

**Frequently Asked Questions (FAQs)**  
**COVID-19's Effect on the April 2020 New Residential Sales Indicator**

**Data Collection**

**Did the Census Bureau change its data collection procedures this month?**

Yes. Data on new residential sales are collected by the Census Bureau's field staff across the country. The Census Bureau has temporarily suspended in-person interviews for its ongoing surveys. Field staff contacted sampled building permit offices by telephone to obtain new residential permits for April, and followed up with builders or owners of newly sampled and previously sampled projects by telephone.

**How has the collection of data on New Residential Sales been affected?**

Many governments and businesses are operating in a limited capacity or have ceased operations. As a result, their ability to provide accurate, timely information to Census may be limited.

For the April 2020 New Residential Sales Report, processing and data quality were monitored throughout the month and quality metrics, including response rates, fell within normal ranges for this survey.

**Methodology**

**Were any estimates withheld or delayed because of data collection problems?**

No. All April estimates were released as scheduled.

**Did the Census Bureau modify its usual weighting or estimation methods used to produce monthly New Residential Sales estimates for April 2020?**

No. Standard weighting and estimation methods were used to produce all indicator estimates for April 2020.

**Has the reliability of the monthly New Residential Sales estimates changed?**

No. The reliability of the estimates as measured by the coefficient of variation for monthly totals and the standard error for month-to-month change has not changed substantially.

**Are estimates of New Residential Sales adjusted to account for cancellations of sales contracts?**

No. If the respondent reports that the unit has been sold, the survey does not follow up in subsequent months to find out if it is still sold or if the sale was cancelled. The house is removed from the "for sale" inventory and counted as sold for that month. Since we discontinue asking about the sale of the house after we collect a sale date, we never know if the sales contract is

cancelled or if the house is ever resold. Therefore, the eventual purchase by a subsequent buyer is not counted in the survey; the same housing unit cannot be sold twice.

As a result of our methodology, if conditions are worsening in the marketplace and cancellations are high, sales would be temporarily overestimated. When conditions improve and these cancelled sales materialize as actual sales, our sales would then be underestimated since we did not allow the cases with cancelled sales to re-enter the survey. In the long run, cancellations do not cause the survey to overestimate or underestimate sales.

### **Seasonal Adjustment**

#### **Did the Census Bureau alter the procedures for developing seasonally adjusted estimates for monthly New Residential Sales data?**

No. An alteration was not made to our procedures for developing our seasonally adjusted estimates. We will continue to monitor April and surrounding months to ensure that the published seasonally adjusted values fully include any immediate effects. If the effects are not typical and should not be permitted to influence the seasonal factors for April and surrounding months, we may alter our procedures in the future.

### **Additional Information**

#### **Are there additional Census Bureau resources available on the COVID-19 Pandemic?**

Yes. The Census Bureau has created a [COVID-19 reference page](#) which includes links to relevant Census data sources. There is also a more general [FAQ on the impact of COVID-19 on operations](#).

Source: U. S. Census Bureau  
Economic Indicators Division

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