NAR Research Staff:

Lawrence Yun, Ph.D.
Chief Economist and Senior Vice President

Jessica Lautz, Dr.RealEst.
Vice President, Demographics and Behavioral Insights

Meredith Dunn
Manager

Lisa Herceg
Director, Business Insights

Brian Horowitz
Research Analyst, Business Insights

Anna Schnerre
Research Associate, Business Insights

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data@realtors.org.
Methodology

Sample
The survey was delivered to a random sample of 92,630 members. The survey had 5,855 useable responses. The response rate was 6.3 percent.

For 93 percent of respondents, the majority of their business is residential. For five percent of respondents, the majority of their business is commercial.

Eighty-nine percent of respondents are in a state that has declared a state of emergency. Eighty-three percent of members work in a local market where there are presumed or confirmed cases of COVID-19.

Dates
The survey was deployed on Sunday, April 5th, and was closed on Monday April 6th.

The margin of error for overall results is +/-1.28 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
Of those who are currently working with sellers, 72 percent said that no sellers have reduced the price to attract buyers. Sixteen percent reported sale prices reduced by five percent or less. Only two percent reported 15 percent or more. 

IN GENERAL, HAVE ANY OF YOUR HOME SELLERS RECENTLY REDUCED PRICE TO ATTRACT BUYERS?

- 72% No, have not lowered price
- 16% Yes, by less than 5%
- 8% Yes, by 5-10%
- 2% Yes, by 11-15%
- 1% More than 15%

NAR Flash Survey: Economic Pulse April 5-6, 2020
Tenants Paying Rent

Of those who work with residential tenants, one-third of property managers cited having no issues with their tenants paying the rent, compared to more than half of individual landlords. Forty-six percent of property managers reported being able to accommodate their tenants who cannot pay rent and 21 percent cited it being difficult. In contrast 27 percent of individual landlords reported being able to accommodate their tenants who cannot pay rent and 21 percent cited it being difficult. Small portions (less than 10 percent) of property managers and individual landlords reported tenants terminating their leases.

IN REGARDS TO CORONAVIRUS (COVID-19), HAVE YOU SEEN ANY TENANTS WHO ARE UNABLE TO PAY THEIR RENT?:

- **Property manager**
  - No issues, rents are being paid on time: 7%
  - Yes, asking to delay paying their rent, and will be accommodating knowing the circumstances: 33%
  - Yes, asking to delay paying their rent, and will be difficult to allow: 21%
  - Yes, leases are being terminated: 46%

- **Individual landlord**
  - No issues, rents are being paid on time: 5%
  - Yes, asking to delay paying their rent, and will be accommodating knowing the circumstances: 14%
  - Yes, asking to delay paying their rent, and will be difficult to allow: 27%
  - Yes, leases are being terminated: 56%
Twenty-six percent of members cited being able to complete nearly all aspects of transactions while respecting social distance. With minor modifications such as using masks and gloves, 34 percent cited felt person-to-person interactions where still required. Seventeen percent postponed home searching and 18 percent stated that the mandate of stay-at-home prevents them from completing transactions.

How would you assess social distancing guidance and real estate transaction, especially with more use of virtual tours, electronic signatures, and exterior-only home appraisals?

- Nearly all aspect of the transaction can be done while respecting social distancing
- Some aspects still require person-to-person interactions, though masks and gloves could lessen the risk of spreading the virus
- Home searching has to be postponed because of the need for close person-to-person interactions and with strangers
- Government mandate of stay-at-home, including not permitting private showings is leading to near impossibility of getting deals done
- Other

NAR Flash Survey: Economic Pulse April 5-6, 2020
Technology Tools

Members are using a number of technology tools to communicate with clients. Most often technology tools are used to communicate with buyers. The most common tech tools used are e-signatures, social media, messaging apps, and virtual tours.

What technology tools are you using to cultivate new relationships and communicate with clients?

<table>
<thead>
<tr>
<th>Tool</th>
<th>Future Clients</th>
<th>Sellers</th>
<th>Buyers</th>
<th>Do not use</th>
</tr>
</thead>
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<tr>
<td>Live videos</td>
<td>36%</td>
<td>37%</td>
<td>50%</td>
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<tr>
<td>Social media</td>
<td>60%</td>
<td>68%</td>
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<td>E-closing technology</td>
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<tr>
<td>E-signatures</td>
<td>33%</td>
<td>41%</td>
<td>44%</td>
<td>50%</td>
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<tr>
<td>Virtual tours</td>
<td>33%</td>
<td>41%</td>
<td>44%</td>
<td>50%</td>
</tr>
<tr>
<td>Messaging apps</td>
<td>40%</td>
<td>48%</td>
<td>56%</td>
<td>36%</td>
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<tr>
<td>Webex/Zoom</td>
<td>29%</td>
<td>41%</td>
<td>44%</td>
<td>50%</td>
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</tbody>
</table>

NAR Flash Survey: Economic Pulse April 5-6, 2020
Buyer Interest

Ninety percent of members cited a decline in buyer interest. Forty-five percent of members reported a decline by more than 50 percent. Eight percent of members cited no change in activity and two percent cited an increase in activity.

Twenty-seven percent of those who worked with buyers had at least one buyer who put in a contract without physically seeing the home in the last week. The median amount of homes toured, either virtually or in person, was three before putting a contract on a home.

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

- Increase in activity
- Declined by less than 10%
- Declined by 10%-30%
- Declined by 31%-50%
- Declined by more than 50%

Residential Members 2% 8% 10% 19% 16% 45%
Sixty-three percent of members said buyers are expecting a decline in home prices. Of this share, 16 percent expect a less than five percent decrease and the largest portion (23 percent) expect a decrease by five to 10 percent.

IN GENERAL, ARE HOME BUYERS EXPECTING LOWER PRICES NOW?

Residential Members

- 37% No, not expecting lower prices
- 16% Yes, by less than 5%
- 23% Yes, by 5-10%
- 9% Yes, by 11-15%
- 15% More than 15%
Fifty-nine percent of members reported buyers are delaying their home purchase for a couple of months. Thirteen percent reported members are continuing the process, but only relying on virtual communication. Thirteen percent reported clients are deciding not to buy or sell indefinitely. Eight percent reported there is no change in client behavior, and they continue to meet in person.

IN GENERAL, HOW HAS THE CORONAVIRUS (COVID-19) CHANGED CLIENTS’ ATTITUDES WITH REGARDS TO BUYING A HOME?

0% 50% 100%

- Delaying the process a couple of months
- Continuing the process, but relying only on virtual communication
- Deciding not buy/sell indefinitely
- No change, continuing to meet w/clients and show properties in person
- Other
Eighty percent of members cited a decline in the number of homes on the market. Of this share, 32 percent reported a decline between 10 percent to 30 percent. Sixteen percent of members cited no change and four percent cited an increase the number of homes on the market.

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

- **Increase in activity**: 4%
- **Declined by less than 10%**: 16%
- **Declined by 10%-30%**: 22%
- **Declined by 31%-50%**: 32%
- **Declined by more than 50%**: 13%
- **No change in activity**: 14%

*NAR Flash Survey: Economic Pulse April 5-6, 2020*
Fifty-six percent had seen sellers remove their homes from the market completely due to the coronavirus. Twenty-six percent reported no homes have been removed from the market for this reason.
The majority of sellers are changing how their home is viewed while the home remains on the market. Ninety-three percent reported that home sellers 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 REGARDS TO CORONAVIRUS (COVID-19), HAVE YOU SEEN ANY OF THE FOLLOWING CHANGES IN HOME SELLER LISTING BEHAVIOR?

- No changes: 7%
- Stop open houses: 73%
- Buyers need to use hand sanitizer/wash hands upon entering: 48%
- Will not allow buyers in w/shoes/need to wear footies: 41%
- Restrict listing presentations: 43%
- Buyers required to wear gloves: 37%
- Obtain home inspection before listing home for sale: 5%
- Other: 19%
Thirty-four percent of residential members have reported no closing delays. Delays in closing happened for a number of reasons including delays with appraisals, financing, home inspections, in person signature, final walk-throughs and title searches.

ARE YOUR RESIDENTIAL TRANSACTIONS RUNNING INTO ANY SIGNIFICANT NEW DELAYS CLOSING, DUE TO CORONAVIRUS (COVID-19?)

Residential Members

- No delays: 34%
- Appraisals: 25%
- Financing: 31%
- Home inspection: 21%
- In-person signature: 14%
- Final walk throughs: 17%
- Title search: 10%
- Other: 17%
Fifty-seven percent of members reported sellers are delaying their home sale for a couple of months. Seventeen percent reported members are continuing the process, but only relying on virtual communication. Ten percent reported clients are deciding not to buy or sell indefinitely. Eight percent reported there is no change in client behavior, and they continue to meet in person.

**IN GENERAL, HOW HAS THE CORONAVIRUS (COVID-19) CHANGED CLIENTS’ ATTITUDES WITH REGARDS TO SELLING A HOME?**

- 57% Delaying the process a couple of months
- 17% Continuing the process, but relying only on virtual communication
- 10% Deciding not buy/sell indefinitely
- 8% No change, continuing to meet w/clients and show properties in person
- 8% Other

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Commercial Survey Questions
Seven percent of commercial members reported there has been no change in clients who want to lease properties due to the coronavirus (COVID-19). Ninety-three percent have seen a decline in commercial leasing clients due to COVID-19.

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Ten percent of commercial members reported there has been no change in client purchase interest due to the coronavirus (COVID-19). Eighty-seven percent of members 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?**

- Significantly declined: 53%
- Declined: 34%
- No change: 10%
- Increased: 3%
- Significantly increased: 0%
Twenty-five percent of commercial members reported there has been no change in leasing interest due to the stock market correction. However, 75 percent of commercial members reported that interest in leasing properties has decreased due to the stock market correction.

**How much of an impact is the stock market correction having on new commercial clients who want to lease properties?**

- **36%** Significantly declined
- **39%** Declined
- **25%** No change

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Building Practices

Ninety-one percent of commercial buildings have adopted changes in practices due to the coronavirus. The most common practices are more hand sanitizer offered, more frequent cleanings of the space, tenants are working remotely, and offering more hand sanitizer.

WHAT IMPACT IS THE CORONAVIRUS HAVING ON YOUR BUILDING PRACTICES?

- No Impact: 9%
- More hand-sanitizer offered: 33%
- More frequent cleaning required: 48%
- Tenants working remotely: 69%
- Travel Suspension (Employees): 36%
- Travel Suspension (Tenants): 27%
- Other: 14%

Commercial Members

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Of those who work with commercial rentals, 46 percent of property managers reported that a portion of tenants have asked for delays in paying rent and that it would be difficult to allow, compared to 33 percent of individual landlords. Sixty-nine percent of property managers reported being able to accommodate their tenants, similar to 65 percent of individual landlords.

IN REGARDS TO CORONAVIRUS (COVID-19), HAVE YOU SEEN ANY TENANTS WHO ARE UNABLE TO PAY THEIR RENT?

- Property Manager:
  - Yes, asking to delay paying their rent and will be difficult to allow: 46%
  - Yes, asking to delay paying their rent and will be accommodating knowing the circumstances: 13%
  - Yes, leases being terminated: 10%
  - No issues, rents are being paid on time: 6%

- Individual landlord:
  - Yes, asking to delay paying their rent and will be difficult to allow: 33%
  - Yes, asking to delay paying their rent and will be accommodating knowing the circumstances: 6%
  - Yes, leases being terminated: 2%
  - No issues, rents are being paid on time: 65%
Fourteen percent of commercial members have reported no closing delays. Delays in closing happened for a number of reasons including delays with tours of properties, appraisals, financing, in person signature, certificate of occupancy registrations, and open permit search reports.

APPROX COMMERCIAL TRANSACTIONS RUNNING INTO ANY DELAYS CLOSING, DUE TO CORONAVIRUS (COVID-19), WITH...

- No delays: 14%
- Tours of properties: 50%
- Financing: 40%
- Appraisals: 26%
- In person signature required: 17%
- Certificate of occupancy registrations: 15%
- Open permit search reports: 16%
- Other: 16%
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NATIONAL ASSOCIATION OF REALTORS®
Research Group
500 New Jersey Avenue, NW
Washington, DC 20001
202-383-1000
data@realtors.org

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