

2022

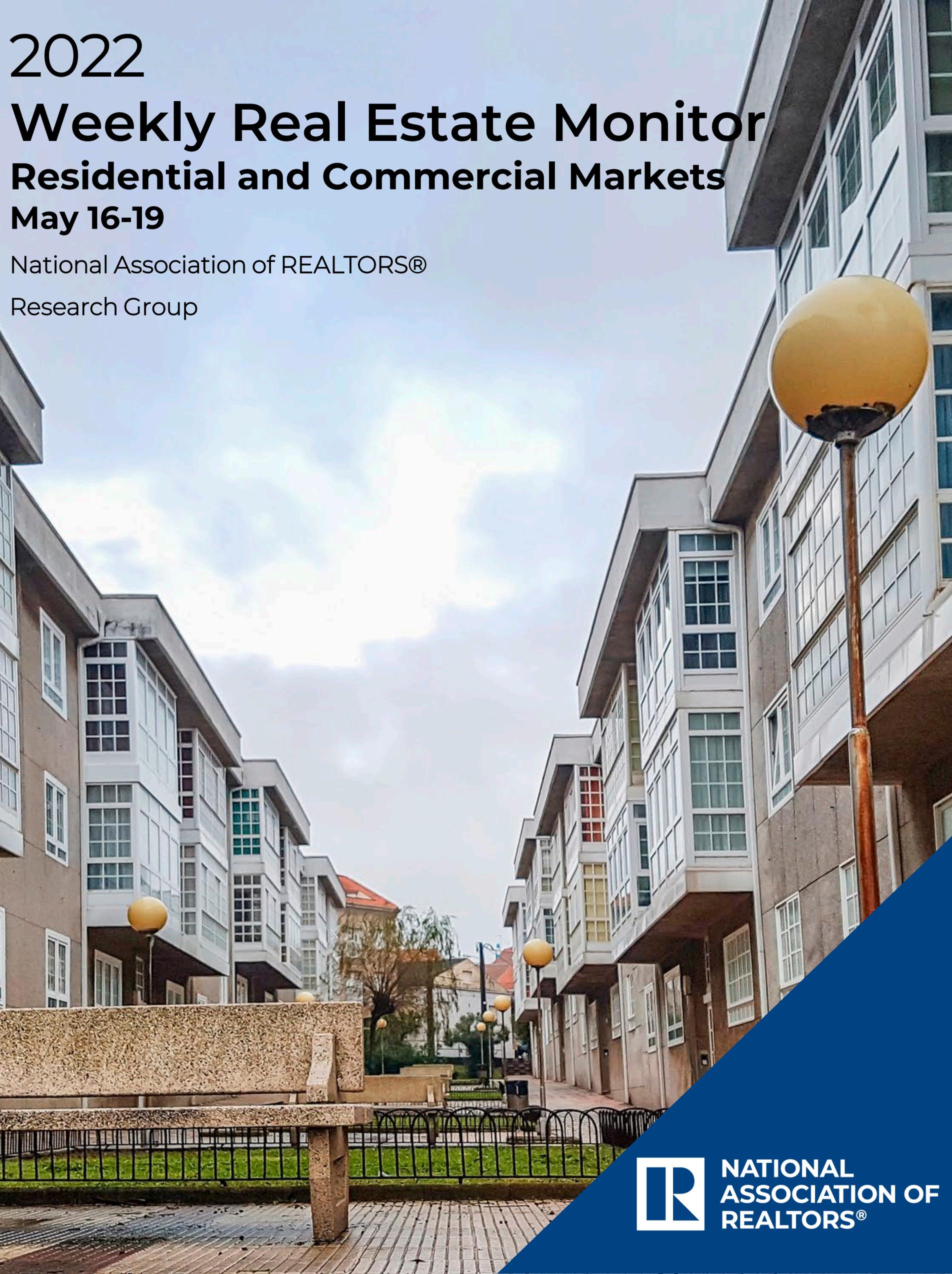
# Weekly Real Estate Monitor

## Residential and Commercial Markets

May 16-19

National Association of REALTORS®

Research Group



NATIONAL  
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# Weekly Real Estate Monitor

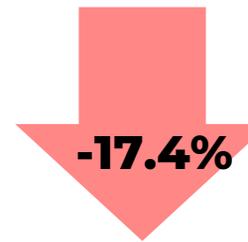
## Housing Market at a Glance: the Last Month (ending May 15)

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



-39.2% one year ago

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



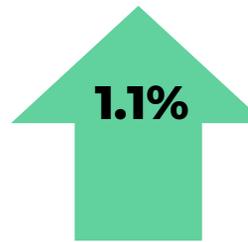
+46.3% one year ago

Ratio of pending listings per 10 active listings:



10.4 one year ago

Year-over-year percent change in new listings in the past 4 weeks :



+25% one year ago

Year-over-year percent change in pending sales in the past 4 weeks :



+31.4% one year ago

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



+17.2% one year ago

Sale-to-list price ratio:



99.4% one year ago

Median days on market:



16 days one year ago

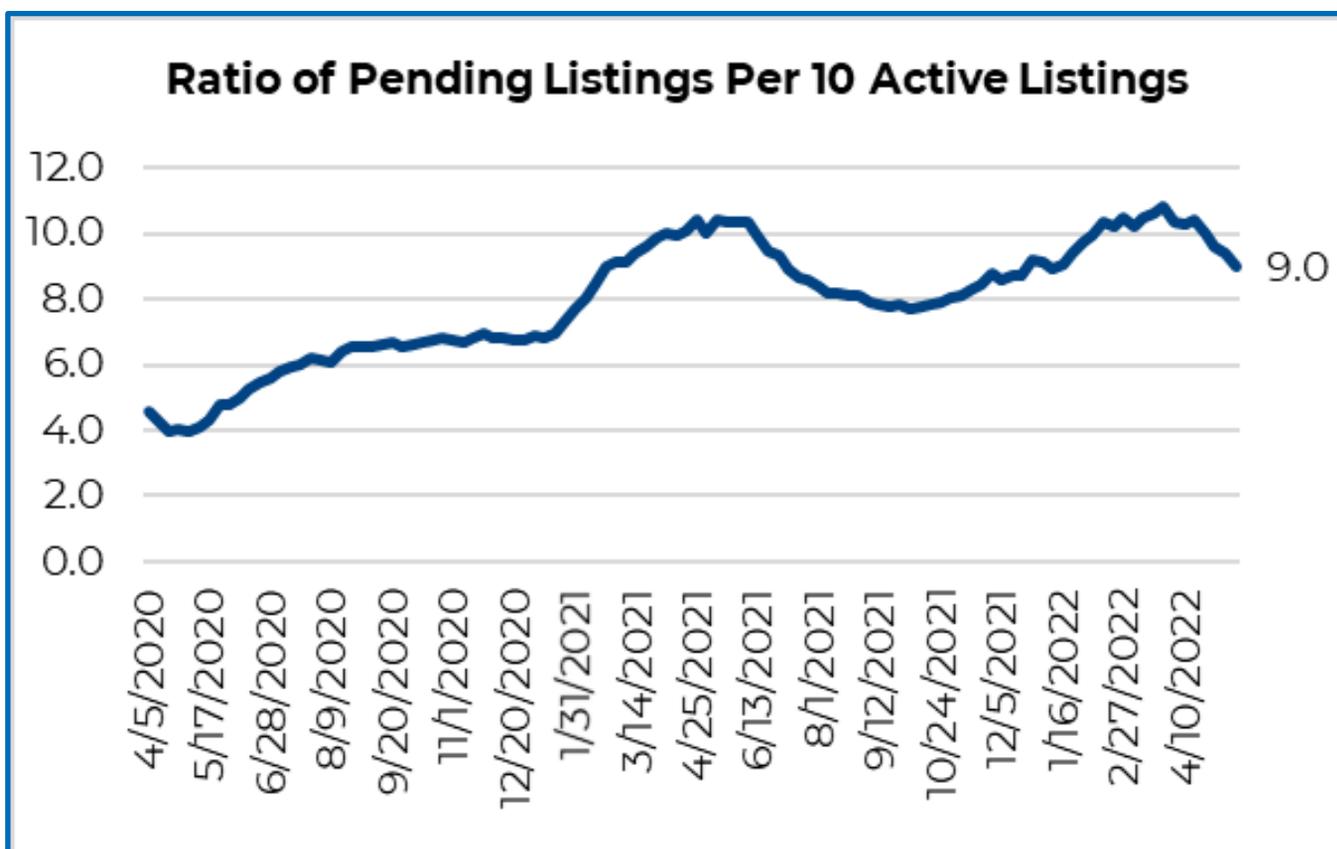
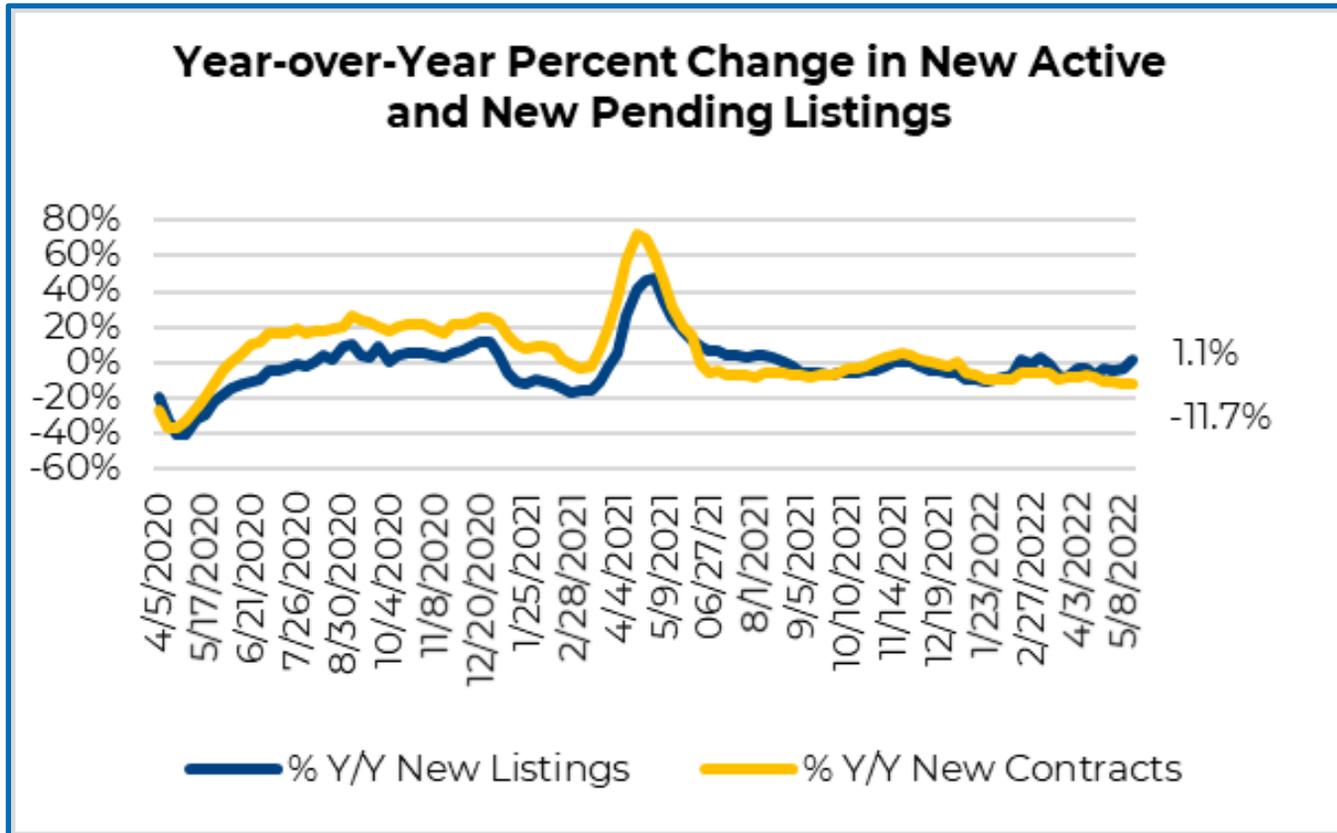
# Weekly Real Estate Monitor

## New Contract Signings Decreased by 12%

With mortgage rates rising to over 5%, supply is rising faster than demand. Based on preliminary data, new contracts signed decreased 11.7% on a year-over-year basis while new pending listings increased 1.1%.

The inventory of pending listings (all contracts signed) was down 17.4% from one year ago, while the inventory of active listings fell at a lower rate of 4.2% from one year ago.

There were 9 pending listings for every 10 active listings (10.4 one year ago).

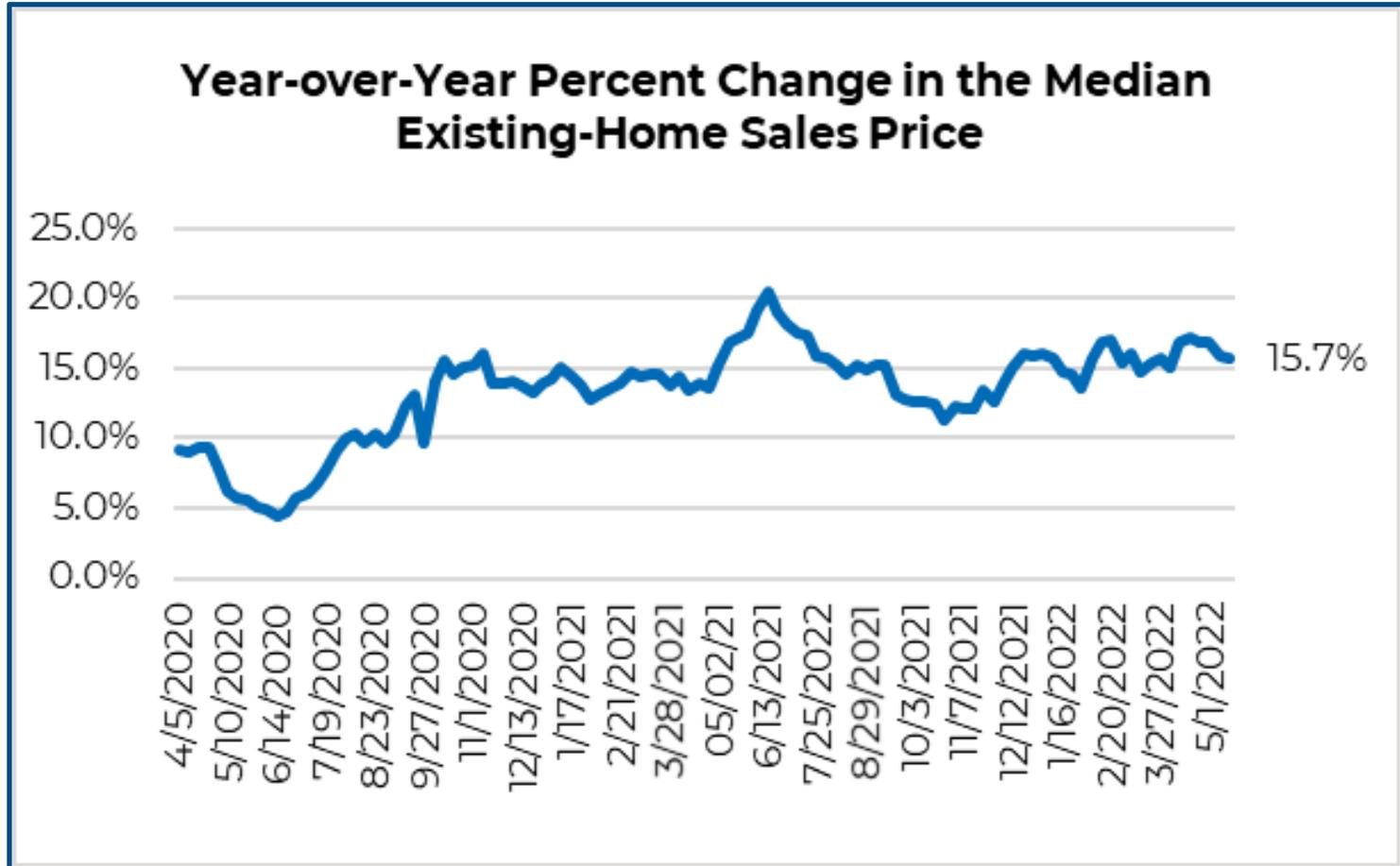


# Weekly Real Estate Monitor

## Home Price Appreciation Slightly Moderated to 15.7%

With slowing demand, the median existing-home sales price on homes sold increased at a slower pace of 15.7% (15.9% in the prior 4-week period; 17.2% one year ago).

However, on average, homes are closing at a price slightly higher than the list price. The sale-to-list price ratio rose to 100.5% (99.4% one year ago).

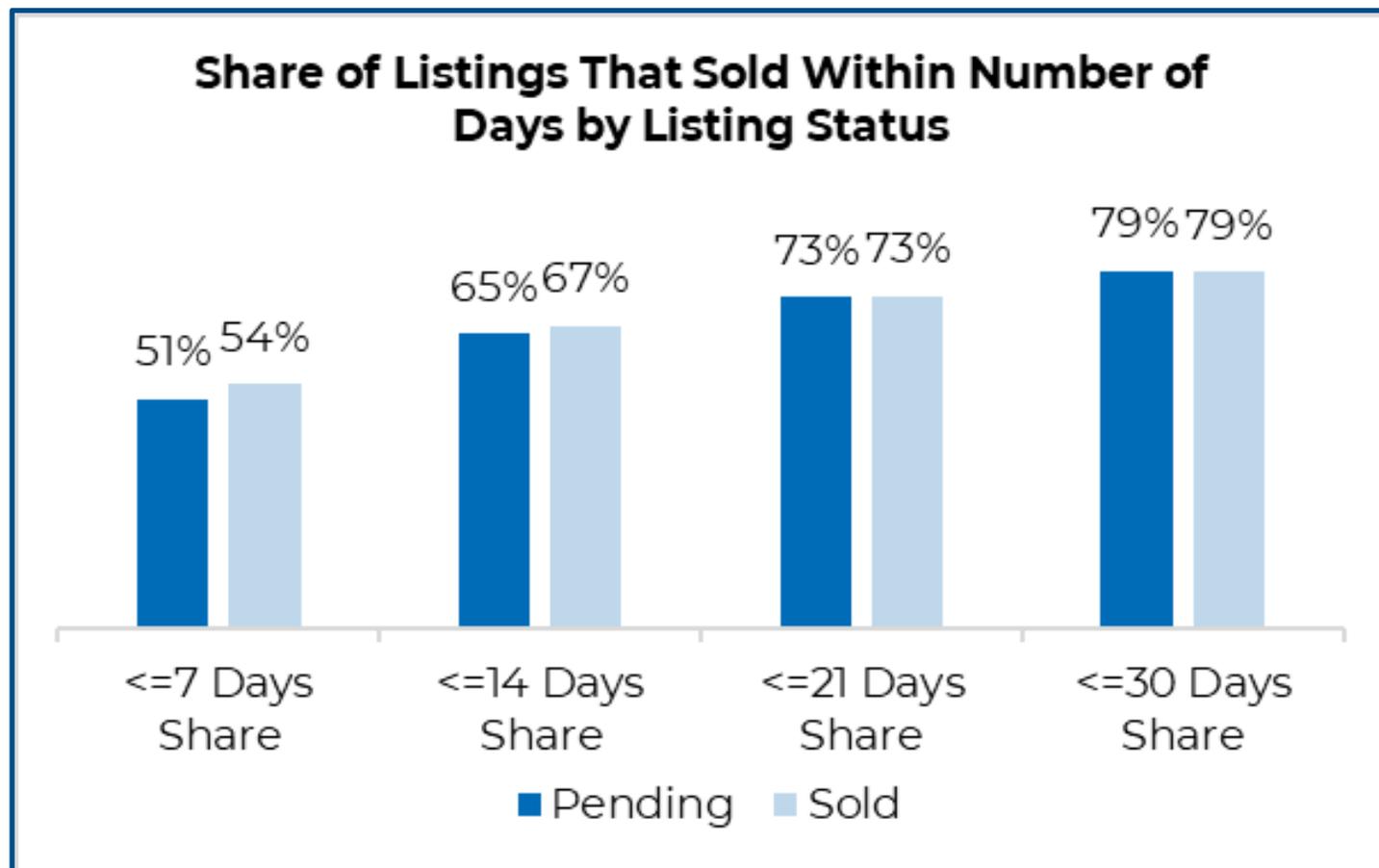
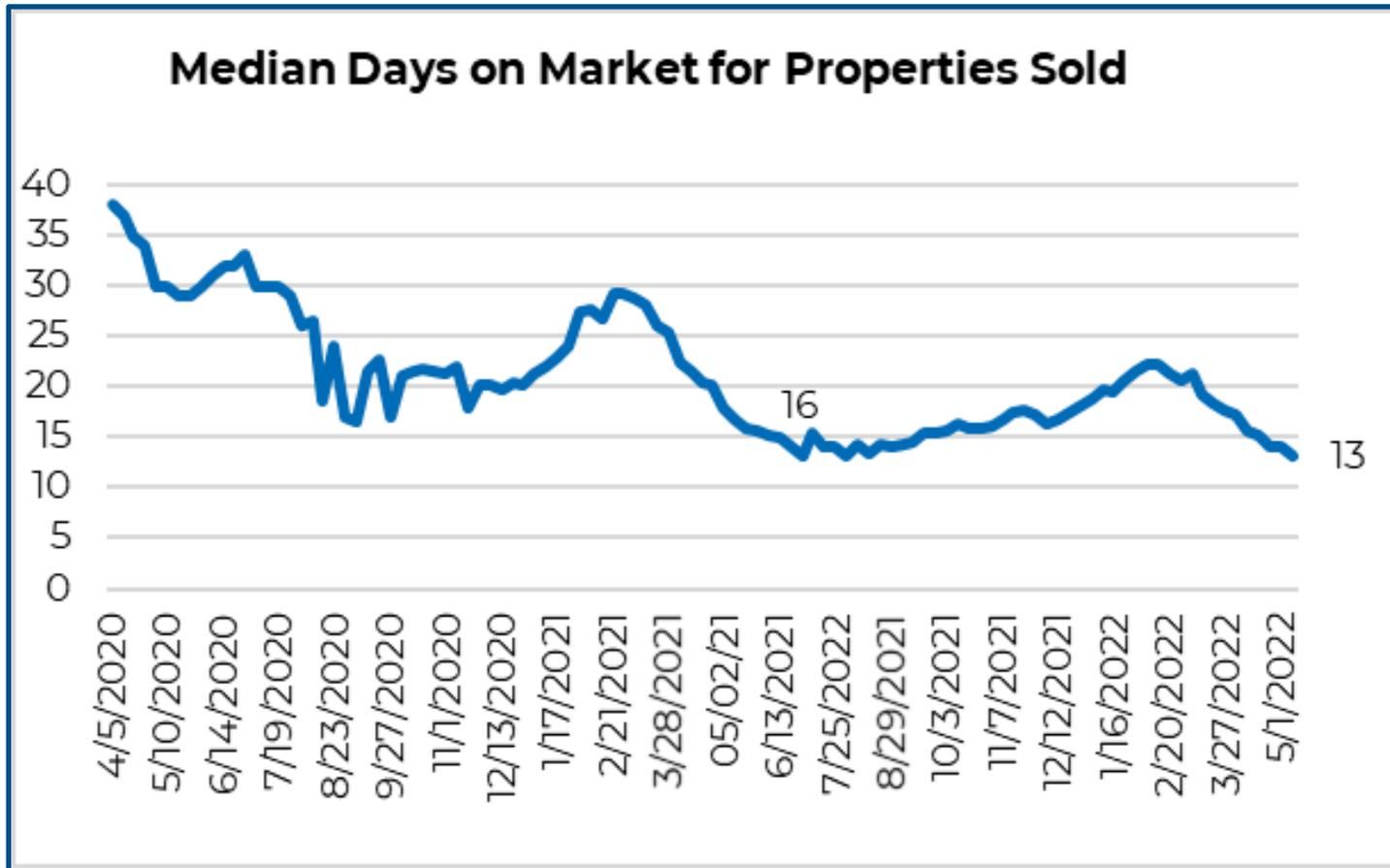


# Weekly Real Estate Monitor

## Properties Typically Sold Faster in 13 Days

Despite slowing demand, properties sold faster, with the median days on market at 13 days, compared to 16 days one year ago.

However, properties could likely stay longer on the market in the coming months. Among new pending contracts during the past four weeks, 51% sold within seven days, a lower rate than the 54% share on homes sold during the past four weeks.



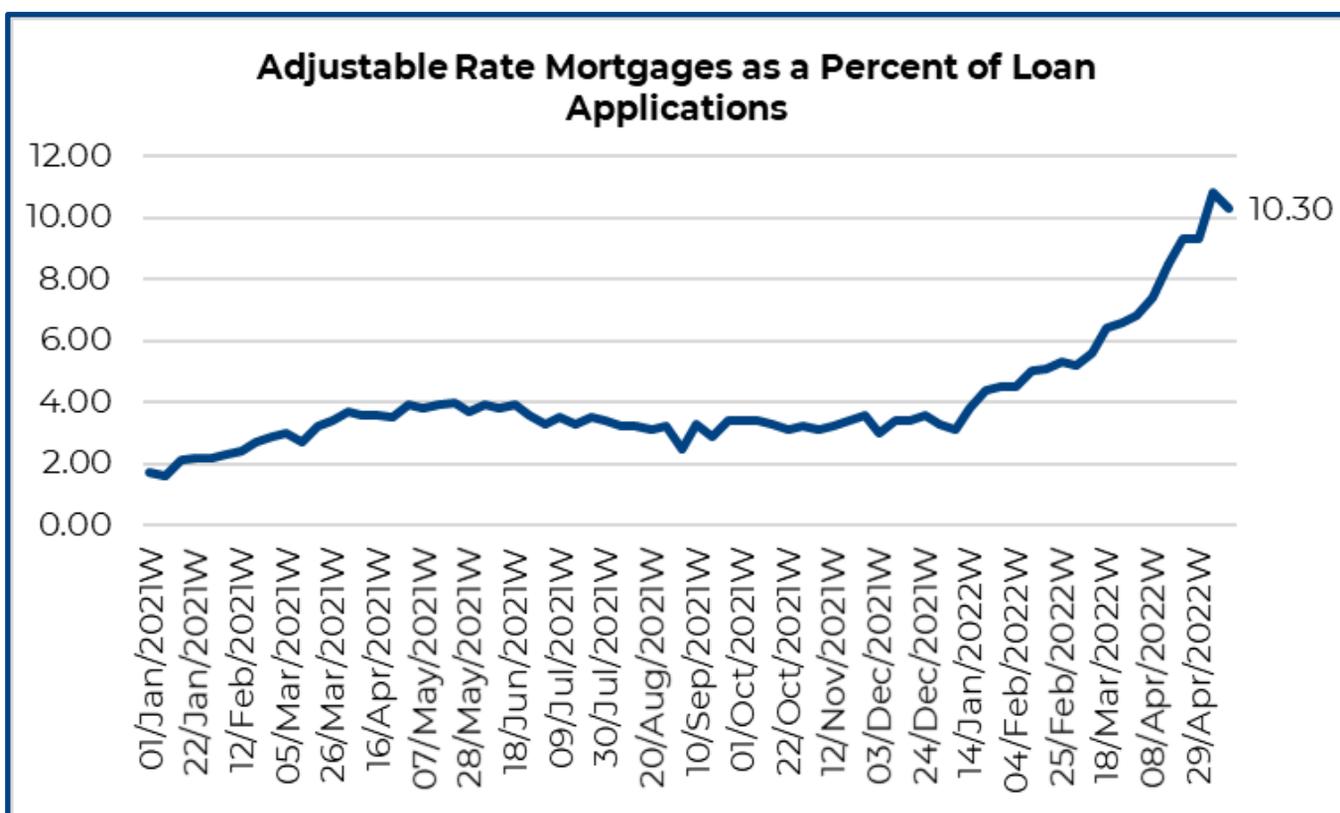
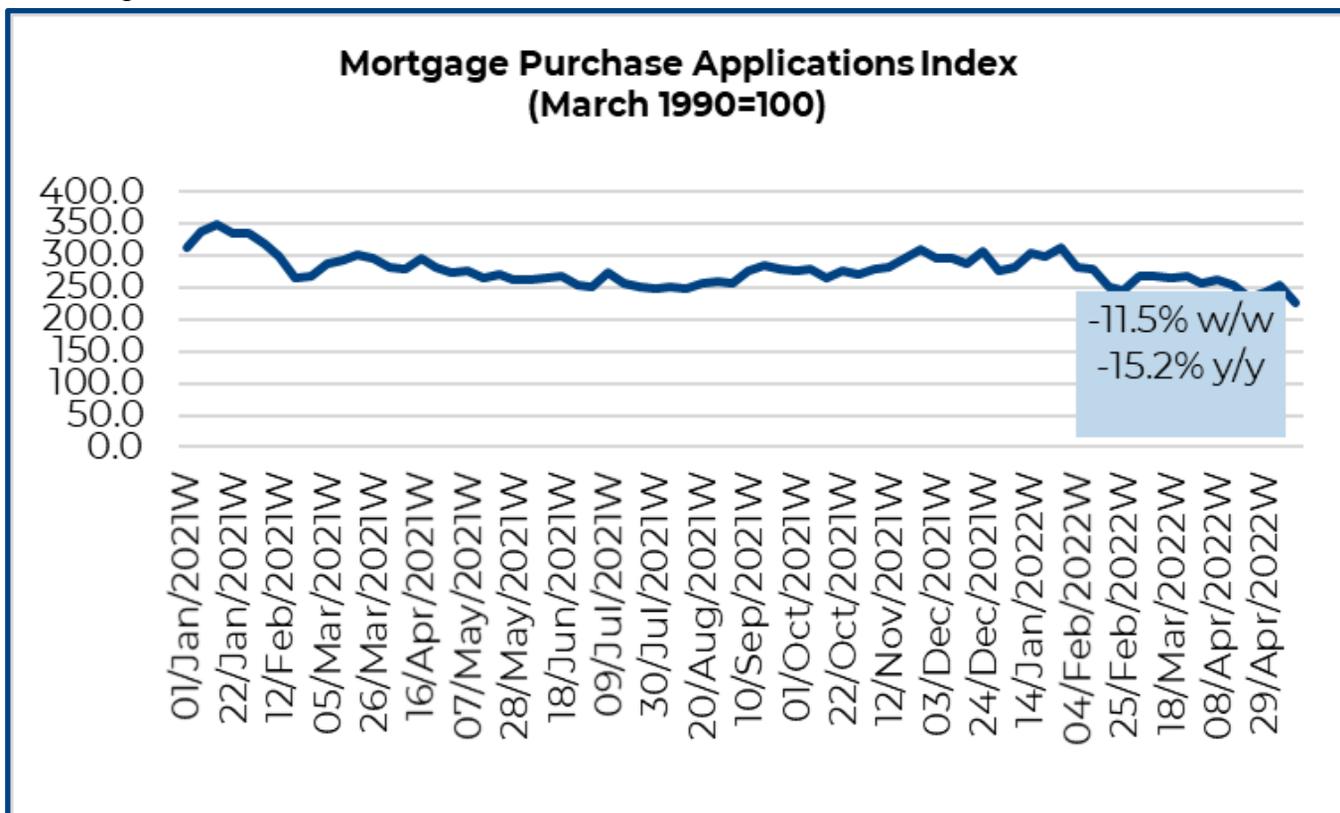
# Weekly Real Estate Monitor

## Mortgage Home Applications Decreased 11.5% as the Share of ARMs Increased to 10%

With mortgage rates rising to 5.3%, mortgage applications for a home purchase decreased 11.5% from the prior week and are down 15.2% from the prior year, according to the MBA Weekly Mortgage Applications Survey.

Refinancing applications decreased 9.5% from the prior week and were down 75.8% from one year ago.

As borrowers seek ways to have affordable payments, the share of adjustable-rate mortgages increased to 10.3% of total loan applications, up from about 2% at the beginning of the year.



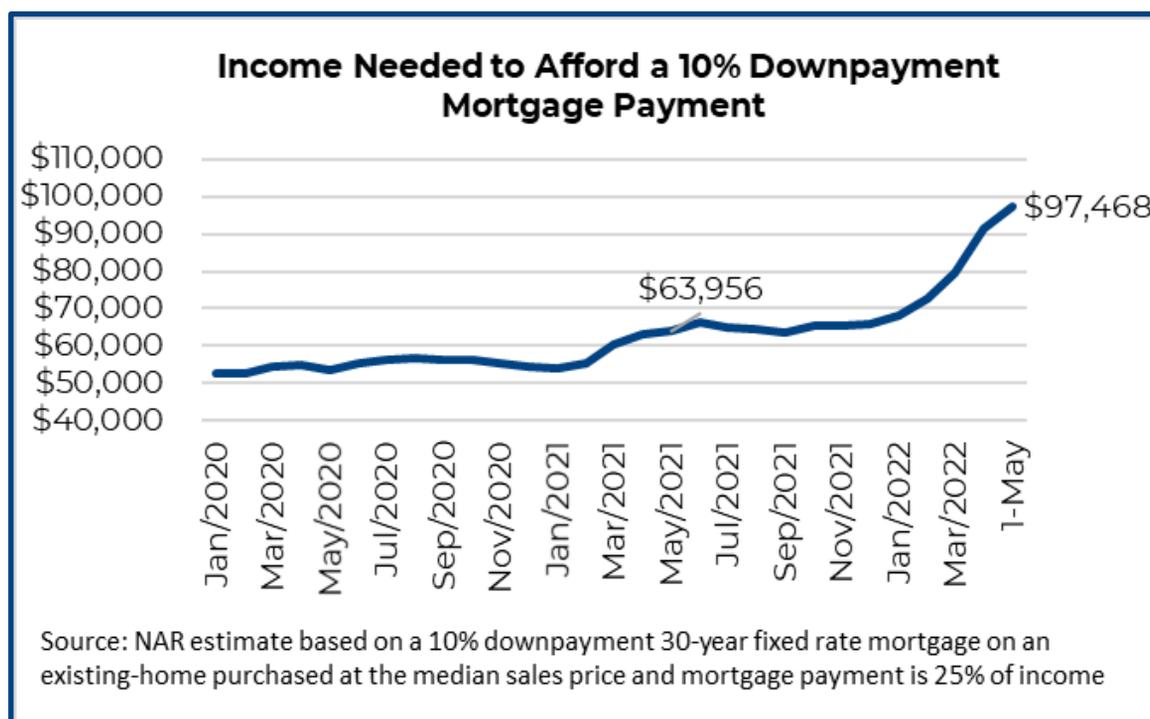
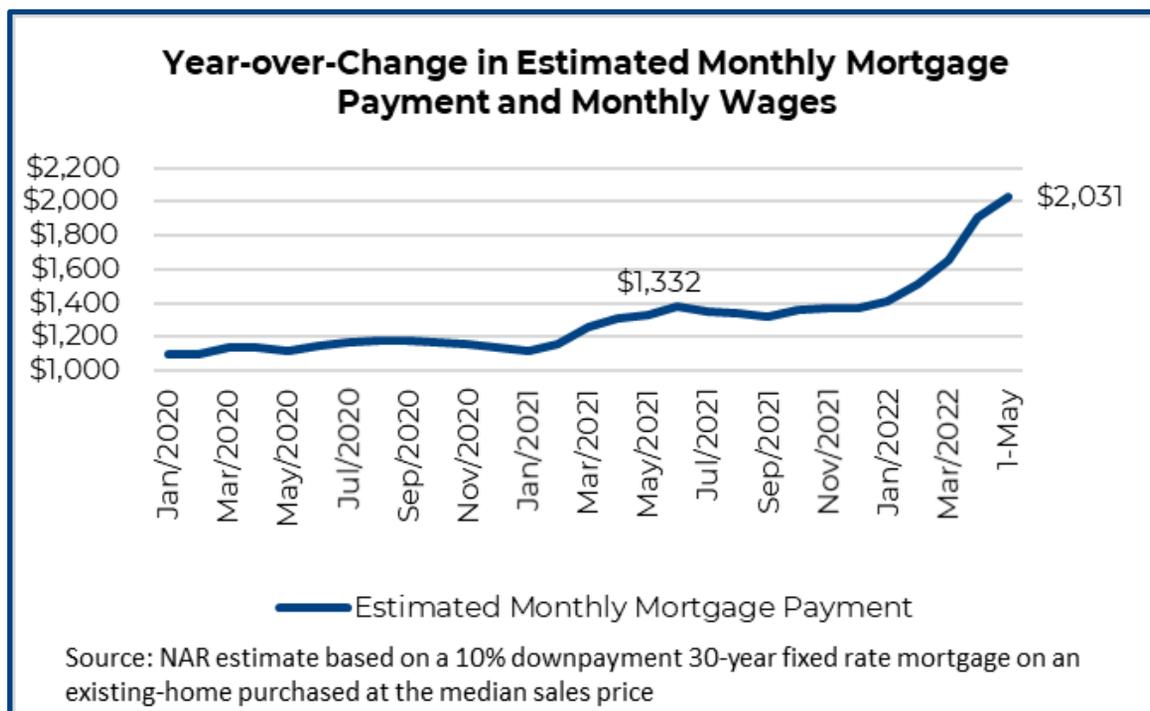
# Weekly Real Estate Monitor

## Monthly Mortgage Payment Rises by \$700 from One Year Ago; Income Needed to Afford a Mortgage Rises to \$97,468

With a forecasted median existing-home sales price of \$403,075 for May and a 30-year fixed mortgage rate of 5.3%, a homeowner will typically pay \$2,031 on a 10% downpayment 30-year loan, or nearly \$700 more in monthly mortgage compared to one year ago, up 52% year-over-year. Meanwhile, estimated monthly wages are up by just \$210.

A family needs an income of at least \$97,468 to afford a mortgage, up from \$63,956 one year ago, or about \$33,500 more. NAR considers a mortgage payment affordable if it is more than 25% of income.

For a 1-earner family, the annual mortgage payment rises to 42.2% of the annualized average weekly wage (\$1,108 weekly, \$57,766 annualized), which means a family needs to have more than 1 worker in the family to afford a home.



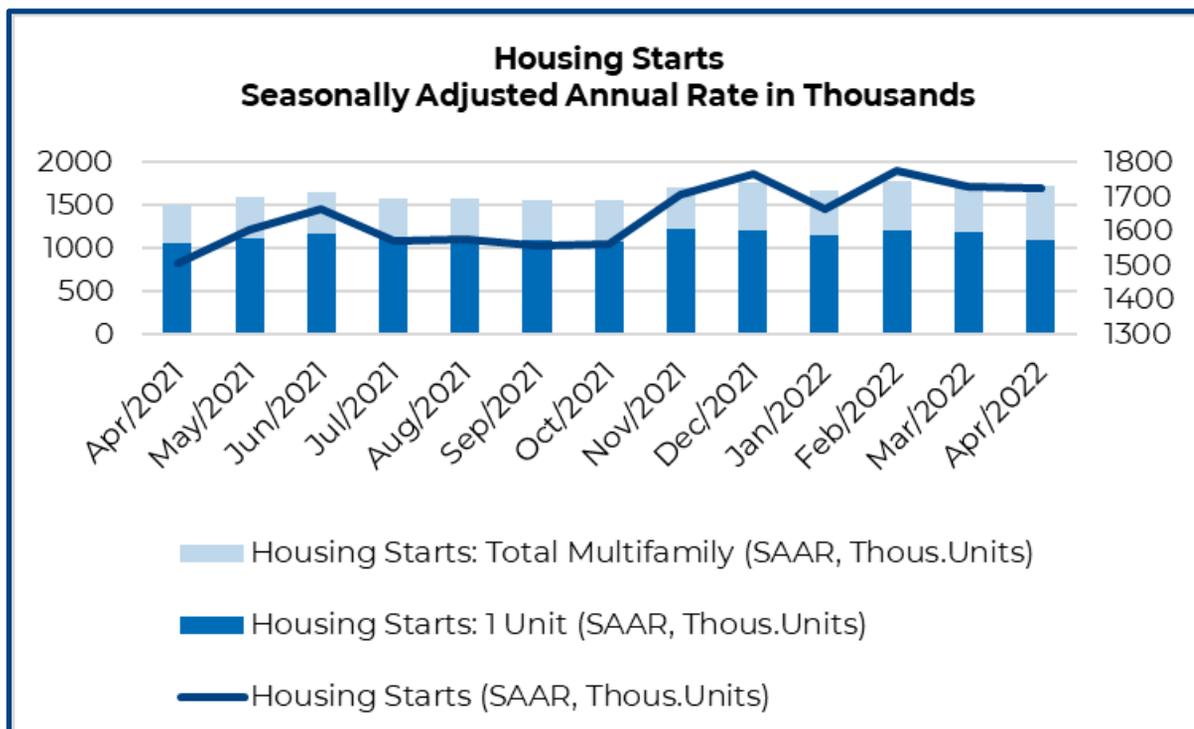
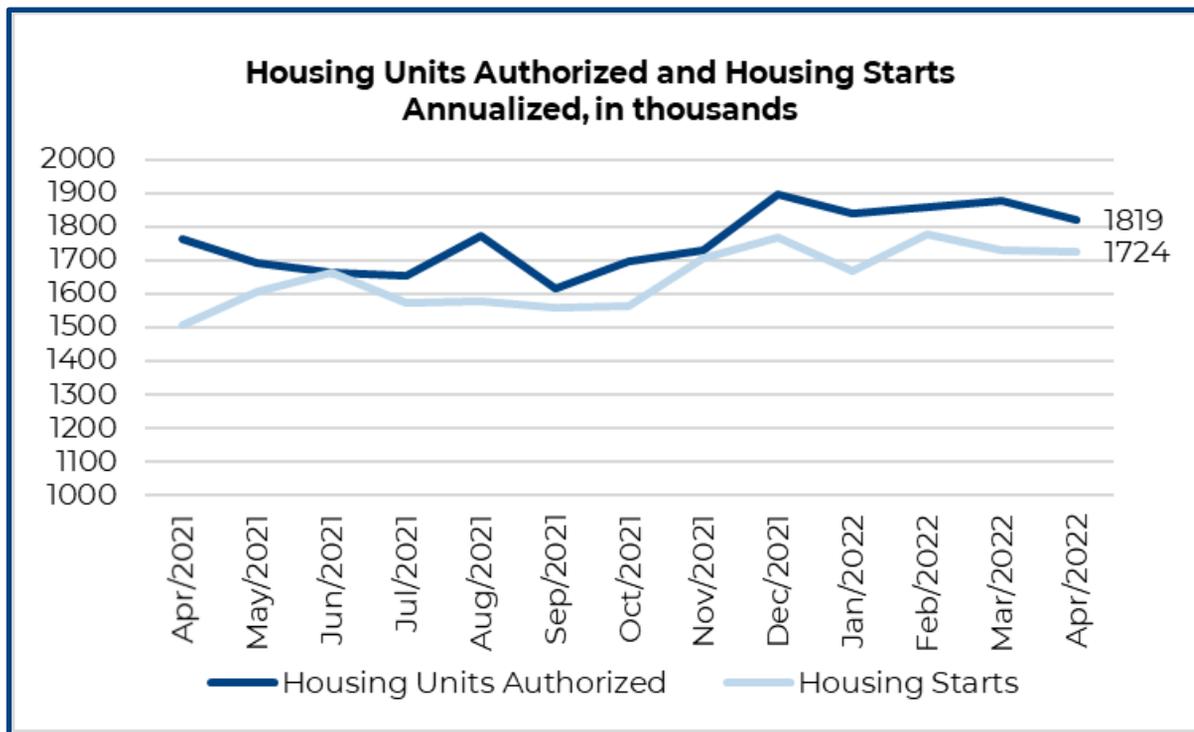
# Weekly Real Estate Monitor

## Housing Starts Slipped in April, as Builders Veer Towards Multifamily Housing

Housing units authorized measured on a seasonally adjusted annual rate slipped to 1.82 million in April, down by 60,000 units from March, but higher by 54,000 units from one year ago.

Housing starts measured on a seasonally adjusted annual rate also slipped to 1.724 million, down by 4,000 units from March but also higher by 219,000 units from one year ago.

Builders are veering towards the construction of multifamily housing. Multifamily housing starts rose to an annualized rate of 624,000 units, the highest in nearly 40 years. From one year ago, 1-unit housing starts are only higher by 39,000 units while multifamily starts are up by 180,000 units.



# Weekly Real Estate Monitor

## Positive Net Absorption in Commercial Market in 2022 Q2

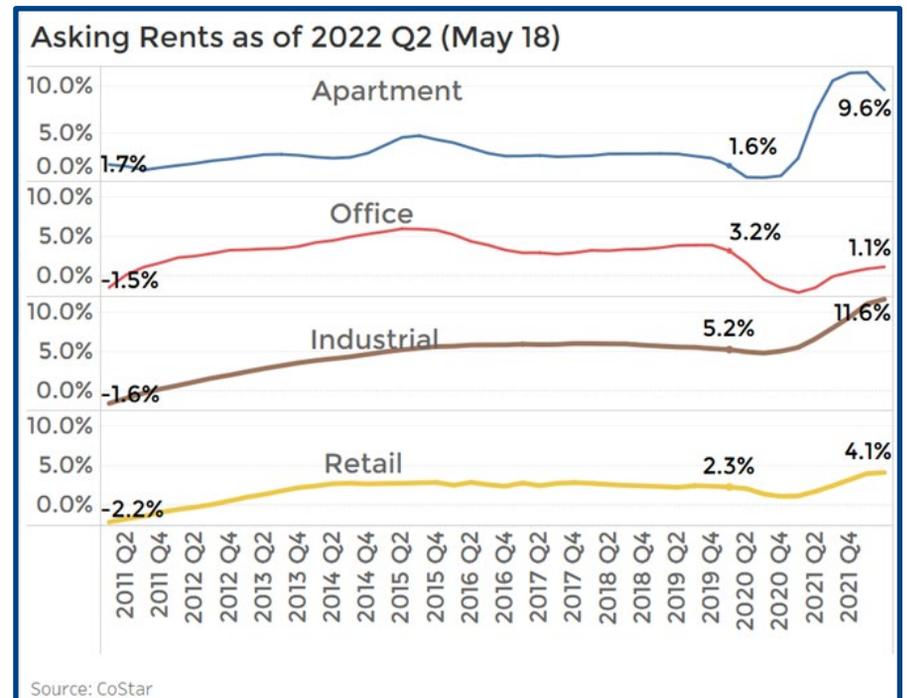
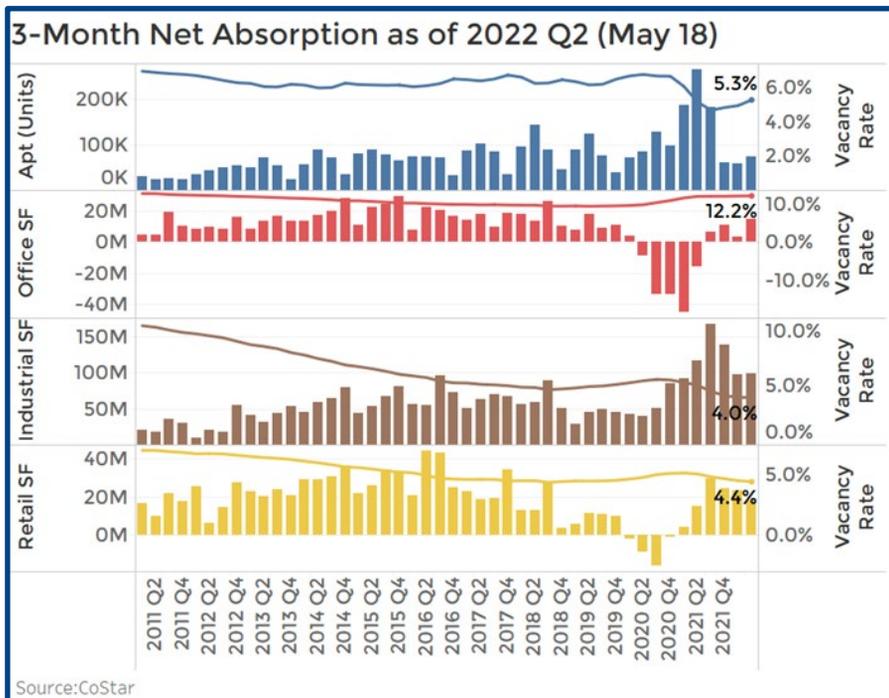
Absorption is rising in the multifamily apartment market, with 73,544 units absorbed on a net basis in the three months through May 18, up from 59,203 in the first quarter. However, with deliveries outpacing absorption, the vacancy rate increased to 5.3%, and asking rents rose at a slower pace of 9.6% from the double-digit pace in past months.

In the office market, 15.2 million square feet (MSF) was absorbed in the past three months through May 18, from 3.6 MSF in the first quarter, with asking rents up 1.1% year-over-year. The vacancy rate remains elevated at 12.2%.

In the industrial market, 99 MSF was absorbed on a net basis in the first quarter. The sector has the lowest vacancy rate at 4%, driving up the year-over-year rent growth to 11.6%.

In the retail property market, 18.4 MSF was absorbed in the past three months as of May 18, a little slower than the 24 MSF in the first quarter. The vacancy rate is at 4.4%, with rents up 4.1% year-over-year.

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



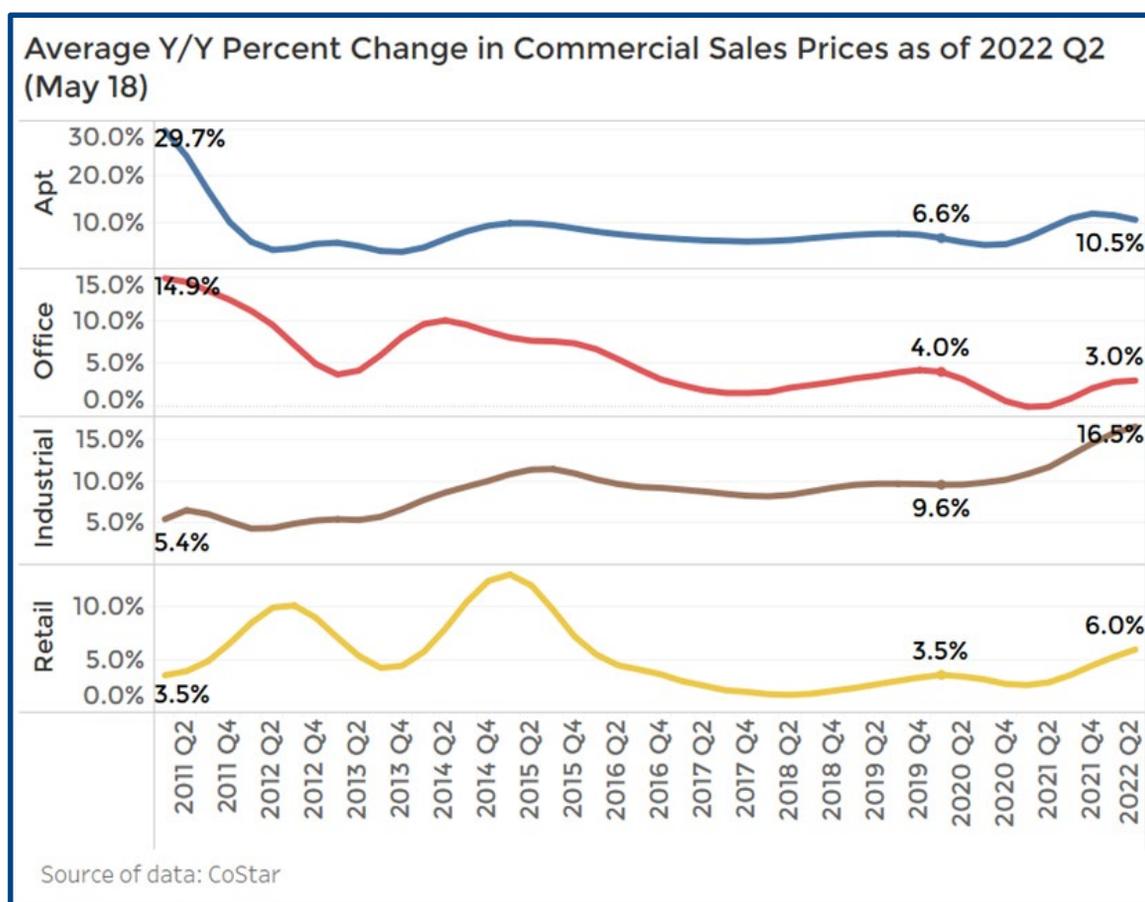
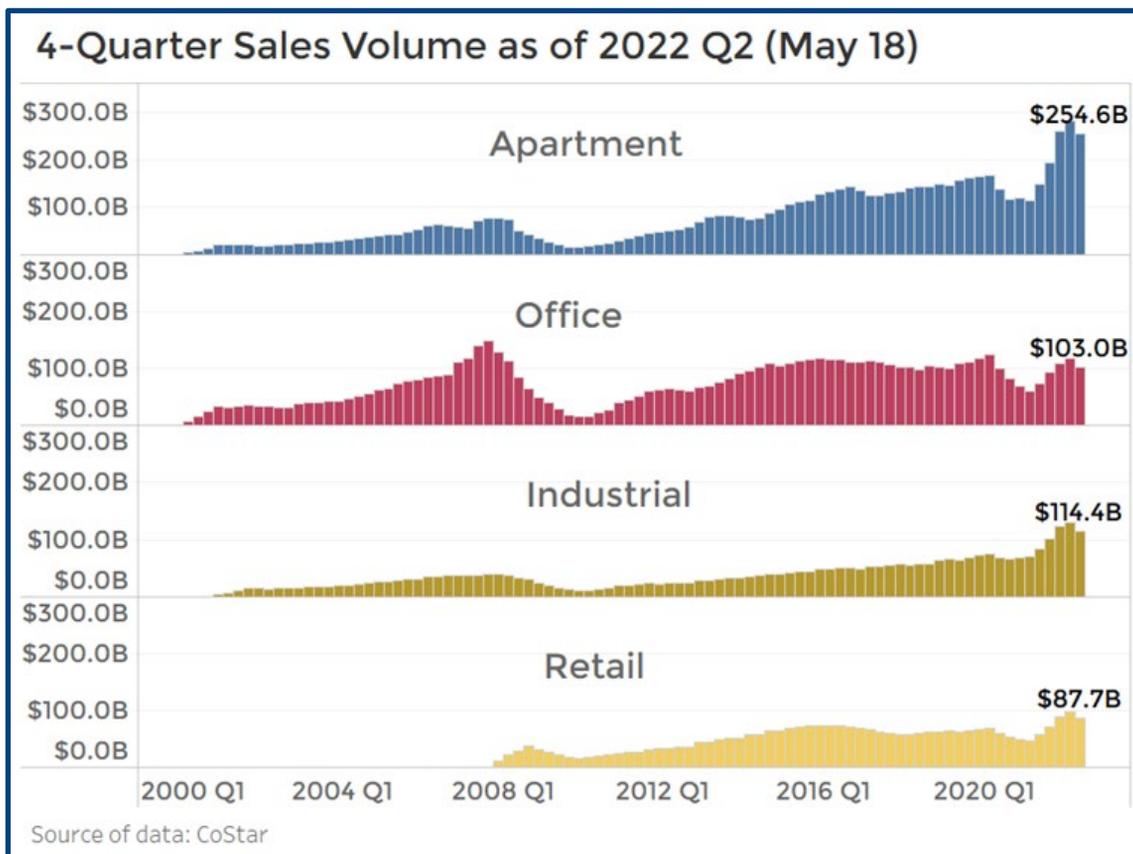
# Weekly Real Estate Monitor

## Commercial Sales Deals and Valuations are Rising

Commercial sales deals rose robustly during the past four quarters across all core property types, with the largest sales volume in the multifamily market: multifamily (\$254.6 bn) followed by industrial (\$114.4 bn).

Commercial sales prices increased on average across all markets, with the strongest pace for industrial properties at 16.5% year-over-year, followed by multifamily (10.5%). Even office values have recovered (+3%) and prices of retail properties are also up (+6%), even with the continuing challenge from e-commerce.

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.

## Impact of Institutional Buyers on Home Sales and Single-Family Rentals



This study:

- Estimates the market share of institutional buyers to total home sales using property deed records from Black Knight and compares the median price of institutional buyers to the median price of all buyers
- Looks at the factors that attract institutional investors to a particular market using data from the American Community Survey
- Analyzes the motivation for home sellers to sell to institutional buyers, the impact of institutional investors on home prices and rents, and the quality of service offered by institutional landlords relative to "mom and pop" landlords based on a survey of REALTORS®.

[Read the full report here](#)

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