



NATIONAL ASSOCIATION OF REALTORS®

# Member Profile

2010



NATIONAL ASSOCIATION OF REALTORS®

*The Voice for Real Estate®*

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REALTOR®

## NATIONAL ASSOCIATION OF REALTORS®

*The Voice For Real Estate*

The NATIONAL ASSOCIATION OF REALTORS®, "The Voice for Real Estate," is America's largest trade association, representing 1.2 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.

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## INTRODUCTION — A LIGHT AT THE END OF THE TUNNEL

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**I**N 2009, REALTOR® MEMBERS WERE CHALLENGED TO KEEP THEIR BUSINESS

moving forward as the economy started to pull out of the Great Recession. Residential real estate business started to improve in some areas of the country. In others, however, the market continued to sag.

Residential real estate has continued to feel the negative pressures of the recession, including substantial employment losses that continued through 2009, tepid consumer sentiment and confidence in the economy, and tightened consumer credit. Existing home sales improved slightly from 2008 to 2009, rising to more than 5 million units. While sales improved, prices of existing homes continued to decline in 2009 from 2008: the median home sales price in 2008 was \$198,100, dropping to \$172,500 in 2009.

For current homeowners, the drop in home prices reduced their wealth. However, many potential buyers took advantage of the First-Time Home Buyer tax credit, record low mortgage rates, and all-time high housing affordability. Survey data from the *Profile of Home Buyers and Sellers* show that these factors increased the share of first-time buyers from 41 percent of the market in 2008 to 47 percent of the market in 2009. The effect of the tax credit expansion and extension is still being tracked at the time of this publication, but sales are continuing at higher levels for first-time buyers.

Commercial real estate continued on a downward path in 2009. Credit markets tightened in commercial lending, making financing for new construction very difficult. Delinquencies on commercial loans continued to rise and the volume of commercial property sales fell substantially. Leasing activity has slowed greatly as businesses are reluctant to open or expand amidst a weak economy.

The combination of soft sales volume and lower prices directly affects REALTOR® income since most real estate agents and brokers are compensated on a commission basis. The median gross income of REALTORS® fell 3 percent to \$35,700 in 2009, substantially better than the decline of 14 percent recorded in 2008. Residential brokerage specialists reported a median of seven transactions in 2009, the same as in 2008.

REALTOR® member characteristics were largely unchanged from 2009. The typical REALTOR® is an independent contractor affiliated with a firm of 29 agents and brokers catering to local markets. Sales agents

*Paul C. Bishop, Ph.D*

*Arun Barman*

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are more evenly divided between independent non-franchised and franchised companies, while brokers are more likely to be affiliated with independent, non-franchised firms.

The profile of the typical REALTOR® is also largely unchanged from 2009. The median age of REALTORS® is 54, and the majority of members are women with a college education. The typical member has been in the business for 10 years. REALTORS® frequently have had careers in other fields prior to real estate, the most common being in management, business, and financial professions.

REALTORS® are learning new ways to market homes as the use of blogs and social networking has increased in 2010, as has the share of members who have their own website for real estate. In addition to membership in the NATIONAL ASSOCIATION of REALTORS®, real estate professionals have other ways of distinguishing themselves including affiliate memberships, professional designations, and certifications. Many REALTORS® took advantage of each of these opportunities. The most common affiliate memberships and designations reported by members involved residential specialization and buyer's agent representation.

Finally, as the market shows signs of improvement, three-quarters of REALTORS® are very certain they will remain in the business for at least two more years. The share of those who categorized themselves as very certain that they will remain in the business increased slightly from 2009, while the share of those who are somewhat certain they will remain in real estate decreased slightly.

## HIGHLIGHTS

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### **BUSINESS CHARACTERISTICS OF REALTORS®**

- Fifty-nine percent of REALTORS® are licensed as sales agents, and 89 percent of licensed sales agents also function as sales agents.
- Eight in ten members specialize in residential brokerage.
- The typical REALTOR® has 10 years experience.
- Nearly two-thirds of all REALTORS® reported having a website, one in ten members reported having a real estate blog, and more than half of members are using social media.
- The most commonly found information on websites, among commercial and residential REALTORS®, is the member's own listings.
- A quarter of REALTORS® have an affiliate membership.
- Three-quarters of REALTORS® are certain they will remain in the business for two more years.

### **BUSINESS ACTIVITY OF REALTORS®**

- In 2009, the typical brokerage specialist had seven transactions—the same number as the previous year.
  - Almost half of REALTORS® completed at least one transaction involving a property in foreclosure and 40 percent completed at least one transaction involving a short sale.
  - The typical REALTOR® worked 40 hours per week in 2009, a trend that has continued for several years.
  - The typical REALTOR® earned 18 percent of their business from past clients and customers.
  - REALTORS® spent a median of \$220 to maintain a website in 2009.
  - Thirty-six percent of REALTORS® reported having generated some business from holding an open house.
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### **INCOME AND EXPENSES OF REALTORS®**

- Percentage split-commission is the prevailing method of REALTOR® compensation, with roughly seven in ten respondents indicating this method of compensation.
- The median gross income of REALTORS® fell 3 percent in 2009 to \$35,700.
- The median business expenses fell from \$5,810 in 2008 to \$5,480 in 2009.
- REALTORS® with 16 years or more experience had a median gross income of \$52,300 compared to REALTORS® with 2 years or less experience who had a median gross income of \$8,800.
- Nearly four in ten members reported gross incomes below \$25,000. Sixteen percent reported incomes of \$100,000 or more.

### **OFFICE AND FIRM AFFILIATION OF REALTORS®**

- More than half of REALTORS® are affiliated with an independent non-franchised company.
- The typical REALTOR® works at a firm that employs 29 agents and brokers.
- The median tenure for REALTORS® with their current firm is five years.
- Almost two-thirds of brokers have some ownership interest in their firm with 45 percent having sole ownership of their firm.
- Seventy-three percent of REALTORS® reported receiving no benefits through their firm.
- Twelve percent of REALTORS® worked for a firm that was bought or merged in the past two years.

### **DEMOGRAPHIC CHARACTERISTICS OF REALTORS®**

- The typical REALTOR® is a 54 year old white female who attended college and is a homeowner.
- Fifty-seven percent of all REALTORS® are female.
- Seventy-seven percent of REALTORS® said that real estate was their only occupation.
- The median gross income of REALTOR® households was \$89,100 in 2009—continuing the drop reported over the last several years.
- About nine in ten REALTORS® own their primary residence.

## CHAPTER 1: BUSINESS CHARACTERISTICS OF REALTORS®

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HILE THE LANDSCAPE OF THE REALTOR® MEMBERSHIP IS LARGELY

unchanged from 2009, there are some significant differences to note this year in the business practices of members. The majority of REALTORS® are sales agents who generally specialize in residential brokerage. The typical REALTOR® has had 10 years of experience according to the 2010 survey.

REALTORS®' web presence and use of social media has been increasing as a valuable marketing tool to reach clients in recent years. The 2010 survey shows that 51 percent of REALTORS® reported using social networking websites and an additional 12 percent reported that they do not yet use such sites but plan to do so in the future. This is a steep increase from last year, when just 35 percent of members reported using social networking and 14 percent planned to.

In addition to membership in the NATIONAL ASSOCIATION of REALTORS®, REALTORS® have other ways of distinguishing themselves, including affiliate memberships, professional designations, and certifications. The most common affiliate memberships and designations reported by members involved residential specialization and buyer's agent representation. Finally, three-quarters of REALTORS® report they are certain that they will remain in the business.

## REALTORS® FUNCTION AND SPECIALTY AREA

### ► Exhibits 1-1 through 1-6

The majority of REALTORS® are sales agents who typically specialize in residential brokerage. Fifty-nine percent of REALTORS® were licensed as sales agents, and 89 percent of licensed sales agents also functioned as sales agents. Forty-two percent of REALTORS® surveyed were licensed as brokers or broker associates.

Eight in ten members specialize in residential brokerage. The share of brokers/broker associates specializing primarily in residential brokerage has ranged between 75 and 81 percent in every survey since 1999.

Business specialties for sales agents have varied more over time. Between 1999 and 2009, the share of agents specializing in residential brokerage ranged from 74 percent to 88 percent and is now near the upper end of that range. The most commonly practiced secondary specialties among all members are relocation, commercial brokerage, and residential property management.

## EXPERIENCE AND INCOME

### ► Exhibits 1-7 and 1-8

In the 2009 survey, there was a jump in experience as new membership slowed, and this has remained true for the 2010 Profile. REALTORS® in 2010 are more experienced than in 2008, and on the whole have been in the field 10 years as opposed to 8 years. Between 2009 to 2010 there are small changes in the experience of members. In 2009, 13 percent of members had two years or less of experience. In 2010, this declined to 10 percent.

Experience levels vary widely across different functions. Managers and brokers who are not directly involved in selling reported the most experience. The typical broker who sells and appraisers were the next most experienced groups. The typical sales agent had seven years of experience.

REALTORS® rely on their primary business specialty for more than half of their income and their reliance increases with years of experience. Approximately half of REALTORS®

earned between 50 and 100 percent of their income from their primary real estate specialty. As experience increases, the share of REALTORS® earning between 50 and 100 percent of their income from their primary specialty increases. This pattern is also true of hours worked per week. Those who worked more hours per week were more likely to have income from their primary real estate specialty comprise a greater share of their total income.

## PERSONAL ASSISTANTS AND THE USE OF HOME OFFICES

### ► Exhibits 1-9 through 1-13

Eight in ten REALTORS® do not use personal assistants in their work. However, the use of personal assistants varies by function. Broker-owners and managers are more likely to have an assistant than sales agents or associate brokers. As experience increases, the use of personal assistants also increases.

Assistants perform a variety of tasks. The most frequently cited tasks were sending out mailings to past clients or prospects, processing new listings and entering them in the MLS, and scheduling listing presentations, closings, and appointments.

Personal assistants were split nearly evenly when divided by work status (full-time or part-time), by licensure (licensed or unlicensed), and contract arrangement (independent contractor or employee). The greatest share of personal assistants was paid by the REALTOR®, but 35 percent were paid only by the firm and nearly one-fifth were paid by both the REALTOR® and the firm. Nearly three-quarters, an increase from 2009, worked exclusively for the REALTOR®.

Many REALTORS®—71 percent—maintain a home office. This number is not much changed from last year. By function, sales agents were most likely to maintain a home office, as were those with three to five years of experience.

## COMMUNICATIONS AND TECHNOLOGY

### ► Exhibits 1-14 through 1-17

Technology is an essential tool for REALTOR® business. Nearly all members reported daily use of email and desktop or laptop computers. More than half reported daily use of cell phones (no email and Internet) and smartphones with wireless email and Internet capability.

The only business software used by a majority of REALTORS® daily was multiple listing software. The business software used the least included graphics or presentation, property management, and loan analysis.

To maintain a database of leads, REALTORS® keep in touch with past, current, and prospective clients. Email was the most common form of communication with current, past, and potential clients. Phone was the second most common method and was used by a majority to contact all types of clients. Postal mail was the third most prevalent tool of communication to communicate with past or potential clients, while text messaging was the third most important tool for current clients.

## WEBSITES, BLOGS, AND SOCIAL NETWORKING

### ► Exhibits 1-19 through 1-24

As clients continue to increase their use of the Internet in real estate, the web presence of REALTORS® becomes even more important. Nearly two-thirds of all REALTORS® reported having a website. By function, appraisers were the least likely to indicate having a website; only 36 percent reported having one. Managers who do not sell were more likely to have a firm-provided website. Among sales agents, the split between in firm versus REALTOR®-maintained websites was 50-50. Among all groups, 10 percent reported not having a website but planned to have one in the future. The typical REALTOR® has had a website for five years.

Among residential brokerage specialists with websites, more than 70 percent had information about their own property listings, home buying and selling, and mortgage or financial calculators on their sites. On commercial brokerage specialists' websites, more than half had their own property listings, a link to the firm's website, and information about home buying and selling.

The use of blogs has steadily increased as a marketing tool for real estate agents. One in ten members reported having a real estate blog. In 2009, 7 percent of members reported having a blog. Among REALTORS®, blogs are most common among those aged 29, and nearly one in five members in this age group have a blog.

Social media is changing the way that all companies market, and real estate is no exception. Use of social media has increased sharply from 2009. More than half of members are using social media and an additional 12 percent plan to in the future. In 2009, only 35 percent of REALTORS® used social networking websites already, and 14 percent planned to do so in the future. The use of social networking sites is more common among younger age groups, although a still substantial one-third of members over the age of 60 use these sites.

## FIRM'S WEB PRESENCE AND RELOCATION DEPARTMENT

### ► Exhibits 1-18 and 1-27

REALTORS® rely on their firms for additional resources, including websites and relocation departments. Nine in ten REALTORS® indicated that their firms have a web presence, and 2 percent indicated that there is not currently a presence, but a site is planned. Nearly 40 percent of REALTOR® firms had a relocation department. REALTORS® with more experience were more commonly aware of whether or not their firm had a relocation department.

## MEMBERSHIP IN AFFILIATES, PROFESSIONAL DESIGNATIONS, AND CERTIFICATIONS

### ► Exhibits 1-25 and 1-26

In addition to being a member of the NATIONAL ASSOCIATION of REALTORS®, REALTORS® have many other ways of distinguishing themselves, including affiliate memberships, professional designations, and certifications.

A quarter of REALTORS® have an affiliate membership. By function, appraisers and sales agents were the least likely to have an affiliate membership. The two most common affiliate memberships were the Real Estate Buyer's Agent Council and the Council of Residential Specialists.

Designations and certifications are also more common among those who function as managers and brokers than appraisers and sales agents. Graduate REALTOR® Institute, Accredited Buyer Representative, and Certified Residential Specialist are the most prevalent designations. The most common certifications are Short Sales and Foreclosures, and e-Pro.

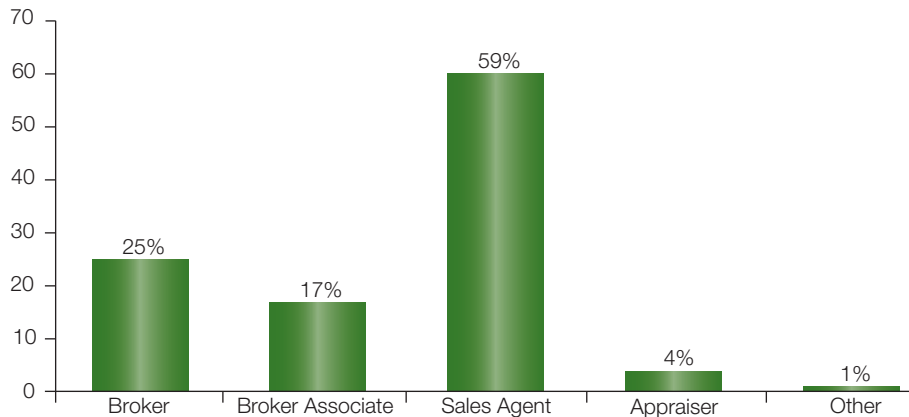
## FUTURE PLANS

### ► Exhibit 1-28

Three-quarters of REALTORS® are certain they will remain in the business for two more years. Brokers and broker associates are slightly more certain than sales agent that they will remain in the field. Members who have less experience are more wary of staying in the real estate business than their more tenured colleagues.

**Exhibit 1-1 REALTORS® BY TYPE OF LICENSE**

(Percent of Respondents)



**Exhibit 1-2 SPECIALTY AND MAIN FUNCTION OF REALTORS®**

(Percentage Distribution)

	ALL REALTORS®		LICENSED AS			
	2010 Survey	2009 Survey	Broker	Broker Associate	Sales Agent	Appraiser
<b>Primary Real Estate Specialty</b>						
Residential brokerage	81%	82%	75%	86%	87%	1%
Commercial brokerage	4	4	7	5	3	*
Residential appraisal	3	2	1	1	*	80
Commercial appraisal	1	1	*	*	*	18
Relocation	1	2	*	1	2	*
Property management	5	4	9	3	3	1
Counseling	1	1	1	*	1	*
Land/Development	2	2	3	1	1	*
Other specialties	2	2	3	2	2	*
<b>Main Function</b>						
Broker-owner (with selling)	15%	14%	59%	3%	1%	2
Broker-owner (without selling)	1	1	4	1	*	*
Associate broker	10	10	10	48	*	*
Manager	4	4	6	6	3	1
Sales agent	61	62	15	38	89	*
Appraiser	3	2	*	*	*	97
Other	6	6	6	5	6	*

\* Less than 1 percent

**Exhibit 1-3****PRIMARY BUSINESS SPECIALTY OF BROKER/BROKER ASSOCIATE LICENSEES, 1999-2009***(Percentage Distribution)*

	1999	2001	2003	2005	2007	2008	2009	2010
Residential brokerage	75%	76%	81%	76%	79%	79%	80%	79%
Commercial brokerage	6	6	3	4	5	6	6	7
Land/Development	4	3	1	3	3	1	3	2
Relocation	1	1	2	3	2	*	1	1
Counseling	1	1	2	3	1	1	1	1
Appraising	4	4	3	2	1	4	1	1
Property management	6	5	4	4	4	1	6	6
International	NA	*	*	1	*	3	*	*
Other	4	3	4	4	4	4	2	3

NA - Not Asked

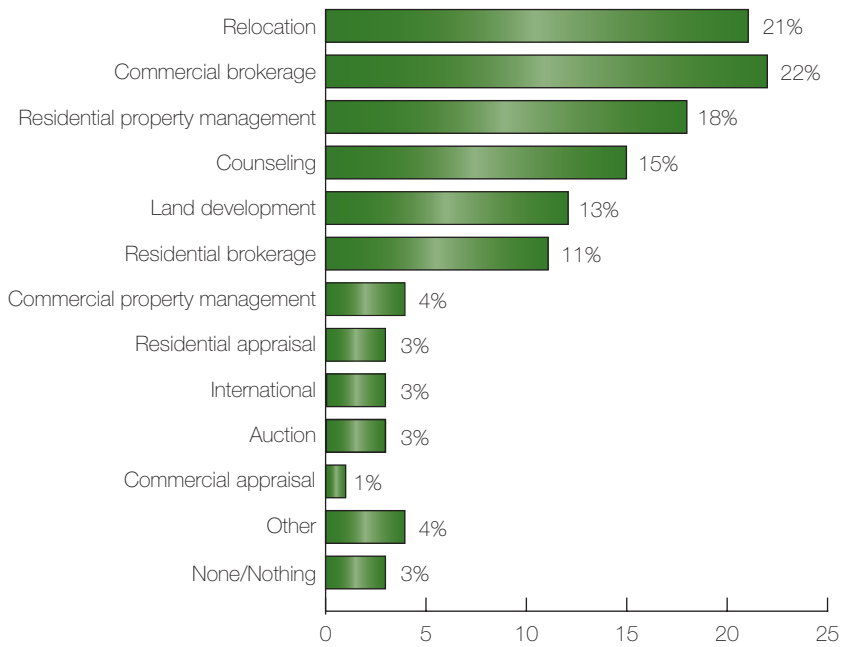
\* Less than 1 percent

**Exhibit 1-4****PRIMARY BUSINESS SPECIALTY OF SALES AGENT LICENSEES, 1999-2009***(Percentage Distribution)*

	1999	2001	2003	2005	2007	2008	2009	2010
Residential brokerage	88%	82%	84%	74%	75%	77%	86%	87%
Commercial brokerage	2	2	2	1	2	2	3	3
Land/Development	2	2	1	3	3	1	1	1
Relocation	1	2	2	5	6	*	2	2
Counseling	1	3	2	5	4	5	1	1
Appraising	2	3	3	5	1	4	1	*
Property management	2	3	3	3	4	3	4	3
International	NA	*	*	*	2	2	1	*
Other	2	3	3	3	4	6	2	2

NA - not asked

\* Less than 1 percent

**Exhibit 1-5 SECONDARY BUSINESS SPECIALTY OF REALTORS®***(Percent of Respondents)***Exhibit 1-6 REAL ESTATE EXPERIENCE OF REALTORS®, BY MAIN FUNCTION***(Percentage Distribution)*

## MAIN FUNCTION IN FIRM

	ALL REALTORS®		MAIN FUNCTION IN FIRM						
	2010 Survey	2009 Survey	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
1 year or less	6%	7%	1%	*	3%	3%	3%	8%	*
2 years	4	6	*	1	4	*	3	6	1
3 years	7	6	1	2	5	1	3	9	2
4 years	5	7	*	2	5	*	3	7	*
5 years	8	7	6	4	5	2	4	10	*
6 to 10 years	22	20	10	18	23	9	23	24	20
11 to 15 years	11	11	5	11	12	11	13	11	12
16 to 25 years	19	19	27	27	22	32	24	16	28
26 to 39 years	15	15	39	28	18	34	21	9	30
40 or more years	2	2	12	6	2	9	2	1	7
Median (years)	10	10	23	20	12	24	14	7	19

\* Less than 1 percent

**Exhibit 1-7 INCOME FROM PRIMARY REAL ESTATE SPECIALTY, BY YEARS OF EXPERIENCE***(Percentage Distribution)*

Percent of income from real estate specialty	ALL REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
Less than 50%	13%	20%	16%	11%	10%
Less than 25%	7	16	10	6	5
25% to 49%	5	4	7	5	6
50% to less than 100%	49%	35%	43%	49%	55%
50% to 74%	11	7	8	11	14
75% to 99%	38	28	35	39	41
100%	39	45	40	40	34

**Exhibit 1-8 INCOME FROM PRIMARY REAL ESTATE SPECIALTY, BY NUMBER OF HOURS WORKED***(Percentage Distribution)*

Percent of income from real estate specialty	ALL REALTORS®	Less than 20 hours	20 to 39 hours	40 to 59 hours	60 hours or more
Less than 50%	13%	34%	18%	7%	5%
Less than 25%	7	27	10	3	2
25% to 49%	5	6	8	4	3
50% to less than 100%	49%	30%	44%	54%	57%
50% to 74%	11	8	11	11	13
75% to 99%	38	21	33	43	44
100%	39	37	38	40	38

**Exhibit 1-9 NUMBER OF PERSONAL ASSISTANTS***(Percentage Distribution)*

	LICENSED AS			MAIN FUNCTION IN FIRM						
	ALL REALTORS®	Broker/ Associate	Broker Agent	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	83%	76%	87%	87%	64%	70%	82%	71%	73%	87%
One	14	19	11	11	32	24	15	16	18	11
Two	2	4	1	1	3	4	2	2	6	1
Three or more	1	2	*	*	2	2	1	10	2	*

\* Less than 1 percent

**Exhibit 1-10** NUMBER OF PERSONAL ASSISTANTS, BY YEARS OF REAL ESTATE EXPERIENCE*(Percentage Distribution)*

	ALL REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
None	83%	96%	89%	83%	75%
One	14	3	10	14	20
Two or more	3	1	1	3	5

**Exhibit 1-11** TASKS PERFORMED BY PERSONAL ASSISTANTS*(Percent of Respondents)*

Send mailings to past clients or prospects	62%
Process new listings and enter them in the MLS	58
Schedule listing presentations, closings, and appointments	49
Manage closing paperwork	47
Photograph listings	44
Place/track advertising of listings	41
Order inspections	40
Prepare comps	35
Send progress reports to sellers	34
Check MLS for expirations	31
Write ads	30
Prepare escrow files	29
Check newspapers for FSBOs	11
Prospect FSBOs	8
Other	38

**Exhibit 1-12 CHARACTERISTICS OF PERSONAL ASSISTANTS***(Percentage Distribution)*

License Information	Licensed	49%
	Unlicensed	51
Salary Expenses	Paid by REALTOR®	47
	Paid by company	35
	Both	18
Employment	Full-time	52
	Part-time	48
Exclusivity	Exclusive assistant	72
	Shared with others	28
Employment Arrangement	Independent contractor	58
	Employee	42
Compensation Structure	Hourly	36
	Salary	19
	Arrangement varies	22
	Percent of commission	13
	Per task	11

**Exhibit 1-13 REALTORS® MAINTAINING A HOME OFFICE***(Percentage Distribution)*

	2010 Survey	2009 Survey
All REALTORS®	71%	72%
License		
Broker/Broker associate	67	67
Sales agent	74	76
Main Function		
Broker-Owner (without selling)	47	52
Broker-Owner (with selling)	70	66
Associate broker	69	72
Manager (without selling)	32	46
Manager (with selling)	57	59
Sales agent	74	77
Appraiser	72	71
Other	59	56
Real Estate Experience		
2 years or less	71	74
3 to 5 years	78	78
6 to 15 years	72	74
16 years or more	66	66

**Exhibit 1-14** FREQUENCY OF USE OF COMMUNICATIONS AND TECHNOLOGY PRODUCTS*(Percentage Distribution)*

All REALTORS®	Daily or nearly every day	A few times a week	A few times a month	A few times a year	Rarely or Never
E-mail	94%	4%	1%	*	2%
Laptop/Desktop computer	91	4	1	*	3
Cell phone (no email and Internet)	71	4	1	1	23
Smartphone with wireless email and Internet capabilities (e.g., Treo/BlackBerry)	56	3	1	1	39
Digital camera	30	27	30	9	4
Instant messaging (IM)	28	10	7	4	51
Global positioning system (GPS)	28	20	16	6	30
PDA/Handheld (no phone capabilities)	12	2	1	1	85
Blogs	5	5	9	7	74
RSS feeds	4	4	5	5	83
Podcasts	2	2	5	7	84

\* Less than 1 percent

**Exhibit 1-15** TECHNOLOGY USE, BY YEARS OF EXPERIENCE*(Percent of Respondents Using Each Technology Daily or Nearly Every Day)*

	ALL REALTORS®		REAL ESTATE EXPERIENCE			
	2010 Survey	2009 Survey	2 years or less	3 to 5 years	6 to 15 years	16 years or more
E-mail	94%	93%	95%	95%	94%	92%
Laptop/Desktop computer	91	90	94	93	92	89
Cell phone (no email and Internet)	71	78	62	71	70	76
Smartphone with wireless email and Internet capabilities (e.g., Treo/BlackBerry)	56	42	66	60	60	48
Digital camera	30	27	22	27	31	31
Instant messaging (IM)	28	22	31	31	30	23
Global positioning system (GPS)	28	22	33	31	30	22
PDA/Handheld (no phone capabilities)	12	13	9	14	13	10
Blogs	5	4	6	6	5	4
RSS feeds	4	3	4	5	4	3
Podcasts	2	1	1	3	2	1

**Exhibit 1-16** FREQUENCY OF USE OF BUSINESS SOFTWARE

(Percentage Distribution)

ALL REALTORS®	Daily or nearly every day	A few times a week	A few times a month	A few times a year	Rarely or Never
Multiple listing	71%	13%	7%	3%	6%
Contact management	30	18	14	7	32
Document preparation	24	26	22	8	20
Electronic contract and forms	23	30	27	10	12
Customer relationship management	17	13	12	9	49
Comparative market analysis	19	31	32	11	7
Transaction management	14	13	13	9	50
Graphics or presentation	9	15	24	17	34
Property management	9	5	8	10	68
Loan analysis	4	10	21	18	48

**Exhibit 1-17** PREFERRED METHOD OF COMMUNICATION WITH CLIENTS

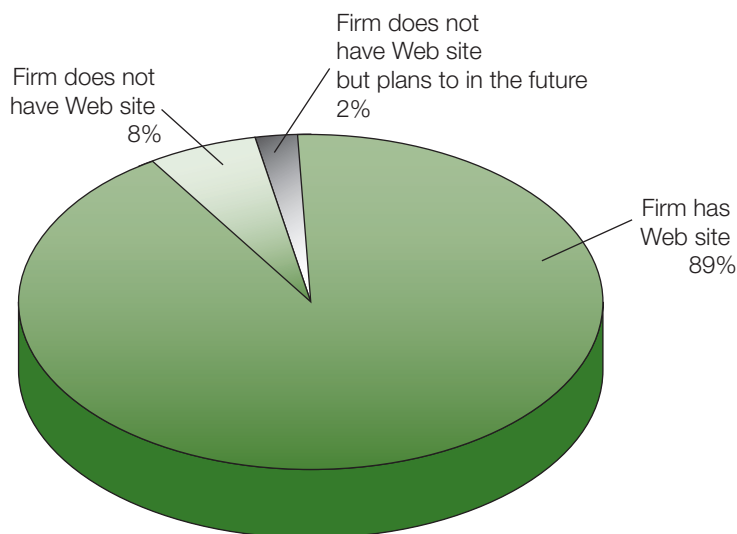
(Percent of Respondents)

	Current clients/ customers	Past clients/ customers	Potential clients/ customers
E-mail	90%	75%	73%
Telephone	88	64	67
Postal mail	28	44	38
Text messaging	40	17	16
Instant messaging (IM)	14	6	6
Blog	4	4	7
Podcast	1	1	3

\* Less than 1 percent

**Exhibit 1-18** REALTOR'S® FIRM WEB PRESENCE

(Percentage Distribution)



**Exhibit 1-19 REALTORS® WITH WEBSITES, BY LICENSE AND FUNCTION***(Percentage Distribution)*

	ALL REALTORS®	LICENSED AS		MAIN FUNCTION IN FIRM						
		Broker/ Broker Associate	Sales Agent	Broker- Owner (without selling)	Broker- Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
Have a Website	63%	65%	62%	56%	65%	67%	59%	63%	64%	36%
A Website developed and/or maintained by REALTOR®	34	39	31	27	45	39	12	34	32	26
A Website provided by firm	29	26	31	29	19	28	47	30	32	11
Do not have a Website	37	35	38	44	35	33	41	37	36	64
No Website	28	27	27	39	26	24	38	31	25	53
No Website, but plan to have one in the future	10	8	11	5	9	8	3	6	11	11

**Exhibit 1-20 REALTORS® WITH WEBSITES, BY EXPERIENCE***(Percentage Distribution)*

	ALL REALTORS®		REAL ESTATE EXPERIENCE			
	2010 Survey	2009 Survey	2 years or less	3 to 5 years	6 to 15 years	16 years or more
Have a Website	63%	60%	59%	63%	67%	60%
A Website developed and/or maintained by REALTOR®	34	33	27	30	39	33
A Website provided by firm	29	27	33	32	28	27
Do not have a Website	37	40	41	37	33	40
No Website	28	29	25	25	25	33
No Website, but plan to have one in the future	10	11	16	13	8	8

**Exhibit 1-21 LENGTH OF TIME REALTORS® HAVE HAD A WEBSITE FOR BUSINESS USE***(Percentage Distribution Among those with a Website)*

	ALL REALTORS®		REAL ESTATE EXPERIENCE			
	2010 Survey	2009 Survey	2 years or less	3 to 5 years	6 to 15 years	16 years or more
Less than one year	1	*	7%	1	1	*
1 to 2 years	24	26	93	29	15	11
3 to 4 years	18	19	*	46	15	10
5 or more years	57	54	*	24	69	79
Median years	5	5	1	3	6	8

\* Less than 1 percent

**Exhibit 1-22 INFORMATION ON REALTOR® WEBSITES***(Percent of Respondents with a Website)*

	ALL REALTORS®	BROKERAGE SPECIALISTS	
		Residential	Commercial
Own property listings	91%	94%	88%
Information about home buying and selling	78	81	52
Mortgage or financial calculators	68	72	48
Link to firm's Website	61	62	60
Community information or demographics	55	58	34
Virtual tours	54	57	32
School reports	50	53	26
Links to state and local government Websites	45	46	37
Home valuation or Comparative Market Analysis tools	34	35	28
Current mortgage rates	34	34	27
Links to real estate service providers	29	29	32
Links to mortgage lenders' Websites	26	28	13
Appointment scheduler	18	19	9
Link to commercial information exchange (CIE)	4	4	18
Other	5	4	6

**Exhibit 1-23 REAL ESTATE BLOGS***(Percentage Distribution)*

	ALL REALTORS®		AGE				
	2010 Survey	2009 Survey	29 or younger	30 to 39	40 to 49	50 to 59	60 or older
Have a blog	10%	7%	18%	16%	12%	9%	6%
Do not have a blog	77	80	63	67	71	78	85
Do not have a blog, but plan to in the future	12	13	17	16	16	12	8

**Exhibit 1-24 ACTIVE USE OF SOCIAL OR PROFESSIONAL NETWORKING WEBSITES***(Percentage Distribution)*

Actively use social or professional networking Websites:	ALL REALTORS®	AGE				
		29 or younger	30 to 39	40 to 49	50 to 59	60 or older
Yes	51%	79%	72%	63%	52%	34%
No	36	12	19	25	36	51
No, but plan to in the future	12	8	8	12	11	14

**Exhibit 1-25** AFFILIATE MEMBERSHIP OF REALTORS®*(Percent of Respondents)*

NAR Affiliates	ALL REALTORS®	LICENSED AS		MAIN FUNCTION IN FIRM						
		Broker/ Broker Associate	Sales Agent	Broker- Owner (without selling)	Broker- Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
Not a member of any affiliate	75%	67%	80%	76%	70%	68%	62%	65%	77%	92%
CCIM Institute - Certified Commercial Investment Member	2	3	1	3	4	1	7	3	1	2
CRE - Counselors of Real Estate	1	1	1	*	2	1	1	1	1	3
CRB - Council of Real Estate Brokerage Managers	3	5	1	13	6	2	17	7	2	1
CRS - Council of Residential Specialists	11	17	8	12	14	17	20	14	10	3
IREM - Institute of Real Estate Management	1	1	*	2	1	1	5	1	*	1
REBAC - Real Estate Buyer's Agent Council	10	12	9	1	10	15	9	13	10	*
RLI - REALTORS® Land Institute	1	1	*	*	*	1	*	2	*	*
SIOR - Society of Industrial and Office REALTORS®	*	*	*	*	1	*	2	*	*	*
WCR - Women's Council of REALTORS®	4	4	3	3	5	4	8	8	3	*

\* Less than 1 percent

**Exhibit 1-26** PROFESSIONAL DESIGNATIONS AND CERTIFICATIONS OF REALTORS®*(Percent of Respondents)*

Designations	LICENSED AS			MAIN FUNCTION IN FIRM						
	ALL REALTORS®	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
No designations	66%	54%	73%	61%	60%	57%	44%	55%	69%	83%
ABR - Accredited Buyer Representative	13	18	11	8	13	20	11	19	13	*
ABRM - Accredited Buyer Representative Manager	*	*	*	1	1	*	1	1	*	*
ALC - Accredited Land Consultant	*	*	*	*	*	*	*	*	*	*
CCIM - Certified Commercial Investment Member	1	2	*	3	2	1	4	1	*	1
CIPS - Certified International Property Specialist	1	1	*	*	1	1		1	1	*
CPM - Certified Property Manager	*	1	*	1	1	1	2	*	*	*
CRB - Certified Real Estate Brokerage Manager	2	4	1	11	4	2	21	5	1	2
CRE - Counselor of Real Estate	1	1	*	2	*	1	*	*	*	2
CRS - Certified Residential Specialist	10	16	6	8	13	14	22	14	9	5
GAA - General Accredited Appraiser	*	*	*	4	*	*	1	*	*	3
Green Designation	2	2	2	*	2	2	2	2	2	*
GRI - Graduate REALTOR® Institute	19	29	13	29	26	26	30	25	16	11
PMN - Performance Management Network	*	1	*	*	1	*	2	*	*	*
RAA - Residential Accredited Appraiser	*	*	*	*	*	*	1	*	*	4
RCE - REALTOR® Association Certified Executive	*	*	*	*	*	*	*	*	*	*
SIOR - Society of Industrial and Office REALTORS®	*	*	*	*	*	*	2	*	*	*
SRES - Seniors Real Estate Specialists	5	6	5	3	3	8	2	8	5	*
Certifications										
No certifications	76	73	77	83	81	69	77	67	75	100
At Home with Diversity	4	5	4	1	4	5	8	5	4	*
e-Pro	11	13	10	5	11	15	6	13	11	*
REPA - Real Estate Professional Assistant	1	1	1	*	*	*	*	3	1	*
RSPS - Resort & Second Home Specialist	1	1	1	*	1	1	2	1	1	*
Short Sales and Foreclosures (SFR)	12	11	12	12	7	14	11	18	13	*
TRC - Transnational Referral Certification	1	1	1	*	1	1	*	*	1	*

\* Less than 1 percent

**Exhibit 1-27** RELOCATION ACTIVITY OF REALTORS®*(Percentage Distribution)*

	LICENSED AS			REAL ESTATE EXPERIENCE			
	ALL REALTORS®	Broker/ Broker Associate	Sales Agent	2 years or less	3 to 5 years	6 to 15 years	16 years or more
REALTORS®'s firm have a relocation department or business development department responsible for relocation activities							
Yes	39%	34%	44%	43%	39%	37%	39%
No	51	61	43	39	47	53	56
Don't know	10	5	13	17	14	10	5

**Exhibit 1-28** WILL REMAIN ACTIVE AS A REAL ESTATE PROFESSIONAL DURING THE NEXT TWO YEARS*(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		REAL ESTATE EXPERIENCE			
	2010 Survey	2009 Survey	Broker/ Broker Associate	Sales Agent	2 years or less	3 to 5 years	6 to 15 years	16 years or more
Very certain	74%	73%	76%	73%	69%	72%	75%	76%
Somewhat certain	18	20	17	19	23	20	17	17
Not certain	8	7	7	8	8	8	8	7

## CHAPTER 2: BUSINESS ACTIVITY OF REALTORS®

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**T**HE BUSINESS ACTIVITY OF REALTORS® IN 2009 WAS LARGELY A YEAR SPENT maintaining the status quo as the real estate market continued to steady and improve. As the economy continued to be in a recession, transaction levels and sales volume maintained the same levels as in 2008 for residential brokerage specialists. Unfortunately, 2009 continued to strain commercial brokerage specialists and appraisers. The tightening of the credit market reduced consumer's ability to obtain a mortgage and continues to slow the commercial market.

Despite a generally lower business volume, median weekly hours worked by the typical REALTOR® was unchanged from the previous three years.

The typical REALTOR® had fewer clients who were foreign nationals or whose primary language was not English. However, REALTORS® who spoke a language other than English reported a higher share of clients who spoke a foreign language.

Websites were not a major source of business, although REALTORS® who invested more heavily in their website reported a greater number of inquiries and business.

## APPRAISAL SPECIALISTS

### ► Exhibits 2-1 through 2-3

Appraisers have always had an important role when estimating a property's value, which is crucial to the real estate market when the assessed value is used for purchasing or refinancing a home, establishing a selling price, or settling an estate. In a changing market there is even more focus on the role of appraising.

Nearly all appraisal specialists (95 percent) indicated that they appraised one to four unit residential properties. The share of REALTORS® who appraised other properties and land stayed nearly steady from the prior year. The typical specialist appraised 200 properties in 2009, and one-third of specialists appraised over 300 properties in 2009.

## BROKERAGE SPECIALISTS

### ► Exhibits 2-4 through 2-17

Agency relationships among brokerage specialists have been largely unchanged in the last several years. Forty-one percent of REALTORS® practice buyer and seller agency with disclosed dual agency, 29 percent practice single agency, and 11 percent practice buyer agency exclusively.

The last year was a time for many agents to maintain their business and keep an even flow of transactions after the recent real estate decline. In 2009, the typical agent had seven transactions—the same number as the previous year. In 2009, the median number of their own listings a residential specialist sold was one, compared to selling four of others' listings. REALTORS® with two years of experience or less had a median of three transactions, compared to brokerage specialists with sixteen years of experience or more who had a median of nine transactions. The median sales volume for brokerage specialists also maintained the same levels as the previous year at \$1.2 million, after falling in years past.

While sales volume and transactions held steady on the residential side, the commercial side continues to be strained. Commercial specialists reported a median of six transactions, down from seven transactions in 2008. Commercial

specialists reported a median transaction volume of \$1.3 million—a decline from \$1.5 million in 2008.

REALTORS® reported a shift in consumers in 2009 from 2008. In 2008, consumers were reluctant to make a purchase because they expected prices to fall further—this year, the most cited reason for being reluctant to make a purchase was the difficulty in obtaining mortgage financing.

REALTORS® also reported that 55 percent of their buyers are viewing their home purchase primarily as a way to satisfy their desire to be homeowners. Only 5 percent of members reported buyers were buying a home primarily as a financial investment and 40 percent cited both intentions.

While foreclosure activity across the country has escalated, 52 percent of brokerage specialists were not involved in foreclosure transactions. Thirty-six percent of brokerage specialists completed between one and five foreclosure transactions, and 13 percent had six or more transactions. Likewise, 60 percent of brokerage specialists did not participate in a short-sale transaction, and 36 percent participated in one to five short-sale transactions.

## PROPERTY MANAGEMENT

### ► Exhibits 2-18 through 2-20

Property management remains an important specialty area for many REALTORS®. The typical property management specialist managed 33 properties in 2009. While this was a decline from 2008 when the typical property manager managed 40, this is closer to levels reported in 2007, when 30 properties was typical. Residential specialists managed a median of 40 properties, compared with commercial specialists who managed a median of 15 properties. The three most commonly reported tasks of property managers are selecting tenants, collecting rent and taking tenant applications. Eight in ten property management specialists were active in the single-family market. More than half managed some multi-family properties, and one-quarter were active in office property management.

## HOURS WORKED PER WEEK

### ► Exhibit 2-21

The typical REALTOR® worked 40 hours per week in 2009, a trend that has continued for several years. Managers had the highest median hours worked at 50 hours per week.

## REPEAT BUSINESS AND REFERRALS

### ► Exhibits 2-22 through 2-25

The typical REALTOR® earned 18 percent of their business from past clients and customers, although the percentage varies across specialties. As expected, experienced REALTORS® reported a greater share of repeat business from clients or referrals. In 2008 there was a large decline in business the typical REALTOR® had from referrals; referral business declined from 30 percent to 19 percent. This year, it held steady at 20 percent. Referrals were more common among REALTORS® with more experience (a median of 23 percent for those with 16 or more years of experience, compared to 2 percent for those with two years of experience or less).

## OPEN HOUSES

### ► Exhibits 2-26 through 2-27

While open houses are a useful tool for prospective home buyers and a marketing tool for agents, of residential brokerage specialists surveyed only 36 percent said they received some business from an open house. In most cases it was less than 10 percent of all business. Nearly two-thirds of agents reported no business as a result of open houses.

## LANGUAGE AND NATIONALITY

### ► Exhibits 2-28 through 2-29

Seven in ten REALTORS® had no clients who were foreign nationals, and 22 percent had fewer than 10 percent. Similar to last year, 44 percent of REALTORS® had no clients whose primary language was not English.

## WEBSITE BUSINESS ACTIVITY

### ► Exhibits 2-30 through 2-34

The typical REALTOR® spent \$220 to maintain a website in 2009. The typical member brought in four inquiries and 3 percent of their business from their website. Brokers tend to spend more on their websites, while sales agents tend to spend the least amount on websites. Not surprisingly, those who spent the most on websites also get the most inquiries and the largest percent of their overall business driven by website traffic.

**Exhibit 2-1 APPRAISAL: TYPES OF PROPERTIES APPRAISED***(Percent of Respondents, Appraisal Specialists only)*

	2010 Survey	2009 Survey
Residential (1 to 4 units)	95%	94%
Agricultural land and farms	33	34
Commercial (retail, office, shopping centers, etc.)	26	32
Residential (5 or more units)	23	28
Industrial (manufacturing, warehouses, etc.)	21	24
Institutional (hospitals, schools, etc.)	11	14
Other	7	11

**Exhibit 2-2 APPRAISAL: NUMBER OF PROPERTIES APPRAISED, 2009***(Percentage Distribution, Appraisal Specialists only)*

	ALL APPRAISAL SPECIALISTS		RESIDENTIAL APPRAISAL SPECIALISTS
	2010 Survey	2009 Survey	
9 or fewer	5%	5%	5%
10 to 24	2	4	1
25 to 49	5	6	2
50 to 99	11	11	7
100 to 199	26	23	26
200 to 299	19	25	23
300 to 399	19	11	21
400 or more	14	14	15
Median (properties)	200	200	200

**Exhibit 2-3****APPRAISAL: OTHER REAL ESTATE ACTIVITIES OF APPRAISAL SPECIALISTS***(Percent of Respondents, Appraisal Specialists only)*

	ALL APPRAISAL SPECIALISTS	RESIDENTIAL APPRAISAL SPECIALISTS
Residential brokerage	44%	47%
Commercial appraisal	13	16
Residential appraisal	11	N/A
Counseling	18	13
Commercial brokerage	10	7
Residential property management	8	9
Relocation	8	9
Land/development	3	3
Commercial property management	3	3
Auction	1	*
International	1	*
Other	4	5
None	6	7

\* Less than 1 percent

N/A - Not Applicable

**Exhibit 2-4****BROKERAGE: AGENCY RELATIONSHIPS***(Percentage Distribution, Brokerage Specialists only)*

	ALL REALTORS®		RESIDENTIAL SPECIALISTS			Commercial Specialists
	2010 Survey	2009 Survey	All	Broker/ Broker Associate	Sales Agent	
Buyer agency and seller agency with disclosed dual agency	41%	41%	41%	44%	39%	35%
Single agency	29	30	29	27	31	29
Buyer agency exclusively	11	12	11	8	13	12
Transactional agency	10	9	10	11	9	11
Seller agency exclusively	7	7	7	8	6	12
Other	1	1	1	2	1	1

**Exhibit 2-5** **BROKERAGE: LISTINGS SOLD, 2009***(Percentage Distribution, Brokerage Specialists only)*

ALL REALTORS®	NUMBER OF OWN LISTINGS SOLD	NUMBER OF OWN LISTINGS SOLD BY SOMEONE ELSE	NUMBER OF OTHERS' LISTINGS SOLD
0 listings	40%	24%	14%
1 listing	15	11	9
2 listings	13	11	11
3 listings	7	8	9
4 listings	5	6	8
5 listings	5	7	9
6 to 10 listings	8	17	22
11 listings or more	8	16	18
Median listings (2009)	1	3	4
Median listings (2008)	1	3	4
<b>RESIDENTIAL SPECIALISTS</b>			
0 listings	41%	24%	14%
1 listing	15	12	9
2 listings	13	11	10
3 listings	7	8	9
4 listings	4	6	8
5 listings	5	7	9
6 to 10 listings	8	17	23
11 listings or more	7	16	18
Median listings (2009)	1	3	5
Median listings (2008)	1	3	4
<b>COMMERCIAL SPECIALISTS</b>			
0 listings	21%	30%	24%
1 listing	12	10	8
2 listings	12	14	20
3 listings	9	9	7
4 listings	10	5	4
5 listings	6	7	9
6 to 10 listings	12	14	13
11 listings or more	18	11	15
Median listings (2009)	3	2	2
Median listings (2008)	3	2	3

**Exhibit 2-6** BROKERAGE: NUMBER OF TRANSACTION SIDES OR COMMERCIAL DEALS, 2009*(Percentage Distribution, Brokerage Specialists only)*

	ALL REALTORS®		RESIDENTIAL SPECIALISTS			
	In 2009	In 2008	All	Broker/ Broker Associate	Sales Agent	Commercial Specialists
0 transactions	12%	12%	12%	10%	14%	12%
1 to 5 transactions	30	31	30	25	33	36
6 to 10 transactions	19	21	19	19	20	20
11 to 15 transactions	13	13	13	14	12	11
16 to 20 transactions	8	7	9	9	8	7
21 to 50 transactions	14	13	14	18	11	11
51 transactions or more	3	3	3	5	2	3
Median (transactions)	7	7	7	10	6	6

**Exhibit 2-7** BROKERAGE: NUMBER OF TRANSACTION SIDES OR COMMERCIAL DEALS, BY EXPERIENCE, 2009*(Percentage Distribution, Brokerage Specialists only)*

	ALL REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
0 transactions	12%	24%	13%	11%	10%
1 to 5 transactions	30	51	34	26	27
6 to 10 transactions	19	12	21	21	19
11 to 15 transactions	13	6	13	15	12
16 to 20 transactions	8	3	9	9	9
21 to 50 transactions	14	3	10	15	17
51 transactions or more	3	*	1	3	6
Median (transactions)	7	3	6	8	9

\* Less than 1 percent

**Exhibit 2-8** BROKERAGE: NUMBER OF TRANSACTION SIDES INVOLVING PROPERTIES IN FORECLOSURE, 2009*(Percentage Distribution, Brokerage Specialists only)*

	ALL REALTORS®	RESIDENTIAL SPECIALISTS			
		All	Broker/ Broker Associate	Sales Agent	Commercial Specialists
0 transactions	52%	51%	46%	54%	65%
1 to 5 transactions	36	36	38	35	29
6 to 10 transactions	6	7	7	6	3
11 to 15 transactions	2	2	3	2	1
16 to 20 transactions	1	1	2	1	*
21 transactions or more	3	3	4	2	2
Median (transactions)	0	0	1	0	0

\* Less than 1 percent

**Exhibit 2-9 BROKERAGE: NUMBER OF TRANSACTION SIDES INVOLVING PROPERTIES IN FORECLOSURE, BY EXPERIENCE, 2009**

(Percentage Distribution, Brokerage Specialists only)

	ALL REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
0 transactions	52%	72%	50%	49%	49%
1 to 5 transactions	36	24	37	37	36
6 to 10 transactions	6	4	7	7	6
11 to 15 transactions	2	1	2	3	3
16 to 20 transactions	1	*	1	1	2
21 transactions or more	3	*	2	3	4
Median (transactions)	0	0	0	1	1

\* Less than 1 percent

**Exhibit 2-10 BROKERAGE: NUMBER OF TRANSACTION SIDES INVOLVING SHORT SALES, 2009**

(Percentage Distribution, Brokerage Specialists only)

	ALL REALTORS®	RESIDENTIAL SPECIALISTS			
		All	Broker/ Broker Associate	Sales Agent	Commercial Specialists
0 transactions	60%	59%	58%	60%	75%
1 to 5 transactions	36	36	36	37	22
6 to 10 transactions	3	3	3	2	1
11 transactions or more	2	2	3	1	1
Median (transactions)	0	0	0	0	0

**Exhibit 2-11 BROKERAGE: NUMBER OF TRANSACTION SIDES INVOLVING SHORT SALES, BY EXPERIENCE, 2009**

(Percentage Distribution, Brokerage Specialists only)

	ALL REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
0 transactions	60%	77%	63%	56%	58%
1 to 5 transactions	36	22	35	38	37
6 to 10 transactions	3	1	2	4	3
11 transactions or more	2	*	*	2	3
Median (transactions)	0	0	0	0	0

\* Less than 1 percent

**Exhibit 2-12** BROKERAGE: SALES VOLUME, 2009*(Percentage Distribution, Brokerage Specialists only)*

	ALL REALTORS®		RESIDENTIAL SPECIALISTS			
	In 2009	In 2008	All	Broker/ Broker Associate	Sales Agent	Commercial Specialists
Less than \$500,000	35%	34%	35%	27%	40%	37%
\$500,000 to under \$1 million	12	12	13	11	14	11
\$1 to under \$1.5 million	9	10	9	9	10	8
\$1.5 to under \$2 million	10	9	10	11	9	9
\$2 to under \$3 million	11	11	11	12	11	8
\$3 to under \$4 million	7	8	7	8	5	9
\$4 to under \$5 million	4	5	4	5	4	4
\$5 to under \$6 million	3	3	4	5	3	2
\$6 to under \$7 million	2	2	2	3	1	1
\$7 to under \$8 million	1	1	1	2	1	1
\$8 to under \$10 million	2	2	2	3	1	4
\$10 million or more	4	4	3	5	3	5
Median (millions)	\$1.2	\$1.2	\$1.2	\$1.7	\$0.9	\$1.3

**Exhibit 2-13** BROKERAGE: SALES VOLUME, BY EXPERIENCE, 2009*(Percentage Distribution, Brokerage Specialists only)*

	ALL REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
Less than \$500,000	35%	64%	39%	29%	29%
\$500,000 to under \$1 million	12	14	15	11	12
\$1 to under \$1.5 million	9	8	12	9	8
\$1.5 to under \$2 million	10	4	10	12	9
\$2 to under \$3 million	11	6	10	13	11
\$3 to under \$4 million	7	2	6	8	8
\$4 to under \$5 million	4	1	4	5	4
\$5 to under \$6 million	3	*	3	3	5
\$6 to under \$7 million	2	*	1	2	3
\$7 to under \$8 million	1	*	1	2	2
\$8 to under \$10 million	2	*	*	2	2
\$10 million or more	4	*	1	3	6
Median (millions)	\$1.2	\$0.3	\$0.9	\$1.5	\$1.6

\* Less than 1 percent

**Exhibit 2-14 THE MOST IMPORTANT FACTOR LIMITING POTENTIAL CLIENTS IN COMPLETING A TRANSACTION**
*(Percentage Distribution, Brokerage Specialists only)*

	ALL REALTORS®	RESIDENTIAL SPECIALISTS			
		All	Broker/ Broker Associate	Sales Agent	Commercial Specialists
Difficulty in obtaining mortgage finance	34%	33%	34%	32%	48%
Expectation that prices might fall further	23	23	22	23	19
Low consumer confidence	13	13	16	11	12
Difficulty in finding the right property	11	12	9	13	8
No factors are limiting potential clients	7	7	7	8	7
Concern about losing job	6	6	6	6	1
Ability to sell existing home	1	1	1	1	*
Expectation that mortgage rates might come down	*	*	*	1	1
Other	5	5	5	6	3

*\* Less than 1 percent*
**Exhibit 2-15 THE MOST IMPORTANT FACTOR LIMITING POTENTIAL CLIENTS IN COMPLETING A TRANSACTION, BY EXPERIENCE, 2009**
*(Percentage Distribution, Brokerage Specialists only)*

	ALL REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
Difficulty in obtaining mortgage finance	34%	39%	37%	35%	29%
Expectation that prices might fall further	23	18	21	24	24
Low consumer confidence	13	10	11	12	16
Difficulty in finding the right property	11	14	11	11	11
No factors are limiting potential clients	7	9	8	7	7
Concern about losing job	6	4	5	6	7
Ability to sell existing home	1	1	2	1	1
Expectation that mortgage rates might come down	*	*	1	*	*
Other	5	5	5	5	5

*\* Less than 1 percent*
**Exhibit 2-16 HOW RECENT HOME BUYERS ARE VIEWING THEIR HOME PURCHASE**
*(Percentage Distribution, Brokerage Specialists only)*

	ALL REALTORS®	REGION			
		Northeast	Midwest	South	West
Primarily as a way to satisfy their desire to be homeowners	55%	62%	61%	53%	48%
Primarily as a financial investment	5	3	3	7	6
Both	40	35	36	40	46

**Exhibit 2-17 BROKERAGE: WEBSITES WHERE REALTORS® PLACE THEIR LISTINGS***(Percent of Respondents, Brokerage Specialists only)*

	ALL REALTORS®		RESIDENTIAL SPECIALISTS			Commercial Specialists
	2010 Survey	2009 Survey	All	Broker/ Broker Associate	Sales Agent	
Firm's website	81%	81%	82%	81%	82%	66%
REALTOR.com®	80	80	82	84	81	49
Local MLS website	69	66	70	69	70	50
Personal website	48	46	49	47	51	20
Local REALTOR® association website	39	34	39	42	36	40
Franchiser's website	27	25	27	27	27	23
Local newspaper website	25	27	26	27	24	12
Local real estate magazine website	22	22	22	24	21	13
Other Broker's website	17	16	18	21	16	7
Commercial listing service**	12	11	9	10	8	70
Other	65	59	66	66	66	40
None	2	3	2	1	3	4

\*\* Commercial listing service, e.g., CoStar, LoopNet, CCIMNet, or other commercial information exchange (CIE)

**Exhibit 2-18 PROPERTY MANAGEMENT: TYPES OF PROPERTIES MANAGED***(Percent of Respondents, Property Management Specialists only)*

	2010 Survey	2009 Survey
Single-family residential	79%	83%
Multi-family residential	54	62
Office	24	31
Retail	13	19
Industrial	11	10
Land	4	5
Other	6	7

**Exhibit 2-19** PROPERTY MANAGEMENT: NUMBER OF PROPERTIES MANAGED*(Percentage Distribution, Property Management Specialists only)*

	ALL REALTORS®		Residential Specialists	Commercial Specialists
	2010 Survey	2009 Survey		
1 to 5 properties	12%	11%	13%	5%
6 to 10 properties	12	13	9	32
11 to 20 properties	14	12	11	31
21 to 40 properties	16	13	17	7
41 to 60 properties	9	11	9	8
61 to 80 properties	5	5	5	5
81 to 100 properties	6	8	7	*
101 to 500 properties	22	21	24	*
501 properties or more	6	5	6	3
Median (properties)	33	40	40	15

\* Less than 1 percent

**Exhibit 2-20** PROPERTY MANAGEMENT: MANAGEMENT FUNCTIONS PERFORMED*(Percent of Respondents, Property Management Specialists only)*

	2010 Survey	2009 Survey
Select tenants	89%	91%
Collect rent	88	89
Take tenant applications	85	90
Marketing	83	81
Initiate evictions	77	81
Perform small repairs	74	71
Perform large repairs or upgrades	62	57
Make tax payments	43	49
Initiate legal actions (other than evictions)	40	33
Make mortgage payments	36	48
Other	23	28

**Exhibit 2-21 HOURS WORKED PER WEEK***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM						
	2010 Survey	2009 Survey	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
Less than 20 hours	11%	12%	8%	13%	17%	11%	5%	6%	2%	12%	3%
20 to 39 hours	30	31	26	33	11	24	31	9	18	34	19
40 to 59 hours	45	43	49	41	48	45	49	70	59	41	60
60 hours or more	15	14	18	13	24	20	15	15	20	13	18
Median (hours)	40	40	40	40	44	40	40	50	50	40	40

\* Less than 1 percent

**Exhibit 2-22 REPEAT BUSINESS FROM PAST CONSUMERS AND CLIENTS, BY SPECIALTY, 2009***(Percentage Distribution)*

	ALL REALTORS®		PRIMARY REAL ESTATE SPECIALTY					
	In 2009	In 2008	APPRAISAL		BROKERAGE		PROPERTY MANAGEMENT	
			Residential	Commercial	Residential	Commercial	Residential	Commercial
None	21%	21%	7%	4%	22%	9%	16%	17%
Less than 10%	19	17	7	3	20	15	14	17
Up to 25%	20	22	5	12	21	23	18	4
Up to 50%	17	17	11	19	17	22	13	14
More than 50%	24	23	70	61	21	31	39	48
Median	18%	18%	65%	60%	16%	29%	30%	46%

\*\* In the previous survey, "percent of business originated with referrals from past customers and clients" was asked.

**Exhibit 2-23 REPEAT BUSINESS FROM PAST CONSUMERS AND CLIENTS, BY EXPERIENCE, 2009***(Percentage Distribution)*

	ALL REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
None	21%	71%	31%	14%	7%
Less than 10%	19	15	30	21	12
Up to 25%	20	7	21	24	19
Up to 50%	17	4	10	18	22
More than 50%	24	3	9	22	39
Median	18%	0%	7%	19%	39%

**Exhibit 2-24 BUSINESS THROUGH REFERRALS FROM PAST CONSUMERS AND CLIENTS, BY SPECIALTY, 2009***(Percentage Distribution)*

	PRIMARY REAL ESTATE SPECIALTY							
	ALL REALTORS®		APPRAISAL		BROKERAGE		PROPERTY MANAGEMENT	
	In 2009	In 2008	Residential	Commercial	Residential	Commercial	Residential	Commercial
None	13%	14%	14%	*	13%	8%	15%	23%
Less than 10%	18	18	25	18	17	19	21	26
Up to 25%	29	29	24	51	29	31	30	22
Up to 50%	19	19	14	17	19	22	15	9
More than 50%	21	19	23	14	21	19	18	20
Median	20%	19%	17%	19%	20%	21%	17%	11%

\*\* In the previous survey, "percent of business originated with referrals from past customers and clients" was asked.

**Exhibit 2-25 BUSINESS THROUGH REFERRALS FROM PAST CONSUMERS AND CLIENTS, BY EXPERIENCE, 2009***(Percentage Distribution)*

	ALL REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
None	13%	48%	14%	9%	8%
Less than 10%	18	15	22	19	16
Up to 25%	29	16	29	31	30
Up to 50%	19	11	18	21	21
More than 50%	21	10	17	21	25
Median	20%	2%	17%	21%	23%

**Exhibit 2-26 BUSINESS ORIGINATED FROM AN OPEN HOUSE, BY SPECIALTY, 2009***(Percentage Distribution)*

	ALL REALTORS®	RESIDENTIAL SPECIALISTS		
		All	Broker/ Broker Associate	Sales Agent
None	64%	59%	61%	58%
Less than 10%	26	29	30	28
Up to 25%	7	8	6	9
Up to 50%	2	2	1	3
More than 50%	2	2	1	2
Median	0%	0%	0%	0%

**Exhibit 2-27 BUSINESS ORIGINATED FROM AN OPEN HOUSE, BY EXPERIENCE, 2009***(Percentage Distribution)*

	ALL REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
None	64%	66%	59%	64%	65%
Less than 10%	26	19	26	26	27
Up to 25%	7	9	8	7	5
Up to 50%	2	3	4	2	1
More than 50%	2	3	3	1	1
Median	0%	0%	0%	0%	0%

**Exhibit 2-28 CUSTOMERS AND CLIENTS WHOSE PRIMARY LANGUAGE IS NOT ENGLISH, 2009***(Percentage Distribution)*

	ALL REALTORS®		REALTOR® IS	
	In 2009	In 2008	Fluent in a language other than English	Fluent in English only
None	44%	45%	17%	49%
Less than 10%	33	34	24	35
Up to 25%	11	11	17	10
Up to 50%	5	5	15	4
More than 50%	6	5	27	3
Median	3%	2%	18%	1%

**Exhibit 2-29 CUSTOMERS AND CLIENTS WHO WERE FOREIGN NATIONALS, 2009***(Percentage Distribution)*

	ALL REALTORS®	
	In 2009	In 2008
None	70%	69%
Less than 10%	22	23
Up to 25%	5	5
Up to 50%	2	2
More than 50%	2	1

**Exhibit 2-30 EXPENDITURES TO MAINTAIN REALTOR® WEBSITE, 2009***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2009	In 2008	Broker/ Broker/ Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	23%	22%	18%	26%	13%	12%	18%	42%	16%	26%
Less than \$100	17	18	13	20	4	12	16	4	23	19
\$100 to \$499	33	30	35	32	50	38	31	11	28	33
\$500 to \$999	15	18	18	13	11	20	19	23	16	14
\$1,000 or more	12	13	16	9	22	18	15	20	17	9
Median	\$220	\$240	\$320	\$150	\$370	\$380	\$300	\$230	\$250	\$170

**Exhibit 2-31 CUSTOMER INQUIRIES GENERATED FROM WEBSITE, 2009***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2009	In 2008	Broker/ Broker/ Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	27%	28%	22%	31%	16%	24%	20%	17%	19%	31%
1 to 5 inquiries	35	33	35	35	25	31	36	31	33	37
6 to 10 inquiries	12	13	11	12	4	10	15		19	12
11 to 20 inquiries	9	7	10	8	6	10	10	10	6	8
21 to 50 inquiries	7	8	8	6	12	10	7	8	10	6
51 to 100 inquiries	4	4	5	3	6	6	5	7	2	3
More than 100 inquiries	6	7	8	4	31	9	7	26	10	4
Median (inquiries)	4	4	4	3	20	4	4	12	5	3

**Exhibit 2-32 CUSTOMER INQUIRIES GENERATED FROM WEBSITE BY AMOUNT SPENT TO MAINTAIN, 2009***(Percentage Distribution)*

	ALL REALTORS®	AMOUNT SPENT TO MAINTAIN THE WEBSITE				
		None	Less than \$100	\$100 to \$499	\$500 to \$999	\$1,000 or more
None	27%	53%	33%	21%	17%	6%
1 to 5 inquiries	35	30	40	41	34	24
6 to 10 inquiries	12	7	10	14	16	13
11 to 20 inquiries	9	5	6	9	11	15
21 to 50 inquiries	7	2	6	7	9	15
51 to 100 inquiries	4	1	2	4	6	8
More than 100 inquiries	6	3	3	4	7	18
Median (inquiries)	4	0	3	4	5	16

**Exhibit 2-33 BUSINESS GENERATED FROM REALTOR® WEBSITE, 2009***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2009	In 2008	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	37%	36%	31%	42%	18%	32%	28%	25%	22%	41%
1% to 5%	27	27	27	27	24	21	31	19	32	28
6% to 10%	15	14	17	13	12	17	17	24	18	14
11% to 25%	10	11	13	9	16	15	12	15	16	8
26% to 50%	6	7	8	5	15	8	9	11	6	5
More than 50%	4	5	5	4	14	6	4	5	6	4
Median (percent of business)	3%	3%	4%	2%	8%	4%	4%	7%	5%	2%

**Exhibit 2-34 BUSINESS GENERATED FROM REALTOR® WEBSITE, BY AMOUNT SPENT TO MAINTAIN, 2009***(Percentage Distribution)*

	ALL REALTORS®	AMOUNT SPENT TO MAINTAIN THE WEBSITE				
		None	Less than \$100	\$100 to \$499	\$500 to \$999	\$1,000 or more
None	37%	62%	41%	31%	27%	13%
1% to 5%	27	20	33	31	25	26
6% to 10%	15	8	11	17	21	19
11% to 25%	10	4	9	11	14	18
26% to 50%	6	3	3	6	9	15
More than 50%	4	2	3	4	5	10
Median (percent of business)	5%	0%	4%	6%	9%	19%

## CHAPTER 3: INCOME AND EXPENSES OF REALTORS®

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**I**N 2009 REALTORS® CONTINUED TO FACE TOUGH ECONOMIC CONDITIONS THAT

included rising unemployment, reduced consumer confidence, and tepid home sales. REALTORS® incomes continued to be negatively impacted by the number of home sales as well as the reduced prices at which homes were selling. As a result, on the whole REALTOR® median gross incomes were reduced; however, with lower costs, net incomes rose slightly.

The median gross income of REALTORS® fell 3 percent to \$35,700 in 2009. However, net earnings, which exclude taxes and expenses, increased by \$200 to \$23,400. Among all REALTOR® groups, median expenses fell \$330 to \$5,480. When viewed across the different functions, brokers and managers who were not involved in sales typically had the highest annual incomes. REALTORS® who primarily functioned as sales agents had the lowest median income at \$28,100. Respondents who were more experienced, as well as those who worked more hours, tended to have higher incomes than those who were less experienced or who worked fewer hours.

In addition to REALTOR® income, this chapter looks at compensation structures across various categories of members. Business expenses across various categories of expense are also examined.

## COMPENSATION STRUCTURE

### ► Exhibits 3-1 through 3-3

Percentage split-commission is the prevailing method of REALTOR® compensation, with roughly seven in ten respondents indicating this method of compensation — similar to the previous year. Almost one in five were compensated with a 100 percent commission arrangement.

Among brokers, 100 percent commission is more popular, with one in four receiving this compensation structure. Percentage split-commission is even more popular with sales agents, with roughly four in five under this type of compensation structure. Those with less experience more often had percentage split-commission arrangements, as did those who had lower personal earnings.

The median year starting and ending commission splits were 70 percent, the same as in the 2009 survey. Among REALTORS® with a percentage commission-split, the median year-starting commission percentage was 60 percent for those earning under \$10,000 compared to 80 percent for those making at least \$150,000. Also, more experienced REALTORS® tended to have higher percentages of commission, with those who were in business over 16 years typically receiving year-starting percentage commission splits of 74 percent, compared to 55 percent for those with 2 years or less experience.

## BUSINESS EXPENSES

### ► Exhibits 3-4 through 3-13

With uncertain economic conditions throughout the year, median business expenses fell from \$5,810 in 2008 to \$5,480 in 2009. Brokers typically had higher business expenses at \$8,010 compared to \$4,430 for sales agents.

Income level is highly correlated with expenses. REALTORS® earning \$10,000 or less in 2009 had a median business expense level of \$2,220 compared to REALTORS® making \$150,000 or more who had median business expenses of \$35,750.

Median administrative expenses were \$690 and were higher for brokers than sales agents. Marketing services typically were \$690, with brokers having higher expenses in this category than sales agents. Online marketing made up roughly 10 percent of these expenses. The median amount spent on technology products and services was \$720. The largest single expense category for most REALTORS® was vehicle expenses, which fell from \$1,670 in 2008 to \$1,580 in 2009.

## REALTOR® INCOME

### ► Exhibits 3-14 through 3-17

The median gross income of REALTORS® fell 3 percent in 2009 to \$35,700, reflecting the soft market conditions in many parts of the country. Nearly four in ten respondents reported gross incomes below \$25,000. Sixteen percent reported incomes of \$100,000 or more.

Brokers and broker associates had a median income of \$49,100 compared to \$26,600 for sales agents. Over half of REALTORS® had net incomes (accounting for taxes and expenses) of less than \$25,000 with a median of \$23,400 in 2009 up from \$23,200 in 2008.

Broker owners (without selling) and managers (without selling) had higher gross and net incomes than other groups. Appraisers also had higher incomes with a gross median income of \$69,000.

Experience is a major factor in REALTORS®' earning potential. Referrals and previous clients are a significant source of business for REALTORS®. REALTORS® with 16 years or more experience had a median gross income of \$52,300 compared to REALTORS® with 2 years or less experience who had a median gross income of \$8,800. The amount of hours worked per week also strongly correlated with income. REALTORS® who typically worked less than 20 hours a week had a median gross income of \$8,500 a year, those who worked between 20 and 39 hours a week had a median gross income of \$21,700, those who worked 40 to 59 hours per week had a median gross income of \$48,000, and those who worked 60 or more hours per week had a median gross income of \$72,900.

## INCOME AND BUSINESS CHARACTERISTICS OF REALTORS®

### ► Exhibit 3-18

Looking across income levels by different characteristics can provide some interesting insight into the business environment. For instance, REALTORS® who make more money are more likely to have a website, a designation, and a certification. Also, REALTORS® in higher income groups are more likely to remain active as a real estate professional during the next two years with 94 percent of those in the \$150,000 or more income bracket saying they were very certain they will remain active in the business compared to only 58 percent in the less than \$10,000 income group.

Since the real estate business is largely commission-based, higher income levels are strongly associated with more real estate transactions. Repeat clients and referrals are also strongly related to higher income levels. REALTORS® making \$150,000 or more had a median of 36 percent of repeat business from past clients and 28 percent of business through referrals from past clients, compared to 0 percent of repeat business from past clients and 5 percent of business through referrals for those making less than \$10,000.

About 60 percent of REALTORS® in the highest income group had a bachelor's degree or higher, compared to 44 percent in the lowest income group. Not surprisingly, of those in the highest income group, 94 percent said that real estate was their only occupation, compared with 54 percent in the lowest income group. The home ownership level in the highest income group was 95 percent where as 86 percent of the lowest income group owned their own home. Median firm size, median age, and voter participation did not vary significantly across income groups.

**Exhibit 3-1****COMPENSATION STRUCTURES FOR REALTORS®***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS	
	2010 Survey	2009 Survey	Broker/ Broker Associate	Sales Agent
Percentage commission split	69%	70%	56%	81%
100% Commission	18	17	25	12
Commission plus share of profits	3	3	4	3
Salary only	2	2	2	1
Salary plus share of profits/production bonus	3	3	4	1
Share of profits only	1	1	2	*
Other	4	4	6	2
Median year-starting percentage commission split	70%	70%	70%	65%
Median year-ending percentage commission split	70%	70%	75%	70%

\* Less than 1 percent

**Exhibit 3-2****COMPENSATION STRUCTURES FOR REALTORS®, BY EXPERIENCE***(Percentage Distribution)*

	ALL REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
Percentage commission split	69%	83%	80%	69%	60%
100% Commission	18	9	12	19	22
Commission plus share of profits	3	3	3	3	3
Salary only	2	1	1	2	2
Salary plus share of profits/production bonus	3	2	1	2	5
Share of profits only	1	1	*	*	2
Other	4	3	2	4	6
Median year-starting percentage commission split	70%	55%	60%	70%	74%
Median year-ending percentage commission split	70%	60%	65%	70%	75%

\* Less than 1 percent

**Exhibit 3-3** COMPENSATION STRUCTURES FOR REALTORS®, BY GROSS PERSONAL INCOME*(Percentage Distribution)*

	GROSS PERSONAL INCOME								
	ALL REALTORS®	Less than \$10,000	\$10,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 to \$149,999	\$150,000 or more
Percentage commission split	69%	79%	79%	76%	71%	61%	57%	60%	50%
100% Commission	18	13	13	14	17	20	26	23	28
Commission plus share of profits	3	2	3	2	3	5	2	4	6
Salary only	2	*	1	1	2	2	2	2	2
Salary plus share of profits/ production bonus	3	1	1	2	2	5	7	5	6
Share of profits only	1	1	*	1	1	1	2	1	2
Other	4	3	3	4	4	5	4	5	7
Median year-starting percentage commission split	70%	60%	60%	65%	70%	70%	75%	80%	80%
Median year-ending percentage commission split	70%	60%	65%	70%	70%	75%	80%	80%	90%

\* Less than 1 percent

**Exhibit 3-4** TOTAL REAL ESTATE BUSINESS EXPENSES, 2009*(Percentage Distribution)*

	LICENSED AS				MAIN FUNCTION IN FIRM					
	ALL REALTORS®		Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
	In 2009	In 2008								
None	2%	2%	2%	2%	9%	2%	0%	12%	1%	1%
Less than \$500	4	3	3	5	2	2	2	17	5	4
\$500 to \$999	6	6	4	7	4	3	6	19	5	6
\$1,000 to \$2,499	17	17	14	20	9	12	14	10	19	20
\$2,500 to \$4,999	20	19	17	22	15	15	19	15	11	22
\$5,000 to \$9,999	19	16	18	19	19	15	18	16	19	20
\$10,000 to \$19,999	15	15	17	13	19	18	17	4	17	14
\$20,000 to \$29,999	8	9	10	6	5	11	12	3	10	7
\$30,000 to \$49,999	5	7	8	4	1	9	8	*	6	4
\$50,000 to \$99,999	3	3	5	2	8	7	4	3	5	2
\$100,000 or more	2	2	3	1	8	5	1	2	1	1
Median	\$5,480	\$5,810	\$8,010	\$4,430	\$7,860	\$10,090	\$7,590	\$1,360	\$7,380	\$4,690

\* Less than 1 percent

**Exhibit 3-5****TOTAL REAL ESTATE EXPENSES, BY GROSS PERSONAL INCOME, 2009***(Percentage Distribution)*

	ALL REALTORS®	GROSS PERSONAL INCOME							
		Less than \$10,000	\$10,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 to \$149,999	\$150,000 or more
None	2%	3%	1%	1%	2%	1%	2%	1%	2%
Less than \$500	4	9	4	4	4	1	2	1	1
\$500 to \$999	6	11	8	6	3	3	2	1	1
\$1,000 to \$2,499	17	33	24	17	12	11	5	6	3
\$2,500 to \$4,999	20	27	28	24	20	18	11	11	4
\$5,000 to \$9,999	19	12	20	23	29	22	17	17	9
\$10,000 to \$19,999	15	4	13	17	18	23	24	17	12
\$20,000 to \$29,999	8	1	2	6	9	12	20	16	13
\$30,000 to \$49,999	5	*	1	2	2	6	11	19	20
\$50,000 to \$99,999	3	*	*	*	1	3	5	8	20
\$100,000 or more	2	*	*	1	*	*	1	3	15
Median	\$5,480	\$2,220	\$3,690	\$4,840	\$6,630	\$8,740	\$14,410	\$18,000	\$35,750

*\* Less than 1 percent***Exhibit 3-6****ADMINISTRATIVE EXPENSES, 2009***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2009	In 2008	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	16%	16%	17%	16%	25%	18%	11%	53%	31%	14%
Less than \$500	27	26	22	31	19	17	26	17	17	31
\$500 to \$999	18	19	16	20	15	16	15	13	15	20
\$1,000 to \$1,499	13	13	14	13	13	13	17	7	12	14
\$1,500 to \$2,499	10	10	11	10	19	11	13	3	12	9
\$2,500 to \$4,999	7	7	9	5	*	11	6	2	4	6
\$5,000 to \$9,999	4	4	5	2	6	6	5	1	3	3
\$10,000 to \$14,999	2	2	2	1	*	2	3	1	3	1
\$15,000 or more	3	3	4	2	3	6	4	3	3	2
Median	\$690	\$700	\$850	\$590	\$710	\$980	\$920	\$0	\$550	\$630

*\* Less than 1 percent*

**Exhibit 3-7 AFFINITY/REFERRAL RELATIONSHIP EXPENSES, 2009***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2009	In 2008	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	57%	58%	54%	58%	66%	59%	49%	78%	56%	56%
Less than \$500	15	14	15	16	11	14	15	15	11	16
\$500 to \$999	7	7	7	7	*	7	8	3	10	7
\$1,000 to \$1,499	6	5	6	6	7	5	5	*	6	6
\$1,500 to \$2,499	4	5	4	5	*	2	6	*	4	5
\$2,500 to \$4,999	5	5	6	4	1	5	8	*	6	4
\$5,000 to \$9,999	3	3	4	2	7	3	3	4	2	2
\$10,000 to \$14,999	1	1	2	1	3	2	2	*	3	1
\$15,000 or more	2	2	2	1	5	2	3	*	2	1
Median	\$0	\$0	\$0	\$0	\$0	\$0	\$23	\$0	\$0	\$0

\* Less than 1 percent

**Exhibit 3-8 MARKETING OF SERVICES EXPENSES, 2009***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2009	In 2008	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	13%	13%	13%	11%	32%	16%	6%	64%	17%	9%
Less than \$500	29	27	23	34	16	22	25	18	21	33
\$500 to \$999	20	19	19	21	6	16	23	9	21	22
\$1,000 to \$1,499	13	11	14	13	18	14	14	1	16	13
\$1,500 to \$2,499	10	11	11	9	4	12	10	4	10	10
\$2,500 to \$4,999	7	9	9	6	9	8	11	3	5	7
\$5,000 to \$9,999	4	5	5	3	8	5	5	*	3	3
\$10,000 to \$14,999	2	2	2	1	1	2	3	1	5	1
\$15,000 or more	2	2	4	2	6	4	3	*	2	2
Median	\$690	\$760	\$870	\$610	\$600	\$860	\$910	\$0	\$800	\$680
Median percent spent on online marketing and promotion	10%	10%	10%	10%	6%	15%	15%	0%	20%	10%

\* Less than 1 percent

**Exhibit 3-9 OFFICE LEASE/BUILDING EXPENSES, 2009***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
			In 2009	In 2008	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)
None	73%	74%	67%	78%	57%	54%	74%	88%	84%	77%
Less than \$500	6	6	6	6	5	7	6	*	4	7
\$500 to \$999	4	3	4	4	*	5	2	2	3	5
\$1,000 to \$1,499	3	3	4	3	7	5	3	*	*	3
\$1,500 to \$2,499	3	3	3	2	2	4	2	*	1	2
\$2,500 to \$4,999	3	3	4	2	5	5	4	3	*	2
\$5,000 to \$9,999	3	3	4	2	10	8	2	*	1	2
\$10,000 to \$14,999	2	2	3	2	3	5	3	*	*	2
\$15,000 or more	3	3	5	1	10	8	3	7	6	1
Median	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

\* Less than 1 percent

**Exhibit 3-10 PROFESSIONAL DEVELOPMENT EXPENSES, 2009***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
			In 2009	In 2008	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)
None	8%	8%	10%	7%	22%	14%	4%	34%	13%	5%
Less than \$500	30	31	28	32	20	27	29	16	26	33
\$500 to \$999	29	28	28	31	16	26	30	28	25	31
\$1,000 to \$1,499	17	16	17	16	19	16	19	13	22	16
\$1,500 to \$2,499	9	10	10	9	11	9	10	5	10	9
\$2,500 to \$4,999	4	4	5	3	*	5	5	4	1	4
\$5,000 to \$9,999	1	2	2	1	5	2	2	*	1	1
\$10,000 to \$14,999	1	1	1	1	3	*	1	*	1	*
\$15,000 or more	*	*	1	*	5	1	*	*	*	*
Median	\$700	\$690	\$720	\$680	\$750	\$680	\$780	\$490	\$720	\$690

\* Less than 1 percent

**Exhibit 3-11 BUSINESS PROMOTION EXPENSE, 2009***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2009	In 2008	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
	None	11%	12%	12%	10%	30%	15%	5%	56%	14%
Less than \$500	32	30	26	35	18	26	28	24	22	35
\$500 to \$999	21	20	20	22	19	18	22	7	28	22
\$1,000 to \$1,499	12	11	13	11	7	12	14	2	8	12
\$1,500 to \$2,499	11	10	11	10	6	12	12	8	13	11
\$2,500 to \$4,999	7	8	8	6	7	6	9	2	8	7
\$5,000 to \$9,999	4	5	5	3	*	4	6	1	1	3
\$10,000 to \$14,999	1	2	2	1	*	2	2	*	2	1
\$15,000 or more	2	2	4	2	6	5	3	*	5	2
Median	\$670	\$720	\$800	\$610	\$540	\$740	\$900	\$0	\$760	\$670
Median percent spent on online marketing and promotion	10%	10%	10%	10%	6%	15%	15%	0%	20%	10%

\* Less than 1 percent

**Exhibit 3-12 TECHNOLOGY PRODUCTS AND SERVICES EXPENSES, 2009***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2008	In 2007	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
	None	11%	11%	11%	10%	23%	14%	5%	31%	17%
Less than \$500	28	29	23	33	14	20	29	38	23	32
\$500 to \$999	25	23	25	26	12	22	27	19	21	27
\$1,000 to \$1,499	16	16	17	15	28	17	17	9	15	15
\$1,500 to \$2,499	12	12	13	11	14	14	11	4	13	11
\$2,500 to \$4,999	6	6	7	4	3	8	7	*	6	5
\$5,000 to \$9,999	2	2	3	1	3	3	3	*	4	2
\$10,000 to \$14,999	*	1	1	*	2	1	1	*	*	*
\$15,000 or more	1	1	1	*	3	1	1	*	*	*
Median	\$720	\$730	\$820	\$640	\$540	\$850	\$800	\$250	\$740	\$680

\* Less than 1 percent

**Exhibit 3-13 BUSINESS USE OF VEHICLE EXPENSE, 2009***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2009	In 2008	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	11%	11%	12%	10%	18%	16%	9%	37%	15%	9%
Less than \$500	11	12	8	13	3	8	8	16	10	12
\$500 to \$999	14	14	12	16	11	10	15	9	11	16
\$1,000 to \$1,499	12	12	11	13	14	10	11	2	12	14
\$1,500 to \$2,499	14	14	14	15	11	14	13	10	9	16
\$2,500 to \$4,999	17	17	19	16	12	15	22	16	19	17
\$5,000 to \$9,999	12	12	14	10	15	14	15	4	15	11
\$10,000 to \$14,999	5	5	6	3	11	8	5	3	5	4
\$15,000 or more	3	3	4	2	6	5	3	3	5	2
Median	\$1,580	\$1,670	\$2,210	\$1,380	\$2,120	\$2,180	\$2,440	\$400	\$1,980	\$1,450

**Exhibit 3-14 ANNUAL INCOME OF REALTORS®, 2009***(Percentage Distribution)*

Gross Income: Before taxes and expenses	ALL REALTORS®		LICENSED AS	
	In 2009	In 2008	Broker/ Broker Associate	Sales Agent
Less than \$10,000	21%	22%	13%	28%
\$10,000 to \$24,999	17	17	13	20
\$25,000 to \$34,999	11	10	11	11
\$35,000 to \$49,999	13	13	14	12
\$50,000 to \$74,999	14	13	15	12
\$75,000 to \$99,999	8	9	11	6
\$100,000 to \$149,999	8	8	11	6
\$150,000 to \$199,999	3	3	5	2
\$200,000 to \$249,999	2	2	3	1
\$250,000 or more	3	3	4	2
Median	\$35,700	\$36,700	\$49,100	\$26,600
<b>Net Income: After taxes and expenses</b>				
Less than \$10,000	31%	33%	22%	39%
\$10,000 to \$24,999	21	19	19	23
\$25,000 to \$34,999	13	12	14	11
\$35,000 to \$49,999	12	12	14	10
\$50,000 to \$74,999	10	10	13	8
\$75,000 to \$99,999	6	6	8	4
\$100,000 to \$149,999	4	4	6	3
\$150,000 to \$199,999	2	1	2	1
\$200,000 to \$249,999	1	1	1	1
\$250,000 or more	1	1	1	1
Median	\$23,400	\$23,200	\$31,900	\$17,200

**Exhibit 3-15 ANNUAL INCOME OF REALTORS®, BY MAIN FUNCTION, 2009***(Percentage Distribution)*

Gross Income: Before taxes and expenses	ALL REALTORS®	MAIN FUNCTION IN FIRM						
		Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
Less than \$10,000	21%	8%	14%	14%	4%	7%	26%	3%
\$10,000 to \$24,999	17	6	12	16	5	13	20	5
\$25,000 to \$34,999	11	13	9	10	3	10	12	10
\$35,000 to \$49,999	13	9	13	15	7	14	12	13
\$50,000 to \$74,999	14	13	14	15	26	16	12	26
\$75,000 to \$99,999	8	17	11	10	18	15	6	20
\$100,000 to \$149,999	8	13	11	10	20	12	6	15
\$150,000 to \$199,999	3	7	7	4	9	5	2	2
\$200,000 to \$249,999	2	6	3	3	4	1	1	2
\$250,000 or more	3	8	6	3	4	6	2	4
Median	\$35,700	\$77,700	\$54,100	\$44,900	\$81,400	\$57,900	\$28,100	\$69,000
<b>Net Income: After taxes and expenses</b>								
Less than \$10,000	31%	14%	22%	24%	9%	14%	38%	6%
\$10,000 to \$24,999	21	2	17	21	5	19	23	13
\$25,000 to \$34,999	13	11	13	16	7	16	11	14
\$35,000 to \$49,999	12	16	13	12	14	17	11	20
\$50,000 to \$74,999	10	20	14	11	23	13	8	25
\$75,000 to \$99,999	6	13	8	8	27	9	4	10
\$100,000 to \$149,999	4	13	6	6	8	8	3	4
\$150,000 to \$199,999	2	1	3	1	6	2	1	5
\$200,000 to \$249,999	1	5	2	1	2	3	1	1
\$250,000 or more	1	5	2	1	*	1	*	1
Median	\$23,400	\$58,600	\$33,300	\$27,900	\$67,100	\$36,600	\$18,000	\$47,300

\* Less than 1 percent

**Exhibit 3-16 ANNUAL INCOME OF REALTORS®, BY EXPERIENCE, 2009***(Percentage Distribution)*

Gross Income: Before taxes and expenses	ALL REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
Less than \$10,000	21%	56%	25%	17%	13%
\$10,000 to \$24,999	17	22	24	15	14
\$25,000 to \$34,999	11	9	13	12	9
\$35,000 to \$49,999	13	7	14	14	12
\$50,000 to \$74,999	14	4	11	16	15
\$75,000 to \$99,999	8	1	5	9	11
\$100,000 to \$149,999	8	*	4	8	12
\$150,000 to \$199,999	3	*	1	4	4
\$200,000 to \$249,999	2	*	*	2	3
\$250,000 or more	3	*	*	2	6
Median	\$35,700	\$8,800	\$25,400	\$41,200	\$52,300
<b>Net Income: After taxes and expenses</b>					
Less than \$10,000	31%	67%	38%	27%	21%
\$10,000 to \$24,999	21	20	28	20	18
\$25,000 to \$34,999	13	7	13	14	12
\$35,000 to \$49,999	12	3	10	13	14
\$50,000 to \$74,999	10	2	7	12	13
\$75,000 to \$99,999	6	*	3	6	9
\$100,000 to \$149,999	4	*	1	4	7
\$150,000 to \$199,999	2	*	*	2	3
\$200,000 to \$249,999	1	*	*	1	2
\$250,000 or more	1	*	*	*	2
Median	\$23,400	\$7,500	\$16,400	\$27,100	\$34,000

\* Less than 1 percent

**Exhibit 3-17 ANNUAL INCOME OF REALTORS®, BY HOURS WORKED, 2009***(Percentage Distribution)*

Gross Income: Before taxes and expenses	ALL REALTORS®	HOURS PER WEEK			
		Less than 20 hours	20 to 39 hours	40 to 59 hours	60 hours or more
Less than \$10,000	21%	59%	29%	11%	8%
\$10,000 to \$24,999	17	20	26	13	8
\$25,000 to \$34,999	11	8	13	12	7
\$35,000 to \$49,999	13	4	12	17	11
\$50,000 to \$74,999	14	4	9	18	17
\$75,000 to \$99,999	8	2	5	11	13
\$100,000 to \$149,999	8	2	3	10	15
\$150,000 to \$199,999	3	1	1	4	8
\$200,000 to \$249,999	2	*	*	2	4
\$250,000 or more	3	1	1	3	9
Median	\$35,700	\$8,500	\$21,700	\$48,000	\$72,900
<b>Net Income:</b>					
After taxes and expenses					
Less than \$10,000	31%	69%	43%	19%	16%
\$10,000 to \$24,999	21	17	27	20	14
\$25,000 to \$34,999	13	4	12	15	12
\$35,000 to \$49,999	12	4	8	15	15
\$50,000 to \$74,999	10	2	5	14	15
\$75,000 to \$99,999	6	1	3	7	10
\$100,000 to \$149,999	4	1	2	5	8
\$150,000 to \$199,999	2	*	*	2	5
\$200,000 to \$249,999	1	*	*	1	3
\$250,000 or more	1	*	*	1	2
Median	\$23,400	\$7,200	\$14,000	\$31,700	\$43,700

\* Less than 1 percent

**Exhibit 3-18 BUSINESS CHARACTERISTICS AND ACTIVITY OF REALTORS®, BY GROSS PERSONAL INCOME**

	ALL REALTORS®	GROSS PERSONAL INCOME					
		Less than \$10,000	\$10,000 to \$24,999	\$25,000 to \$49,999	\$50,000 to \$99,999	\$100,000 to \$149,999	\$150,000 or more
Percent of REALTORS® in the category	100%	21%	17%	24%	22%	8%	8%
<b>REAL ESTATE EXPERIENCE</b>							
2 years or less	10%	27%	13%	7%	2%	1%	0%
3 to 5 years	20	24	29	24	15	11	5
6 to 15 years	33	27	29	37	39	34	36
16 years or more	37	21	29	33	44	55	59
Have a Website	63%	48%	57%	63%	70%	79%	79%
Have a designation	34%	18%	28%	33%	43%	46%	53%
Have a certification	24%	16%	20%	26%	28%	31%	32%
<b>WILL REMAIN ACTIVE AS A REAL ESTATE PROFESSIONAL DURING THE NEXT TWO YEARS</b>							
Very certain	74%	58%	66%	75%	86%	88%	94%
Somewhat certain	18	28	24	18	11	9	6
Not certain	8	14	11	7	3	3	0
<b>BUSINESS ACTIVITY</b>							
Brokerage: Median number of transactions	7	1	4	8	13	20	30
Brokerage: Median sales volume (millions)	\$1.2	\$0.2	\$0.6	\$1.3	\$2.5	\$4.5	\$8.0
Median hours worked per week	40	25	30	40	45	50	50
Percent of repeat business from past consumers and clients (median)	18%	0%	13%	19%	24%	33%	36%
Percent of business through referrals from past consumers and clients (median)	20%	5%	20%	21%	22%	24%	28%
<b>AFFILIATION WITH FIRM</b>							
Independent Contractor	81%	88%	89%	82%	76%	73%	70%
Employee	6	4	4	6	8	9	7
Other	13	8	8	11	16	18	23
Median size of firm, by number of brokers and agents	29	21	22	25	26	31	28
Tenure at firm (median years)	5	3	4	5	6	8	10
<b>DEMOGRAPHICS</b>							
<b>Age</b>							
39 or younger	15%	18%	17%	16%	14%	14%	11%
40 to 59	52	51	49	51	54	54	55
60 or older	33	31	34	33	31	32	34
Median age	54	53	55	54	54	55	54
Education: bachelor's degree or higher	48%	44%	44%	44%	51%	52%	59%
Real estate is only occupation	77%	53%	71%	80%	88%	93%	94%
Gross household income (median)	\$89,100	\$64,500	\$65,900	\$77,200	\$98,500	\$156,700	\$242,400
Real estate is primary source of income for household	45%	17%	24%	41%	64%	78%	91%
Homeownership rate	89%	86%	87%	88%	89%	95%	95%
Voted in the last national election	93%	90%	92%	94%	94%	96%	96%

## CHAPTER 4: OFFICE AND FIRM AFFILIATIONS OF REALTORS®

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HILE THE ECONOMY AND HOUSING MARKET WERE IN A SLUMP IN

2009, REALTOR® affiliation with their firms remained similar to the past few years. Typically, REALTORS® are independent contractors and are most often affiliated with an independent non-franchised company. Independent franchised companies remained the next most popular type of firm affiliation by REALTORS®.

Firm size has remained consistent despite the economic slump. In 2009 the median firm size, in terms of the number of sales agents and brokers, increased slightly to 29, up from 23 in 2008. The majority of REALTORS® worked in a firm with one office. As in the previous survey, the typical REALTOR® had been with their current firm for five years. Although a noticeable share of members (12 percent) worked at a firm that faced a merger or consolidation, most REALTORS® were unaffected in their compensation and the typical firm size was unaltered.

Brokers typically have an ownership stake in their firms. Just under half of brokers have sole ownership of their firm. Ownership is highly related to the time a broker has been with a firm. Most REALTORS® do not receive benefits from their firms as documented in previous years' surveys. REALTORS® are generally considered independent contractors and therefore do not receive the typical benefits of those considered employees.

## FIRM AFFILIATION

### ► Exhibits 4-1 through 4-4

Consistent with past surveys, more than half of REALTORS® are affiliated with an independent non-franchised company. Brokers and broker associates (62 percent) are more often affiliated with an independent non-franchised company than sales agents (47 percent). One in three REALTORS® is associated with an independent franchised company. Eighty-five percent of broker-owners (with selling) and appraisers are affiliated with independent non-franchised companies.

Among the primary specialties, those in residential property management (90 percent), residential appraisal (82 percent), and commercial property management (79 percent) are most likely to be affiliated with an independent non-franchised company.

Based on firm size, as expected smaller firms are more often independent non-franchised companies, while larger firms are more likely to be franchised. Eighty-one percent of REALTORS® are independent contractors of their firms.

## FIRM CHARACTERISTICS

### ► Exhibits 4-5 through 4-8

The typical REALTOR® works at a firm that employs 29 agents and brokers, compared to 23 in the previous year's survey. Brokers and broker associates typically work at smaller firms with a median of 20 total agents and brokers; comparatively, sales agents typically work at larger firms with a median of 39 agents and brokers. One in ten respondents worked at a firm with more than a thousand agents and brokers.

The typical REALTOR® is affiliated with a firm that has one office. However, 14 percent of REALTORS® work at a firm with 10 or more offices. Sales agents, managers, and associate brokers typically work in firms with two or more offices, while the median number of offices for broker-owners and appraisers is one office.

The median tenure for REALTORS® with their current firm is five years with about one in four working at their current firm at least 11 years. The typical sales agent licensee worked in their current firm four years, while the typical broker or broker associate licensee has worked at the same firm eight years.

## BROKERS OWNERSHIP INTEREST

### ► Exhibits 4-9 to 4-10

Almost two-thirds of brokers had some ownership interest in their firm with 45 percent having sole ownership of their firm. The share was even higher for brokers affiliated with independent non-franchised firms, where 56 percent had sole ownership. The amount of time spent with the firm is strongly related to a broker's ownership interest. Among independent non-franchised firms, brokers with two years or less at their firm had sole ownership only 30 percent of the time, compared with brokers with 16 years or more experience that had sole ownership interest 62 percent of the time.

## BENEFITS

### ► Exhibits 4-11 to 4-12

Since most REALTORS® are considered independent contractors, most receive few if any benefits from their firms. Seventy-three percent of REALTORS® received no benefits from their firm. Paid sick and vacation days were the most frequently provided benefits with 12 percent of members receiving them. Errors and omissions insurance and health insurance were the next most prominent benefits with 11 percent and 6 percent respectively. Employees who were affiliated as an employee of their firm received benefits in seven out of ten cases. Health insurance (45 percent) and paid sick and vacation days (40 percent) were the two most frequently cited benefits for employees.

## MERGERS

### ► Exhibits 4-13 through 4-15

As in the previous year's survey, 12 percent of REALTORS® worked for a firm that was either bought or merged in the past two years. Of those who worked for a firm that faced consolidation, four in ten changed firms as a result of the merger, with most doing so voluntarily. Most REALTORS® who worked for a firm that was bought or merged did not experience any change in their compensation, with 70 percent of respondents stating that their compensation remained the same. However, almost three in ten of those who changed firms as a result of a merger saw a decrease in their compensation.

**Exhibit 4-1 FIRM AFFILIATION, BY LICENSE TYPE AND FUNCTION***(Percentage Distribution)*

Firm Description	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM							
	2010 Survey	2009 Survey	Broker/ Broker Associate	Sales Agent	Broker- Owner (without selling)	Broker- Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser	Other
Independent, non-franchised company	54%	51%	62%	47%	64%	85%	43%	48%	60%	45%	87%	65%
Independent, franchised company	32	33	29	35	30	12	41	29	34	37	1	22
Franchised subsidiary of a national or regional corporation	9	10	6	11	5	1	10	12	4	11	3	8
Non-franchised subsidiary of a national or regional corporation	4	5	3	5	*	*	5	7	1	6	2	2
Other	1	1	1	1	*	1	*	4	1	1	7	3

\* Less than 1 percent

**Exhibit 4-2 FIRM AFFILIATION, BY SPECIALTY***(Percentage Distribution)*

Firm Description	ALL REALTORS®	PRIMARY REAL ESTATE SPECIALTY				
		BROKERAGE		PROPERTY MANAGEMENT		
		Appraisal	Residential	Commercial	Residential	Commercial
Independent, non-franchised company	54%	82%	49%	60%	90%	79%
Independent, franchised company	32	5	36	27	6	11
Franchised subsidiary of a national or regional corporation	9	5	10	8	*	6
Non-franchised subsidiary of a national or regional corporation	4	3	5	3	1	2
Other	1	6	1	2	2	2

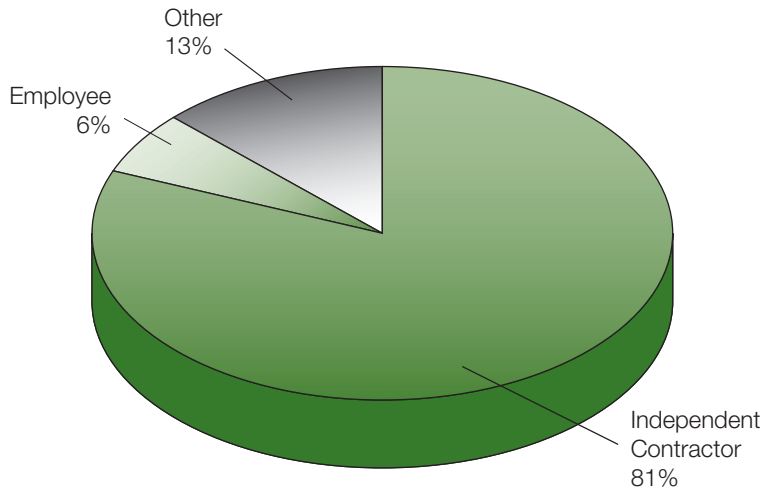
\* Less than 1 percent

**Exhibit 4-3 FIRM AFFILIATION, BY FIRM SIZE***(Percentage Distribution)*

Firm Description	ALL REALTORS®	NUMBER EMPLOYED BY OR AFFILIATED WITH FIRM				
		One	2 to 5	6 to 25	26 to 100	101 or more
Independent, non-franchised company	54%	94%	85%	65%	38%	38%
Independent, franchised company	32	2	11	30	48	38
Franchised subsidiary of a national or regional corporation	9	*	2	4	10	14
Non-franchised subsidiary of a national or regional corporation	4	*	*	1	3	9
Other	1	3	2	1	1	1

\* Less than 1 percent

Note: Includes administrative staff, sales staff, agents, brokers, and management

**Exhibit 4-4 REALTOR® AFFILIATION WITH FIRMS***(Percentage Distribution)***Exhibit 4-5 SIZE OF FIRM, BY NUMBER OF COMMERCIAL AND RESIDENTIAL BROKERS AND AGENTS***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM						
	2010 Survey	2009 Survey	Broker/ Broker Associate	Sales Agent	Broker- Owner (without selling)	Broker- Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Ap- praiser
One	6%	5%	11%	2%	13%	21%	1%	*	4%	1%	16%
2 to 5	20	20	24	16	29	36	15	15	24	14	12
6 to 25	23	24	21	25	22	17	28	9	26	25	3
26 to 50	11	10	8	13	8	4	12	11	7	13	2
51 to 100	9	9	6	11	6	2	11	9	9	11	*
101 to 250	8	8	6	10	3	1	11	7	10	11	*
251 to 500	4	4	4	5	2	*	5	7	4	6	*
501 to 999	4	4	3	4	2	*	6	4	4	5	*
1,000 or more	9	8	6	10	5	1	8	32	6	11	1
None/ Not applicable	7	7	10	3	9	19	4	6	6	3	65
Median	29	23	20	39	13	4	38	228	22	44	NA

\* Less than 1 percent

**Exhibit 4-6 NUMBER OF OFFICES***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM						
	2010	2009	Broker/ Broker	Sales	Broker- Owner	Broker- Owner	Associate	Manager	Manager	Sales	Appraiser
	Survey	Survey	Associate	Agent	(without selling)	(with selling)	Broker	(without selling)	(with selling)	Agent	
1 office	55%	53%	62%	47%	58%	88%	45%	31%	49%	44%	94%
2 to 4 offices	22	24	18	26	25	10	26	23	23	27	2
5 to 9 offices	9	8	7	10	6	1	13	11	11	11	*
10 to 99 offices	12	12	10	14	6	1	14	24	14	16	2
100 or more offices	2	2	2	3	4	*	2	10	2	3	*
Median	1	1	1	2	1	1	2	4	2	2	1

\* Less than 1 percent

**Exhibit 4-7 SIZE OF OFFICES, BY NUMBER OF COMMERCIAL AND RESIDENTIAL BROKERS AND AGENTS***(Percentage Distribution)*

Commercial and residential brokers and agents only	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM						
	2010	2009	Broker/ Broker	Sales	Broker- Owner	Broker- Owner	Associate	Manager	Manager	Sales	Appraiser
	Survey	Survey	Associate	Agent	(without selling)	(with selling)	Broker	(without selling)	(with selling)	Agent	
One	6%	5%	12%	1%	10%	24%	2%	*	5%	1%	21%
2 to 5	18	17	23	14	21	36	15	12	27	12	13
6 to 25	28	30	27	30	25	20	34	24	34	30	7
26 to 50	18	17	13	22	12	4	20	20	16	23	*
51 to 100	15	15	12	19	10	3	19	31	12	19	*
101 to 250	7	7	5	9	9	1	7	8	4	10	1
251 to 500	2	1	1	2	3	*	1	*	*	2	*
501 to 999	1	1	1	1	*	*	1	*	*	1	*
1,000 or more	*	1	*	1	*	*	1	*	1	1	*
None/Not applicable	6	5	6	2	11	12	1	4	1	2	58
Median	24	23	17	32	21	4	25	42	16	34	NA

\* Less than 1 percent

**Exhibit 4-8** TENURE OF REALTORS® AT THEIR PRESENT FIRM*(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM						
	2010 Survey	2009 Survey	Broker/ Broker Associate	Sales Agent	Broker- Owner (without selling)	Broker- Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
1 year or less	18%	18%	12%	22%	6%	9%	18%	15%	12%	22%	2%
2 years	12	12	8	15	*	6	13	4	8	14	1
3 years	10	10	8	11	2	9	11	2	9	11	5
4 years	7	7	6	9	4	5	5	7	7	9	6
5 years	7	8	6	8	4	6	6	1	7	7	6
6 to 10 years	20	19	21	19	16	19	21	22	20	20	21
11 years or more	26	25	38	16	67	46	26	50	37	18	59
Median (years)	5	5	8	4	12	9	5	10	7	4	12

\* Less than 1 percent

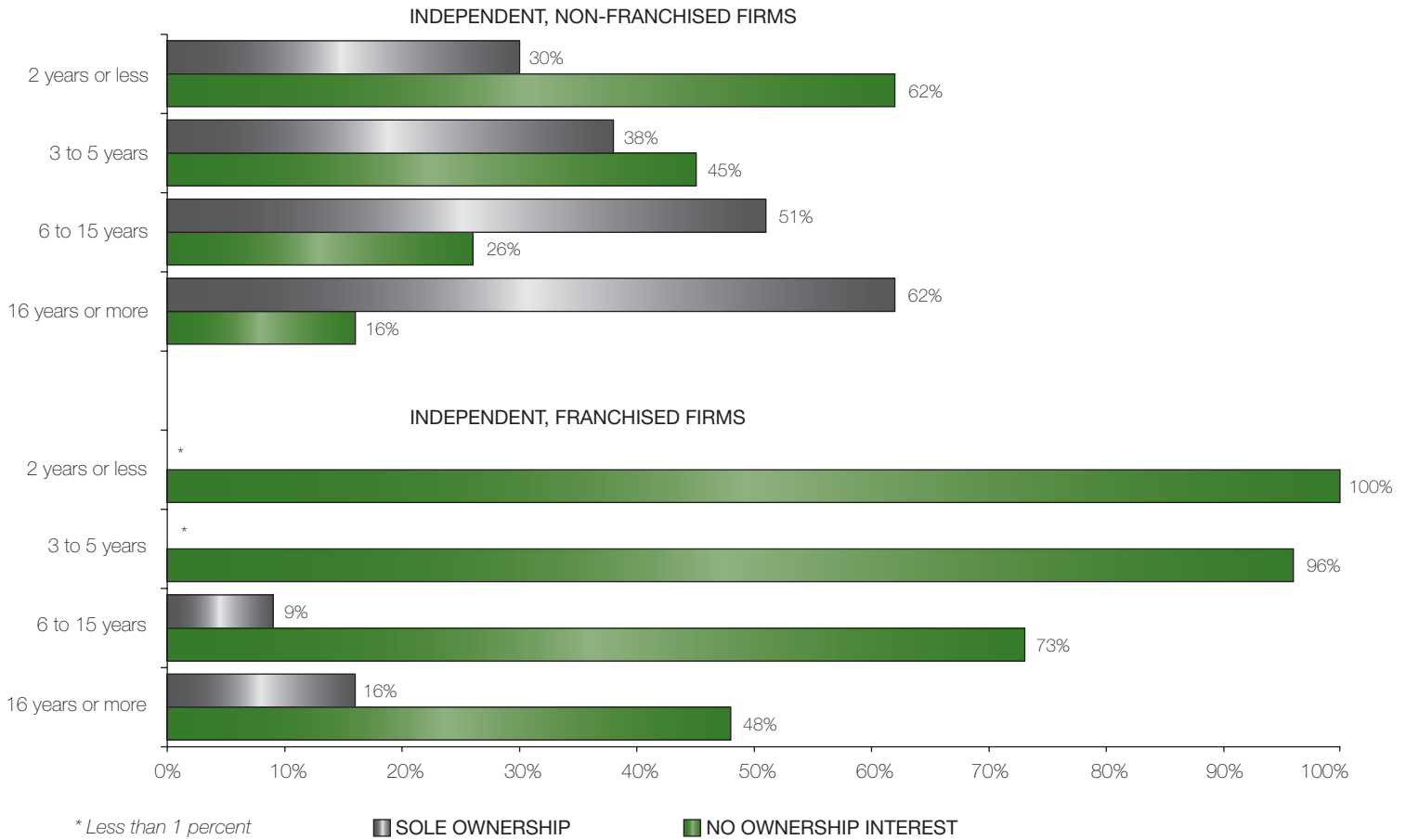
**Exhibit 4-9** BROKER OWNERSHIP INTEREST, 2009*(Percentage Distribution)*

	ALL BROKERS		FIRM AFFILIATION			
	2010 Survey	2009 Survey	Independent, non-franchised company	Independent, franchised company	Franchised subsidiary of a national or regional corporation	Non-franchised subsidiary of a national or regional corporation
Sole ownership	45%	42%	56%	12%	18%	1%
Partner in a partnership	11	10	10	16	5	*
Stockholder and/or corporate office	10	11	10	10	*	4
No ownership interest	33	36	23	60	76	95
Other	1	2	1	*	*	*

\* Less than 1 percent

**Exhibit 4-10** BROKER OWNERSHIP INTEREST IN INDEPENDENT COMPANIES, BY REAL ESTATE EXPERIENCE

(Percentage Distribution)



**Exhibit 4-11** BENEFITS RECEIVED THROUGH FIRM

(Percent of Respondents)

	ALL REALTORS®		AFFILIATION WITH FIRMS	
	2009 Survey	2009 Survey	Employees	Independent Contractors
Paid vacation/sick days	12%	12%	40%	10%
Errors and omissions (liability insurance)	11	13	28	10
Health insurance	6	7	45	2
Pension/SEP/401(K)	3	4	31	1
Life insurance	3	4	31	1
Dental insurance	3	3	28	1
Vision care	3	3	20	1
Disability insurance (long-term care)	2	3	19	1
Other	2	2	5	1
None	73	72	30	77

\* Less than 1 percent

**Exhibit 4-12** BENEFITS RECEIVED THROUGH FIRM, BY FIRM TYPE

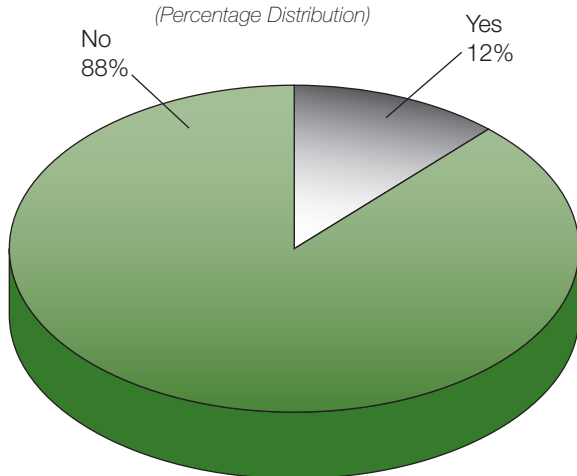
(Percent of Respondents)

	ALL REALTORS®	FIRM AFFILIATION				
		Independent, non-franchised company	Independent, franchised company	Franchised subsidiary of a national or regional corporation	Non-franchised subsidiary of a national or regional corporation	Other
Paid vacation/sick days	12%	12%	11%	11%	12%	8%
Errors and omissions (liability insurance)	11	11	13	14	10	10
Health insurance	6	7	4	5	5	20
Pension/SEP/401(K)	3	3	2	4	4	16
Life insurance	3	3	2	3	5	20
Dental insurance	3	3	2	3	4	16
Vision care	3	3	2	3	2	17
Disability insurance (long-term care)	2	2	2	2	3	14
Other	2	2	2	2	*	2
None	73	73	73	73	78	70

\* Less than 1 percent

**Exhibit 4-13** WORKED FOR A FIRM THAT WAS BOUGHT OR MERGED

(Percentage Distribution)



**Exhibit 4-14** REALTORS® CHANGING FIRMS DUE TO CONSOLIDATION

(Percentage Distribution)

REALTOR® changed firms as a result of a merger:	2010 Survey	2009 Survey
Yes, voluntarily	32%	30%
Yes, involuntarily	7	7
No	61	63

**Exhibit 4-15** CHANGE IN COMPENSATION RESULTING FROM MERGER

(Percentage Distribution)

	2010 SURVEY		2009 SURVEY	
	Among all who worked for a firm that was bought or merged	Among those who changed firms as a result of merger	Among all who worked for a firm that was bought or merged	Among those who changed firms as a result of merger
It increased	11%	18%	11%	15%
It stayed the same	70	55	69	54
It decreased	19	27	20	31

## CHAPTER 5: DEMOGRAPHIC CHARACTERISTICS OF REALTORS®

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**T**HE DEMOGRAPHIC CHARACTERISTICS OF REALTORS® HAVE NOT CHANGED significantly in recent years. The median or typical REALTOR® is a 54 year old white female who attended college and is a homeowner. While the median profile has not changed, REALTORS® come from a variety of demographic groups and career backgrounds. While the profile of a typical REALTOR® is a useful benchmark, REALTORS® often reflect the many age, ethnic, language, education and income characteristics represented in their local communities.

The Great Recession continues to affect household income, although the pace at which it has declined has slowed in the last year. As members enter the field they tend to be from related professions such as business, management or finance, sales or retail and office or administrative support. Adding strength to the field is REALTORS®' education: 90 percent of members have post-secondary education.

## GENDER

### ► Exhibits 5-1 through 5-3

Among members surveyed 57 percent reported they are female. However, among members who are over 60 years old, this percentage falls to 51 percent. Among broker licensees, 51 percent are female, compared with 63 percent of sales agent licensees. Among full-time sales agents, 61 percent are female, while two-thirds of part-time sales agents are female.

## AGE

### ► Exhibits 5-4 through 5-6

After increasing last year, the median age of REALTORS® has remained steady at 54 years old. In past years, the age remained steady around 51 to 52. Those who function as brokers and managers without selling tend to be the oldest in the field, while managers who do sell and sales agents tend to report the youngest ages.

## EDUCATION

### ► Exhibit 5-7

Nine in ten members have some post-secondary education with 29 percent having completed a bachelor's degree as their highest level of educational attainment. Eighteen percent of REALTORS® had some graduate school education, with 11 percent having completed a graduate degree.

## PRIOR FULL-TIME CAREERS OF REALTORS®

### ► Exhibits 5-8 through 5-9

Many REALTORS® had other full-time careers prior to real estate. Unchanged from 2009, of those who had a previous job in a field other than real estate, 19 percent were in business, management or finance. Fields such as sales or retail and office or administrative support remain common previous professions for members.

## REAL ESTATE AS ONLY OCCUPATION

### ► Exhibit 5-10

Holding nearly constant from the 2009 survey, 77 percent said that real estate was their only occupation. Experienced REALTORS® more frequently reported that real estate was their only occupation. Among those with 16 or more years of experience, 85 percent indicated real estate was their only occupation, compared with 66 percent of REALTORS® with five or fewer years of experience.

## MARITAL STATUS AND SIZE OF HOUSEHOLD

### ► Exhibits 5-11 through 5-12

Seventy-two percent of REALTORS® are married, with 15 percent being divorced, and 8 percent being single and never married. The median REALTOR® household has two people, while the median household size is three for REALTORS® 49 or younger.

## RACE AND ETHNICITY, LANGUAGES, AND COUNTRY OF BIRTH

### ► Exhibits 5-13 through 5-14, and Exhibits 5-20 through 5-21

Whites continue to make up the majority of REALTORS® accounting for 87 percent of all members. Among other races, 5 percent are Hispanic, 4 percent are Black, and 4 percent are Asian.

Most REALTORS® (85 percent) are fluent only in English. Seven percent are fluent in Spanish, and 8 percent are fluent in some other language. Younger REALTORS® are more often fluent in another language. Among all REALTORS®, one in ten was born outside the U.S.

## HOUSEHOLD INCOME

### ► Exhibits 5-15 thru 5-16

The Great Recession has affected member household income. The median gross income of REALTOR® households was \$89,100 in 2009—continuing the drop reported over the last several years. In 2007, members reported that their median household income was \$100,700 for 2006. REALTORS® with more real estate experience tended to have higher median gross household incomes in 2009.

Household income of members is related to the number of hours worked per week and also whether real estate is their primary source of income. Of those who worked 40 hours or more per week, 60 percent said real estate was their primary source of household income, compared with 22 percent of those who typically worked less than 40 hours per week. Brokers are more likely than sales agents to report that real estate is their primary source of income. Those with more experience in real estate also were more likely than less experienced REALTORS® to indicate that real estate is their primary source of household income.

## HOMEOWNERSHIP AND REAL ESTATE INVESTMENTS

### ► Exhibits 5-17 through 5-18

REALTORS® believe in their product. About nine in ten REALTORS® own their primary residence. Members 39 years old and younger had a lower level of homeownership at 77 percent, compared with a homeownership rate of more than 90 percent more seasoned members.

REALTORS® often own other properties in addition to their primary residence. Sixteen percent reported that they owned one or more vacation homes while 39 percent noted that they owned other residential properties for investment. A somewhat smaller share – 12 percent – had some ownership interest in at least one commercial property.

## VOTING

### ► Exhibit 5-19

Nearly all REALTORS® are registered to vote, and 93 percent voted in the last national election.

**Exhibit 5-1 GENDER OF REALTORS®, BY AGE***(Percentage Distribution)*

	All REALTORS®	AGE			
		39 or younger	40 to 49	50 to 59	60 or older
Male	43%	43%	39%	40%	49%
Female	57	57	61	60	51

**Exhibit 5-2 GENDER OF REALTORS®, BY EXPERIENCE***(Percentage Distribution)*

	All REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
<b>All REALTORS®</b>					
Male	43%	40%	38%	43%	46%
Female	57	60	62	57	54
<b>Brokers/ Broker Associates</b>					
Male	49	37	36	51	52
Female	51	63	64	49	48
<b>Sales Agents: Work 40+ hours</b>					
Male	39	48	40	39	34
Female	61	52	60	61	66
<b>Sales Agents: Work less than 40 hours</b>					
Male	34	34	36	36	29
Female	66	66	64	64	71

**Exhibit 5-3 GENDER OF REALTORS®, BY FUNCTION***(Percentage Distribution)*

	All REALTORS®	LICENSED AS		MAIN FUNCTION IN FIRM						
		Brokers/ Broker Associates	Sales Agents	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
Male	43%	49%	37%	68%	57%	43%	45%	52%	38%	71%
Female	57	51	63	32	43	57	55	48	62	29

**Exhibit 5-4** AGE OF REALTORS®, 1999-2009*(Percentage Distribution)*

	1999	2001	2003	2005	2007	2008	2009	2010
Under 30 years	4%	4%	5%	5%	5%	5%	4%	4%
30 to 34 years	5	6	6	6	6	6	4	5
35 to 39 years	9	9	9	8	8	8	7	6
40 to 44 years	12	12	13	12	12	10	9	8
45 to 49 years	15	14	12	13	14	13	12	12
50 to 54 years	17	18	16	16	16	15	16	15
55 to 59 years	15	16	15	16	16	16	15	16
60 to 64 years	11	10	12	12	13	14	15	16
65 years and over	13	12	12	13	12	14	17	17
Median age	52	52	51	52	51	52	54	54

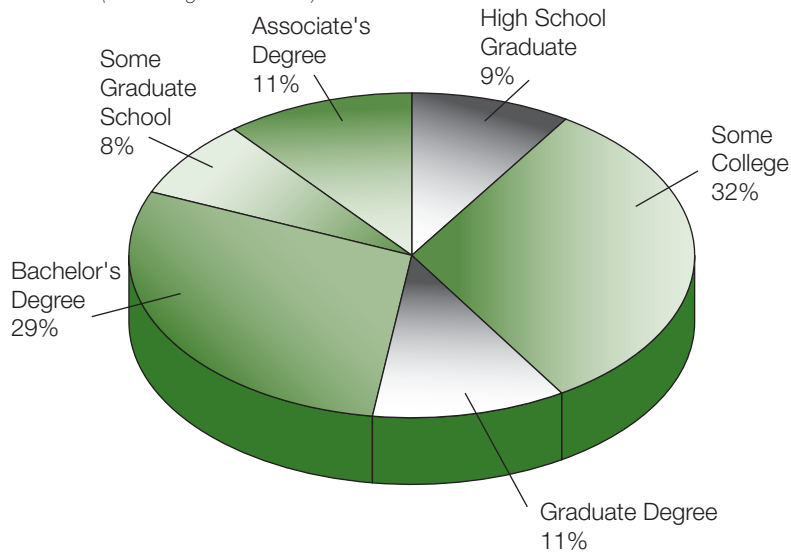
**Exhibit 5-5** AGE OF REALTORS®, BY FUNCTION*(Percentage Distribution)*

	All REALTORS®	LICENSED AS		MAIN FUNCTION IN FIRM						
		Brokers/ Broker Associates	Sales Agents	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
Under 30 years	4%	2%	5%	1%	1%	2%	3%	4%	4%	2%
30 to 34 years	5	4	6	*	3	5	3	7	6	3
35 to 39 years	6	4	8	*	5	4	4	4	7	12
40 to 44 years	8	6	9	5	7	7	4	9	9	9
45 to 49 years	12	12	12	11	10	14	3	16	12	9
50 to 54 years	15	15	15	13	15	16	17	19	14	15
55 to 59 years	16	17	16	13	17	17	15	12	16	22
60 to 64 years	16	19	14	34	19	17	21	18	14	16
65 years and over	17	21	14	23	22	19	31	11	15	13
Median age	54	57	52	61	57	55	60	52	53	54

\* Less than 1 percent

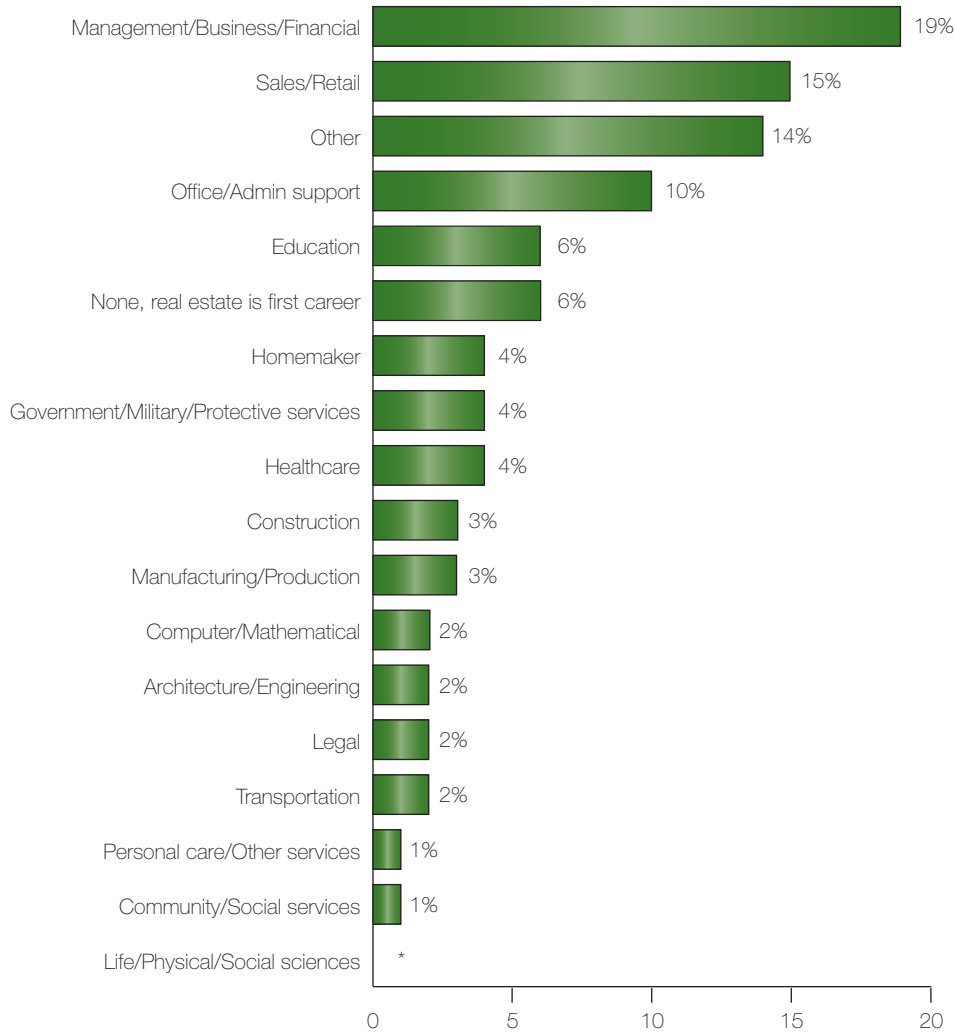
**Exhibit 5-6** AGE OF REALTORS®, BY REAL ESTATE EXPERIENCE*(Percentage Distribution)*

	All REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
Under 30 years	4%	14%	8%	2%	NA
30 to 34 years	5	12	8	7	NA
35 to 39 years	6	12	10	9	1
40 to 44 years	8	10	13	11	3
45 to 49 years	12	14	16	14	7
50 to 54 years	15	13	15	18	13
55 to 59 years	16	14	14	15	20
60 to 64 years	16	9	10	14	24
65 years and over	17	3	6	10	33
Median age	54	45	48	52	61

*NA- Not Applicable***Exhibit 5-7** FORMAL EDUCATION OF REALTORS®*(Percentage Distribution)*

**Exhibit 5-8** PRIOR FULL-TIME CAREERS OF REALTORS®

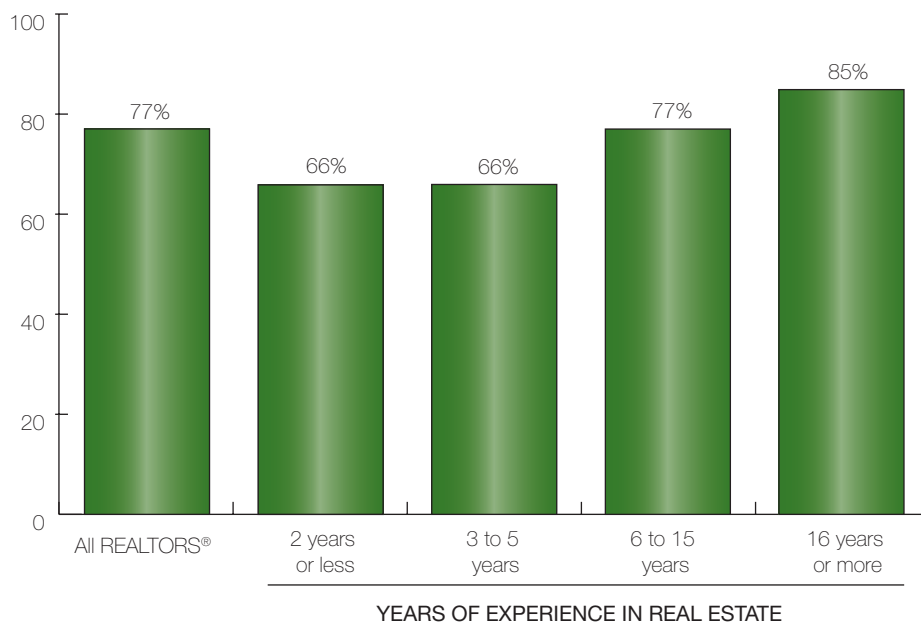
(Percentage Distribution)



\* Less than 1 percent

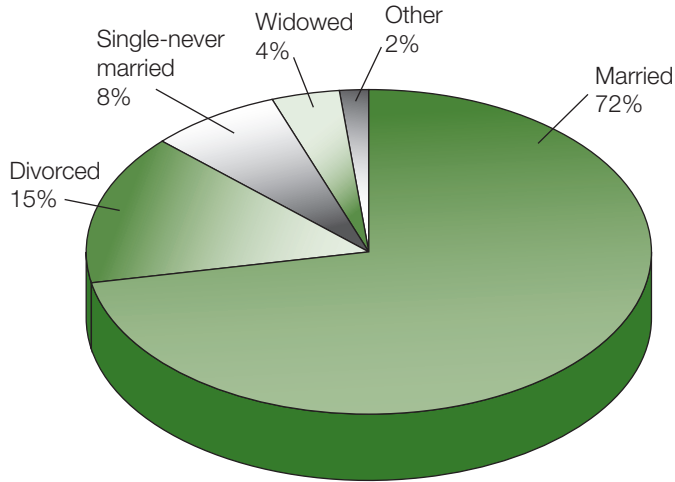
**Exhibit 5-9** PRIOR FULL-TIME CAREER OF REALTORS®, BY REAL ESTATE EXPERIENCE*(Percentage Distribution)*

	All REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
Management/Business/Financial	19%	22%	21%	22%	14%
Sales/Retail	15	15	15	15	16
Other	14	17	15	13	14
Office/Admin support	10	10	9	10	10
Education	6	6	5	6	8
None, real estate is first career	6	2	3	4	10
Homemaker	4	4	4	3	5
Government/Military/Protective services	4	4	4	4	5
Healthcare	4	4	6	4	3
Construction	3	5	3	3	4
Manufacturing/Production	3	3	4	3	3
Computer/Mathematical	2	3	2	4	1
Architecture/Engineering	2	2	2	2	2
Legal	2	2	2	2	2
Transportation	2	1	2	2	1
Personal care/Other services	1	1	1	2	1
Community/Social services	1	1	1	1	1
Life/Physical/Social sciences	*	1	*	1	*

*\* Less than 1 percent***Exhibit 5-10** REAL ESTATE IS ONLY OCCUPATION*(Percent "Yes")*

**Exhibit 5-11** MARITAL STATUS OF REALTORS®

(Percentage Distribution)



**Exhibit 5-12** SIZE OF REALTOR® HOUSEHOLDS

(Percentage Distribution)

	AGE				
	All REALTORS®	39 or younger	40 to 49	50 to 59	60 or older
1 person	16%	14%	11%	14%	20%
2 persons	47	28	23	50	67
3 persons	16	21	21	18	8
4 persons	14	24	28	12	3
5 or more persons	7	13	17	5	1
Median	2	3	3	2	2

**Exhibit 5-13** RACIAL AND ETHNIC DISTRIBUTION OF REALTORS®, BY REAL ESTATE EXPERIENCE

(Percentage of Respondents)

	REAL ESTATE EXPERIENCE				
	All REALTORS®	2 years or less	3 to 5 years	6 to 15 years	16 years or more
White	87%	84%	80%	86%	92%
Hispanic/Latino	5	8	8	7	2
Black/African American	4	5	6	4	2
Asian/Pacific Islander	4	4	5	3	3
American Indian/Eskimo/Aleut	1	1	*	1	1
Other	1	*	1	1	1

Note: Respondent could choose more than one racial or ethnic category.

\* Less than 1 percent

**Exhibit 5-14 RACIAL AND ETHNIC DISTRIBUTION OF REALTORS®, BY AGE***(Percentage of Respondents)*

	All REALTORS®	AGE			
		39 or younger	40 to 49	50 to 59	60 or older
White	87%	79%	83%	89%	91%
Hispanic/Latino	5	9	7	4	3
Black/African American	4	5	5	3	3
Asian/Pacific Islander	4	5	4	4	2
American Indian/Eskimo/Aleut	1	1	1	1	1
Other	1	1	2	1	1

*Note: Respondent could choose more than one racial or ethnic category.***Exhibit 5-15 GROSS HOUSEHOLD INCOME OF REALTORS®, BY REAL ESTATE EXPERIENCE, 2009***(Percentage Distribution)*

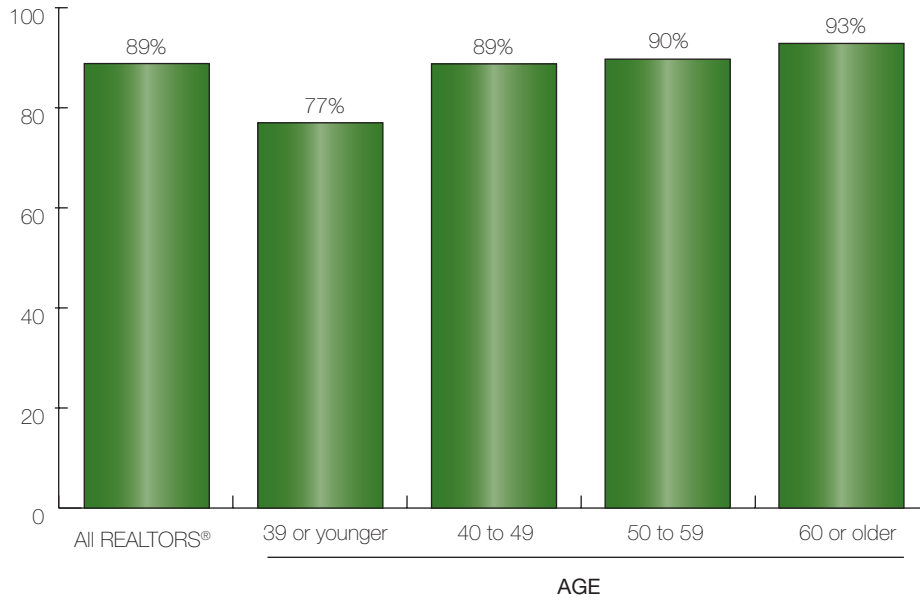
	All REALTORS®	LICENSED AS		REAL ESTATE EXPERIENCE			
		Brokers/ Broker Associates	Sales Agents	2 years or less	3 to 5 years	6 to 15 years	16 years or more
Less than \$10,000	2%	2%	3%	5%	2%	3%	2%
\$10,000 to \$24,999	4	3	5	8	5	3	3
\$25,000 to \$34,999	5	4	6	8	6	5	4
\$35,000 to \$49,999	9	8	10	11	10	9	8
\$50,000 to \$74,999	19	18	20	20	20	17	20
\$75,000 to \$99,999	18	17	18	15	22	19	15
\$100,000 to \$149,999	20	22	19	17	21	20	21
\$150,000 to \$199,999	10	12	9	7	8	12	11
\$200,000 to \$249,999	5	7	4	3	3	6	6
\$250,000 or more	6	8	5	5	3	6	10
Median	\$89,100	\$97,300	\$83,500	\$71,600	\$83,000	\$92,400	\$95,800

**Exhibit 5-16 REAL ESTATE IS PRIMARY SOURCE OF INCOME FOR HOUSEHOLD***(Percent "Yes")*

	All REALTORS®	LICENSED AS		REAL ESTATE EXPERIENCE			
		Brokers/ Broker Associates	Sales Agents	2 years or less	3 to 5 years	6 to 15 years	16 years or more
All REALTORS®	45%	54%	37%	23%	32%	48%	57%
Work less than 40 hours per week	22	30	18	10	16	23	33
Work 40 hours or more per week	60	33	47	39	45	63	71

**Exhibit 5-17** HOMEOWNERSHIP OF REALTORS®, BY AGE

(Percent "Own Primary Residence")



**Exhibit 5-18** REAL ESTATE INVESTMENTS OF REALTORS®

(Percentage Distribution)

All REALTORS®	
<b>Vacation Homes</b>	
None	84%
One	13
Two	2
Three or more	1
<b>"Residential Properties (except primary residence and vacation homes)"</b>	
None	61%
One	17
Two	8
Three or more	14
<b>Commercial Properties</b>	
None	88%
One	8
Two	2
Three or more	2

**Exhibit 5-19 VOTING PATTERN OF REALTORS®***(Percent "Yes")*

Registered to vote	96%
Voted in last national election	93
Voted in last local election	81

**Exhibit 5-20 LANGUAGE FLUENCY OF REALTORS®***(Percentage Distribution)*

	All REALTORS®	AGE			
		39 or younger	40 to 49	50 to 59	60 or older
Fluent only in English	85%	78%	82%	86%	88%
Fluent in other languages	15	22	18	14	12
Spanish	7	11	9	6	5
Other	8	11	9	8	7

**Exhibit 5-21 COUNTRY OF BIRTH OF REALTORS®***(Percentage Distribution)*

	All REALTORS®	AGE			
		39 or younger	40 to 49	50 to 59	60 or older
U.S.	90%	87%	87%	91%	92%
Outside U.S.	10	13	13	9	8

## METHODOLOGY

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 IN FEBRUARY 2010, NAR MAILED A 93-QUESTION SURVEY TO A RANDOM SAMPLE OF

58,022 REALTORS®. An identical questionnaire was also distributed to another group of 43,869 members via a web-based online survey. A total of 6,830 responses were received. After accounting for undeliverable questionnaires, the survey had an adjusted response rate of 6.7 percent. Survey responses were weighted to be representative of state level NAR membership. Information about compensation, earnings, sales volume and number of transactions is characteristics of calendar year 2009, while all other data are representative of member characteristics in early 2010.

The NATIONAL ASSOCIATION OF REALTORS® is committed to equal opportunity in the real estate industry. In accordance with this commitment, racial and ethnic information was collected and is included in this report.

Where relevant, REALTOR® information in subgroups based on the license held by members of NAR: a broker, broker-associate or sales agent license. The term “broker” refers to REALTORS® holding a broker or broker associate license unless otherwise noted. In some cases, information is presented by REALTORS®’ main function within their firm or their real estate specialty regardless of the type of license held.

The primary measure of central tendency used throughout this report is the median, the middle point in the distribution of responses to a particular question or, equivalently, the point at which half of the responses are above and below a particular value. Data may not be comparable to previous Member Profile publications due to changes in questionnaire design.

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