

Research [in] Brief

Where and How Are Investors Buying Single-Family Homes?



Primary issue

Communities are seeking to understand the scale and nature of purchases of single-family homes by real estate investors relative to purchases by owner-occupants and the potential impacts of these transactions on households and neighborhoods.



Key findings

- Investor purchases of homes were disproportionately concentrated in low- and moderate-income (LMI) neighborhoods.
- In these “hotspots,” cash purchases—a method appealing to sellers because it speeds transactions—have declined but still comprise the majority of sales.
- Transactions between owner-occupants have been declining in “hotspots,” while the share of sales from owner-occupants to investors or between investors has increased slightly.



The bottom line

This research sheds light on the nature of available housing in LMI communities. Investor purchases made up more than 40 percent of single-family home purchases in mostly poorer neighborhoods in which investor-driven transactions were most common. However, the overall share of investor-owned properties has increased only slightly because many investors purchased properties from other investors.



Want to find out more? Read “Hotspots: Investor-Owned Home Trends from Select Counties in Ohio and Pennsylvania (2018–2024)” at clefed.org/cd250904.

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