

REALTORS® CONFIDENCE INDEX SURVEY

July 2020

National Association of REALTORS®
Research Group



NATIONAL
ASSOCIATION OF
REALTORS®

REALTORS® CONFIDENCE INDEX SURVEY

Summary

The REALTORS® Confidence Index (RCI) survey gathers on-the-ground information from REALTORS® based on their real estate transactions in the month. This report presents key results about July 2020 market transactions.

Several metrics indicate the continued rebound of the housing market in July. The REALTORS® Buyer Traffic Index improved in July to 71 (moderately strong conditions) after reaching 50 (stable conditions) in May. First-time buyers accounted for 34% of existing home sales. Properties typically sold in 22 days. REALTORS® reported conducting more home tours, with an average of four in-person home tours, almost twice the average number of two listings. Every home sold had nearly three offers. On average, REALTORS® expect sales in the next three months to essentially be last year's sales level.

July 2020 REALTORS® Confidence Index Survey Highlights

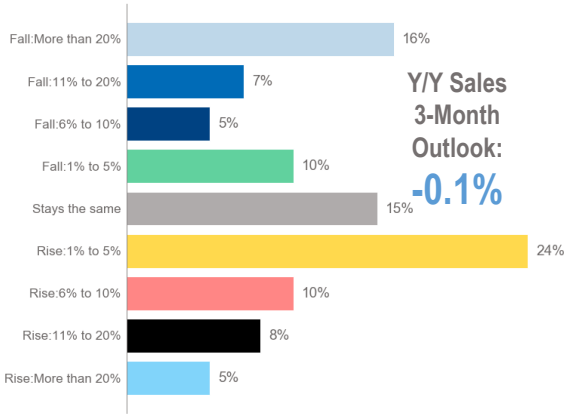
	Jul-20	Jun-20	Jul-19
Key Market Indicators			
RCI Buyer Traffic Index /1	71	64	59
RCI Seller Traffic Index /1	40	36	46
Median days on market	22	24	29
Percent of properties sold in less than 1 month	68	62	51
Median days to close	30	30	30
First-time homebuyers, as percent of sales	34	35	32
Sales for non-primary residence use, as percent of Sales	15	9	11
Cash sales, as percent of sales	16	16	19
Distressed sales, as percent of sales	1	3	2
Market Outlook			
Expected change in home sales in the next 3 months vs. same period one year ago	-0.1	-1.4	-
Expected change in home prices in the next 3 months vs. same period one year ago	1.7	1.5	-
Expected change in home prices in the next 12 months from current month	1.3	1.4	1.8
Percent of respondents who expect an increase in buyer traffic in next 3 months	46	44	-
Percent of respondents who expect an increase in seller traffic in next 3 months	24	24	-
Other Market Indicators			
Median days to close	30	30	30
Percent of first-time buyers who put down less than 20% down payment	77	77	74
Average number of offers received on the most recent sale	2.9	2.7	2.2
Average number of new listings in the month per agent	1.8	1.8	1.6
Average number of new purchase contracts in the month per agent	2.5	-	-
Percent of buyers who purchased property based on virtual tour/ showing/ open house only	7	7	-
Percent of sellers who sold property based on virtual tour/ showing/ open house only	7	6	-
Average number of clients taken on a home tour by agent	4.1	4.0	5.2
Average number of clients taken on a virtual tour/ showing/ open house	1.3	1.5	-
Percent of buyers who purchased in a suburban area	51	48	49
Percent of contracts in the past 3 months that were terminated	6	7	5
Percent of contracts in the past 3 months that had delayed settlement	27	24	22
Percent of buyers who were renting before purchasing a home	46	49	43
Median percent of rent due in the past month that was collected	95	-	-
Median percent of tenants who made a late payment	5	2	-
Percent of tenants who offered rent payment options to assist renters	69	-	-

¹ An index greater than 50 means more respondents reported conditions as "strong" compared to one year ago than "weak." An index of 50 indicates a balance of respondents who viewed conditions as "strong" or "weak."

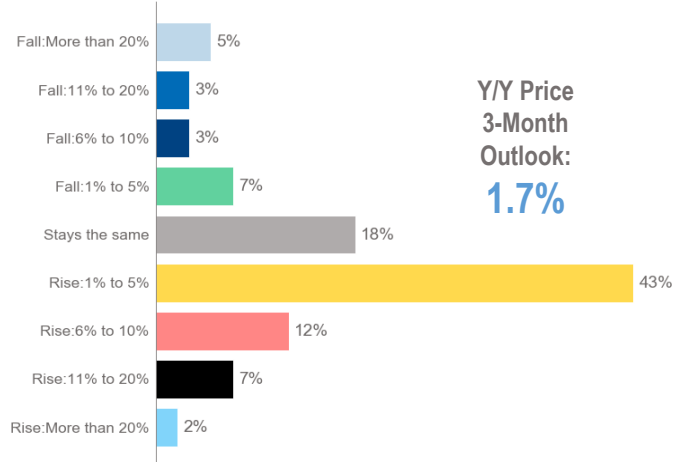
REALTORS® CONFIDENCE INDEX SURVEY

Realtors® Market Expectations

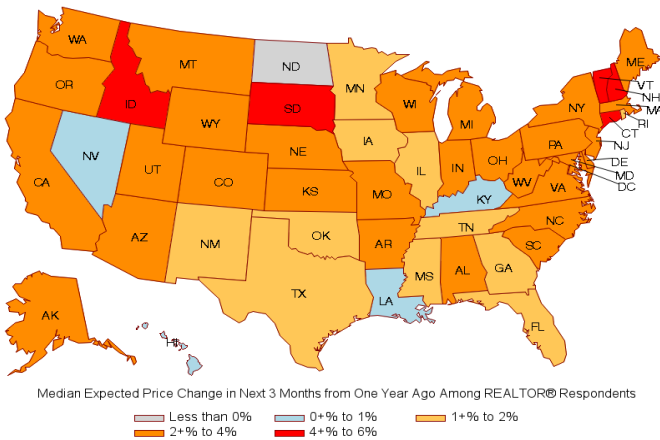
SALES VOLUME: 3 MONTH OUTLOOK



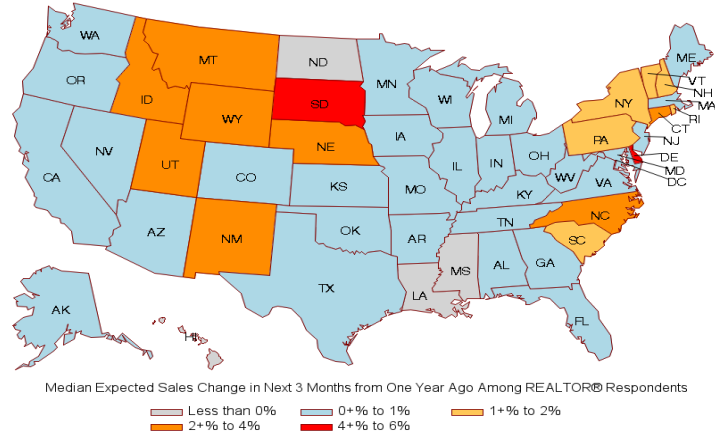
PRICE EXPECTATIONS: 3 MONTH OUTLOOK



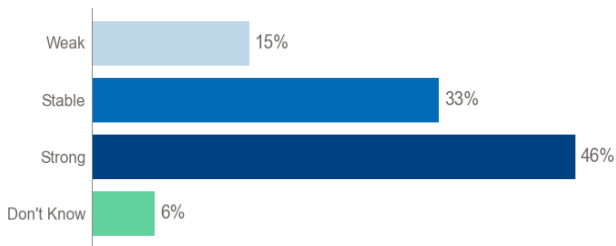
REALTORS® MEDIAN EXPECTED PRICE CHANGE WITHIN THE NEXT 3 MONTHS, Y/Y PERCENT CHANGE



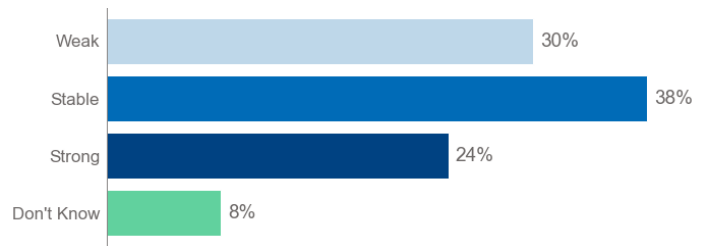
REALTORS® MEDIAN EXPECTED SALES CHANGE WITHIN THE NEXT 3 MONTHS, Y/Y PERCENT CHANGE



REALTORS® EXPECTATION ON BUYER TRAFFIC WITHIN THE NEXT 3 MONTHS



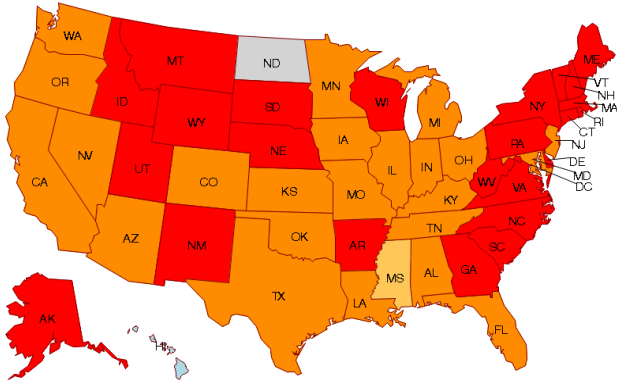
REALTORS® EXPECTATION ON SELLER TRAFFIC WITHIN THE NEXT 3 MONTHS



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Market Conditions

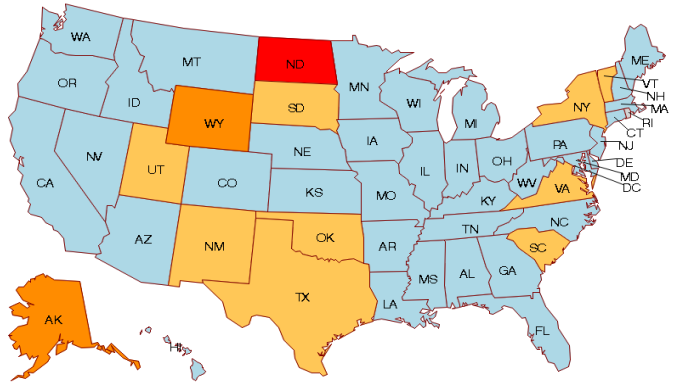
REALTORS® BUYER TRAFFIC INDEX



REALTORS® Buyer Traffic Index

- Very Weak (0 to 25)
- Weak (25+ to 45)
- Stable (45+ to 55)
- Moderately Strong (55+ to 75)
- Very Strong (75+)

REALTORS® SELLER TRAFFIC INDEX



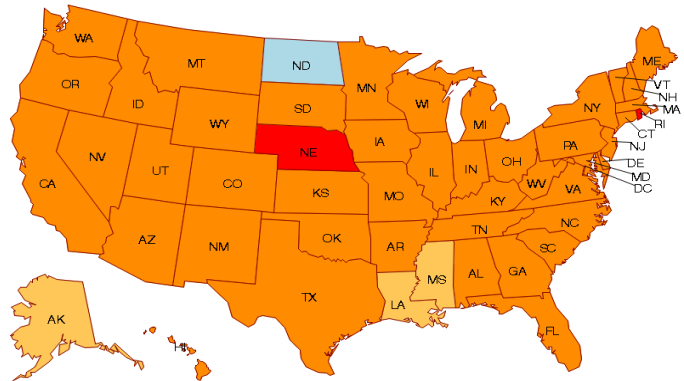
REALTORS® Seller Traffic Index

- Very Weak (0 to 25)
- Weak (25+ to 45)
- Stable (45+ to 55)
- Moderately Strong (55+ to 75)
- Very Strong (75+)

REALTORS® BUYER AND SELLER TRAFFIC INDICES



MEDIAN DAYS ON THE MARKET



Median Days on Market Reported by REALTORS®

- Within 15
- 16 to 30
- 31 to 45
- 76 to 135

MEDIAN DAYS ON THE MARKET



FIRST-TIME BUYERS AS PERCENTAGE OF RESIDENTIAL SALES

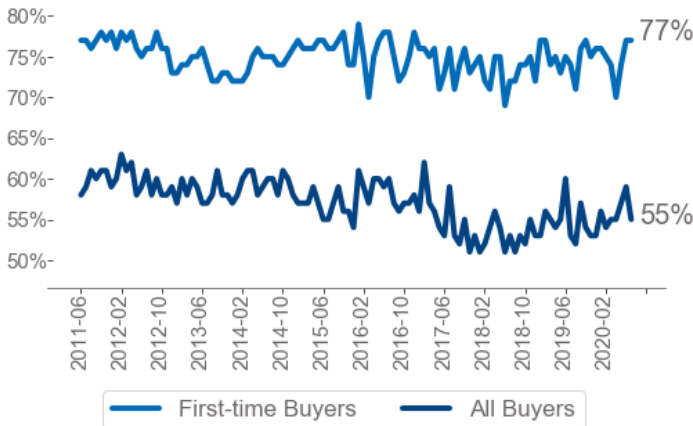


FIRST-TIME BUYERS

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Market Conditions

NON-CASH BUYERS WHO PUT DOWN LESS THAN 20 PERCENT FOR DOWN PAYMENT



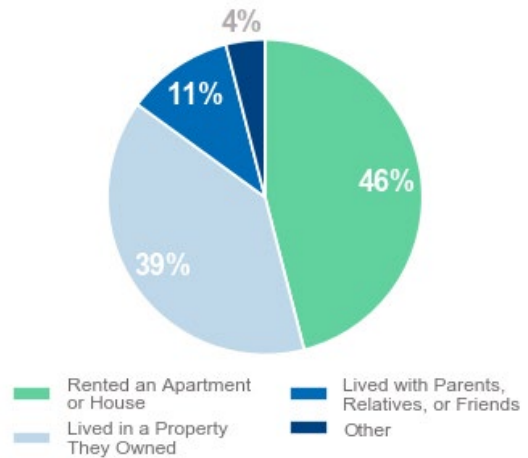
CASH SALES AS PERCENTAGE OF RESIDENTIAL SALES



DISTRESSED PROPERTY SALES BY PROPERTY TYPE



LIVING STATUS OF HOMEBUYERS At the Time of Purchase



AVERAGE NUMBER OF OFFERS RECEIVED ON THE MOST RECENT CLOSED SALE



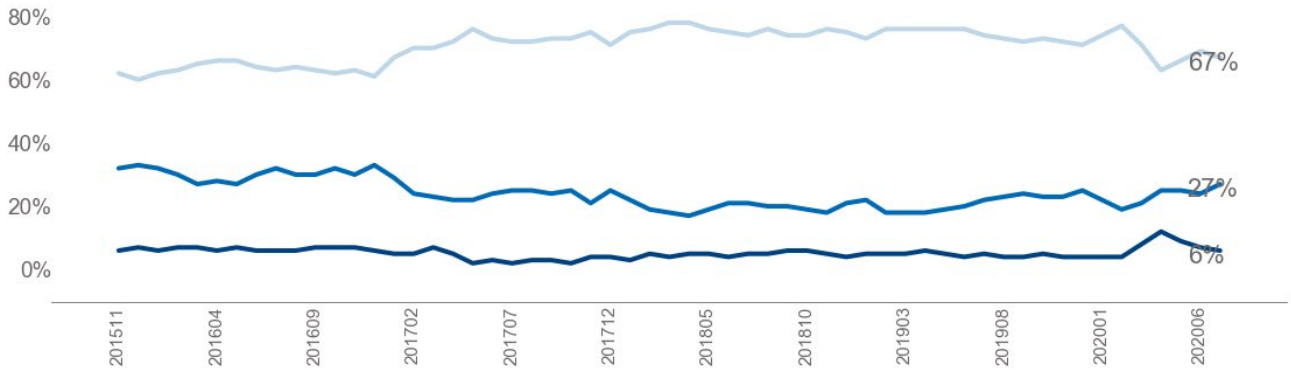
AVERAGE NUMBER OF CLIENTS TAKEN ON A HOME TOUR BY AGENT



REALTORS® CONFIDENCE INDEX SURVEY

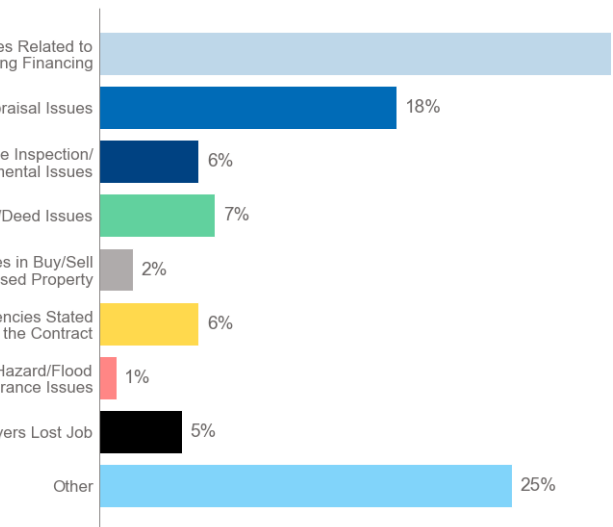
Issues Affecting Buyers and Sellers

CONTRACT SETTLEMENT

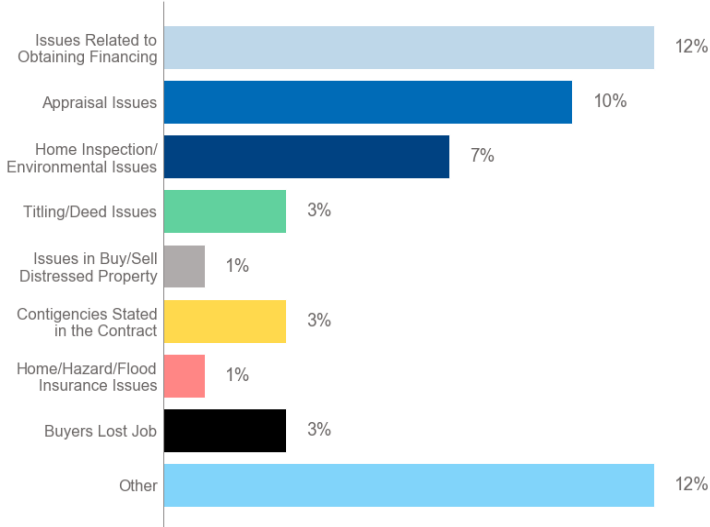


— Contract Was Settled on Time — Contract Was Delayed but Eventually Went into Settlement — Contract Was Terminated

PROBLEMS ENCOUNTERED FOR DELAYED CONTRACT



PROBLEMS ENCOUNTERED FOR TERMINATED CONTRACTS¹



¹ Multiple responses are allowed.

REALTORS® CONFIDENCE INDEX SURVEY

About the *RCI Survey*

- The *RCI Survey* gathers information from REALTORS® about local market conditions based on their client interactions and the characteristics of their most recent sales for the month.
- The July 2020 survey was sent to 50,000 REALTORS® who were selected from NAR's more than 1.4 million members through simple random sampling and to 7,623 respondents in the previous three surveys who provided their email addresses.
- There were 4,370 respondents to the online survey which ran from July 3-11, 2020, of which 2,263 had a client. Among those who had a client, the survey's maximum margin of error for proportion estimates is two percent at the 95 percent confidence level. The margins of error for subgroups are larger.
- NAR weights the responses by a factor that aligns the sample distribution of responses to the distribution of NAR membership.

The *REALTORS® Confidence Index* is provided by NAR solely for use as a reference. Resale of any part of this data is prohibited without NAR's prior written consent. For questions on this report or to purchase the RCI series, please email: Data@realtors.org

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The National Association of REALTORS®, “The Voice for Real Estate,” is America’s largest trade association, representing 1.4 million members, including NAR’s institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate.

The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics.

Working for America’s property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property.

NATIONAL ASSOCIATION OF REALTORS®

RESEARCH GROUP

The Mission of the National Association of REALTORS® Research Group is to collect and disseminate timely, accurate and comprehensive real estate data and to conduct economic analysis in order to inform and engage members, consumers, and policymakers and the media in a professional and accessible manner.

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