

Juwai IQI Market Intelligence

March 2020

GLOBAL CORONAVIRUS AGENT SURVEY

This is the first survey of real estate agents in more than 60 countries to detail the impact of the Coronavirus pandemic on their businesses and them as individuals. Some of the results are shocking, and some are reassuring.

The survey shows that, while the nature of their work might put them at risk, real estate agents worldwide are taking sensible steps to protect themselves from possible infection.

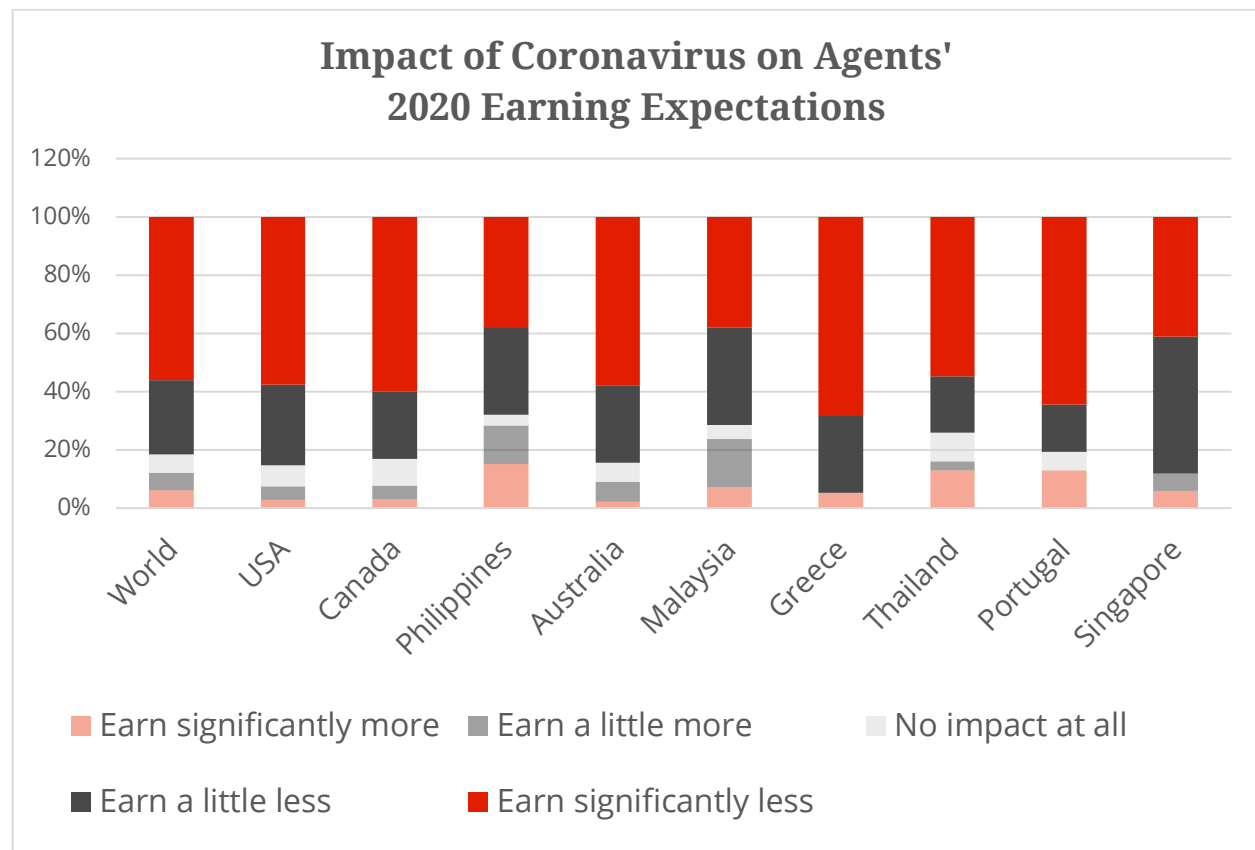
Most agents expect their 2020 earnings to be negatively impacted, believe that real estate activity by all consumer groups is down, and forecast the crisis will last at least three months. On the other hand, agents everywhere feel this is an excellent buying opportunity.

Coronavirus Driving Agents' Earnings Down

Eighty-two per cent of residential real estate agents around the world say the Coronavirus epidemic has cut their 2020 earning expectations. Loss of earnings is a widespread problem present in all of the more than 60 countries from which our panellists hail.

We have broken out the data for selected countries. Greek real estate agents have the worst outlook. Ninety-five per cent of Greek agents expect the Coronavirus pandemic to cut their earnings in 2020, with two-thirds of those forecasting they will earn "significantly less."

In an additional five countries besides Greece, more than four out of five agents expect to earn less in 2020 due to the Coronavirus epidemic. In Singapore, 88% of agents expect to make less.



The share of Singapore agents who expect to earn "a little less" is, at 47%, larger than the 41% who believe they will make "significantly less."

In the USA, 85% of agents expect to earn less in 2020. The share of American agents who expect the negative impact on their earnings to be "significant" is more than twice the share who expect it to be moderate, at 58% vs 28%, respectively.

In Australia, 84% of agents expect to earn less in 2020. The split is similar as in the USA. The share of Australian agents who expect the negative impact on their earnings to be "significant" is more than twice the share who expect it to be moderate, at 58% vs 27%, respectively.

In Canada, 83% of agents expect to earn less in 2020. More than twice as many Canadian agents expect the negative impact on their earnings to be "significant," compared to those who expect it to be moderate. The split is 60% versus 23%, respectively.

In Portugal, 81% of agents expect to earn less in 2020. At 65% of the total, more than four times as many Portuguese agents expect the negative impact on their earnings to be "significant," compared to the 16% who expect the effects to be moderate.

In Thailand, 74% of agents expect to earn less in 2020, with 55% planning to earn "significantly less" and 19% expecting to earn "a little less."

Malaysian and Philippine agents are the least pessimistic among those we surveyed. In Malaysia, 74% of agents expect to earn less in 2020, with 38% expecting to earn "significantly less" and 33% expecting to earn "a little less."

In the Philippines, 68% of agents expect to earn less in 2020 due to the Coronavirus, with 38% expecting to earn "significantly less" and 30% expecting to earn "a little less."

Agents to Invest More in Foreign Buyer Marketing

One of the strategies agents will use to preserve their incomes as much as possible is to invest more in marketing to foreign buyers. Worldwide, 18% of agents report foreign buyers are one of their strategies.



Perhaps because of the relative significance of foreign buyers to their markets, agents in the Philippines and Portugal are the most likely to report plans to do so. In both the Philippines and Portugal, 26% of agents plan to increase their foreign buyer marketing.

In Malaysia and Thailand, 22% of agents will increase their investment in marketing to foreign buyers. In Greece, 21% of agents will do so. The share is 18% in Singapore, 16% in both Canada and Australia, and 12% in the USA.

How Agents Are Protecting Their Health

Real estate agents worldwide are taking similar steps to protect themselves from falling ill or from unwittingly passing the Coronavirus to another person. Twenty-six percent of agents worldwide say their number one tactic is to isolate themselves by working at home rather than going into the office.

Using hand sanitizer and washing one's hands is the second-ranked tactic and chosen by 24% of agents.



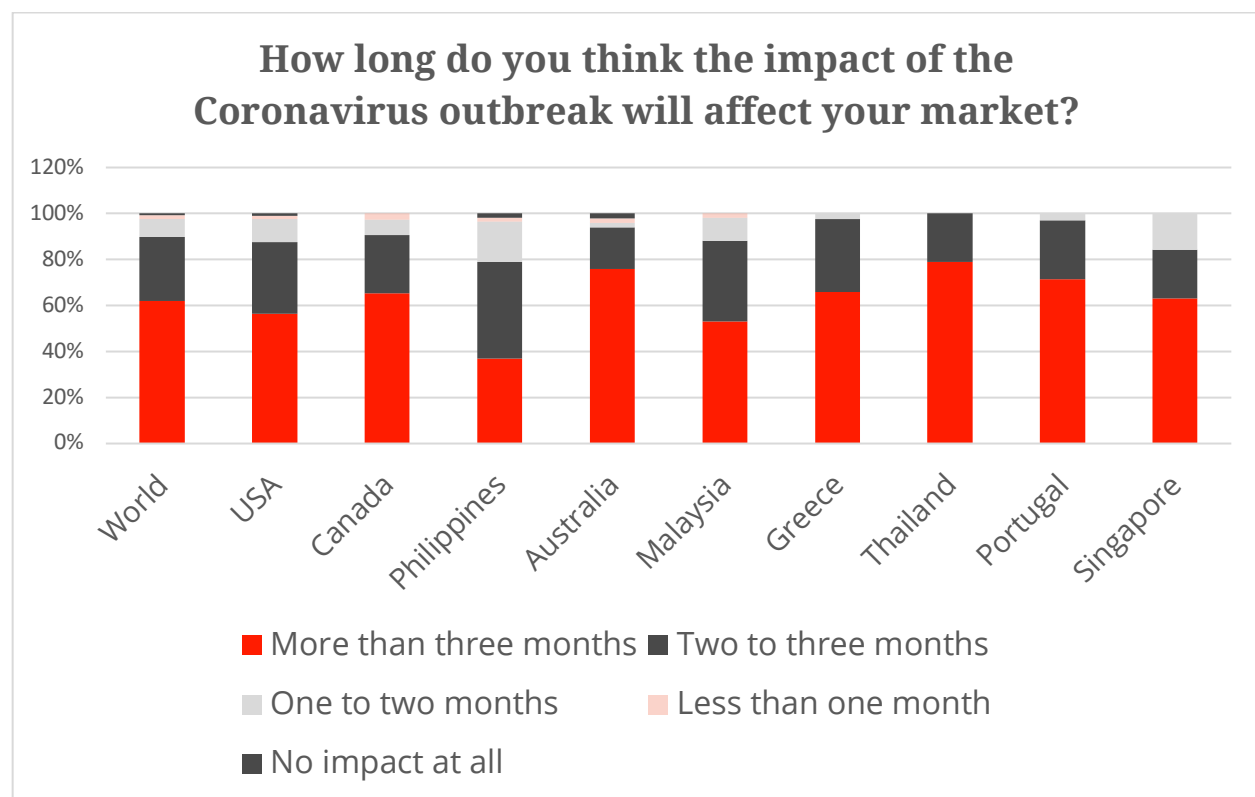
Agents' third-ranked tactic, selected by 18% of respondents, is to prevent obviously sick individuals from touring listings or attending meetings.

For twelve per cent of agents, the number one tactic is to cease attending open houses and inspections. Stop working altogether is the top tactic for 10% of agents. And 9% of agents say their top tactic is to use a mask during open houses and meetings and when around other people.

Agents strategies for avoiding contagion seem to closely match medical advice, which suggests we avoid close contact with other individuals and practice good hygiene.

Agent Expect at Least Three Months' Market Impact

Agents believe the Coronavirus pandemic will last months rather than weeks. Worldwide, 62% of agents predict the impact of the pandemic on their real estate market will last longer than three months. Only 10% of agents worldwide believe the impact will be limited to two months or less.



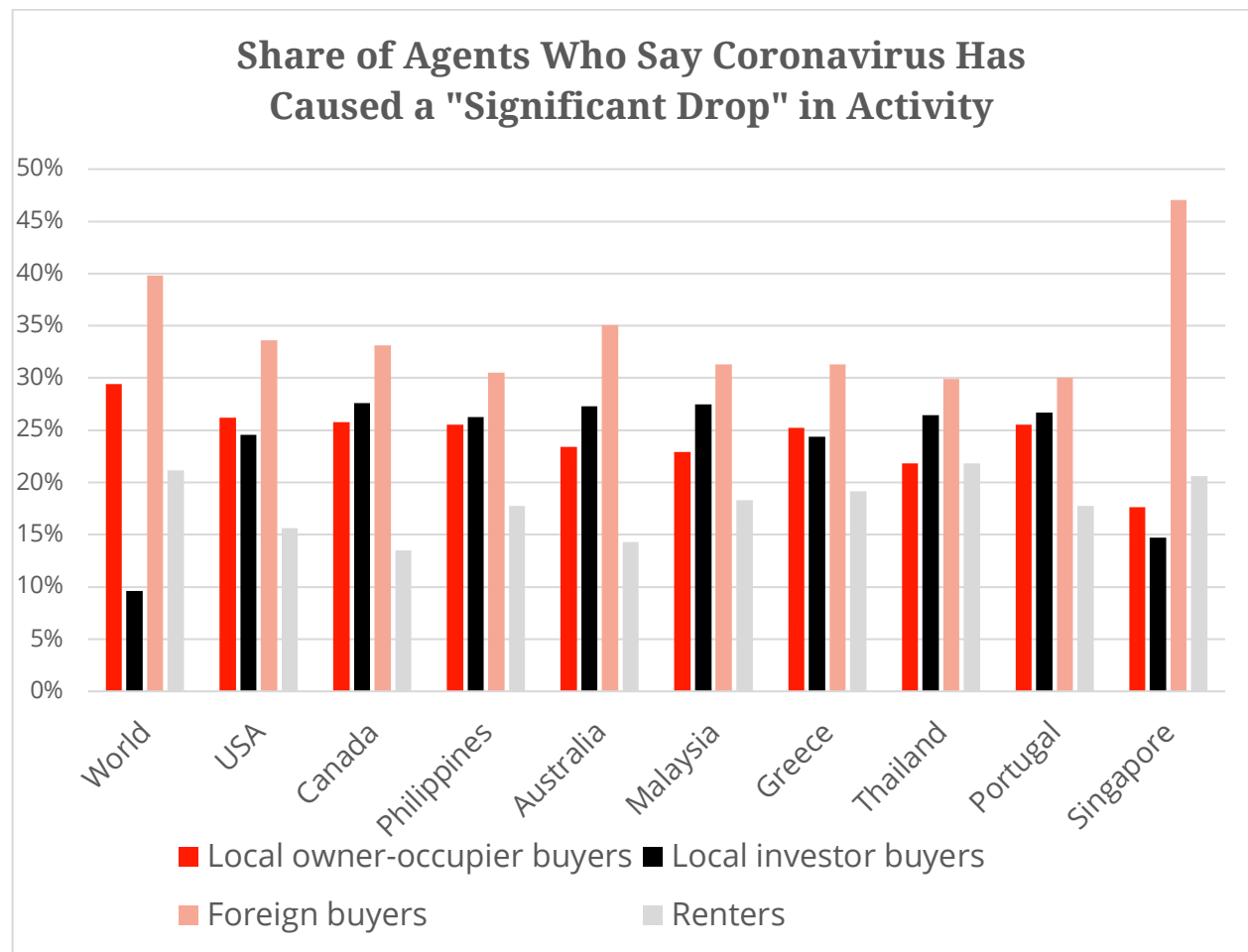
In Thailand, 79% of agents believe the impact will affect their market longer than three months.

In Australia, 76% of agents believe the Coronavirus will affect their market for more than three months. In Portugal, 71% of agents believe the Coronavirus will affect their market for more than three months. In Greece, the share is 66%. It is 65% in Canada, 63% in Singapore, 57% in the USA, 53% in Malaysia, and 37% in the Philippines.

Coronavirus Drives Down All Real Estate Activity

Agents also report the impact of the Coronavirus has affected all consumer groups in the real estate market.

Worldwide, 29% of agents say the Coronavirus has caused a "significant drop" in owner-occupier activity in their local market.



Forty per cent of global agents say foreign buyer activity has also fallen significantly. Twenty-one per cent of agents report that renter activity has fallen significantly. Investors seem relatively unaffected, with only 10% of agents worldwide reporting that locally based investor buyers have reduced their activity in the market due to the Coronavirus.

In the United States, 34% of agents report a “significant drop” in foreign buyer activity, one-quarter report a similar drop in local owner-occupier and investor buyers, and 16% report a drop in renter activity.

In Canada, 33% of agents report a “significant drop” in foreign buyer activity, 26% report a similar drop in local owner-occupier and 28% report such drop in investor buyer activity. Thirteen per cent of Canadian agents report a drop in renter activity.

In the Philippines, 30% of agents say foreign buyer activity has suffered a significant drop, while 26% report a similar drop in local owner-occupier and investor buyers, and 18% report a drop in renters.

In Australia, 35% of agents report a significant fall in foreign buyer activity, while 23% report a similar drop in local owner-occupier activity, 27% report the same in local investor activity and 14% report the same in renter activity.

In Malaysia, 31% of agents say foreign buyer activity has suffered a significant drop, while 23% report a similar drop in local owner-occupier activity, 27% report a significant drop in investor buyers, and 18% report a drop in renters.

In Greece, 31% of agents report a significant fall in foreign buyer activity, while 25% report a similar drop in local owner-occupier activity, 24% report the same in local investor activity and 19% report the same in renter activity.

In Thailand, 30% of agents say foreign buyer activity has suffered a significant drop, while 22% report a similar drop in local owner-occupier buyers, 26% report a significant drop in investor buyers, and 22% report a drop in renters.

In Portugal, 30% of agents report a significant fall in foreign buyer activity, while 26% report a similar drop in local owner-occupier activity, 27% report the same in local investor activity and 18% report the same in renter activity.

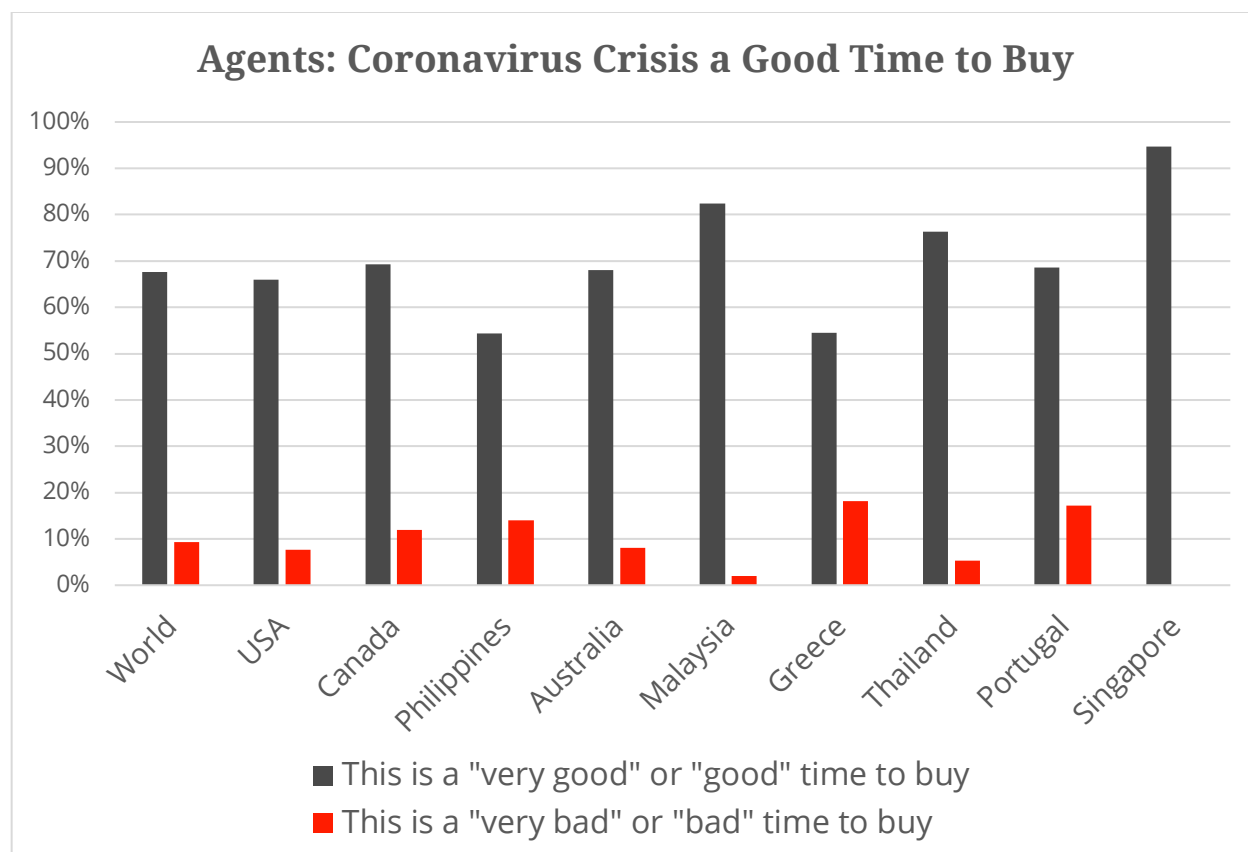
In Singapore, 47% of agents report a significant fall in foreign buyer activity, while 18% report a similar drop in local owner-occupier activity, 15% report the same in local investor activity and 21% report the same in renter activity.

Agents Recommend Buying, Mixed on Selling

Agents are divided on whether the Coronavirus crisis is a good time to sell, but sentiment is much stronger that it is in fact a good time to buy.

With market activity much lower for all buyer groups, sellers or vendors may have to offer discounts or other incentives to attract buyers willing to make offers and close transactions while the Coronavirus crisis is acute. At the same time, agents retain faith in the real estate market's long-term prospects and most believe prices will recover some or all of their Coronavirus losses after the crisis passes. Buyers who can obtain a discount today will be rewarded later.

While 68% of agents worldwide believe this is a "good" or "very good" time to buy, only 9% of agents feel it is a "bad" or "very bad" time to buy. In every country, more than half of agents believe this is a "good" or "very good" time to buy.

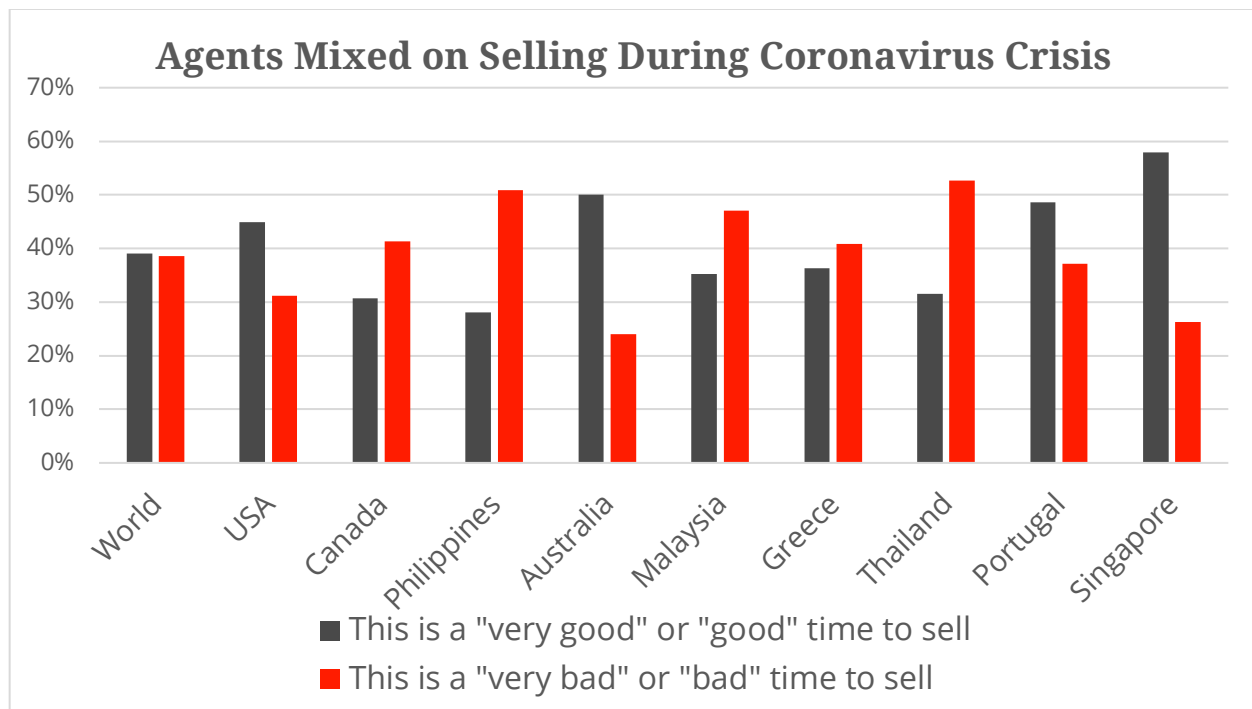


Singapore has the most positive sentiment. Ninety-five per cent of Singapore agents believe this is a "good" or "very good" time to buy. In six other countries, two thirds or more of agents feel the same: Malaysia (82%), Thailand (76%), Portugal (69%), Canada (69%), Australia (68%), and the USA (66%).

In Greece and the Philippines, 55% and 54% of agents believe this is a "good" or "very good" time to buy, respectively.

When it comes to selling, opinions are markedly more mixed. An equal share of worldwide agents believe this is a "good" or "very good" time to sell as believe the opposite. Thirty-nine per cent of

agents fall into each category. Agents in four countries are more positive about selling than the global trend suggests. In Singapore, 58% of agents believe this is a “good” or “very good” time to sell, while 26% believe it is a “bad” or “very bad” time to sell.



In Australia, 50% of agents believe this is a “good” or “very good” time to sell, while 24% believe it is a “bad” or “very bad” time to sell. Nearly twice as many agents recommend selling as recommend against it.

In the USA, 45% of agents believe this is a “good” or “very good” time to sell, while 31% believe it is a “bad” or “very bad” time to sell. Portugal has a similar split, with 49% of agents recommending selling and 37% opposing it.

The countries where agents are more negative than the global trend about selling during the Coronavirus crisis are Thailand, the Philippines, Canada, Malaysia, and Greece. In Thailand, 32% of agents believe this is a “good” or “very good” time to sell, but 53% believe it is a “bad” or “very bad” time to sell.

In the Philippines, 28% of agents believe this is a “good” or “very good” time to sell, but 51% believe it is a “bad” or “very bad” time to sell. In Canada, 31% of agents believe this is a “good” or “very good” time to sell, but 41% believe it is a “bad” or “very bad” time to sell.

In Malaysia, 35% of agents believe this is a “good” or “very good” time to sell, but 47% believe it is a “bad” or “very bad” time to sell. And in Greece, 36% of agents believe this is a “good” or “very good” time to sell, but 41% believe it is a “bad” or “very bad” time to sell.

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