

April 2022

# REALTORS® CONFIDENCE INDEX SURVEY

National Association of REALTORS® | Research Group



NATIONAL  
ASSOCIATION OF  
REALTORS®

# REALTORS® CONFIDENCE INDEX SURVEY

## Sales Slow Down But Buyer Competition is Still Strong

With the 30-year fixed mortgage rate rising to an average of nearly 5% in April, REALTORS® who responded to the April *REALTORS® Confidence Index (RCI)* reported a slower market in April. The *REALTORS® Buyer Traffic Index* sharply fell to 54 (62 in the prior month; 80 one year ago). Supply remained broadly below than one year ago with the *REALTORS® Seller Traffic Index* at 38 (36 in the prior month; 40 one year ago). An index over 50 means conditions are broadly stronger than one year ago. In the next three months, only 23% of REALTORS® expect buyer traffic to increase on a year-over-year basis in the next three months (36% in the prior month, 56% one year ago).

As supply is still limited relative to demand, the market is still a seller's market. On average, respondents reported nearly six offers per home sale in March (4.8 offers in the prior month, 5.1 offers one year ago). Sixty-one percent of buyers' price offers were above the list price (57% in the prior month, 53% one year ago). Half of the buyers had made two prior offers and lost before succeeding on the third try. On average, an agent took out about 4 clients on a home tour (4.1 in the prior month, 5.1 one year ago) while on average, an agent listed just nearly two properties (1.4 in the prior month, 1.7 one year ago).

While home buying demand is still outpacing supply, properties typically stayed on the market for 17 days (17 days in the prior month, 17 days one year ago). Eighty-eight percent of listings were on the market for less than one month (87% in the prior month, 88% one year ago).

The first-time buyer market share edged lower to 28% (30% in the prior month; 31% one year ago). The share of non-primary residence buyers (for investment rental or vacation use) also decreased from the prior month to 17% (18% in the prior month, 17% one year ago) as the market share of vacation home sales slid to 6% (7% in the prior month, 8% one year ago) while investor sales share held at 11% (11% in the prior month, 9% one year ago).

With some slow down in vacation home sales, the share of all-cash sales decreased to 26% (28% in the prior month, 25% one year ago). Amid intense competition, buyers were making higher down payments even amidst higher home prices. Among mortgage-financed purchases, the share of buyers who put at least 20% down payment rose to 56% (53% in the prior month, 50% one year ago).

Intense competition lingers, and 25% of buyers waived an inspection contingency (23% in the prior month).

Among purchase contracts in the last three months, the appraised value was the same as the initial contract price, while the appraised value was lower than the initial contract price in 25% of purchase contracts. In the latter case, buyers made up for the difference in 57% of these cases, the seller lowered the price in 18% of these cases, and the buyer backed out in 8% of these cases (or 2% of contracts).

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## April 2022 REALTORS® Confidence Index Survey Highlights

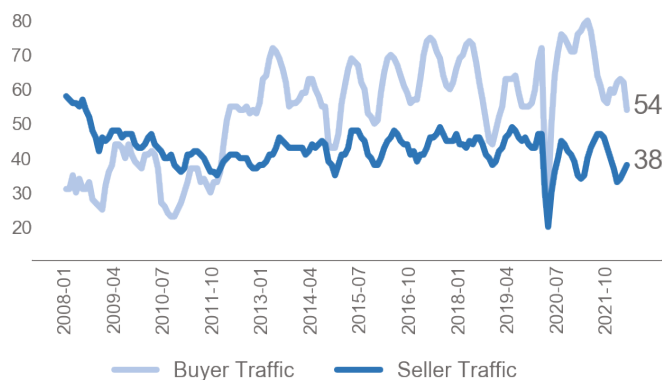
Key Market Indicators	Apr-22	Mar-22	Apr-21
RCI Buyer Traffic Index /1	54	62	80
RCI Seller Traffic Index /1	38	36	40
RCI Buyer Traffic Index: 3-Month Outlook /1	43	57	74
RCI Seller Traffic Index: 3-Month Outlook /1	44	46	51
Median days on market	17	17	17
Percent of properties sold in less than 1 month	88	87	88
First-time homebuyers, as percent of sales	28	30	31
Sales for non-primary residence use, as a percent of sales /2	17	18	17
Sales intended for vacation use, as a percent of sales /2	6	7	8
Cash sales, as percent of sales	26	28	25
Distressed sales, as percent of sales	1	1	2
Relocation buyers, as a percent of buyers	18	12	14
Average number of offers received on the most recent sale	5.5	4.8	5.1
Percent of properties sold above the list price	61	57	53
Market Outlook	Apr-22	Mar-22	Apr-21
Percent of respondents who expect a year-over-year increase in buyer traffic in next 3 months	23	36	56
Percent of respondents who expect a year-over-year increase in seller traffic in next 3 months	22	26	32
Expected year-over-year percent change in home prices in the next 12 months	0.9	3.6	2.4
Other Market Indicators	Apr-22	Mar-22	Apr-21
Average number of clients taken on a home tour by agent	4.1	4.1	5.1
Average number of new listings in the month per agent	1.5	1.4	1.7
Average number of prior buyer offers before closing on current home purchase	3	3	-
Percent of all buyers with less than 20% down payment	44	47	50
Percent of first-time buyers with less than 20% down payment	67	69	71
FHA loans as a percent of mortgage financing	12	12	12
Percent of buyers who waived inspection contingency	25	23	-
Percent of buyers who waived appraisal contingency	26	28	26
Percent of buyers who purchased property based on virtual tour/showing/open house only	12	10	10
Percent of sellers who sold property based on virtual tour/showing/open house only	7	3	5
Percent of buyers who purchased in a suburban, small town, rural, or resort area	87	83	85
Percent of respondents who had a potential buyer looking for work-from-home features	57	56	60
Percent of sellers represented by Realtors® who sold the property to an iBuyer	1	2	-
Percent of sellers who had been renting out the property	16	18	19
Percent of sellers who financed the closing cost	19	20	17
Median tenure in the primary residence among sellers	10	8	10
Median days to close	30	30	30
Percent of contracts in the past 3 months that were terminated	7	6	5
Percent of contracts in the past 3 months that had delayed settlement	18	19	22
Percent of contracts with a delayed settlement that had appraisal issues	21	22	26

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

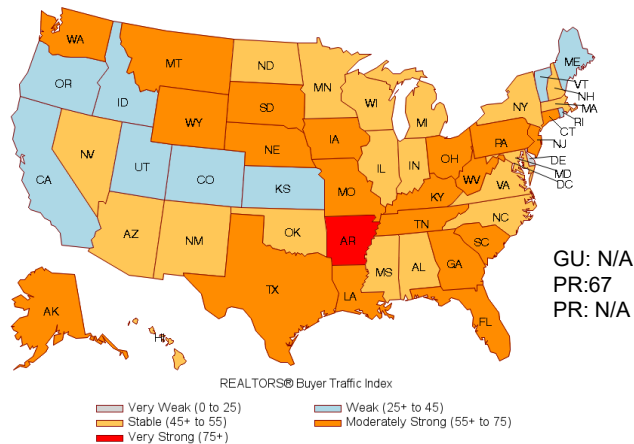
/2 Non-primary residence use refers to vacation use or residential rental.

# REALTORS® CONFIDENCE INDEX SURVEY

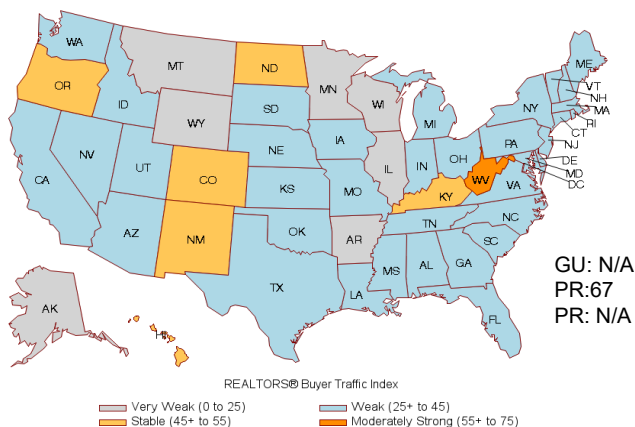
## REALTORS® BUYER AND SELLER TRAFFIC INDICES



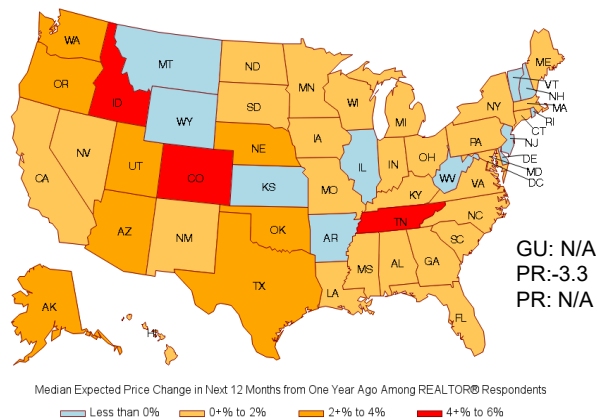
## REALTORS® BUYER TRAFFIC INDEX



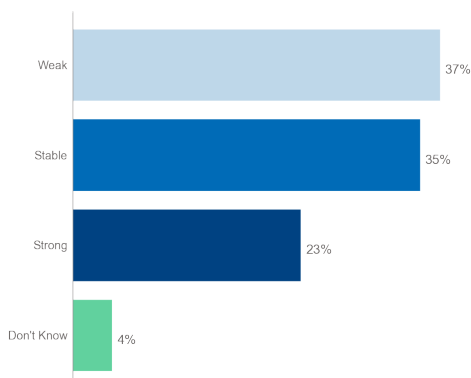
## REALTORS® SELLER TRAFFIC INDEX



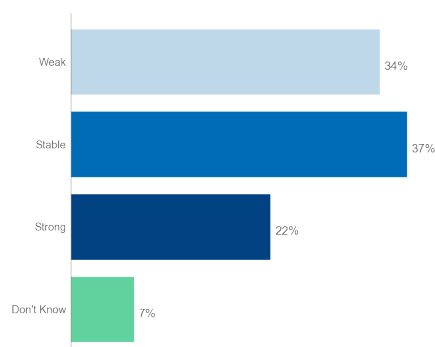
## REALTORS® MEDIAN EXPECTED PRICE CHANGE WITHIN THE NEXT 12 MONTHS, Y/Y PERCENT CHANGE



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



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



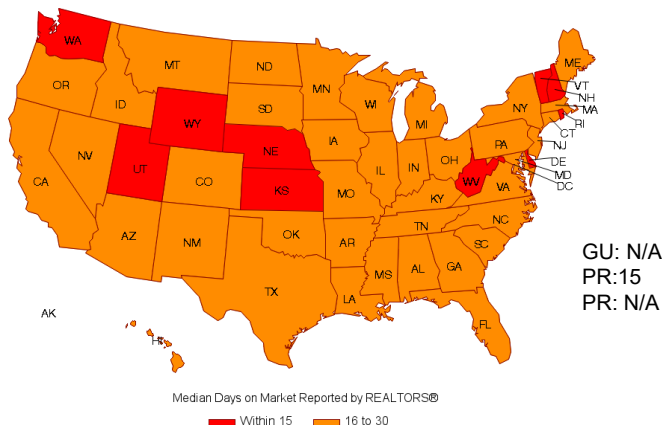


# REALTORS® CONFIDENCE INDEX SURVEY

MEDIAN DAYS ON THE MARKET



MEDIAN DAYS ON THE MARKET BY STATE



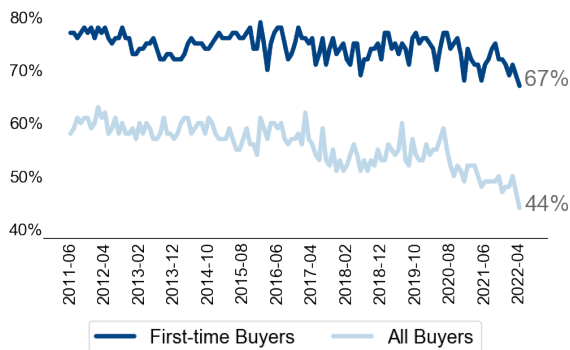
FIRST-TIME BUYERS AS PERCENTAGE OF RESIDENTIAL SALES



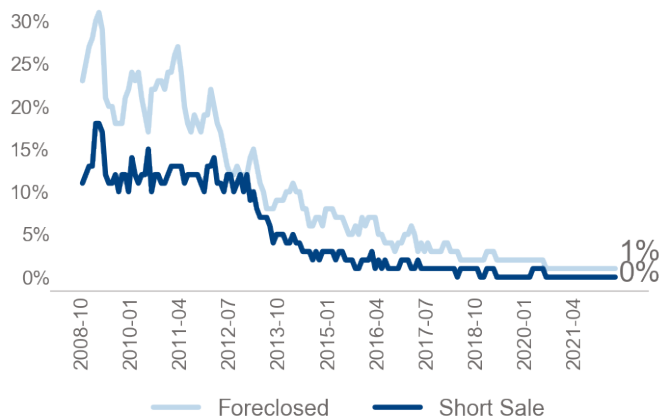
CASH SALES AS PERCENTAGE OF RESIDENTIAL SALES



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



DISTRESSED PROPERTY SALES BY PROPERTY TYPE

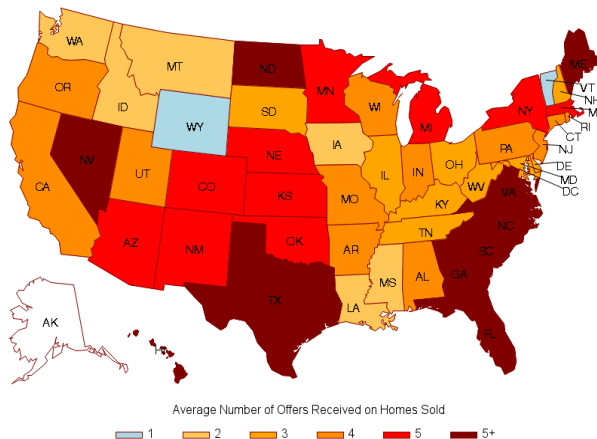


# REALTORS® CONFIDENCE INDEX SURVEY

AVERAGE NUMBER OF OFFERS RECEIVED  
ON THE MOST RECENT CLOSED SALE



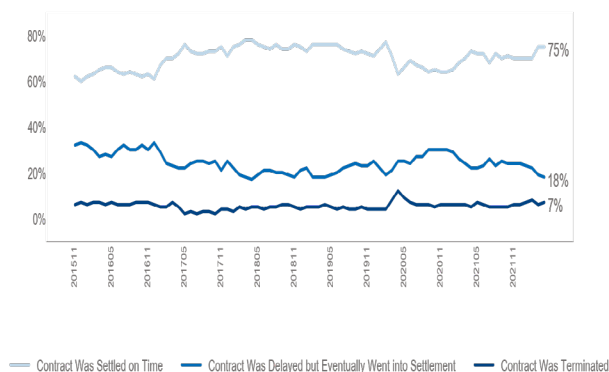
AVERAGE NUMBER OF OFFERS RECEIVED ON MOST RECENT  
SALE REPORTED BY REALTORS®



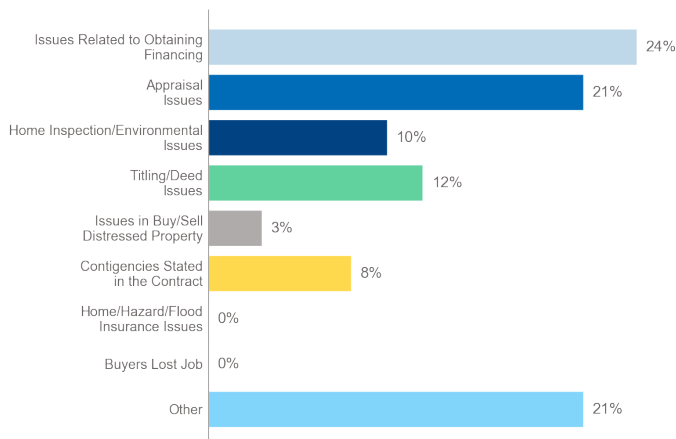
AVERAGE NUMBER OF CLIENTS TAKEN ON A HOME TOUR  
BY AGENT



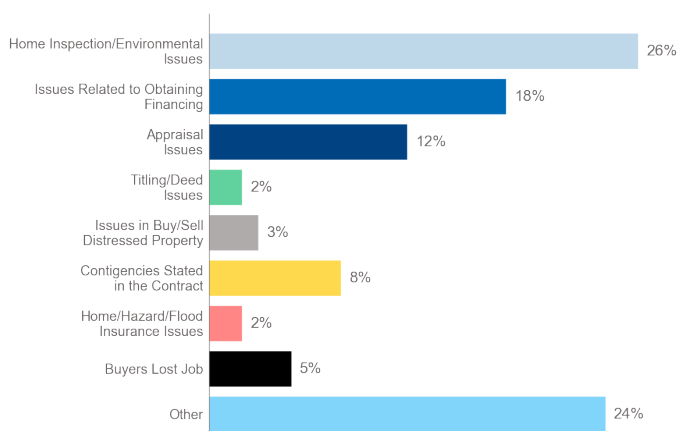
CONTRACT SETTLEMENT



PROBLEMS ENCOUNTERED FOR DELAYED CONTRACT



PROBLEMS ENCOUNTERED FOR TERMINATED CONTRACTS<sup>1</sup>



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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 March 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 5,391 respondents in the previous three surveys who provided their email addresses.
- There were 2,397 respondents to the online survey which ran from May 2-13, 2022, of which 1,264 had a client. Among those who had a client, the survey's maximum margin of error for proportion estimates is nearly 3% 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 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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