

## MORTGAGE TRENDS

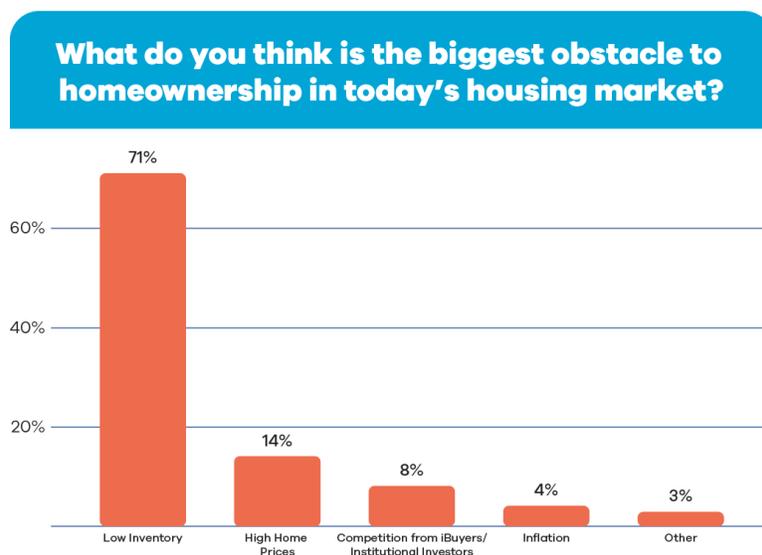
# Inventory is the biggest obstacle to homeownership, agents say

By Patrick Kearns | May 26, 2022

Homebuyers are making 2–5 offers before being accepted, according to a new survey of top agents

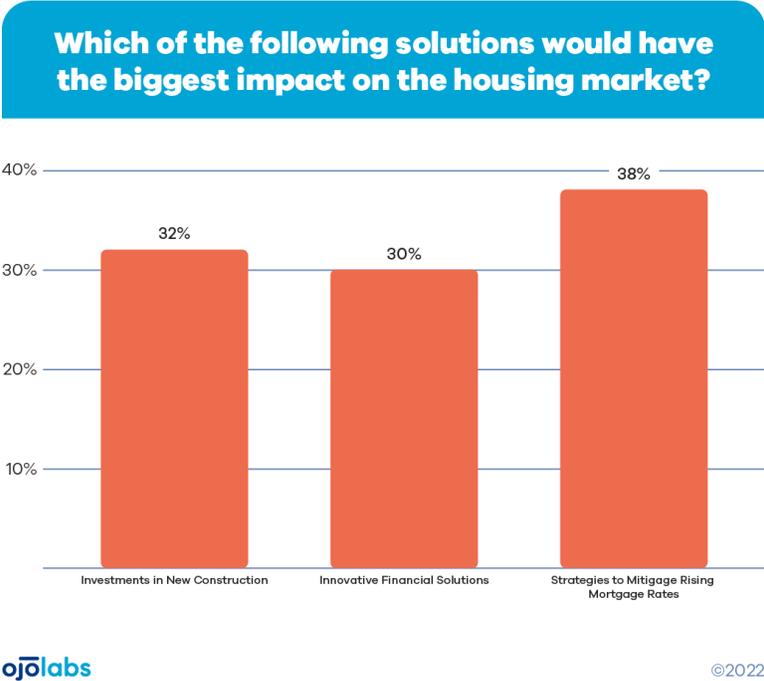
Historically low housing inventory is the biggest obstacle to homeownership — at least according to some of the nation's top real estate agents. A new survey of agent members of the OJO Select Network — the [OJO Labs](#) exclusive agent network consisting of some of the nation's high-performing agents — revealed that 71% of the 1,066 agents surveyed believe low inventory is the biggest obstacle in today's market.

"Because of the velocity of the market and the rate of sale has been so fast, you don't have an accumulation of inventory or the carryover of inventory from one month to another," Chris Heller, the chief real estate officer of OJO Labs said. "This is an issue of, we need more listings, and we need more houses."



Secondary to inventory, 14% of agents cited high home prices as the biggest barrier to homeownership in today's market. 8% of agents said competition from institutional investors or iBuyers was the biggest obstacle, while 4% said inflation and 3% said "other."

OJO Labs also asked the same group of agents to rank the following solutions in terms of how big of an impact they would have on the housing market: investments in new home construction, innovative financial solutions, and strategies to mitigate rising mortgage rates. And despite citing inventory as the biggest obstacle, it was strategies to mitigate rising mortgage rates that led the group, with 38% of agents ranking it as the top solution.



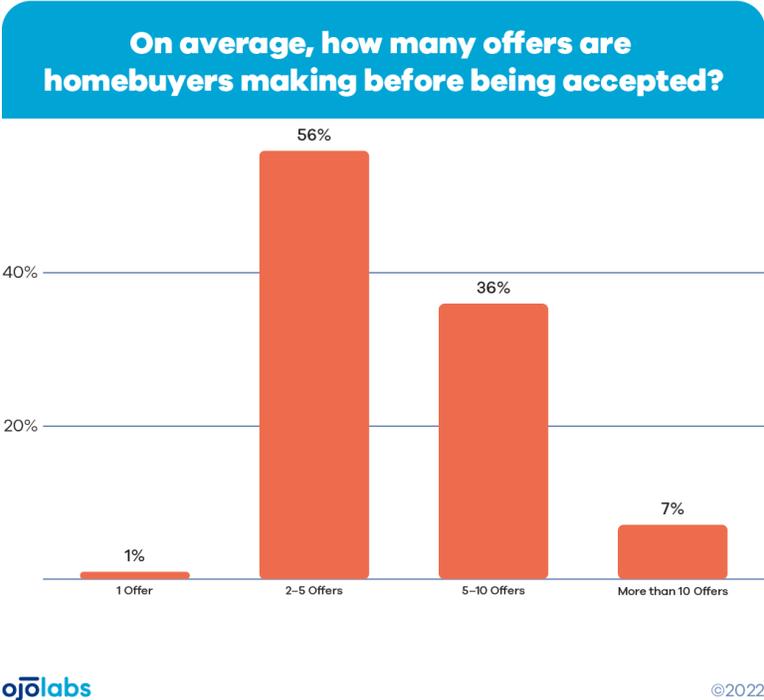
Investments in new construction fell slightly behind at 32%, while innovative financial solutions — like cash offer programs, etc. — finished third with 30%.

"People get scared about interest rates, but if you look at historical averages, these rates aren't anything to worry about," Heller said. "You aren't married to your mortgage. That's just the reality. You may have that rate for two to five years and once it's lower you're going to take advantage of it."

With the market as competitive as ever — a recent from OJO Labs earlier this month found that 52% of homes sold above list price in the nation's top 50 metros — OJO Labs also asked the agents how many offers their clients are submitting before getting an offer accepted. Surprisingly, only 1% of agents said their clients are making one offer, on average, before being accepted.

Most agents — 56% — said their clients were making, on average, 2-5 offers before being accepted. 36% said their clients were making 5-10 offers before being accepted, and 7% said their clients were making more than 10 offers before being accepted. Heller believes that will likely change however, in the coming months.

“If you were to ask this question in the coming months these numbers would be a lot lower,” Heller said. “Already, we have buyers who are one and done. It’s not that there aren’t multiple offers, it’s that it’s nothing like it used to be. Agents who were getting 27 offers are now getting two.”



Patrick Kearns is the Director of Storytelling at OJO Labs. Prior to joining OJO Labs, Patrick worked as a journalist for more than a decade, most recently covering housing and real estate at Inman News. He’s also written for The Guardian, The Washington Post, Sports Illustrated, Vice, and others.



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