

August 2023

# REALTORS<sup>®</sup> CONFIDENCE INDEX SURVEY

National Association of REALTORS<sup>®</sup>  
Research Group



NATIONAL  
ASSOCIATION OF  
REALTORS<sup>®</sup>

# REALTORS® CONFIDENCE INDEX SURVEY

**Homes typically received 3.2 offers, 72% sold within one month, and 31% sold above list price.**

The Market Outlook from the REALTORS® Confidence Index for buyers and sellers declined slightly in August 2023:

- 11% of respondents expect a year-over-year increase in buyer traffic in the next three months, down from 13% one month ago and flat from one year ago.
- 10% of respondents expect a year-over-year increase in seller traffic in the next three months, a slight decrease from last month at 10% and down from 12% in August 2022.

With supply still limited relative to demand, 31% of homes sold above list price, down from 35% last month and down slightly from 32% a year ago:

- 72% of respondents reported that properties sold in less than one month. Down slightly from 74% a month ago and down from 81% in August 2022.
- Homes listed received an average of 3.2 offers, up slightly from 3.0 last month and up from 2.5 offers in August 2022.
- Due to the lack of housing inventory, the pace of the market, and the use of technology, 7% of buyers purchased a home based only on a virtual tour, showing, or open house without physically seeing the home. Down slightly from one month ago and virtually unchanged from 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 ago and down from one year ago.
- 14% of contracts had delayed settlements in the past three months, unchanged from last month and down slightly from 15% a year ago.
- 7% of contracts had delayed settlement due to appraisal issues, virtually unchanged from last month and one year ago.

First-time buyers represented 29% of buyers, down slightly from 30% in July 2023 and flat from 29% in August 2022. Among all buyers:

- 16% purchased for non-primary residence use, unchanged from last month and one year ago.
- 5% were purchased for vacation use, flat from one month ago and down slightly from 7% one year ago.
- 1% of sellers sold to an iBuyer, similar to one month and one year ago.
- 1% of sales were distressed, flat from one month and one year ago.

Contract activity remains competitive:

- 27% of buyers had all-cash sales, up slightly from 26% last month and up from 24% in August 2022.
- 23% of buyers waived the inspection contingency, down from 26% one month ago and virtually unchanged from 22% one year ago.
- 22% of buyers waived the appraisal contingency, flat from one month and one year ago.

Buyers continue to look outside of city centers for the majority of their activity at 86%.

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## August 2023 REALTORS® Confidence Index Survey Highlights

Market Outlook	Aug-23	Jul-23	Aug-22
Percent of respondents who expect a year-over-year increase in buyer traffic in next 3 months	11%	13%	11%
Percent of respondents who expect a year-over-year increase in seller traffic in next 3 months	10%	11%	12%
Key Market Indicators	Aug-23	Jul-23	Aug-22
Median days on market/3	20	20	16
Percent of properties sold in less than 1 month	72%	74%	81%
First-time homebuyers, as percent of sales	29%	30%	29%
Sales for non-primary residence use, as a percent of sales /1	16%	16%	16%
Sales intended for vacation use, as a percent of sales /1	5%	5%	7%
Cash sales, as percent of sales	27%	26%	24%
Distressed sales, as percent of sales	1%	1%	1%
Average number of offers received on the most recent sale	3.2	3.0	2.5
Percent of properties sold above the list price	31%	35%	32%
Other Market Indicators	Aug-23	Jul-23	Aug-22
Percent of buyers who waived inspection contingency	23%	26%	22%
Percent of buyers who waived appraisal contingency	22%	22%	21%
Percent of buyers who purchased property based on virtual tour/showing/open house only	7%	9%	8%
Percent of buyers who purchased in a suburban, small town, rural, or resort area	86%	85%	87%
Percent of respondents who had a potential buyer looking for work-from-home features /2	32%	34%	33%
Percent of sellers represented by Realtors® who sold the property to an iBuyer	1%	1%	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	14%	14%	15%
Percent of contracts with a delayed settlement that had appraisal issues	7%	6%	8%

*/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 FIC monthly survey and MLS data.*

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## About the RCI Survey

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- 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 August 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 4,664 respondents in the previous three surveys who provided their email addresses.
- There were 1,629 respondents to the online survey, which ran from September 1-15, 2023, of which 871 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.

# REALTORS® CONFIDENCE INDEX SURVEY



The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate.

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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