

2020 NAR Flash Survey: Economic Pulse

March 16-17, 2020

National Association of REALTORS®
Research Group



**NATIONAL
ASSOCIATION OF
REALTORS®**

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Methodology

Sample



The survey was delivered to a random sample of 72,734 members. The survey had 3,059 useable responses.

For 96 percent of respondents, the majority of their business is residential. For two percent of respondents, the majority of their business is commercial.

Seventy-seven percent of respondents are in a state that has declared a state of emergency. Fifty-six percent of members work in a local market where there are presumed or confirmed cases of COVID-19.

Dates



The survey was deployed on Monday, March 16th, and was closed on Tuesday March 17th.

The margin of error for overall results is +/-1.77 percent. This response rate is high enough and the margin of error is low enough that the results can be considered quantitative and reflective of all members within this margin of error.

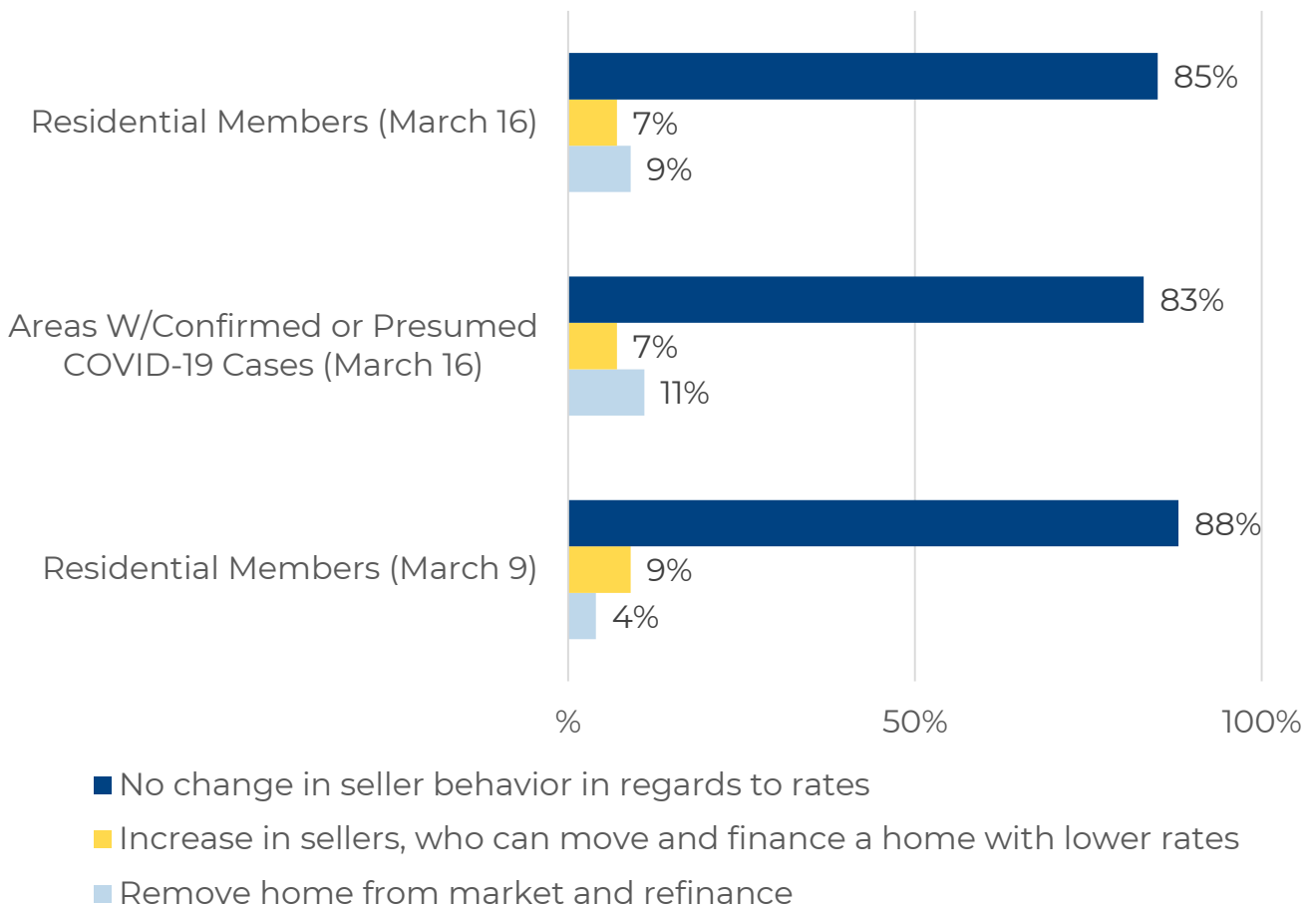


Residential Survey Questions

Mortgage Rate Change

The majority of sellers have decided not to make a change in their home listing. However, from March 9 to March 16 there was an increase in members who cited that sellers removed the home from the market and refinanced.

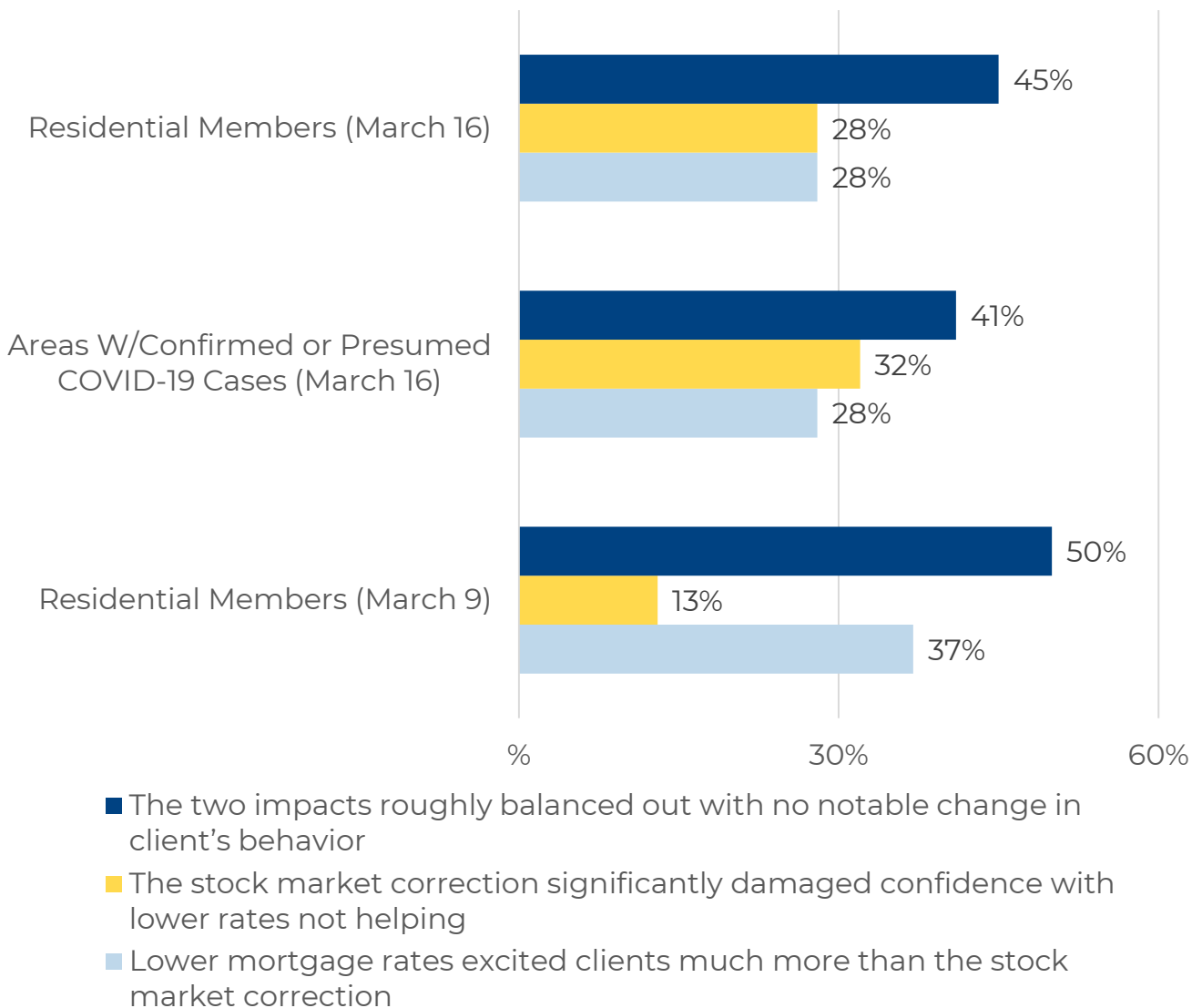
THE SPREAD OF CORONAVIRUS HAS LED TO A BIG DROP IN MORTGAGE INTEREST RATES AS WELL AS A BIG DROP IN THE STOCK MARKET. SELLER REACTION:



Mortgage Rate Change

Forty-five percent of members cited there was no notable change in client behavior regarding the stock market and mortgage rate change. There is a one to one ratio of members who cited the stock market correction significantly damaged confidence, to those who cited lower interest rates excited clients. The share of members who cited the stock market correction influenced clients more than doubled from March 9 to March 16.

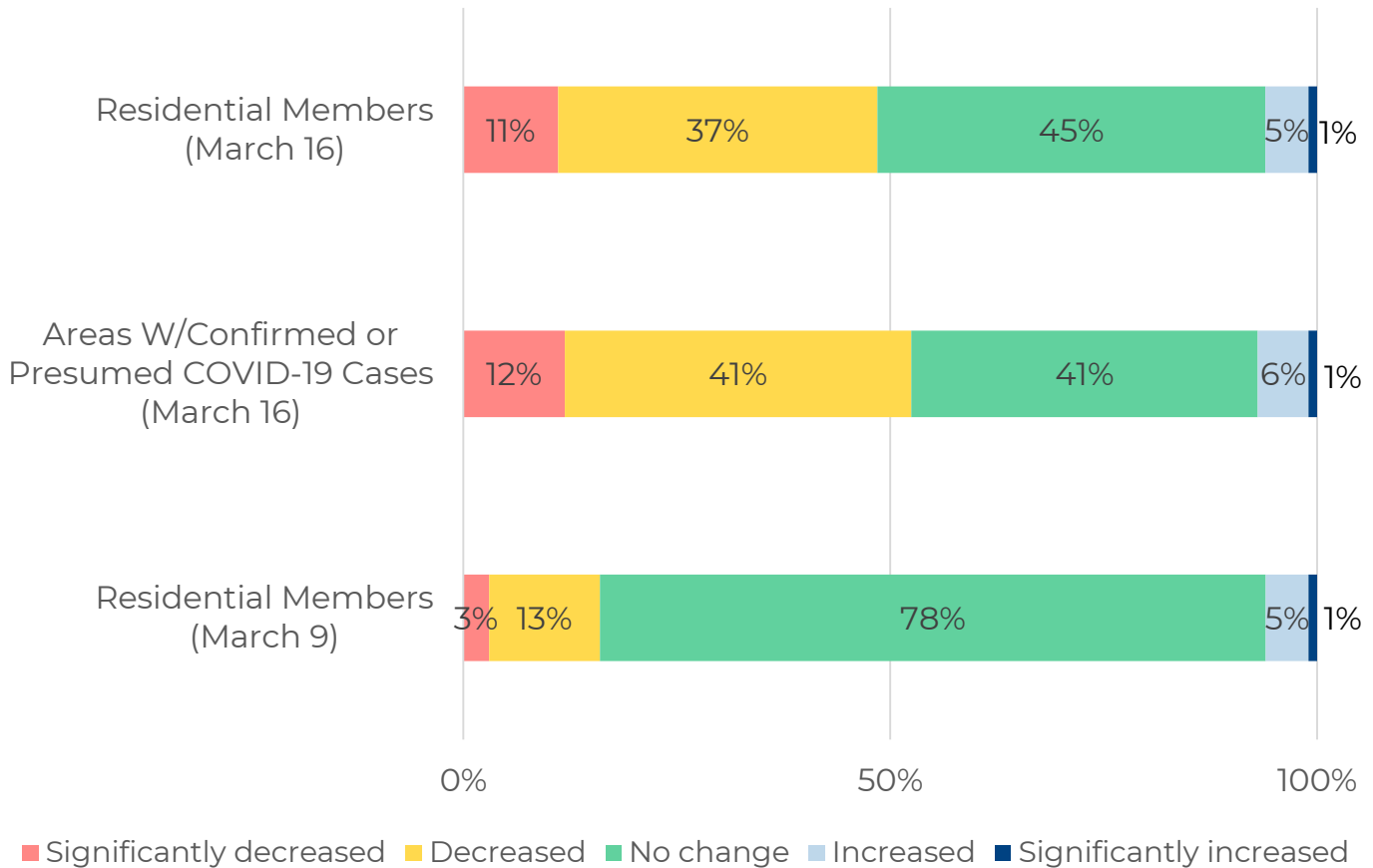
REGARDING BUYERS, WHICH BEST DESCRIBES THE CLIENT THAT YOU ARE WORKING WITH:



Buyer Interest

On March 9, 78 percent of members cited there was no change in buyer interest due to the coronavirus (COVID-19). However, on March 16, this declined to 45 percent. In areas where there are presumed or confirmed cases of COVID-19, this share is 41 percent. Among all residential members, 48 percent of members cited there was a decrease in buyers.

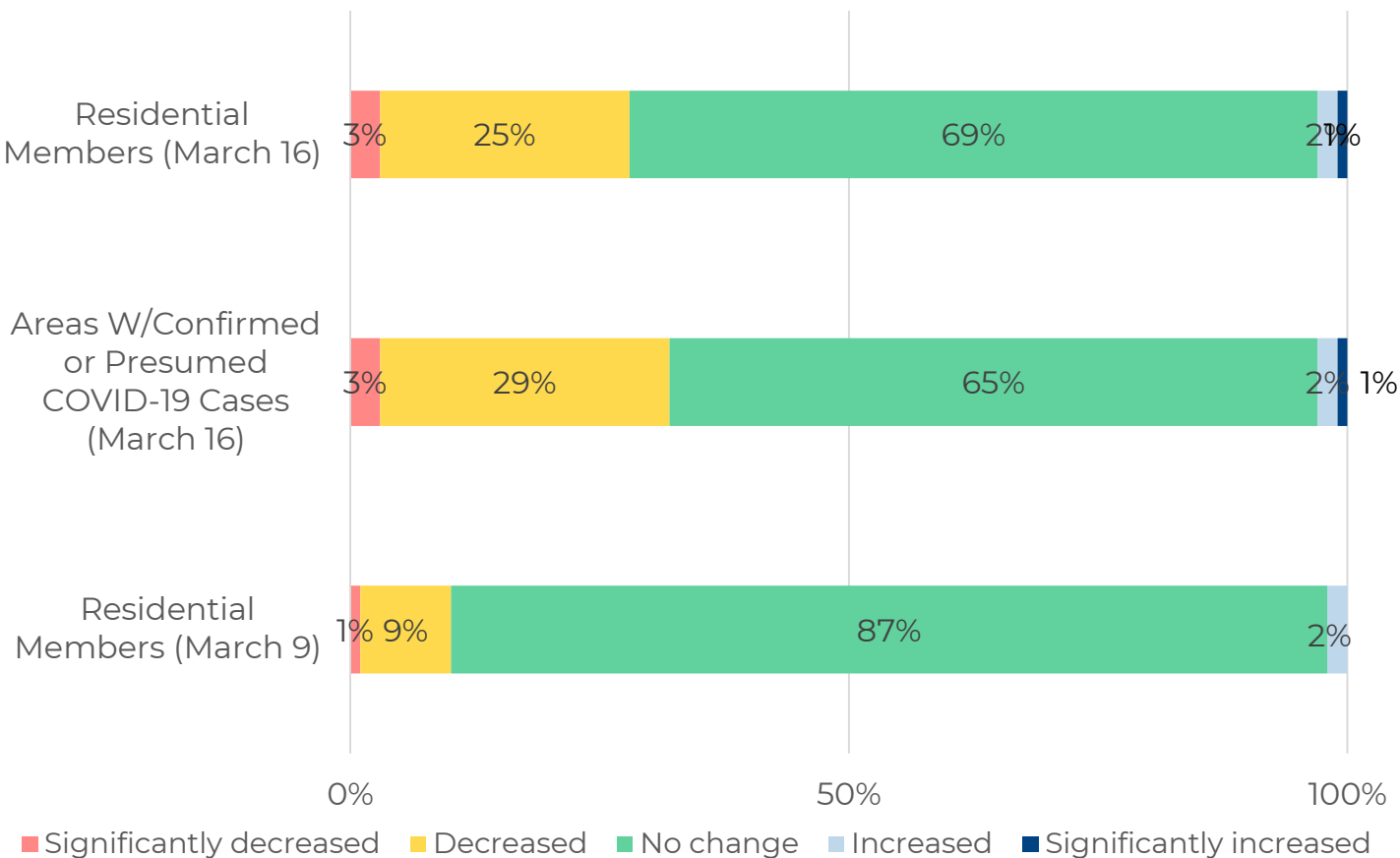
HOW HAS CORONAVIRUS (COVID-19) AFFECTED HOME BUYER INTEREST IN YOUR MARKET?



Seller Behavior

The majority of members reported there has been no change in the number of homes on the market due to the coronavirus (COVID-19). However, in the latest iteration of the survey, 28 percent of members did report that there has been a decline in homes on the market. In areas where there are confirmed or presumed COVID-19 cases, 32 percent saw a decline in homes on the market.

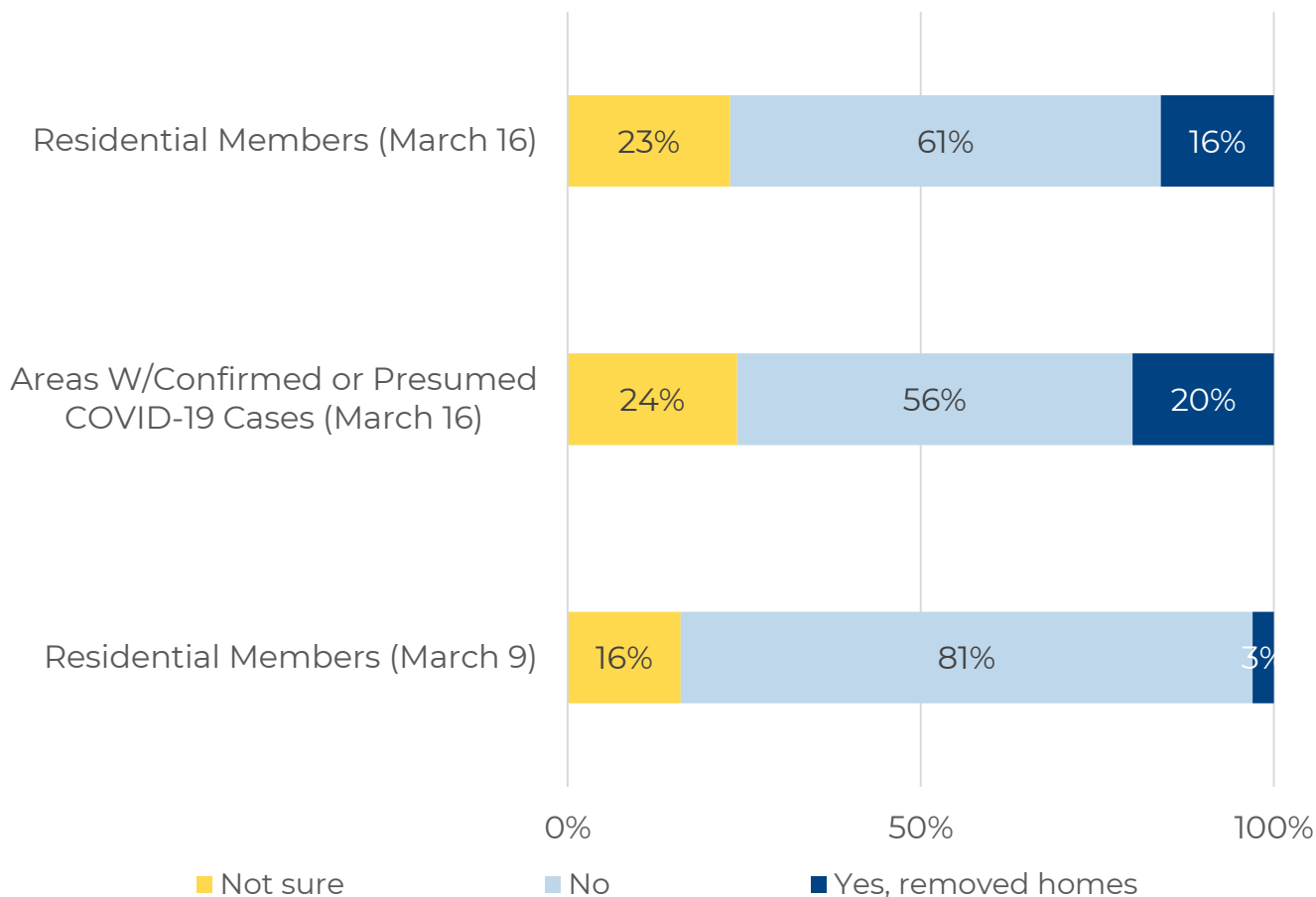
HOW HAS CORONAVIRUS (COVID-19) AFFECTED THE NUMBER OF HOMES ON THE MARKET?



Seller Behavior

The majority of members reported there was no change in sellers removing homes from the market due to the coronavirus (COVID-19). However, removing homes from the market has increased from three percent on March 9 to 16 percent on the March 16 survey. In areas where there were cases of COVID-19, 20 percent of members reported homes were removed from the market.

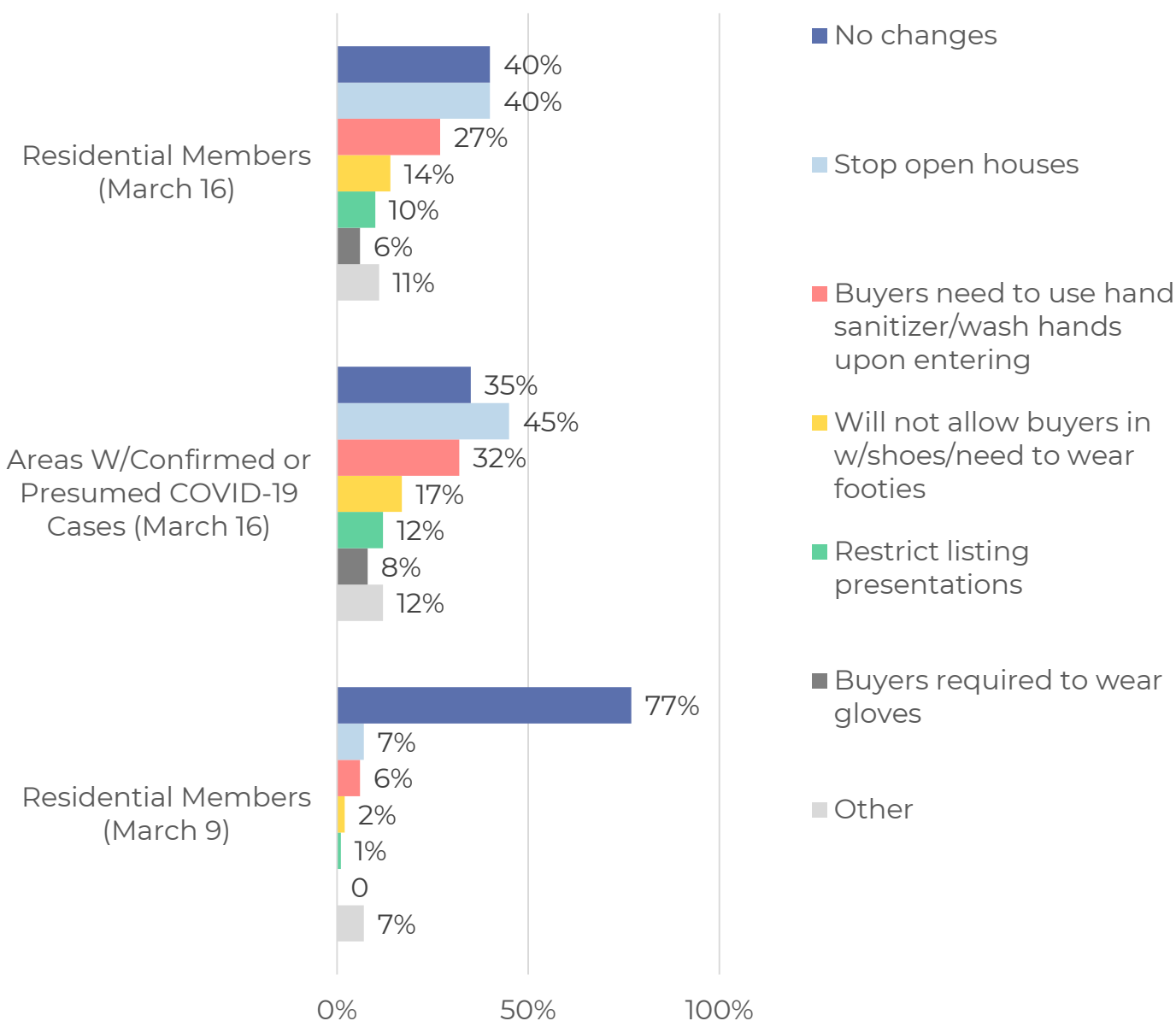
HAVE YOU SEEN ANY SELLERS REMOVE THEIR HOME FROM THE MARKET COMPLETELY DUE TO CORONAVIRUS (COVID-19)?



Seller Behavior

The majority of sellers are changing how their home is viewed while the home remains on the home selling market. About 60 percent of home sellers nationwide have made changes including stopping open houses, requiring buyer handwashing or hand sanitizer to be used, or asking buyers to remove shoes or wear footies. In areas where COVID-19 was present, 65 percent of sellers have adopted these or other changes.

IN REGARDS TO CORONAVIRUS (COVID-19), HAVE YOU SEEN ANY OF THE FOLLOWING CHANGES IN HOME SELLER LISTING BEHAVIOR?



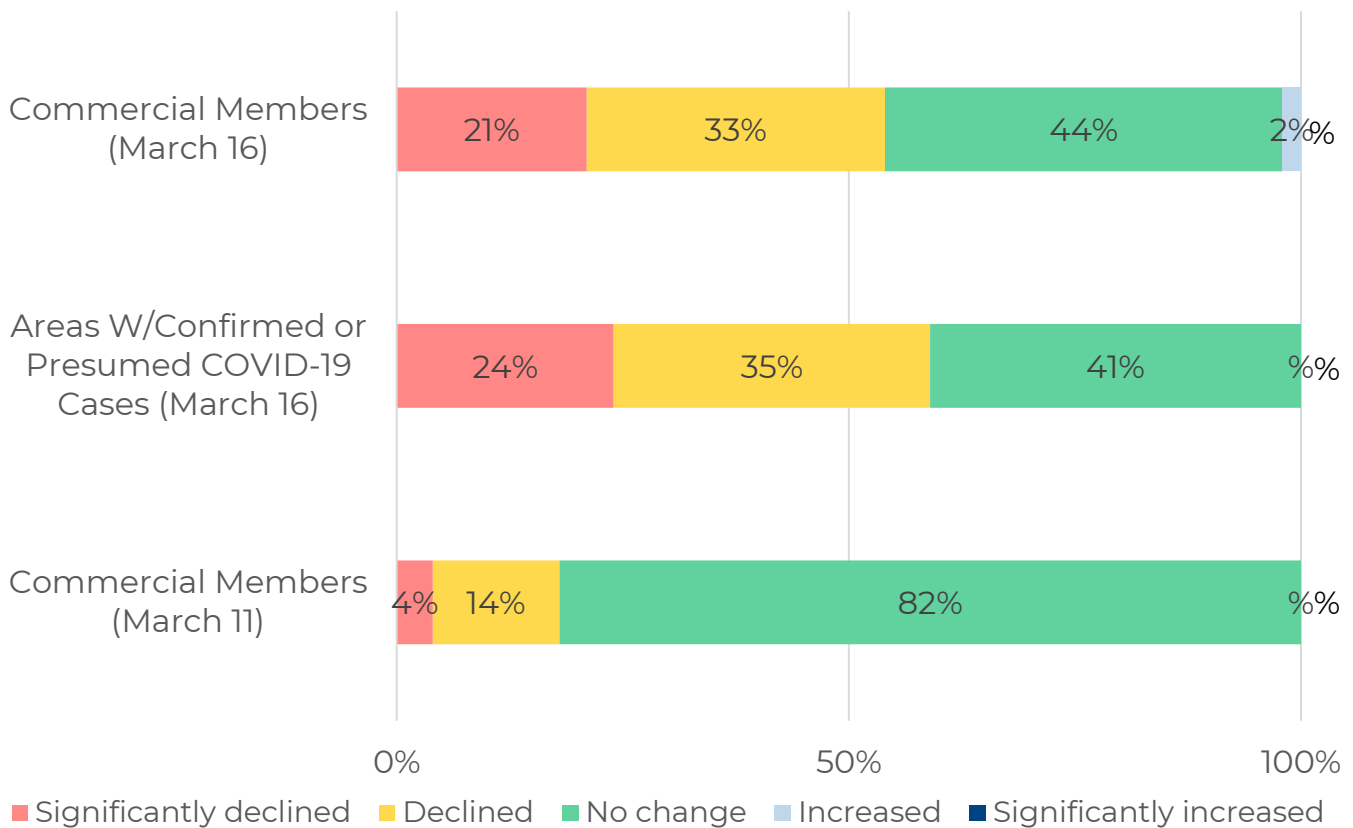


Commercial Survey Questions

Coronavirus (COVID-19)

On March 11, 82 percent of commercial members reported there has been no change in clients who want to lease properties due to the coronavirus (COVID-19). On March 16, this has declined to 44 percent. Fifty-four percent of members have seen a decline in commercial leasing clients due to COVID-19.

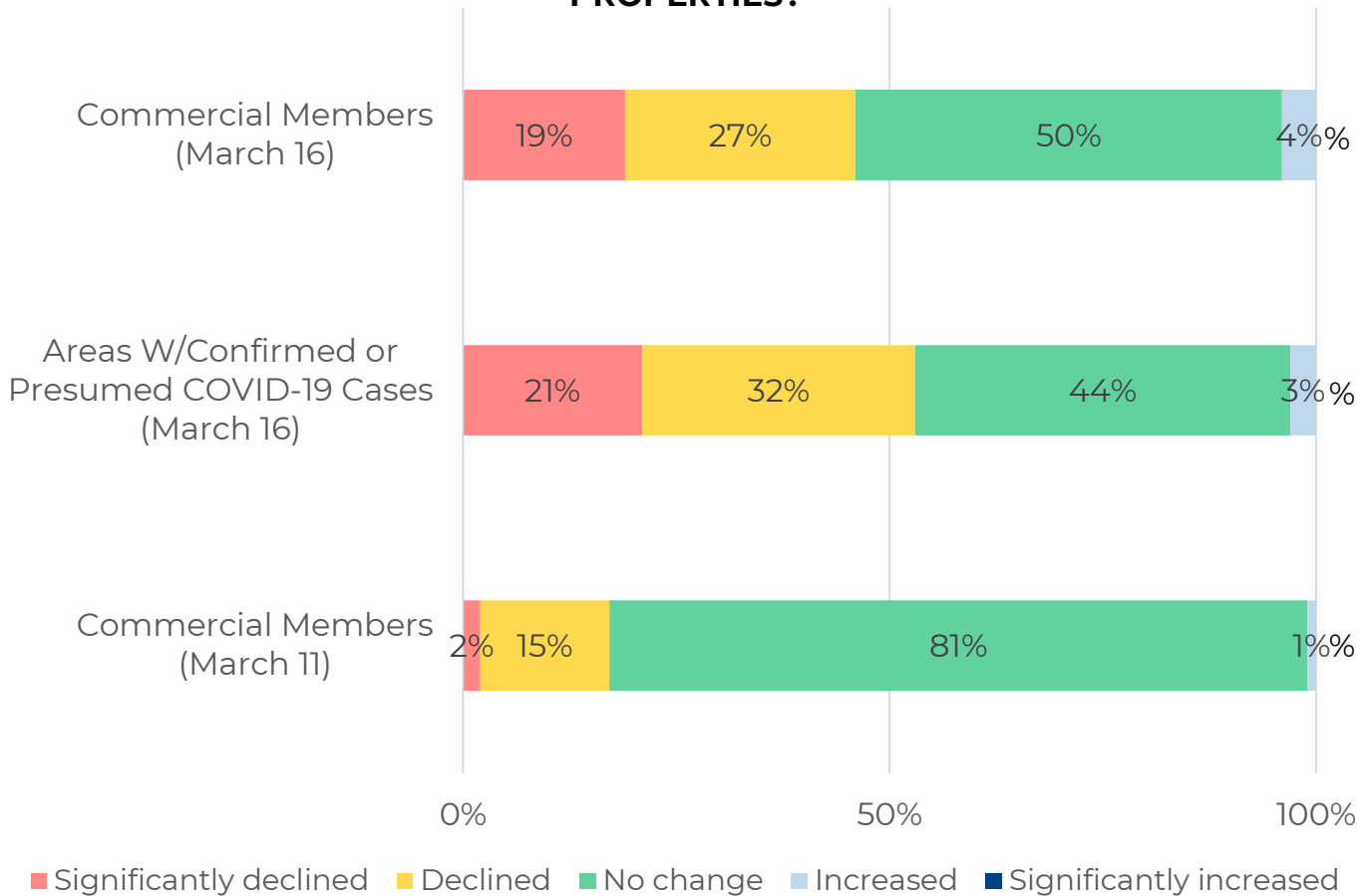
HOW MUCH OF AN IMPACT IS THE CORONAVIRUS (COVID-19) HAVING ON NEW COMMERCIAL CLIENTS WHO WANT TO LEASE PROPERTIES?



Coronavirus (COVID-19)

Half of commercial members reported there has been no change in client purchase interest due to the coronavirus (COVID-19). This has declined from 81 percent on March 11. On March 16, 46 percent of members cited interest has decreased nationwide in purchasing commercial properties. Fifty-three percent of members in areas where COVID-19 is present saw a decline in commercial purchase clients.

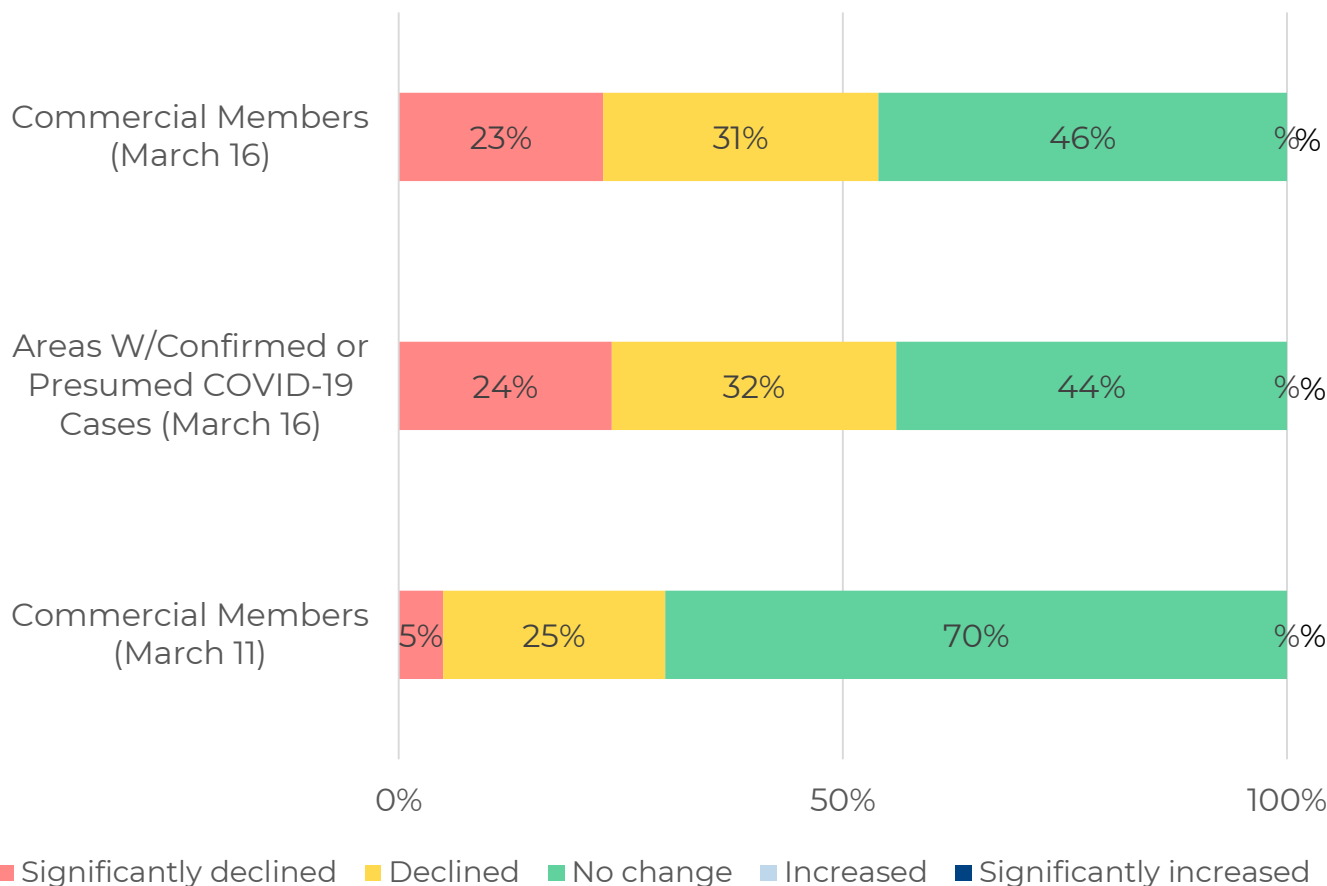
HOW MUCH OF AN IMPACT IS THE CORONAVIRUS (COVID-19) HAVING ON NEW COMMERCIAL CLIENTS WHO WANT TO PURCHASE PROPERTIES?



Stock Market

Forty-six percent of commercial members reported there has been no change in leasing interest due to the stock market correction. However, 54 percent of commercial members cited interest in leasing properties has decreased nationwide due to the stock market correction.

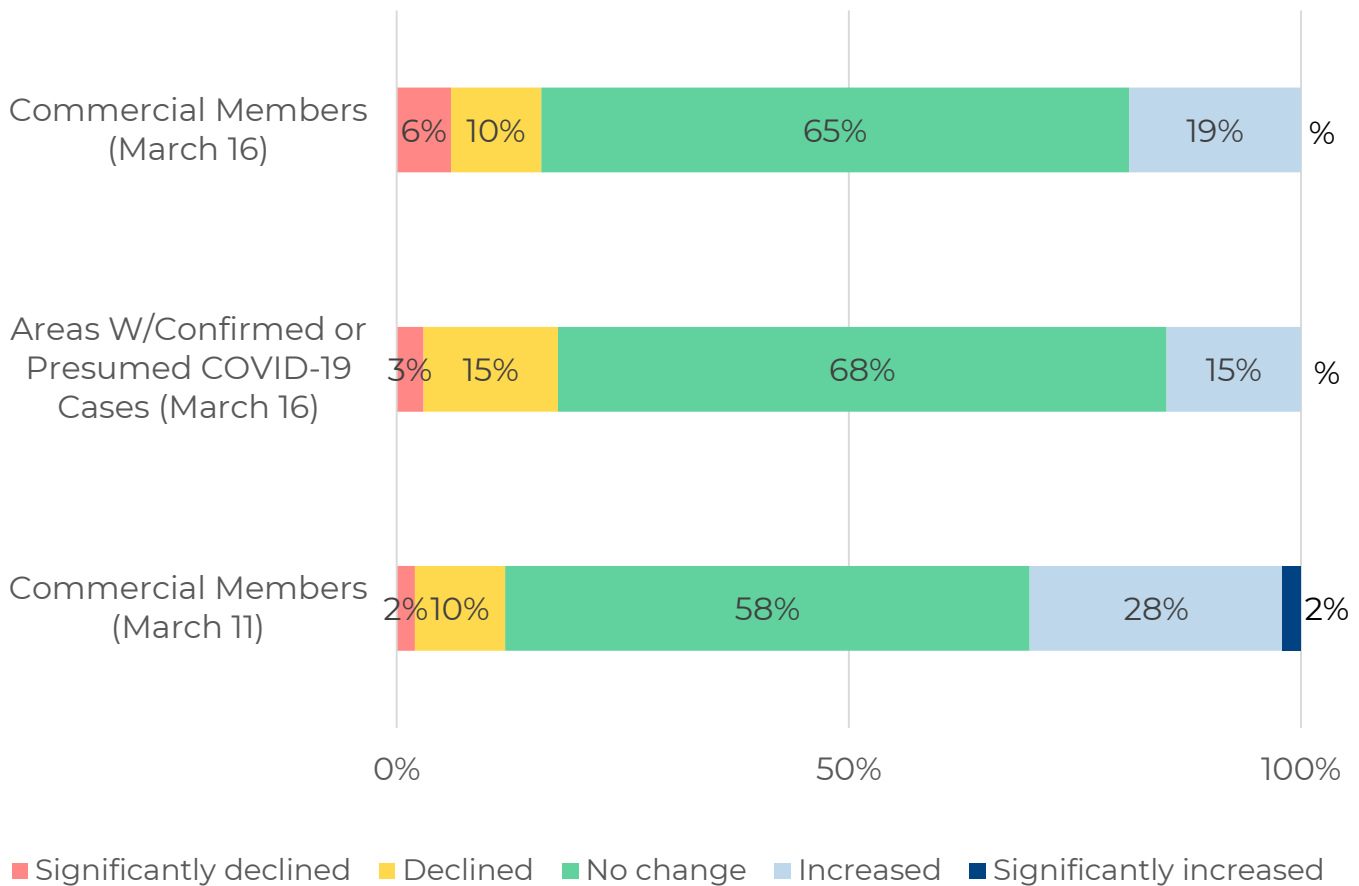
HOW MUCH OF AN IMPACT IS THE STOCK MARKET CORRECTION DECLINE HAVING ON NEW COMMERCIAL CLIENTS WHO WANT TO LEASE PROPERTIES?



Interest Rates

The majority of commercial members reported there has been no change in buyer purchase interest due to the drop in interest rates. However, 16 percent of commercial members saw a decline in purchase interest and 19 percent saw an increase in purchase interest.

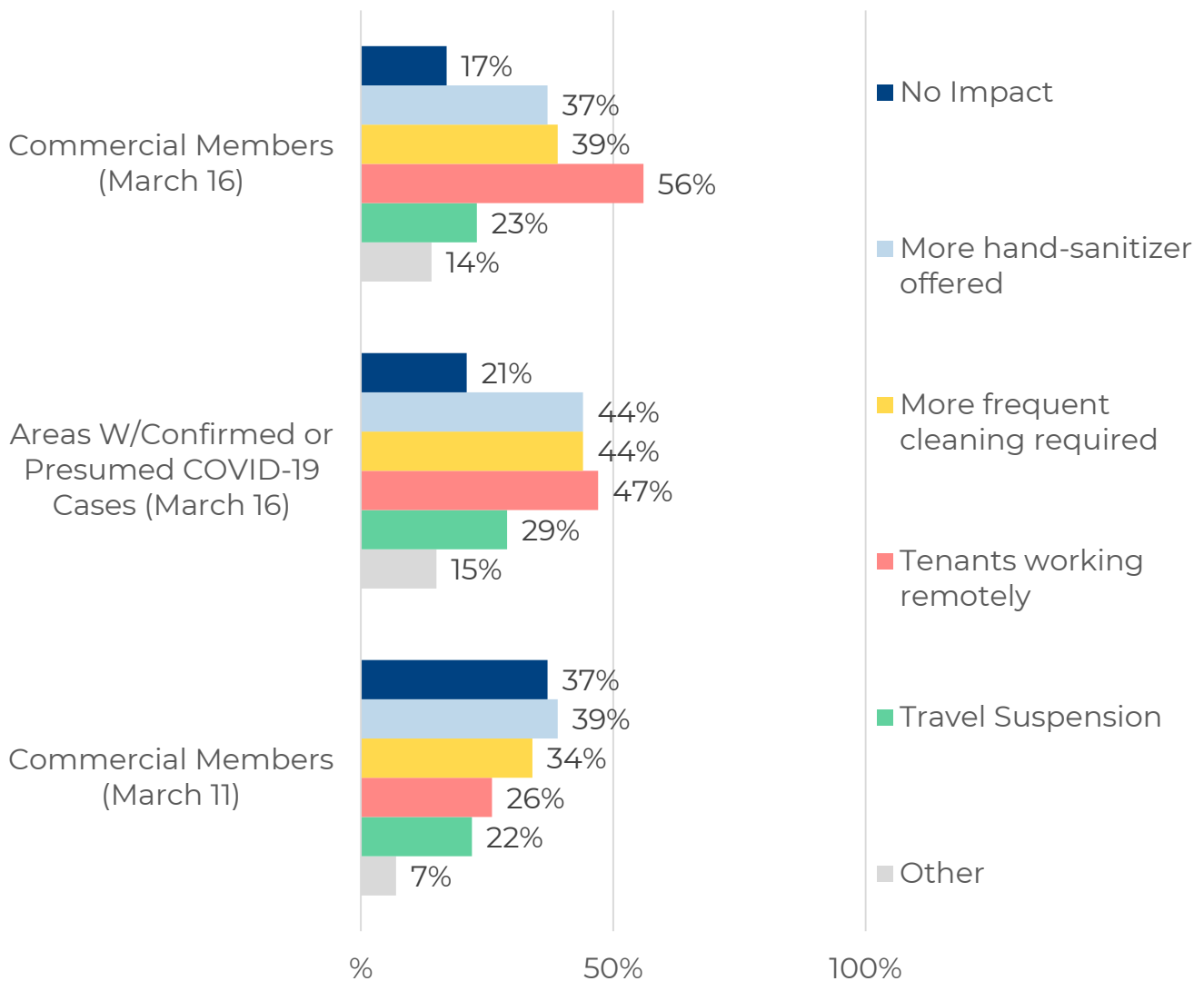
HOW MUCH OF AN IMPACT IS THE INTEREST RATE DECLINE HAVING ON NEW COMMERCIAL CLIENTS WHO WANT TO PURCHASE PROPERTIES?



Building Practices

Eighty-three percent of commercial buildings have adopted a change of practices due to the coronavirus. This is an increase from 63 percent on March 11. The most common practices are more hand sanitizer offered, more frequent cleanings of the space, tenants are working remotely, and travel suspension.

WHAT IMPACT IS THE CORONAVIRUS HAVING ON YOUR BUILDING PRACTICES?





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