MEETING THE NEEDS OF BUYERS AND SELLERS DURING AND AFTER THE PANDEMIC

Results from a national online survey, May 2020

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Jon Last, President, SLRG
Context-setting: The Back-to-Normal Barometer
SIZABLE % WOULD RETURN TOMORROW

Are you currently willing to engage in the following activities, without hesitation?

- **Visit a retail store**
  - May 6, 2020: 66%
  - May 20, 2020: 74%

- **Attend an open house or tour a home for sale**
  - May 6, 2020: 56%
  - May 20, 2020: 65%

- **Attend a conference or convention**
  - May 6, 2020: 42%
  - May 20, 2020: 48%

n=547, May 6, 2020; n=593, May 20, 2020
READY OR NOT: ATTEND AN OPEN HOUSE

Which of the following conditions is closest to your current point of view... Attend a open house or tour a home for sale

- Ready to go: 65%
- Assurance Seekers: 20%
- Need a medical breakthrough: 15%

- I would not be comfortable resuming this activity unless there was an approved COVID-19 vaccine and/or a proven medical protocol to mitigate and remedy the effects of the virus.

- I would be willing to resume this activity, as long as a combination of local or national medical authorities, local or national government officials, and/or the location I am visiting provided assurances it is safe to do so.

n=133, Back to Normal Barometer, May 20, 2020
WITH ASSURANCES, 82% RETURN IN 3 MONTHS

Assuming you had the necessary assurances that it was safe to resume normal activities, how quickly would you next..... Attend an open house or tour a home listed for sale?

- Immediately: 26%
- Within one month: 23%
- Within two months: 20%
- Within three months: 13%
- Within 3-6 months: 7%
- Within six months to a year: 6%
- More than a year out: 5%

n=133, Back to Normal Barometer, May 20, 2020
LET’S FOCUS ON BUYERS AND SELLERS
WHO WE STUDIED

Active Sellers: 331
Suspended Sellers: 248
Active Buyers: 250
Suspended Buyers: 211

COVID-heavy Sellers: 301
COVID-light Sellers: 176
COVID-heavy Buyers: 402
COVID-light Buyers: 161

N=1,040 +/- 3.0% NAR Study – May 13, 2020
COVID-HEAVY METRO AREAS

- Allentown-Bethlehem-Easton, PA
- Atlanta-Sandy Springs-Marietta, GA
- Baltimore-Towson, MD
- Baton Rouge, LA
- Boston-Cambridge-Quincy, MA-NH
- Bridgeport-Stamford-Norwalk, CT
- Buffalo-Niagara Falls, NY
- Chicago-Naperville-Joliet, IL-IN-WI
- Dallas-Fort Worth-Arlington, TX
- Denver-Aurora-Broomfield, CO
- Detroit-Warren-Livonia, MI
- Hartford, CT
- Indianapolis-Carmel, IN
- Las Vegas-Paradise, NV
- Los Angeles-Long Beach-Santa Ana, CA
- Miami-Fort Lauderdale-Pompano Beach, FL
- Milwaukee-Waukesha-West Allis, WI
- Minneapolis-St. Paul-Bloomington, MN
- New Haven-Milford, CT
- New Orleans-Metairie-Kenner, LA
- NYC-Northern NJ-Long Island, NY-NJ
- Philadelphia-Camden-Wilmington, PA-NJ-DE
- Providence-New Bedford-Fall River, RI-MA
- Riverside-San Bernardino-Ontario, CA
- Seattle-Tacoma-Bellevue, WA
- Springfield, MA
- St. Louis, MO
- Trenton-Ewing, NJ
- Washington-Arlington-Alexandria, DC-VA
- Worcester, MA
GOOD NEWS: YOU’RE EVEN MORE HIGHLY VALUED NOW
AGENTS MATTER NOW MORE THAN EVER

- Particularly during the pandemic, a real estate agent’s guidance is especially valued.
  - Buyers: 54%
  - Sellers: 62%

- Buying and selling real estate is an essential service.
  - Buyers: 59%
  - Sellers: 58%

N=1,040 +/- 3.0%, NAR Study – May 13, 2020
Pandemic virtual tours: Ways to boost their value
THEY’RE COMFORTABLE WITH TECH

How comfortable are you conducting business on a computer, such as reviewing and signing documents electronically?

<table>
<thead>
<tr>
<th>Group</th>
<th>Buyers</th>
<th>Sellers</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALL</td>
<td>70%</td>
<td>67%</td>
</tr>
<tr>
<td>COVID-heavy</td>
<td>73%</td>
<td>69%</td>
</tr>
<tr>
<td>Active</td>
<td>73%</td>
<td>71%</td>
</tr>
<tr>
<td>Male</td>
<td>80%</td>
<td>74%</td>
</tr>
<tr>
<td>35-59</td>
<td>74%</td>
<td>74%</td>
</tr>
<tr>
<td>Northeast</td>
<td>75%</td>
<td>69%</td>
</tr>
<tr>
<td>West</td>
<td>79%</td>
<td>67%</td>
</tr>
<tr>
<td>City</td>
<td>76%</td>
<td>74%</td>
</tr>
</tbody>
</table>

N=1,040 +/- 3.0%, NAR Study – May 13, 2020
YET, 2 OF 5 BUYERS WOULD BUY WITHOUT A VISIT

Thanks to the Internet, I can envision buying/(selling) a home without ever (having prospective buyers) physically stepping inside.

N=1,040, NAR Study – May 13, 2020
AGENTS ENHANCE THE VIRTUAL EXPERIENCE

It is very important to have a real estate professional help buyers navigate many of the virtual homebuying options.

When buyers take virtual (Internet) home tours, rather than in-person tours, the value of real estate agents goes down significantly.

N=1,040, NAR Study – May 13, 2020
Agents provide high value, and during the pandemic need to meet high expectations.
AGENTS MUST KNOW HOW TO CLOSE ELECTRONICALLY

- I would be comfortable signing closing documents electronically for a real estate transaction.
  - Buyers: 56%
  - Sellers: 58%

- It is essential that an agent/broker be knowledgeable about ways to electronically sign some or all closing documents for a real estate transaction.
  - Buyers: 62%
  - Sellers: 61%
AGENTS ADD VALUE TO THE ONLINE SEARCH

An agent can help buyers glean more valuable information from online listings than buyers could uncover on their own.

- **Buyers**: 51%
- **Sellers**: 61%

An agent can save a buyer the time and stress of weeding through online listings.

- **Buyers**: 56%
- **Sellers**: 57%

An agent should work with sellers to provide more in-depth pictures/videos of properties than what buyers can find in online search portals.

- **Buyers**: 63%
- **Sellers**: 62%

N=1,040 +/- 3.0% , NAR Study – May 13, 2020
...PUT A PREMIUM ON ORAL COMMUNICATION

<table>
<thead>
<tr>
<th>Method</th>
<th>Buyers</th>
<th>Sellers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Talk via phone</td>
<td>72%</td>
<td>66%</td>
</tr>
<tr>
<td>Talk via Skype, FaceTime, Zoom, or other tech that allows electronic face-to-face conversation</td>
<td>70%</td>
<td>66%</td>
</tr>
<tr>
<td>Communicate via email</td>
<td>58%</td>
<td>57%</td>
</tr>
<tr>
<td>Communicate via text</td>
<td>48%</td>
<td>39%</td>
</tr>
<tr>
<td>Watch instructional videos posted online by agent</td>
<td>34%</td>
<td>41%</td>
</tr>
</tbody>
</table>

N=1,040 +/- 3.0%, NAR Study – May 13, 2020
AGENTS REALLY MATTER DURING PANDEMIC

Percent who say that during the current pandemic, relying upon a real estate professional when searching for a home/selling a home is much more important than before

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<tr>
<td>ALL</td>
<td>47%</td>
<td>53%</td>
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<td>56%</td>
<td>61%</td>
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N=1,040 +/- 3.0% , NAR Study – May 13, 2020
KEY ACTION ITEMS FOR THE CURRENT MOMENT

• Actively help buyers and sellers get more out of online
  ▪ Pair virtual tours with written information about home improvements
  ▪ Be sure to include a tour of the neighborhood with the house tour
  ▪ Actively engage in the online search process for/with buyers

• Be prepared to limit number of visitors at one time

• Keep it clean! Stock up on sanitizer and wipes; they’re likely permanent

• Understand why buyers/sellers might be litigation-prone

• Know the protocols, follow them, and don’t be afraid to enforce them

• Talk to your clients, don’t just text and email them

• Never forget your value—buyers and sellers need you, and they know it
QUESTIONS?

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