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Senator Claire McCaskill
503 Hart Senate Office Building
Washington, D.C. 20510
February 25, 2018

Dear Senator McCaskill:

On behalf of the 1.3 million members of the National Association of REALTORS® (NAR), thank you for the opportunity to share NAR's thoughts on the importance of the decennial census and the American community survey (ACS) to NAR's mission. Listed below are a few examples of how NAR uses census and ACS data in our business and policy functions.

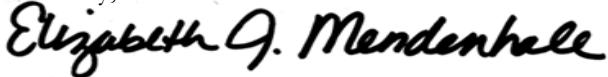
- 1) The flagship of NAR's research reports is its monthly and annual home sales figures. NAR uses the ACS and Census to benchmark its existing home sales series.
 - a) NAR uses Census' definitive count of the number of homebuyers in a particular year as the true universe of sales.
 - b) This count is compared to NAR's local and national counts.
 - c) NAR grows this figure over time based NAR's data and the known relationship to Census
- 2) NAR uses national and local income data from the census and ACS in its housing affordability indexes.
- 3) NAR provides its members with reports on local market characteristics in more than 150 MSAs. These Local Market Reports include market-specific information such as income and population information.
- 4) NAR uses the Census and ACS to either benchmark survey responses or individual results. For example:
 - a) In recent years, several new measures of first-time buyer concentration were developed, but all utilize subpopulations of buyers or a definition of first-time buyer that deviates from that of Census and NAR. Census' data provided important clarity on this point.
 - b) The ACS is used as an internal check for NAR's annual survey of resident and non-resident foreign buyers...the only survey of its kind in real estate.
- 5) NAR staff utilize the Census and ACS to develop insights on market trends and policy issues. A few recent examples include:
 - a) Looking at trends in generational demand and populations at the local level.
 - b) Identifying trends in household formation, which is a critical driver of housing demand.
 - c) Researchers looked at lending to veterans and the VA lending guarantee program.
 - d) NAR has analyzed migration trends of recent movers. Private real estate companies also mine this information to identify potential customers and markets.
 - e) The ACS was used to estimate the impact of tax reform on local homeowners and homebuyers at the state and county levels.
 - f) The ACS was used to shed insights into the population of homeowners affected by hurricane flooding in Houston and in other areas covered by the National Flood Insurance Program (NFIP) program.



NAR is not alone in the real estate industry in utilizing the Census and ACS. Multiple private companies provide consumer-facing products that give detailed information on local trends, demographics and even walkability rating, which consumers employ in their property search. Redfin, Corelogic, Trulia, Realtor.com, and HouseCanary are just a few examples of such companies.

In short, the Census and ACS are literally the benchmark against which private industry surveys and database work are measured. NAR looks forward to working with you to shed light on the importance of the decennial census and ACS for private industry. Any questions or comments can be directed to Ken Fears, NAR Senior Policy Representative – Data Analytics, 202.383.1066 or KFears@REALTORS.org.

Sincerely,

A handwritten signature in black ink that reads "Elizabeth G. Mendenhall". The signature is written in a cursive, flowing style.

Elizabeth Mendenhall

2018 President, National Association of REALTORS®