

August 2022

REALTORS® CONFIDENCE INDEX SURVEY

National Association of REALTORS®
Research Group



NATIONAL
ASSOCIATION OF
REALTORS®

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Seller's market remains, but slightly less buyer competition

The Market Outlook from the REALTORS® Confidence Index is nearly unchanged in August 2022:

- 11% of respondents expect a year-over-year increase in buyer traffic in the next three months, flat from 10% in July 2022 but down from 31% in August 2021
- 12% of respondents expect a year-over-year increase in seller traffic in the next three months, down from 14% in July 2022 and 25% in August 2021

With supply still limited relative to demand, the market is still moving at a fast pace, and 32% of homes sold above list price, down from 39% a month ago and 45% a year ago:

- 81% of respondents reported properties sold in less than one month. Down from 82% a month ago and down from 87% in August 2021.
- Homes listed received an average of 2.5 offers, down from 2.8 offers in July 2022 and 3.8 in August 2021.
- Due to the lack of house inventory, the pace of the market, and the use of technology, 8% of buyers purchased a home based only on a virtual tour, showing, or open house without physically seeing the home. This is virtually unchanged from one month and one year ago.

Contracts typically closed in 30 days, the same as August 2022 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 and one year ago.
- 15% of contracts had delayed settlements in the past three months, compared to 17% in July 2022 and 23% a year ago.
- 8% of contracts had delayed settlement due to appraisal issues, slightly down from 11% last month and 12% one year ago.

First-time buyers represented 29% of buyers, virtually unchanged from one year ago and one month ago. Among buyers:

- 16% are purchased for non-primary residence use, up slightly from 14% last month and 15% one year ago.
- 7% were for vacation use, up from 5% last month and down slightly from 6% one year ago.
- 2% of sellers sold to an iBuyer, unchanged from one month and one year ago.
- One percent of sales were distressed, similar to one month and one year ago.

Contract activity remains competitive:

- 24% of buyers were all-cash sales, unchanged from last month and up from 22% in August 2021.
- 22% of buyers waived the inspection contingency, down from 27% a month ago but similar to the share one year ago.
- 21% of buyers waived the appraisal contingency, down from 27% a month ago and 25% a year ago.

Buyers continue to look outside of city centers for the majority of their activity:

- 87% of buyers purchased in a suburb, small town, rural, or resort area, about the same as last month and one year ago.

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August 2022 REALTORS® Confidence Index Survey Highlights

Market Outlook	Aug-22	Jul-22	Aug-21
Percent of respondents who expect a year-over-year increase in buyer traffic in next 3 months	11%	10%	31%
Percent of respondents who expect a year-over-year increase in seller traffic in next 3 months	12%	14%	25%
Key Market Indicators	Aug-22	Jul-22	Aug-21
Median days on market/3	16	14	17
Percent of properties sold in less than 1 month	81%	82%	87%
First-time homebuyers, as percent of sales	29%	29%	29%
Sales for non-primary residence use, as a percent of sales /1	16%	14%	15%
Sales intended for vacation use, as a percent of sales /1	7%	5%	6%
Cash sales, as percent of sales	24%	24%	22%
Distressed sales, as percent of sales	1%	1%	1%
Average number of offers received on the most recent sale	2.5	2.8	3.8
Percent of properties sold above the list price	32%	39%	45%
Other Market Indicators	Aug-22	Jul-22	Aug-21
Percent of buyers who waived inspection contingency	22%	27%	23%
Percent of buyers who waived appraisal contingency	21%	27%	25%
Percent of buyers who purchased property based on virtual tour/showing/open house only	8%	9%	8%
Percent of buyers who purchased in a suburban, small town, rural, or resort area	87%	86%	88%
Percent of respondents who had a potential buyer looking for work-from-home features /2	33%	33%	59%
Percent of sellers represented by Realtors® who sold the property to an iBuyer	2%	2%	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	15%	17%	23%
Percent of contracts with a delayed settlement that had appraisal issues	8%	11%	12%

/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

- 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 2022 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 4,401 respondents in the previous three surveys who provided their email addresses.
- There were 2,784 respondents to the online survey, which ran from September 1-8, 2022, of which 1,679 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.

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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.

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