

June 18, 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 released this week its new Weekly Housing Market Monitor, which tracks weekly activity in the housing market, including pending contracts, new listings, and home price. This week's results show evidence of a recovery for the housing market. For more detail, please find the latest Weekly Housing Market Monitor [here](#).
- NAR Chief Economist Lawrence Yun issued comments this week on May 2020 Housing Starts data and outlined a strategy for increasing African-American homeownership. Strategies include building more homes to increase supply, building more homes in Opportunity Zones, increasing access to down payment assistance, strengthening FHA's loan program, and expanding alternative credit scoring models. For more information, please visit [this page](#).
- This week NAR sent a statement to House Small Business Committee members asking that all Paycheck Protection Program (PPP) loans of \$150,000 or less be automatically forgiven. The Small Business Administration this week issued a new EZ Forgiveness Application for PPP loans. **Additionally, under the new forgiveness guidelines, independent contractors with no employees are eligible to have their full PPP loan automatically forgiven as "owner compensation" if they opt for the 24-week covered period created by the PPP Flexibility Act.**
- A new grant for REALTOR® association-led efforts to rebuild and restore public community places impacted by the demonstrations in response to racial injustice is now available. 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](#).
- June is Homeownership Month. This year, NAR is focused on a New Era of Homeownership. To learn more about the importance of homeownership and ways you can help protect private property rights, please visit [this page](#). You can

also download two new infographics on homeownership that were launched last week—the [Benefits of Creating Home](#) and [Preparing to Buy Your First Home](#).

- The Juneteenth holiday, celebrated June 19, is the celebration of the emancipation of the last enslaved African Americans. We are proud to honor Juneteenth and the centuries of struggle, pain, redemption, and celebration it represents. Therefore, **all NAR staff will end their workday at 1 PM on Friday, June 19 in recognition of this holiday.**
- The Communication Directors Institute (CDI)—hosted virtually for the first time in 2020—will provide REALTOR® organization communication staff information, skills building, and resources to enhance member and consumer communications. The networking and learning opportunities also aim to strengthen relationships between national, state, and local association communicators. The event occurs July 7-9; please register [here](#) and visit the CDI 2020 [website](#) for more info.
- A new webinar titled “The Role Leadership Plays in Addressing Racial Injustice” will be held Friday, June 19 at noon EDT. Listen to first-hand accounts of how leaders are changing the conversation and showing members and the public that REALTORS® want to be part of the solution. Please register [here](#).
- NAR has [partnered](#) with the U.S. Chamber of Commerce’s Equality of Opportunity initiative as part of a broad national effort to examine economic inequality and advance economic inclusion in America. Our commitment to this cause and to Fair Housing has only strengthened in response to recent tragedies in America.
- The June 11 Broker Power Hour Webinar, hosted by NAR’s Broker Engagement Committee, is available online. If you missed it live, the recording and additional resources, including access to the presentation slides, can be found [here](#).
- A new webinar, “Navigating Through the Center for REALTOR® Financial Wellness,” is designed to help you understand the tools, calculators, and financial resources that are available on the Center for REALTOR® Financial Wellness platform. Tuesday, June 30 at 2 PM EDT. Please register [here](#).
- NAR is proud to announce the first-ever Virtual Tech Edge Series—brought to you in three exciting live-streamed events starting June 30! REALTORS® will learn the latest business technology skills and trends influencing the real estate industry. Save 25% off with Right Tools, Right Now special pricing, \$14.95 for each event. Visit the official Tech Edge [site](#) today to register or learn more.

- NAR President Vince Malta released a special video message this week titled “Rebuilding for Racial Equality: Steps to Take Action.” In this video, Vince addresses rebuilding grants and what brokers and agents can do now to help communities. NAR is committed to leading the way on policies that address racial injustice and that build safe, inclusive communities. Please watch Vince’s latest video [here](#).
- As many communities and businesses are re-opening, the Centers for Disease Control and Prevention (CDC) issued [guidance](#) for people to resume some daily activities as safely as possible; please share it with your members and colleagues. In general, the more closely you interact with others and the longer that interaction, the higher the risk of COVID-19 spread. The new CDC guidance also includes tips for [running essential errands](#) and participating in [personal and social activities](#).
- To view a CDC fact sheet on what you should know about COVID-19, 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.
- 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

As many communities and businesses are re-opening, the Centers for Disease Control and Prevention (CDC) issued [guidance](#) for people to resume some daily activities as safely as possible; please share it with your members and colleagues. In general, the more closely you interact with others and the longer that interaction, the higher the risk of COVID-19 spread.

If you venture into public spaces, continue to protect yourself with everyday preventative actions such as frequent hand washing, avoiding close contact with others, and regularly cleaning and disinfecting frequently touched surfaces. Keep these items on hand when venturing out: a cloth face covering, tissues, and hand sanitizer.

The new CDC guidance also includes tips for [running essential errands](#) and participating in [personal and social activities](#). Tips you need to know include:

- Stay home if sick.
- Use online services when available.
- Wear a cloth face covering when running errands or indoors.
- Use social distancing (stay at least 6 feet away from others).
- Before you go, call and ask what extra prevention strategies they are using, like requiring staff to wear cloth face coverings.
- Use hand sanitizer after leaving stores.
- Wash your hands with soap and water for at least 20 seconds when you get home.

To view a CDC fact sheet on what you should know about COVID-19, 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://www.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](#).

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2. Impact on the economy and members' businesses

Early Indicators Show Recovery for Housing Market

NAR's [Weekly Housing Market Monitor](#) tracks weekly activity in the housing market, including pending contracts, new listings, and home price. This week's results show clear indications of a recovery. Highlights include:

- **New pending contracts in the past 4 weeks ended June 14 rose 6%:** As states continue to re-open, the housing market continues to turn around rapidly compared to March and April, based on preliminary information from multiple listing services in the past four weeks ended June 14.
- **Month-to-date new pending contracts rose 2% from one year ago:** New pending contracts during June 1-14 were up 2% nationally, a reversal from the 7% year-over-year decline during May 1-7 and a strong comeback from the 32% decline in April.
- **Month-to-date new listings declined at a slower pace except in the West region:** New listings from June 1-14 were still down on a year-over-year basis in all regions. However, the pace of decline has slowed in all regions except in the West region.
- **Home sales prices typically rose nearly 5% as of June 14:** Nationally, existing home sales prices are still broadly rising, but at a slower pace. Based on preliminary data, the national median existing home sales price during the past four weeks ended June 14 was 4.5% higher compared to one year ago, slightly lower than the 5% pace in the prior week and the 9% pace of appreciation in the week of April 26. A slower pace of appreciation makes home prices more affordable for buyers.
- **Home showings picked up in May 2020 based on Sentrilock® lockbox openings:** According to data from SentiLock®, LLC, a lockbox company, home showings were still down by 20% in May 2020 on a year-over-year basis, but this is a slower rate of decline compared to the 50% year-over-year drop in home showings in April 2020.

For more information, find the Weekly Housing Market Monitor [here](#).

Chief Economist Lawrence Yun Comments on May 2020 Housing Starts Data, Outlines Strategy for Increasing African-American Homeownership

The interest in homebuying is strong as reflected in the surge in mortgage applications to buy a home. However, there is not enough supply to meet demand.

Though housing starts in May recovered slightly from the prior month, this marks two consecutive months of depressed levels—down by more than 20% from one year ago—due to the disruption from the economic lockdown. Significant growth in new home

construction, however, is required in the upcoming months and possibly even stretching into the next three years.

Before the pandemic, America faced a housing shortage of around 5 to 6 million homes due to multiple years of underproduction of new homes. Now, in the middle of 2020, the housing shortage has intensified. Consequently, home prices will be pushed higher, thereby making ownership opportunities for first-time buyers more difficult. More homes need to be built.

With much of the nation's attention currently focused on combating racial inequality, particularly as it relates to African Americans, the following five-point plan would increase the number of African-American homeowners and help close the persistent gap in homeownership rates between whites and African Americans:

- **Build more homes to increase supply:** The lack of housing supply makes converting from renting to owning very difficult. The lack of viable purchase options and resulting competition rapidly push up home prices, precluding some potential first-time buyers from entering the market.
- **Build more homes in Opportunity Zones:** NAR strongly supports Opportunity Zones as a means by which to invest in the revitalization of economically distressed areas.
- **Increase access to down payment assistance:** Saving for a down payment can be the biggest hurdle for renters wanting to become homeowners. In recent years, a growing number of first-time buyers received help from family members with their down payments. However, due to historical gaps in accessing and accumulating wealth, it's much more difficult for African Americans to obtain substantial financial assistance from family members. Therefore, increased access to federal down payment assistance based on a certain income threshold is vital, particularly for African Americans.
- **Strengthen FHA's loan program:** FHA loans have been an important source of financing for first-time buyers and minority households. Shifting federal dollars to strengthen the FHA program could lower mortgage insurance premiums and monthly mortgage payments.
- **Expand alternative credit scoring models:** Expanding credit scoring models to include rent and utilities payments—and thereby adding more positive payment histories to better demonstrate financial responsibility—can help increase homeownership opportunities for minority and first-time buyers.

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

Washington Update

NAR this week sent a statement, as reported in POLITICO, to U.S. House of Representatives Small Business Committee members asking that all Paycheck

Protection Program (PPP) loans of \$150,000 or less be automatically forgiven. The idea is gaining some steam, and could be included in a future Coronavirus relief bill.

Meanwhile, the Small Business Administration on Wednesday went live with a new EZ Forgiveness Application for PPP loans. Borrowers must meet one of the following three requirements to qualify for the EZ application:

- 1) Self-employed or have no employees;
- 2) Did not reduce the salaries or wages of their employees by more than 25% and did not reduce the number or hours of their employees, OR
- 3) Experienced reductions in business activity as a result of COVID-19, but did not reduce the salaries or wages of their employees by more than 25%.

“This EZ application essentially requires less paperwork and less calculations,” said Shannon McGahn, NAR’s senior vice president of government affairs. “It is intended to help those small-business owners who don’t have the ability to hire accountants and lawyers to assist with their application. It should go a long way to helping many of our members—especially independent contractors.”

Additionally, under the new forgiveness guidelines, independent contractors with no employees are eligible to have their full PPP loan automatically forgiven as “owner compensation” if they opt for the 24-week covered period created by the PPP Flexibility Act.

EIDL is officially back on for REALTORS®. The Economic Injury Disaster Loan program was previously closed to all but agricultural businesses due to high demand, but it has now been re-opened to all. EIDL provides loans of up to \$150,000 and a forgivable advance grant of up to \$10,000 (\$1,000 per employee).

“These are low-interest loans with long repayment periods—up to 30 years and deferrable for the first year. They can be used to pay debts, payroll, and essentially any business-related expense,” McGahn said. “They were very popular with REALTORS® before the program closed, and this re-opening is great news.”

The approval process has been streamlined as well. REALTORS® can apply directly on SBA’s website through the end of year or until the money runs out.

The Federal Reserve finally launched its [Main Street Lending](#) program this week targeting small and medium-sized businesses. NAR is reviewing the new program and plans to comment next week. Last-minute changes included eligibility for smaller businesses and non-profits, but 501(c)(3)’s and 501(c)(6)’s are not included at this time.

“It’s a massive \$600-billion pool of aid, and those who qualified for PPP are also eligible,” McGahn said. “They also tweaked the rules last week to loop in smaller businesses than previously intended, so it’s worth a look.”

News broke Monday that President Trump is preparing a \$1-trillion infrastructure plan that is heavy on funding for broadband, which is a top priority for REALTORS®. Some components of the proposal could end up in the next coronavirus package to clear Congress, which is expected in late July. The President plans to speak about broadband at a White House event this week.

“NAR has worked closely with Congress on the broadband issue. House Majority Whip James Clyburn, a great friend of REALTORS®, spoke about broadband at NAR’s mid-year virtual legislative meetings, calling it ‘essential,’” McGahn said. “There is a real sense of momentum on broadband from both parties at this point, and I would expect to see this issue come up in July.”

NAR took action to help the commercial real estate market Wednesday by backing a bipartisan congressional letter to the Treasury Secretary on economic relief, specifically targeting those with mortgage-backed security debt.

The letter calls for a lending facility to “help industries that were in good standing before this unforeseen crisis, and through no fault of their own have seen a significant drop in revenue due to the pandemic.”

The Supreme Court handed a landmark ruling to our nation’s LGBTQ community this week, affirming protection from workplace discrimination. NAR President Vince Malta heralded the decision in a statement, saying “we are overjoyed to celebrate this victory with NAR’s many LGBTQ members.”

He went on to say, “NAR amended its code of ethics to prohibit discrimination in real estate based on sexual orientation in 2010 and gender identity in 2013. Now, all LGBTQ persons will have this same peace of mind in the workplace. Many minorities unfortunately know the sickening feeling that comes with the fear of losing a job because of prejudice. This ruling today is a victory for fairness at a time our country needs it most. It offers momentum in the fight for equality for all persons suffering under the weight of intolerance and bias.”

Community Rebuilding Grant

Through the new Community Rebuilding Grant, NAR is providing additional resources that REALTORS® can use to be a part of the healing and rebuilding process within our communities. We encourage REALTORS® to engage the community and commit to be part of the overall solution. The Community Rebuilding Grant can be a great first step. For more information and to apply, visit [here](#). Questions? Contact Holly Moskerintz via [email](#) or at (202) 383-1157.

June Is Homeownership Month

For the last four years, NAR has celebrated Homeownership Month. This year, we're marking Homeownership Month by focusing on the idea of a New Era of Homeownership. With millions of Americans affected by stay-at-home orders and social distancing measures across the country, we recognize that homeownership looks very different for many than it did this time last year.

To learn more about the importance of homeownership and ways you can help protect private property rates, please visit [this page](#). You can also join the more than 2,500 people who have downloaded two new infographics on homeownership that were launched last week—the [Benefits of Creating Home](#) and [Preparing to Buy Your First Home](#).

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

Juneteenth: A Day of Celebration and Reflection

Everyone knows July 4 is Independence Day. But this June 19 marks Juneteenth, another important independence day in our nation—the celebration of the emancipation of the last enslaved African Americans. On June 19, 1865, Union soldiers arrived in Galveston, Texas and proclaimed enslaved African Americans free, ending slavery in the Confederate states more than two years after President Lincoln's Emancipation Proclamation.

We are proud to honor Juneteenth and the centuries of struggle, pain, redemption, and celebration it represents. Therefore, **all NAR staff will end their workday at 1 PM on Friday, June 19 in recognition of this holiday.** It is our sincere hope that June 19 is a day to learn, connect with others, and reflect on how we can move forward and achieve significant and lasting change.

Communication Directors Institute 2020 Registration Now Open

Registration is now open for the 2020 Communication Directors Institute (CDI). From July 7-9, CDI 2020 will provide REALTOR® organizations communication staff with information, skills building, and resources to enhance member, consumer, and media communications.

CDI 2020 will also offer sessions from experts covering a variety of topics, including social media strategy best practices, media training techniques, communications law, educating REALTORS® and the media on election activity, information on the latest NAR research, and more. See the full event [schedule](#).

Registration is free for CDI 2020; please register [here](#). Visit the [CDI 2020 website](#) for event updates and answers to frequently asked questions. We look forward to seeing you at CDI 2020!

New Webinar: The Role Leadership Plays in Addressing Racial Injustice

Racial injustice has been present throughout the history of this nation. As voices emerge once again to help move this issue to the forefront, REALTOR® associations have an important role in influencing and leading the conversation for greater awareness and understanding among members and staff.

If some members exhibit unbecoming behavior, how will you, the association leaders, respond? What will you do to be sure the REALTOR® association is a fair and just voice for all in your community? The time is now to be the change and lead with grace, fairness, and equality. Listen to first-hand accounts of how leaders are changing the conversation and showing members and the public that REALTORS® want to be part of the solution. Friday, June 19, noon EDT. Please register [here](#).

NAR Partners with U.S. Chamber of Commerce to Advance Economic Inclusion in America

This week, NAR [joined](#) the U.S. Chamber of Commerce's Equality of Opportunity initiative, part of a broad national effort to examine economic inequality in America. The program has earned the support of more than 400 organizations from across the country, with business and policy leaders assembling to advance economic inclusion and highlight a number of potential data-driven solutions to address inequality of opportunity.

"NAR has spent recent years reexamining how our 1.4 million members can best lead the fight against discrimination, bigotry and injustice," said NAR CEO Bob Goldberg, who [earlier this year was welcomed into the U.S. Chamber of Commerce Committee of 100](#). "We believe that building a better future in America begins with equal access to housing and opportunity. With ongoing residential segregation contributing to many problems in our society, NAR recognizes that this nation cannot achieve true economic equality without first achieving true equality in housing. Our commitment to this cause and to Fair Housing has only strengthened in response to recent tragedies in America."

Earlier this month, NAR begun circulating a [50-minute implicit bias training video](#) to its members and association staff. The video draws upon recent research to illustrate how the human brain's automatic, instant association of stereotypes with particular groups can cause people to treat those who are different from them unfairly. Scientific evidence also suggests these biases persist despite people's best intentions, and often without conscious awareness.

NAR is also urging REALTOR® associations to consider revising their new member orientations and other mandatory education courses to focus on the delivery of equal

services. This comes after NAR [in January](#) unveiled a new Fair Housing [Accountability, Culture Change and Training \(ACT\) Plan](#), designed to position its members as industry leaders in protecting housing rights.

Missed the Broker Power Hour Webinar? Recording and Additional Resources Available Online

This past June 11, the Broker Power Hour Webinar, hosted by NAR's Broker Engagement Committee, shared relevant, up-to-date information and key insights from industry experts on how to safely navigate real estate transactions, as well as an update on government programs. If you missed the live webinar, the recording and additional resources, including access to the presentation slides, can be found [here](#).

New Webinar from the Center for REALTOR® Financial Wellness

A new webinar, titled "Navigating Through the Center for REALTOR® Financial Wellness," is designed to help you understand the tools, calculators, and financial resources that are available on the Center for REALTOR® Financial Wellness platform. No matter where you are in your career or stage of financial planning, we hope you'll find this webinar session helpful and informative. Tuesday, June 30 at 2 PM EDT. Please register [here](#).

All-New, First-Ever Virtual Tech Edge Series Coming Soon

NAR is proud to announce the first-ever Virtual Tech Edge Series—brought to you in three exciting live-streamed events starting June 30. REALTORS® will learn the latest business technology skills and trends influencing the real estate industry. Save 25% off with Right Tools, Right Now special pricing, \$14.95 for each event. Visit the official Tech Edge [site](#) today to register or learn more.

Special Message from President Vince Malta: Rebuilding for Racial Equality and Steps to Take Action

NAR President Vince Malta released a special video message this week titled "Rebuilding for Racial Equality: Steps to Take Action." In this video, which is a sequel to Vince's video message of last week, Vince addresses rebuilding grants and what brokers and agents can do now to help communities. NAR is committed to leading the way on policies that address racial injustice and that build safe, inclusive communities. Please watch Vince's latest video [here](#).

This video is the latest in a series of videos called "Pivot in Place," which 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 AM and 7 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 for the latest information.

Final Thoughts from Vince and Bob

In recent months, the word “home” has taken on a new meaning. Now, a home isn’t just a house; it’s also an office, a gym, a classroom, a playground, and more. That means the COVID-19 pandemic has brought new meaning to our calling—and we use the word calling because serving as a REALTOR® is more than a job. We help facilitate the American Dream for millions of families.

June is Homeownership Month. This June, REALTORS® can be proud of the adaptability and resiliency our field has demonstrated throughout this crisis. Thank you for everything you do on behalf of your clients, your communities, and your country.

Be well and stay safe,



Vince Malta
PRESIDENT



Bob Goldberg
CHIEF EXECUTIVE OFFICER