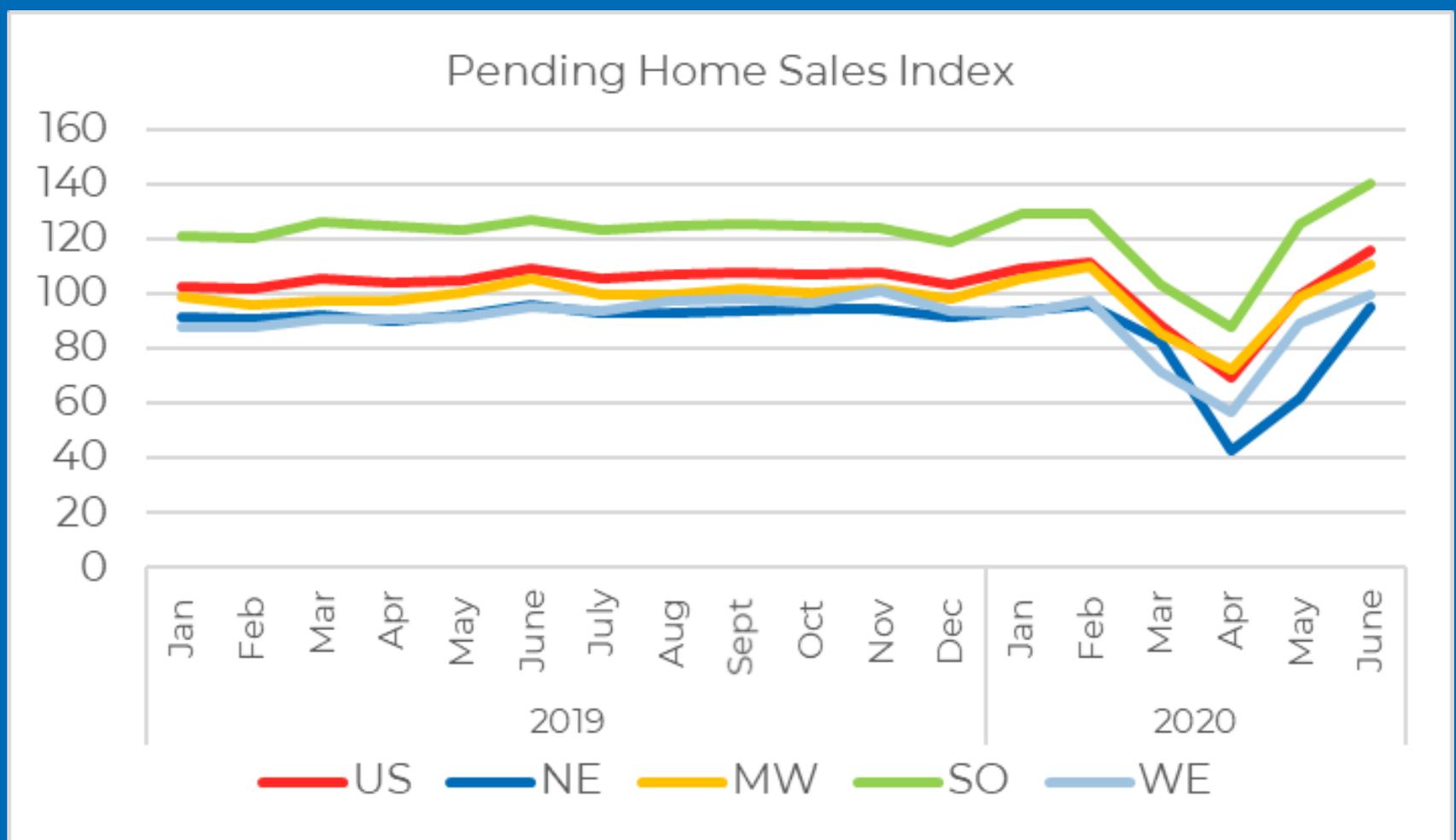


Weekly Housing Market Monitor

July 27-30

Pending Home Sales Increased 16.6% in June for the Second Straight Month

- The Pending Home Sales Index (PHSI),* www.nar.realtor/pending-home-sales, a forward-looking indicator of home sales based on contract signings, rose 16.6% to 116.1 in June, sustaining two consecutive months of increases in contract activity.
- All four regional indices rise on a month-over-month basis: Northeast, 54.4%; Midwest, 12.2%; South, 11.9%, and the West, 11.7%. Indices were up on a year-over-year basis also, except in the Northeast region.
- “These remarkable rebounds speak to exceptionally high buyer demand. Consumers are taking advantage of record-low mortgage rates resulting from the Federal Reserve’s maximum liquidity monetary policy,” says NAR Chief Economist Lawrence Yun.
- [Read the full news release here.](#)

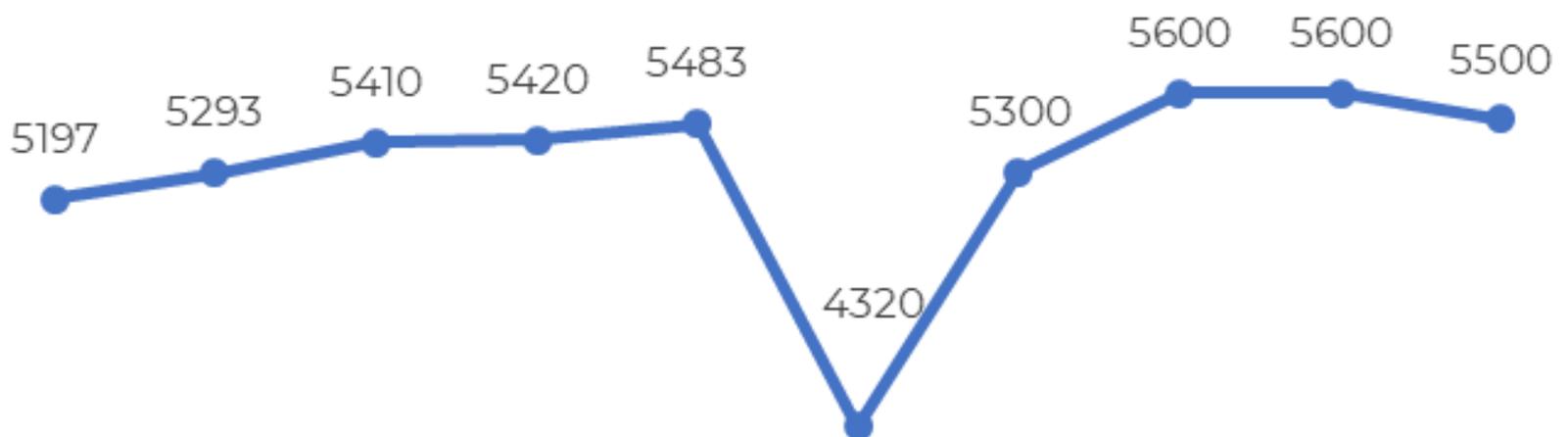


Weekly Housing Market Monitor

Latest Economic and Housing Market Outlook

- In light of the apparent housing market turnaround, NAR has raised its forecast for the housing market. Existing home sales are expected to ramp up to 5.6 million by the fourth quarter. For all of 2020, existing-home sales are expected to decline by only 3% compared to the 2019 level.
- Positive GDP growth of 4% in 2021 will boost both existing and new home sales, which are forecasted to grow by 7% and 16%, respectively.
- Mortgage rates are anticipated to stay at near 3% over the next 18 months. Home prices will likely appreciate 4% in 2020, before moderating to 3% in 2021 as more new supply reaches the market.
- [Read the full news release here.](#)

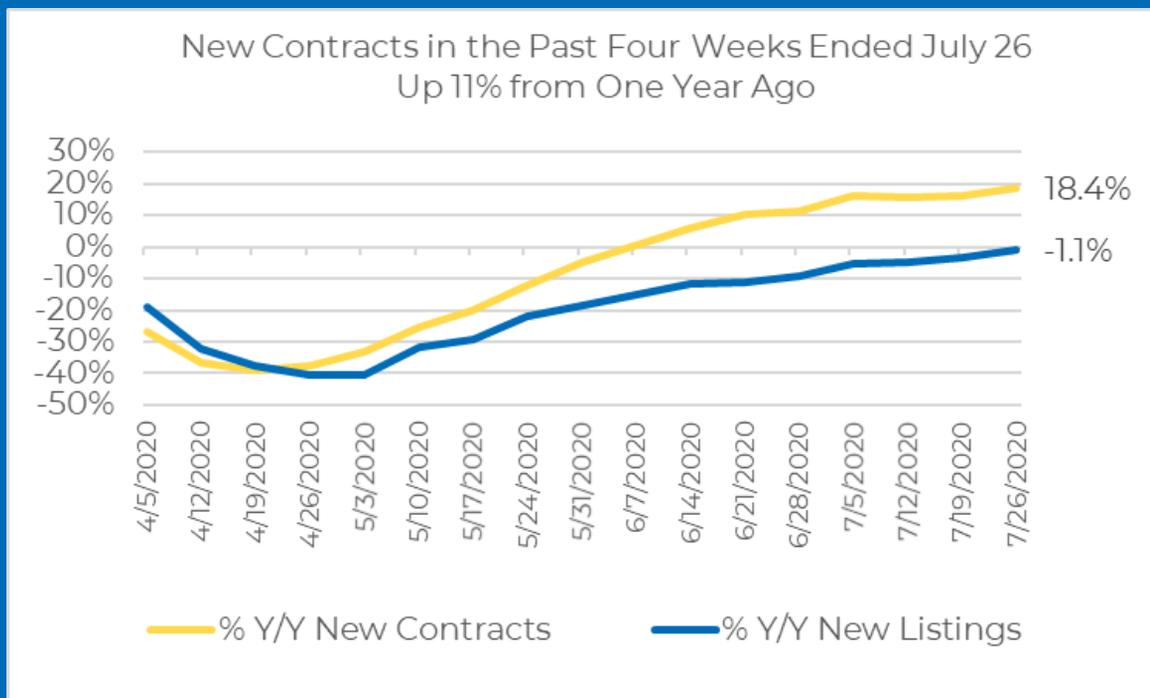
Existing Home Sales Forecast
Seasonally Adjusted Annual Rate ('000)



Weekly Housing Market Monitor

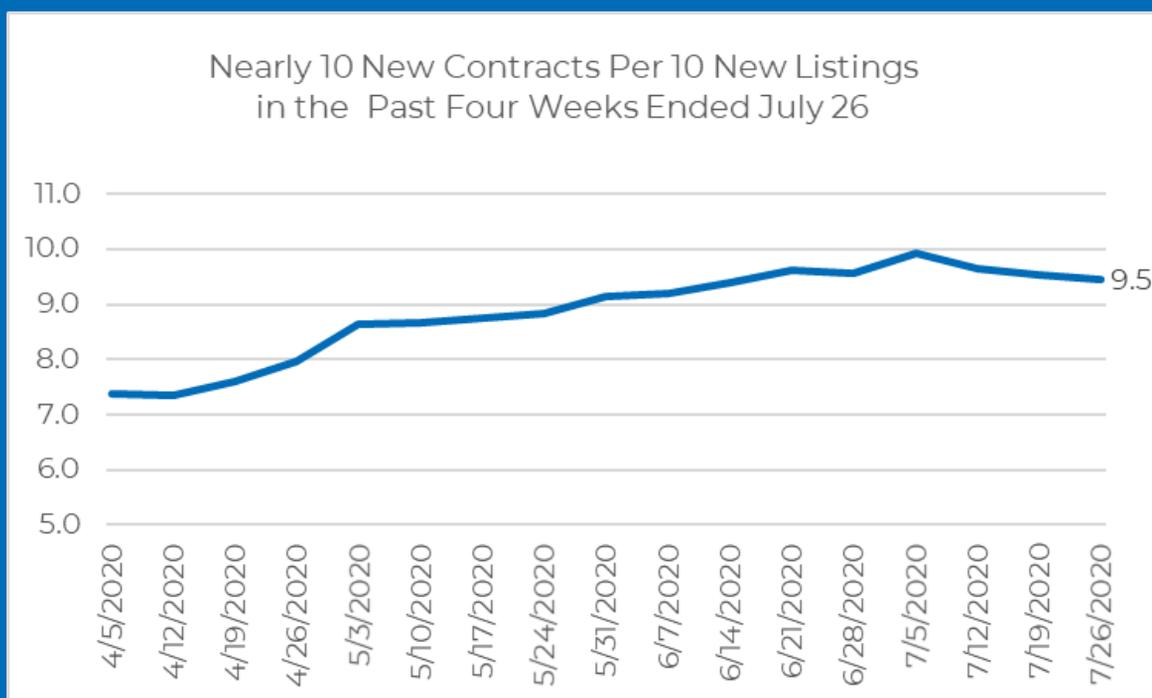
Contract Signings Rose 18% in the Past Four Weeks Ended July 26 from One Year Ago *

Preliminary information from multiple listing services shows a sustained increase in housing transactions as of July 26. The opening up of most businesses in all states, low 30-year fixed mortgage rates that averaged 3.01% of the week of July 24, and 8.8 million more employed workers in May and June are all sustaining the housing market recovery.



Contract signings (pending sales) during the past four weeks ended July 26 were up 18% from one year ago, sustaining the prior week's pace of growth.

New listings during the 4-week period ended July 26 were just 1% below last year's level, a significant improvement compared to the 41% decline in listings during the 4-week periods of April 26 and May 3.



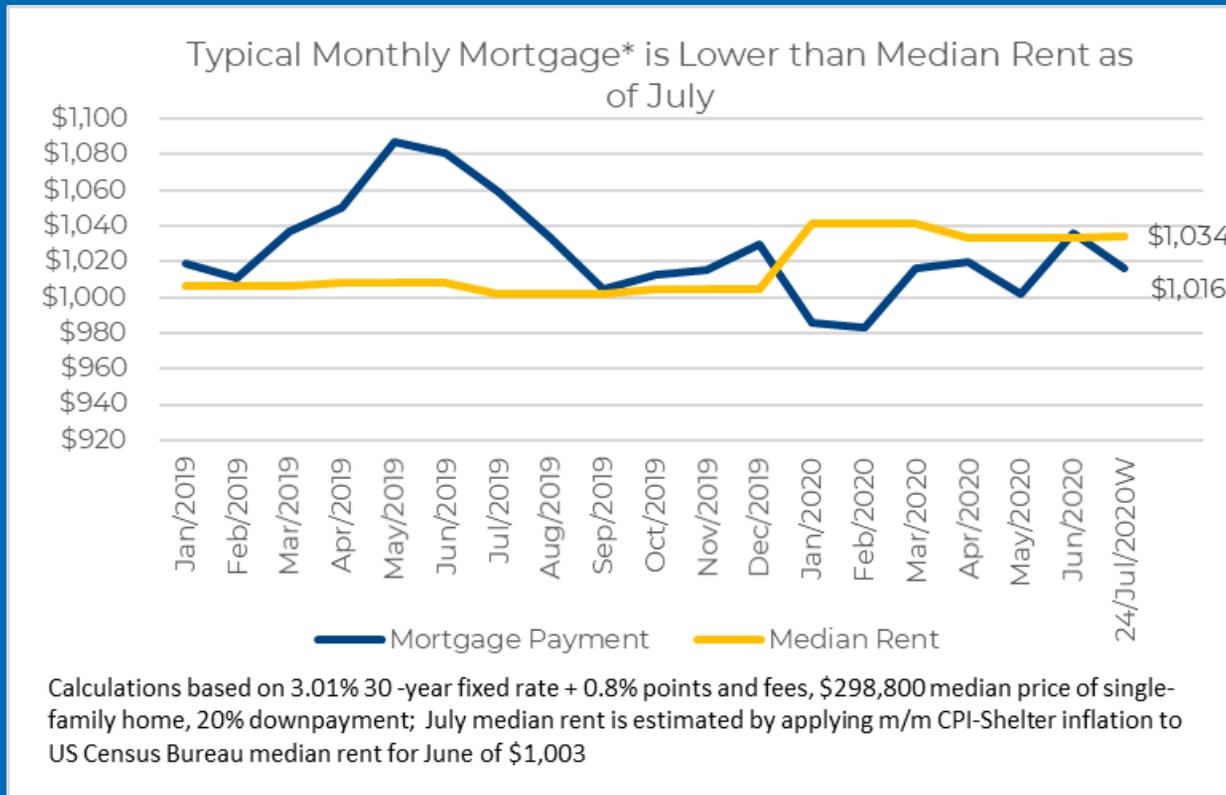
New listings are sold nearly at the same pace, with 9.5 new pending contracts for every 10 new listings in the past four weeks ended July 26.

* Preliminary data based on a limited number of MLS

Weekly Housing Market Monitor

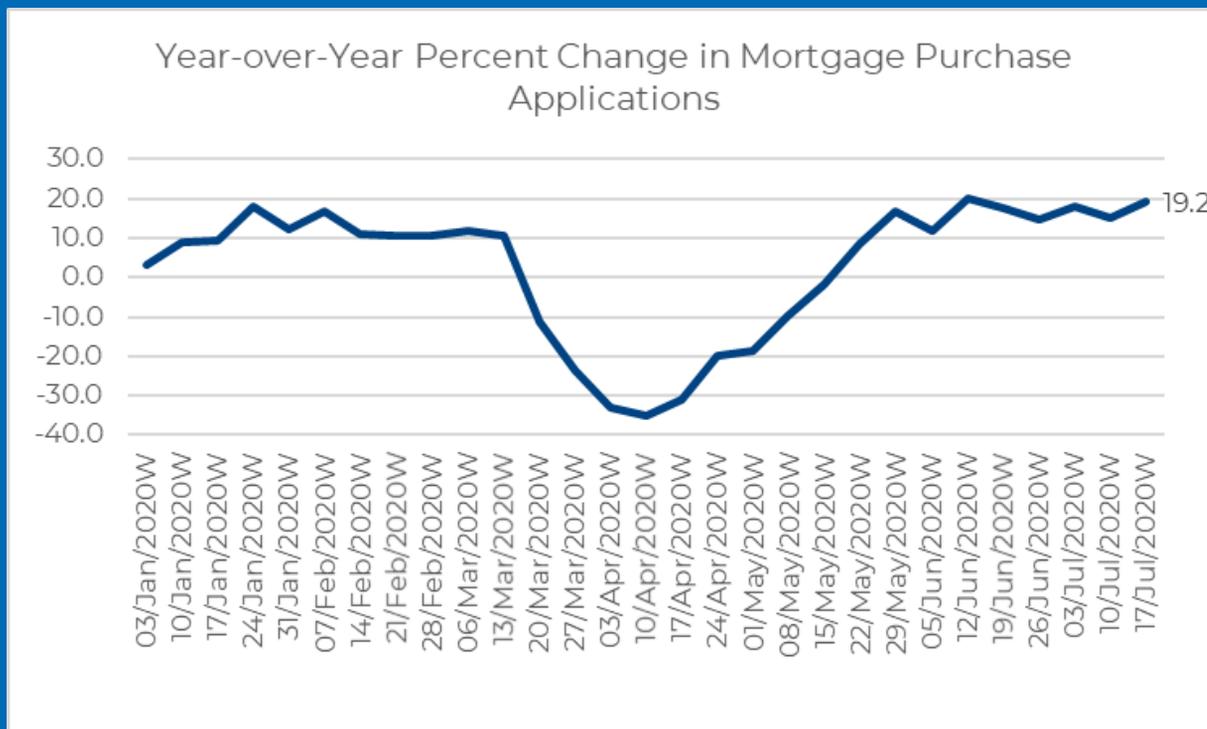
Mortgage Applications Up 19% as Typical Mortgage Payment Falls Below the Median Rent*

As of July 23, the estimated monthly mortgage payment on a single-family home with a median sales price of \$298,600 financed with a 30-year fixed rate mortgage of 3.01% plus 0.8% points and fees was \$1,016.



The typical mortgage payment is lower than the estimated median rent of \$1,034.

The estimated monthly mortgage payment as of July 23 is also lower than the monthly mortgage payment in June of \$1,033. The monthly mortgage fell as mortgage rates decreased 3.16% in June to 3.01% in the week of July 23.



As of the week of July 16, mortgage purchase applications were up 19% from one year ago. Mortgage purchase applications have been trending above last year's levels since mid-May.

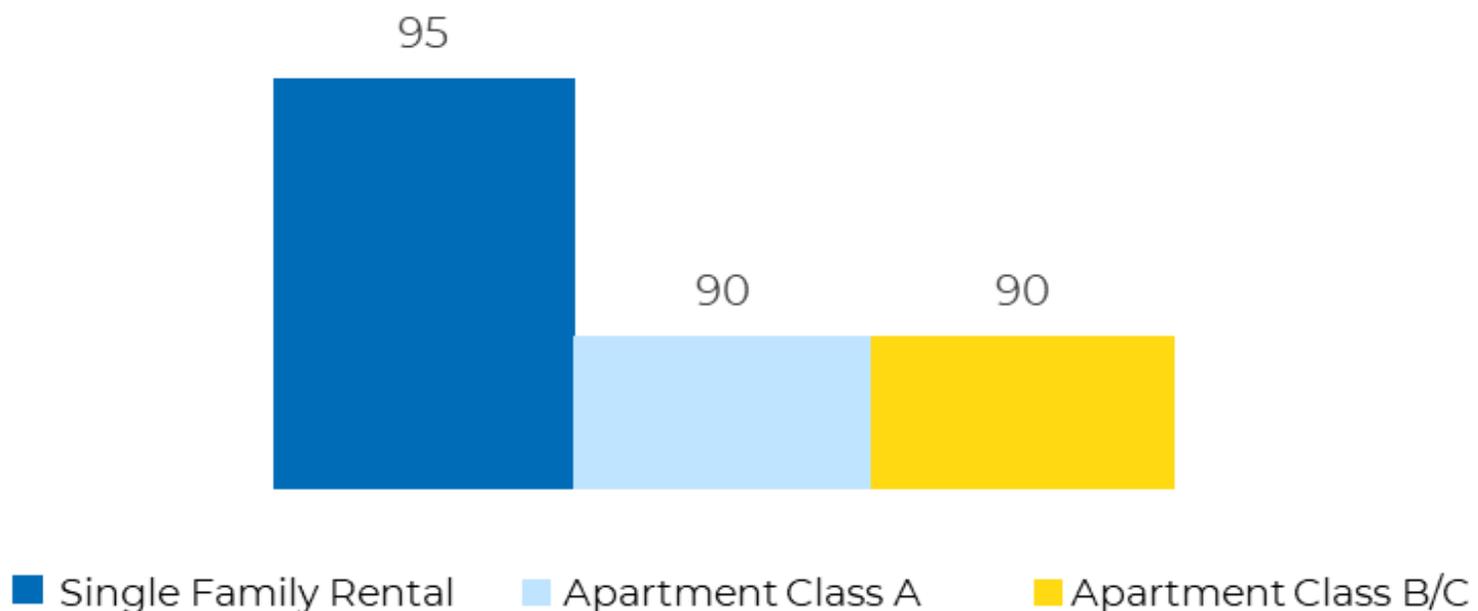
* This calculation is for analytical purpose and is intended to show broadly how mortgage payments are changing relative to rent. Consult your lender for an estimate of your mortgage payment that will depend on other factors such as income, debt, downpayment, and credit score.

Weekly Housing Market Monitor

95% of Median Rent Due was Collected in 2020 Q2 Even as 18 Million Are Still Unemployed

- A survey of property managers and leasing agents who are members of the National Association of REALTORS® and the Institute of Real Estate Management indicates that 95% of rent due in 2020 Q2 was paid among tenants in single-family rentals 90% of rent due was paid among tenants in apartment unit rentals. State unemployment regular benefits and the weekly \$600/week federal pandemic unemployment compensation have helped unemployed workers pay their rent and mortgage even as nearly 18 million workers are unemployed.
- Sixty-four percent of respondents reported landlords offered rent payment options to residential tenants (36% did not offer any rent payment option).
- Download the [Leasing Conditions in a Pandemic Environment](#) report.

Median Percent of Rent Due in
2020 Q2 That was Collected

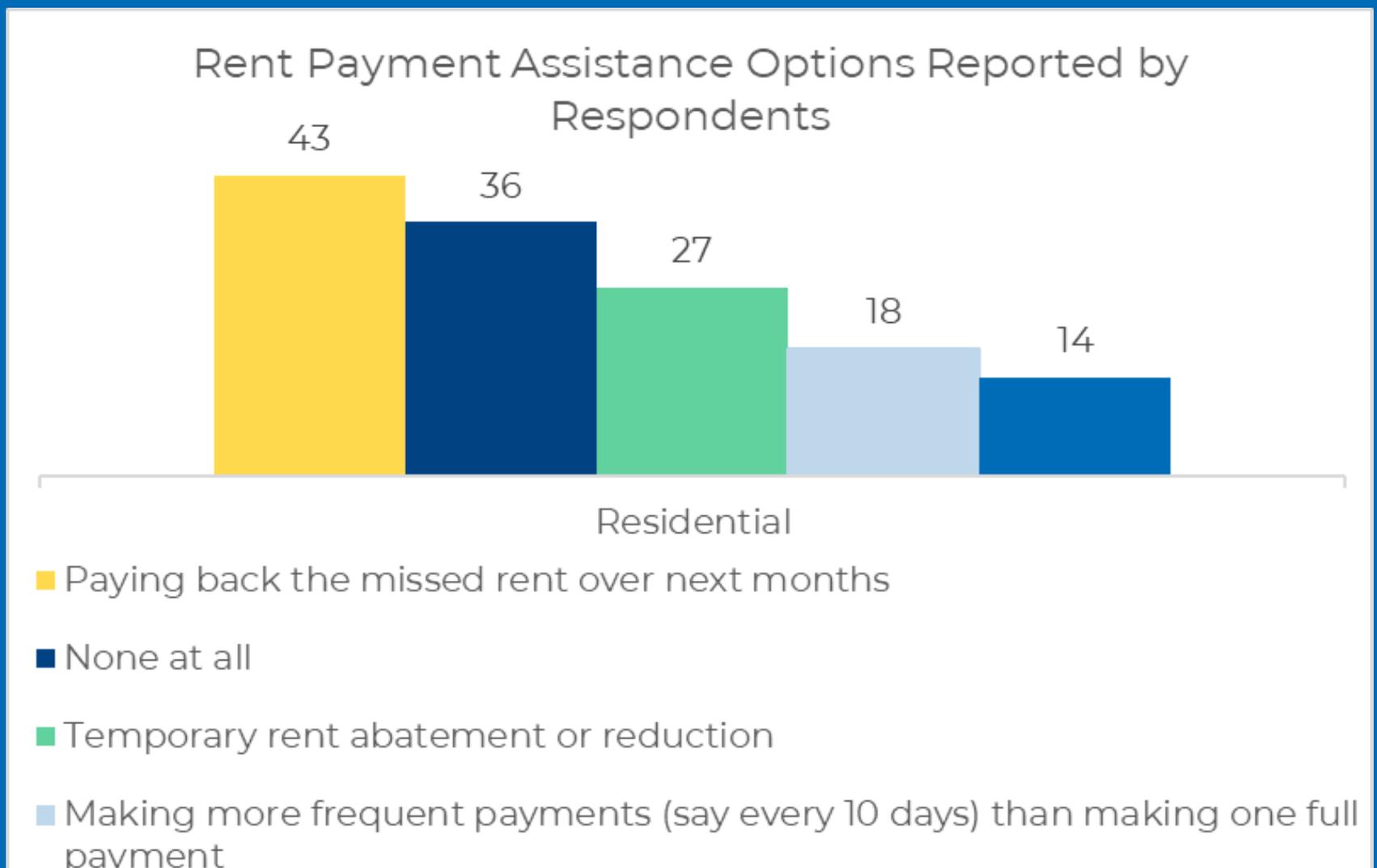


Source: NAR-IREM Leasing Conditions Survey

Weekly Housing Market Monitor

95% of Median Rent Due was Collected in 2020 Q2 Even as 18 Million Are Still Unemployed

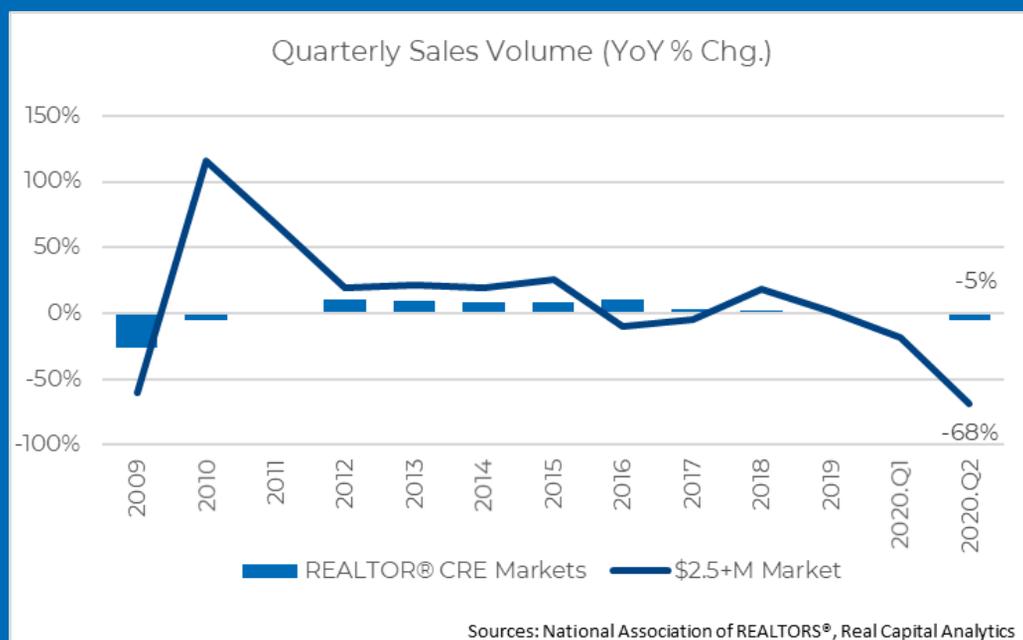
- The most common form of assistance was allowing the tenant to pay the missed rent over several months (43% of respondents reported this).
- Rent payment options offered included rent abatement or rent reduction; frequent, smaller rent payments; and “other payment options” such as ‘no late fees or charges’, ‘use of the security deposit’, and “not increasing the rent when the lease is renewed.”
- Download the [Leasing Conditions in a Pandemic Environment](#) report.



Weekly Housing Market Monitor

Commercial Real Estate Market Contracts in 2020 Q2

Across the multifamily, industrial, office, retail, and hotel sectors, REALTORS® reported a decline in sales, leasing transactions, and prices, and an increase in vacancy rates. Retail and hotels are suffering the heaviest blow from the coronavirus pandemic, with milder impact on the office sector. Industrial and multifamily remain as the strongest legs of the commercial real estate market, in both transactions for structures and land.



Sales transactions volume plunged in the second quarter of 2020. REALTORS® reported their sales transactions fell 5% year-over-over in the second quarter. Data from other industry sources show that sales transactions volume of properties or portfolios of at least \$2.5 plunged 68% year-over-year.*



- Leasing volume was down 7% to 10% at retail malls and down 1% to 2% for apartment and industrial properties. Industrial warehouses had the least decline in leasing volume of 1%, as e-commerce continues to make further inroads into the brick-and-mortar market.
- Read the full [2020 Q1 Commercial Real Estate Quarterly Market Survey](#).

*Real Capital Analytics

Weekly Housing Market Monitor

Mobility, Consumer Spending, and Businesses Openings Trends

- Businesses are continuing to open up and consumers are increasing their spending compared to April, but the level of activity and transactions is still below the pre-coronavirus period:
- Mobility and engagement is down by 41%
- Twenty percent of small businesses are still not open
- Credit card spending is down by 6%

