

20
25

Buyer Insights

Executive Summary | Buyer Profile |
Buyer Strategy | Buyer Outlook



Auction Buyers More Optimistic for 2025

- 64% expect purchases to increase in 2025, up from 60% in 2024 and 54% in 2023
- 33% expect home price decline in 2025, down from 40% in 2024
- 43% describe market as overvalued, down from 49% in 2024
- 26% of auction buyers describe themselves as owner-occupants, up from 13% in 2024

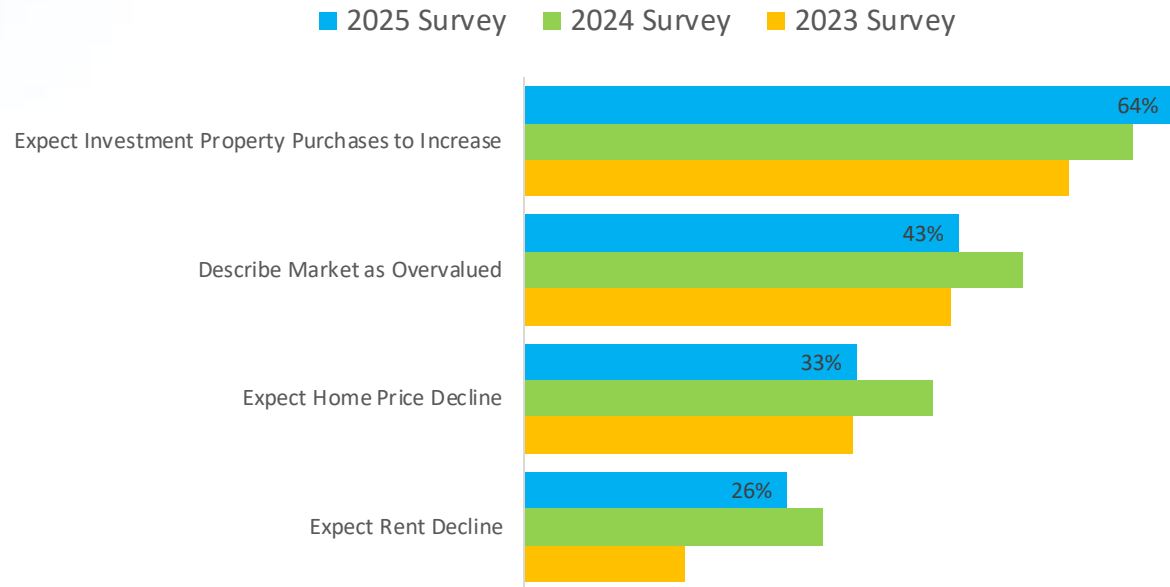
“Increased purchase expectations from buyers in the countercyclical foreclosure auction market point to more distressed buying opportunities in 2025, but other survey findings indicate buyers expect only a modest increase.

Jason Allnutt

Auction.com CEO



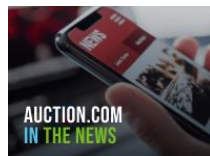
Auction Buyers More Optimistic for 2025



Irvine, Calif. – April 8, 2025 – Auction.com, the nation’s leading distressed real estate marketplace, today released its 2025 Buyer Insights Report, which shows that buyers of distressed properties at auction are the most optimistic they’ve been in three years when it comes to expectations for property purchases in the coming year while becoming less bearish about home price appreciation and rents.

Based on a February 2025 survey of more than 350 Auction.com buyers, the survey also found that 26 percent of auction buyers describe themselves as owner-occupants, double the share from a year ago.

The report also shows a shift from in-person auctions to online auctions along with trends in buyer purchase volume, motivation and strategies for working with current occupants.



Follow [Auction.com’s Research and Analysis](#) content for updated information and trends.

Share of Owner-Occupant Buyers at Auction Doubles

- 26% of Auction.com buyers say they are owner-occupants, up from 13% a year ago
- 63% say they are local community developers, still majority buyer type
- 4% say they are institutional investors

"I plan on improving any property I purchase. I would most likely live in the property and the community for a period of time and contribute to the community that way.

Catherine, an owner-occupant buyer



What best describes you as an Auction.com buyer?

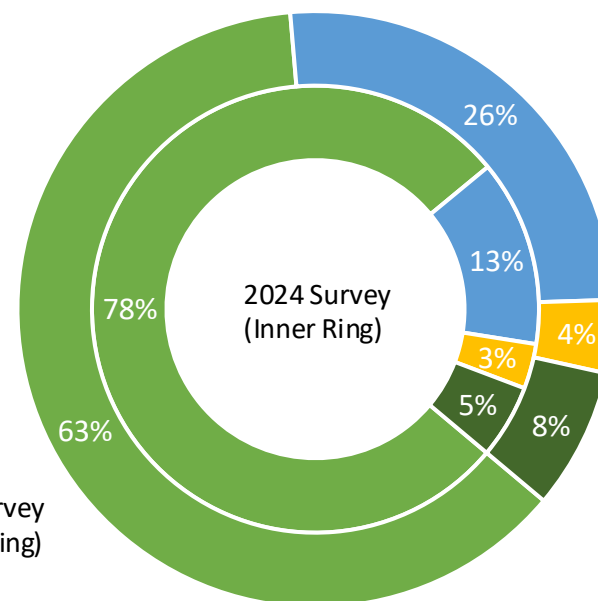
■ Local Community Developer

■ Owner-Occupant

■ Institutional Investor

■ Other

2025 Survey
(Outer Ring)



The share of Auction.com buyers who described themselves as owner-occupants doubled in the 2025 survey to 26 percent, up from 13 percent in the 2024 survey.

Sixty-three percent of buyers surveyed described themselves as local community developers, down from 78 percent in the 2024 survey. That decrease came mostly as a result of the sharp uptick in owner-occupant buyers.

The share of buyers surveyed who described themselves as institutional investors was just 4 percent, up slightly from 3 percent in 2024.

Eight percent of buyers described themselves as something other than owner-occupant, local community developer or institutional investor, up from 5 percent in 2024. Some of those other descriptions included non-profit developer and broker or Realtor.



View this episode of [Disposition Download](#) for a story of one owner-occupant buyer who purchased his dream home on Auction.com

97% of Auction Buyers Purchased 10 or Fewer Properties in 2024

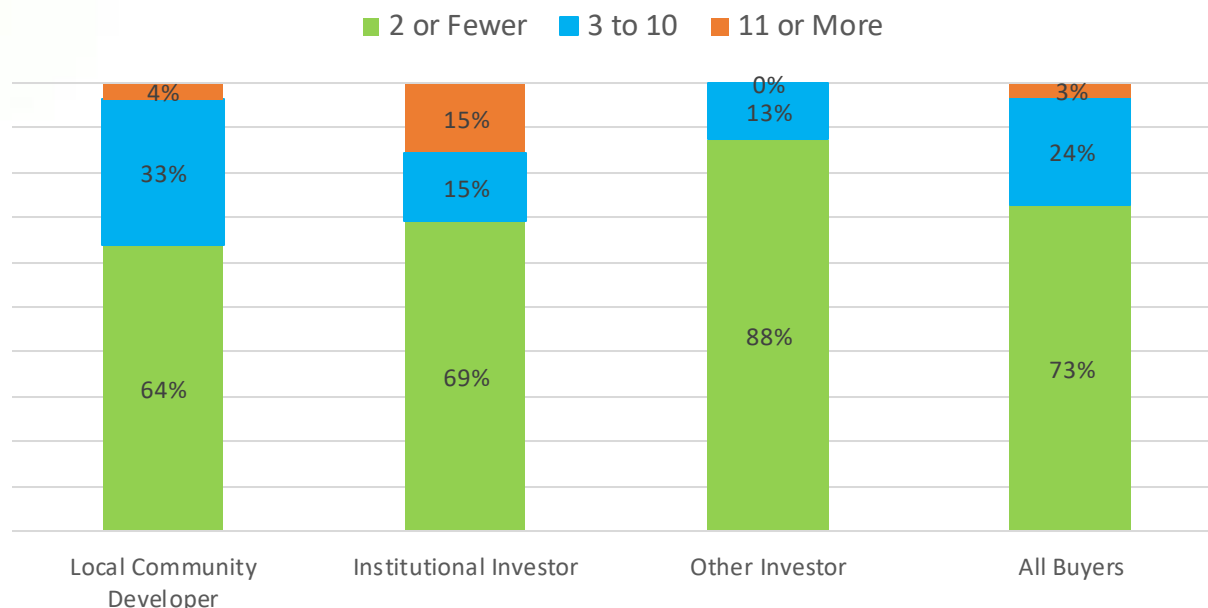
- Up from 96% a year ago
- 73% purchased five or fewer
- 3% purchased 11 or more

“Was able to help one couple living out of their car, put them in a small rental. Now they pay on time every time. I was also able to help two young families get into homes and use THEIR sweat equity to fix them up.

Todd, Washington



How many properties did you buy in 2024?



Ninety-seven percent of Auction.com buyers surveyed in 2025 said they purchased 10 or fewer properties in 2024, up slightly from 96 percent a year ago.

Out of that 97 percent, 73 percent said they purchased five or fewer properties while 24 percent said they purchased between three and 10 properties in 2024.

A separate analysis of Auction.com buyer data in 2024 shows similar trends, with 92 percent of

buyers purchasing two or fewer properties on the platform in 2024 and 7.5 percent purchasing between three and 10 properties. Less than 1 percent purchased 11 or more properties on the platform in 2024.

The buyers purchasing between three and 10 properties – most likely to be local community developers based on the survey findings – accounted for 21 percent of all sales on the Auction.com platform in 2024.



Watch this episode of [Disposition Download](#) for a story of a local community developer in Alabama who describes her and her husband as “genuine mum and dad investors.”

Buyers Motivated Most by Building Generational Wealth

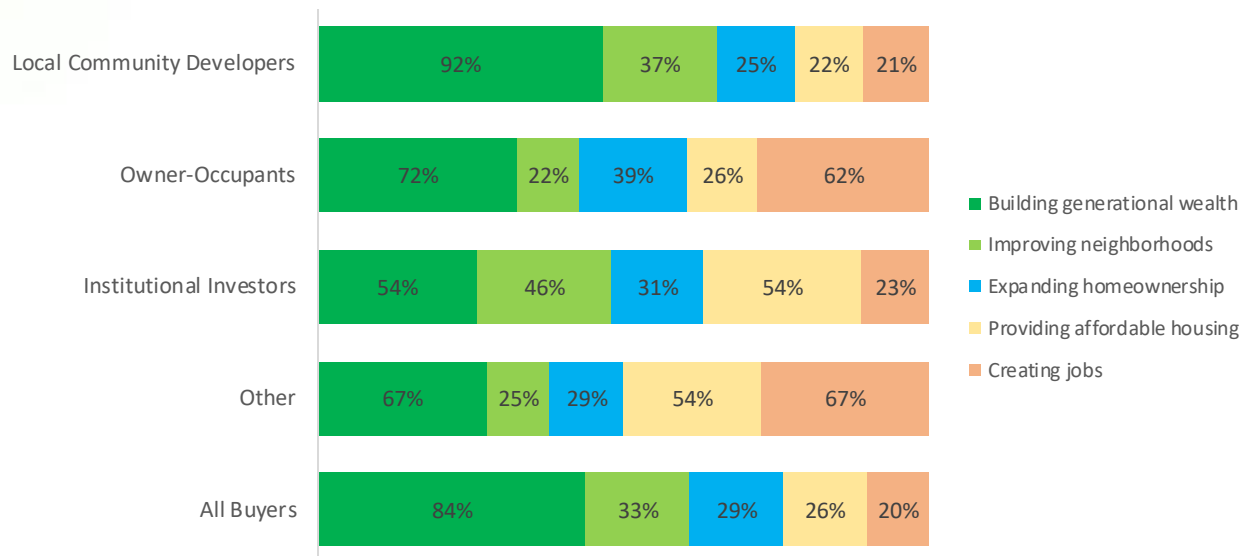
- 84% ranked as a motivation for investing in real estate
- 92% of local community developers ranked building generational wealth as a motivation
- 54% of institutional investors ranked building generational wealth as a motivation

“This provides jobs and stimulates the local economy. It also enhances the neighborhoods and drives valuations up locally – plus it helps towards fulfilling my retirement goals.

Jonathan, Tennessee



What motivates you to invest in real estate?



Many buyers say their real estate investing benefits communities in various ways (see Page 6), but their primary motivation for buying and renovating distressed properties is to build generational wealth.

Eighty-four percent of buyers surveyed said building generational wealth motivated them to invest in real estate, by far the top motivation of those offered in the survey.

Local community developers were even more motivated by building generational wealth, with 92 percent selecting it as a motivation, compared

to 72 percent for owner-occupants and 54 percent for institutional investors.

Compared to all buyers, a higher share of institutional investors and other investors (which includes non-profits) were motivated by providing affordable housing, with 54 percent of both of those buyer groups selecting it as a motivation.



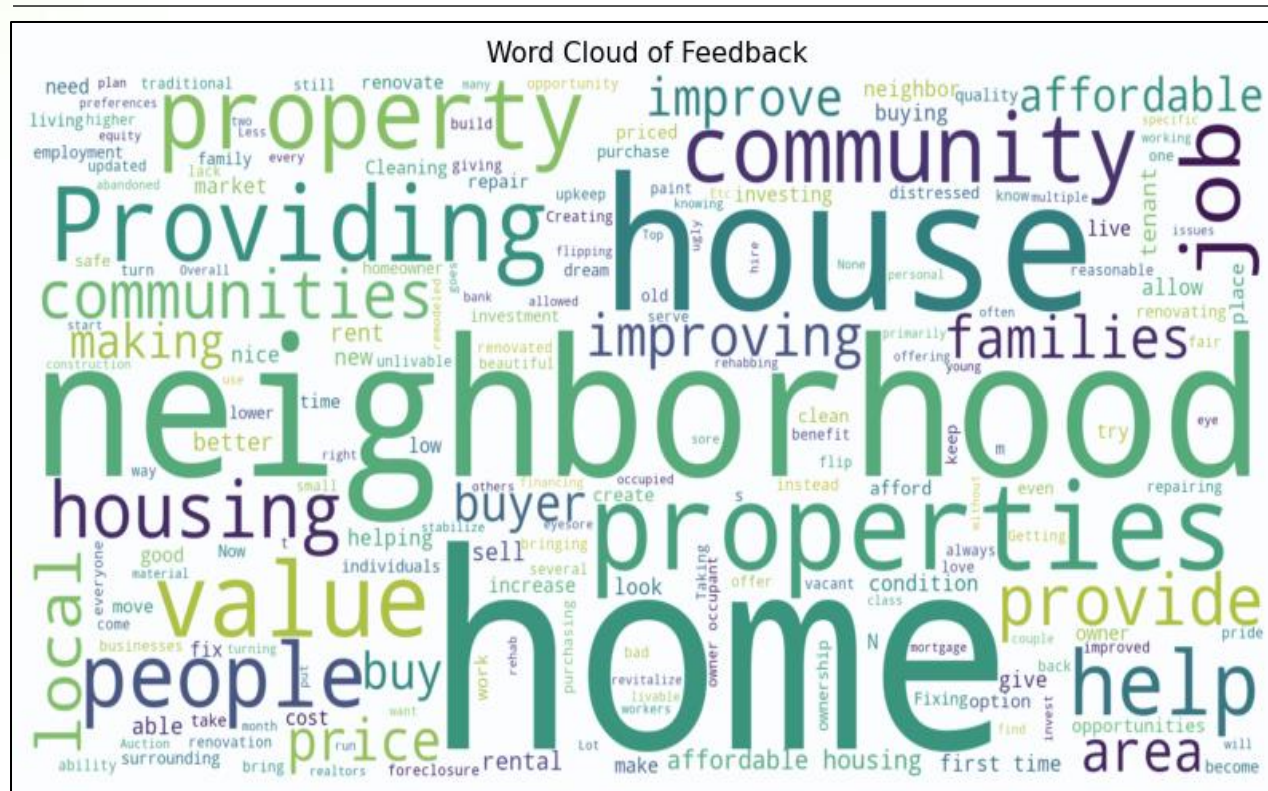
Watch this episode of [Disposition Download](#) for the story of an Auction.com buyer in Georgia who found a path out of poverty and started building generational wealth with real estate investing.

Nearly Half of Buyers Surveyed Provided Stories of Community Revitalization

- 49% responded to an optional question on how their investing is helping individuals or communities
- Word cloud of those responses provides insight into most important themes

"There's always 'that one house' in every neighborhood that looks and is run down. I live to change that and turn it into someone's affordable dream home.

Laurie, Florida



Nearly half of the buyers surveyed (49 percent) responded to an optional question asking how their real estate investing is helping individuals or communities, indicating the community impact of investing is important to many buyers.

An AI-generated word cloud of the responses shows which words and themes were most used by buyers in the response. Some of the top words were home, neighborhood, house, providing, community and value, along with improve, improving, affordable, and help.



Watch the 100th episode of [Disposition Download](#) for an overview of the many buyer stories Auction.com has collected over the past five years.

55% of Buyers Renovate and Resell to Owner-Occupants as Primary Investing Strategy

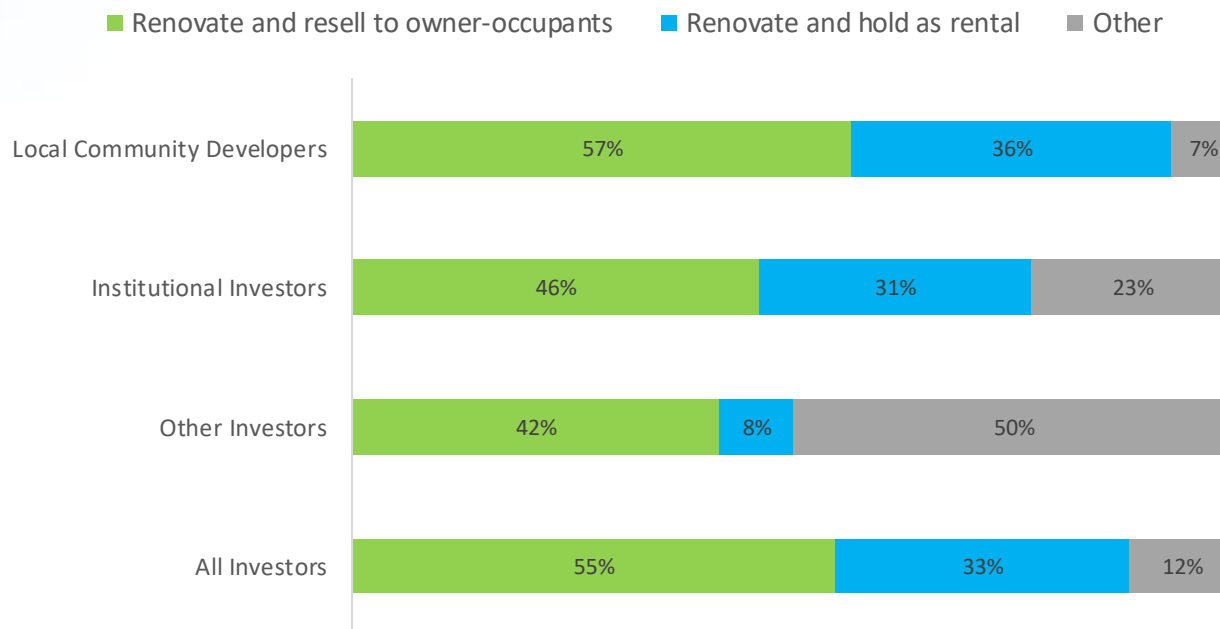
- Unchanged from last year
- 33% renovate and rent as primary strategy, down from 39% a year ago
- 12% selected “Other” for primary investing strategy, up from 5% a year ago

“We buy houses that are often in bad shape, repair and renovate them and sell them to owner-occupants who benefit from good houses without problems to fix.

–Daniela, Illinois



What is your primary Auction.com buying strategy?



More than half of all buyers surveyed (55%) said their primary investing strategy for properties purchased on Auction.com is to renovate and resell those properties to owner-occupant buyers, unchanged from a year ago.

One-third of buyers surveyed said renovate-and-rent was their primary investing strategy for properties purchased on Auction.com, down from 39 percent a year ago.

Meanwhile, the share of buyers who said some

other type of investing strategy was their primary investing strategy increased from 5 percent a year ago to 12 percent in the 2025 survey.

Other investing strategies included renovating and reselling to other investors (turnkey rentals), helping other buyers to fix and live in properties, buying a second home or helping family members buy a home.



View this episode of [Disposition Download](#) for the story of a local community developer renovating and reselling distressed properties as affordable housing in Georgia.

Buyers Shifting to Online Auctions Over In-Person Auctions

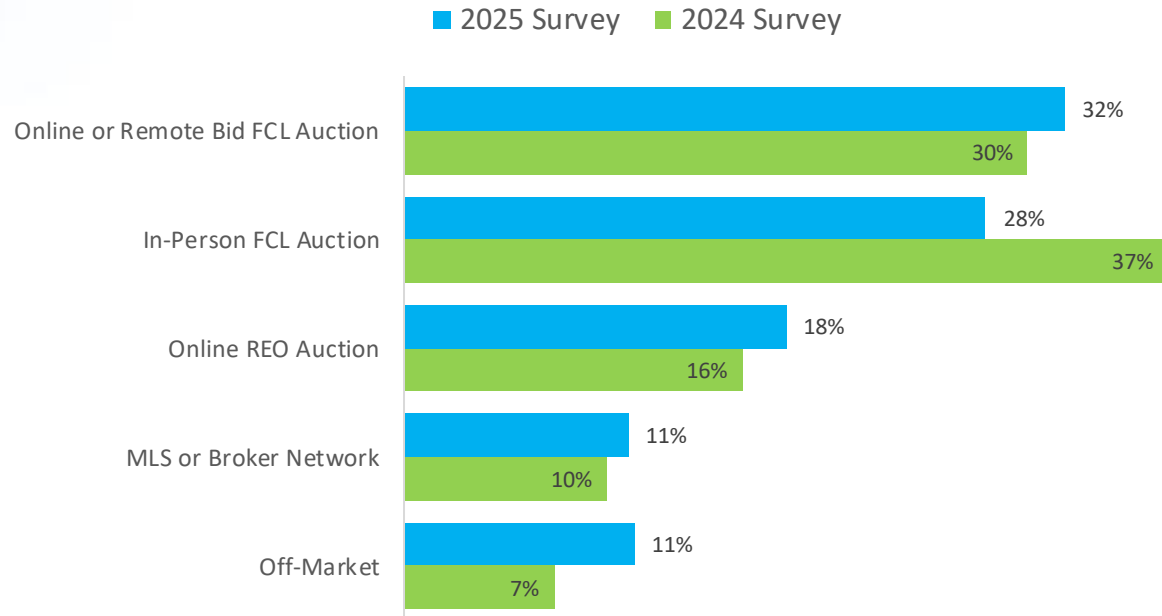
- 50% rank some form of online auction as top acquisition method, up from 46% a year ago
- 28% rank in-person auctions as top acquisition method, up from 37% a year ago
- 11% rank off-market as top acquisition method, up from 7% a year ago

"Thank you for making it easy for me to buy the house I did online.

Brian, an owner-occupant buyer



What is your top property acquisition method?



Half of all Auction.com buyers surveyed said some form of online auction – either online REO auction, online foreclosure auction, or Remote Bid™ foreclosure auction – was their top property acquisition method. That was up from 46 percent a year ago.

Meanwhile, the share of buyers who ranked in-person foreclosure auctions as their top acquisition method dropped by 9 percentage points, from 37 percent in the 2024 survey to 28 percent in the 2025 survey.

Part of this the shift could be due to lower in-person foreclosure volume in 2024.

The share of buyers ranking off-market properties as their top acquisition method increased by four percentage points, from 7 percent in the 2024 survey to 11 percent in the 2025 survey.

Off-market properties include pre-foreclosure properties that have been scheduled for foreclosure auction.



Watch this episode of [Disposition Download](#) for the story of an Auction.com buyer leveraging Remote Bid to purchase properties at foreclosure auction remotely.

91% of Investor Buyers Offer Graceful Exit to Current Occupants

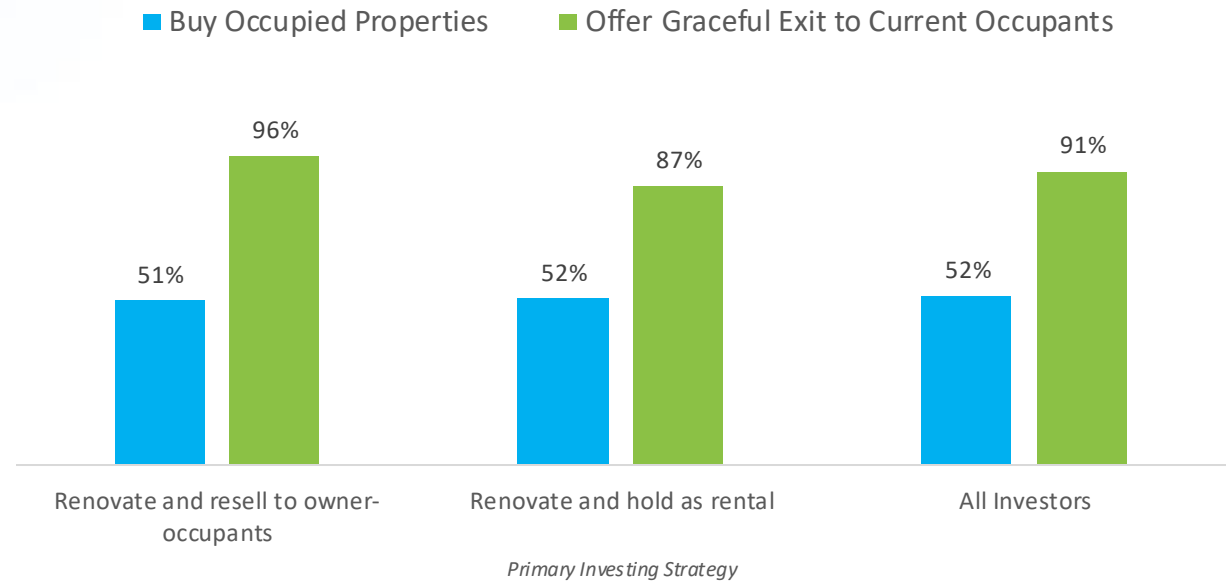
- 96% offer graceful exit among investors who primarily renovate and resell to owner-occupants
- 52% offer a graceful exit among investor buyers who purchase occupied properties

"We saved over a dozen families from foreclosure last year. ... We also helped nearly 100 families become first-time homeowners.

-Michelle, Idaho



Do you buy occupied properties and, if so, do you offer a graceful exit to the current occupants?



More than nine in 10 Auction.com investor buyers who purchase occupied properties (91 percent) said they offer some sort of graceful exit option to current occupants.

The graceful exit options for the current occupant include transition assistance (cash for keys, relocation costs), leasing back or even buying back.

The percentage was higher (96 percent) for investors who primarily renovate and resell properties to owner-occupants.

More than half of investor buyers (52 percent) said they purchase occupied properties compared to 39 percent of owner-occupant buyers.

Among investor buyers, local community developers were mostly likely to buy occupied (54 percent) compared to 38 percent of institutional investors and 50 percent of other investors.



Watch this episode of [Disposition Download](#) for a story on how a local community developer in Houston provided a graceful exit to the current occupant after purchasing a property at foreclosure auction.

64% of Investor Buyers Spend More Than \$20K on Renovation and Holding Costs

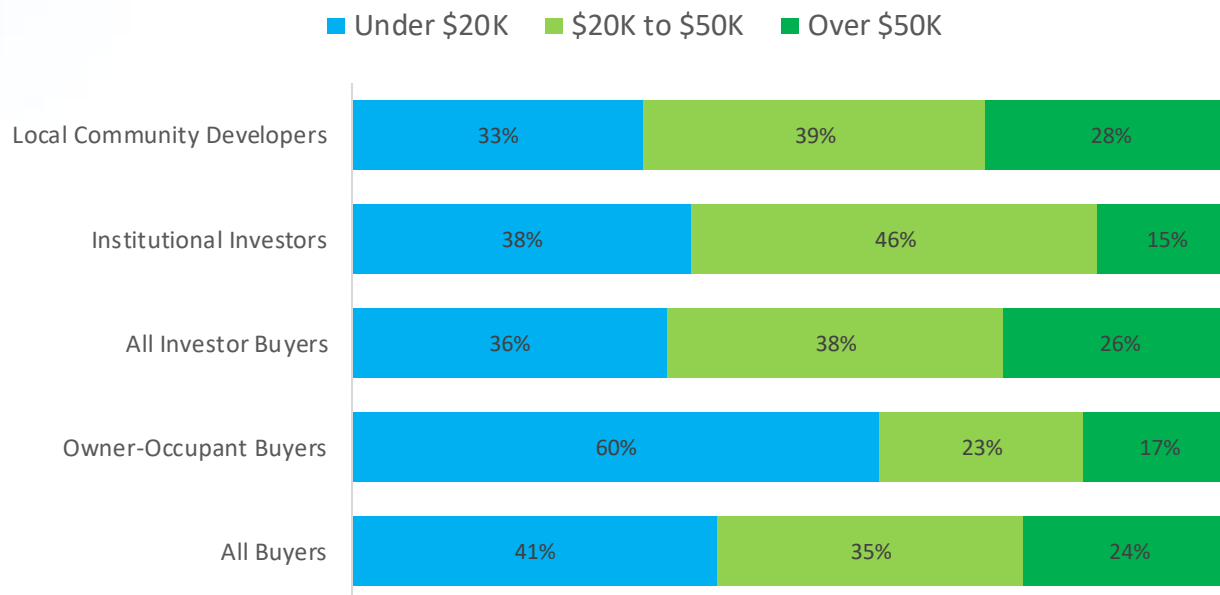
- 67% of local community developers
- 62% of institutional investors
- 40% of owner-occupant buyers

“(We are) fixing up the eye sore homes in the neighborhood. Making the homes look nice without going too extravagant so they are still affordable.

Kristi, North Carolina



How much do you typically spend on renovation and holding costs on Auction.com purchases?



Nearly two-thirds of investor buyers (64 percent) surveyed said they spend at least \$20,000 on renovation and holding costs for properties purchased on Auction.com compared to 40% of owner-occupant buyers who said they spend at least \$20,000.

Among investor buyers, local community developers were most likely to spend at least \$20,000 on renovation and holding costs, with 67 percent in that category compared to 62 percent of institutional investors.

Local community developer buyers were also more likely to spend at least \$50,000 on renovation and holding costs for properties purchased on Auction.com, with 28 percent in that category compared to 15 percent of institutional investors and 17 percent of owner-occupant buyers.

Institutional investors were most likely of any buyer type to spend between \$20,000 and \$50,000, with 46 percent in that category.



Watch this episode of [Disposition Download](#) to see how a local community developer in Cleveland is redesigning distressed properties to delight new homeowners.

Auction Buyers Less Bearish on Home Prices

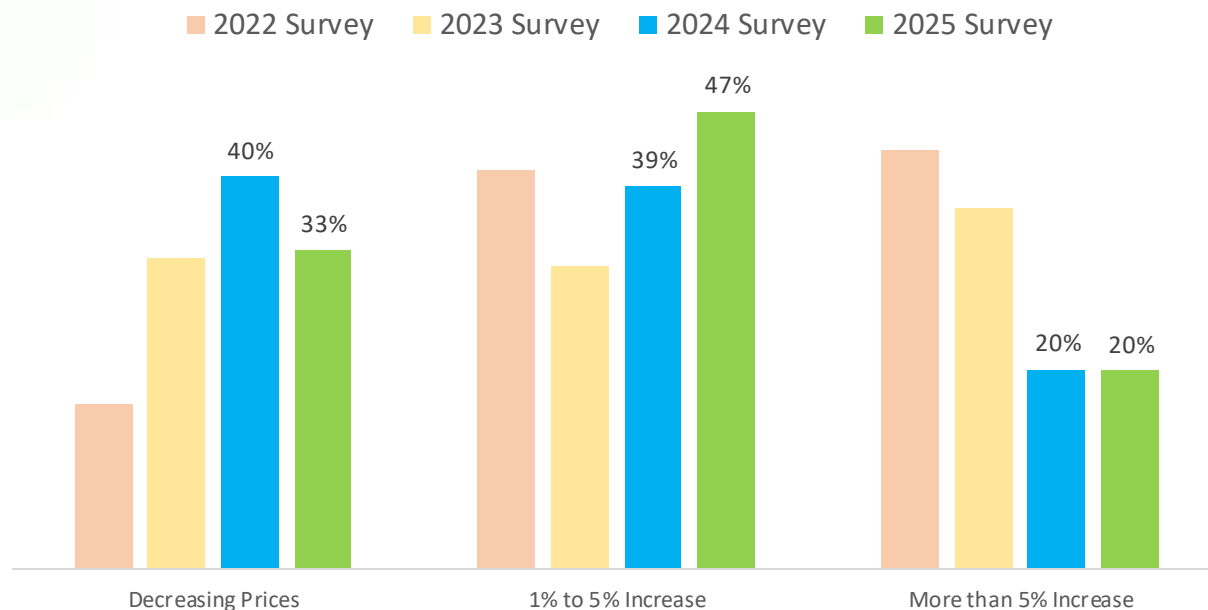
- 33% expect decreasing home prices in 2025, down from 40% in 2024
- 47% expect a modest increase in home prices in 2025, up from 39% in 2024

“Auction.com buyers are the most confident they’ve been since 2022 that home prices will rise in the coming year.

Daren Blomquist

Auction.com VP of Market Economics

How much home price appreciation do you expect in your buying markets this year?



One-third of buyers surveyed said they expect home prices in their local market to decline in 2025, down from 40 percent in the 2024 buyer survey and on par with the 32 percent in the 2023 buyer survey.

Meanwhile, 47 percent of buyers said they expect home prices to increase between 1 percent and 5 percent in 2025, up from 39 percent who expected that in the 2024 survey.

The share of buyers expecting an above-5 percent

increase in home prices in 2025 remained unchanged from 2024 at 20 percent.

Among buyer types, institutional investors were the most bearish, with 40 percent expecting decreasing home prices in 2025 compared to 34 percent of owner-occupants and 31 percent of local community developers.



Follow the [Auction Market Dispatch](#) to get quarterly updates on how bidding behavior from Auction.com buyers is trending in terms of demand and pricing.

Auction Buyers More Bullish on Rent Growth

- 74% expect rent growth in 2025, up from 71% in 2024
- 26% expect rents to decline in 2025, down from 29% in 2024

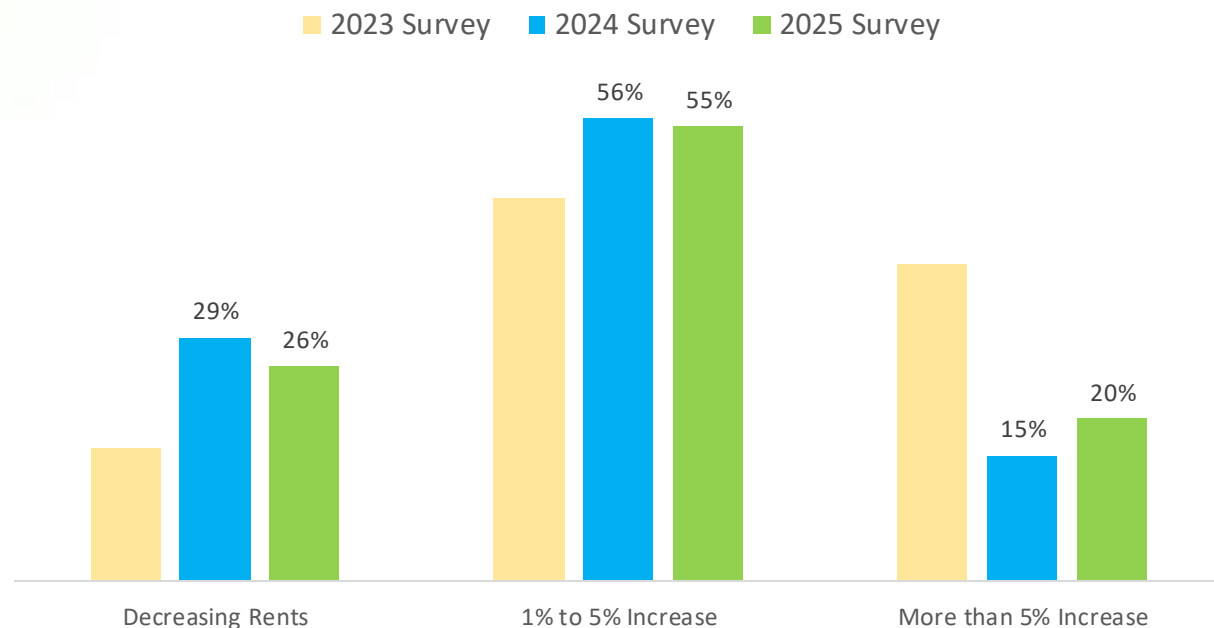
“Rent appreciation slowed in 2024, but Auction.com buyers are expecting that trend to stabilize in 2025.

Joe Cutrona

Auction.com Chief
Business Officer



How much rent appreciation do you expect in your buying markets this year?



Nearly three-fourths of buyers surveyed (74 percent) said they expect rents to increase in their local market in 2025, up from 71 percent in the 2024 buyer survey, although still down from 84 percent in the 2023 buyer survey.

The biggest growth came among buyers expecting 5-plus percent growth in rents in 2025, with 20 percent in that category in 2025 compared to 15 percent in 2024.

Conversely, 26 percent of buyers surveyed said they expect rents to decrease in 2025, down from 29 percent in the 2024 buyer survey but still up from 16 percent in the 2023 buyer survey.

Among buyer types, institutional investors were most bullish, with 80 percent expecting rent growth in 2025 compared to 76 percent of local community developers and 70 percent of owner-occupants



Watch this episode of [Disposition Download](#) to see what Auction.com is forecasting in terms of foreclosure volumes in 2025.

Owner-Occupant Auction Buyers Least Optimistic About Housing

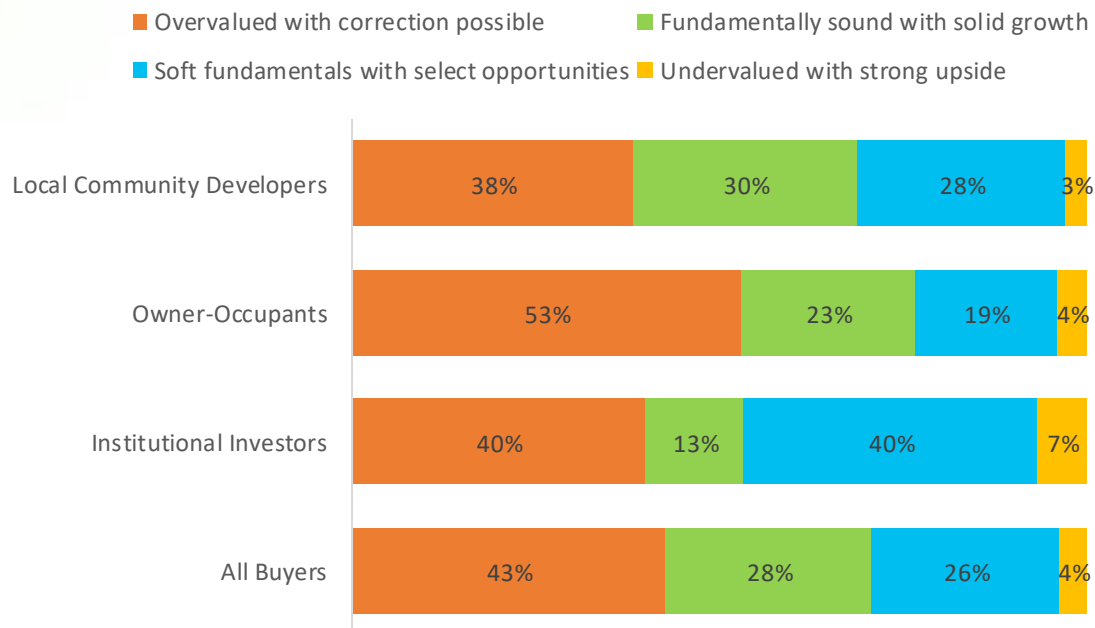
- 43% of all buyers describe their local market as overvalued, down from 49 percent a year ago
- 53% of owner-occupant buyers describe their local market as overvalued

“Owner-occupant auction buyers are more likely to see their local market as overvalued, and that is likely one of reasons more owner-occupant buyers are turning to distressed property auctions.”

Ali Haralson

Auction.com President

Which of the following best describes your view of the housing markets where you operate?



Forty-three percent of buyers surveyed in 2025 described their local market as “overvalued with correction possible”, down from 49 percent in the 2024 survey.

Owner-occupant buyers were more likely to describe their local market as overvalued, with 53 percent in that category compared to 40 percent for institutional investors and 38 percent for local community developers.

Somewhat paradoxically, the share of buyers describing their local market as having “soft fundamentals with select opportunities” increased in 2025 to 26 percent compared to 20 percent in the 2024 survey.

Among buyer types, institutional investors were most likely to describe their market as having soft fundamentals (40 percent) compared to 28 percent of local community developers and 19 percent of owner-occupant buyers.



Read this [HousingWire article](#) for a deeper understanding of how bidding behavior at distressed property auctions helps anticipate trends in the retail housing market.

64% of Auction Buyers Expect to Buy More in 2025

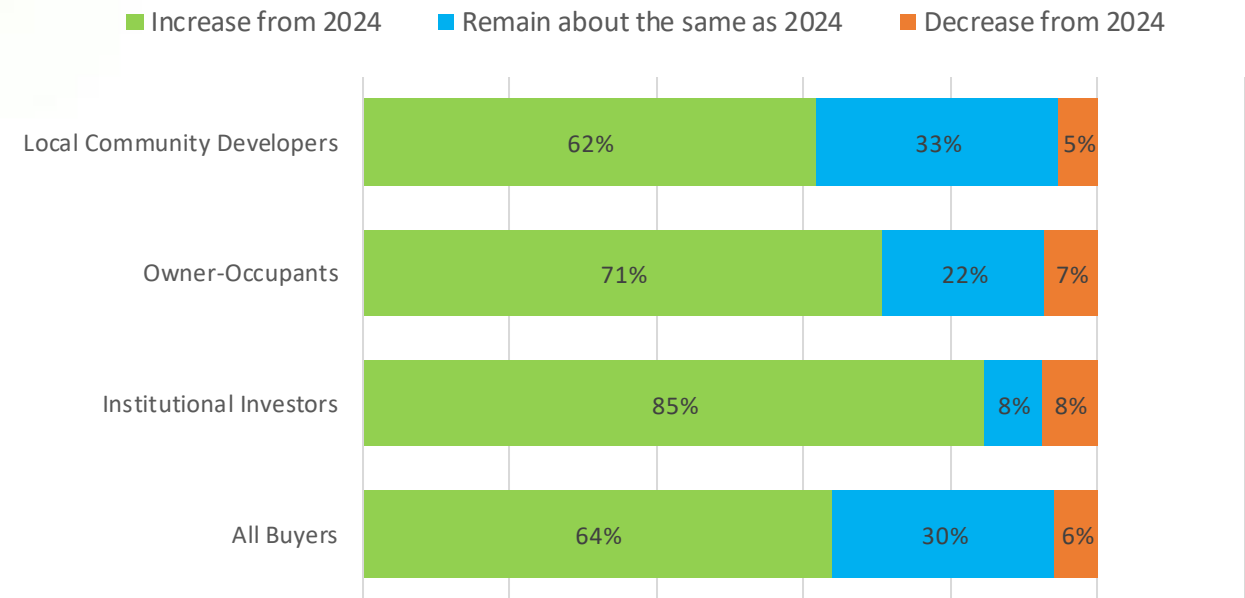
- Up from 60% in 2024 and 54% in 2023
- 85% of institutional investors expect to buy more

“The price of everything has increased including foreclosures. However as long as profit margins stay the same it doesn't affect me much.

Alan, Maine



In 2025, I expect the number of my property purchases to:



Nearly two-thirds of Auction.com buyers surveyed (64 percent) expect their property purchases to increase in 2025, up from 60 percent in 2024 and 54 percent in 2023.

Among buyer types, institutional investors were the most likely to expect increasing property purchases in 2025 (85 percent) compared to 71 percent for owner-occupant buyers and 62 percent for local community developers.

Local community developers were most likely to

expect property purchases to remain the same in 2025 (33 percent) compared to 22 percent for owner-occupants and 8 percent for institutional investors.

Investors who primarily renovate and rent were more likely to expect property purchases to increase (67 percent) than investors who primarily renovate and resell to owner-occupants (57 percent)



Read the latest [Auction Market Dispatch](#) to see foreclosure auction demand by local market.

Market Research & Analysis



Daren Blomquist

Survey results were analyzed and summarized for this report by the Auction.com Market Research & Analysis team. Led by VP of Market Economics Daren Blomquist, this team leverages proprietary Auction.com data along with public record data to provide data-driven insights on distressed housing trends to the marketplace.

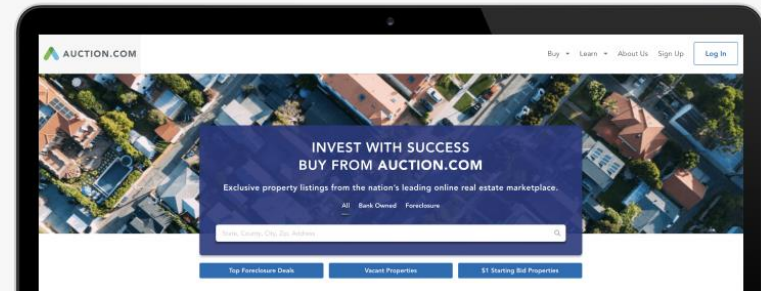
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Report Methodology

The Auction.com 2025 Buyer Insights report is based on a survey of more than 350 Auction.com buyers in February 2025.

For more Market Research & Analysis, visit
[www.Auction.com/InTheNews](https://www.auction.com/InTheNews)



About Auction.com

Auction.com is the nation's leading online marketplace for the disposition of distressed residential properties. The company goes beyond traditional disposition programs, offering tools and services that stabilize neighborhoods, expand homeownership, maximize sales, shorten the sales cycle, yield higher returns, mitigate risks and elevate results. Our seller strategy includes customized and flexible programs, data intelligence and buyer insights, and pioneering technology. This includes Remote Bid®, which expands the buyer base nationwide by letting buyers bid on and win select foreclosure sales from anywhere, and Portfolio Interact™, featuring Bid Interact™. The national footprint for online and in-person auctions includes all 50 states, as well as Washington, DC, and Puerto Rico. Auction.com is headquartered in Irvine, CA, with offices in key markets nationwide.

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