

## **Survey from Trulia and RealtyTrac Shows Three In Ten U.S. Adults Expect at least a 50 Percent Discount When Purchasing a Foreclosed Property; More than Three-Quarters Expect at least a 25 Percent Discount**

*80 Percent of U.S. Adults Feel There are Negative Aspects to Purchasing a Foreclosed Property, Negative Sentiment Associated with Buying Foreclosures Increases More Than 10 Percentage Points in the Last 7 Months*

**San Francisco CA, December 16, 2008**—Trulia.com, the best place to start a [real estate search](#) ([www.trulia.com](http://www.trulia.com)), along with [RealtyTrac](#) ([www.realtytrac.com](http://www.realtytrac.com)), the leading online marketplace for foreclosure properties, today released the results of a new study conducted on their behalf by Harris Interactive® showing notable decreases from their previous survey in the willingness to buy foreclosed properties with three-quarters of respondents expecting a discount of at least 25 percent on a foreclosure purchase. In the previous survey conducted seven months ago, 54 percent of all U.S. adults surveyed said they would consider purchasing a foreclosed home, whereas now 47 percent of U.S. adults would consider purchasing a foreclosure, a drop of seven percentage points in only seven months. These findings are part of a regular series of surveys conducted by Trulia to better understand consumer sentiment around housing issues.

During the last seven months, negative sentiment around buying a foreclosure rose. In April of 2008, 69 percent of U.S. adults originally felt that there were negative aspects to purchasing a [foreclosed home](#) ([www.trulia.com](http://www.trulia.com)). In this recent study, conducted during a three-day period in November, **80** percent of U.S. adults are now concerned with negative aspects, citing hidden costs, risky process, home losing value and personal connection with foreclosure as the core concerns. To compensate for perceived risks, consumers expect hefty discounts on foreclosed homes. More than **75** percent of consumers think they should pay at least **25** percent less for a foreclosed home, with three in ten consumers expecting a major discount of at least **50** percent less than a comparable home not in foreclosure.

“What’s significant about our findings is that just as the market is being flooded with more foreclosures, homebuyers are more hesitant to buy them. Misinformation around foreclosures abounds and that’s dangerous for the market and for homebuyers,” said Pete Flint, co-founder and CEO of Trulia. “Information is power and at Trulia we are giving homebuyers the information they need to make a fully informed decision about whether a foreclosed property is a good buy or investment for them.”

“The results of this study are eye-opening and highlight the need for consumer education about foreclosures. Being that the sale of foreclosed properties has been on the rise due to the increased inventory and discounts available on foreclosed homes, it is somewhat counterintuitive — although not totally unexpected — that consumers are more hesitant to purchase a foreclosed property,” said Rick Sharga, senior vice president of RealtyTrac. “We expect that foreclosures will continue to dominate the market in 2009, and well-educated consumers will be able to find great deals on these properties.”

### **Some Groups Now Less Inclined to Consider Purchase**

The results of the most recent Harris Interactive® survey provide nuanced insight into the shift in confidence for consumers looking to purchase a foreclosed home. In particular:

- 56 percent of single/never married adults were at least somewhat likely to consider purchasing a foreclosed home, down from 60 % in April.

- 43 percent of married adults were at least somewhat likely to consider purchasing a foreclosed home, down from 50% in April.
- 42 percent of divorced/separated/widowed adults were at least somewhat likely to consider purchasing a foreclosed home, down from 50% from April.

Trulia plans to track consumer confidence throughout next year. Trulia offers market data as well as [listings of foreclosed properties](#) to help prospective buyers with their research. Trulia is one of the most popular sites on the web for real estate helping approximately 5 million unique visitors per month find homes. For more information about Trulia or to experience the power of a Trulia search, please visit <http://www.trulia.com/>.

### **Methodology**

This November survey was conducted online within the United States by Harris Interactive via its QuickQuery<sup>SM</sup> online omnibus service on behalf of Trulia between November 11-13, 2008 among 2,033 U.S. adults aged 18 years and older. Results were weighted as needed for region, age within gender, education, household income and race/ethnicity. Propensity score weighting was also used to adjust for respondents' propensity to be online. No estimates of theoretical sampling error can be calculated; a full methodology is available.

The April survey was conducted online within the United States by Harris Interactive via its QuickQuery<sup>SM</sup> online omnibus service on behalf of Trulia between April 23-25, 2008 among 2,033 U.S. adults aged 18 years and older. Results were weighted as needed for region, age within gender, education, household income and race/ethnicity. Propensity score weighting was also used to adjust for respondents' propensity to be online. No estimates of theoretical sampling error can be calculated; a full methodology is available.

### **About Trulia, Inc.**

Trulia, Inc. (<http://www.trulia.com/>), is a residential real estate search engine and the fastest-growing U.S. real estate Web site (comScore). Trulia has revolutionized [online home search](#) by offering a rich, intuitive user experience that points consumers directly to listings on agent and broker Web sites. By partnering with the real estate industry, including 93 of the top 100 largest U.S. brokers, Trulia helps approximately 5 million unique visitors per month find information on homes for sale using custom search criteria. The site also provides [market trends and neighborhood data](#) at the hyper-local level, as well as a real estate Q&A community that enables consumers and professionals to exchange information about their local markets. For more information about Trulia or to experience the power of a Trulia search, visit <http://www.trulia.com/>.

### **About RealtyTrac Inc.**

Ranked as the third largest real estate site by MediaMetrix and No. 53 on *Inc.* magazine's 2006 **Inc. 500** list of the nation's fastest-growing private companies, RealtyTrac Inc. (<http://www.realtytrac.com/>), is the leading online marketplace for foreclosure properties, providing all the resources that home seekers, investors and real estate agents need to locate, evaluate and buy properties below market value.

Founded in 1996, RealtyTrac publishes the largest and most comprehensive national database of pre-foreclosure, foreclosure, For Sale By Owner, resale and new construction properties, with more than 1 million properties across the country, property reports, productivity tools and extensive professional resources. RealtyTrac hosts nearly 3 million unique visitors monthly and has been chosen to supply foreclosure data to MSN Real Estate, Yahoo! Real Estate and *The Wall Street Journal's* Real Estate Journal. For more information, visit <http://www.realtytrac.com/>.

**About Harris Interactive**

Harris Interactive is a global leader in custom market research. With a long and rich history in multimodal research, powered by our science and technology, we assist clients in achieving business results. Harris Interactive serves clients globally through our North American, European and Asian offices and a network of independent market research firms. For more information, please visit [www.harrisinteractive.com](http://www.harrisinteractive.com).

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