

# 2020

# NAR Flash Survey:

# Economic Pulse

# April 26-27, 2020

National Association of REALTORS®

Research Group



NATIONAL  
ASSOCIATION OF  
REALTORS®

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# Methodology

## Sample



The survey was delivered to a random sample of 95,688 members. The survey had 2,508 useable responses. The response rate was 2.62 percent.

For 97 percent of respondents, the majority of their business is residential. Seventy-five percent of members work in a local market where there are presumed or confirmed cases of COVID-19.

## Dates



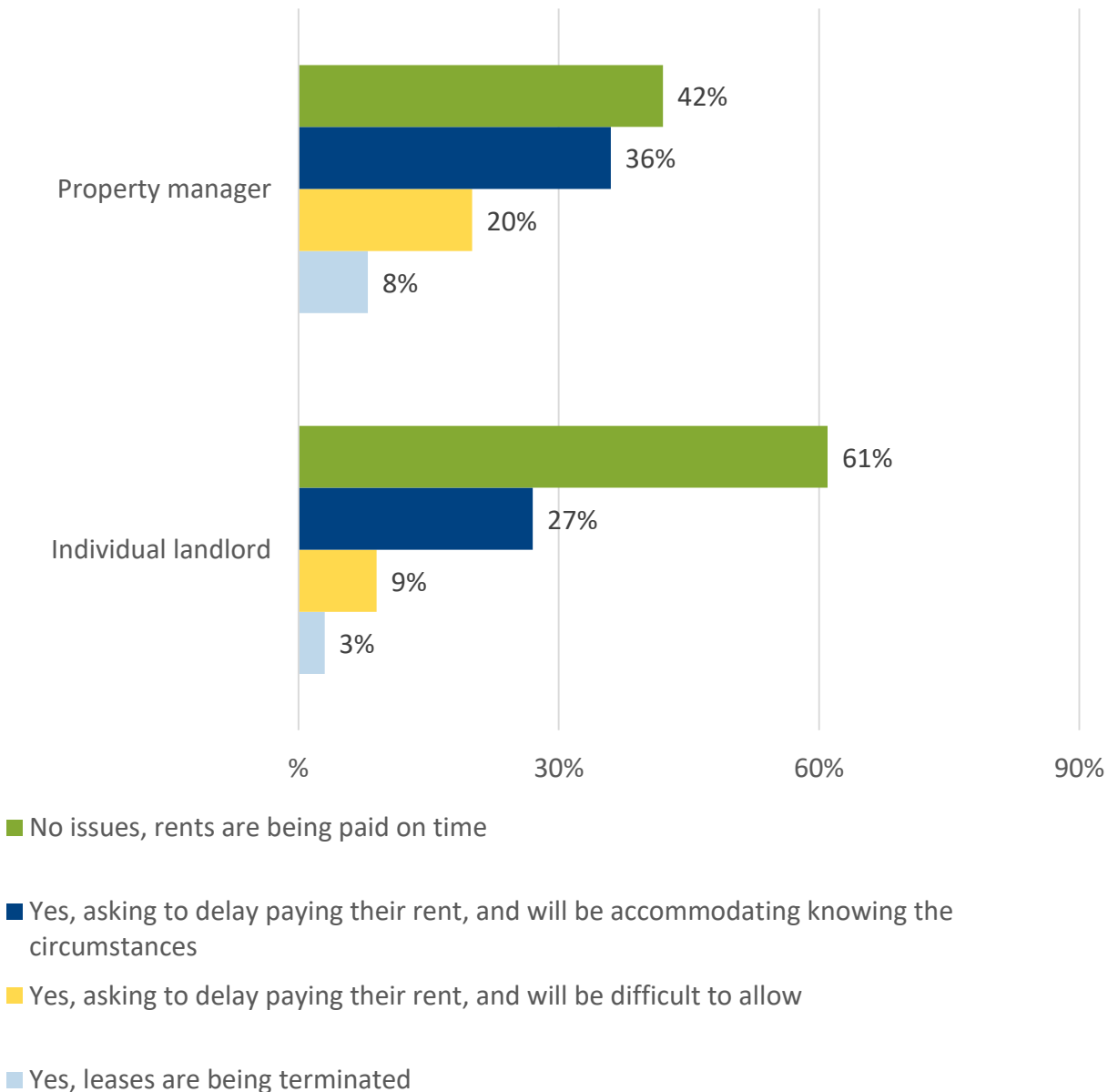
The survey was deployed on Sunday, April 26th, and was closed on Monday April 27th.

The margin of error for overall results is +/-1.96 percent. This response rate is high enough and the margin of error is low enough that the results can be considered quantitative and reflective of all members within this margin of error.

# Tenants Paying Rent

Of those who work with residential tenants, 42 percent of property managers cited having no issues with their tenants paying the rent, compared to 61 percent of individual landlords. Thirty-six percent of property managers reported being able to accommodate their tenants who cannot pay rent and 20 percent cited it being difficult. Among individual landlords, 27 percent of individual landlords reported being able to accommodate their tenants who cannot pay rent and nine percent cited it being difficult. Small portions (less than 10 percent) of property managers and individual landlords reported tenants terminating their leases.

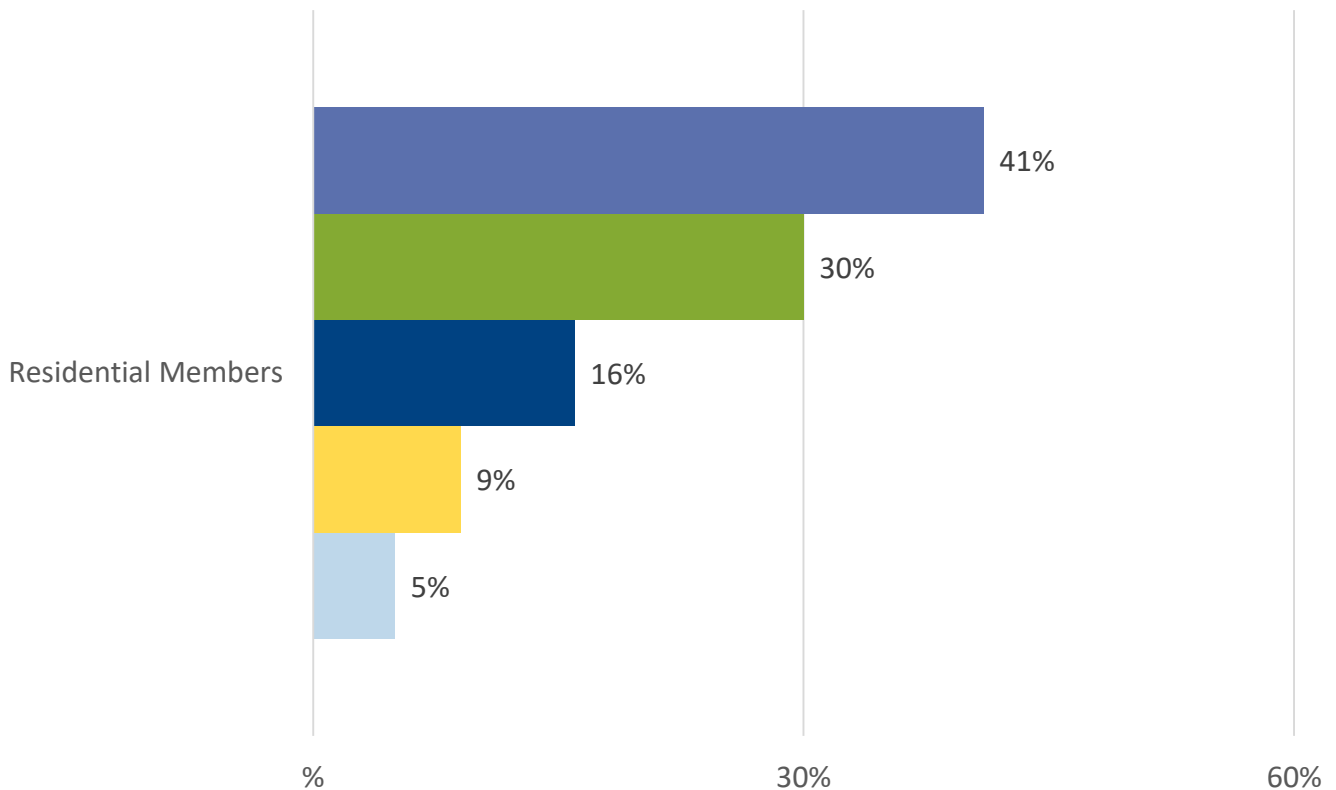
## IN REGARDS TO CORONAVIRUS (COVID-19), HAVE YOU SEEN ANY TENANTS WHO ARE UNABLE TO PAY THEIR RENT?:



# Social Distancing and Transactions

Thirty percent of members were able to complete nearly all aspects of transactions while respecting social distance. With minor modifications such as using masks and gloves, 41 percent felt person-to-person interactions were still required. Nine percent postponed home searching and 16 percent stated that the mandate of stay-at-home prevents them from completing transactions.

## HOW WOULD YOU ASSESS SOCIAL DISTANCING GUIDANCE AND REAL ESTATE TRANSACTION, ESPECIALLY WITH MORE USE OF VIRTUAL TOURS, ELECTRONIC SIGNATURES, AND EXTERIOR-ONLY HOME APPRAISALS?

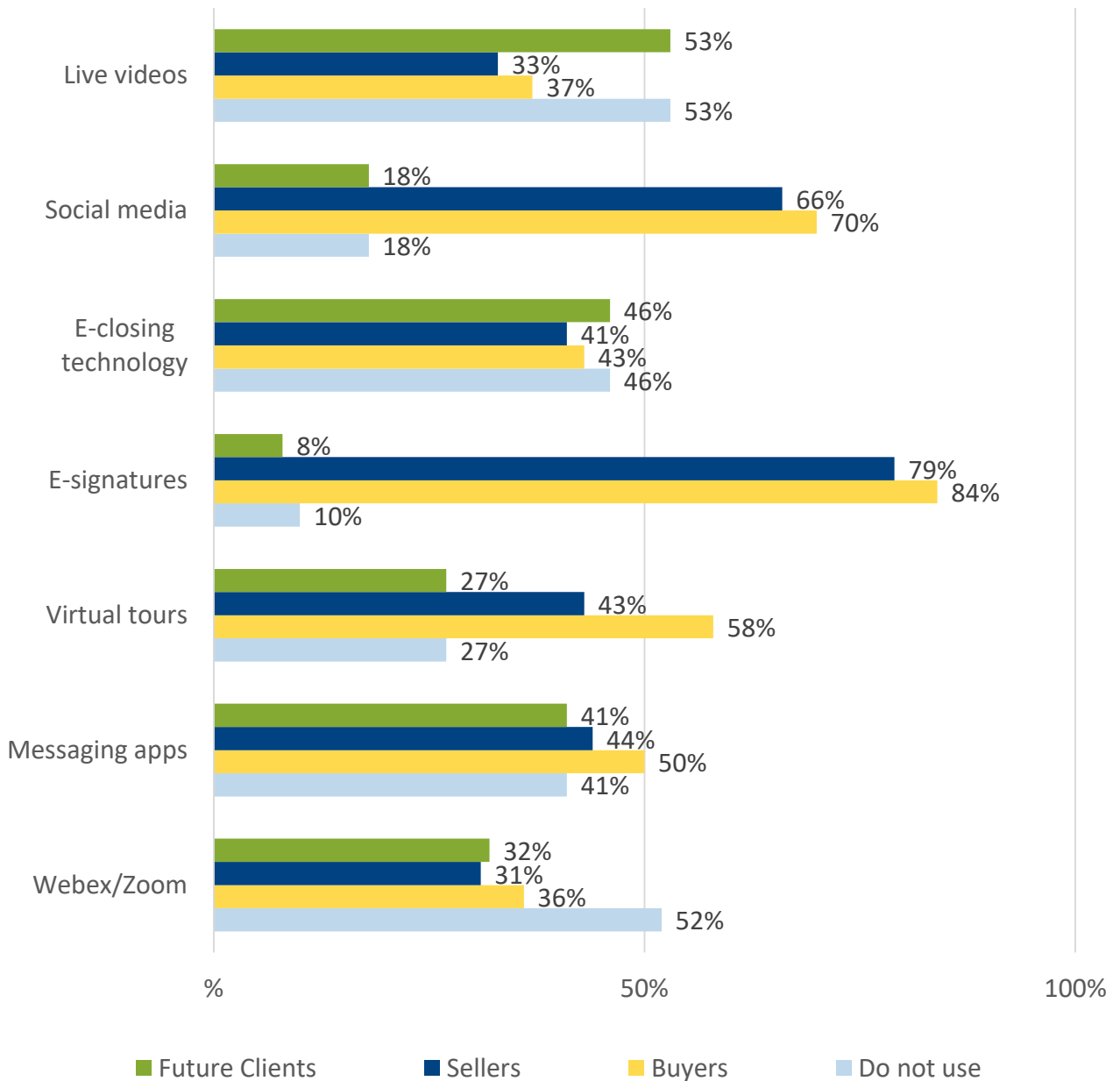


- Some aspects still require person-to-person interactions, though masks and gloves could lessen the risk of spreading the virus
- Nearly all aspect of the transaction can be done while respecting social distancing
- Government mandate of stay-at-home, including not permitting private showings is leading to near impossibility of getting deals done
- Home searching has to be postponed because of the need for close person-to-person interactions and with strangers
- Other

# Technology Tools

Members are using a number of technology tools to communicate with clients. Most often technology tools are used to communicate with buyers. The most common tech tools used are e-signatures, social media, messaging apps, and virtual tours.

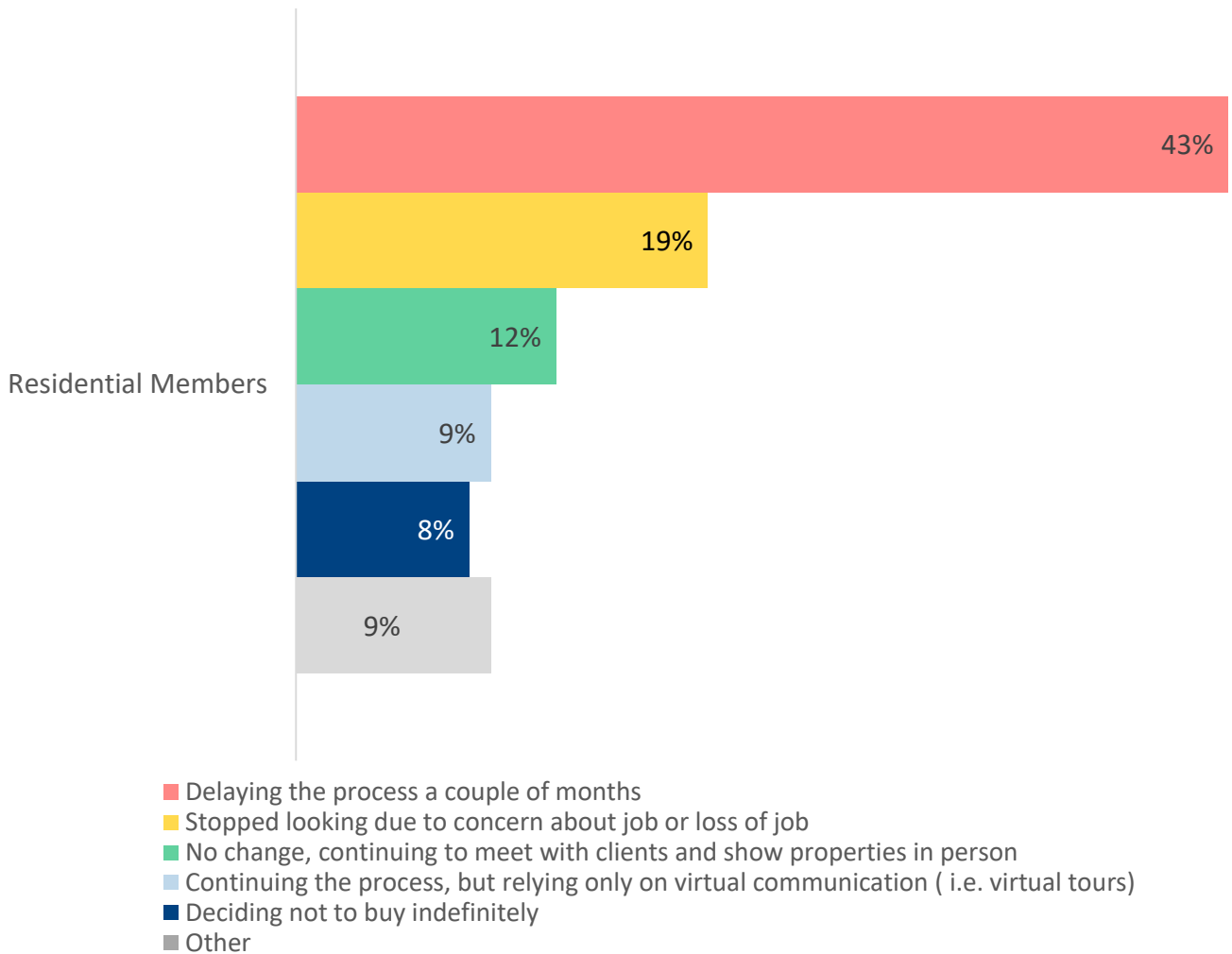
**WHAT TECHNOLOGY TOOLS ARE YOU USING TO CULTIVATE NEW RELATIONSHIPS AND COMMUNICATE WITH CLIENTS?**



# Buyer Behavior

Forty-three percent of members reported buyers are delaying their home purchase for a couple of months. Nineteen percent stopped looking due to concern about losing their job. Nine percent reported members are continuing the process, but only relying on virtual communication. Eight percent reported clients are deciding not to buy or sell indefinitely. Twelve percent reported there is no change in client behavior, and they continue to meet in person. Twelve percent reported there is no change in client behavior, and they continue to meet in person.

## IN GENERAL, HOW HAS THE CORONAVIRUS (COVID-19) CHANGED CLIENTS' ATTITUDES WITH REGARDS TO BUYING A HOME?

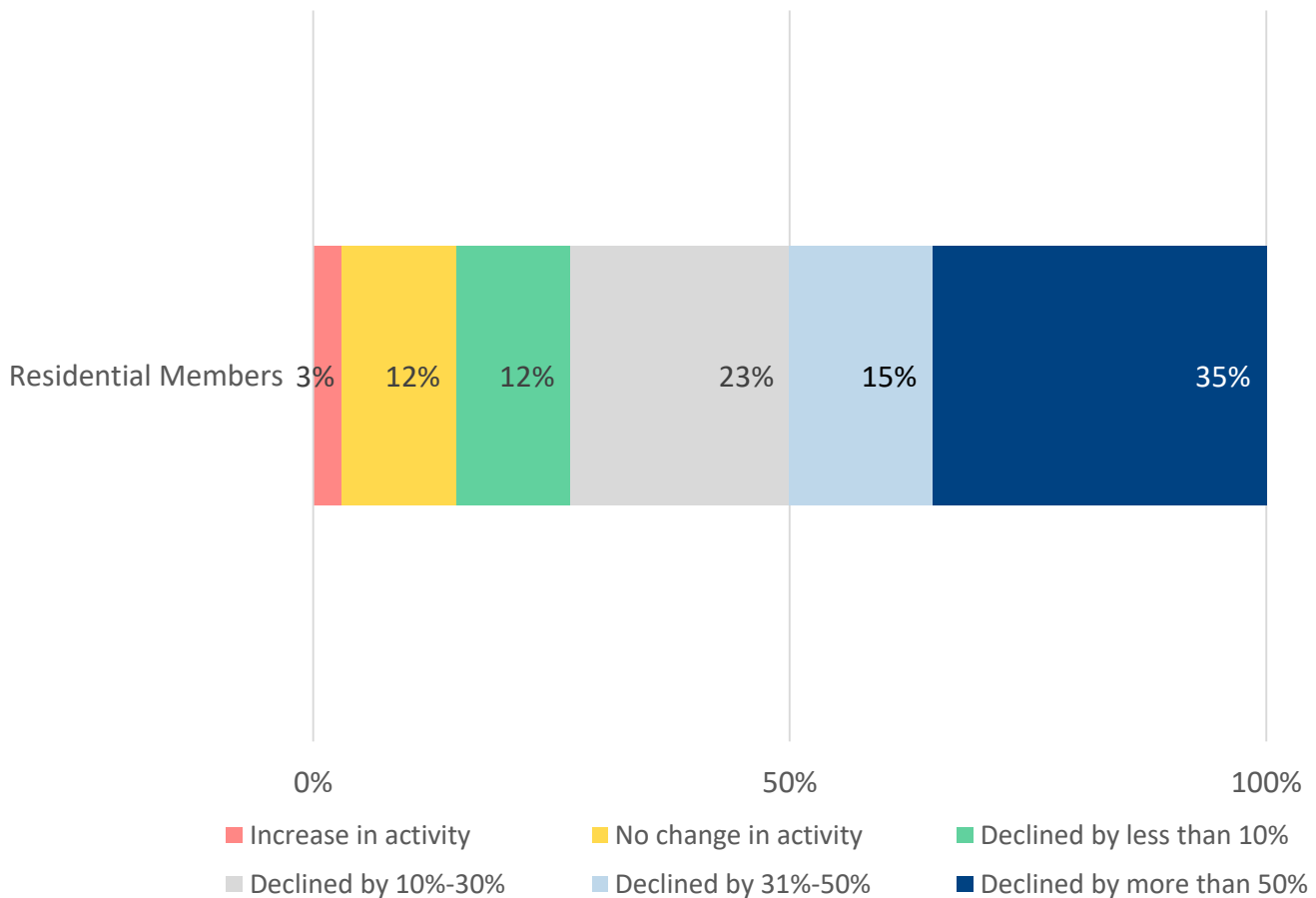


# Buyer Interest

Eighty-five percent of members cited a decline in buyer interest. Thirty-five percent reported a decline by more than 50 percent. Twelve percent of members cited no change in activity and three percent cited an increase in activity.

Twenty-eight percent of those who worked with buyers who put contracts on homes this week had at least one buyer who put in a contract without physically seeing the home. Among members who worked with a buyer who put a contract on a home this week, the median amount of homes toured, either virtually or in person, before putting a contract on a home was three.

## HOW HAS CORONAVIRUS (COVID-19) AFFECTED HOME BUYER INTEREST IN YOUR MARKET?

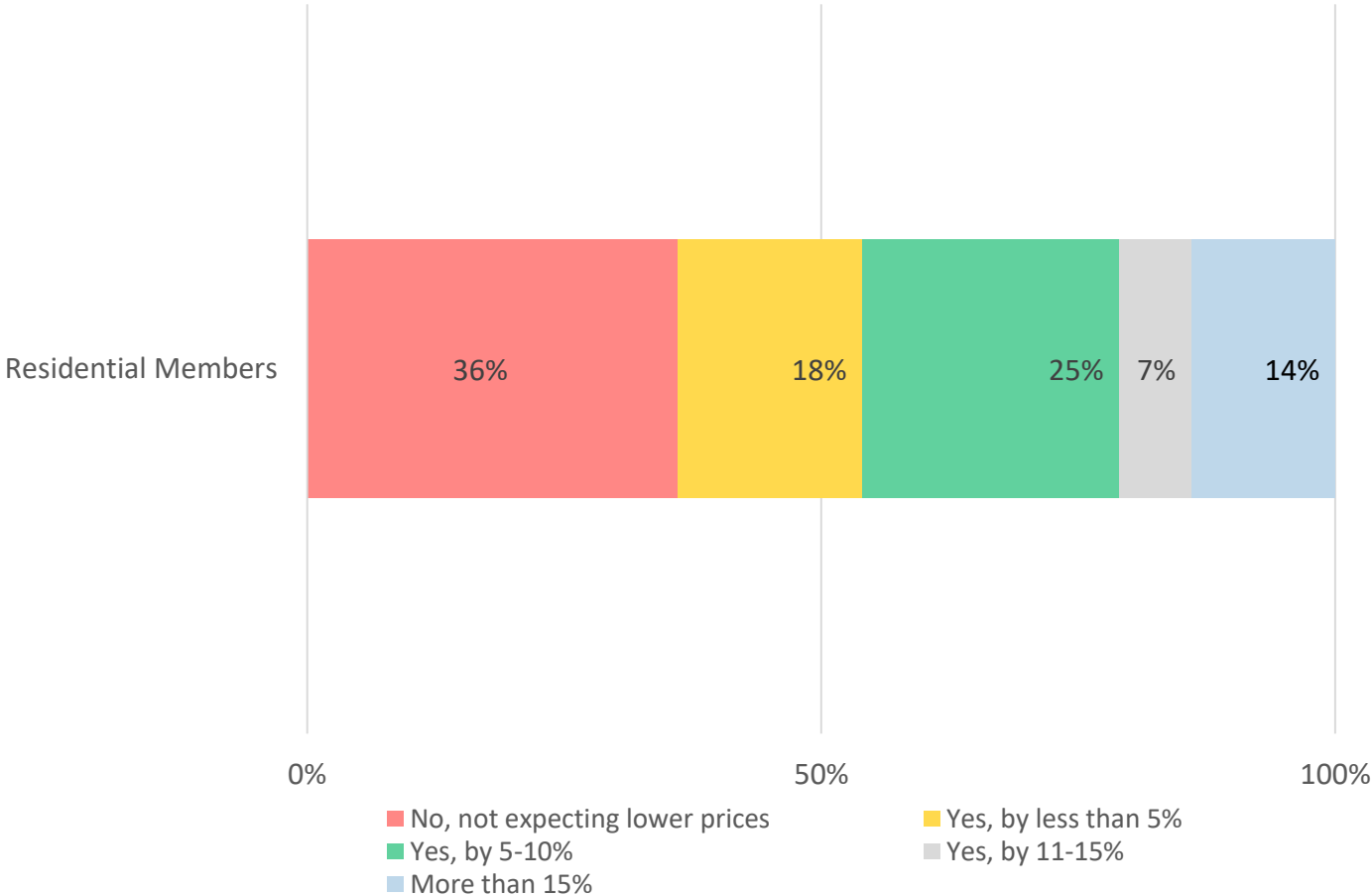




# Buyer Expectations of Home Prices

Sixty-four percent of members said buyers are expecting a decline in home prices. Of this share, 18 percent expect a less than five percent decrease and the largest portion (25 percent) expect a decrease by five to 10 percent.

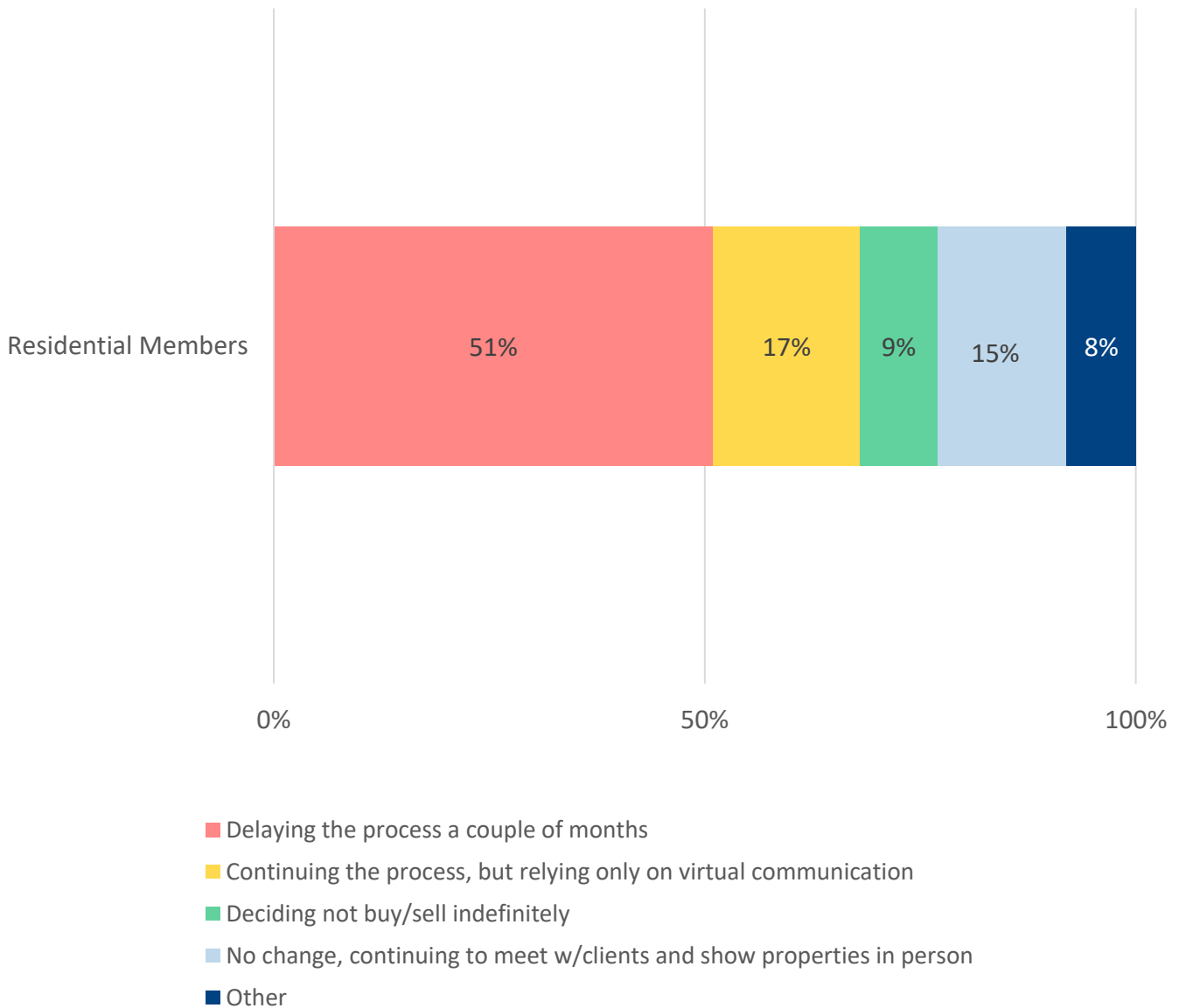
## IN GENERAL, ARE HOME BUYERS EXPECTING LOWER PRICES NOW?



# Seller Behavior

Similar to buyers' behaviors, 51 percent of members reported sellers are delaying their home sale for a couple of months. Seventeen percent reported members are continuing the process, but only relying on virtual communication. Nine percent reported clients are deciding not to buy or sell indefinitely. Fifteen percent reported there is no change in client behavior, and they continue to meet in person. Fifteen percent reported there is no change in client behavior, and they continue to meet in person.

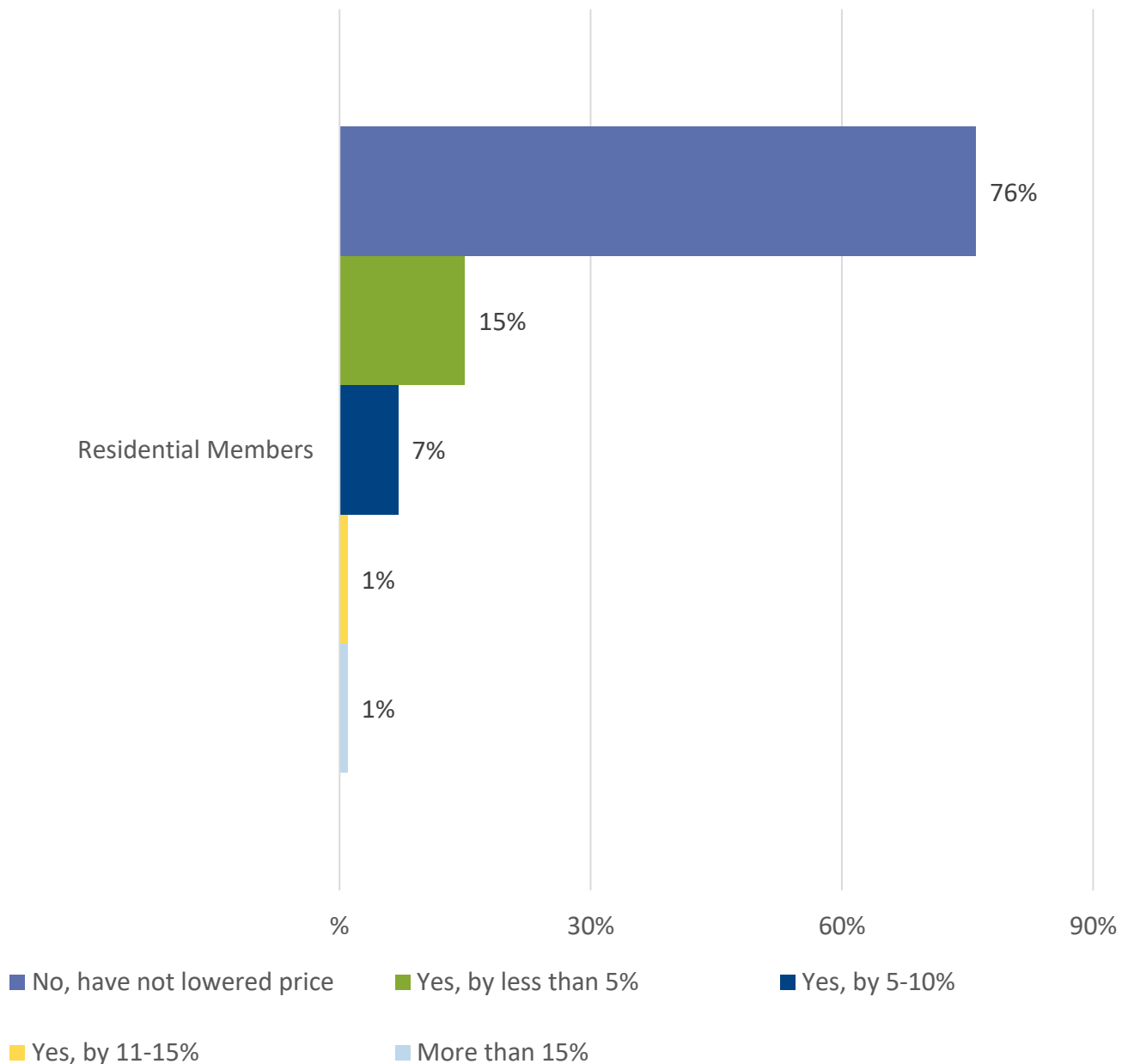
**IN GENERAL, HOW HAS THE CORONAVIRUS (COVID-19) CHANGED CLIENTS' ATTITUDES WITH REGARDS TO SELLING A HOME?**



# Sellers Reduced Listing Price

Sixty-one percent of members reported working with home sellers. Of those who are currently working with sellers, 76 percent said that no sellers have reduced the price to attract buyers. Fifteen percent reported sale prices reduced by five percent or less. Only one percent reported more than 15 percent.

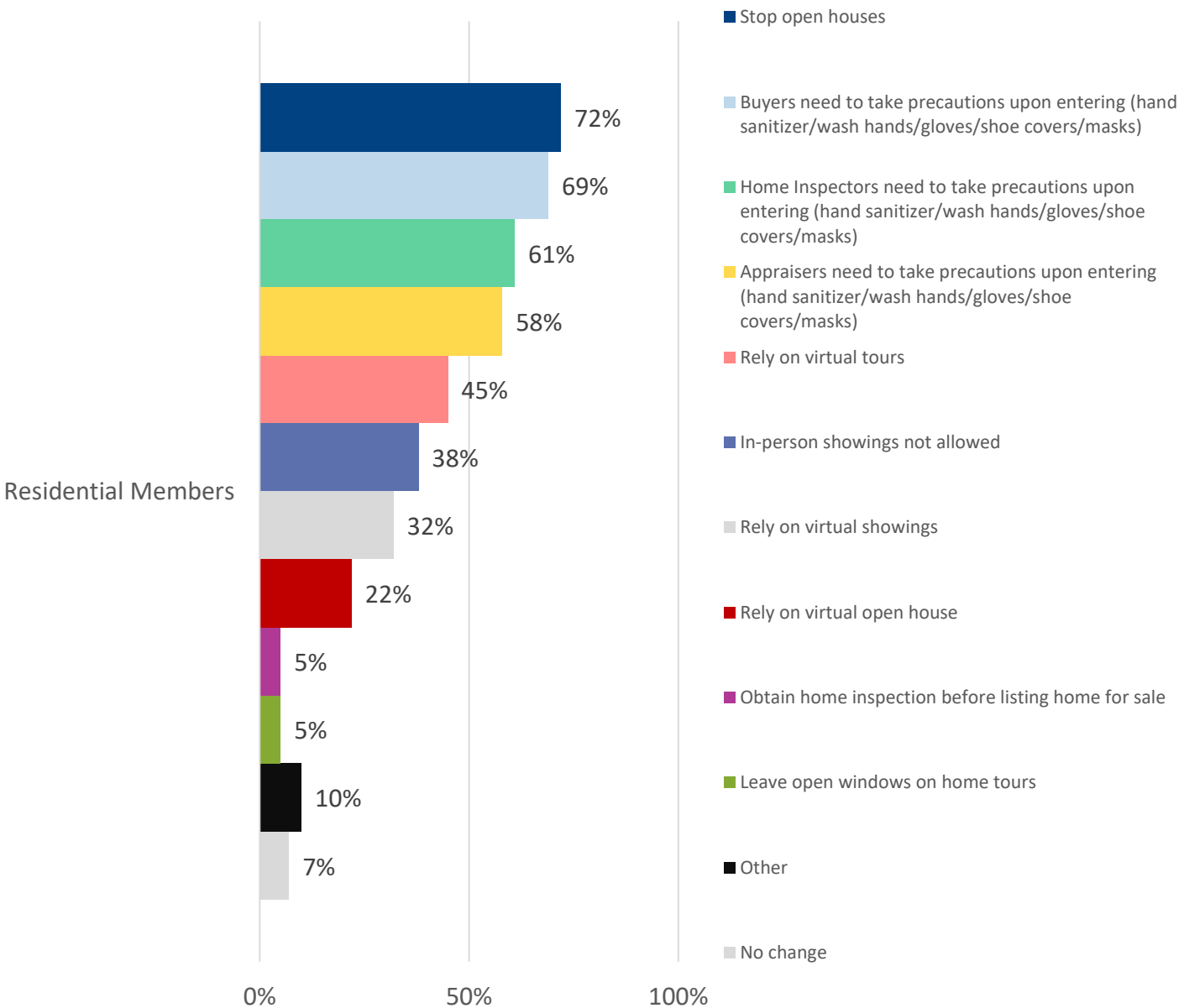
## IN GENERAL, HAVE ANY OF YOUR HOME SELLERS RECENTLY REDUCED PRICE TO ATTRACT BUYERS?



# Seller Behavior

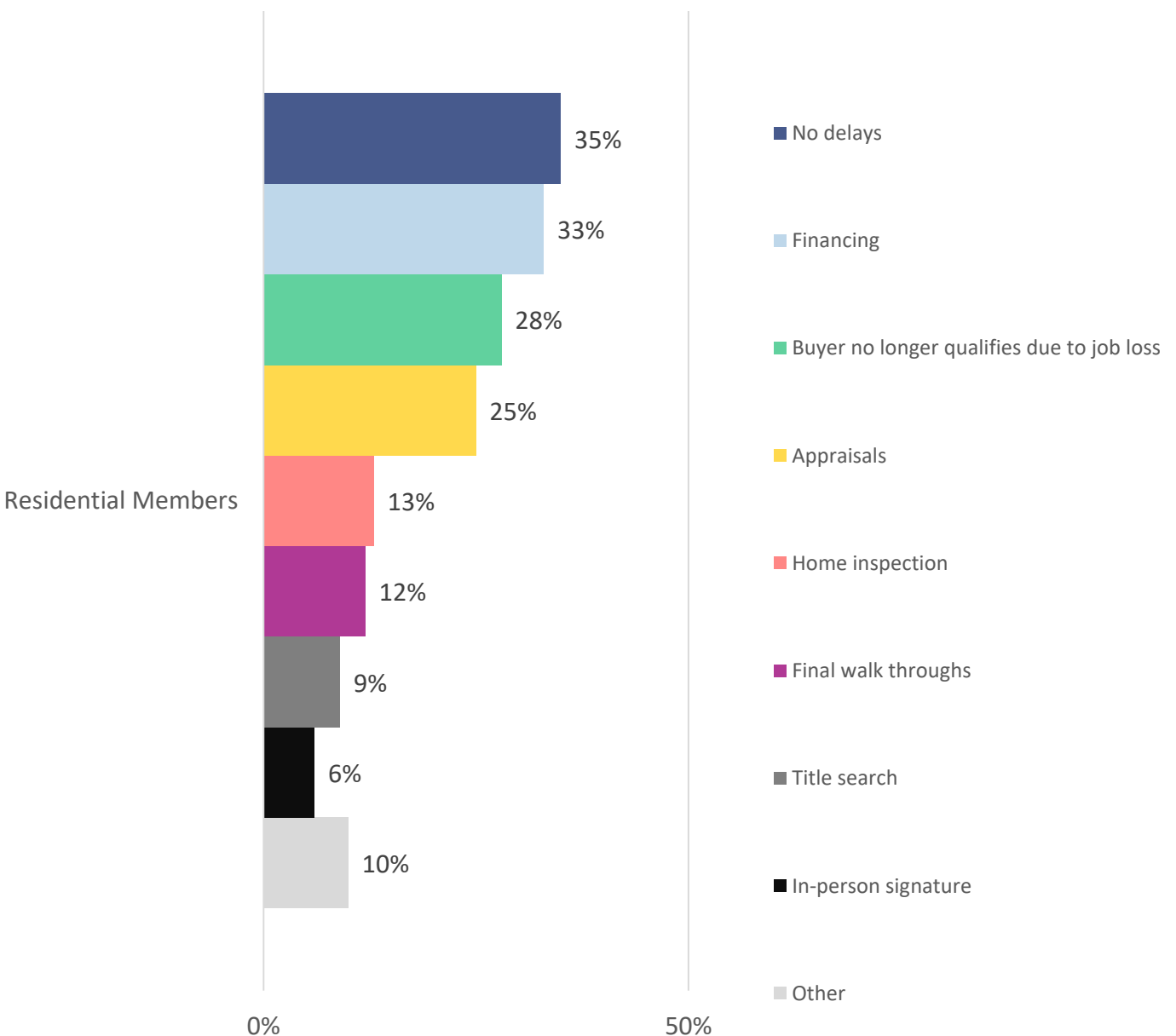
Of those who are working with home sellers with active listings, the majority reported changing how their clients' home is viewed while the home remains on the market. Ninety-three percent reported that home sellers have made changes, including stopping open houses or requiring all those who enter the home to take appropriate precautions before entering home.

## IN REGARDS TO CORONAVIRUS (COVID-19), HAVE YOU SEEN ANY OF THE FOLLOWING CHANGES IN HOME SELLER LISTING BEHAVIOR?



# Residential Closing Delays

Of those who are closing transactions, 35 percent of residential members have reported no closing delays. Delays in closing happened for a number of reasons including delays with financing, buyers no longer qualifying due to loss of job, home inspections, final walk-throughs, title searches, and in-person signatures.





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