

June 4, 2020

## REALTOR® RESILIENCY REPORT

*This communication from NAR to all Members describes the many ways NAR is working to guide and support REALTORS® and the real estate industry during the coronavirus (COVID-19) pandemic. Every week, you'll find up-to-date, relevant information on how to ensure your health and safety, the virus' impact on the economy and your business, its impact on NAR activities, and what NAR is doing to help.*

### Executive Summary

- NAR has identified the [top 10 housing markets](#) for millennials during the pandemic by analyzing current housing affordability, local job market conditions during the pandemic, the share of millennials in the area, and inventory availability in the largest 100 metropolitan statistical areas across the country. “Record-low mortgage rates have improved housing affordability, bringing more buyers into the market,” said NAR Chief Economist Lawrence Yun.
- The U.S. Senate this week unanimously passed a bipartisan bill to loosen certain requirements for loan forgiveness under the popular Paycheck Protection Program (PPP). The measure has already passed the U.S. House and goes to President Trump for his signature. Find our updated guidance on the PPP changes [here](#).
- A new survey released by NAR finds that 65% of consumers say that despite the ongoing COVID-19 pandemic, they would attend an open house or take a home tour without hesitation, according to The Back To Normal Barometer from research company Engagious. Learn more about the survey results [here](#).
- A new grant for REALTOR® association-led efforts to rebuild and restore public community places impacted by the demonstrations in response to racial injustice will be available beginning Friday, June 5. Local and state associations may apply for up to \$3,000 to clean up and repair public community places. For more information, visit [this page](#). Questions? Contact [Holly Moskerintz](#).
- NAR’s new consumer guide, [Protect Your Credit](#), explains the provisions implemented by the CARES Act to protect consumers’ credit scores. The guide outlines consumers’ rights under the CARES Act, explains how to obtain a free credit report, and offers guidance on how to dispute inaccurate credit information. It is the perfect companion piece to [Protect Your Investment](#), which helps homeowners struggling to meet their mortgage obligations due to COVID-19.

- Join NAR’s Broker Engagement Committee for a Broker Power Hour Thursday, June 11 at noon EDT. Leading experts will provide key insights into consumer expectations for safely navigating home sales transactions in the midst of the ongoing COVID-19 health crisis. Walk away knowing the precautions buyers and sellers expect to take during real estate transactions, plus tips for advising clients on loan forbearance and updates to SBA programs. Please register [here](#).
- This week’s “Pivot in Place” video is by Chief Economist Lawrence Yun. Titled “Navigating the Economy & Housing Market Through COVID-19,” in this video Lawrence shares economic updates and market trends for REALTORS®, buyers, and sellers. Watch his video [here](#). To see more Pivot in Place videos, please visit [here](#).
- The CDC released a fact sheet with guidance for your health and safety during this pandemic. It provides life-saving information in six areas: 1) Know about COVID-19; 2) Know how COVID-19 is spread; 3) Protect yourself and others from COVID-19; 4) Practice social distancing; 5) Prevent the spread of COVID-19 if you are sick, and 6) Know your risk for severe illness. See [here](#) for more information.
- REALTORS® have a special responsibility to take all necessary health and safety precautions, including those ordered by your state or locality, whichever are more strict. Even if real estate is deemed essential in your area, we strongly encourage you to use virtual showings and limit in-person activity in all other aspects of the real estate transaction to get us through this crisis. For a list of states that have implemented stay-at-home orders, visit [here](#).
- In keeping with our Core Value of “Members First,” NAR has released “Coronavirus: A Guide for REALTORS®” online to provide guidance to members on some common transactional issues due to COVID-19, including open house guidance. The guide is updated frequently; please find it [here](#).
- A new Member Hotline is available. Please call our new hotline at **1-800-874-6500** to be connected to a Member Support Representative who can assist with your questions and concerns related to COVID-19. See below for more information.
- In addition to our hotline, stay in touch with the latest on our advocacy efforts on the pandemic with our REALTOR® Party Mobile Alerts by texting **COVID19** to **30644**. You’ll get information on how we’re fighting for members, and how recently passed legislation affects you. The response you’ll receive will send you to visit [NAR.Realtor/coronavirus](#) for the latest information.

## 1. Ensuring your health and safety

NAR continues to closely monitor this evolving public health crisis, and is providing updates and guidance from the Centers for Disease Control and Prevention (CDC) and others as quickly as possible.

The CDC released a fact sheet; please share it with your members and colleagues. It provides life-saving information in six areas:

- 1) Know about COVID-19;
- 2) Know how COVID-19 is spread;
- 3) Protect yourself and others from COVID-19;
- 4) Practice social distancing;
- 5) Prevent the spread of COVID-19 if you are sick, and
- 6) Know your risk for severe illness.

To view and access the CDC fact sheet, please click [here](#). For more details from the CDC on the use of cloth face coverings to help slow the spread of COVID-19, please go [here](#). For the latest information on all matters COVID-19, please go to the CDC's website, [cdc.gov/coronavirus](https://cdc.gov/coronavirus).

REALTORS® also have a special responsibility to take all necessary health and safety precautions, including those ordered by your state or locality, whichever are more strict. Even if real estate is deemed essential in your area, we strongly encourage you to use virtual showings and limit in-person activity in all other aspects of the real estate transaction to get us through this crisis. For a list of states that have implemented stay-at-home orders, please visit [here](#).

NAR has also released “Coronavirus: A Guide for REALTORS®” online to provide guidance to members on some common transactional issues due to COVID-19, including open house guidance. The guide is updated frequently; please find it [here](#).

## 2. Impact on the economy and members' businesses

### **NAR Identifies Top 10 Housing Markets for Millennials During the Pandemic**

NAR has identified [10 markets](#) with favorable conditions for millennial homebuyers during the coronavirus pandemic. In alphabetical order, the markets are:

- Austin-Round Rock, Texas
- Dallas-Fort Worth-Arlington, Texas
- Des Moines-West Des Moines, Iowa
- Durham-Chapel Hill-Raleigh, N.C.

- Houston-The Woodlands, Texas
- Indianapolis-Carmel-Anderson, Ind.
- Omaha, Neb./Council Bluffs, Iowa
- Phoenix-Mesa-Scottsdale, Ariz.
- Portland, Ore./Vancouver, Wash.
- Salt Lake City, Utah

“Record-low mortgage rates have improved housing affordability, bringing more buyers into the market, and multiple offers for starter homes could become common in these metro areas,” said NAR’s Chief Economist Lawrence Yun. “With relatively better employment conditions and a strong presence of millennials in these markets, more new home construction will be required to fully satisfy the housing demand as the economy reopens.”

NAR identified the [top 10 metro areas](#) for millennial homebuyers by analyzing current housing affordability, local job market conditions during the coronavirus pandemic, the share of millennials in the area, and inventory availability in [the largest 100 metropolitan statistical areas](#) across the country.

“Nationally, millennials make up the largest share of homebuyers, and these metropolitan areas, in particular, offer great opportunities to realize the dream of homeownership,” said NAR President Vince Malta, broker at Malta & Co., Inc., in San Francisco, Calif. “As states and cities begin to reopen, millennials will play a significant role in the housing market’s recovery.”

Nationwide, the typical household can afford to buy 40% of the homes currently listed for sale, compared to 34% a year earlier, according to the REALTORS® Affordability Distribution Score, a collaboration between the National Association of REALTORS® and Realtor.com®. The score measures the affordability of current for-sale homes overall as well as at different income levels. In these top 10 markets, affordability increased more this year than it did nationwide. For example, a household earning \$100,000 in Dallas can afford to buy 56% of homes currently listed for sale, compared to 45% last year.

According to April 2020 employment data, employment declined by an average of nearly 13% in the largest 100 metro areas compared to last year. However, in Dallas, Houston, Salt Lake City, and Phoenix, employment dropped 8% from a year earlier.

The 10 markets listed had a smaller share of workers, on average, in industries most affected by the pandemic-induced economic lockdown. For example, in Durham and Des Moines, 15% and 17% of employees, respectively, work in industries at high risk from coronavirus. The average for the largest 100 metropolitan areas is 21%.

Another common factor among these markets is better-than-average inventory availability. For Des Moines and Omaha, the number of active listings in April 2020 increased by 5% and 1%, respectively, according to Realtor.com®. However, inventory declined 18% on average in the largest 100 metro areas.

Three in 10 residents in these markets—30%—are millennials. With millennials making up the largest cohort of homebuyers, these areas are expected to see many of their millennial residents become homeowners.

To view NAR's Top 10 Most Favorable Areas for Millennials During the Pandemic report, visit [this page](#).

### **Washington Update: Changes to the Paycheck Protection Program**

The U.S. Senate this week unanimously passed a bipartisan bill to loosen certain requirements for loan forgiveness under the popular Paycheck Protection Program (PPP).

The measure has already passed the U.S. House of Representatives, and it now goes to President Trump for his signature.

Program changes under the bill include lowering the payroll spend amount from 75% to 60% and increasing the amount of time to use PPP loan funds from eight weeks to 24 weeks.

“NAR helped secure PPP eligibility for REALTORS®, including sole proprietors, independent contractors, and the self-employed,” said Shannon McGahn, senior vice president of government affairs for NAR. “These changes give REALTORS® who used this program even more breathing room.”

Updated guidance on the PPP changes are available on NAR's website [here](#).

Congressional leaders from both parties further signaled this week that they hope to pass another major relief bill before August. NAR sent a [letter](#) to the White House Thursday with priorities for the real estate industry.

“This was our 50th letter to congressional and administration officials related to COVID-19,” McGahn continued. “Our unprecedented advocacy outreach has secured key benefits for small-business owners and helped keep many REALTORS® afloat during the past two months. The real estate industry remains strong, and at nearly one-fifth the size of the U.S. economy, is poised to help lead our entire national economic recovery.”

### **New Survey: Most Consumers Aren't Afraid to Return to the Market**

Sixty-five percent of consumers say that despite the ongoing COVID-19 pandemic, they would attend an open house or take a home tour without hesitation, according to The

Back To Normal Barometer from research company Engagious. Additionally, nearly half of respondents to the survey say they would return to activities such as taking a cruise, attending a live sporting event, or staying at a hotel. However, 61% are concerned about the overall public health crisis and the U.S. economy, a sign that consumers are more hopeful about their personal circumstances than they are about the country in general.

“People are concerned about societal impacts rather than how [COVID-19] affects them personally,” said Jon Last, president of Sports & Leisure Research Group, a marketing research consultancy based in White Plains, N.Y., and a co-creator of the barometer. “And they feel the same about the economy.”

Engagious presented the findings of The Back To Normal Barometer, a biweekly survey that measures consumer interest in a variety of industries and activities during the COVID-19 pandemic, to NAR in May. The panel also looked at the survey respondents who said they weren’t ready to go to an open house yet and what conditions it would take for them to feel safe enough to do so again. According to Rich Thau, president of Engagious and co-creator of the barometer, they would need specific assurances, including the approval of a COVID-19 vaccine (47%) and assurances from the local health department that touring open houses would be safe (45%). “Two things that are critical are a certificate stating that [an area] has been properly sanitized according to established protocols and that the certificate has been issued by a local authority,” Thau said.

The real estate-related findings come from a national online survey earlier in May of 1,040 buyers and sellers. The goal was to provide insights about how consumers want to safely navigate residential real estate transactions during the COVID-19 pandemic.

For more information on this survey, please visit [this page](#).

### **New Community Rebuilding Grants**

A new grant for REALTOR® association-led efforts to rebuild and restore public community places impacted by the demonstrations in response to racial injustice will be available beginning Friday, June 5. Local and state associations may apply for up to \$3,000 to clean up and repair public community places such as parks/pocket parks, community gardens, play/fitness areas, pedestrian plazas, trails/paths, dog parks, and/or graffiti clean-up. For more information, visit [this page](#). Questions? Contact [Holly Moskerintz](#).

### **New Consumer Guide Available: Protect Your Credit**

NAR’s new consumer guide, [Protect Your Credit](#), explains the provisions implemented by the Coronavirus Aid, Relief, and Economic Security (CARES) Act to protect consumers’ credit scores. The guide outlines consumers’ rights under the CARES Act, explains how to obtain a free credit report, and offers guidance on how to dispute

inaccurate credit information. *Protect Your Credit* is the perfect companion piece to [Protect Your Investment](#), which helps homeowners struggling to meet their mortgage obligations due to COVID-19. Associations and REALTORS® can add their logo to the front cover. Questions? Email [Wendy Penn](#).

### **3. Impact on NAR activities and what NAR is doing to help**

#### **New Webinar Offered: Broker Power Hour**

Join NAR's Broker Engagement Committee for a Broker Power Hour on **Thursday, June 11 at noon EDT**. Leading experts will provide key insights into consumer expectations for safely navigating home sales transactions in the midst of the ongoing COVID-19 health crisis. Walk away knowing the precautions buyers and sellers expect to take during real estate transactions, plus tips for advising clients on loan forbearance and updates to SBA programs. Please register [here](#).

#### **Pivot in Place Video from Chief Economist Lawrence Yun**

This week's "Pivot in Place" video is by Chief Economist Lawrence Yun. Titled "Navigating the Economy & Housing Market Through COVID-19," in this video Lawrence shares economic updates and market trends for REALTORS®, buyers, and sellers. Watch his video [here](#).

NAR's Pivot in Place series features videos from NAR leadership and industry experts charting a path forward for the real estate industry at this unprecedented time. Each member of the NAR Leadership Team has contributed an important message to share with members. To see more Pivot in Place videos, please visit [here](#).

#### **New Member Benefit: Hotline for Coronavirus (COVID-19) Questions**

In keeping with our core value of "Members First," NAR is dedicated to providing members with the latest information on the coronavirus, its impact on the real estate industry, and what programs and services we've developed to help. Please call our new hotline at **1-800-874-6500** to be connected to a Member Support Representative who can assist with your questions and concerns. Team members are available to speak with you between 9:00 AM and 7:00 PM EDT, Monday through Friday.

#### **Subscribe to REALTOR® Party Mobile Alerts**

In addition to our hotline, there's another easy way to stay in touch with all of our ongoing advocacy efforts concerning COVID-19: REALTORS® can now text **COVID19** to **30644** to get information on how we're fighting for them and how recently passed legislation affects them. The response you receive will send you to visit [nar.realtor/coronavirus](https://nar.realtor/coronavirus) for the latest information.

### **Final Thoughts from Vince and Bob**

We share the hurt, frustration, and outrage felt by millions of Americans at the death of George Floyd. His shocking, senseless death is tragic. Our deepest sympathies are with the Floyd family and other families across our country who understand and feel this pain and grief.

We believe that as leaders in our communities, America's 1.4 million REALTORS® are active participants in promoting equality, inclusion, and acceptance. We appreciate all you do as REALTORS® to listen, learn, and work with others to be a part of the solution. In the fight against discrimination and injustice, we welcome your input and thoughts on how all Americans can come together to improve our communities.

Be well and stay safe,



Vince Malta  
PRESIDENT



Bob Goldberg  
CHIEF EXECUTIVE OFFICER