

2021 Weekly Housing Market Monitor

March 15-18

National Association of REALTORS®
Research Group



**NATIONAL
ASSOCIATION OF
REALTORS®**

Weekly Housing Market Monitor

Home Buyers and Sellers Generational Trends Report

Since 2013, the National Association of REALTORS® has produced the Home Buyers and Sellers Generational Trends Report. This report provides insights into differences and similarities across generations of home buyers and sellers. The home buyer and seller data is taken from the annual Profile of Home Buyers and Sellers.

Millennial buyers 22 to 30 years (Younger Millennials) and buyers 31 to 40 years (Older Millennials) continue to make up the largest share of home buyers at 37%: Older Millennials at 23% and Younger Millennials at 14% of the share of home buyers. Millennials have been the largest share of buyers since the 2014 report. Buyers 41 to 55 (Gen Xers) consisted of 24% of recent home buyers. This group continues to be the highest earning home buyers with a median income of \$113,300 in 2019. For the report, buyers 56 to 65 (Younger Baby Boomers) and buyers 66 to 74 (Older Baby Boomers) were broken into two separate categories as they have differing demographics and buying behaviors. Buyers 56 to 65 consisted of 18% of recent buyers and buyers 66 to 74 consisted of 14% of recent buyers. Buyers 75 to 95 (The Silent Generation) represented the smallest share of buyers at 5%.

All generations of buyers continued to utilize a real estate agent or broker as their top resource to help them buy and sell their home.

METHOD OF HOME PURCHASE

Exhibit 4-1 (Percentage Distribution)

	AGE OF HOME BUYER						
	All Buyers	22 to 30	31 to 40	41 to 55	56 to 65	66 to 74	75 to 95
Through a real estate agent or broker	88%	91%	89%	88%	87%	87%	84%
Directly from builder or builder's agent	6	3	5	7	7	8	9
Directly from the previous owner	5	5	6	5	6	4	5
Knew previous owner	3	3	4	3	4	3	2
Did not know previous owner	2	2	2	2	2	1	3

[Read and download the full report here](#)

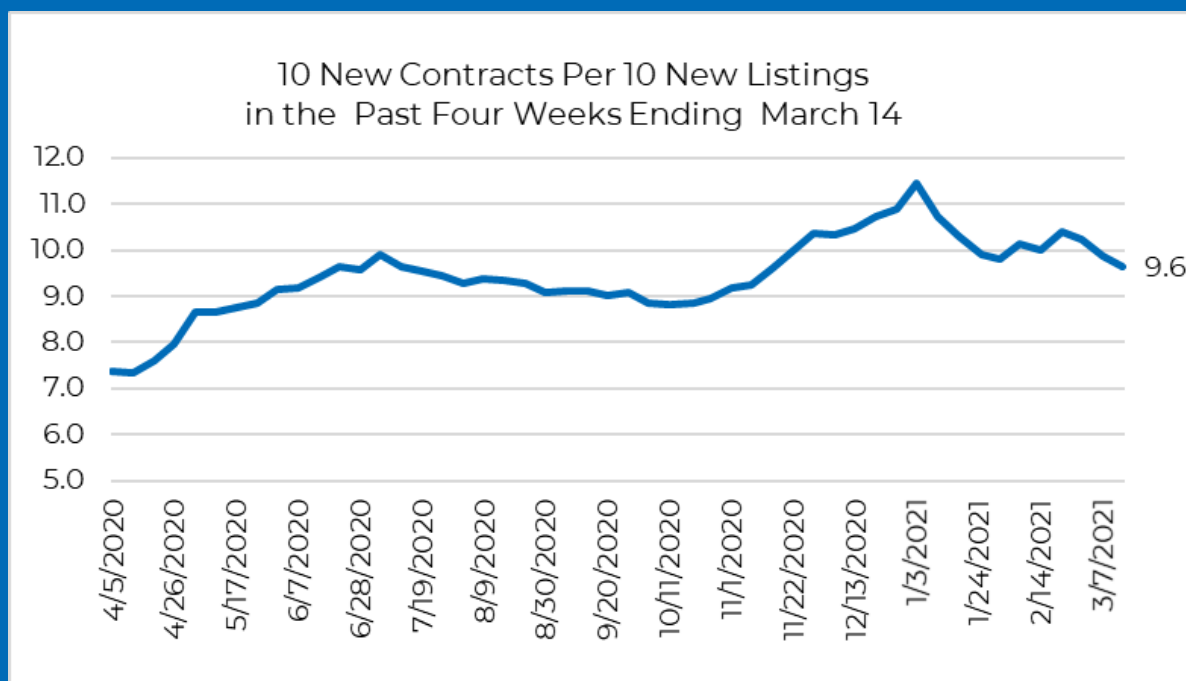
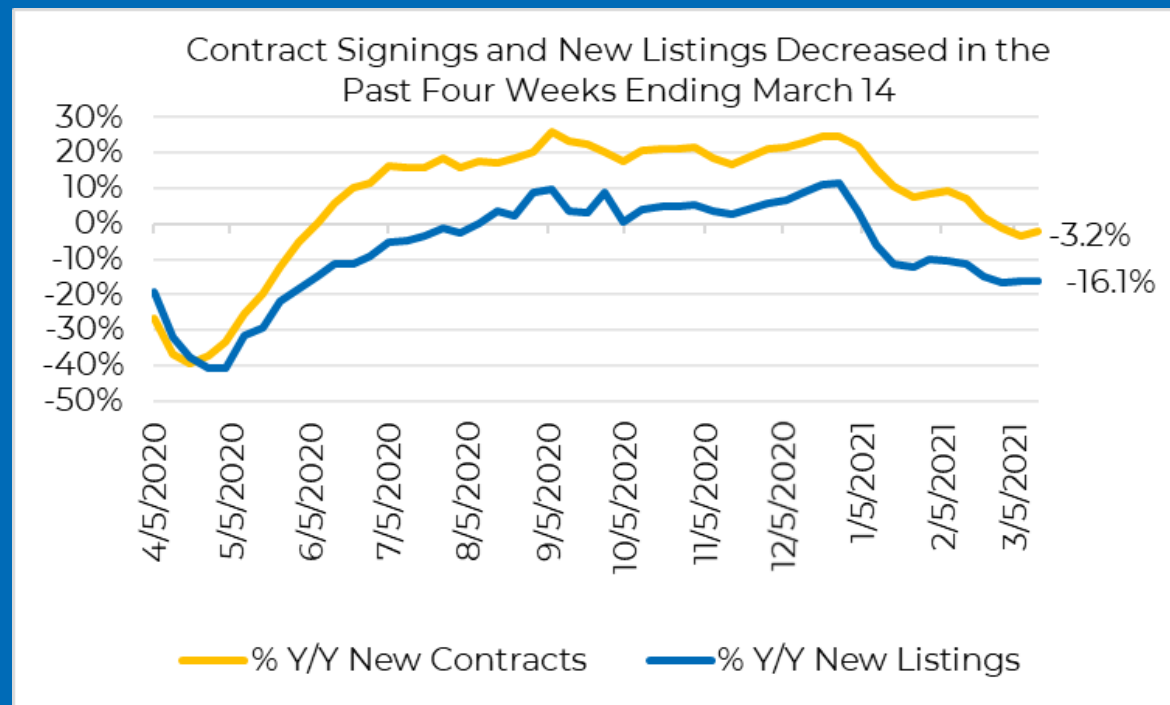
Weekly Housing Market Monitor

Contract Signings Decreased 3% as New Listings Decline 16% from One Year Ago*

Based on preliminary data, contracts signed (pending sales) during the past 4 weeks ending March 14 were 3% lower compared to the level a year ago (-3% y/y in the prior period). This is the third week in a row that contract signings have fallen below year-ago levels amid the uptick in mortgage rates and sustained home price growth.

New listings during the past 4 weeks declined 16% from one year ago (-16% y/y in the prior period).

There were 9.6 new contract signings per every 10 new listing, slightly lower than in the prior 4-week period (9.9), which indicates demand has slowed somewhat amid rising mortgage rates and home prices.



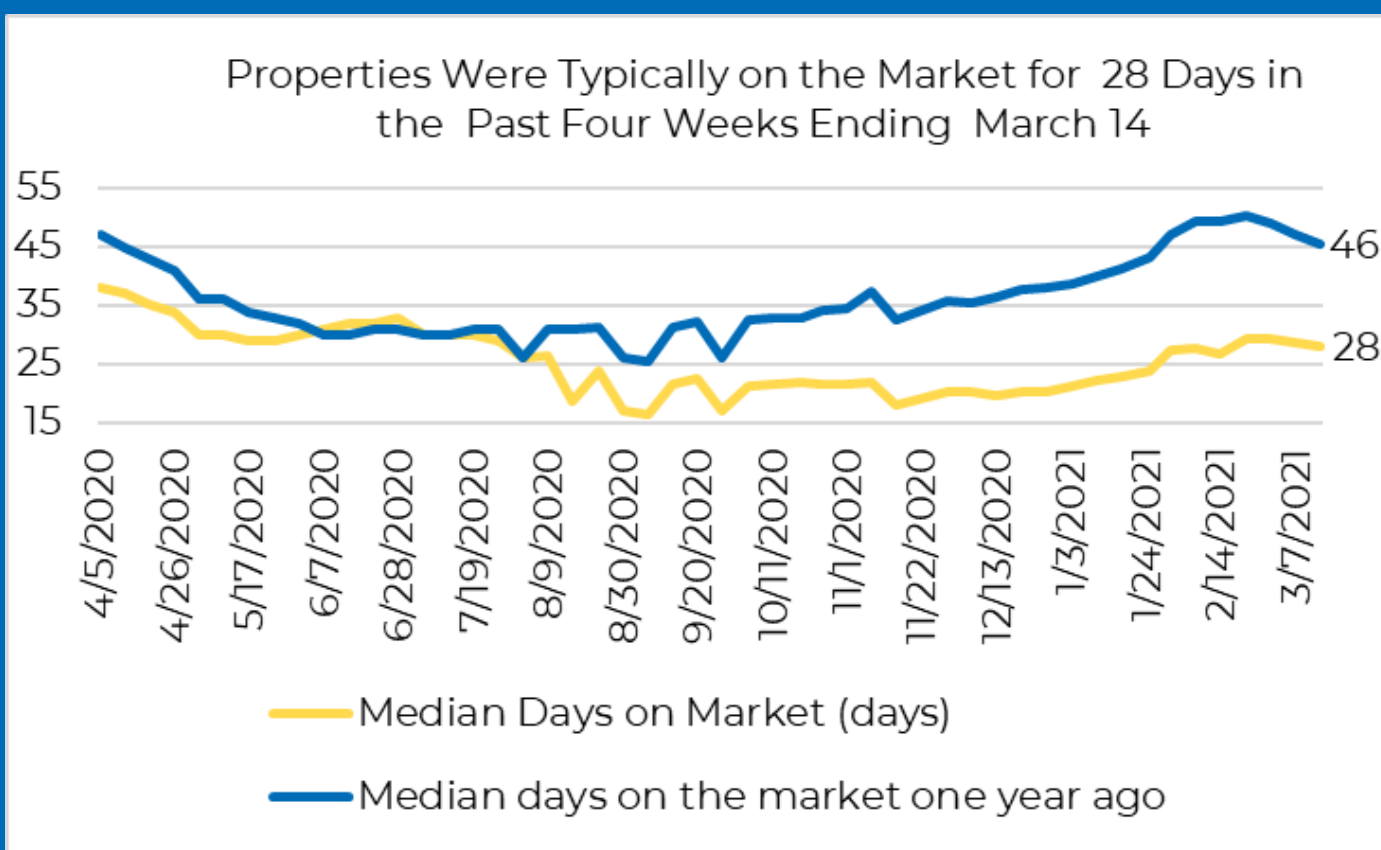
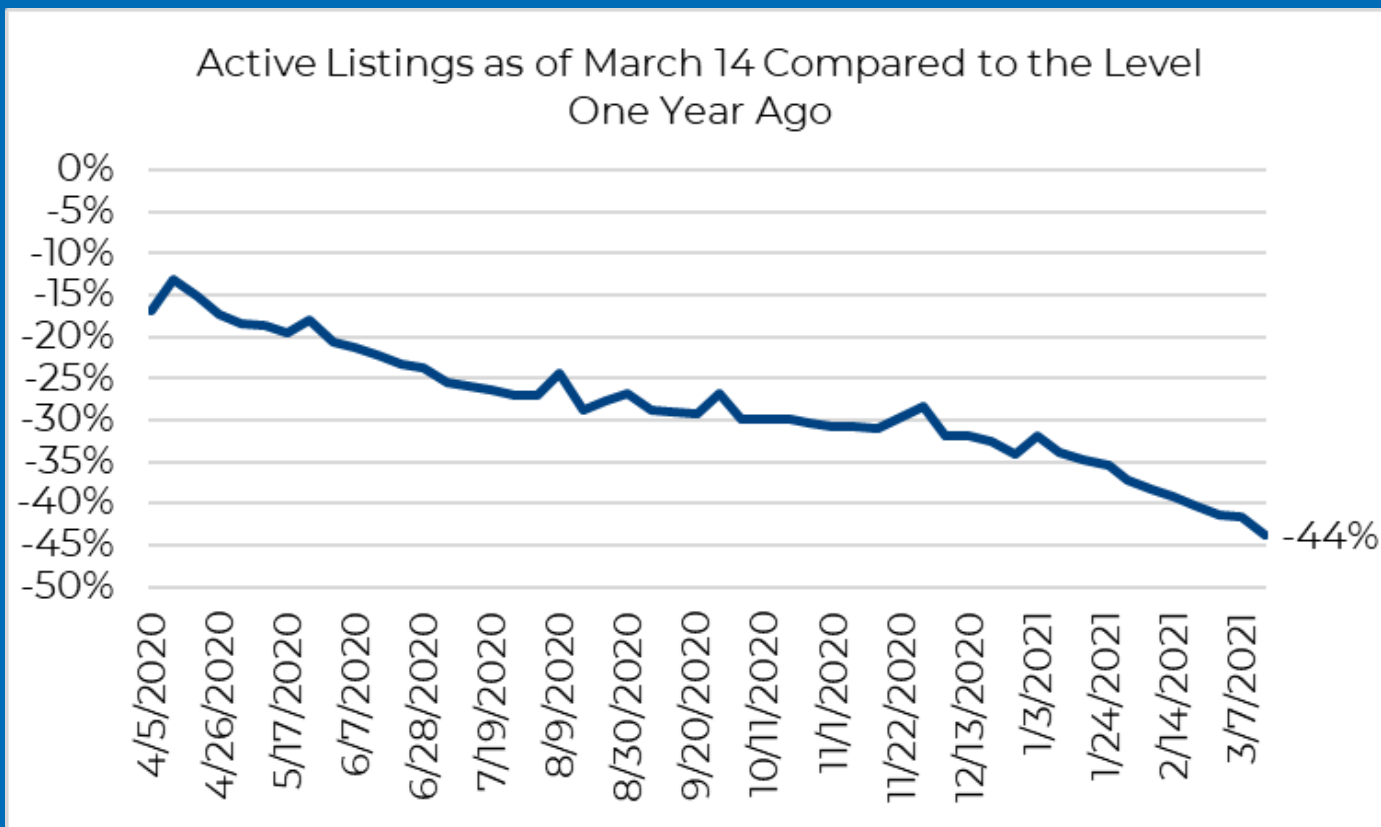
* Based on preliminary data from a sample of about 200 MLS.

Weekly Housing Market Monitor

Active Listings Are Down 44% from a Year Ago; Properties Typically on the Market for Less than a Month

Active listings of existing homes as of March 14 declined further to 44% from the level one year ago (-42% y/y in the prior period).

With little inventory on the market, properties are selling more quickly. Nationally, the median days on market in the past four weeks March 14 was 28 days compared to 46 days one year ago (29 days in the prior period).

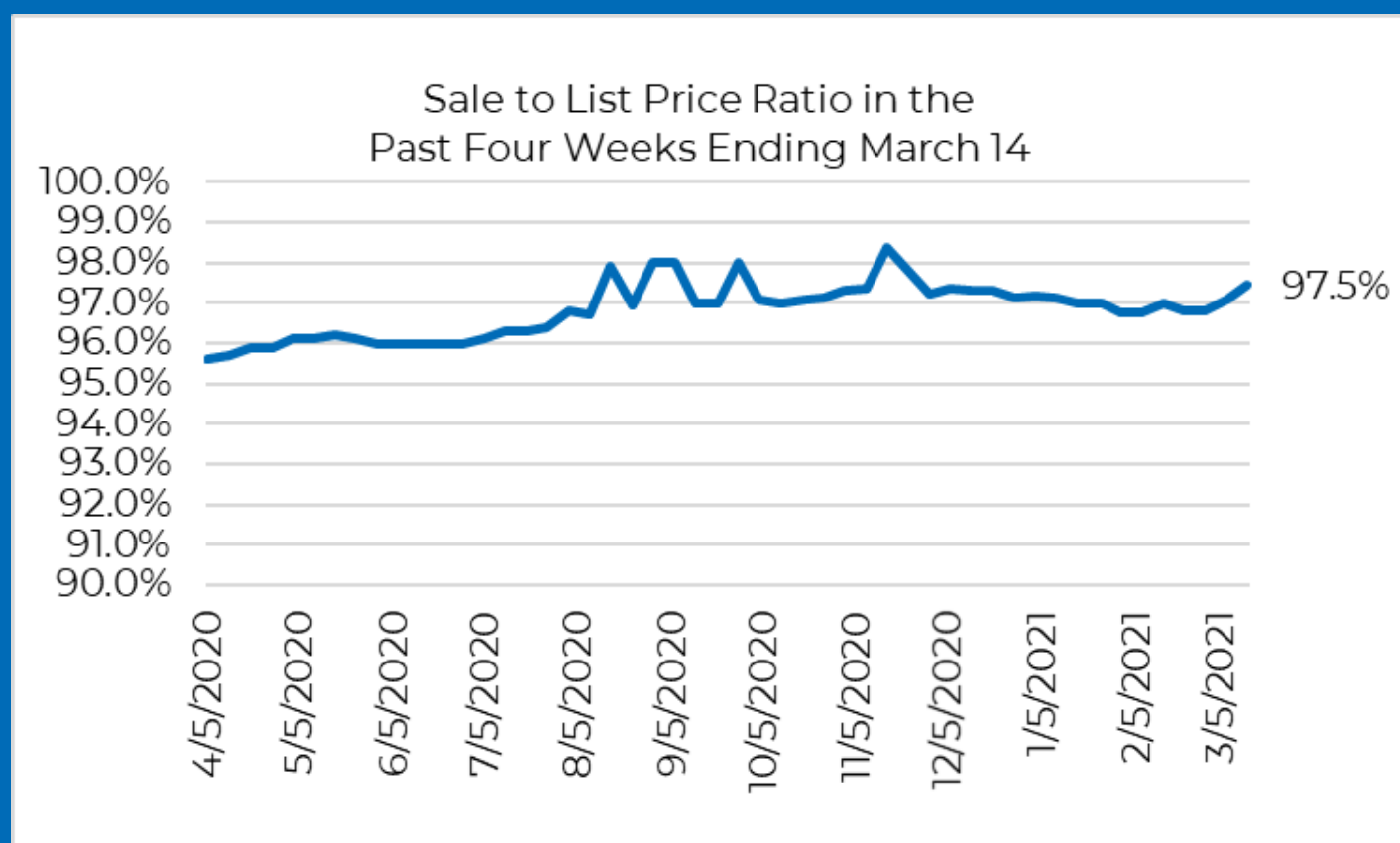
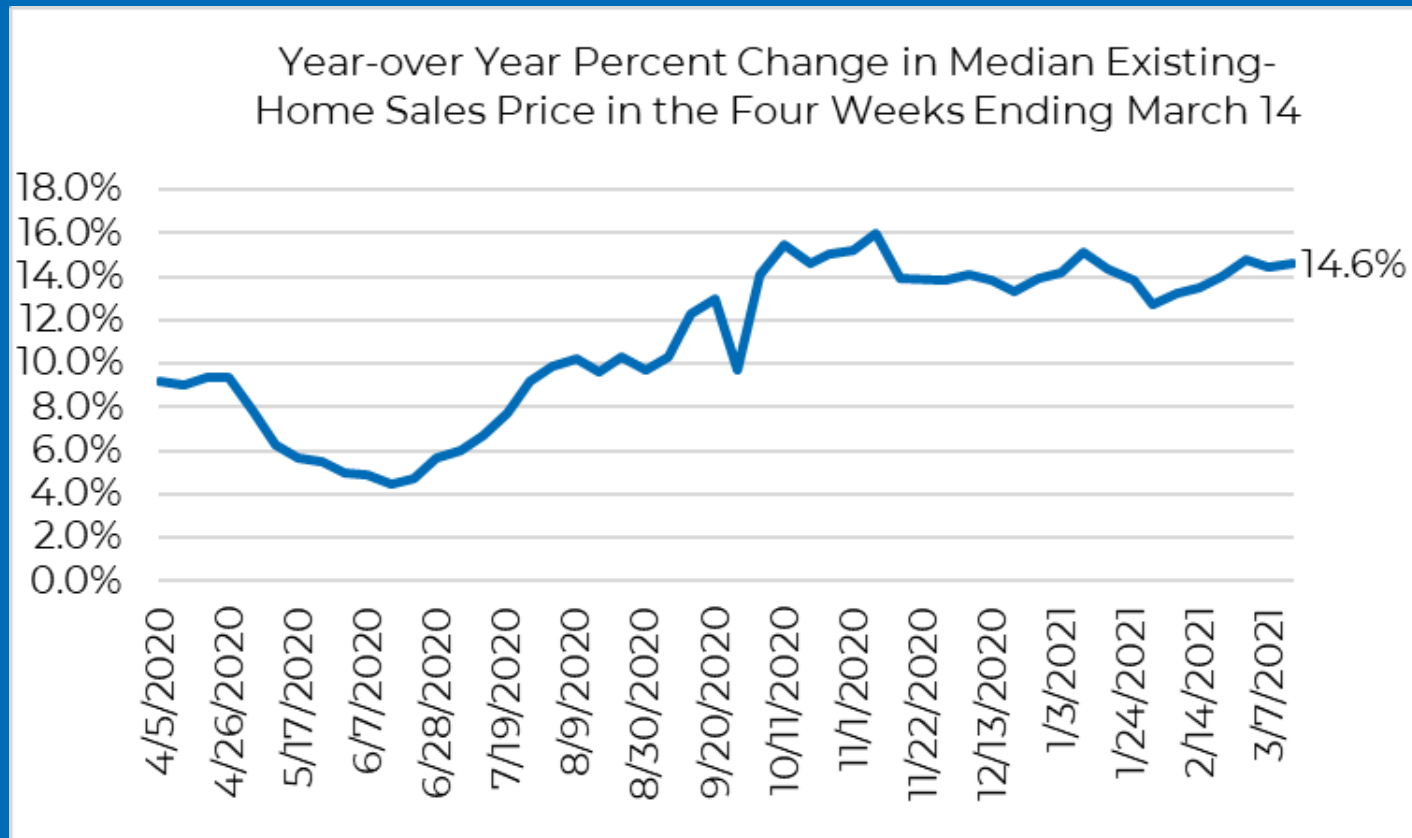


Weekly Housing Market Monitor

Median Existing-Home Sales Price Up 15% from a Year Ago

With demand outpacing supply, the median sales price of existing-homes sold during the past four weeks ending March 14 was 14.6% higher from the level one year ago (14.5% y/y/ in the prior period), based on partial and preliminary MLS data.

Homes were typically sold at 97.5% of the list price (97% in the prior week).

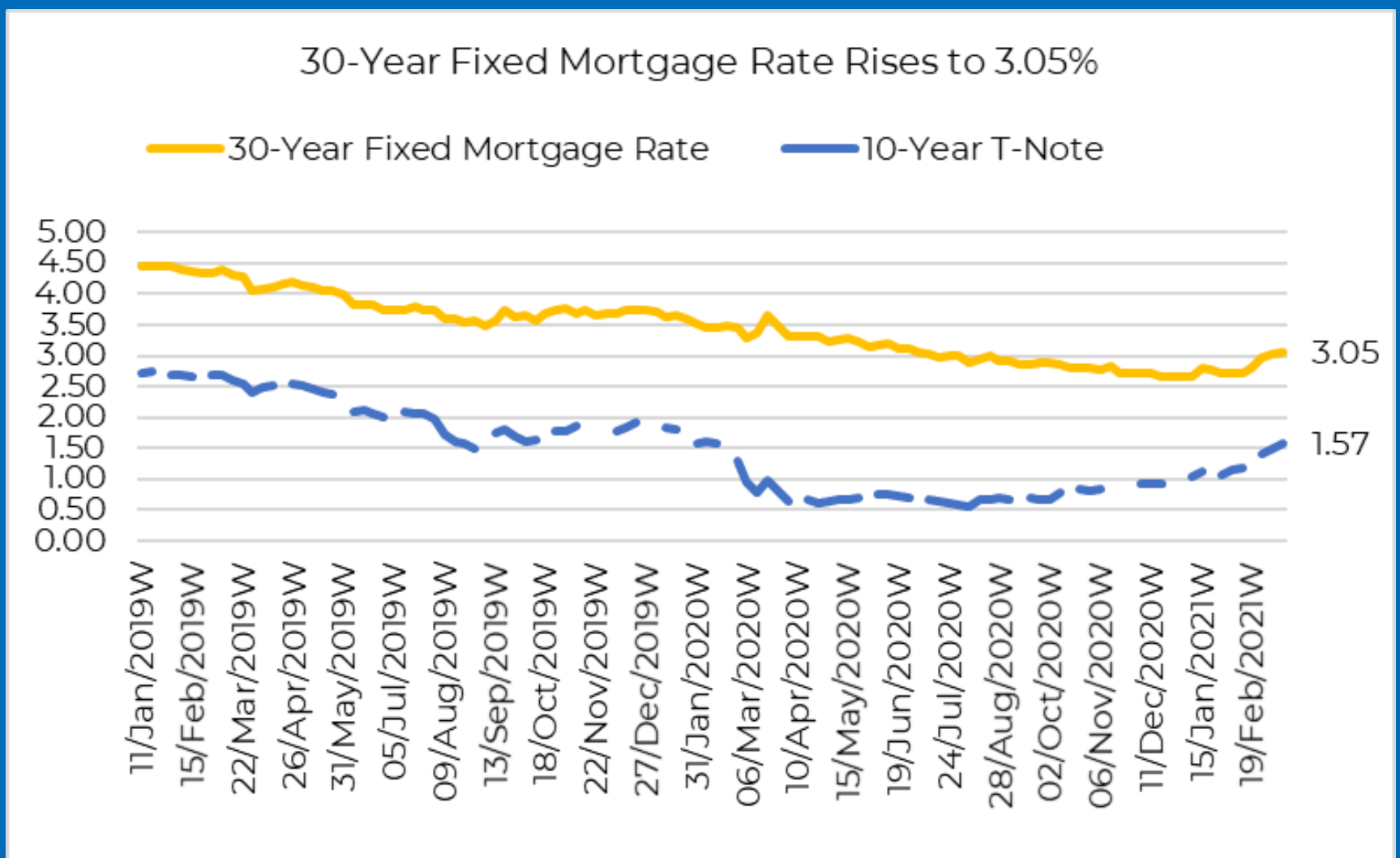


Weekly Housing Market Monitor

Mortgage Applications Increase at a Slower Pace as the 30-Year Mortgage Rate Rose to 3.05%*

For the second week, the 30-year fixed mortgage rate ticked up to 3.05% in the week ending March 12 as the benchmark 10-year T-note yield rose to 1.57%, with investors anticipating stronger economic growth and inflation with the passage of the \$1.9 trillion American Rescue Plan and vaccine distribution ramping up to 2 million a day. However, the 30-year fixed mortgage rate remain is still slightly lower than the level one year ago (3.36%).

Mortgage purchase applications rose at a slightly higher pace of 3% from one year ago (1.5% y/y in the prior week), although this is a slower pace compared to the double-digit increase in the second half of 2020.



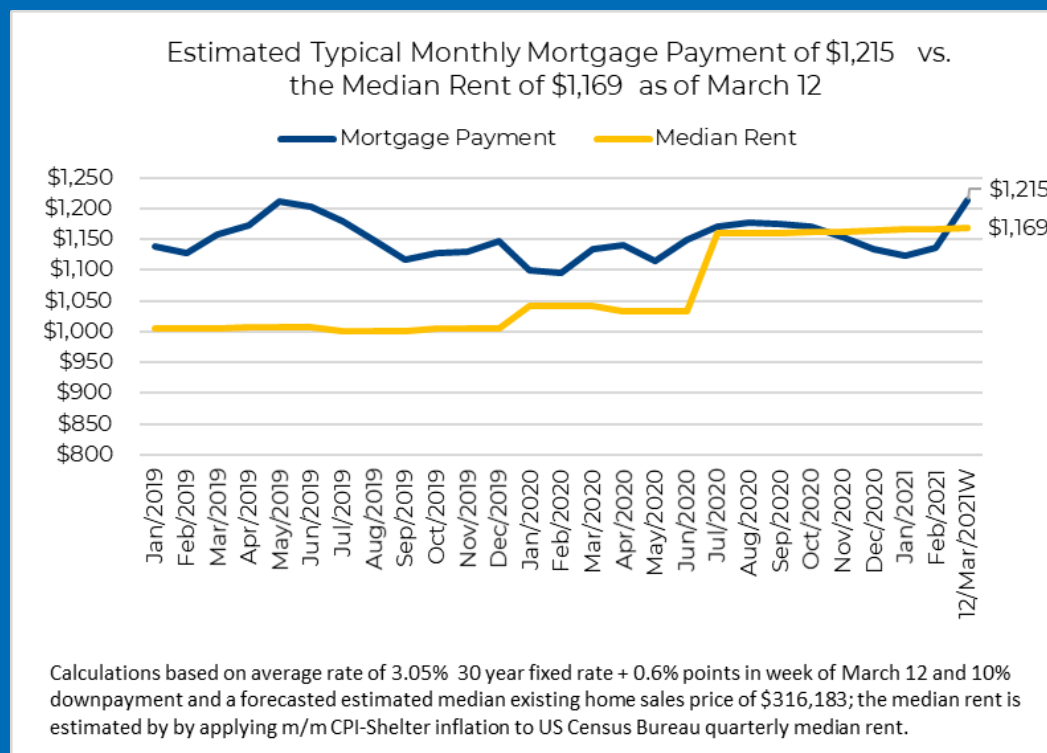
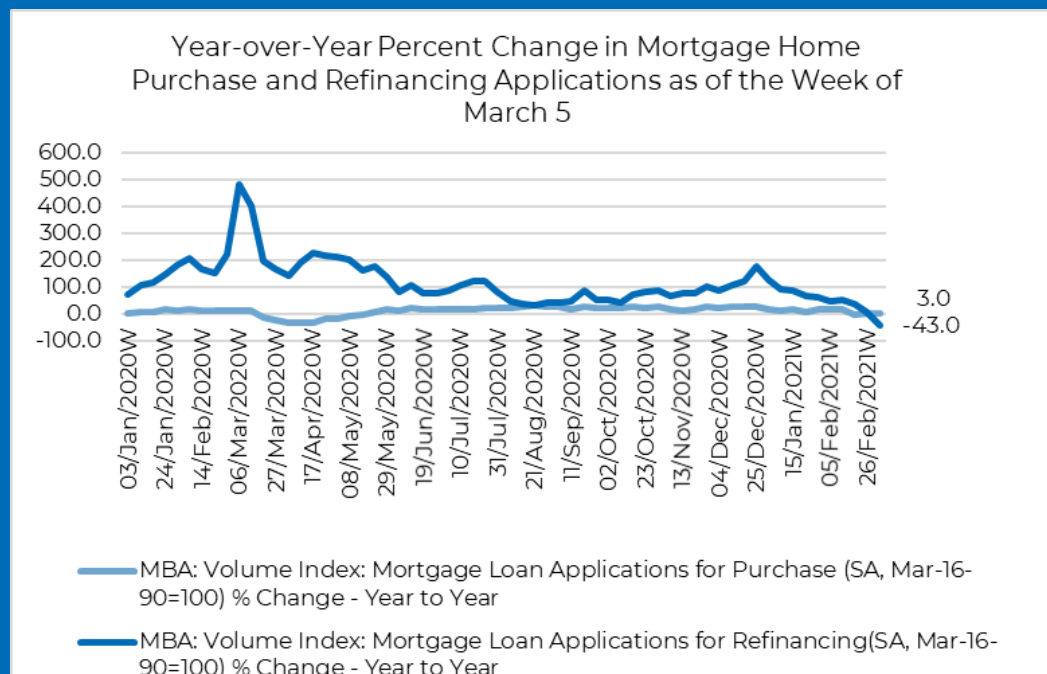
*The mortgage payment varies by type of home and by borrower.

Weekly Housing Market Monitor

Mortgage Applications Increase at a Slower Pace as the 30-Year Mortgage Rate Rose to 3.05%*

For the first time since March 2019, refinancing applications fell 43% from a year ago. This is a surprising decline given that mortgage rates are still lower than a year ago if rates have been ticking up (all the more reason for homeowners to refinance before rates go up even more).

As of March 12, the estimated monthly mortgage payment on a typical existing-home financed with a 10% down payment and 30-year mortgage rose to \$1,215, edging higher than the estimated median rent of \$1,169. The estimated mortgage payment increased with both the 30-year fixed mortgage rate increasing to 3.05% (3.02% in the prior week) and the estimated home price rising to \$316,183 (from an estimated February 2020 median sales price of \$304,580).



*The mortgage payment varies by type of home and by borrower.

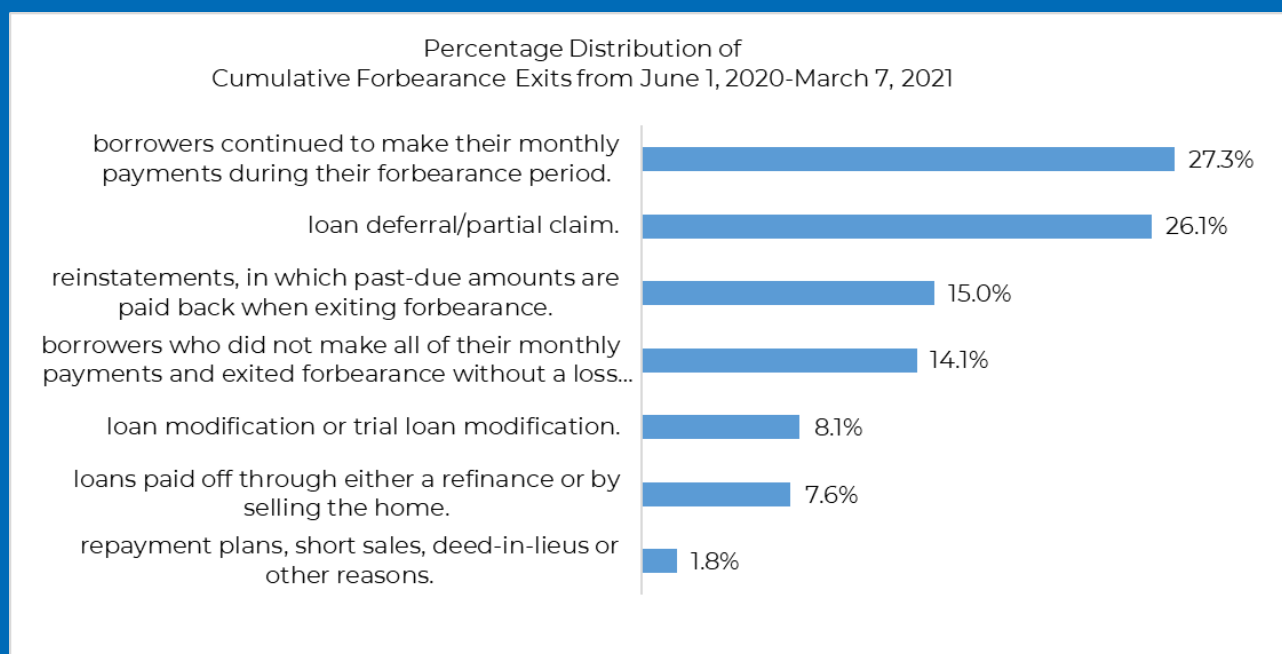
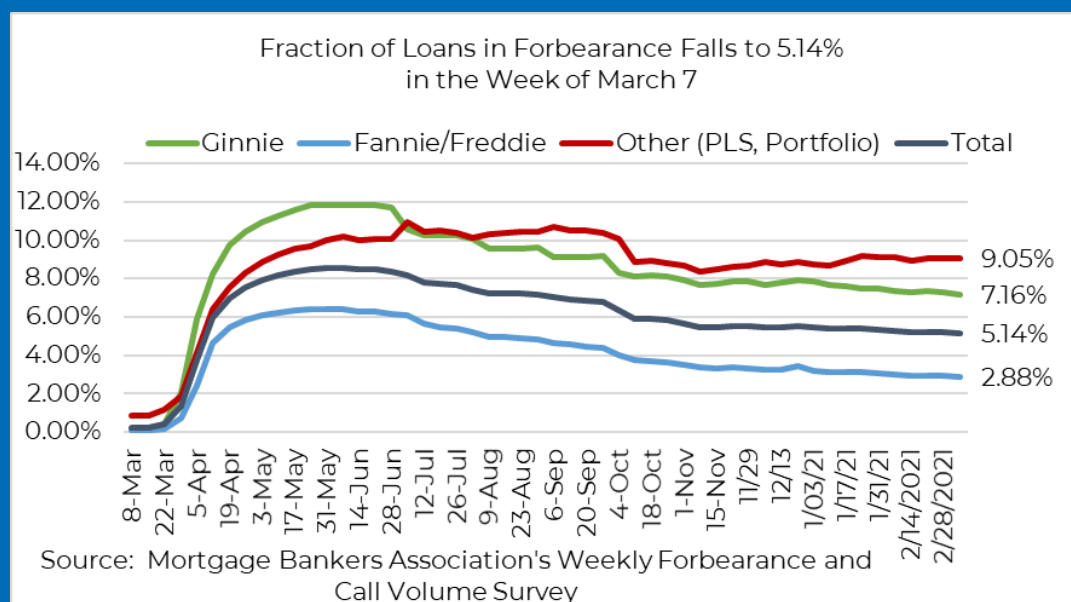
Weekly Housing Market Monitor

Fraction of Loans in Forbearance Declines to 5.14% Week of March 7

The fraction of loans in forbearance decreased to 5.14% during the week of March 7 (5.23% in the prior week). The MBA estimates that 2.6 million homeowners are in forbearance plans.

Of the homeowners who exited forbearance during June 1, 2020-March 7 2021, 7.6% exited forbearance by refinancing their home or selling their home. With home prices rising, less than 2% ending in a short sale or deed-in-lieu (and other reasons).

For loans backed by HUD/FHA, USDA, or VA, the deadline for requesting an initial forbearance was extending to June 30, 2021. For loans backed by Fannie Mae or Freddie Mac, there is not currently a deadline for requesting an initial forbearance. Borrowers can request up to two additional forbearance extensions for a total of 18 months, according to the [CFPB](#).



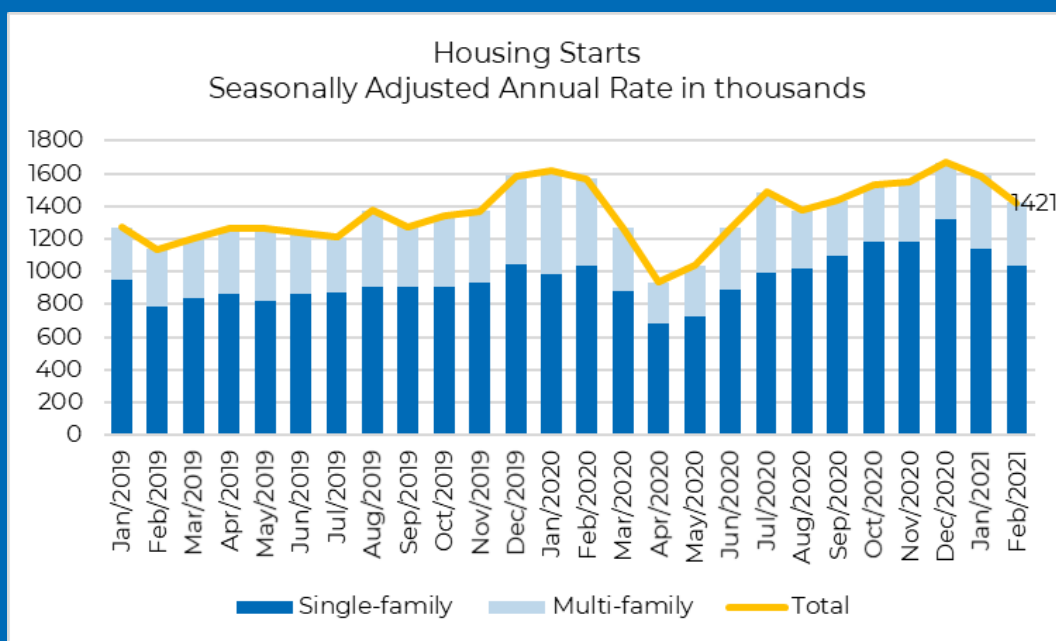
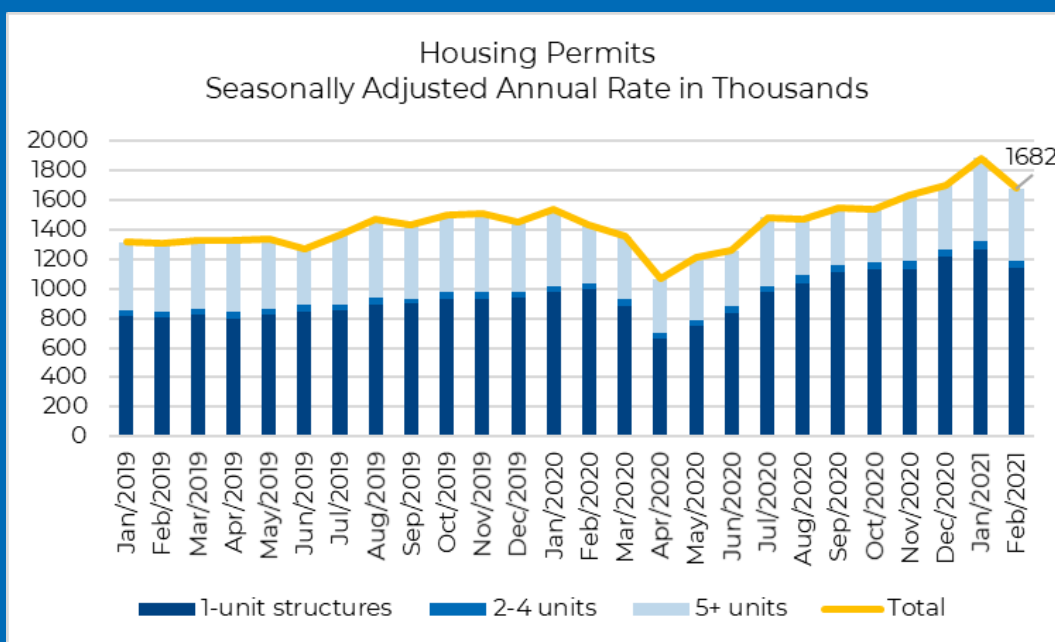
Weekly Housing Market Monitor

Housing Permits Scale Back to 1.68 Million in February 2021 Compared to 2.2 Million Needed Per Year

After spiking in January, new privately-owned housing units authorized for construction (permits) measured on a seasonally adjusted annual rate scaled back to 1.68 million in February (1.89 million in January 2021). Relative to January, housing permits fell across the 1-unit, 2 to 4-unit, and 5 or more-unit properties. However, total housing permits are still up 17% from one year ago (1.43 million).

Housing starts also climbed down to 1.42 million (1.58 million in January) as housing starts declined for both 1-unit and multifamily (2-unit or more) structures.

As of December 2020, housing starts are running behind net household formation, at 1.7 million. Another 530,000 units is needed to restore demolished, lost housing. So about 2.2 million housing units are needed per year.



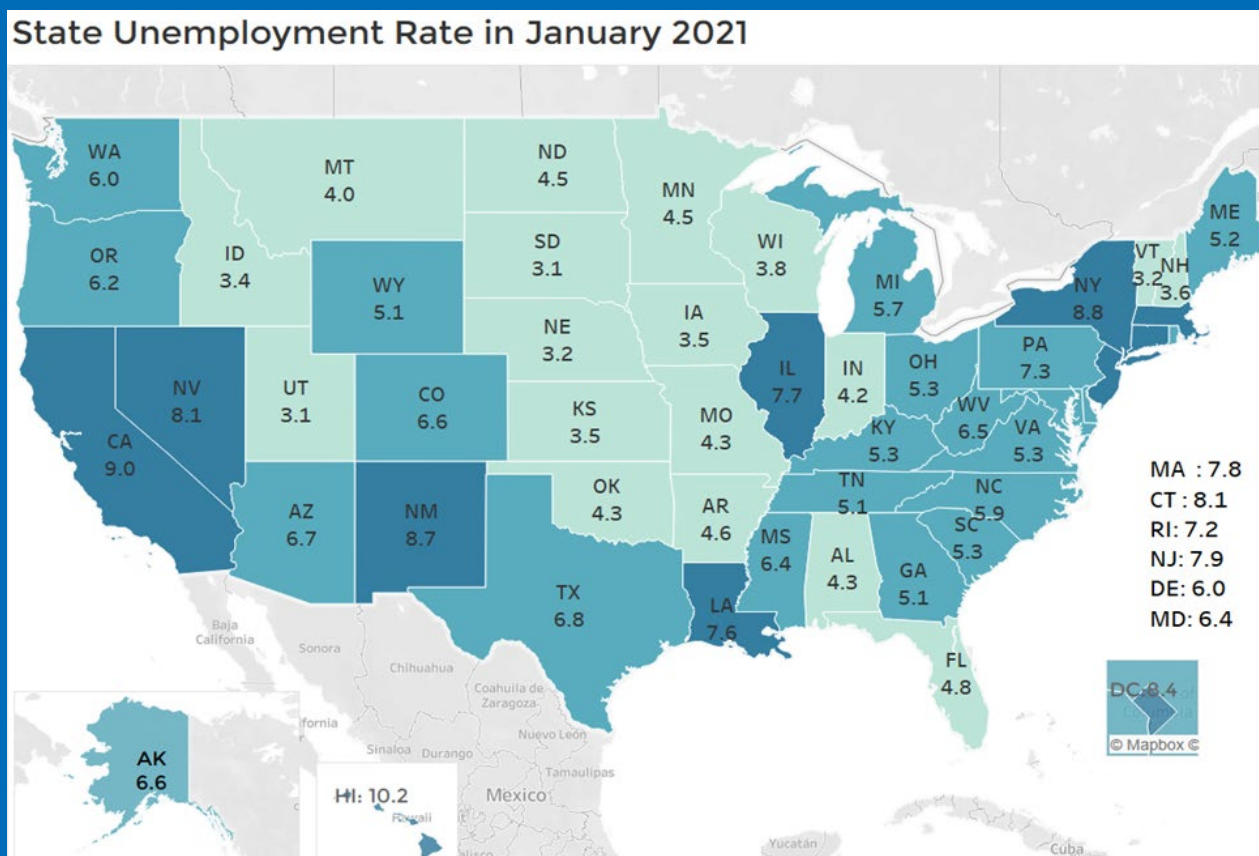
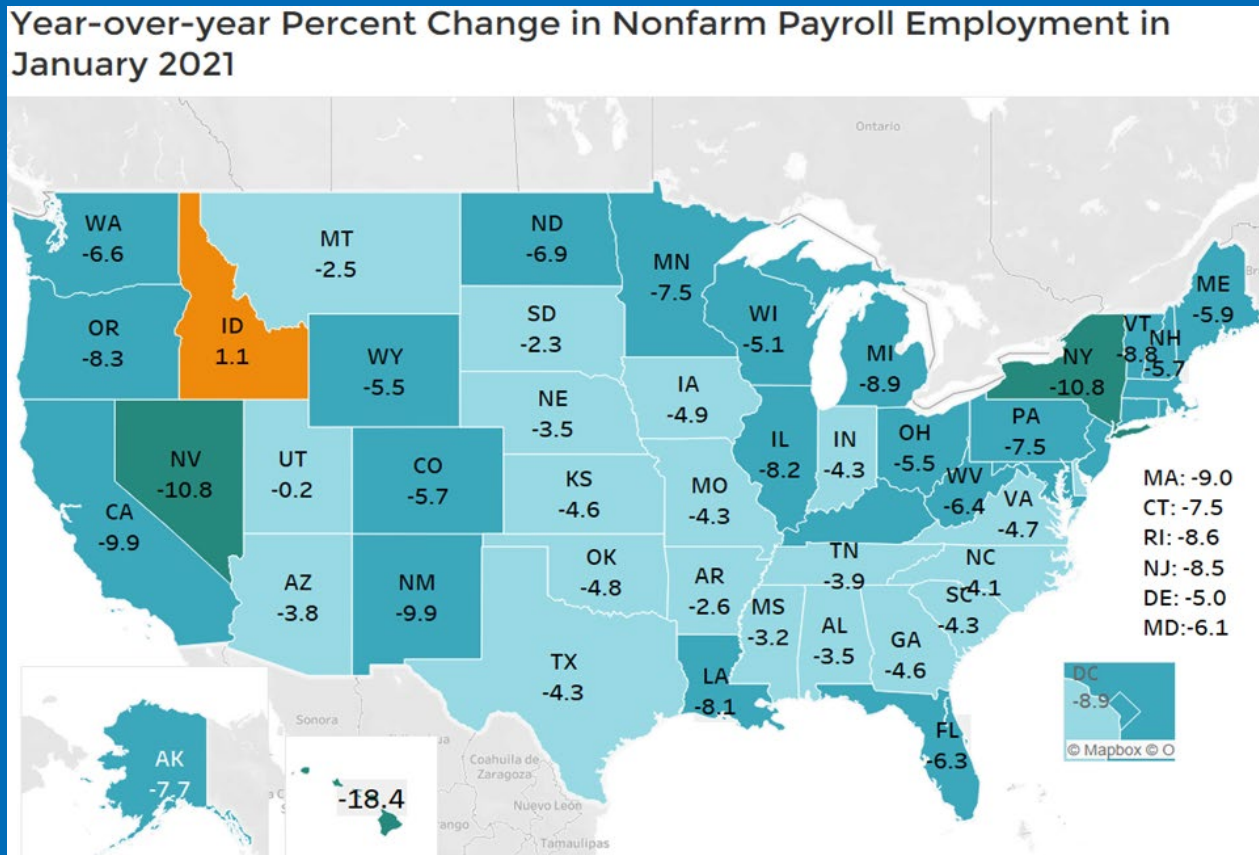
NATIONAL
ASSOCIATION OF
REALTORS®

Weekly Housing Market Monitor

Only Idaho Has Higher Payroll Employment from One Year Ago as of January 2021

As of January 2021, non-farm payroll employment was below year-ago levels in all states except Idaho. New York and Nevada have the largest declines of nearly 11%.

In 18 states, the unemployment rate is below 5%, with the lowest rates in Utah (3.1%), South Dakota (3.1%), Vermont (3.2%), Nebraska (3.2%), and Idaho (3.4%).

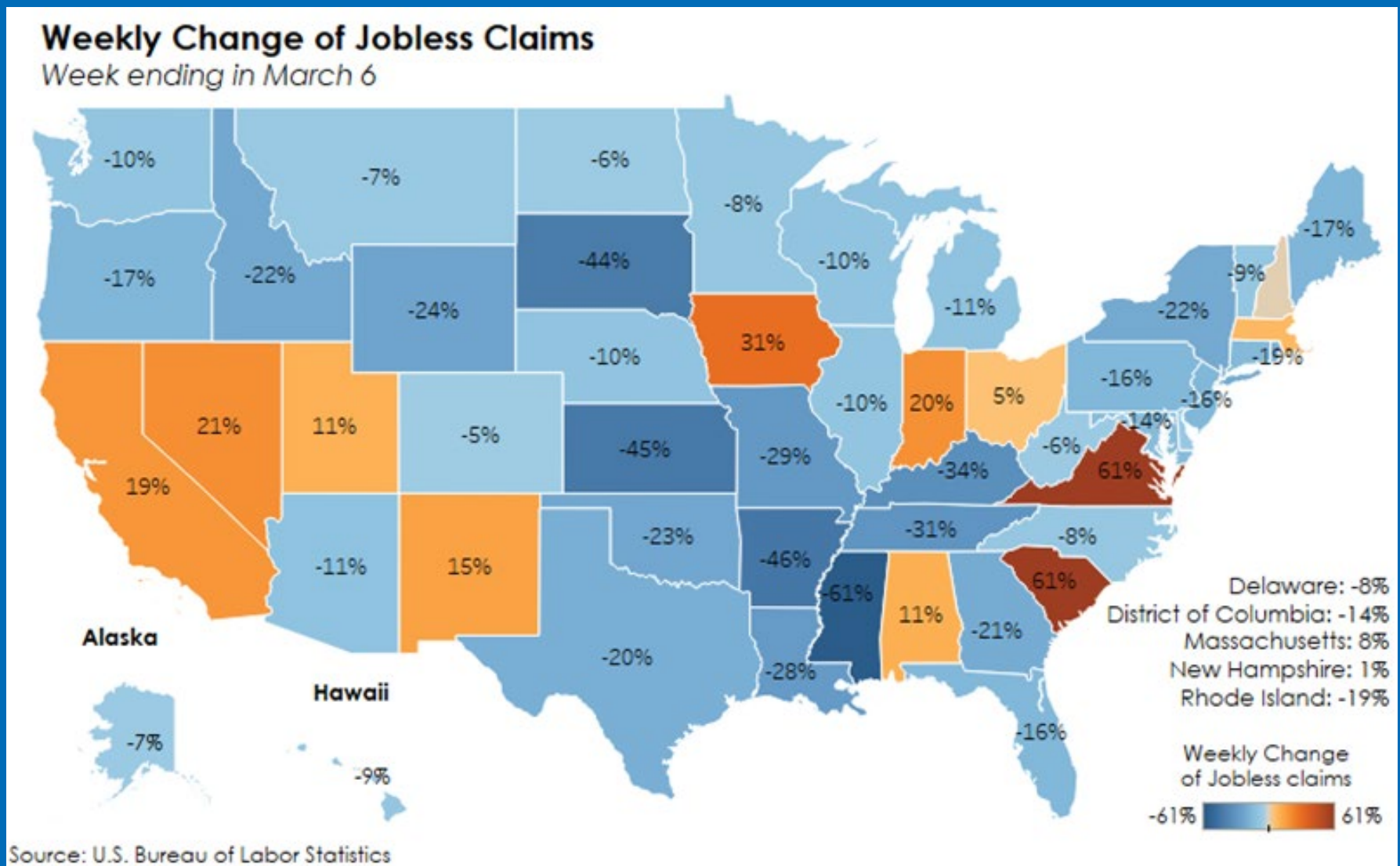


Weekly Housing Market Monitor

Jobless Claims

Unadjusted initial claims dropped to 709,458 in the week ending March 6. This is a decrease of 47,170 claims from the prior week. In the meantime, continued claims, which measure the number of people receiving checks for regular unemployment benefits, dropped by 263,642 to nearly 4.6 million.

At the local level, 38 states reported a decrease in new claims. Compared to the previous week, Mississippi (-61%) had the largest drop in layoffs followed by Arkansas (-46%) and Kansas (-45%). In contrast, unadjusted advance claims increased in South Carolina (61%), Virginia (61%), and Iowa (31%).



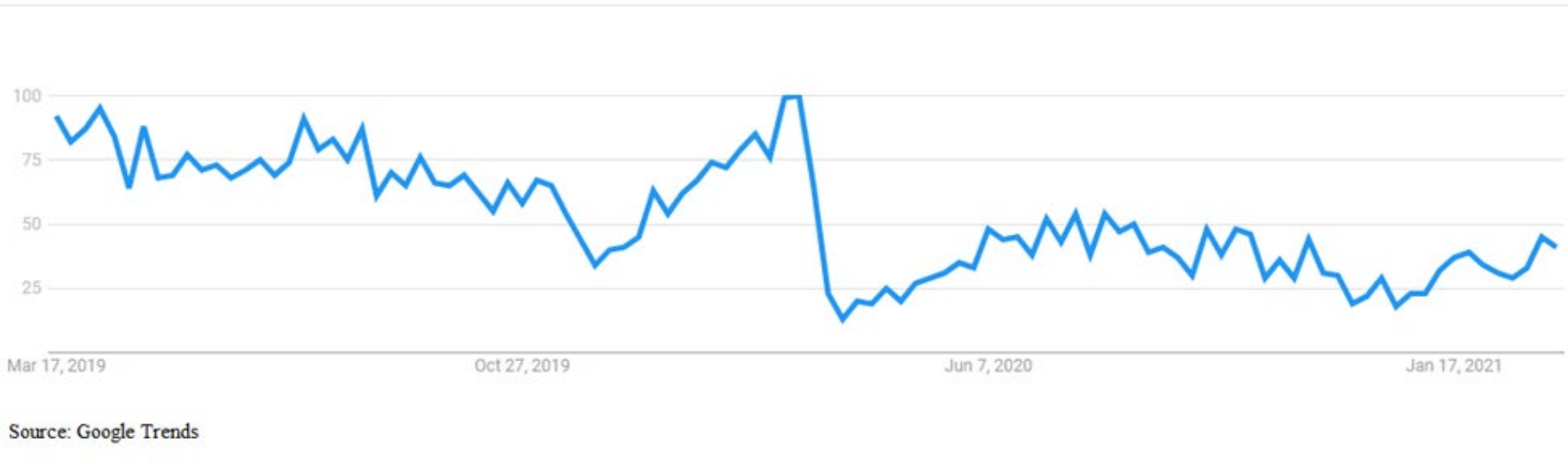
[Click here to read the full analysis.](#)

Weekly Housing Market Monitor

Open Houses

More people are searching to attend an in-person open house. Specifically, public interest for in-person open houses is 58% higher than a year earlier. Keep in mind that since the pandemic struck our country one year earlier, year-over-year comparisons are going to be much higher for the next several months. However, interest for open houses is lower compared to 2 years earlier.

Interest for open houses in the last 2 years

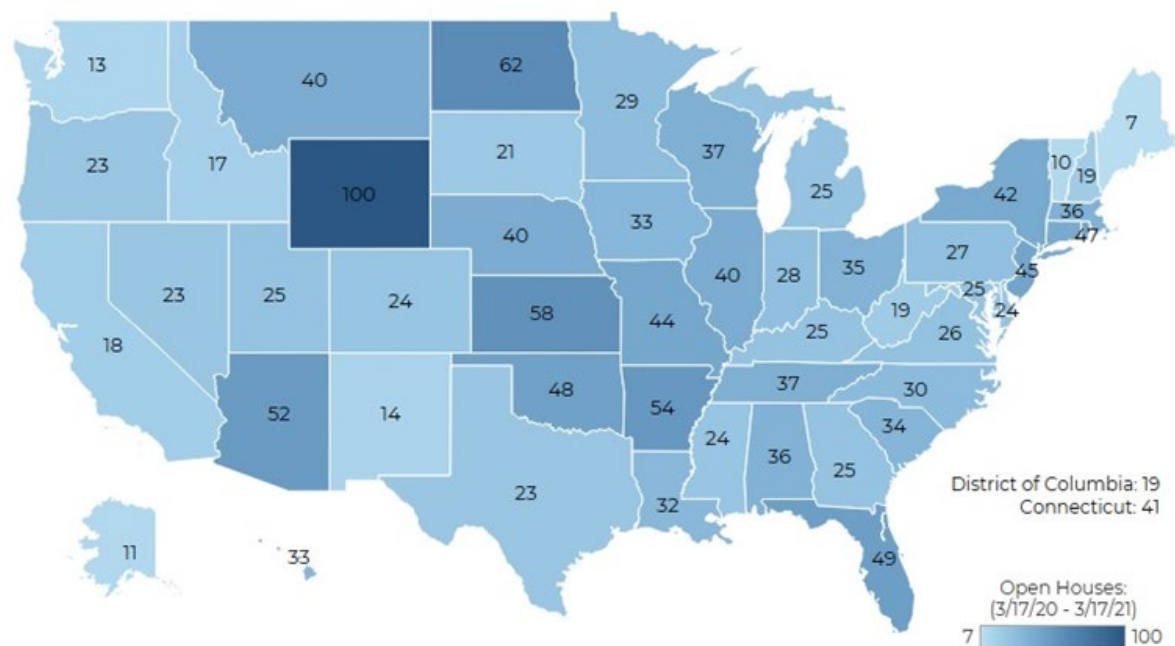


At the local level, interest is relatively stronger in Wyoming, North Dakota, and Kansas.

Interest for open houses by state

in the past 12 months

See in which states people are most interested in open houses within the last year.



Note: Values are calculated on a scale from 0 to 100, where 100 is the location with the most popularity as a fraction of total searches in that location, a value of 50 indicates a location which is half as popular. A value of 0 indicates a location where there was not enough data for this term.

**NATIONAL
ASSOCIATION OF
REALTORS®**

[For more information on the latest residential, commercial, and market trends, read the Economists' Outlook Blog.](#)



**NATIONAL
ASSOCIATION OF
REALTORS®**

Weekly Housing Market Monitor

Real Estate Forecast Summit: Commercial Update

On March 10, 2021, NAR held its virtual Real Estate Forecast Summit: Commercial Update event, which provided an outlook on the changing commercial real estate market.

Topics included: a commercial market update and economic outlook, REITs at the one-year mark of the pandemic, market opportunities for commercial real estate, and healthier retail and better industrial.

The summit also identified the top 10 metro areas with the strongest commercial market conditions:

TOP 10 METRO AREAS WITH THE STRONGEST COMMERCIAL MARKET CONDITIONS



[For more information on the Summit, to view the presentations, and to watch the playback of the Summit, click here](#)

**NATIONAL ASSOCIATION OF REALTORS®
RESEARCH GROUP**

Lawrence Yun, PhD
Chief Economist & Senior Vice President

Jessica Lautz, Doctor of Real Estate
Vice President, Demographics and Behavioral Insights

Gay Cororaton
Senior Economist and Director of Housing and Commercial Research

Nadia Evangelou
Senior Economist and Director of Forecasting

Meredith Dunn
Research Manager

Michael Hyman
Research Data Specialist

Hua Zhong
Data Scientist

©2021 National Association of REALTORS®
All Rights Reserved.

May not be reprinted in whole or in part without permission of the National Association of REALTORS®.

For reprint information, contact data@realtors.org.



**NATIONAL
ASSOCIATION OF
REALTORS®**

The National Association of REALTORS® is America's largest trade association, representing more than 1.4 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.

**NATIONAL ASSOCIATION OF REALTORS®
RESEARCH GROUP**

The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics.

NATIONAL ASSOCIATION OF REALTORS®
RESEARCH GROUP
500 New Jersey Avenue, NW
Washington, DC 20001
202.383.1000