

# RECOMMENDATION TO THE EXECUTIVE COMMITTEE

## FROM:

Line Officers

## RECOMMENDATION:

To approve amending the Proposed 2022 Operating budget by adding \$6,500 to account 810-1901 (Operations Support -Professional/Contract Fees) for participation in the NAR International Residential Real Estate Business Survey in 2022.

## BACKGROUND:

Arizona REALTORS® has struggled with measurable objectives for an international program for several years and we currently have no international objectives in the 2022 proposed Strategic Plan. The state association received a request from WESERV asking that the Arizona REALTORS® partner with them on the 2022 NAR International Residential Real Estate Business Survey.

The NAR participation requirements state, in pertinent part:

### **Data Collection from Respondents and Survey Schedule**

To maximize member participation, the state/local association will be responsible for requesting participation by its membership and publicizing the questionnaire in newsletters and other membership contact venues. To generate the largest number of responses, the state/local association is expected to send out the survey to all its members.

### **State/Local Association Data Inputs**

The analysis requires data from state/local association to be provided to NAR:

- Market area coverage of the state/local association (list of counties or metro area)
- Average and median price of existing home sales during the reference period (at the county/metro area level if an estimate of the share of dollar volume of international buyers at the county/metro level is desired)
- Existing home sales during the reference period (at the metro area level if an estimate of the share of international buyers at the county/metro level is desired)
- Number of association members by primary area of business (or local association affiliation) as of April of current year. This information will be used to generate the weight factor that will correct for over- or under-sample in a county/metro area.

### **Cost**

The cost will be \$6,500, payable to NAR, for work on the study (this is only an estimate based on past year's cost; please correspond with Caroline Van Hollen for the cost).

This survey may be helpful for future strategic planning. Please note that the required data inputs may require some cooperation from the other local associations/MLSs (*see page 3-4 for more information about the survey*).

**BUDGET IMPACT:**

\$6,500 (Budget Name)

**MOTION:**

**TO APPROVE AMENDING THE PROPOSED 2022 OPERATING BUDGET BY ADDING \$6,500 TO ACCOUNT 810-1901 (Operations Support - Professional/Contract Fees) FOR PARTICIPATION IN THE NAR INTERNATIONAL RESIDENTIAL REAL ESTATE BUSINESS SURVEY IN 2022.**

**FOR MORE INFORMATION CONTACT:**

Gary Nelson, 2022 President – (928) 600-4279 / [gary@garynelsongroup.com](mailto:gary@garynelsongroup.com)

**OR** Michelle Lind, CEO – (602) 248-7787 / [michellelind@aaronline.com](mailto:michellelind@aaronline.com)

## **Participation in the Oversample for the 2021 NAR Survey of International Residential Real Estate Business Survey**

### **Questionnaire Development**

The national questionnaire will be the base questionnaire, with additional questions included for the state/local level surveys on 1) the respondent's primary business area; 2) property location; and 3) other questions of interest to the association. NAR Research will create the survey (on Survey Monkey) and send the survey for testing/preview to the association prior to deployment.

### **Data Collection from Respondents and Survey Schedule**

To maximize member participation, the state/local association will be responsible for requesting participation by its membership and publicizing the questionnaire in newsletters and other membership contact venues. To generate the largest number of responses, the state/local association is expected to send out the survey to all its members.

Because the state/local survey results will be integrated into the national survey results, the state/local survey deployment dates and reminder emails will follow the national survey schedule, although the state/local survey can be extended past the close of the national survey to meet the desired state/local respondent size.

At the national level, we have developed a process that generates the greatest response with the fewest number of emails, consisting of the 1) advance email; 2) survey deployment email; 3) first reminder ("Thank You" reminder), 4) second reminder ("Last Chance" reminder); and 5) third reminder ("Final Call" reminder). Depending on the number of responses, the association may need to send out additional email reminders. We ask that you follow this process schedule and send additional emails as necessary to ensure an adequate number of responses for analysis. We will send suggested language for the notices that you can modify as needed. In addition, the association is expected to promote or encourage members to take the survey through other communication methods that work best for their members.

The expected working schedule is:

### **Timeline**

#### Pre-survey period:

February 1 –NAR will send to state/local association the Survey link for preview/testing  
March 1- State/local association's comments/feedback  
March 15- Send revised questionnaire for preview/testing

#### Survey period:

April 2 – Notice (email notice that an important survey is coming next week)  
April 7– Initial Survey email  
April 14 – First Reminder/Thank you (email thanking for participation, regardless of response)  
April 19 – Second Reminder/Last Chance  
April 23- Third Reminder/Final Call  
**First week of July- release date**

#### Survey analysis/reporting period:

July 15-release of NAR National survey  
August 15 –first draft of state/local report  
August 15- 30 – state/local comments received

September 1-15 – finalize report report (PowerPoint presentation format) should be completed

### **Required Sample Size**

The required sample size depends on the level of analysis desired across metro/local areas, countries of origin, the margin of error desired, and the share of respondents who made a sale. A detailed analysis of the distribution of foreign buyers (top 5) at the metro level (say 20 metro areas) requires 500 respondents who had a sale. If an estimate of the dollar volume of sales is required for the top 5 foreign buyers for the top 5 metro areas, 750 respondents who had a sale are needed. If the sample size targets are not met, NAR will generate the analysis at a broader level, or with fewer classifications (e.g., instead of top 5 metro areas, top 3 metro areas).

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### **Participation Incentive**

We find that response rates are higher when we offer an incentive. At the national level, we generally offer a random drawing for gift cards—generally ten \$50 gift cards awarded on a random basis to REALTORS® who respond. The state/local association will be responsible for choosing an incentive and informing NAR Research so that we can properly include the incentive in the survey instrument. Some associations have offered tickets to upcoming events as an incentive, so you can be creative with it. We would be happy to conduct the random drawing based on the email addresses provided by the respondents, but we ask that the state/local association be responsible for fulfilling any incentive directly.

### **Cost**

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### **Contact person**

Gay Cororaton, Senior Economist & Director, Housing and Commercial Research  
[scororaton@nar.realtor](mailto:scororaton@nar.realtor); 202-383-1213