

2022

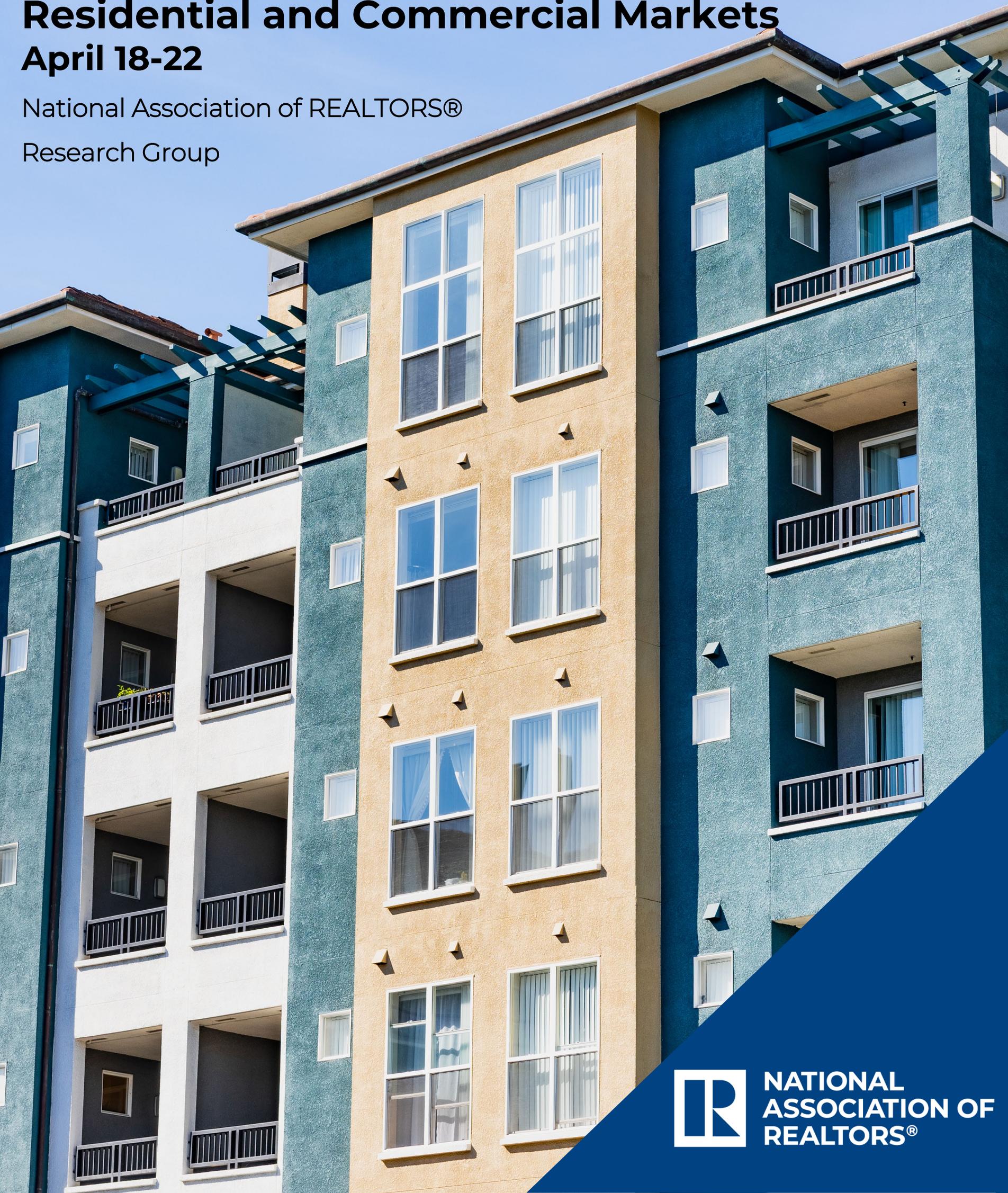
Weekly Real Estate Monitor

Residential and Commercial Markets

April 18-22

National Association of REALTORS®

Research Group



**NATIONAL
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Weekly Real Estate Monitor

Housing Market at a Glance: the Last Month (ending April 17)

Year-over-year percent change in active listings inventory:



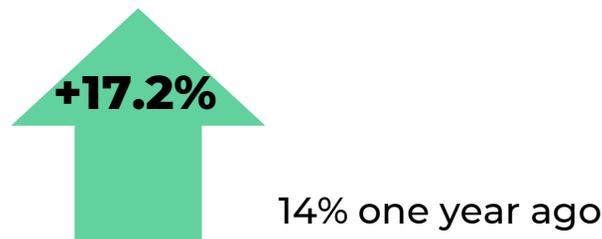
Year-over-year percent change in pending listings inventory:



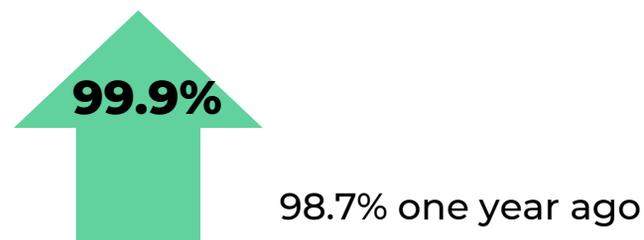
Ratio of pending listings per 10 active listings:



Year-over-year percent change in median sales price :



Sale-to-list price ratio:



Median days on market:



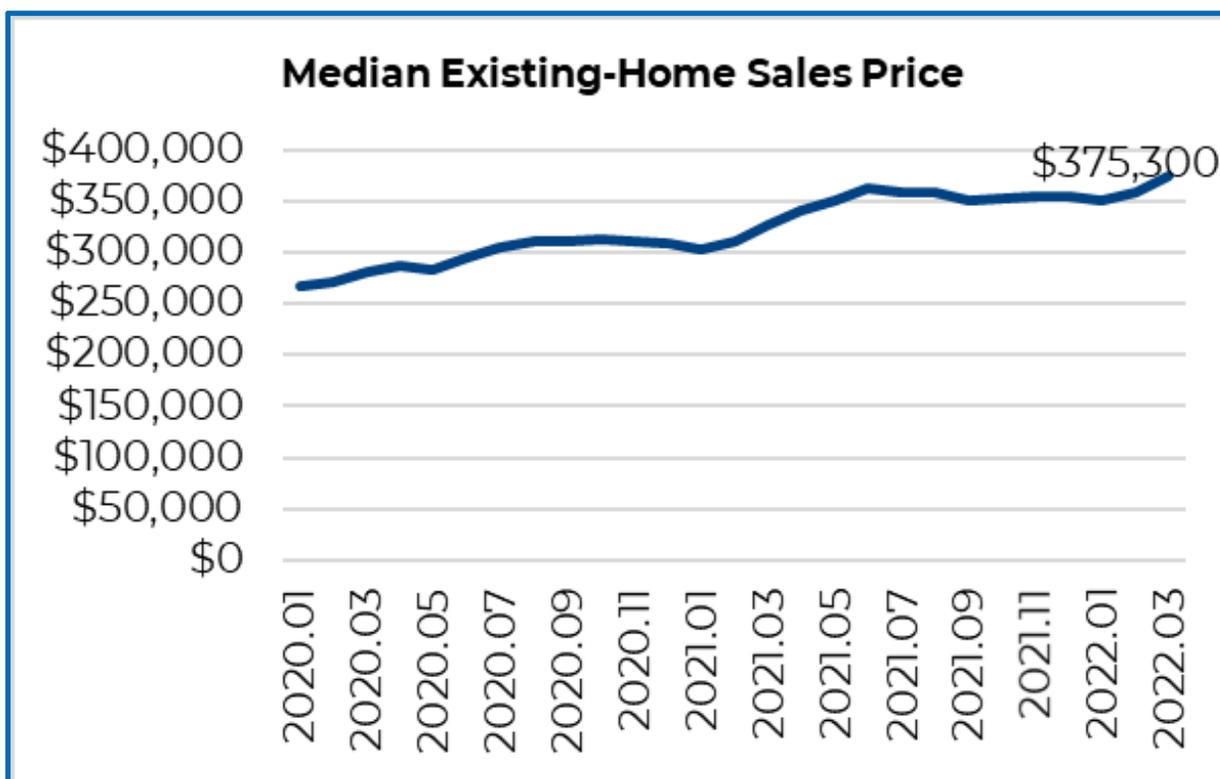
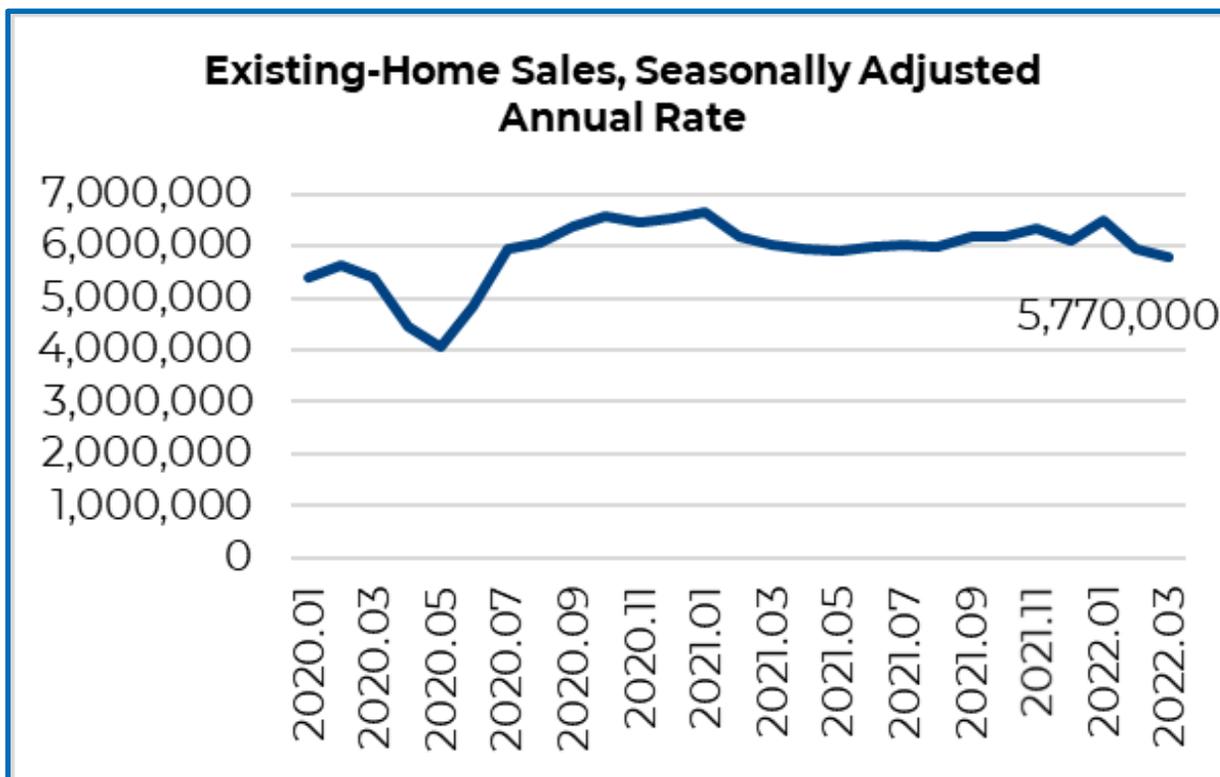
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Existing-Home Sales Declined for Second Month to Below 6 Million in March 2022

Amid the sharp uptick in mortgage rates, existing-home sales fell for the second straight month in March 2022 to a seasonally adjusted annual rate of 5.77 million. Sales were down 2.7% from the prior month and 4.5% from one year ago.

With slower demand, the inventory of unsold existing homes increased to 950,000 as of the end of March, which will support 2.0 months of sales which is still below the desired level of 6 months.

With supply still low relative to demand, prices continue to trend upwards. The median existing-home sales price rose to \$375,300, up 15% from the level one year ago.



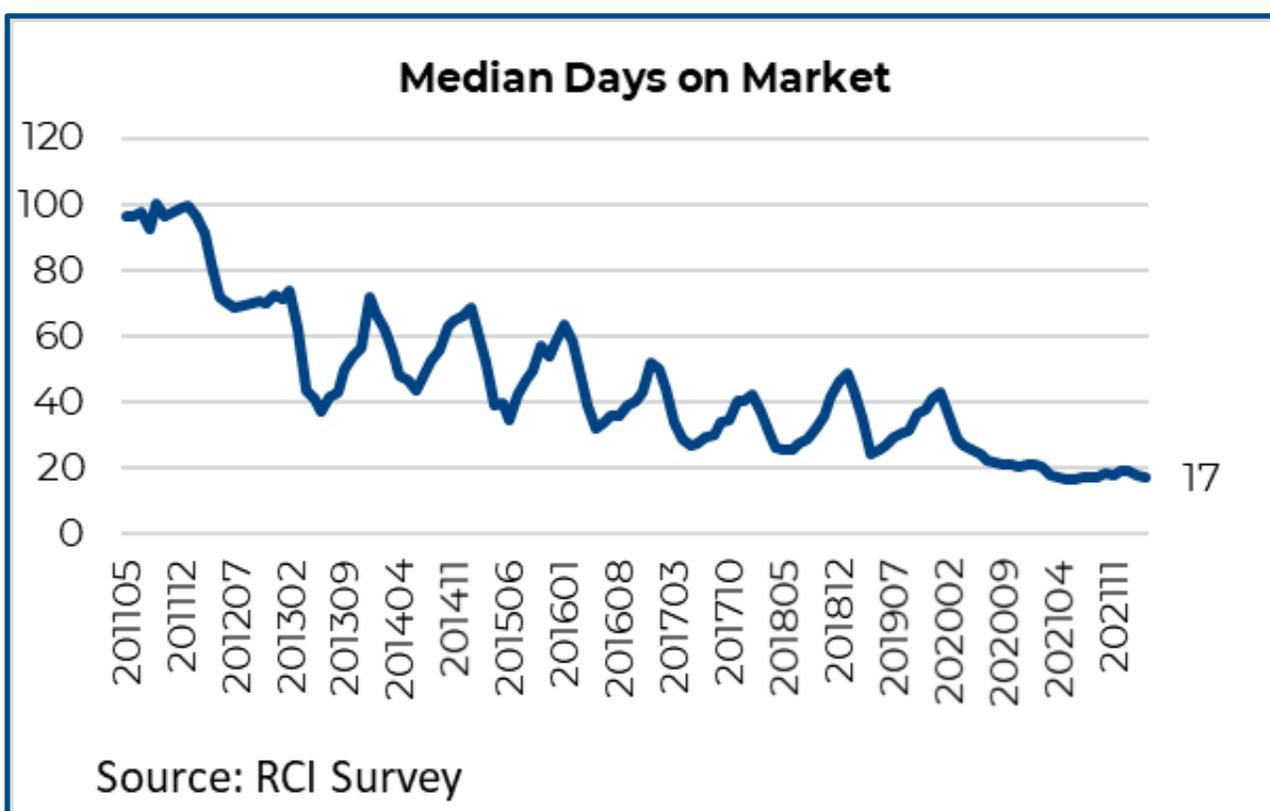
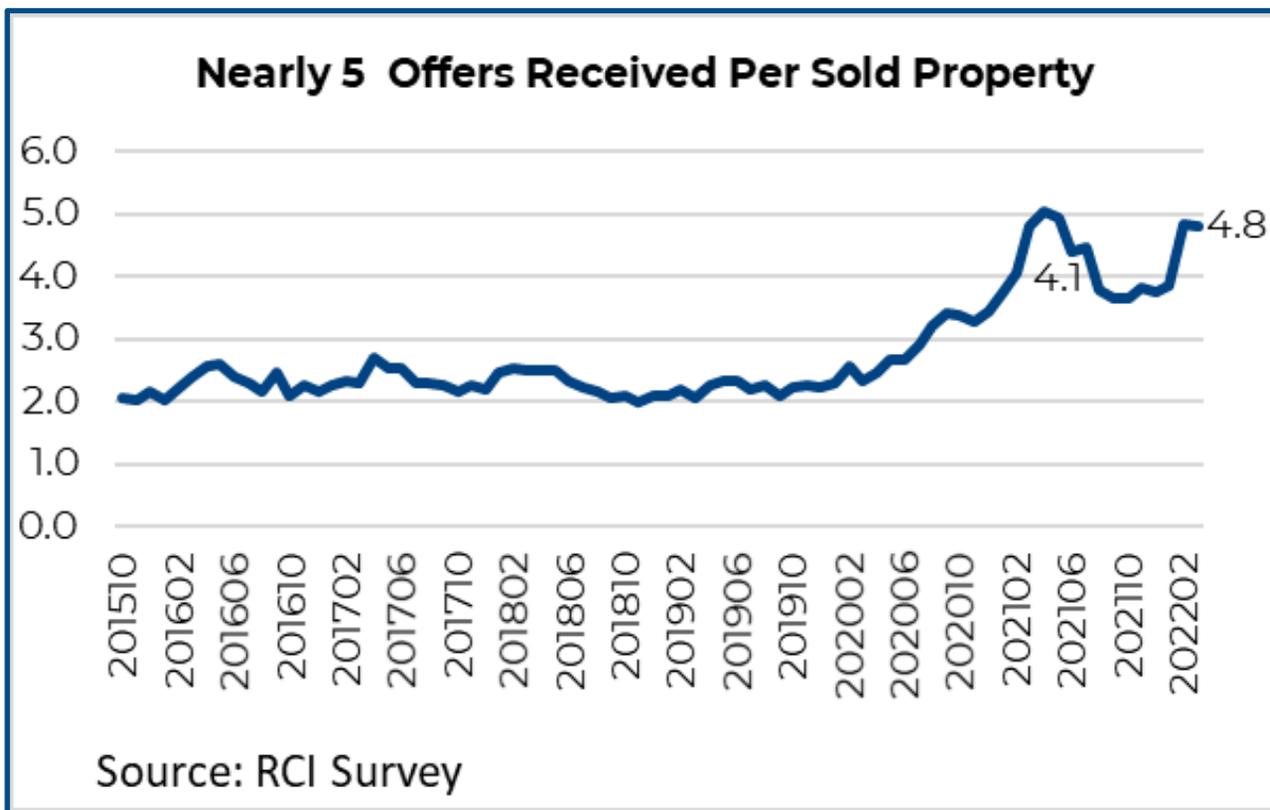
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Nearly Five Buyer Offers Per Listing in March 2022

Buyer competition eased slightly in March. REALTORS® reported on average they had slightly below 5 offers (4.8) on homes that sold in March 2022 compared to more than five offers one year ago (5.1 offers one year ago).

On average, REALTORS® reported taking out four clients during the month, down from five clients one year ago.

With a low level of inventory of homes for sale, properties typically sold faster at 17 days in March (18 days one year ago), according to the REALTORS® Confidence Index survey. Eighty-seven percent of properties typically closed in less than one month.



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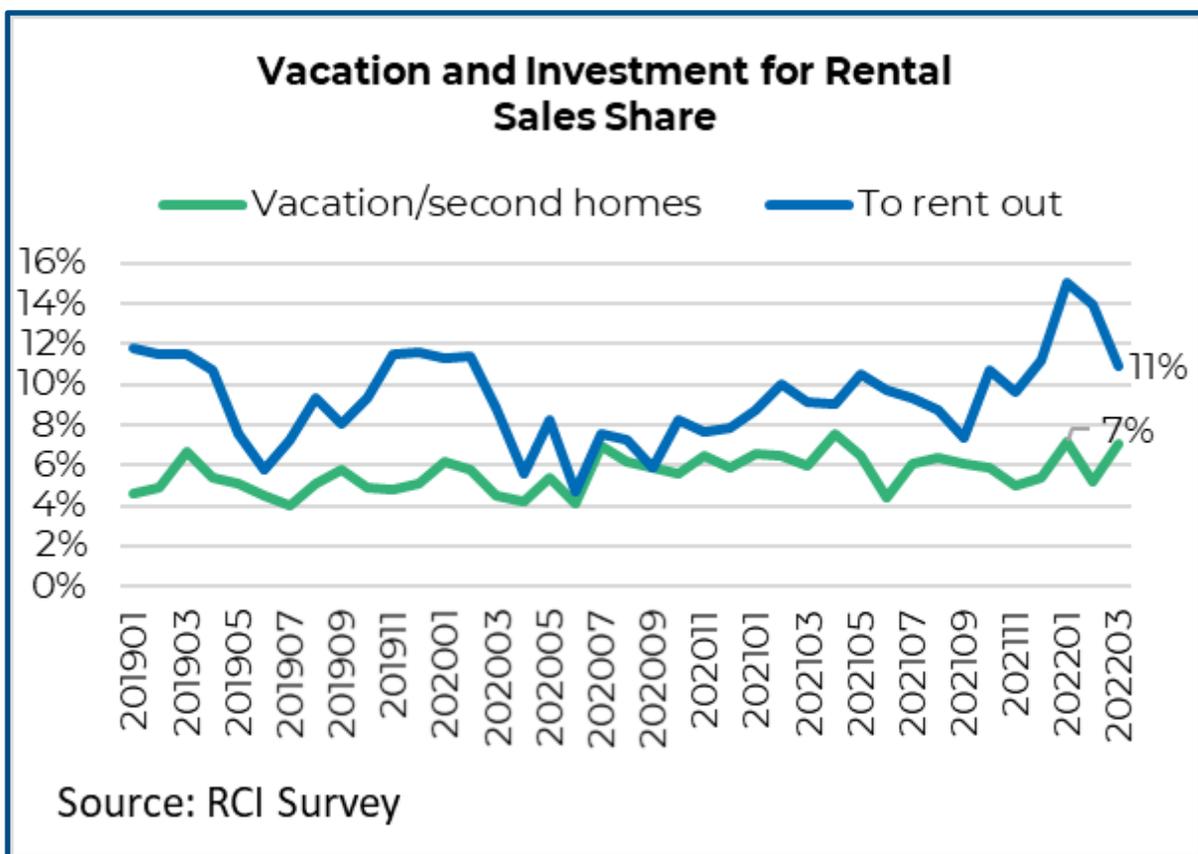
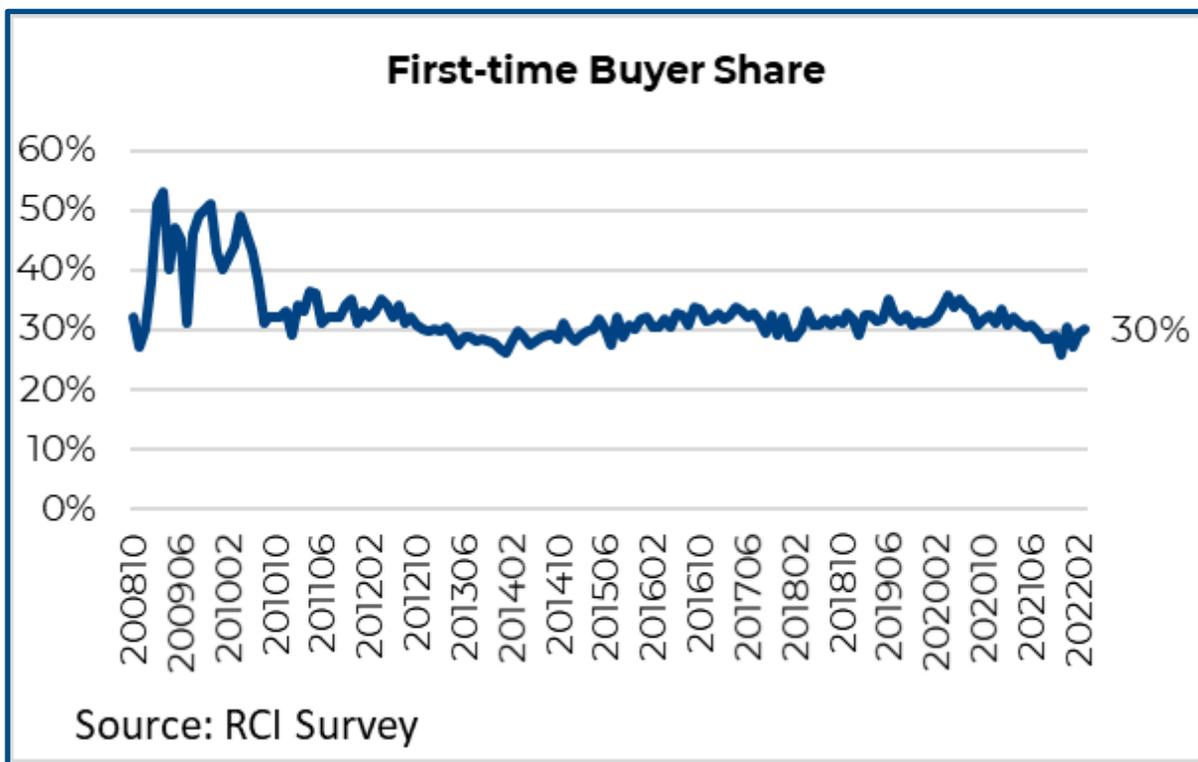
First-time Buyer Share Increases to 30%

Even amid higher mortgage rates, the share of first-time buyers rose to 30% in March although the share is slightly lower than one year ago (31% one year ago), according to the [REALTORS® Confidence Index survey](#).

Buyers are still likely trying to lock in at the current mortgage rates before rates rise further in 2023.

The share of buyers purchasing a home for investment rental decreased to 11% but was up from one year ago (9%).

The share of vacation home buyers also slightly increased to 7% (6% one year ago).



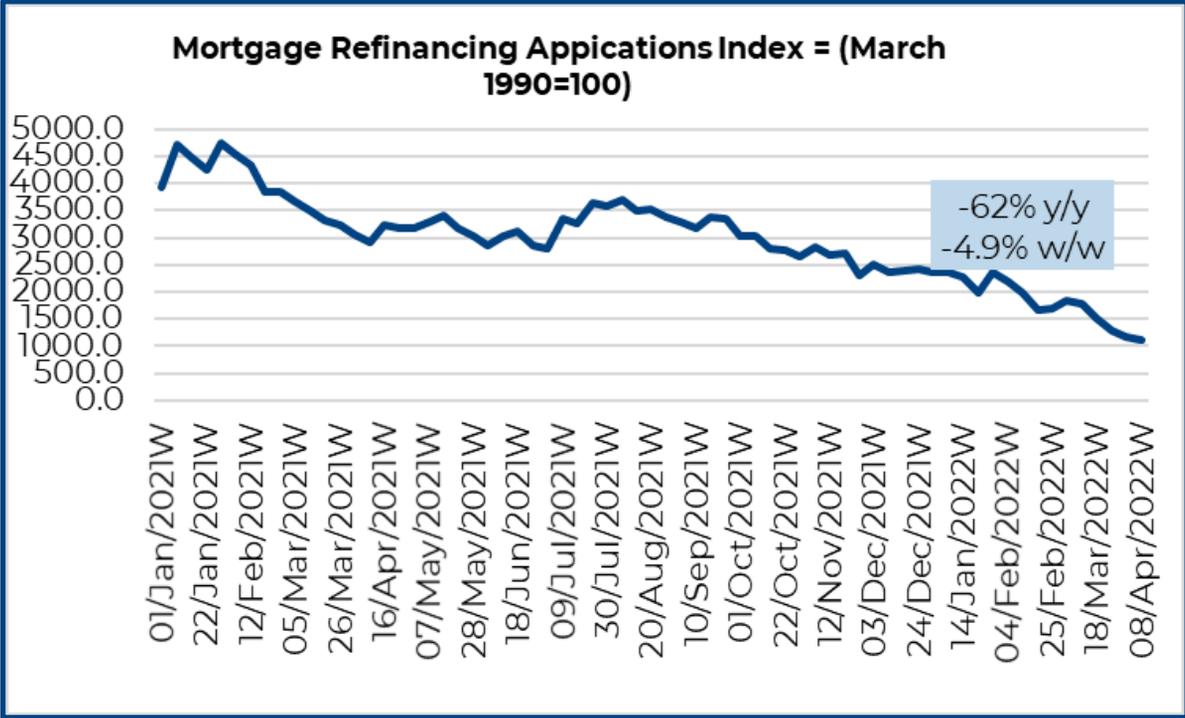
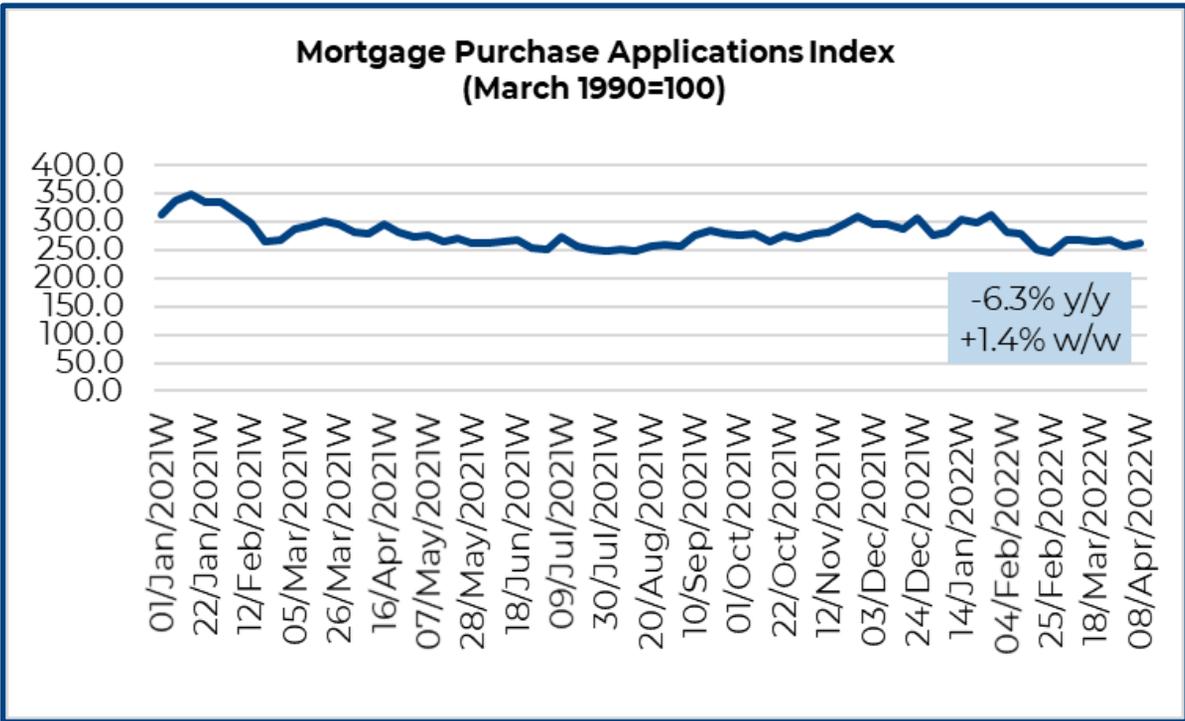
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Mortgage Home Applications Increased

Mortgage applications for a home purchase during the week of April 8 increased 1.4% from the prior week after declining in the prior week, according to the MBA's Weekly Mortgage Applications Survey. Weekly applications have been volatile with borrowers caught between getting hit with higher mortgage payments but wanting to lock in at the current rates before rates move higher.

Compared to applications in the prior week, conventional financing (Fannie Mae/Freddie Mac conforming loans) purchase applications increased by 1.2% while government-insured financing (FHA, VA, USDA) also increased by 2.7%.

Refinancing applications decreased 4.9% from the prior week and 62% from one year ago. Expect a decline in refinancing as interest rates continue to move upwards in 2022. As lenders seek to maintain their business, they might try to lower mortgage rates a bit to attract more homebuyers



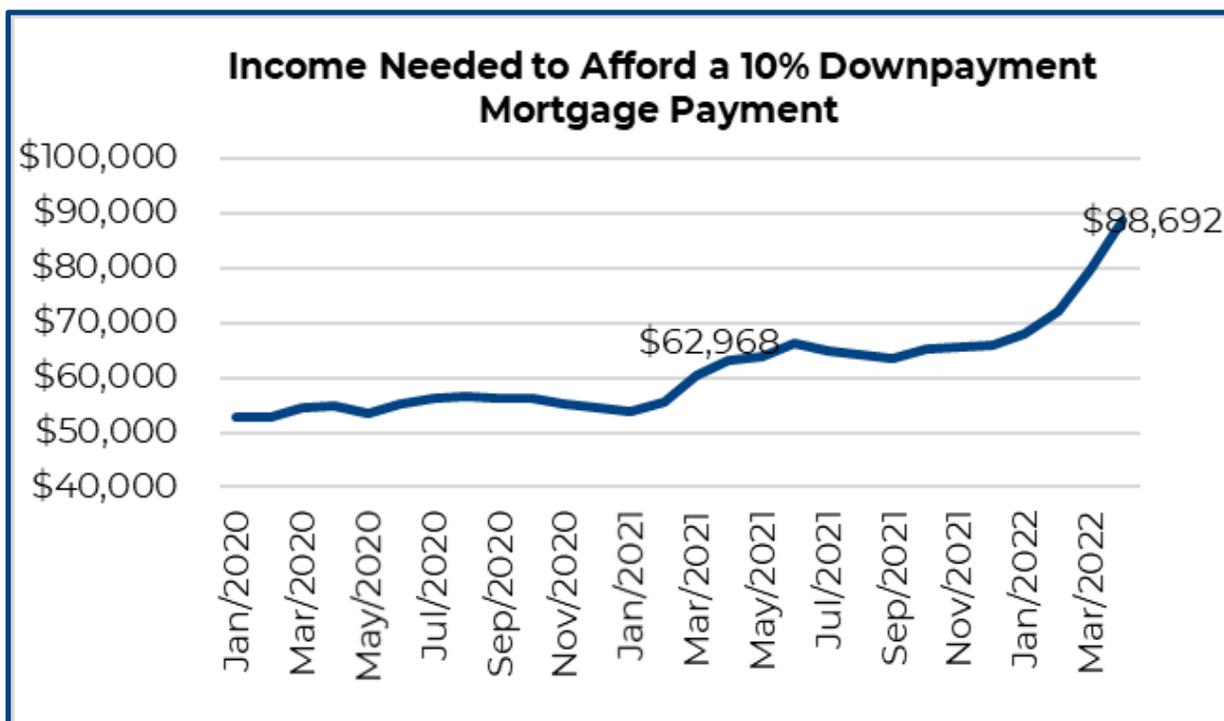
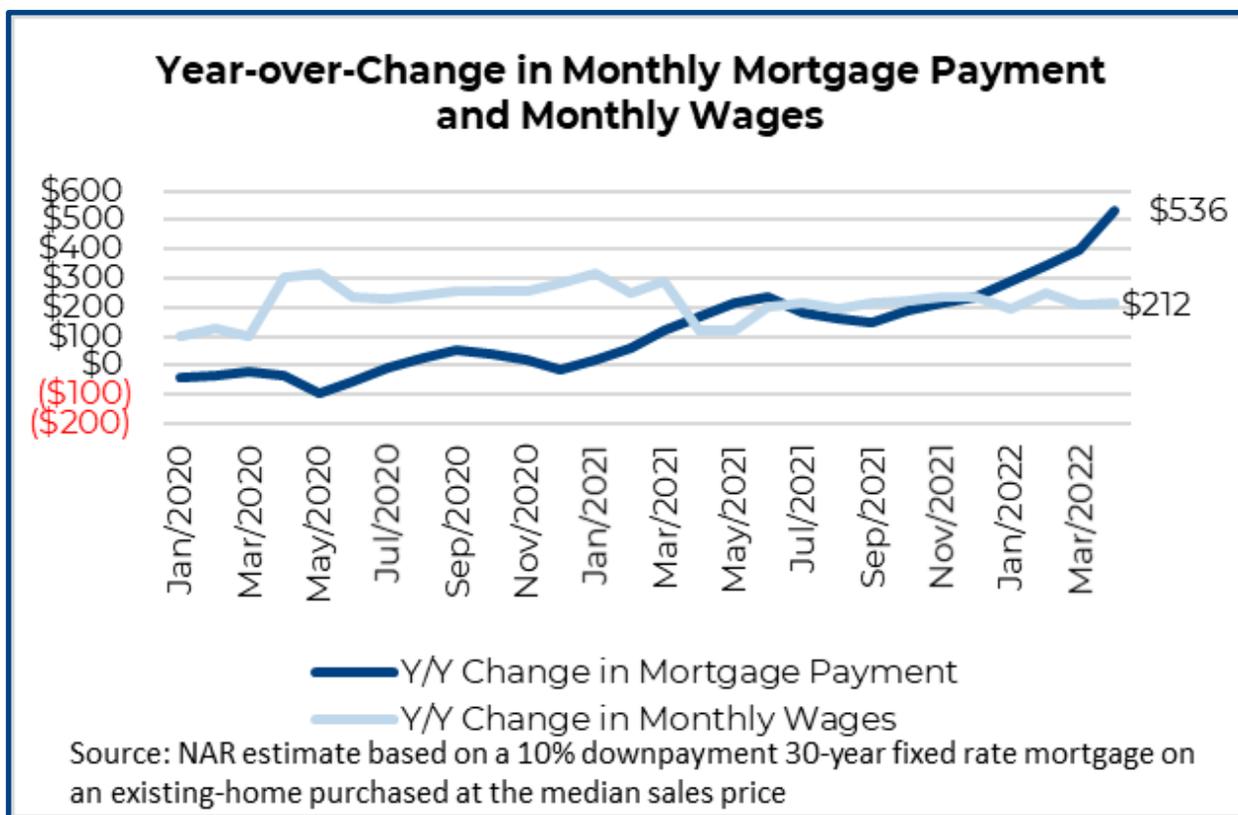
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Mortgage Payment Rises by About \$500 from One Year Ago

The 30-year fixed mortgage rate rose to 4.72%.

With a forecasted median existing-home sales price of \$391,805 for April, a homeowner will typically pay \$1,848 on a 10% down payment 30-year loan, or \$536 more in monthly mortgage compared to one year ago, outpacing monthly wage gains of \$212 compared to one year ago.

The annual mortgage payment rises to 38.6% of the annualized average weekly wage (\$1,103 weekly, \$57,512 annualized), making a home purchase unaffordable and burdensome for a 1-earner family earning average wages. A family needs an income of at least \$88,692 so a mortgage is affordable, up from \$62,968 one year ago (a mortgage payment is affordable if it is more than 25% of income).



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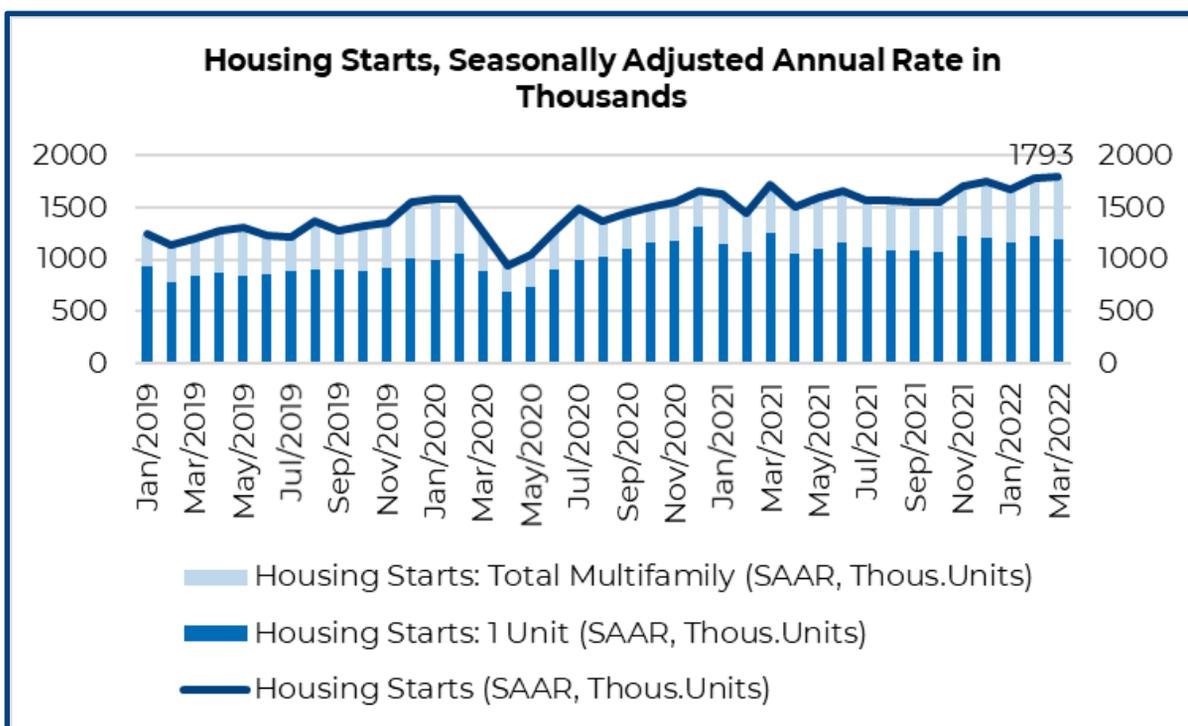
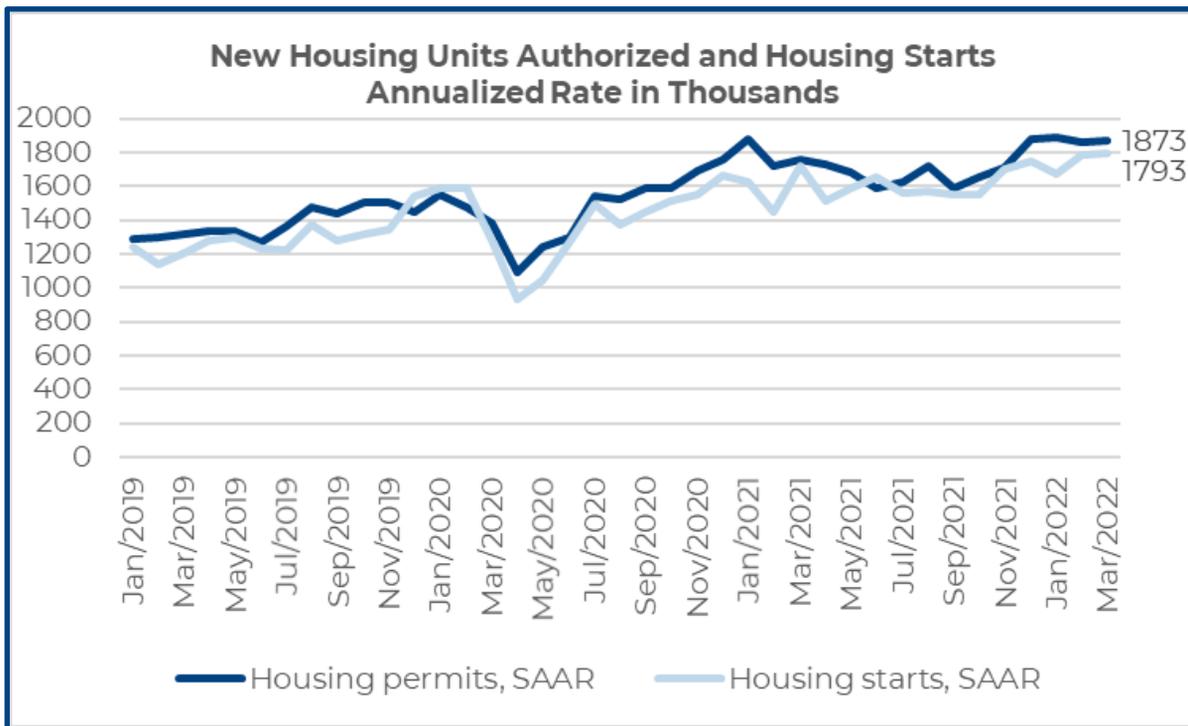
Housing Starts Held Steady at 1.8 Million Due to Higher Multifamily Construction in March 2022

Housing starts held steady at 1.8 million on an annualized basis while housing permits were at 1.9 million.

Multifamily housing starts accounted for the increase (+66,000 annualized) while single-family housing starts were down (-58,000 annualized) in March compared to the annualized level in February.

With rising mortgage rates, builders might continue to shift towards multifamily than single-family housing. The need for housing supply is dire for both single-and multifamily housing with home prices up 15% year-over-year and apartment asking rents also up 11% year-over-over, according to CoStar data.

Since the pandemic, housing starts have lagged housing permits, an indication that supply chain issues continue to hamper construction.



Weekly Real Estate Monitor

Positive Net Absorption in Commercial Market

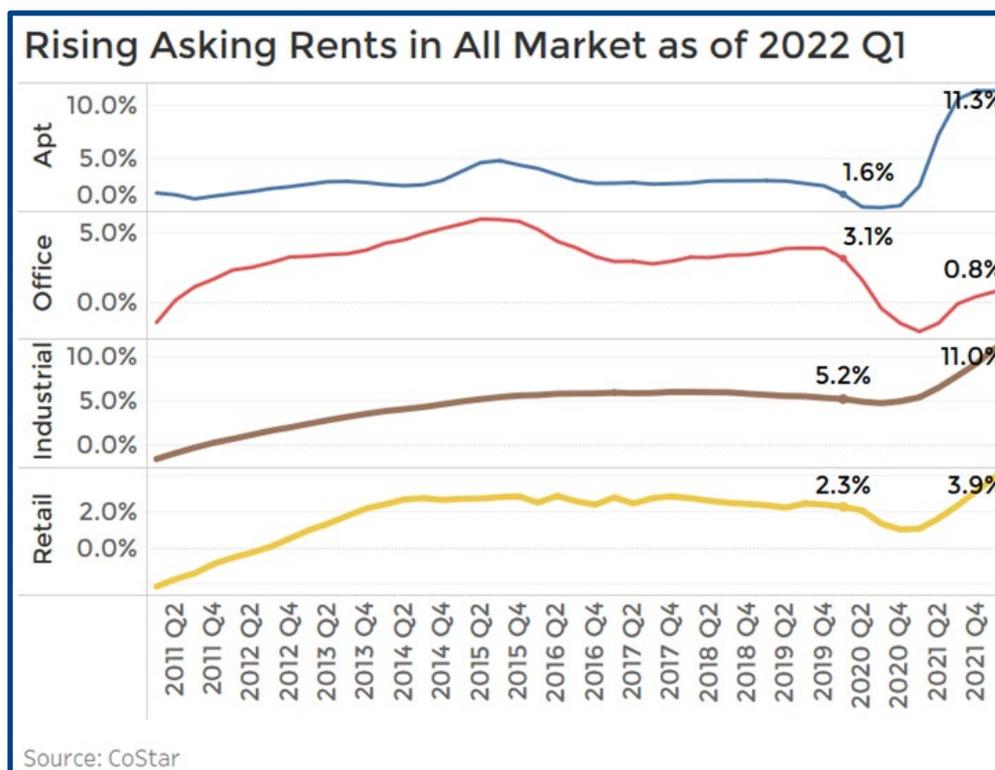
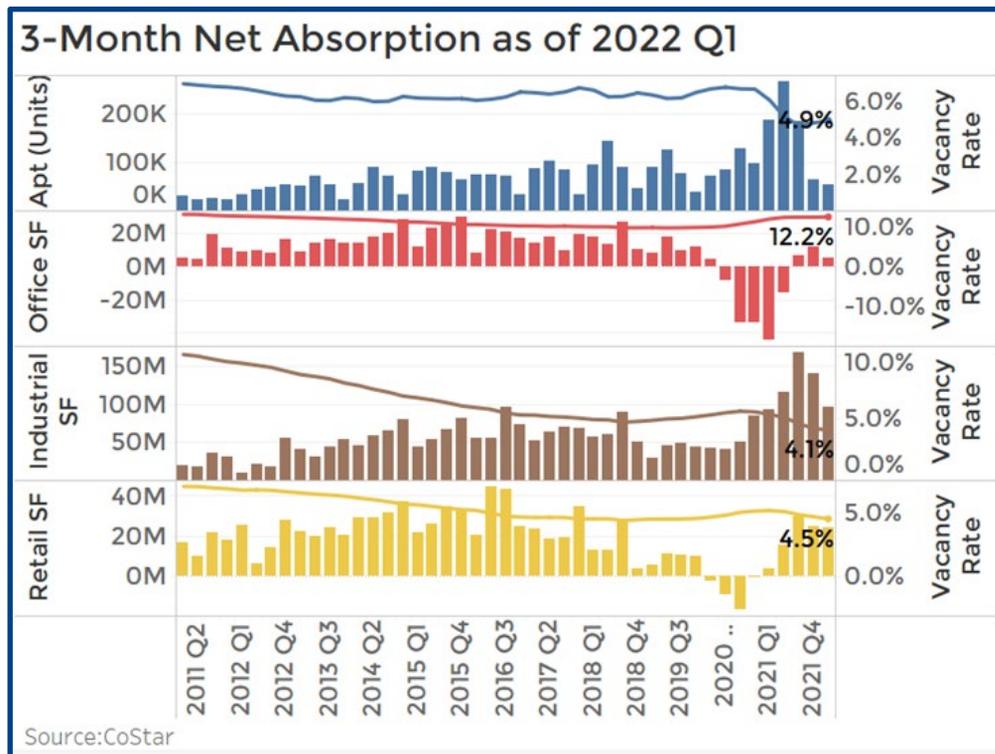
In the multifamily apartment market, nearly 55,000 units were absorbed on a net basis in the first quarter, with a vacancy rate of 4.9%, and year-over-year asking rent growth of 11.3%.

In the office market, nearly 5 million square feet of office space was absorbed in the first quarter, with rents rising modestly by 0.8% year-over-year. The vacancy rate remains elevated at 12.2%.

In the industrial market, 97 million square feet were absorbed on a net basis in the first quarter. The sector has the lowest vacancy rate at 4.1%, driving rent growth to 11%.

24 million square feet were absorbed in the first quarter in the retail property market. The vacancy rate is at 4.5%, with rents up 3.9% year-over-year.

Download the [Latest Commercial Market Insights Report](#) and [Commercial Metro Market Reports](#).



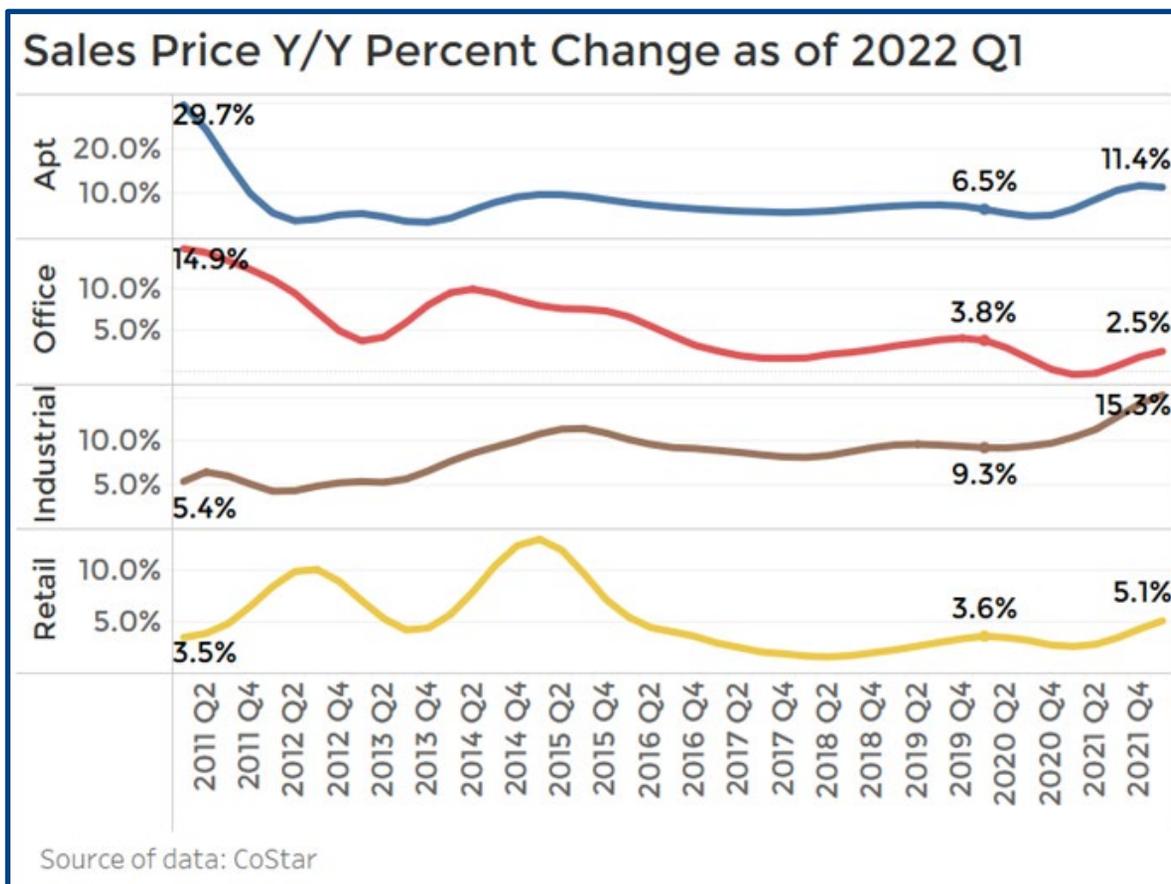
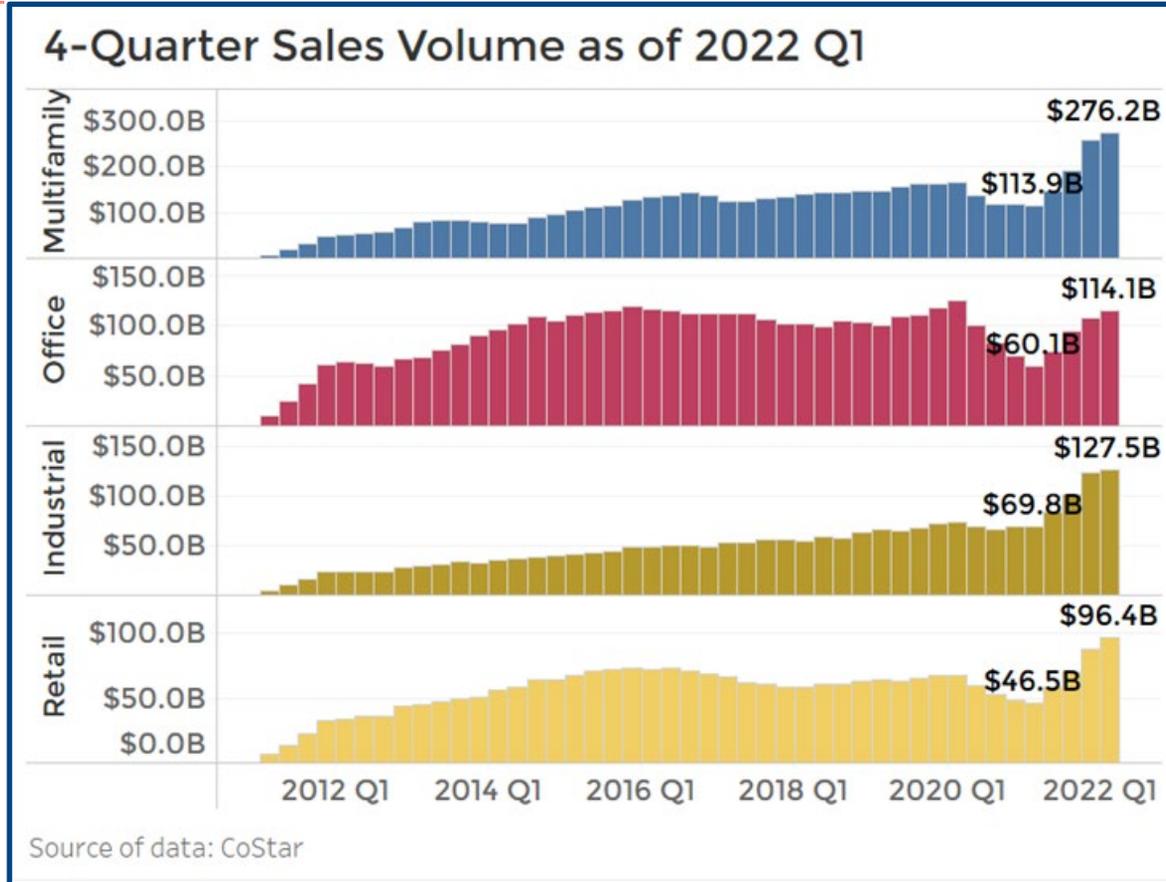
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Commercial Sales Deals and Valuations are Rising

Investor acquisitions surged in the past four quarters ended 2022 Q1 across all core property types compared to one year ago: multifamily (+144%), office (+90%), industrial (+84%), and retail (+108%).

Commercial valuations are also rising on average across all markets, even for office properties: multifamily (11.4%), office (2.5%), industrial (15.3%), and retail (5.1%).

Download the [Latest Commercial Market Insights Report](#) and [Commercial Metro Market Reports](#).



Top 20 Multifamily Markets by Net Absorption in 2022 Q1

Geography Name	12-Month Absorption in Units	Vacancy Rate	Market Asking Rent/Unit	Y/Y Market Asking Rent Growth	Market Cap Rate
Dallas-Fort Worth - TX	38,425	6.0%	\$1,468	15.4%	4.8%
New York - NY	34,732	2.4%	\$2,900	6.1%	4.3%
Houston - TX	31,621	7.8%	\$1,263	9.5%	5.4%
Los Angeles - CA	30,590	3.5%	\$2,137	7.8%	4.0%
Washington - DC	20,549	6.3%	\$2,006	9.7%	4.7%
Austin - TX	17,629	7.2%	\$1,644	18.1%	4.4%
Chicago - IL	16,996	5.6%	\$1,582	8.3%	5.7%
Orlando - FL	14,289	5.1%	\$1,738	24.6%	4.4%
Boston - MA	14,022	3.9%	\$2,586	11.0%	4.3%
Seattle - WA	13,503	5.2%	\$1,925	10.9%	4.0%
Minneapolis - MN	11,837	5.9%	\$1,390	3.9%	5.3%
Miami - FL	10,481	2.9%	\$2,108	19.3%	4.6%
Charlotte - NC	10,286	6.6%	\$1,506	16.5%	4.4%
Philadelphia - PA	10,209	3.8%	\$1,576	9.7%	5.2%
Nashville - TN	10,096	5.9%	\$1,591	18.4%	4.7%
Denver - CO	10,038	6.6%	\$1,755	13.1%	4.3%
Atlanta - GA	9,921	6.4%	\$1,603	16.2%	4.7%
San Antonio - TX	8,807	6.2%	\$1,208	12.7%	5.2%
Phoenix - AZ	8,112	6.2%	\$1,584	18.5%	4.0%
Portland - OR	7,861	5.4%	\$1,549	9.2%	4.5%

Source: CoStar

Top 20 Office Real Estate Markets by Net Absorption in 2022 Q1

Geography Name	12-Month Absorption in Sq.Ft	Vacancy Rate	Market Rent/SF	Market Rent Growth 12 Mo	Market Cap Rate
Boston - MA	3,605,227	9.6%	\$41	1.3%	6.0%
Dallas-Fort Worth - TX	3,083,033	17.6%	\$28	1.5%	7.0%
Austin - TX	2,797,084	12.9%	\$43	2.6%	5.9%
Atlanta - GA	2,779,828	14.2%	\$27	1.3%	7.2%
San Jose - CA	2,470,052	11.9%	\$62	1.1%	5.0%
Las Vegas - NV	1,877,920	10.3%	\$25	4.4%	7.4%
Nashville - TN	1,628,959	10.5%	\$29	1.6%	7.1%
Palm Beach - FL	1,413,856	8.9%	\$38	6.7%	6.5%
San Diego - CA	1,358,815	11.3%	\$37	2.6%	6.2%
Provo - UT	1,321,140	7.6%	\$22	2.4%	8.3%
Miami - FL	1,220,143	10.0%	\$42	5.8%	6.1%
Houston - TX	1,186,441	18.8%	\$29	-0.3%	8.0%
Charlotte - NC	1,106,982	11.6%	\$30	2.4%	6.7%
Salt Lake City - UT	1,042,005	10.4%	\$24	2.8%	7.3%
Boise - ID	1,004,154	4.3%	\$20	2.9%	8.6%
Orlando - FL	999,318	7.8%	\$26	3.5%	7.6%
Oklahoma City - OK	924,703	9.7%	\$19	1.0%	9.1%
Baton Rouge - LA	843,573	4.9%	\$19	2.1%	10.1%
Sacramento - CA	813,972	10.0%	\$27	1.7%	7.2%
San Francisco - CA	766,685	13.9%	\$62	-1.7%	4.7%
Inland Empire - CA	736,346	6.4%	\$24	3.0%	7.1%

Source: CoStar. The cap rate is a modeled cap rate based on sales transactions data for some properties.

Top Industrial Real Estate Markets by Net Absorption in 2022 Q1

Geography Name	12-Month Net Absorption in Sq. Ft.	Vacancy Rate	Market Rent/SF	Market Rent Growth 12 Mo	Market Cap Rate
Chicago - IL	40,027,860	4.7%	\$8.3	9.2%	6.9%
Dallas-Fort Worth - TX	38,619,956	5.7%	\$7.9	12.6%	5.8%
Houston - TX	37,206,020	6.3%	\$8.1	5.5%	6.6%
Inland Empire - CA	31,940,252	1.3%	\$11.4	15.1%	4.2%
Atlanta - GA	30,044,684	3.6%	\$7.5	13.7%	6.1%
Phoenix - AZ	24,801,588	4.5%	\$10.3	14.0%	5.9%
Indianapolis - IN	20,205,816	3.1%	\$6.5	9.6%	7.4%
Columbus - OH	17,373,768	2.6%	\$6.4	16.1%	6.6%
Philadelphia - PA	15,800,641	4.2%	\$9.1	13.2%	6.6%
Austin - TX	14,216,075	3.4%	\$13.0	11.7%	6.5%
Los Angeles - CA	13,912,516	1.6%	\$16.4	13.4%	4.4%
New York - NY	13,357,174	3.3%	\$16.7	10.5%	5.2%
Las Vegas - NV	11,910,087	2.0%	\$11.6	16.5%	5.2%
Memphis - TN	10,201,595	6.7%	\$4.6	11.1%	7.5%
Savannah - GA	9,483,289	1.6%	\$7.0	14.1%	6.2%
Lehigh Valley - PA	9,302,010	4.9%	\$7.3	10.4%	6.0%
San Antonio - TX	9,011,088	4.1%	\$9.1	9.1%	6.9%
San Diego - CA	8,610,590	2.9%	\$19.2	10.3%	5.2%
Kansas City - MO	8,439,673	4.5%	\$6.3	9.2%	7.6%
Louisville - KY	8,380,915	3.3%	\$5.7	11.7%	7.2%
Denver - CO	8,245,204	5.5%	\$11.2	8.1%	6.1%
Seattle - WA	8,163,161	4.0%	\$12.8	10.2%	4.9%
Detroit - MI	8,125,785	4.5%	\$8.0	11.1%	8.8%

Source: CoStar. The cap rate is a modeled cap rate based on sales transactions data for some properties.

Top 20 Retail Real Estate Markets by Net Absorption in 2022 Q1

Geography Name	12-Month Net Absorption in Sq. Ft.	Vacancy Rate	Market Rent/SF	Market Rent Growth 12 Mo	Market Cap Rate
Dallas-Fort Worth - TX	7,036,270	5.0%	\$21.3	5.8%	6.5%
Houston - TX	6,613,594	5.4%	\$21.3	3.5%	6.9%
Atlanta - GA	5,100,749	4.3%	\$19.7	6.6%	7.0%
New York - NY	3,810,979	3.9%	\$44.7	1.9%	6.0%
Phoenix - AZ	2,898,363	6.3%	\$21.2	6.6%	6.7%
Chicago - IL	2,847,915	5.9%	\$20.1	3.2%	7.3%
San Antonio - TX	2,219,733	4.2%	\$19.9	2.3%	6.3%
Tampa - FL	2,090,084	3.5%	\$22.1	8.0%	6.5%
Detroit - MI	2,055,375	5.1%	\$17.7	5.4%	7.8%
Orlando - FL	1,887,083	3.9%	\$25.3	7.6%	6.7%
Austin - TX	1,805,872	3.5%	\$27.4	4.4%	5.9%
Las Vegas - NV	1,703,053	5.5%	\$29.0	10.9%	6.0%
Jacksonville - FL	1,700,151	3.9%	\$21.0	9.3%	6.9%
Charlotte - NC	1,677,554	3.6%	\$21.7	7.6%	6.9%
Philadelphia - PA	1,580,027	4.8%	\$21.2	1.4%	7.0%
Boston - MA	1,467,186	2.8%	\$24.8	1.9%	6.2%
Indianapolis - IN	1,405,081	3.7%	\$17.4	8.0%	7.9%
Washington - DC	1,393,169	4.9%	\$30.1	3.1%	6.1%
Denver - CO	1,250,399	4.6%	\$24.2	3.3%	6.2%
Columbus - OH	696,557	4.0%	\$17.4	4.1%	7.8%

Source: CoStar. The cap rate is a modeled cap rate based on sales transactions data for some properties.

Weekly Real Estate Monitor

More Interesting Data

REALTORS® Land Market Survey



Land Sales rose 6% in 2021, surpassing the sales increase of other commercial real estate types.

The 2021 surveys about the land transactions of REALTORS® reveal a strong land market in 2021. Land sales rose on average by 6% in 2021, surpassing the sales growth of commercial real estate properties such as single-family rentals (5%), industrial (4%), and apartment buildings (2% for Class A and 3% for Class B/C).

Residential land sales accounted for a higher share of residential real estate sales, at 4%. Residential land for the buyer to build on accounted for a higher share of residential sales, at 4% in 2021.

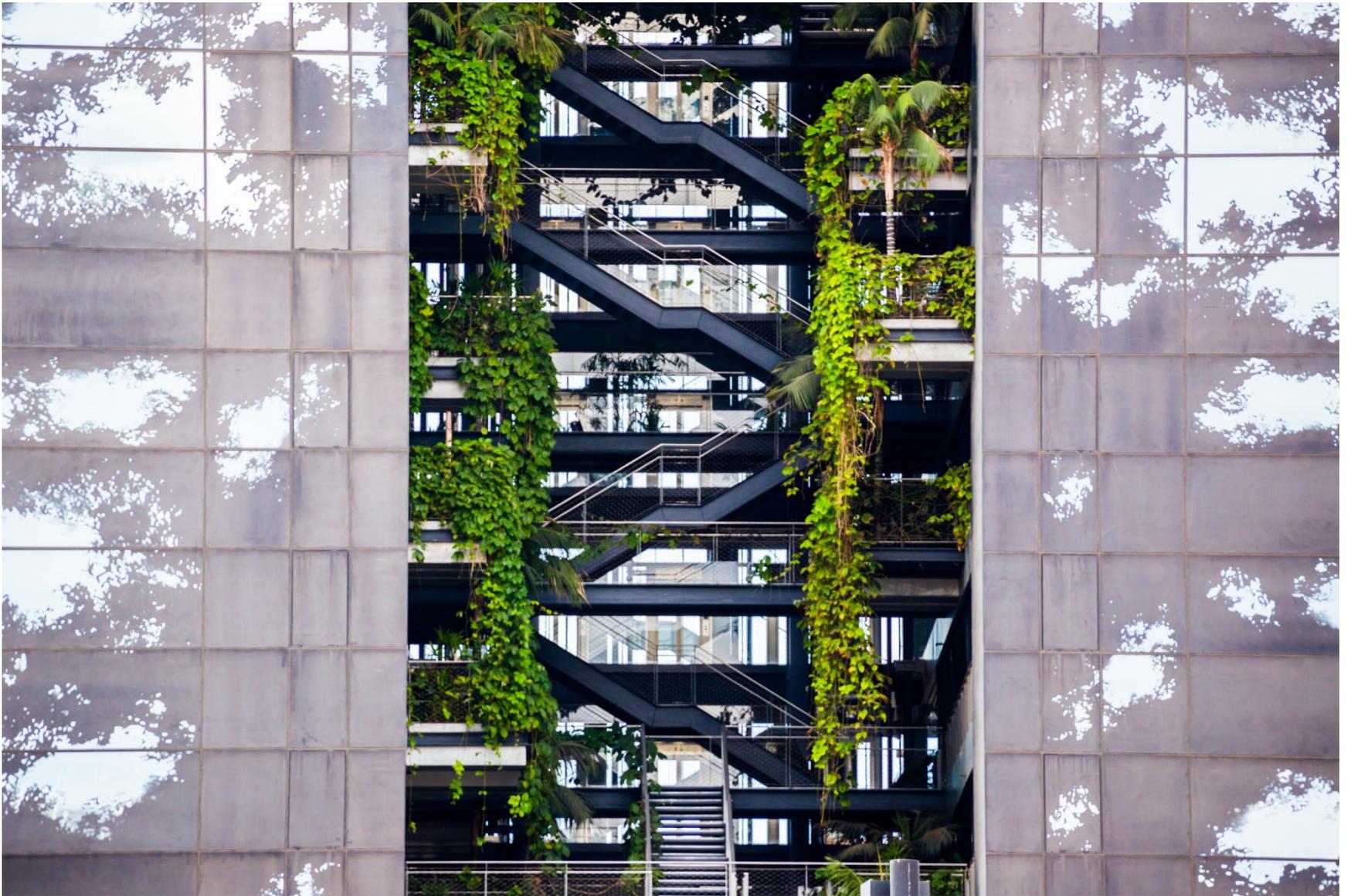
[Read the full report here](#)

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More Interesting Data

Commercial Weekly: Modest Rent Differences and Rising Construction Cost are Headwinds for Office-to-Residential Conversions in Major Metro Areas

[Read the full article here](#)



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