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Shannon McGahn  
Senior Vice President Government Affairs

500 New Jersey Avenue, NW  
Washington, DC 20001-2020  
Phone 202-383-1194  
WWW.NAR.REALTOR

June 16, 2019

The Honorable Ron Johnson  
Chairman  
U.S. Senate Committee on Homeland  
Security & Governmental Affairs  
328 Hart Senate Office Building  
Washington, DC 20510

The Honorable Gary Peters  
Ranking Member  
U.S. Senate Committee on Homeland  
Security & Governmental Affairs  
724 Hart Senate Office Building  
Washington, DC 20510

Dear Chairman Johnson and Ranking Member Peters:

On behalf of the 1.3 million members of the National Association of REALTORS® (NAR), we would like to thank you for holding this hearing regarding the progress toward and significance of the 2020 Census. The decennial census and the American Community Survey are extremely important to NAR's mission of helping to shape the real estate industry. Census data help NAR to better understand and forecast housing needs as we work to complete many of the following business and policy functions.

1. The flagship of NAR's research reports is its monthly and annual home sales figures. NAR uses the American Community Survey and the Census to benchmark its existing home sales series.
  - a. NAR uses Census' definitive count of the numbers of homebuyers in a particular year as the true universe of sales.
  - b. This count is compared to NAR's local and national figures.
  - c. NAR grows this figure over time based on NAR's data and the known relationship to the Census.
2. NAR uses national and local income data from the Census and the American Community Survey in its housing affordability indexes.
3. NAR provides its members with reports on local market characteristics in more than 150 Metropolitan Statistical Areas. These Local Market Reports include market-specific information like income and population data.
4. NAR uses the Census and American Community Survey data to either benchmark survey responses or individual results. For example:
  - a. In recent years, several new measures on first-time buyer concentration were developed, all of which utilize subpopulations of buyers or a definition of a first-time buyer that deviates from that of the Census and NAR. Census' data provided important clarity on this point.
  - b. The American Community Survey is used as an internal check for NAR's annual survey of resident and non-resident foreign buyers. It is the only survey of its kind in real estate.



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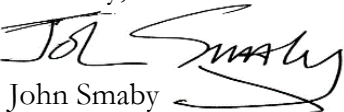
5. NAR staff utilize the Census and the American Community Survey to develop insights on market trends and policy issues. A few recent examples include:
  - a. Evaluating trends in generational demand and populations at the local level.
  - b. Identifying trends in household formation, which is a critical 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 American Community Survey was used to estimate the impact of tax reform on local homeowners and homebuyers at the state and county levels.
  - f. The American Community Survey 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).

NAR is not the only entity in the real estate industry utilizing the Census and the American Community Survey. Multiple private companies provide consumer-facing products with detailed information on local trends, demographics and even walkability ratings, 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 the American Community Survey are the benchmarks 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 the American Community Survey for private industry.

NAR also supports full funding for the 2020 Census to ensure that resources are in place for an accurate and complete population count. Thank you again for your work on this issue, and we look forward to supporting this effort. Any questions or comments can be directed to Nia Duggins, NAR Policy Representative, 202-383-1085 or [NDuggins@REALTORS.org](mailto:NDuggins@REALTORS.org).

Sincerely,



John Smaby  
2019 President, National Association of REALTORS®

cc: U.S. Senate Committee on Homeland Security & Governmental Affairs