

National Association of REALTORS®

2019 MEMBER PROFILE

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2019 MEMBER PROFILE

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INTRODUCTION

In 2019, the rise in new members the National Association of REALTORS® witnessed in the last several years has largely leveled out. While membership grew from 1.23 million in 2016 to 1.36 in 2018, as of April 2019 membership remained steady at 1.32 million. The median years of experience in real estate decreased to eight years from 10 in last year's report. Tenure at the firm was a median of four years again this year.

The median age of REALTORS® was 54 in the 2019 survey, the same as last year. The median age held steady between 56 and 57 from 2011 to 2015, then dropped to 53 in 2016 and 2017. This year, 33 percent were over 60 years old and four percent were less than 30, slightly down from last year. Ten percent of members (down from 13 percent) who had two years or less experience were under 30 years of age.

Limited inventory continues to plague many housing markets in the United States. For the sixth year in a row, the difficulty finding the right property surpassed the difficulty in obtaining mortgage financing as the most cited reason limiting potential clients. Impacted by limited inventory, the typical number of transactions was 11 in 2018, the same as in the previous year. Despite rising home prices again in 2018, the median brokerage sales volume increased to \$1.9 million in 2018 from \$1.8 million in 2017.

The median gross income of REALTORS® was \$41,800 in 2018, an increase from \$39,800 in 2017. New members entering the field can be seen with the differences in income by experience, function, and hours worked per week. Fifty-four percent of members (down from 60 percent of members) who have two years or less experience made less than \$10,000 in 2018 compared to 35 percent of members with more than 16 years of experience who made more than \$100,000 in the same time period.

REALTORS® with 16 years or more experience had a median gross income of \$71,000—down from \$78,800 in 2017—compared to REALTORS® with two years or less experience that had a median gross income of \$9,300—a slight increase from \$8,330.

The typical member was an independent contractor affiliated with an independent company catering to local markets. REALTORS® frequently have had careers in other fields prior to real estate, the most common being in management, business, and financial professions, followed by sales and retail. Only four percent indicated that real estate was their first career. The majority of members were women homeowners with a college education.

Looking ahead, 80 percent of REALTORS® were very certain they would remain in the market for two more years.

*Jessica Lautz
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May 2019





HIGHLIGHTS

Business Characteristics of REALTORS®

- Sixty-eight percent of REALTORS® were licensed sales agents, 20 percent held broker licenses, and 14 percent held broker associate licenses.
- The typical REALTOR® had eight years of experience, down from 10 last year.
- Fourteen percent of members had at least one personal assistant.
- Fifty-one percent of REALTORS® reported having a website for at least five years, nine percent reported having a real estate blog, and 73 percent of members were on Facebook and 58 percent on LinkedIn for professional use.
- The most common information found on REALTOR® websites, among all REALTORS®, was the member's own listings and home buying and selling information.
- Eighty percent of REALTORS® were very certain they would remain active as a real estate professional for two more years.

Business Activity of REALTORS®

- In 2018, the typical agent had 11 transactions, the same as in the 2017 report.
- The median sales volume for brokerage specialists increased to \$1.9 million in 2018 from \$1.8 million in 2017.
- For the sixth year in a row, difficulty finding the right property surpassed difficulty in obtaining mortgage financing as the most cited reason limiting potential clients.
- The typical property manager managed 47 properties in 2018, up from 35 properties in 2017.
- Most REALTORS® worked 35 hours per week in 2018, down from 40 hours last year.
- The typical REALTOR® earned 13 percent of their business from repeat clients and customers and 17 percent through referrals from past clients and customers.
- REALTORS® spent a median of \$65 to maintain a website again in 2018.

Income and Expenses of REALTORS®

- In 2018, 36 percent of REALTORS® were compensated under a fixed commission split (under 100 percent), followed by 23 percent with a graduated commission split (increases with productivity).
- The median gross income of REALTORS® was \$41,800 in 2018, an increase from \$39,800 in 2017.
- REALTORS® with 16 years or more experience had a median gross income of \$71,000—down from \$78,800 in 2017—compared to REALTORS® with two years or less experience that had a median gross income of \$9,300—a slight increase from \$8,330.
- The median business expenses were \$4,600 in 2018, similar to the past year, which was \$4,580.
- The largest expense category for most REALTORS® was vehicle expenses, similar to last year, which was \$1,370.

Office and Firm Affiliation of REALTORS®

- Fifty-four percent of REALTORS® were affiliated with an independent company.
- Nearly nine in ten 10 members were independent contractors at their firms.
- The median tenure for REALTORS® with their current firm was four years again in 2019.
- Nine percent of REALTORS® worked for a firm that was bought or merged in the past two years.

Demographic Characteristics of REALTORS®

- The typical REALTOR® was a 54-year-old white female who attended college and was a homeowner.
- Sixty-seven percent of all REALTORS® were female, up from 63 percent last year.
- Sixteen percent of REALTORS® had a previous career in management, business, or finance, and 15 percent in sales or retail. Only four percent of REALTORS® reported real estate was their first career.
- Seventy-two percent of REALTORS® said that real estate was their only occupation, and that number jumped to 82 percent among members with 16 or more years of experience.
- The majority of REALTORS®—84 percent—owned their primary residence and 38 percent owned a secondary property.



The National Association of REALTORS® is America's largest trade association, representing more than 1.3 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate.

The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics.

Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property.

NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP

The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

To find out about other products from NAR's Research Group, visit <https://www.nar.realtor/research-and-statistics>.

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