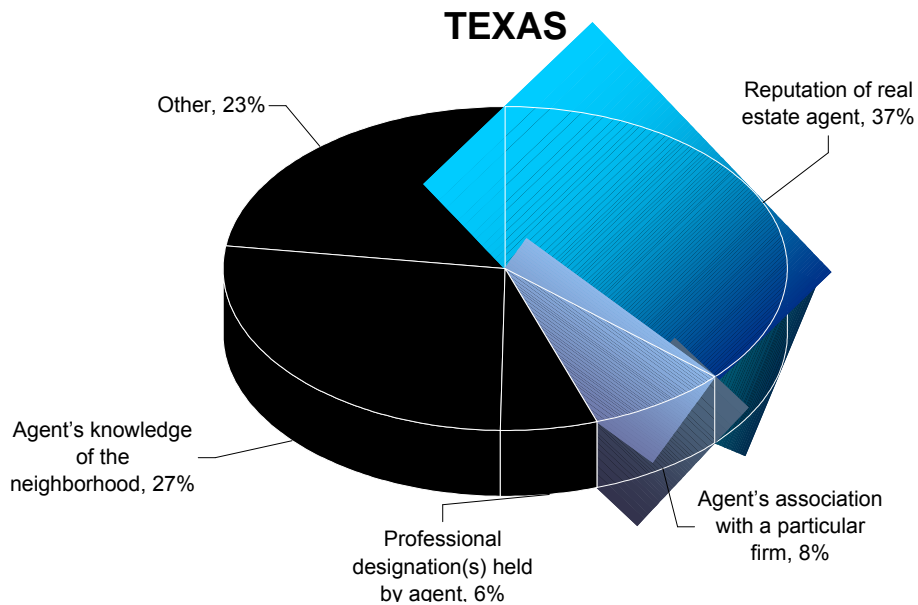
MOST IMPORTANT FACTORS IN CHOOSING AN AGENT

(Percentage Distribution)

| | TEXAS | U.S. |
|--|-------|------|
| Reputation of real estate agent | 37% | 41% |
| Agent's association with a particular firm | 8% | 7% |
| Professional designation(s) held by agent | 6% | 4% |
| Agent's knowledge of the neighborhood | 27% | 24% |
| Other | 23% | 24% |

MOST IMPORTANT FACTORS IN CHOOSING AN AGENT

(Percentage Distribution)



MOST IMPORTANT FACTORS IN CHOOSING AN AGENT

(Percentage Distribution)

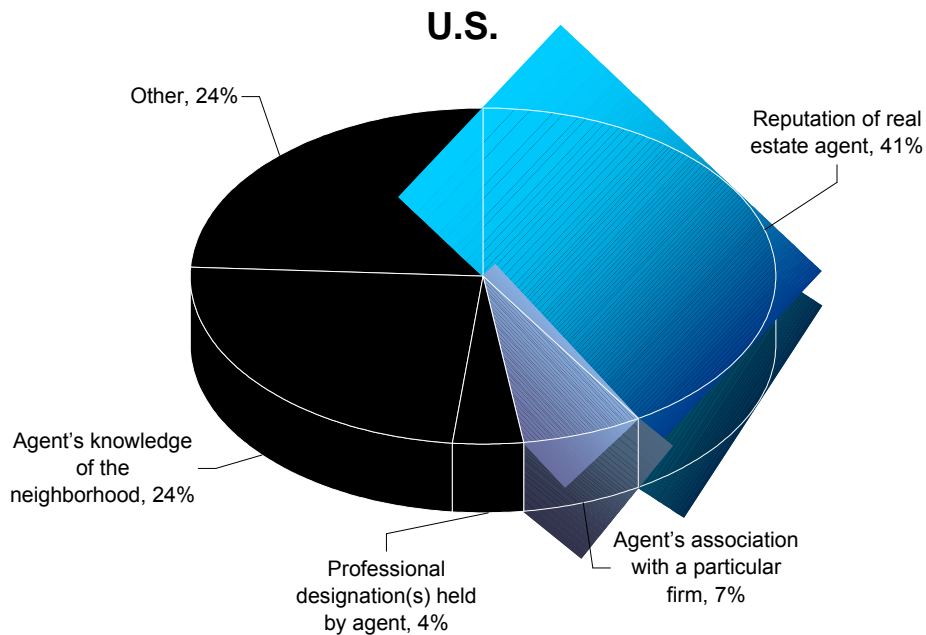


Exhibit 4-12

QUALITIES BUYERS PREFERRED IN THEIR REAL ESTATE AGENT

(Percentage Distribution)

TEXAS

| | Very Important | Somewhat Important | Not Important |
|---------------------------------|----------------|--------------------|---------------|
| Knowledge of purchase process | 92% | 7% | 1% |
| Responsiveness | 92 | 8 | -- |
| Knowledge of real estate market | 91 | 8 | 1 |
| Communication skills | 83 | 16 | 1 |
| People skills | 83 | 17 | -- |
| Negotiation skills | 82 | 16 | 2 |
| Knowledge of local area | 81 | 17 | 2 |
| Skills with technology | 43 | 43 | 14 |

U.S.

| | Very Important | Somewhat Important | Not Important |
|---------------------------------|----------------|--------------------|---------------|
| Knowledge of purchase process | 94% | 6% | * |
| Responsiveness | 93 | 7 | * |
| Knowledge of real estate market | 92 | 7 | 1 |
| Communication skills | 82 | 17 | 1 |
| Negotiation skills | 82 | 16 | 2 |
| People skills | 80 | 19 | 1 |
| Knowledge of local area | 79 | 19 | 2 |
| Skills with technology | 40 | 46 | 13 |

**Less than one percent*

Exhibit 4-13

AGENT QUALITIES CONSIDERED 'VERY IMPORTANT' BY FIRST-TIME AND REPEAT BUYERS

(Percentage Distribution)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|---------------------------------|------------|-------------------|---------------|
| Knowledge of purchase process | 92% | 94% | 92% |
| Responsiveness | 92 | 92 | 92 |
| Knowledge of real estate market | 91 | 90 | 92 |
| Communication skills | 83 | 83 | 83 |
| People skills | 83 | 83 | 82 |
| Negotiation skills | 82 | 84 | 80 |
| Knowledge of local area | 81 | 73 | 87 |
| Skills with technology | 43 | 47 | 40 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|---------------------------------|------------|-------------------|---------------|
| Knowledge of purchase process | 94% | 94% | 94% |
| Responsiveness | 93 | 93 | 93 |
| Knowledge of real estate market | 92 | 89 | 94 |
| Communication skills | 82 | 83 | 82 |
| Negotiation skills | 82 | 83 | 81 |
| People skills | 80 | 82 | 79 |
| Knowledge of local area | 79 | 75 | 81 |
| Skills with technology | 40 | 41 | 40 |

Exhibit 4-14

AGENT REPRESENTATION DISCLOSURE

(Percentage Distribution)

TEXAS

| Disclosure Statement Signed? | All Buyers | First-time Buyers | Repeat Buyers |
|-------------------------------------|-------------------|--------------------------|----------------------|
| Yes, at first meeting | 33% | 32% | 34% |
| Yes, when contract written | 25 | 27 | 23 |
| No | 20 | 18 | 22 |
| Don't know | 22 | 23 | 21 |

U.S.

| Disclosure Statement Signed? | All Buyers | First-time Buyers | Repeat Buyers |
|-------------------------------------|-------------------|--------------------------|----------------------|
| Yes, at first meeting | 30% | 23% | 35% |
| Yes, when contract written | 28 | 30 | 27 |
| No | 22 | 26 | 19 |
| Don't know | 20 | 21 | 19 |

Exhibit 4-15

BUYER REPRESENTATIVE ARRANGEMENT WITH REAL ESTATE AGENT

(Percentage Distribution)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|--------------------------|------------|-------------------|---------------|
| Yes, written arrangement | 46% | 41% | 51% |
| Yes, oral arrangement | 21 | 27 | 16 |
| No arrangement | 21 | 20 | 21 |
| Don't know | 12 | 12 | 12 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|--------------------------|------------|-------------------|---------------|
| Yes, written arrangement | 43% | 40% | 44% |
| Yes, oral arrangement | 20 | 22 | 18 |
| No arrangement | 26 | 24 | 27 |
| Don't know | 12 | 13 | 11 |

Exhibit 4-16

HOW REAL ESTATE AGENT WAS COMPENSATED

(Percentage Distribution)

TEXAS

| | All Types of Representation | Type of Agent Representation | |
|--------------------------|-----------------------------|------------------------------|----------------------------|
| | | Buyer Only | Seller or Seller and Buyer |
| Paid by seller | 65% | 67% | 59% |
| Paid by buyer and seller | 9 | 8 | 11 |
| Paid by buyer only | 16 | 15 | 19 |
| Percent of sales price | 13 | 13 | 15 |
| Flat fee | * | 1 | -- |
| Other | * | -- | -- |
| Don't know | 2 | 1 | 4 |
| Other | 4 | 4 | 4 |
| Don't know | 7 | 6 | 7 |

U.S.

| | All Types of Representation | Type of Agent Representation | |
|--------------------------|-----------------------------|------------------------------|----------------------------|
| | | Buyer Only | Seller or Seller and Buyer |
| Paid by seller | 61% | 63% | 58% |
| Paid by buyer and seller | 10 | 10 | 12 |
| Paid by buyer only | 19 | 19 | 18 |
| Percent of sales price | 16 | 16 | 14 |
| Flat fee | 2 | 2 | 1 |
| Other | * | * | * |
| Don't know | 2 | 1 | 3 |
| Other | 3 | 3 | 3 |
| Don't know | 7 | 6 | 9 |

*Less than one percent

Exhibit 4-17

SATISFACTION WITH REAL ESTATE AGENT KNOWLEDGE AND EXPERTISE

(Percentage Distribution)

TEXAS

| | Very Satisfied | Somewhat Satisfied | Not Satisfied |
|--|-----------------------|---------------------------|----------------------|
| Knowledge of purchase process | 85% | 11% | 4% |
| People skills | 80 | 16 | 5 |
| Knowledge of real estate market | 84 | 13 | 3 |
| Responsiveness | 78 | 15 | 7 |
| Communication skills | 79 | 17 | 4 |
| Knowledge of local area | 79 | 17 | 4 |
| Skills with technology | 73 | 21 | 5 |
| Negotiation skills | 73 | 17 | 10 |

U.S.

| | Very Satisfied | Somewhat Satisfied | Not Satisfied |
|--|-----------------------|---------------------------|----------------------|
| Knowledge of the purchase process | 85% | 12% | 3% |
| Knowledge of real estate market | 82 | 16 | 2 |
| Knowledge of local area | 80 | 17 | 3 |
| Communication skills | 79 | 17 | 4 |
| Responsiveness | 80 | 15 | 5 |
| People skills | 80 | 16 | 4 |
| Skills with technology | 72 | 24 | 4 |
| Negotiation skills | 70 | 23 | 7 |

Exhibit 4-18

BENEFITS PROVIDED BY REAL ESTATE AGENT DURING HOME PURCHASE PROCESS

(Percent of Respondents)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|--|------------|-------------------|---------------|
| Helped buyer understand the process | 55% | 66% | 46% |
| Pointed out unnoticed features/faults | 50 | 45 | 54 |
| Shortened buyer's home search | 40 | 41 | 39 |
| Negotiated better contract terms | 46 | 48 | 43 |
| Negotiated a better price | 39 | 39 | 40 |
| Improved buyer's knowledge of search areas | 37 | 28 | 44 |
| Expanded buyer's search area | 18 | 20 | 17 |
| Provided better list of mortgage lenders | 15 | 16 | 14 |
| Narrowed buyer's search area | 21 | 16 | 25 |
| Provided better list of service resources | 15 | 19 | 12 |
| None of the above | 8 | 7 | 8 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|--|------------|-------------------|---------------|
| Helped buyer understand the process | 59% | 74% | 48% |
| Pointed out unnoticed features/faults | 48 | 49 | 48 |
| Shortened buyer's home search | 39 | 35 | 41 |
| Negotiated better contract terms | 36 | 38 | 34 |
| Improved buyer's knowledge of search areas | 35 | 33 | 36 |
| Negotiated a better price | 29 | 29 | 29 |
| Expanded buyer's search area | 18 | 20 | 17 |
| Narrowed buyer's search area | 18 | 16 | 19 |
| Provided better list of mortgage lenders | 15 | 17 | 14 |
| Provided better list of service resources | 15 | 17 | 14 |
| None of the above | 9 | 9 | 9 |

USE OF REAL ESTATE AGENT AGAIN OR RECOMMEND TO OTHERS

(Percent distribution)

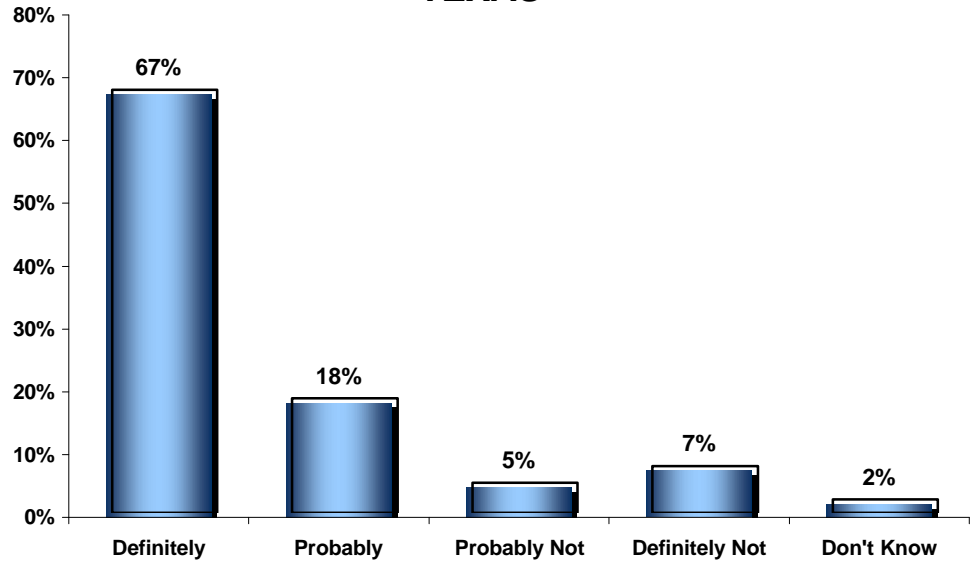
TEXAS

| | |
|-----------------------|-----|
| Definitely | 67% |
| Probably | 18% |
| Probably Not | 5% |
| Definitely Not | 7% |
| Don't Know | 2% |

WOULD BUYER USE ESTATE AGENT AGAIN OR RECOMMEND TO OTHERS

(Percentage Distribution)

TEXAS



U.S.

| | |
|-----------------------|-----|
| Definitely | 66% |
| Probably | 19% |
| Probably Not | 6% |
| Definitely Not | 7% |
| Don't Know | 2% |

WOULD BUYER USE ESTATE AGENT AGAIN OR RECOMMEND TO OTHERS

(Percentage Distribution)

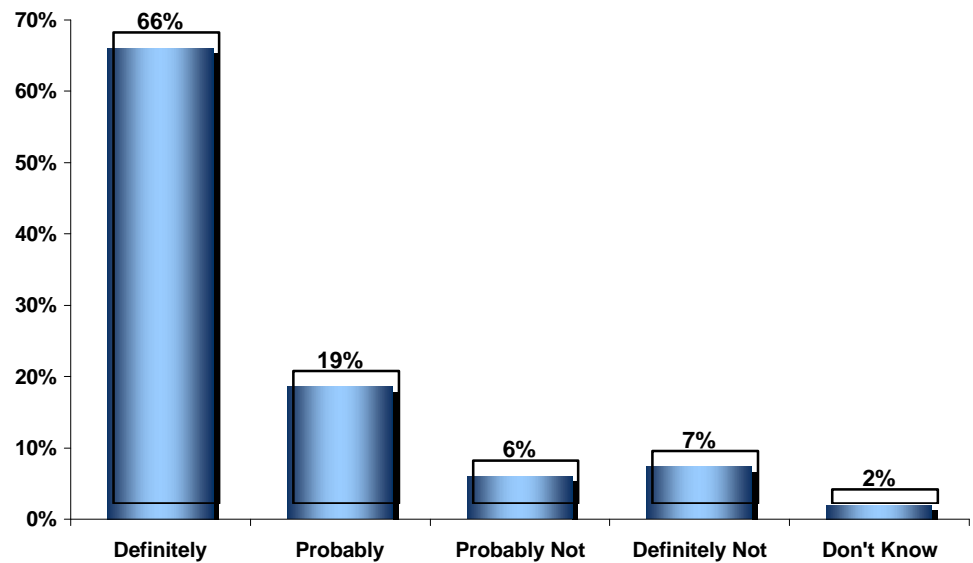


Exhibit 5-1

PERCENT OF BUYERS WHO FINANCED THEIR HOME PURCHASE

TEXAS

| | |
|-------------------|-----|
| All Buyers | 93% |
| First-time Buyers | 96% |
| Repeat Buyers | 91% |

U.S.

| | |
|-------------------|-----|
| All Buyers | 92% |
| First-time Buyers | 96% |
| Repeat Buyers | 89% |

| | |
|-----------|-----|
| Northeast | 90% |
| Midwest | 93% |
| South | 91% |
| West | 92% |

Exhibit 5-2
PERCENT OF HOME FINANCED
(Percentage Distribution)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|--------------------------------|------------|-------------------|---------------|
| Less than 50% | 5% | 3% | 6% |
| 51% to 60% | 2 | -- | 4 |
| 61% to 70% | 4 | 1 | 6 |
| 71% to 80% | 23 | 11 | 32 |
| 81% to 90% | 12 | 9 | 15 |
| 91% to 95% | 10 | 11 | 9 |
| 96% to 99% | 10 | 15 | 6 |
| 100% (entire purchase price) | 34 | 50 | 23 |
| Median percent financed | 95% | 99% | 82% |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|--------------------------------|------------|-------------------|---------------|
| Less than 50% | 9% | 4% | 13% |
| 51% to 60% | 3 | 1 | 4 |
| 61% to 70% | 5 | 2 | 8 |
| 71% to 80% | 24 | 13 | 32 |
| 81% to 90% | 13 | 12 | 14 |
| 91% to 95% | 10 | 13 | 7 |
| 96% to 99% | 7 | 12 | 4 |
| 100% (entire purchase price) | 28 | 43 | 18 |
| Median percent financed | 87% | 98% | 79% |

Exhibit 5-3
PERCENT OF HOME FINANCED BY REGION
(Median)

| | Texas | U.S. | Northeast | Midwest | South | West |
|--------------------------|-------|------|-----------|---------|-------|------|
| All Buyers | 95% | 87% | 83% | 89% | 90% | 84% |
| First-time Buyers | 99% | 98% | 92% | 97% | 99% | 100% |
| Repeat Buyers | 82% | 79% | 77% | 78% | 80% | 78% |

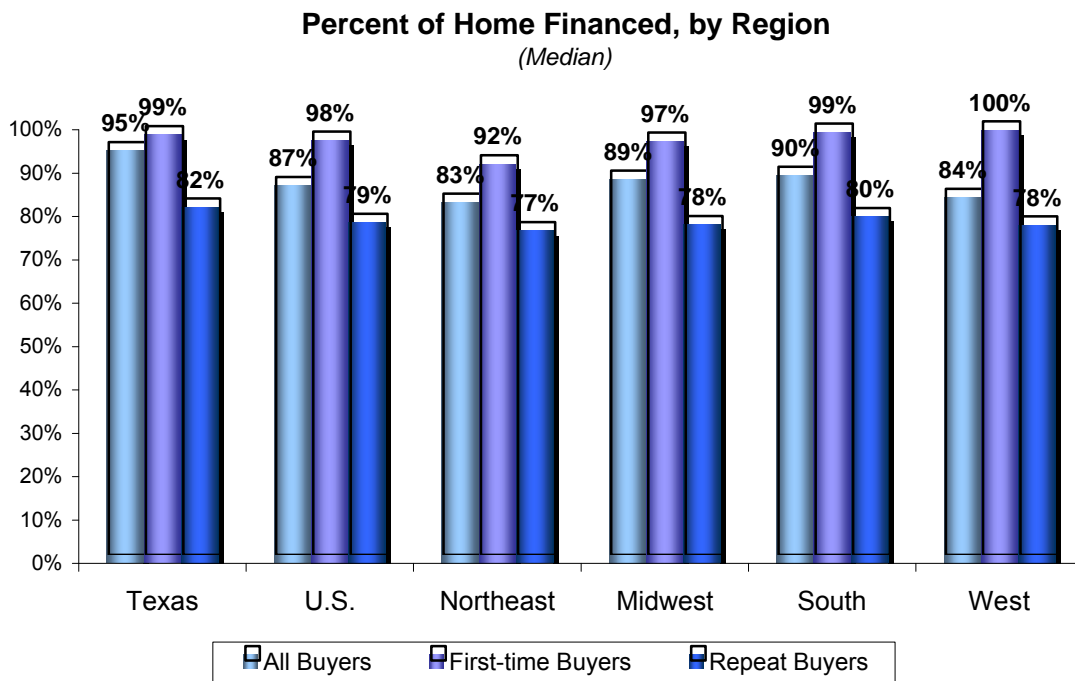


Exhibit 5-4

SOURCES OF DOWNPAYMENT

(Percent of Respondents who Have Made a Downpayment)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|---------------------------------|------------|-------------------|---------------|
| Savings | 57% | 71% | 49% |
| Equity from previous home | 34 | 1 | 54 |
| Gift from friend or relative | 7 | 13 | 3 |
| Sale of stocks or bonds | 6 | 9 | 5 |
| Loan from financial institution | 4 | 4 | 3 |
| Loan from friend or relative | 3 | 6 | 1 |
| IRA | 3 | 5 | 1 |
| Pension fund/401(k) | 6 | 9 | 4 |
| Inheritance | 3 | 4 | 2 |
| Other sources | 9 | 10 | 8 |

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|---------------------------------|------------|-------------------|---------------|
| Savings | 50% | 68% | 40% |
| Equity from previous home | 43 | 4 | 66 |
| Gift from friend or relative | 11 | 23 | 5 |
| Sale of stocks or bonds | 6 | 8 | 5 |
| Loan from financial institution | 6 | 7 | 5 |
| Pension fund/401(k) | 5 | 7 | 4 |
| Loan from friend or relative | 5 | 9 | 2 |
| Inheritance | 3 | 5 | 2 |
| IRA | 2 | 4 | 1 |
| Other | 7 | 11 | 5 |

Exhibit 5-5

HOME PURCHASE IS A GOOD FINANCIAL INVESTMENT

(Percentage Distribution)

TEXAS

| | All Buyers | First-time Buyers | Repeat Buyers |
|-------------------|------------|-------------------|---------------|
| Yes | 91% | 90% | 92% |
| No | 2 | 2 | 2 |
| Don't Know | 7 | 9 | 6 |

* Less than one percent

U.S.

| | All Buyers | First-time Buyers | Repeat Buyers |
|-------------------|------------|-------------------|---------------|
| Yes | 94% | 94% | 94% |
| No | 1 | 1 | 2 |
| Don't Know | 5 | 5 | 5 |

Exhibit 6-1

AGE OF HOMESSELLERS, BY REGION

(Percentage Distribution)

| | Texas | U.S. | Northeast | Midwest | South | West |
|---------------------------|-------|------|-----------|---------|-------|------|
| Less than 25 years | 1% | 1% | 2% | 1% | 1% | 1% |
| 25 - 34 years | 17 | 20 | 20 | 24 | 20 | 18 |
| 35 - 44 years | 24 | 25 | 25 | 27 | 24 | 24 |
| 45 - 54 years | 28 | 24 | 21 | 25 | 24 | 26 |
| 55 - 64 years | 22 | 17 | 20 | 11 | 17 | 20 |
| 65 - 74 years | 7 | 9 | 10 | 10 | 10 | 7 |
| 75 years or older | 1 | 3 | 2 | 3 | 4 | 4 |
| Median age (years) | 48 | 47 | 47 | 45 | 47 | 48 |

Exhibit 6-2

HOUSEHOLD INCOME OF HOMESELLERS, 2004

(Percentage Distribution)

| | Texas | U.S. | Northeast | Midwest | South | West |
|-----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Less than \$25,000 | 2% | 3% | 5% | 3% | 3% | 4% |
| \$25,000 - \$34,999 | 2 | 4 | 3 | 5 | 4 | 4 |
| \$35,000 - \$44,999 | 7 | 5 | 3 | 6 | 5 | 7 |
| \$45,000 - \$54,999 | 9 | 8 | 8 | 9 | 8 | 9 |
| \$55,000 - \$64,999 | 4 | 9 | 10 | 8 | 10 | 8 |
| \$65,000 - \$74,999 | 11 | 10 | 11 | 11 | 9 | 9 |
| \$75,000 - \$84,999 | 9 | 9 | 9 | 11 | 10 | 7 |
| \$85,000 - \$94,999 | 11 | 9 | 6 | 11 | 9 | 8 |
| \$95,000 - \$104,999 | 12 | 11 | 9 | 9 | 11 | 12 |
| \$105,000 - \$114,999 | 6 | 6 | 5 | 3 | 6 | 10 |
| \$115,000 - \$124,999 | 6 | 5 | 8 | 5 | 4 | 4 |
| \$125,000 - \$134,999 | 8 | 4 | 3 | 3 | 6 | 3 |
| \$135,000 - \$149,999 | 3 | 3 | 2 | 2 | 3 | 3 |
| \$150,000 - \$174,999 | 4 | 4 | 5 | 2 | 5 | 4 |
| \$175,000 - \$199,999 | * | 2 | 3 | 2 | 2 | 1 |
| \$200,000 or more | 6 | 7 | 10 | 9 | 5 | 7 |
| Median income | \$89,800 | \$85,200 | \$86,500 | \$81,500 | \$86,400 | \$87,000 |

Exhibit 6-3

ADULT COMPOSITION OF HOMESELLER HOUSEHOLDS

(Percentage Distribution)

TEXAS

| | 2004 | 2005 |
|------------------|------|------|
| Married couple | 80% | 72% |
| Single female | 10 | 17 |
| Single male | 7 | 7 |
| Unmarried couple | 3 | 3 |
| Other | 1 | 1 |

U.S.

| | 2004 | 2005 |
|------------------|------|------|
| Married couple | 74% | 71% |
| Single female | 15 | 17 |
| Single male | 5 | 6 |
| Unmarried couple | 5 | 3 |
| Other | 1 | 1 |

Exhibit 6-4

NUMBER OF CHILDREN UNDER THE AGE OF 18 RESIDING IN HOUSEHOLD

(Percentage Distribution of Homeseller Households)

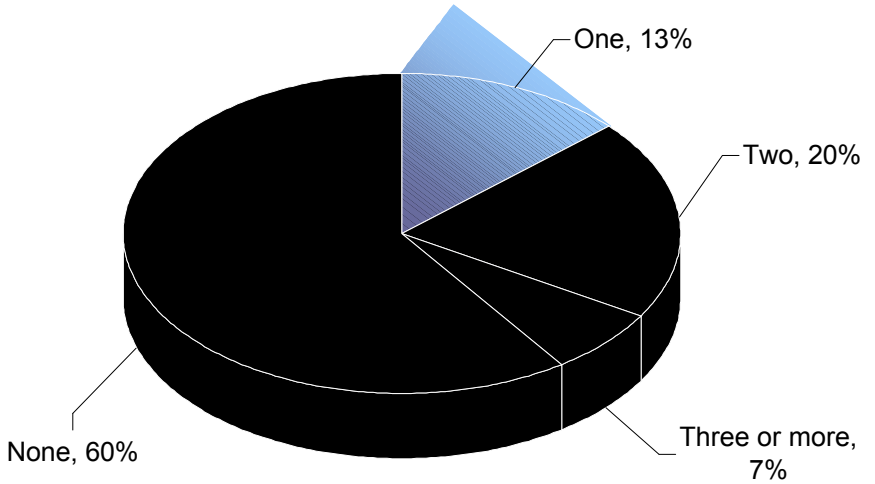
TEXAS

| | |
|----------------------|-----|
| One | 13% |
| Two | 20% |
| Three or more | 7% |
| None | 60% |

NUMBER OF CHILDREN UNDER THE AGE OF 18 RESIDING IN HOUSEHOLD

(Percentage Distribution of Households)

TEXAS



U.S.

| | |
|----------------------|-----|
| One | 18% |
| Two | 14% |
| Three or more | 7% |
| None | 61% |

NUMBER OF CHILDREN UNDER THE AGE OF 18 RESIDING IN HOUSEHOLD

(Percentage Distribution of Households)

U.S.

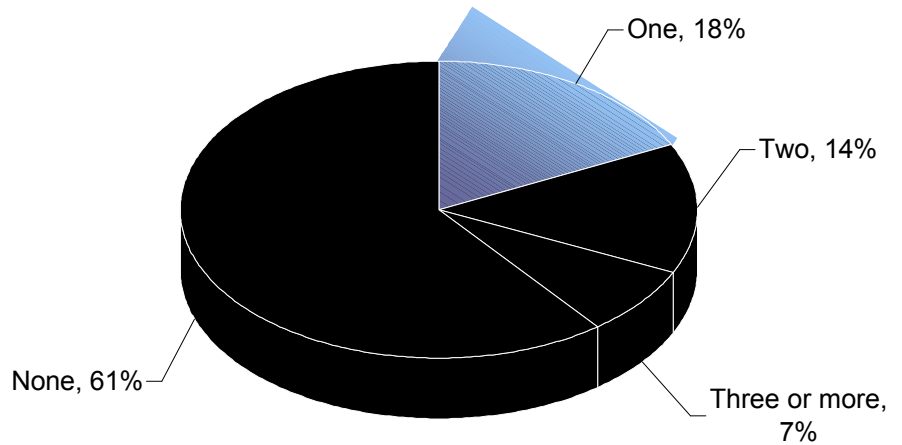


Exhibit 1-5

RACE/ETHNICITY OF HOMESSELLERS, BY REGION

(Percent of Respondents)

| | Texas | U.S. | Northeast | Midwest | South | West |
|-------------------------------|-------|------|-----------|---------|-------|------|
| White/Caucasian | 84% | 90% | 95% | 94% | 88% | 85% |
| Black/African-American | 4 | 4 | 2 | 3 | 4 | 4 |
| Asian/Pacific Islander | 2 | 3 | 2 | 2 | 3 | 5 |
| Hispanic/Latino | 9 | 4 | 2 | 1 | 5 | 7 |
| Other | 2 | 1 | 1 | 1 | 1 | 2 |

Note: Respondents were permitted to select as many races and ethnicities as they felt applicable. The percentage distribution may therefore sum to more than 100 percent.

Exhibit 1-6

PRIMARY LANGUAGE SPOKEN IN HOMESELLER HOUSEHOLD, BY REGION

(Percentage Distribution)

| | Texas | U.S. | Northeast | Midwest | South | West |
|----------------|-------|------|-----------|---------|-------|------|
| English | 96% | 97% | 98% | 98% | 96% | 97% |
| Other | 4 | 3 | 2 | 2 | 4 | 3 |

* *Less than one percent*

Exhibit 6-07

TYPE OF HOME SOLD

(Percent of repeat buyers)

| | TEXAS | U.S. |
|--|--------------|-------------|
| Detached single-family | 90% | 79% |
| Townhouse or row house | 4% | 8% |
| Duplex/ Apartment/ Condo in 2-4 unit structure | 1% | 2% |
| Apartment/ Condo in a building with 5 or more units | 1% | 6% |
| Other | 4% | 5% |

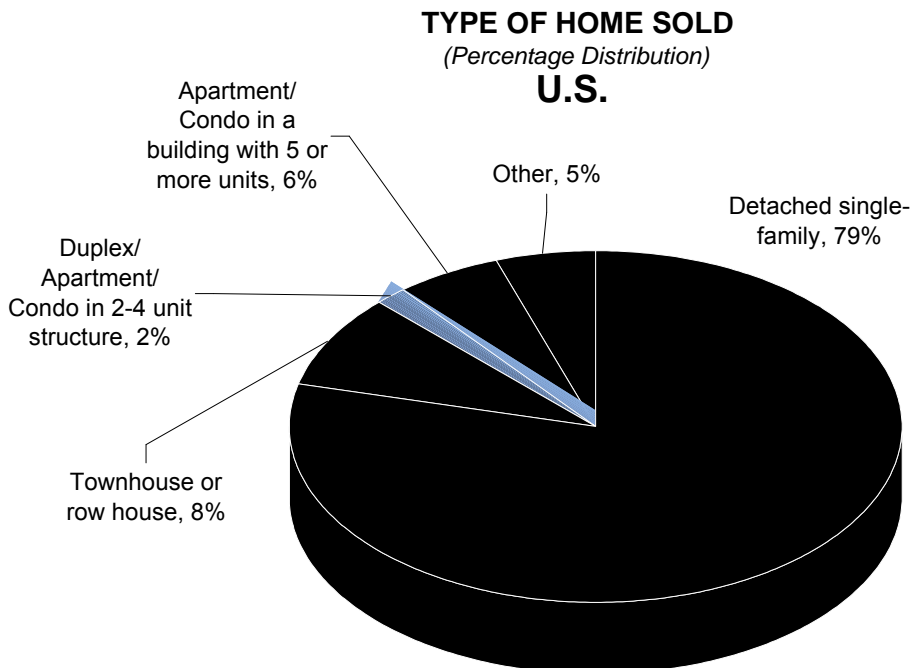
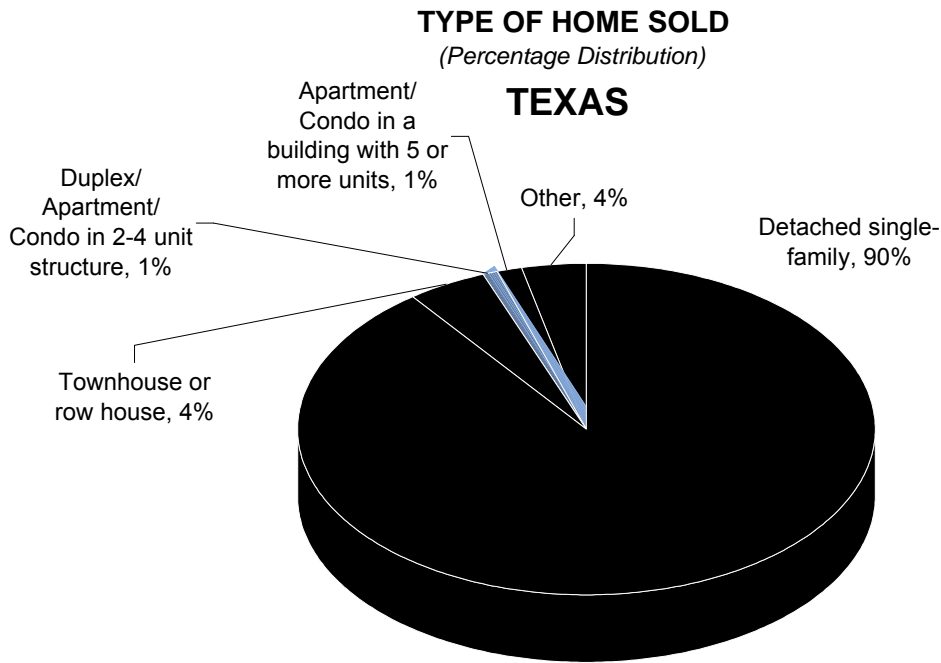


Exhibit 6-8
TYPE OF HOME SOLD
(Percentage Distribution)

TEXAS

| | 2004 | 2005 |
|-------------------------------|------|------|
| Detached single-family | 92% | 90% |
| Other | 8 | 10 |

U.S.

| | 1991 | 1993 | 1995 | 1997 | 1999 | 2001 | 2003 | 2004 | 2005 |
|-------------------------------|------|------|------|------|------|------|------|------|------|
| Detached single-family | 75% | 84% | 86% | 83% | 81% | 74% | 79% | 82% | 79% |
| Other | 25 | 16 | 14 | 17 | 19 | 26 | 21 | 18 | 21 |

Exhibit 6-09

LOCATION OF PREVIOUSLY OWNED HOME

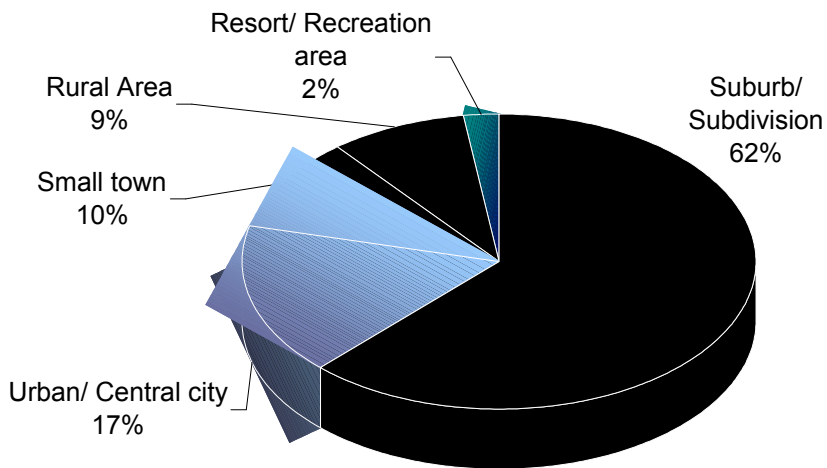
(Percentage Distribution)

| | TEXAS | U.S. |
|--------------------------------|--------------|-------------|
| Suburb/ Subdivision | 62% | 56% |
| Urban/ Central city | 17% | 17% |
| Small town | 10% | 15% |
| Rural Area | 9% | 9% |
| Resort/ Recreation area | 2% | 3% |

LOCATION OF HOME SOLD

(Percentage Distribution)

TEXAS



LOCATION OF HOME SOLD

(Percentage Distribution)

U.S.

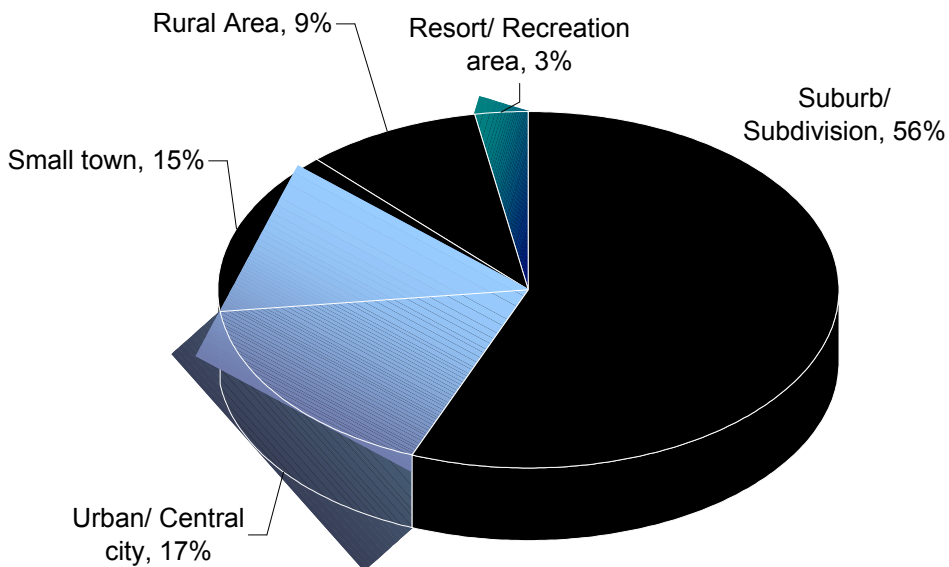


Exhibit 6-10
TYPE OF HOME SOLD BY LOCATION
(Percentage Distribution)

TEXAS

| | Suburb/ Subdivision | Small town | Urban/ Central city | Rural area | Resort/ Recreation area |
|---|------------------------|---------------|------------------------|---------------|-------------------------------|
| Detached single-family | 98% | 74% | 78% | 89% | 50% |
| Townhouse or row house | 1 | 13 | 17 | -- | -- |
| Apartment/ Condo in a building with 5 or more units | -- | -- | 6 | -- | -- |
| Duplex/ Apartment/ Condo in 2-4 unit structure | -- | 9 | -- | -- | -- |
| Other | 1 | 4 | -- | 11 | 50 |

U.S.

| | Suburb/ Subdivision | Small town | Urban/ Central city | Rural area | Resort/ Recreation area |
|--|------------------------|---------------|------------------------|---------------|-------------------------------|
| Detached single-family home | 83% | 85% | 64% | 79% | 69% |
| Townhouse or row house | 9 | 5 | 13 | 2 | 7 |
| Apartment/condo in a building with 5 or more units | 4 | 5 | 13 | 1 | 13 |
| Duplex/apartment/condo 2-4 family structure | 1 | 1 | 4 | -- | 3 |
| Other | 3 | 4 | 7 | 17 | 8 |

Exhibit 6-11

SIZE OF HOME PURCHASED COMPARED TO HOME RECENTLY SOLD

(Percentage Distribution)

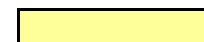
TEXAS

| Size of Home Sold | Size of Home Purchased | | | | | |
|-----------------------|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-----------------------|
| | 1,000 sq ft or less | 1,001 sq ft to 1,500 sq ft | 1,501 sq ft to 2,000 sq ft | 2,001 sq ft to 2,500 sq ft | 2,501 sq ft to 3,000 sq ft | More than 3,000 sq ft |
| 1,000 sq ft or less | -- | 1% | 1% | * | -- | -- |
| 1,001 to 1,500 sq ft | -- | 1 | 7 | 5 | 5 | 1 |
| 1,501 to 2,000 sq ft | 1 | 2 | 9 | 9 | 7 | 5 |
| 2,001 to 2,500 sq ft | -- | 2 | 2 | 8 | 1 | 3 |
| 2,501 to 3,000 sq ft | -- | 2 | 2 | 3 | 2 | 4 |
| More than 3,000 sq ft | -- | -- | 3 | 4 | 1 | 8 |

U.S.

| Size of Home Sold | Size of Home Purchased | | | | | |
|-----------------------|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-----------------------|
| | 1,000 sq ft or less | 1,001 sq ft to 1,500 sq ft | 1,501 sq ft to 2,000 sq ft | 2,001 sq ft to 2,500 sq ft | 2,501 sq ft to 3,000 sq ft | More than 3,000 sq ft |
| 1,000 sq ft or less | 1 | 3% | 2% | 1% | * | * |
| 1,001 to 1,500 sq ft | 1 | 5 | 10 | 5 | 4 | 1 |
| 1,501 to 2,000 sq ft | * | 4 | 9 | 7 | 5 | 4 |
| 2,001 to 2,500 sq ft | * | 2 | 4 | 5 | 3 | 3 |
| 2,501 to 3,000 sq ft | * | 1 | 2 | 2 | 2 | 3 |
| More than 3,000 sq ft | * | 1 | 2 | 2 | 2 | 5 |

 Trading Down

 Trading Up

* Less than one percent

Exhibit 6-12

SIZE OF HOME PURCHASED COMPARED TO HOME RECENTLY SOLD, BY AGE OF SELLER

(Median square feet)

TEXAS

| | Size of home sold | Size of home purchased | Difference |
|--------------------------|-------------------|------------------------|------------|
| 18 to 34 years | 1,751 | 2,144 | 393 |
| 35 to 44 years | 1,918 | 2,728 | 811 |
| 45 to 54 years | 2,051 | 2,369 | 318 |
| 55 to 64 years | 2,126 | 2,114 | -13 |
| 65 to 74 years | 2,126 | 1,851 | -275 |
| 75 years or older | 1,001 | 2,001 | 1,000 |

U.S.

| | Size of home sold | Size of home purchased | Difference |
|--------------------------|-------------------|------------------------|------------|
| 18 to 34 years | 1,523 | 2,110 | 587 |
| 35 to 44 years | 1,773 | 2,357 | 583 |
| 45 to 54 years | 1,859 | 2,130 | 271 |
| 55 to 64 years | 2,060 | 1,978 | -82 |
| 65 to 74 years | 2,041 | 1,851 | -190 |
| 75 years or older | 1,926 | 1,720 | -206 |

Exhibit 6-13

PRIMARY REASON FOR SELLING PREVIOUS HOME

(Percentage Distribution)

TEXAS

| | All Recent Home Sellers | Sellers' age: | | |
|--|-------------------------|---------------|-------|-------------|
| | | 18-44 | 45-64 | 65 or older |
| Want a larger home | 19% | 30% | 13% | -- |
| Change in family situation | 12 | 15 | 9 | 12 |
| Job-related move | 27 | 33 | 27 | -- |
| Want to move closer to friends or family members | 8 | 3 | 10 | 18 |
| Want a smaller home | 11 | 3 | 14 | 29 |
| Home is difficult or expensive to maintain | 3 | 2 | 3 | 12 |
| Neighborhood has become less desirable | 7 | 7 | 8 | 6 |
| Retirement | 2 | -- | 4 | -- |
| Other | 11 | 7 | 12 | 24 |

U.S.

| | All Recent Home Sellers | Sellers' age: | | |
|--|-------------------------|---------------|-------|-------------|
| | | 18-44 | 45-64 | 65 or older |
| Want a larger home | 22% | 33% | 16% | 7% |
| Job-related move | 21 | 28 | 20 | * |
| Change in family situation | 13 | 13 | 15 | 9 |
| Want to move closer to friends or family members | 9 | 4 | 9 | 28 |
| Neighborhood has become less desirable | 9 | 9 | 9 | 9 |
| Want a smaller home | 8 | 2 | 11 | 19 |
| Home is difficult or expensive to maintain | 4 | 3 | 5 | 6 |
| Retirement | 3 | * | 4 | 6 |
| Other | 10 | 8 | 10 | 16 |

* Less than one percent

Exhibit 6-14

TENURE IN PREVIOUS HOME

(Percentage Distribution)

TEXAS

| | All Types | Cabin/ cottage | Duplex/ apartment in 2-4 unit structure | Apartment/ condo in building with 5 or more units | Townhouse/ row house | Detached single home | Mobile/ manufactured home | Other |
|------------------|-----------|-------------------|--|---|-------------------------|-------------------------|---------------------------------|----------|
| Less than 1 year | 2% | -- | -- | -- | -- | 2% | -- | -- |
| 1 to 2 years | 14 | -- | -- | -- | -- | 15 | -- | -- |
| 3 to 4 years | 28 | -- | -- | -- | 70 | 25 | 33 | 100 |
| 5 to 6 years | 12 | -- | -- | 33 | 30 | 11 | -- | -- |
| 7 to 10 years | 21 | -- | 100 | -- | -- | 21 | 67 | -- |
| 11 to 15 years | 10 | -- | -- | -- | -- | 11 | -- | -- |
| 16 to 20 years | 4 | -- | -- | -- | -- | 4 | -- | -- |
| 21 years or more | 9 | -- | -- | 67 | -- | 9 | -- | -- |
| Median | 5 | N/A | 9 | 24 | 4 | 6 | 8 | 4 |

U.S.

| | All Types | Cabin/ cottage | Duplex/ apartment in 2-4 unit structure | Apartment/ condo in building with 5 or more units | Townhouse/ row house | Detached single home | Mobile/ manufactured home | Other |
|------------------|-----------|-------------------|--|---|-------------------------|-------------------------|---------------------------------|----------|
| Less than 1 year | 3% | -- | * | 4% | 4% | 3% | 5% | * |
| 1 to 2 years | 15 | 26 | 10 | 32 | 16 | 14 | 16 | 11 |
| 3 to 4 years | 21 | 43 | 20 | 25 | 27 | 20 | 31 | 15 |
| 5 to 6 years | 16 | 6 | 18 | 13 | 21 | 15 | 16 | 12 |
| 7 to 10 years | 17 | 6 | 23 | 13 | 11 | 19 | 8 | 19 |
| 11 to 15 years | 11 | 11 | 7 | 8 | 11 | 11 | 18 | 16 |
| 16 to 20 years | 6 | 10 | 13 | 2 | 5 | 6 | 5 | 6 |
| 21 years or more | 10 | -- | 9 | 4 | 5 | 11 | 1 | 19 |
| Median | 6 | 4 | 7 | 4 | 5 | 6 | 4 | 9 |

* Less than one percent

Exhibit 6-15

NUMBER OF HOMES PREVIOUSLY OWNED

(Percentage Distribution)

TEXAS

| | |
|---------------|----------|
| One | 13% |
| Two | 23 |
| Three | 21 |
| Four | 17 |
| Five or more | 25 |
| Median | 3 |

U.S.

| | |
|---------------|----------|
| One | 13% |
| Two | 30 |
| Three | 25 |
| Four | 14 |
| Five or more | 17 |
| Median | 3 |

Exhibit 6-16

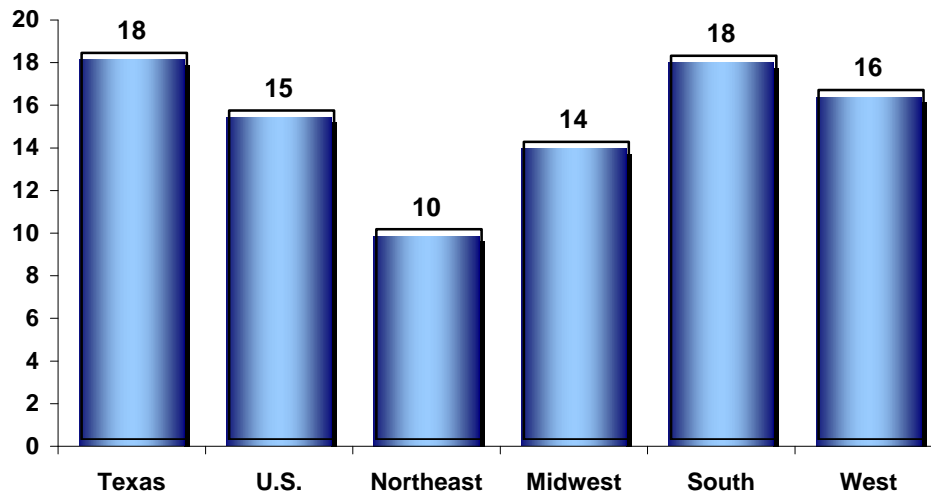
DISTANCE BETWEEN HOME RECENTLY PURCHASED AND PREVIOUS RESIDENCE

(Median Miles)

| | Texas | U.S. | Northeast | Midwest | South | West |
|------|-------|------|-----------|---------|-------|------|
| 2005 | 18 | 15 | 10 | 14 | 18 | 16 |

MEDIAN DISTANCE BETWEEN HOME RECENTLY PURCHASED AND PREVIOUS RESIDENCE

(Median)



TASKS PERFORMED IN THE SELLING PROCESS*(Percentage Distribution)***TEXAS**

| | Did myself without assistance | Assisted by real estate agent | Paid another professional for assistance | Task not performed | Don't know |
|---|-------------------------------------|-------------------------------------|--|-----------------------|---------------|
| Determine listing price | 14% | 81% | 4% | 1 | -- |
| Hold open house | 5 | 54 | 1 | 40 | -- |
| Schedule showings with buyers | 10 | 83 | 1 | 5 | * |
| Enter property in Multiple Listing Service | 1 | 84 | 3 | 11 | 1 |
| Advertise property in newspaper, magazines, etc. | 4 | 67 | 2 | 24 | 2 |
| Contact buyers by mail, phone, etc. | 6 | 58 | 3 | 25 | 7 |
| Place home on Internet | 2 | 74 | 3 | 17 | 3 |
| Review sales contracts/purchase offers | 9 | 85 | 2 | 4 | -- |
| Negotiate with buyers | 9 | 87 | 1 | 3 | -- |
| Coordinate appraisal, home inspection, etc. | 10 | 80 | 3 | 6 | 1 |
| Pre-qualify buyers for mortgage | 4 | 56 | 3 | 23 | 13 |
| Manage paperwork, contracts, etc. | 5 | 83 | 5 | 5 | 1 |
| Attend closing | 9 | 78 | 5 | 7 | -- |

U.S.

| | Did myself without assistance | Assisted by real estate agent | Paid another professional for assistance | Task not performed | Don't know |
|---|-------------------------------------|-------------------------------------|--|-----------------------|---------------|
| Determine listing price | 21% | 75% | 3% | 1% | * |
| Hold open house | 8 | 51 | 1 | 40 | 0 |
| Schedule showings with buyers | 13 | 77 | 2 | 8 | 0 |
| Enter property in Multiple Listing Service | 1 | 79 | 3 | 16 | 1 |
| Advertise property in newspaper, magazines, etc. | 7 | 64 | 2 | 25 | 2 |
| Contact buyers by mail, phone, etc. | 6 | 55 | 2 | 29 | 8 |
| Place home on Internet | 3 | 71 | 3 | 19 | 4 |
| Review sales contracts/purchase offers | 10 | 80 | 4 | 5 | 1 |
| Negotiate with buyers | 13 | 79 | 2 | 5 | 0 |
| Coordinate appraisal, home inspection, etc. | 11 | 77 | 5 | 6 | 1 |
| Pre-qualify buyers for mortgage | 5 | 55 | 4 | 22 | 14 |
| Manage paperwork, contracts, etc. | 9 | 80 | 7 | 3 | 1 |
| Attend closing | 17 | 71 | 6 | 5 | 1 |

* Less than one percent

Exhibit 6-18

METHOD USED TO SELL HOME

(Percentage Distribution)

| | Texas | U.S. | Northeast | Midwest | South | West |
|--|-------|------|-----------|---------|-------|------|
| Sold home using an agent or broker | 88% | 85% | 83% | 87% | 80% | 92% |
| Seller used agent/broker only | 86 | 81 | 79 | 82 | 76 | 89 |
| Seller first tried to sell it themselves, but then used an agent | 2 | 4 | 4 | 6 | 3 | 3 |
| For-sale-by-owner (FSBO) | 8 | 13 | 14 | 11 | 17 | 7 |
| Seller sold home without using a real estate agent or broker | 7 | 11 | 14 | 8 | 15 | 6 |
| First listed with an agent, but then sold home themselves | 1 | 1 | * | 2 | 2 | 1 |
| Sold home to a homebuying company | 2 | 1 | * | 1 | 1 | * |
| Other | 2 | 2 | 2 | 1 | 2 | 1 |

* *Less than one percent*

Exhibit 6-19

METHOD USED TO SELL HOME

(Percentage Distribution)

TEXAS

| | 2004 | 2005 |
|------------------------------------|------|------|
| Sold home using an agent or broker | 84% | 88% |
| For-sale-by-owner (FSBO) | 13 | 8 |
| Sold it to a home buying company | 1 | 2 |
| Other | 2 | 2 |

U.S.

| | 1991 | 1993 | 1995 | 1997 | 1999 | 2001 | 2003 | 2004 | 2005 |
|------------------------------------|------|------|------|------|------|------|------|------|------|
| Sold home using an agent or broker | 77% | 82% | 81% | 80% | 77% | 79% | 83% | 82% | 85% |
| For-sale-by-owner (FSBO) | 19 | 17 | 15 | 18 | 16 | 13 | 14 | 14 | 13 |
| Sold to home buying company | 4 | 1 | 2 | 1 | 2 | 1 | 1 | 1 | 1 |
| Other | * | * | 2 | 1 | 5 | 7 | 3 | 3 | 2 |

* Less than one percent

Exhibit 6-20

SALES PRICE COMPARED WITH LIST PRICE

(Sales price as a percent of list price)

| | Texas | U.S. | Northeast | Midwest | South | West |
|---|-------|------|-----------|---------|-------|------|
| Less than 90% | 8% | 5% | 6% | 6% | 4% | 4% |
| 90% to 94% | 11 | 11 | 14 | 14 | 11 | 7 |
| 95% to 99% | 42 | 39 | 34 | 46 | 42 | 29 |
| 100% | 28 | 30 | 33 | 24 | 29 | 35 |
| 101% to 110% | 8 | 12 | 10 | 9 | 10 | 20 |
| More than 110% | 3 | 3 | 2 | 1 | 4 | 5 |
| Median (sales price as a percent of listing price) | 98% | 99% | 99% | 98% | 99% | 100% |

Exhibit 6-21

NUMBER OF WEEKS RECENTLY SOLD HOME WAS ON THE MARKET

(Percentage Distribution)

| | Texas | U.S. | Northeast | Midwest | South | West |
|-------------------------|-------|------|-----------|---------|-------|------|
| Less than 1 week | 8% | 9% | 9% | 9% | 8% | 12% |
| 1 to 2 weeks | 21 | 28 | 32 | 21 | 30 | 29 |
| 3 to 4 weeks | 13 | 13 | 15 | 11 | 12 | 16 |
| 5 to 6 weeks | 7 | 7 | 5 | 4 | 9 | 5 |
| 7 to 8 weeks | 7 | 8 | 7 | 7 | 8 | 7 |
| 9 to 10 weeks | 5 | 4 | 4 | 5 | 4 | 4 |
| 11 to 16 weeks | 17 | 14 | 15 | 16 | 13 | 14 |
| 17 or more weeks | 22 | 17 | 13 | 26 | 15 | 14 |
| Median weeks | 8 | 4 | 4 | 8 | 4 | 4 |

SATISFACTION WITH THE SELLING PROCESS

(Percentage Distribution)

TEXAS

| | Very Satisfied | Somewhat Satisfied | Somewhat Dissatisfied | Very Dissatisfied |
|--|----------------|--------------------|-----------------------|-------------------|
| All Sellers | 62% | 24% | 8% | 6% |
| Sold using real estate agent/broker | 66 | 24 | 6 | 3 |
| Tried myself but, used agent later | 40 | 20 | 0 | 40 |
| Sold without agent/broker | 64 | 21 | 14 | -- |
| First listed with agent, then sold myself | -- | 100 | -- | -- |
| Other | -- | 40 | -- | 60 |

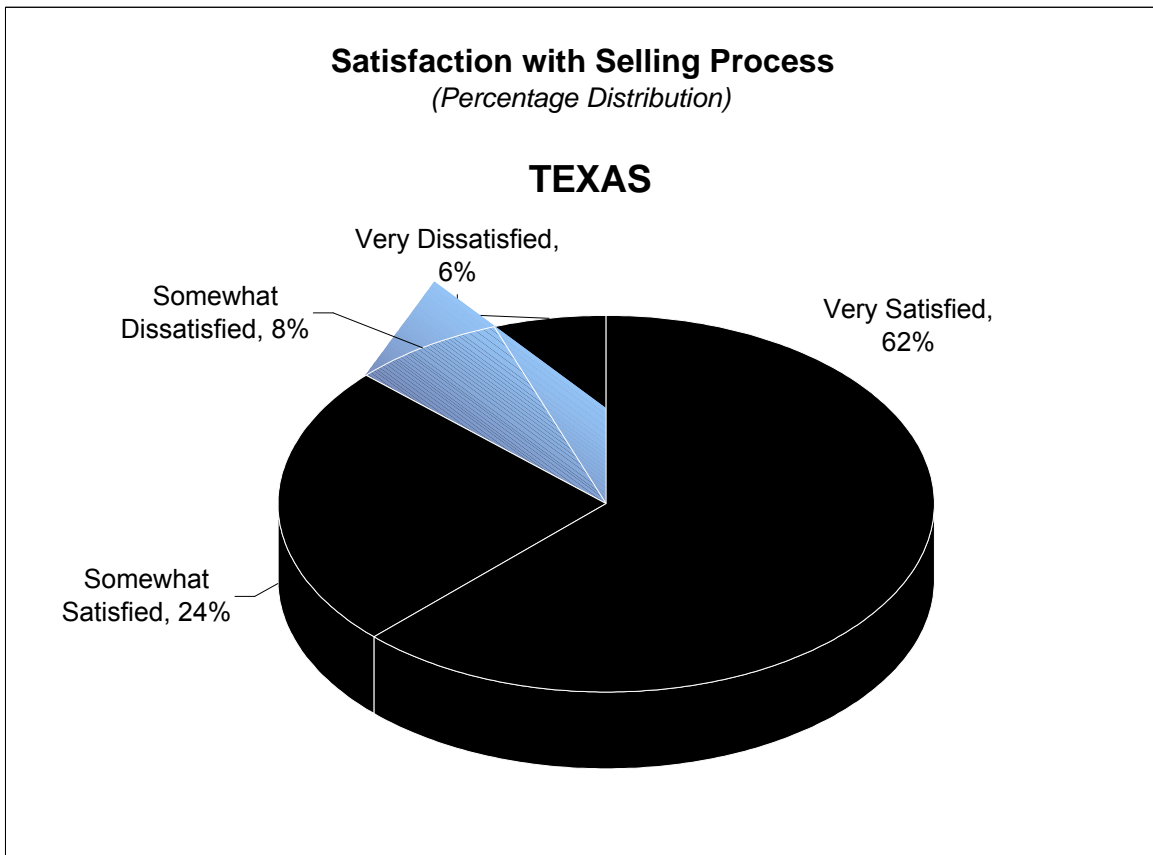


Exhibit 6-22

SATISFACTION WITH THE SELLING PROCESS

(Percentage Distribution)

U.S.

| | Very Satisfied | Somewhat Satisfied | Somewhat Dissatisfied | Very Dissatisfied |
|---|----------------|--------------------|-----------------------|-------------------|
| All Sellers | 65% | 23% | 7% | 6% |
| Sold using real estate agent/broker | 65 | 23 | 7 | 5 |
| Tried myself but, used agent later | 33 | 34 | 18 | 16 |
| Sold without agent/broker | 80 | 16 | 2 | 3 |
| First listed with agent, then sold myself | 45 | 45 | 7 | 2 |
| Other | 53 | 18 | 7 | 22 |

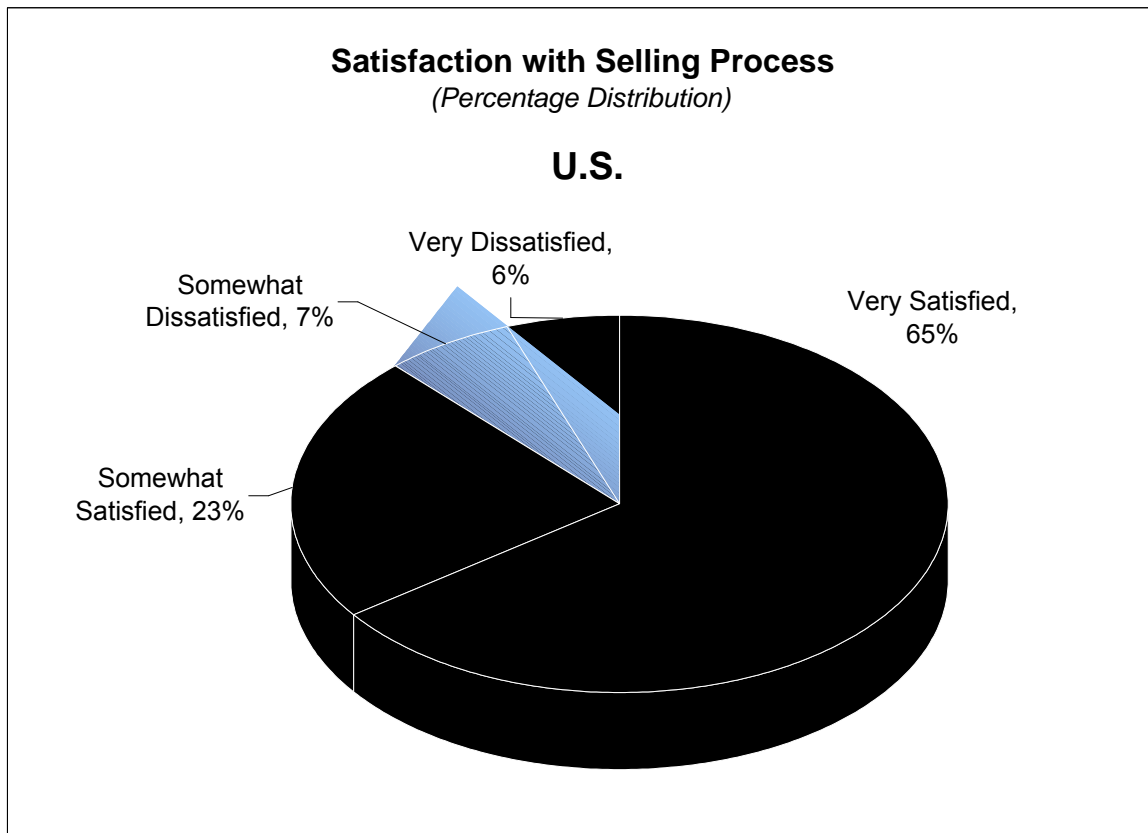


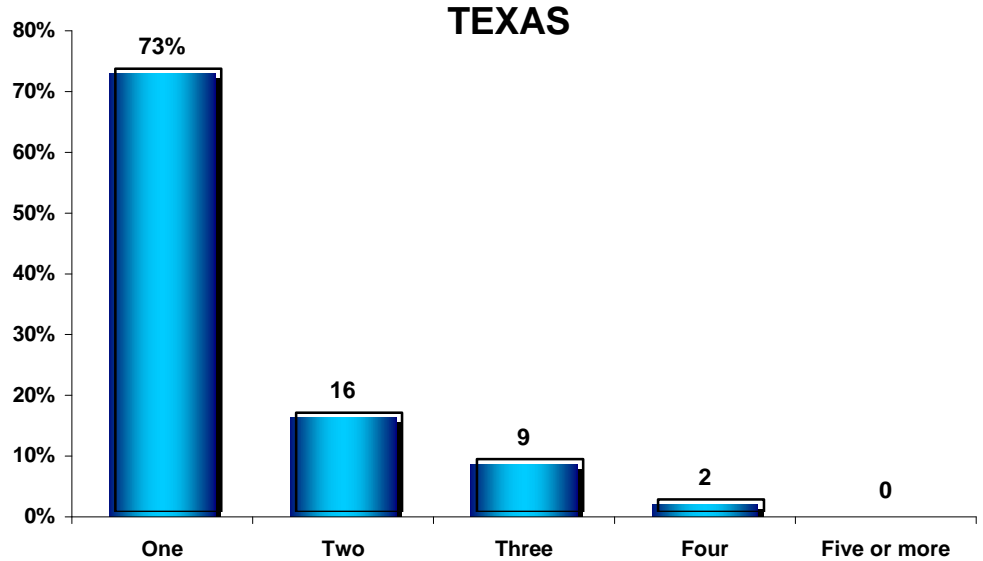
Exhibit 7-1

NUMBER OF AGENTS CONTACTED BEFORE SELECTING ONE TO ASSIST WITH SALE OF HOME
(Percentage Distribution)

TEXAS

| | |
|---------------------|-----|
| One | 73% |
| Two | 16 |
| Three | 9 |
| Four | 2 |
| Five or more | -- |

NUMBER OF AGENTS CONTACTED BEFORE SELECTING ONE TO ASSIST WITH SALE OF HOME
(Percentage Distribution)



U.S.

| | |
|---------------------|-----|
| One | 74% |
| Two | 17 |
| Three | 7 |
| Four | 2 |
| Five or more | 1 |

NUMBER OF AGENTS CONTACTED BEFORE SELECTING ONE TO ASSIST WITH SALE OF HOME
(Percentage Distribution)

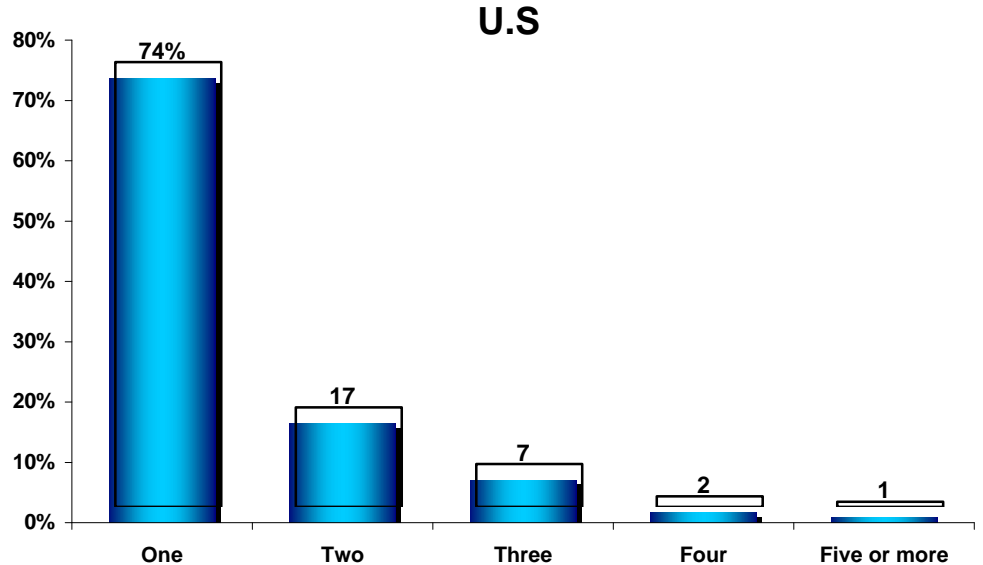


Exhibit 7-2

METHOD USED TO FIND REAL ESTATE AGENT, ALL SELLERS

(Percentage Distribution)

TEXAS

| | |
|--|-----|
| Referred by (or is) a friend, neighbor or relative | 40% |
| Used agent previously to buy or sell a home | 33 |
| Visited open house and met agent | 1 |
| Personal contact by agent (telephone, etc.) | 7 |
| Saw contact information on For Sale sign | 6 |
| Newspaper/Yellow pages/home book ad | 1 |
| Walked into/called office and agent was on duty | 4 |
| Direct mail (newsletter, flyer, letter, postcard) | 2 |
| Referred through my employer/relocation company | 2 |
| Internet site | 1 |
| Referred by another real estate broker | 3 |
| Advertising specialty (calendar, magnet, etc.) | 1 |

U.S.

| | |
|--|-----|
| Referred by (or is) a friend, neighbor or relative | 43% |
| Used agent previously to buy or sell a home | 28 |
| Personal contact by agent (telephone, etc.) | 5 |
| Visited open house and met agent | 4 |
| Saw contact information on For Sale sign | 4 |
| Referred by another real estate broker | 3 |
| Referred through my employer/relocation company | 3 |
| Direct mail (newsletter, flyer, letter, postcard) | 3 |
| Walked into/called office and agent was on duty | 2 |
| Internet site | 2 |
| Newspaper/Yellow pages/home book ad | 2 |
| Advertising specialty (calendar, magnet, etc.) | 1 |

* *Less than one percent*

Exhibit 7.03

DID SELLER USE THE SAME REAL ESTATE AGENT FOR THEIR HOME PURCHASE

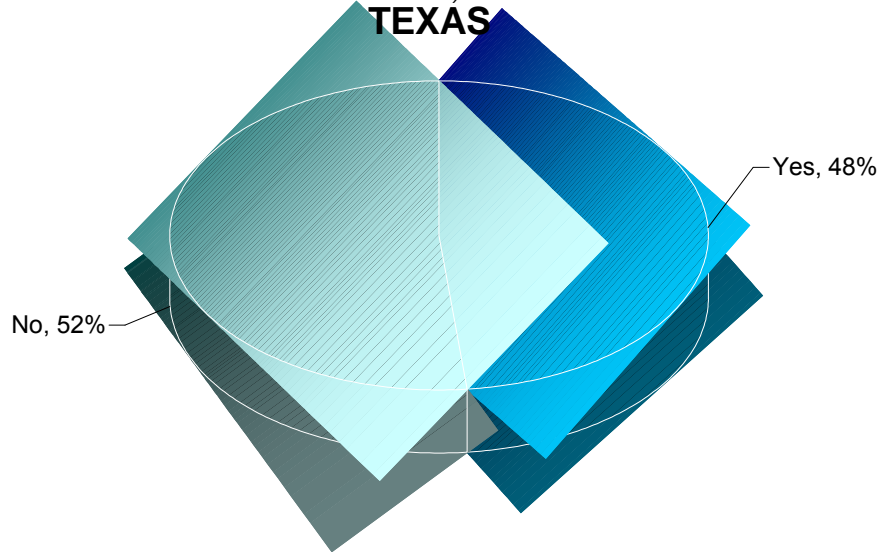
(Percentage Distribution among those who Used an Agent to Purchase a Home)

TEXAS

| | |
|-----|-----|
| Yes | 48% |
| No | 52% |

DID SELLER USE THE SAME AGENT FOR THEIR HOME PURCHASE?

(Percentage Distribution among those who Used an Agent to Purchase a Home)

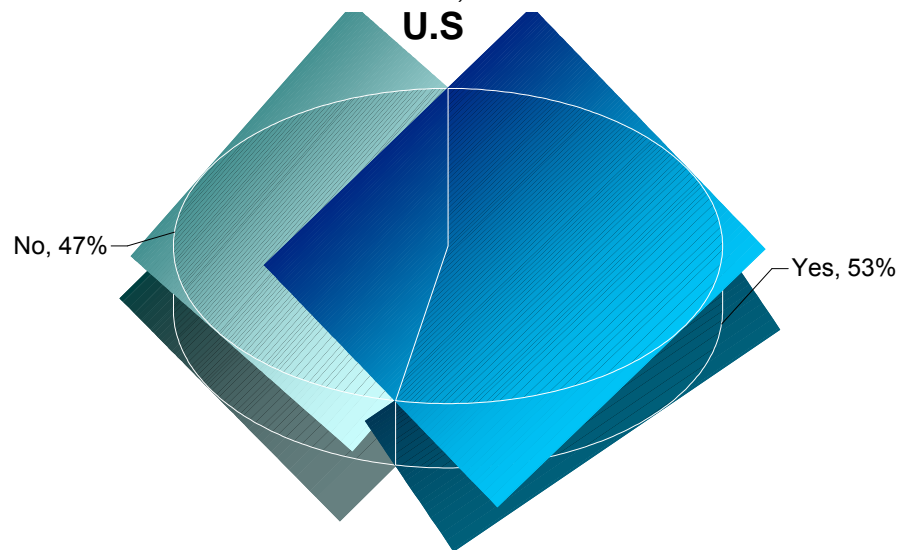


U.S.

| | |
|-----|-----|
| Yes | 53% |
| No | 47% |

DID SELLER USE THE SAME AGENT FOR THEIR HOME PURCHASE?

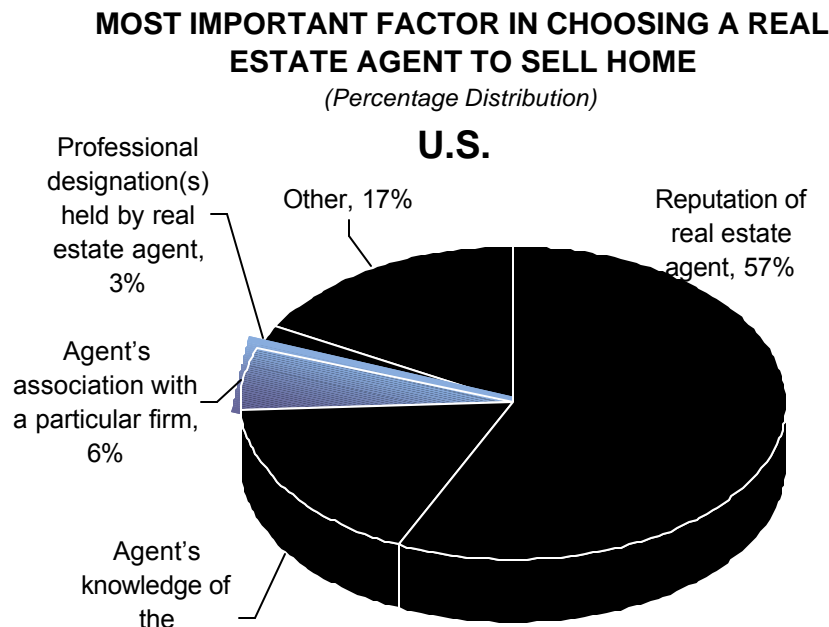
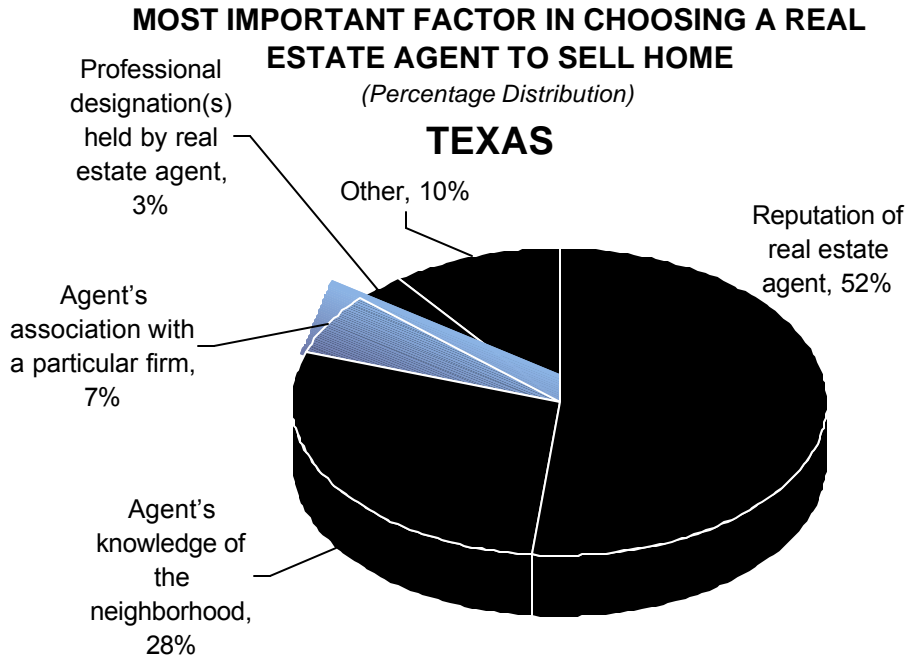
(Percentage Distribution among those who Used an Agent to Purchase a Home)



MOST IMPORTANT FACTOR IN CHOOSING A REAL ESTATE AGENT TO SELL HOME

(Percentage Distribution)

| | TEXAS | U.S. |
|---|--------------|-------------|
| Reputation of real estate agent | 52% | 57% |
| Agent's knowledge of the neighborhood | 28% | 17% |
| Agent's association with a particular firm | 7% | 6% |
| Professional designation(s) held by real estate agent | 3% | 3% |
| Other | 10% | 17% |



17%

Exhibit 7-5

WHAT SELLERS MOST WANT FROM REAL ESTATE PROFESSIONALS

(Percentage Distribution)

TEXAS

| | |
|--|-----|
| Help find a buyer for my home | 25% |
| Help me to price it competitively | 14 |
| Help me to sell the house within my time frame | 34 |
| Tell me how to fix up my home to help sell it for more | 13 |
| Help me with negotiation and dealing with buyers | 5 |
| Help with paperwork/inspections/preparing for settlement | 7 |
| Help me see homes available for me to purchase | 2 |
| Other | -- |

U.S.

| | |
|--|-----|
| Help find a buyer for my home | 28% |
| Help me to sell the house within my time frame | 27 |
| Help me to price it competitively | 17 |
| Tell me how to fix up my home to help sell it for more | 12 |
| Help with paperwork/inspections/preparing for settlement | 7 |
| Help me with negotiation and dealing with buyers | 5 |
| Help me see homes available for me to purchase | 3 |
| Other | 1 |

Exhibit 7-6

METHODS REAL ESTATE AGENT USED TO SELL HOME

(Percent of Respondents who used a Real Estate Agent to Sell)

| | Texas | U.S. | Northeast | Midwest | South | West |
|--|-------|------|-----------|---------|-------|------|
| Listing on the Internet | 89% | 84% | 87% | 88% | 83% | 81% |
| Yard sign | 85 | 79 | 66 | 82 | 82 | 79 |
| Open house | 54 | 57 | 61 | 67 | 50 | 57 |
| Newspaper advertisement | 42 | 50 | 59 | 58 | 46 | 43 |
| Real estate magazine | 37 | 33 | 32 | 32 | 38 | 27 |
| Direct mail (flyers, postcards, etc.) | 24 | 20 | 12 | 18 | 21 | 25 |
| Television | 7 | 5 | 5 | 10 | 5 | 3 |
| Other | 10 | 10 | 9 | 8 | 11 | 11 |

Exhibit 7-07

HOME LISTED ON MULTIPLE LISTING SERVICE

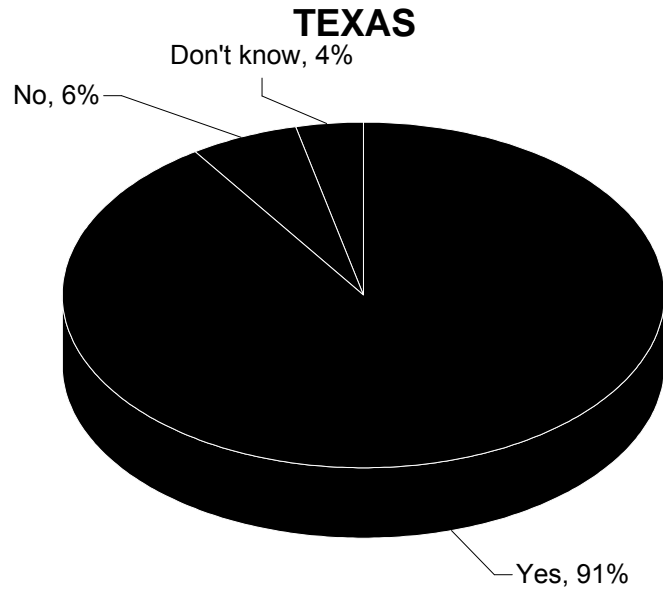
(Percentage Distribution)

TEXAS

| | |
|------------|-----|
| Yes | 91% |
| No | 6% |
| Don't know | 4% |

HOME LISTED ON MULTIPLE LISTING SERVICE

(Percentage Distribution)



U.S.

| | |
|------------|-----|
| Yes | 89% |
| No | 6% |
| Don't know | 5% |

HOME LISTED ON MULTIPLE LISTING SERVICE

(Percentage Distribution)

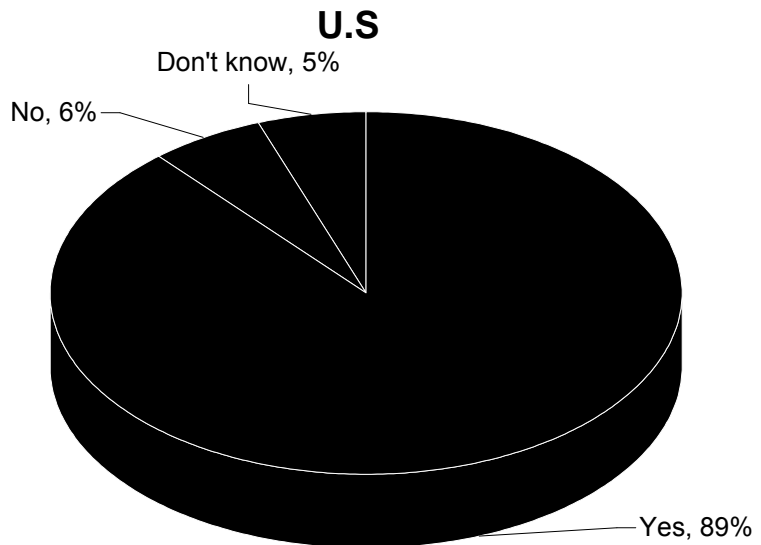


Exhibit 7-8

HOW REAL ESTATE AGENT WAS COMPENSATED

(Percentage Distribution)

TEXAS

| | |
|--------------------------|-----|
| Paid by seller | 77% |
| Percent of sales price | 74 |
| Flat fee | 2 |
| Per task fee | -- |
| Other | 1 |
| Don't Know | 2 |
| Paid by buyer and seller | 7 |
| Paid by buyer only | 3 |
| Other | 12 |
| Don't Know | 1 |

U.S.

| | |
|--------------------------|-----|
| Paid by seller | 79% |
| Percent of sales price | 75 |
| Flat fee | 4 |
| Per task fee | * |
| Other | * |
| Don't Know | 1 |
| Paid by buyer and seller | 9 |
| Paid by buyer only | 5 |
| Other | 5 |
| Don't Know | 2 |

* Less than one percent

Exhibit 7-9

WOULD SELLER USE REAL ESTATE AGENT AGAIN OR RECOMMEND TO OTHERS?

(Percentage Distribution)

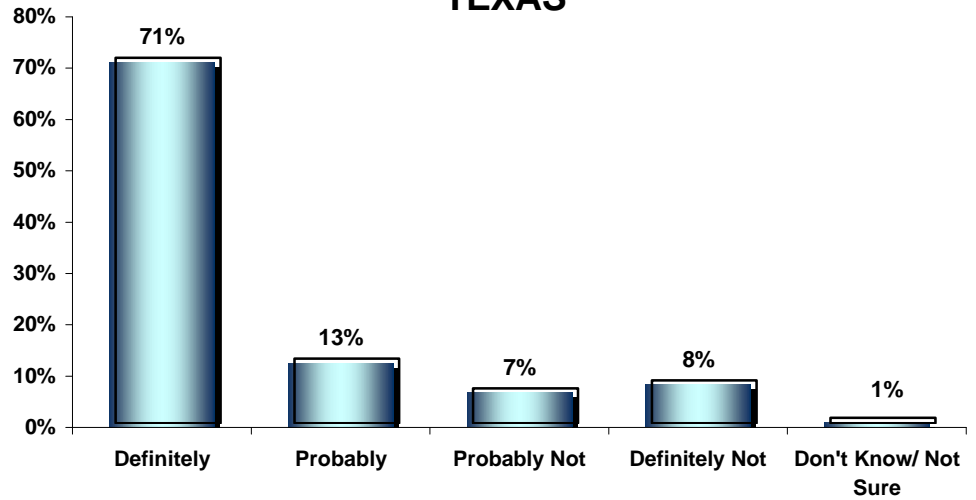
TEXAS

| | |
|---------------------------------|-----|
| Definitely | 71% |
| Probably | 13% |
| Probably Not | 7% |
| Definitely Not | 8% |
| Don't Know/ Not Sure | 1% |

WOULD SELLER USE REAL ESTATE AGENT AGAIN OR RECOMMEND TO OTHERS?

(Percentage Distribution)

TEXAS



U.S.

| | |
|---------------------------------|-----|
| Definitely | 63% |
| Probably | 19% |
| Probably Not | 8% |
| Definitely Not | 8% |
| Don't Know/ Not Sure | 2% |

WOULD SELLER USE REAL ESTATE AGENT AGAIN OR RECOMMEND TO OTHERS?

(Percentage Distribution)

U.S.

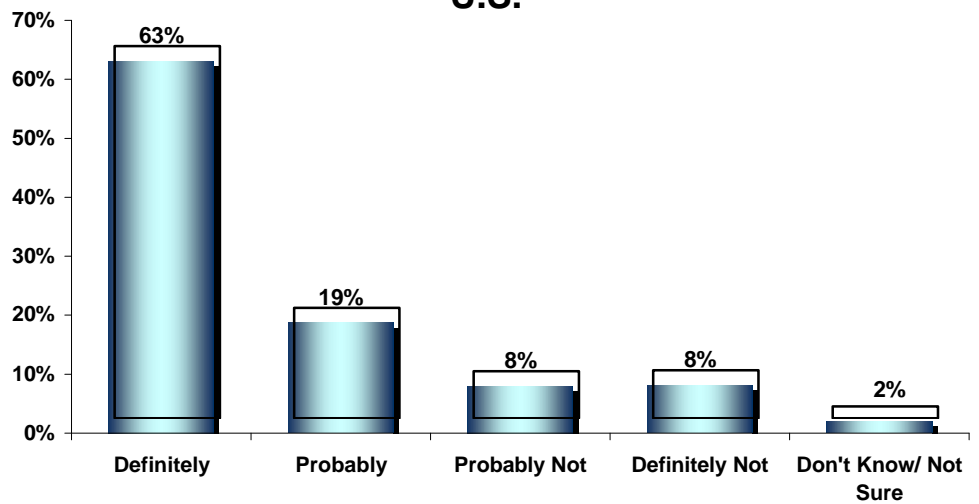


Exhibit 8-1

CHARACTERISTICS OF FSBO VS. AGENT-ASSISTED SELLERS

(Median)

TEXAS

| | FSBO | Agent-assisted |
|----------------------|-------------|-----------------------|
| Median age | 54 | 48 |
| Median income | \$62,500 | \$92,700 |

U.S.

| | FSBO | Agent-assisted |
|----------------------|-------------|-----------------------|
| Median age | 48 | 46 |
| Median income | \$84,400 | \$86,600 |

Exhibit 8-2

TYPE OF PREVIOUS HOME, FSBO VS AGENT-ASSISTED SALE

(Percentage Distribution)

TEXAS

| | FSBO | Agent-assisted |
|--|-------------|-----------------------|
| Detached single-family home | 88% | 92% |
| Townhouse or row house | -- | 5 |
| Duplex/Apartment/Condo in 2-4 family structure | -- | 1 |
| Apartment/Condo in a building with 5 or more units | -- | 2 |
| Mobile/manufactured home | -- | -- |
| Other | 13 | 1 |

U.S.

| | FSBO | Agent-assisted |
|--|-------------|-----------------------|
| Detached single-family home | 76% | 80% |
| Townhouse or row house | 7 | 9 |
| Duplex/Apartment/Condo in 2-4 family structure | 3 | 2 |
| Apartment/Condo in a building with 5 or more units | 4 | 6 |
| Mobile/manufactured home | 7 | 1 |
| Other | 3 | 3 |

Exhibit 8-3

LOCATION OF PREVIOUS HOME, FSBO VS AGENT-ASSISTED SALE

(Percentage Distribution)

TEXAS

| | FSBO | Agent-assisted |
|-------------------------------|-------------|-----------------------|
| Suburb/Subdivision | 67% | 66% |
| Small town | 13 | 8 |
| Urban/Central city | -- | 17 |
| Rural area | -- | 7 |
| Resort/Recreation area | 20 | 1 |

U.S.

| | FSBO | Agent-assisted |
|-------------------------------|-------------|-----------------------|
| Suburb/Subdivision | 57% | 57% |
| Small town | 15 | 15 |
| Urban/Central city | 15 | 17 |
| Rural area | 9 | 9 |
| Resort/Recreation area | 5 | 2 |

Exhibit 8-4
SELLING PRICE COMPARISON

TEXAS

| | FSBO | Agent-assisted |
|--|-------------|-----------------------|
| Median selling price of previous home | \$132,800 | \$160,000 |

U.S.

| | FSBO | Agent-assisted |
|--|-------------|-----------------------|
| Median selling price of previous home | \$198,200 | \$230,000 |

Exhibit 8-5

MOST IMPORTANT REASON FOR SELLING HOME AS FSBO

(Percentage Distribution)

TEXAS

| | |
|---------------------------------------|-----|
| Did not want to pay commission fee | 71% |
| Did not want to deal with an agent | -- |
| Sold it to a relative/friend/neighbor | 14 |
| Buyers contacted me directly | 14 |
| Agent was unable to sell home | -- |
| Other | -- |

U.S.

| | |
|---------------------------------------|-----|
| Did not want to pay commission fee | 53% |
| Sold it to a relative/friend/neighbor | 22 |
| Did not want to deal with an agent | 8 |
| Buyers contacted me directly | 9 |
| Agent was unable to sell home | 3 |
| Have own real estate license | 2 |
| Other | 3 |

Exhibit 8-6

RELATIONSHIP BETWEEN SELLER AND BUYER PRIOR TO THE TRANSACTION

(Percentage Distribution)

TEXAS

| | Seller knew buyer | Seller did not know buyer |
|---|------------------------------|--------------------------------------|
| Sold it using a licensed real estate agent or broker | 3% | 97% |
| Seller first tried to sell it themselves, but then used an agent | -- | 100 |
| Sold it without ever using a real estate agent or broker | 36 | 64 |
| Seller first listed with an agent, but then sold it themselves | -- | 100 |
| Other | -- | 100 |

** Less than one percent*

U.S.

| | Seller knew buyer | Seller did not know buyer |
|---|------------------------------|--------------------------------------|
| Sold it using a licensed real estate agent or broker | 3% | 97% |
| Seller first tried to sell it themselves, but then used an agent | 9 | 91 |
| Sold it without ever using a real estate agent or broker | 39 | 61 |
| Seller first listed with an agent, but then sold it themselves | 26 | 74 |
| Other | 27 | 73 |

Exhibit 8-7

METHOD USED BY FSBO SELLERS TO MARKET HOME

(Percent of Respondents)

TEXAS

| | |
|---------------------------------------|-----|
| Yard sign | 64% |
| Newspaper advertisement | 60 |
| Open house | 33 |
| Friends/neighbors/relatives | 47 |
| Listing on the Internet | 40 |
| Direct mail (flyers, postcards, etc.) | -- |
| For-Sale-By-Owner magazine | 13 |
| Other | 27 |

U.S.

| | |
|---------------------------------------|-----|
| Yard sign | 61% |
| Friends/neighbors/relatives | 46 |
| Newspaper advertisement | 37 |
| Open house | 29 |
| Internet | 17 |
| Direct mail (flyers, postcards, etc.) | 3 |
| For-Sale-By-Owner magazine | 4 |
| Other | 12 |

Exhibit 8-8

MOST DIFFICULT TASK FOR FSBO SELLERS

(Percent of Respondents)

TEXAS

| | |
|---|----|
| Preparing/fixing up home for sale | 7% |
| Understanding and completing paperwork | 14 |
| Getting the price right | 14 |
| Having enough time to devote to all aspects of the sale | 0 |
| Attracting potential buyers | 14 |
| Helping buyer obtain financing | 14 |
| Selling within the length of time planned | 21 |
| Other | 14 |

U.S.

| | |
|---|-----|
| Understanding and completing paperwork | 17% |
| Preparing/fixing up home for sale | 16 |
| Getting the price right | 14 |
| Selling within the time planned | 13 |
| Attracting potential buyers | 9 |
| Having enough time to devote to all aspects of the sale | 8 |
| Helping buyer obtain financing | 3 |
| Other | 20 |

** Less than one percent*

Exhibit 8-9

THE BUYER OF FSBO HOME ASSISTED BY A REAL ESTATE AGENT

(Percentage of Distribution)

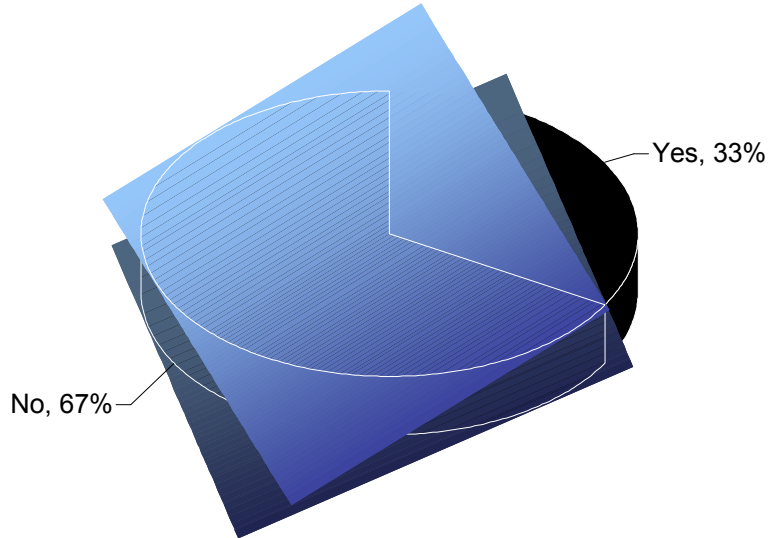
TEXAS

| | |
|-------------------|-----|
| Yes | 33% |
| No | 67% |
| Don't know | -- |

THE BUYER OF FSBO HOME ASSISTED BY A REAL ESTATE AGENT

(Percentage Distribution)

TEXAS



U.S.

| | |
|-------------------|-----|
| Yes | 19% |
| No | 77% |
| Don't know | 3% |

THE BUYER OF FSBO HOME ASSISTED BY A REAL ESTATE AGENT

(Percentage Distribution)

U.S.

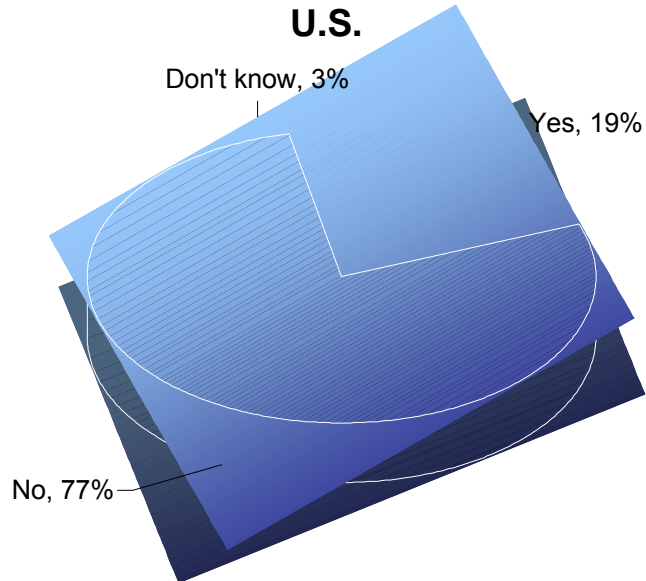


Exhibit 8-10

HOW FSBO SELLERS WILL SELL THEIR CURRENT HOME

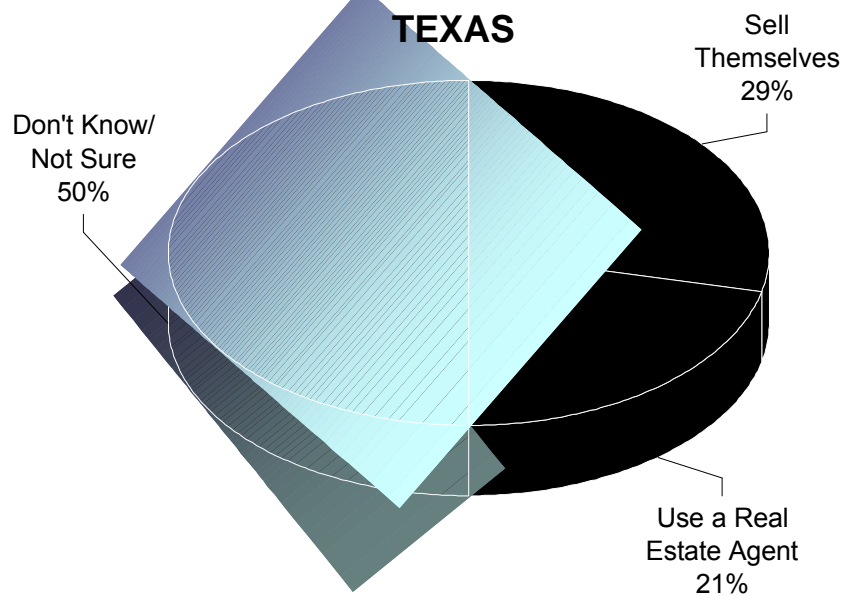
(Percentage of Distribution)

TEXAS

| | |
|--------------------------------|-----|
| Sell Themselves | 29% |
| Use a Real Estate Agent | 21% |
| Don't Know/ Not Sure | 50% |

HOW FSBO SELLERS WILL SELL THEIR CURRENT HOME

(Percentage Distribution)

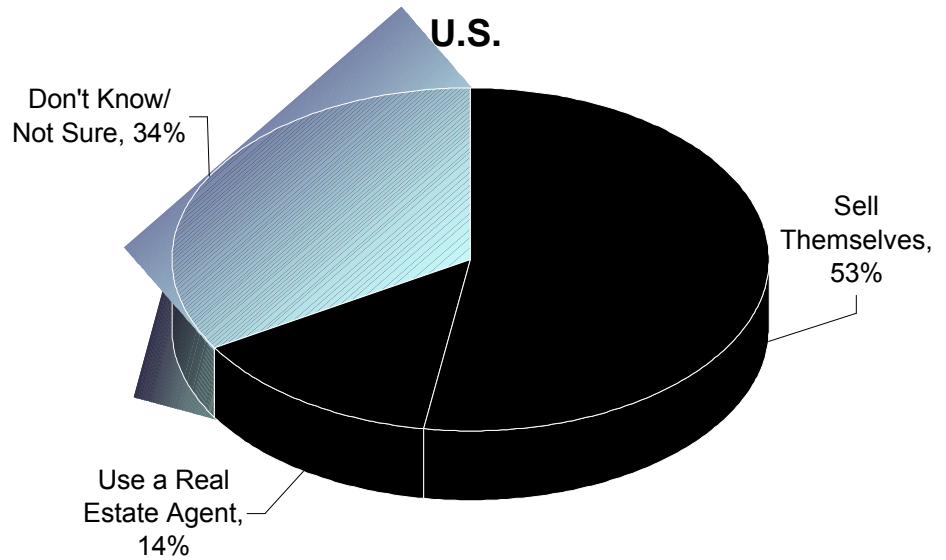


U.S.

| | |
|--------------------------------|-----|
| Sell Themselves | 53% |
| Use a Real Estate Agent | 14% |
| Don't Know/ Not Sure | 34% |

HOW FSBO SELLERS WILL SELL THEIR CURRENT HOME

(Percentage Distribution)



NATIONAL ASSOCIATION OF REALTORS®
2005 NAR Profile of Home Buyers and Sellers

Conclusion

The robust housing market of the past several years has supported the national economy with record sales activity and healthy price appreciation that has added trillions of dollars to the aggregate wealth of the nation's homeowners. As importantly, millions of households have become homeowners for the first time and can secure the financial and personal benefits that homeownership offers.

Survey results show that typical Texas area buyers had a higher income and were slightly older than buyers nationwide. Buyers in the Texas area were more likely to purchase a detached single family home, most often located in the suburbs.

When embarking on a home purchase or sale, most consumers rely on the experience and expertise of real estate professionals to assist them with this complex transaction. Working in an extremely competitive environment, agents and brokers provide high levels of service to meet the varied needs of home buyers and sellers. The value that consumers place on the services offered by real estate professionals is reflected in the large majority of both buyers and sellers who would use their agent again or recommend them to others. In the Texas area 67 percent of buyers and 71 percent of seller would recommend their agent to others.

The *2005 NATIONAL ASSOCIATION OF REALTORS® Profile of Home Buyers and Sellers* allows REALTORS® and other real estate professionals to better determine who their clients are and how the needs of their clients are evolving over time. More importantly, the information in this report will assist REALTORS® as they strive to offer superior service to America's home buyers and sellers.