

December 2023

REALTORS[®] CONFIDENCE INDEX SURVEY

National Association of REALTORS[®]
Research Group



NATIONAL
ASSOCIATION OF
REALTORS[®]

REALTORS® CONFIDENCE INDEX SURVEY

REALTOR® Market Outlook for buyer and seller activity in the next three months is the highest since March 2022.

The Market Outlook from the REALTORS® Confidence Index for buyers and sellers continued to gain positive steam in December 2023:

- 33% of respondents expect a year-over-year increase in buyer traffic in the next three months, up from 16% one month ago and up from 12% one year ago.
- 25% of respondents expect a year-over-year increase in seller traffic in the next three months, up from 12% last month and from 9% one year ago.

With supply still limited relative to demand, 16% of homes sold above list price, down from 19% last month and flat from 16% a year ago:

- 56% of respondents reported that properties sold in less than one month. Down from 62% a month ago and flat from 57% in December 2022.
- Homes listed received an average of 2.4 offers, down slightly from 2.6 offers last month and up slightly from 2.2 offers in December 2022.
- Due to the lack of housing inventory, the pace of the market, and the use of technology, 9% of buyers purchased a home based only on a virtual tour, showing, or open house without physically seeing the home. Up from 6% one month ago and one year ago.

Contracts typically closed in 30 days, the same as last month and one year ago. But some faced delays or termination:

- 5% of contracts were terminated in the last three months, about the same as one month and flat from one year ago.
- 16% of contracts had delayed settlements in the past three months, the same as last month and down slightly from 17% a year ago.
- 6% of contracts had delayed settlement due to appraisal issues, down slightly from 7% last month and flat from one year ago.

First-time buyers represented 29% of buyers, down from 31% in November 2023 and December 2022. Among all buyers:

- 16% purchased for non-primary residence use, down from 18% last month and flat from last year.
- 5% were purchased for vacation use, unchanged from one month ago and one year ago.
- 1% of sellers sold to an iBuyer, down slightly from one month and one year ago.
- 2% of sales were distressed, up slightly from one month and one year ago.

Contract activity remains competitive:

- 29% of buyers had all-cash sales, up from 27% last month and up slightly from 28% in last year.
- 24% of buyers waived the inspection contingency, up from 18% one month ago and flat from one year ago.
- 15% of buyers waived the appraisal contingency, down from 19% one month and 18% one year ago.

Buyers continue to look outside of city centers for the majority of their activity at 85%.

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December 2023 REALTORS® Confidence Index Survey Highlights

Market Outlook	Dec-23	Nov-23	Dec-22
Percent of respondents who expect a year-over-year increase in buyer traffic in next 3 months	33%	16%	12%
Percent of respondents who expect a year-over-year increase in seller traffic in next 3 months	25%	12%	9%
Key Market Indicators	Dec-23	Nov-23	Dec-22
Median days on market/ ³	29	25	26
Percent of properties sold in less than 1 month	56%	62%	57%
First-time homebuyers, as percent of sales	29%	31%	31%
Sales for non-primary residence use, as a percent of sales ^{/1}	16%	18%	16%
Sales intended for vacation use, as a percent of sales ^{/1}	5%	5%	5%
Cash sales, as percent of sales	29%	27%	28%
Distressed sales, as percent of sales	2%	1%	1%
Average number of offers received on the most recent sale	2.4	2.6	2.2
Percent of properties sold above the list price	16%	19%	16%
Other Market Indicators	Dec-23	Nov-23	Dec-22
Percent of buyers who waived inspection contingency	24%	18%	24%
Percent of buyers who waived appraisal contingency	15%	19%	18%
Percent of buyers who purchased property based on virtual tour/showing/open house only	9%	6%	6%
Percent of buyers who purchased in a suburban, small town, rural, or resort area	85%	87%	86%
Percent of respondents who had a potential buyer looking for work-from-home features ^{/2}	34%	34%	28%
Percent of sellers represented by Realtors® who sold the property to an iBuyer	1%	2%	2%
Median days to close	30	30	30
Percent of contracts in the past 3 months that were terminated	5%	6%	5%
Percent of contracts in the past 3 months that had delayed settlement	16%	16%	17%
Percent of contracts with a delayed settlement that had appraisal issues	6%	7%	6%

^{/1} Non-primary residence use refers to vacation use or residential rental.

^{/2} In the past iterations of the survey, this was asked of both buyers' and sellers' agents. As of June 2022, the survey only asks the question of buyers' agents.

^{/3} Data estimated based on RCI monthly survey and MLS data.

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About the RCI Survey

- 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 December 2023 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 4,660 respondents in the previous three surveys who provided their email addresses.
- There were 1,856 respondents to the online survey, which ran from January 3-16, 2024, of which 847 had a client in the last month. 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.

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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.

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