

# REALTORS® CONFIDENCE INDEX SURVEY

February 2022

National Association of REALTORS®  
Research Group



NATIONAL  
ASSOCIATION OF  
REALTORS®

# REALTORS® CONFIDENCE INDEX SURVEY

## Buyer Competition Starts to Heat Up

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 the February 2022 market transactions.

With the spring market around the corner, REALTORS® reported a slight uptick in buyer traffic in February compared to the prior month, although buyer traffic was below the level one year ago. The *REALTORS® Buyer Traffic Index* increased to 63 (62 in the prior month; 77 one year ago). Few listings continue to come into the market compared to one year ago. The *REALTORS® Seller Traffic Index* registered at 34 (33 in the prior month; 34 one year ago). An index below 50 means 'weaker' conditions during the month compared to one year ago. Demand continues to outpace supply. On average, respondents reported four client home tours during the month compared to an average of one new listing during the month.

With homebuying demand still outpacing supply, properties typically stayed on the market for shorter days compared to one year ago, at 18 days (19 days in the prior month, 20 days one year ago). Eighty-four percent of listings were on the market for less than one month (79% in the prior month, 74% one year ago).

Buyer competition intensified, with respondents reporting an average of 4.8 offers for every home sold (3.9 in the prior month, 4.1 one year ago). Forty-eight percent of respondents reported that buyers' price offers were above the list price (46% in the prior month).

The share of first-time buyers slightly increased to 29% but the share was below the level one year ago (27% in the prior month; 31% one year ago). The expectation of higher mortgage rates could be encouraging buyers to lock in at the current low rates.

The share of non-primary residence buyers (for investment rental or vacation use) decreased to 19%, but the share was higher than the level one year ago (22% in the prior month, 17% one year ago). The share of cash sales also decreased from the prior month to 25%, but the share rose compared to one year ago (27% in the prior month; 22% one year ago).

With competition heating up, 23% of buyers waived an inspection contract contingency (20% in the prior month), and 23% of buyers also waived an appraisal contingency (22% in the prior month).

Majority of respondents, at 57%, reported that homebuyers were looking for features that provided working-from-home space, such as an extra room, a bigger space, or a basement. Eighty-four percent of homebuyers purchased a property in the suburban, small town, or rural area (85% in the prior month, 85% one year ago).

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## February 2022 REALTORS® Confidence Index Survey Highlights

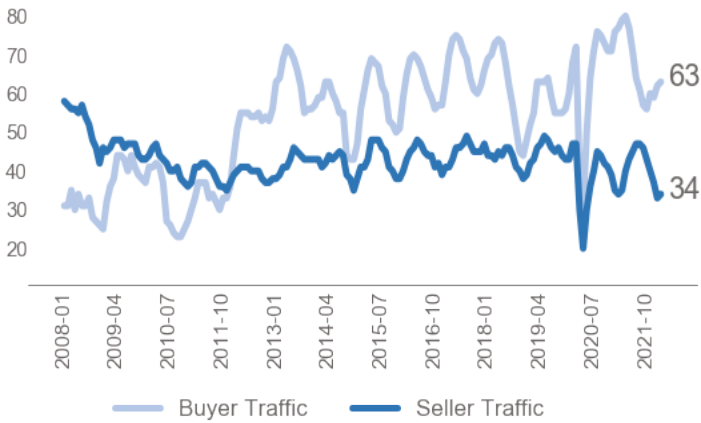
Key Market Indicators	Feb-22	Jan-22	Feb-21
RCI Buyer Traffic Index /1	63	62	77
RCI Seller Traffic Index /1	34	33	34
RCI Buyer Traffic Index: 3-Month Outlook /1	63	64	78
RCI Seller Traffic Index: 3-Month Outlook /1	46	48	47
Median days on market	18	19	20
Percent of properties sold in less than 1 month	84	79	74
First-time homebuyers, as percent of sales	29	27	31
Sales for non-primary residence use, as a percent of sales / 2	19	22	17
Sales intended for vacation use, as a percent of sales / 2	5	7	6
Cash sales, as percent of sales	25	27	22
Distressed sales, as percent of sales	1	1	1
Market Outlook	Feb-22	Jan-22	Feb-21
Percent of respondents who expect a year-over-year increase in buyer traffic in next 3 months	42	42	61
Percent of respondents who expect a year-over-year increase in seller traffic in next 3 months	26	26	29
Expected year-over-year percent change in home prices in the next 12 months	4.1	3.7	2.4
Percent of respondents who had a potential buyer looking for work-from-home features	57	56	59
Percent of respondents who reported observing a higher share of clients who live in the city who want to purchase a property in the suburb or rural area compared to January 2020	30	29	35
Other Market Indicators	Feb-22	Jan-22	Feb-21
Average number of offers received on the most recent sale	4.8	3.9	4.1
Percent of bid offers above the list price	48	46	-
Average number of prior buyer offers before closing on current home purchase	2	2	-
Average number of clients taken on a home tour by agent	4.1	3.7	4.3
Average number of new listings in the month per agent	1.3	1.3	1.4
Percent of buyers who were renting before purchasing a home	43	42	44
Percent of first-time buyers who put down less than 20% down payment	71	69	72
FHA loans as a percent of buyers who obtained mortgage financing	14	13	14
Percent of buyers who waived inspection contingency	23	20	-
Percent of buyers who waived appraisal contingency	23	22	-
Percent of buyers who purchased property based on virtual tour/ showing/ open house only	11	13	9
Percent of sellers who sold property based on virtual tour/ showing/ open house only	4	5	5
Percent of buyers who purchased in a suburban, small town, rural, or resort area	84	85	85
Percent of sellers represented by Realtors® who sold the property to an iBuyer	2	2	-
Percent of sellers who had been renting out the property	20	19	19
Median tenure in the primary residence among sellers	8	10	10
Median days to close	30	30	30
Percent of contracts in the past 3 months that were terminated	8	7	6
Percent of contracts in the past 3 months that had delayed settlement	22	23	26
Percent of contracts with a delayed settlement that had appraisal issues	20	20	23

/1 An index greater than 50 means a higher fraction of respondents reported "stronger" than "weaker" conditions compared to one year ago.

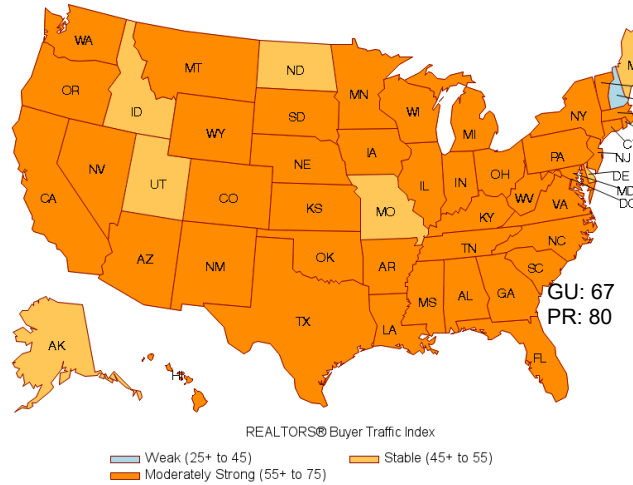
/2 Non-primary residence use refers to vacation use or residential rental.

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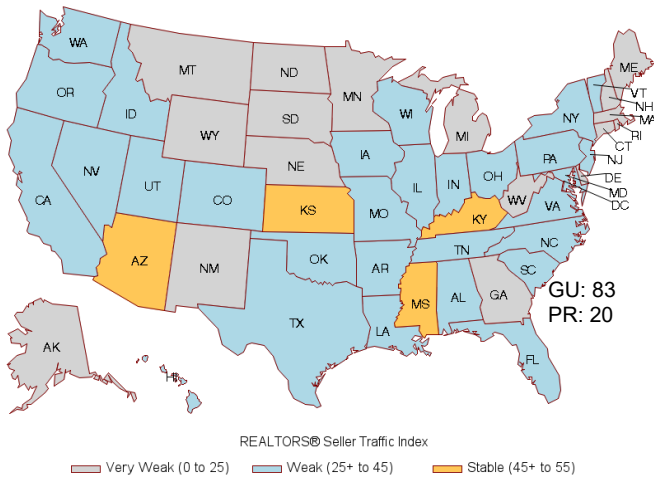
## REALTORS® BUYER AND SELLER TRAFFIC INDICES



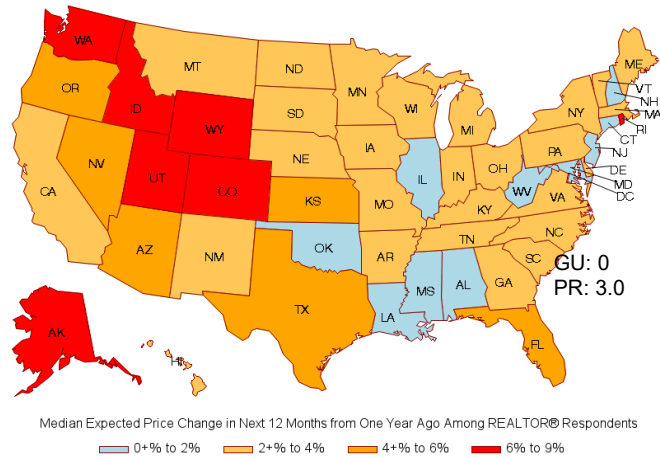
## REALTORS® BUYER TRAFFIC INDEX



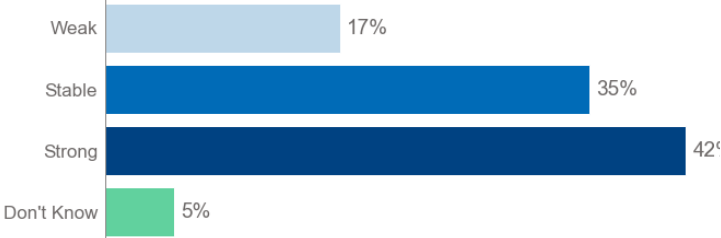
## REALTORS® SELLER TRAFFIC INDEX



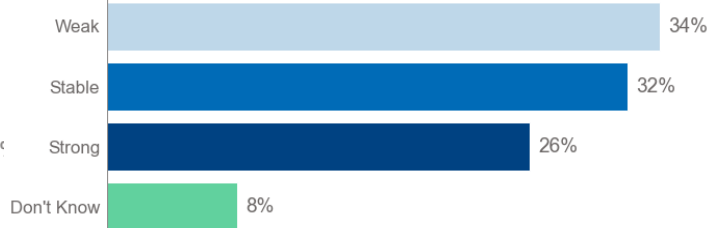
## REALTORS® MEDIAN EXPECTED PRICE CHANGE WITHIN THE NEXT 12 MONTHS, YY PERCENT CHANGE



## REALTORS® EXPECTATION ON BUYER TRAFFIC WITHIN THE NEXT 3 MONTHS



## REALTORS® EXPECTATION ON SELLER TRAFFIC WITHIN THE NEXT 3 MONTHS

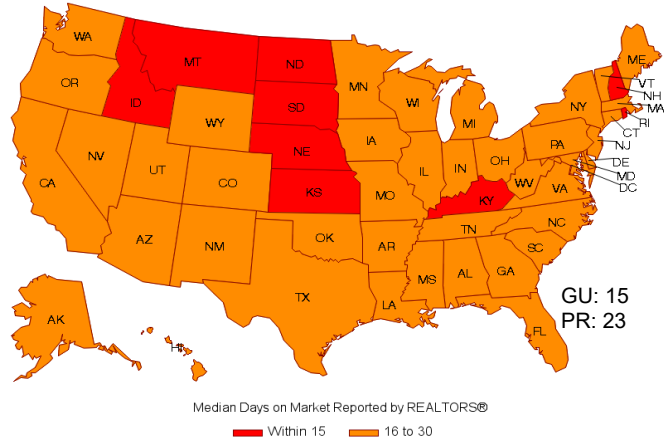


# REALTORS® CONFIDENCE INDEX SURVEY

MEDIAN DAYS ON THE MARKET



MEDIAN DAYS ON THE MARKET BY STATE



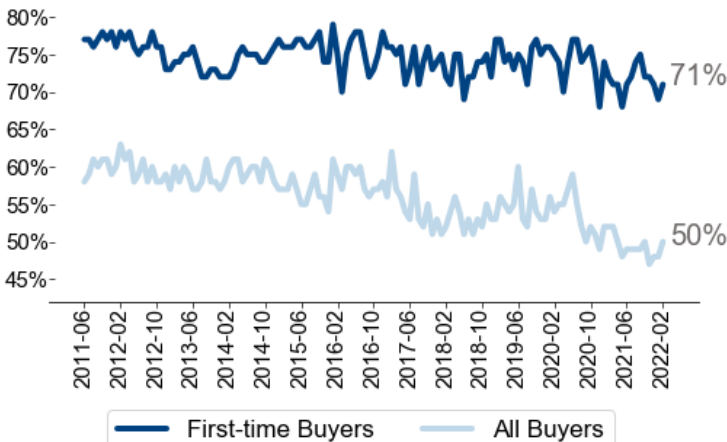
FIRST-TIME BUYERS AS PERCENTAGE OF RESIDENTIAL SALES



CASH SALES AS PERCENTAGE OF RESIDENTIAL SALES



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



DISTRESSED PROPERTY SALES BY PROPERTY TYPE

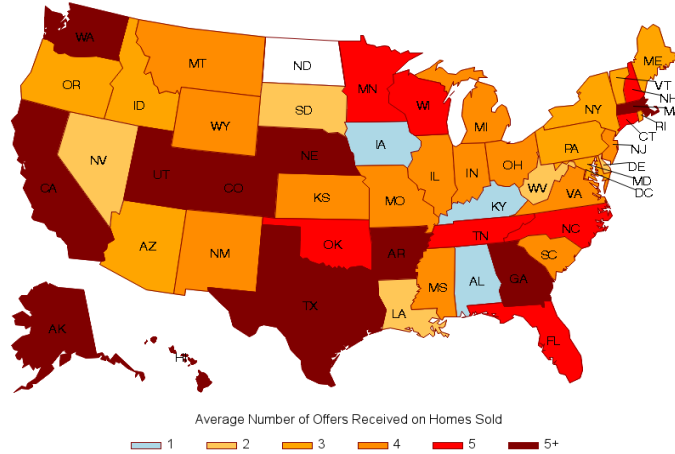


# REALTORS® CONFIDENCE INDEX SURVEY

AVERAGE NUMBER OF OFFERS RECEIVED ON THE MOST RECENT CLOSED SALE



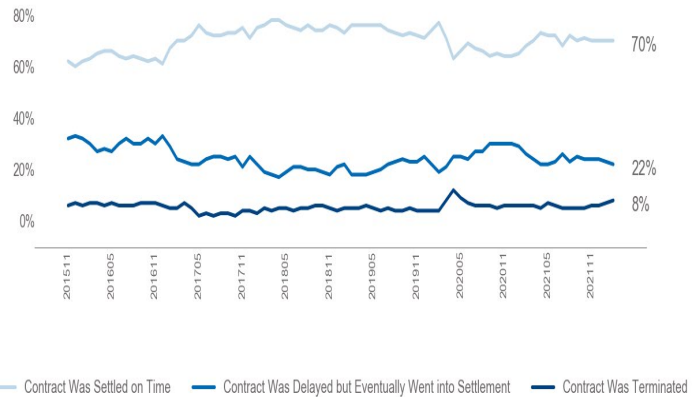
AVERAGE NUMBER OF OFFERS RECEIVED ON MOST RECENT SALE REPORTED BY REALTORS®



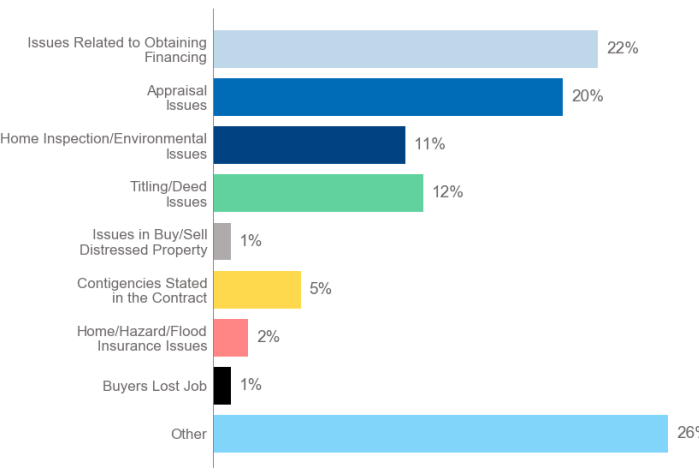
AVERAGE NUMBER OF CLIENTS TAKEN ON A HOME TOUR BY AGENT



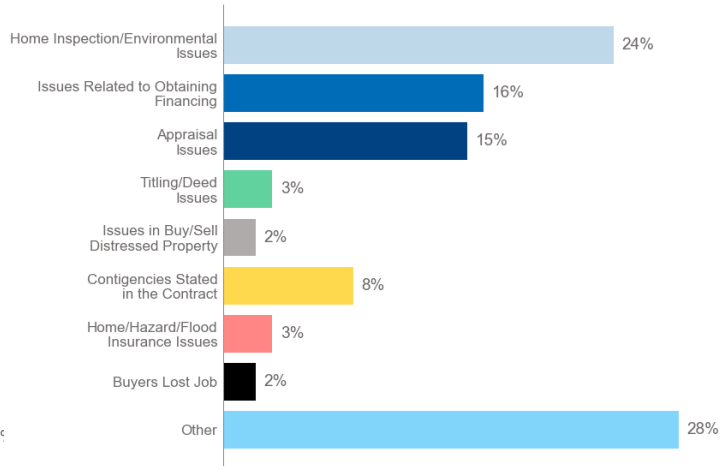
CONTRACT SETTLEMENT



PROBLEMS ENCOUNTERED FOR DELAYED CONTRACT



PROBLEMS ENCOUNTERED FOR TERMINATED CONTRACTS



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## About the RCI Survey

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- 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 February 2022 survey was sent to 50,000 REALTORS® who were selected from NAR's more than 1.5 million members through simple random sampling and to 5,070 respondents in the previous three surveys who provided their email addresses.
- There were 3,324 respondents to the online survey which ran from March 1-8, 2022, of which 1,588 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](mailto:Data@realtors.org)

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The National Association of REALTORS®, “The Voice for Real Estate,” is America’s largest trade association, representing more than 1.5 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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 Anna Schnerre, Research Associate, Business Insights  
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