

2023 Profile of Real Estate Firms

National Association of REALTORS®
Research Group



2023 NAR Leadership Team

TRACY KASPER, AHWD, C2EX, CIPS, CRS, GRI, SFR
President

KEVIN SEARS, AHWD, C2EX
First Vice President

GREGORY J. HRABCAK, CCIM, C2EX
Treasurer

LESLIE ROUDA SMITH, ABR, AHWD, C2EX, CIPS, CRB, CRS, E-PRO, PMN
Immediate Past President

JENNIFER WAUHOB, ABR, C2EX, GRI
Vice President of Association Affairs

PETE KOPF, AHWD, C2EX
Vice President of Advocacy

BOB GOLDBERG
Chief Executive Officer



NAR RESEARCH STAFF

Lawrence Yun, Ph.D.
Chief Economist and Senior Vice President

Jessica Lautz, Dr. of Real Estate
*Deputy Chief Economist and Vice President,
Research*

Brandi Snowden
Director, Member and Consumer Survey Research

Meredith Dunn
Research Manager

Lead Author:
Matt Christopherson
Director, Business and Consumer Research





CONTENTS

Executive Summary	5
Chapter 1: Characteristics of Real Estate Firms	10
Chapter 2: Business Activity of Firms	32
Chapter 3: What Firm Provides to Agents & Staff	50
Chapter 4: Future Outlook of Firms	76
Methodology	100



Executive Summary

2023 Profile of Real Estate Firms

A survey of NAR Brokers of Record

Brokers of Record in Real Estate

- *Definition:*
A licensed real estate broker responsible for one or more licensed real estate agents involved in representing a buyer or seller in real estate transactions.
- The *2023 NAR Profile of Real Estate Firms* surveyed its Brokers of Record membership to understand the demographics, composition, and characteristics of real estate firms from the perspective of executives and managers.

NAR Broker Membership

- As of August 2023, NAR had 1.57 million members.
- NAR had 201,555 self-designated Brokers of Record.
- NAR's Brokers of Record accounted for 12.9 percent of its total membership.

Executive Summary

As there are well over 100,000 real estate firms operating in the United States, it is important to understand their unique characteristics and how they operate successfully. Firm aspects and policies vary not only by size of company or number of offices but also based on geographical area and the state and local laws and regulations that apply. The real estate industry has experienced several unprecedented years recently, and its many firms have remained resilient. This *Profile of Real Estate Firms* measured characteristics of firms nationwide to see exactly how they operate and what lies ahead.

Characteristics of Real Estate Firms

The typical Broker of Record was a manager or owner of a single-office firm and identified as a broker owner. The typical firm was an independent, non-franchised firm with three full-time real estate licensees. The typical residential firm had been operating for 16 years (same as the 2021 report), while the typical commercial firm had been operating for 25 years (down from 30 years).

- **Thirty-one percent of Brokers of Record were CEOs, COOs, presidents, or owners, and 65 percent were managers or owners of a single-office firm.**
- Seventy-eight percent identified as broker owners and 11 percent as broker managers.

- **Eighty-one percent of real estate firms had a single office, typically with three full-time real estate licensees, in line with the 2021 report.**
- Eighty-six percent of firms were independent non-franchised firms, and 12 percent were independent franchised firms.
- Eighty percent of firms specialized in residential brokerage.
- Thirty-eight percent of firms were LLCs, 28 percent S-Corps, 24 percent sole proprietorships, and seven percent were C-Corps.
- **The typical residential firm had been operating for 16 years (same as the 2021 report), while the typical commercial firm had been operating for 25 years (down from 30 years).**
- Thirty-eight percent of firms covered a metropolitan region market area, 26 percent covered a rural area or small town, and 18 percent covered multiple metro areas or regions.

Business Activity of Firms

With historically low inventory and higher mortgage rates, residential firms experienced fewer sales transactions, while a recovering economy and return to office provided more sales transactions for commercial firms. However, compared to 2020, both residential and commercial firms had higher sales dollar volumes in 2022. Firms were most likely to provide business brokerage and commercial consulting services as ancillary to their primary services.

- **Firms with only one office had a median brokerage sales volume of \$5.3 million in 2022, while firms with four or more offices had a median brokerage sales volume of \$154.6 million in 2022.**
- Firms with one office had a total of 15 real estate transaction sides in 2022, while firms with four or more offices typically had 403 transaction sides.
- Firms typically received 49 percent of their customer inquiries from repeat business from past clients, and 49 percent from past client referrals.
- **Firms typically generated 48 percent of their sales volume from repeat business from past clients, and 47 percent from past client referrals.**
- Many firms had the capability to offer in-house ancillary services to real estate clients. The most common in-house service was business brokerage, followed by commercial consulting services, relocation services, and staging services.
- Forty-three percent of current competition came from traditional brick and mortar large franchise firms and 29 percent from traditional brick and mortar single-office firms.

What Firm Provides to Agents & Staff

The most commonly provided benefit to firm staff of all levels was errors and omissions/liability insurance, while the most common tools provided or encouraged by firms were e-

signature, comparative market analysis, multiple listing, and electronic contracts/forms.

- **The most common benefit that firms offered to independent contractors, licensees, and agents was errors and omissions/liability insurance at 43 percent.**
- While this was also the most common benefit for salaried licensees and agents, only 25 percent received this benefit.
- Among administrative staff, 29 percent received errors and omissions/liability insurance, 25 percent received vacation/sick days, and 10 percent received health insurance.
- Thirty-five percent of senior management received errors and omissions/liability insurance, 16 percent received vacation/sick days, and 11 percent received health insurance.
- **The most common tools provided or encouraged by firms are e-signature, comparative market analysis, multiple listing, and electronic contracts/forms.**
- Twenty-five percent of all firms offered a virtual office for agents and staff, and eight percent offered a virtual assistant.
- Four percent of firms with one office operate a non-profit foundation, compared to 25 percent of firms with four or more offices.
- Seventy-six percent of firms encourage agents to pursue certifications and designations, and 62 percent encourage agents to take additional training classes.

Future Outlook of Firms

Two-fifths of firms are actively recruiting sales agents in 2023, mainly due to growth in their primary business, and nearly one-third expect profitability to increase this year. Firms expect their 2023 competition to increase mainly from virtual firms and non-traditional market participants. As a sign of current market conditions, the biggest challenges cited by firms for the next two years were housing affordability and maintaining sufficient inventory, and nearly two-thirds were concerned with young adults' ability to purchase a home.

- **Forty percent of firms reported they were actively recruiting sales agents in 2023.**
- Thirty percent of firms expected profitability (net income) from all real estate activities to increase this year (down from 58 percent in the 2021 report).
- **Thirty-eight percent of firms expected competition to increase in 2023 from virtual firms and 28 percent from non-traditional market participants.**
- Sixty-four percent of firms expected competition in 2023 to stay the same from traditional brick-and-mortar single office firms, while 62 percent expected competition to stay the same from larger traditional brick-and-mortar firms.
- **Housing affordability, maintaining sufficient inventory, and keeping up with technology were among the biggest challenges cited for firms in the next two years.**
- Sixty-three percent of firms were concerned with young adults' ability to buy a home, 38 percent with young adults' view of homeownership, and 27 percent with Baby Boomers retiring from real estate.
- Forty percent of all firms said they had an exit plan for when they decide to retire or exit the real estate industry.
- Twelve percent of all firms had real estate teams with a median of three people per team.



Characteristics of Real Estate Firms

Chapter 1

Chapter 1 Highlights

Characteristics of Real Estate Firms

- Thirty-one percent of Brokers of Record were CEOs, COOs, presidents, or owners, and 65 percent were managers or owners of a single-office firm.
- Seventy-eight percent identified as broker owners and 11 percent as broker managers.
- Eighty-one percent of real estate firms had a single office, typically with three full-time real estate licensees, identical to the 2021 report.
- Eighty-six percent of firms were independent non-franchised firms, and 12 percent were independent franchised firms.

- Eighty percent of firms specialized in residential brokerage.
- Thirty-eight percent of firms were LLCs, 28 percent were S-Corps, 24 percent sole proprietorships, and seven percent were C-Corps.
- The typical residential firm had been operating for 16 years (identical to the 2021 report), while the typical commercial firm had been operating for 25 years (down from 30 years).
- Thirty-eight percent of firms covered a metropolitan region market area, 26 percent covered a rural area or small town, and 18 percent covered multiple metro areas or regions.

CHAPTER 1 – LIST OF EXHIBITS

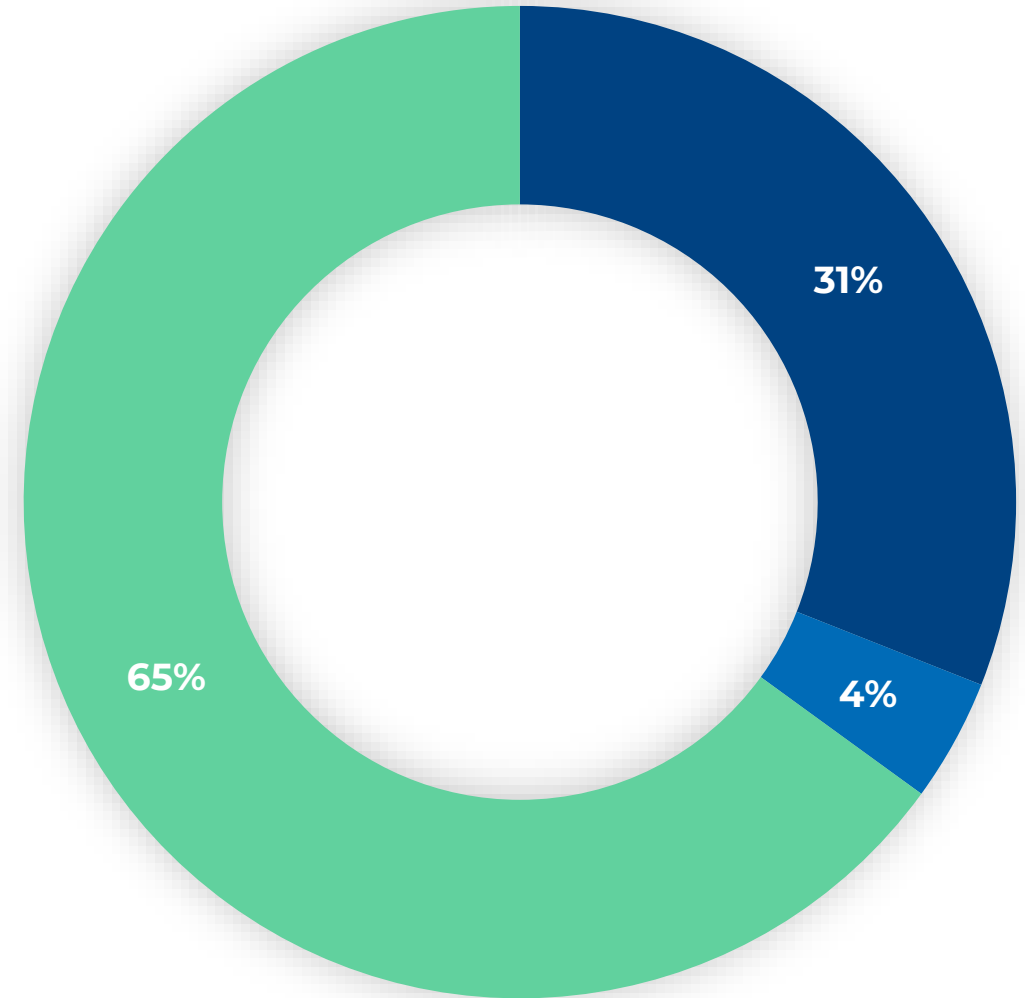
Exhibit 1-1	NAR BROKERS OF RECORD
Exhibit 1-2	NAR BROKER MEMBERSHIP
Exhibit 1-3	NUMBER OF OFFICES, BY RESIDENTIAL AND COMMERCIAL FIRMS
Exhibit 1-4	OFFICE OPENINGS AND CLOSINGS, BY RESIDENTIAL AND COMMERCIAL FIRMS
Exhibit 1-5	BROKERAGE TYPE, BY NUMBER OF OFFICES AT FIRM
Exhibit 1-6	FIRM TYPE, BY NUMBER OF OFFICES AT FIRM
Exhibit 1-7	FIRM TYPE, BY RESIDENTIAL AND COMMERCIAL FIRMS
Exhibit 1-8	STAFF AT FIRMS, BY NUMBER OF OFFICES AT FIRM
Exhibit 1-9	FIRM HAS REFERRAL DEPARTMENT, BY RESIDENTIAL AND COMMERCIAL FIRMS
Exhibit 1-10	FIRM HAS REFERRAL DEPARTMENT, BY NUMBER OF OFFICES AT FIRM
Exhibit 1-11	CHANGE IN STAFF AT FIRMS, BY NUMBER OF OFFICES AT FIRM
Exhibit 1-12	STAFF CAREER DIRECTION AFTER LEAVING FIRM
Exhibit 1-13	CHANGE IN MERGERS/ACQUISITIONS FOR FIRM FROM 2017-2019 TO 2020-2022
Exhibit 1-14	YEARS IN REAL ESTATE BUSINESS
Exhibit 1-15	FIRM'S PRIMARY SPECIALTY AREA
Exhibit 1-16	OTHER REAL ESTATE BUSINESS ACTIVITIES AMONG FIRM
Exhibit 1-17	PERCENT OF FIRM'S REVENUE FROM PRIMARY REAL ESTATE BUSINESS ACTIVITY
Exhibit 1-18	LEGAL ORGANIZATION OF REAL ESTATE FIRMS
Exhibit 1-19	GEOGRAPHIC MARKET AREA OF FIRM

NAR BROKERS OF RECORD

(Percentage Distribution)

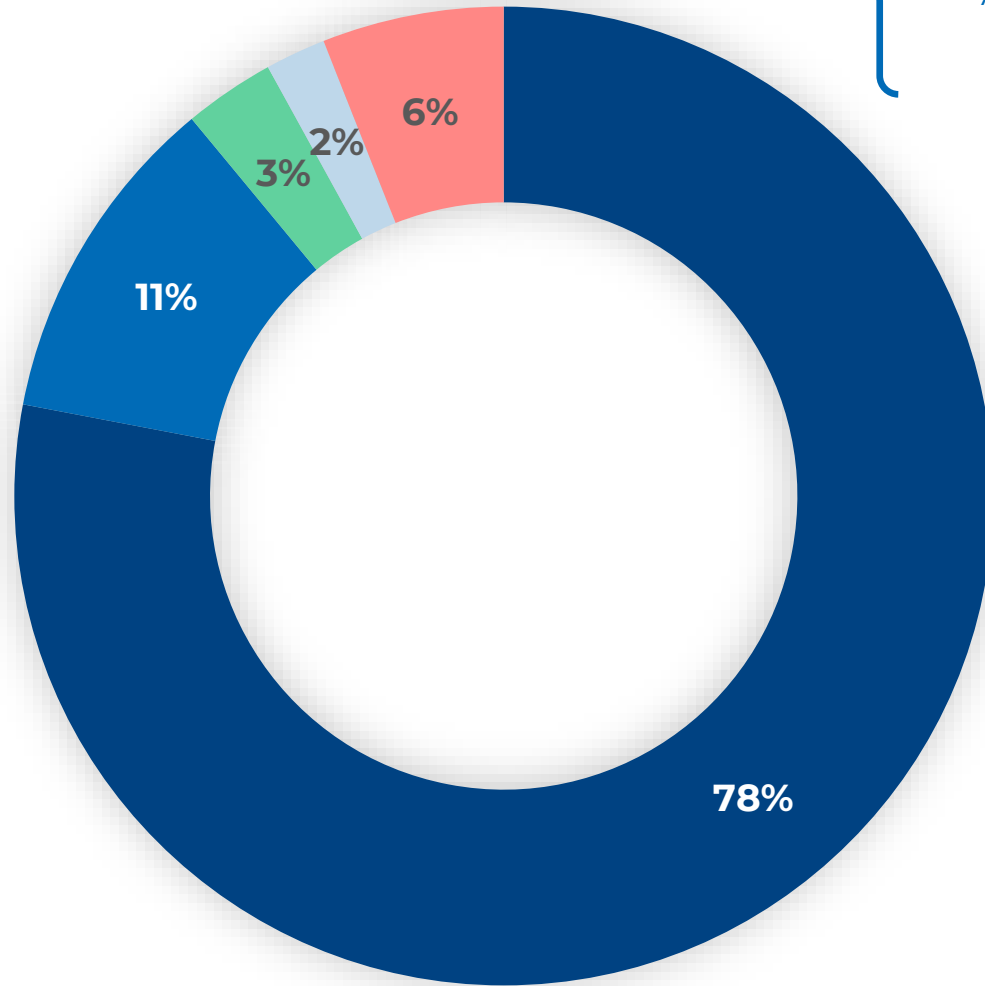
All Firms

- CEO, COO, President, owner, or senior management of an entire multi-office firm
- Regional manager, regional vice president, or senior manager of the regional operations of a multi-office firm
- Manager or owner of a single-office firm



NAR BROKER MEMBERSHIP

(Percentage Distribution)



Respondents gave the following as “other” brokerage type:
Appraiser/appraiser owner, designated/managing broker,
broker in charge, and principal broker.

All Firms

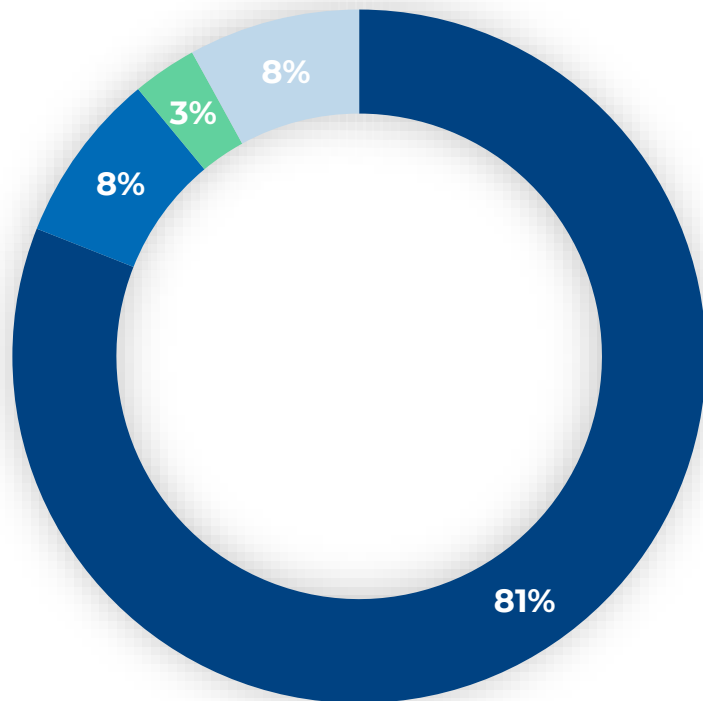
- Broker owner
- Broker manager
- Broker officer
- Broker associate
- Other

NUMBER OF OFFICES, BY RESIDENTIAL AND COMMERCIAL FIRMS

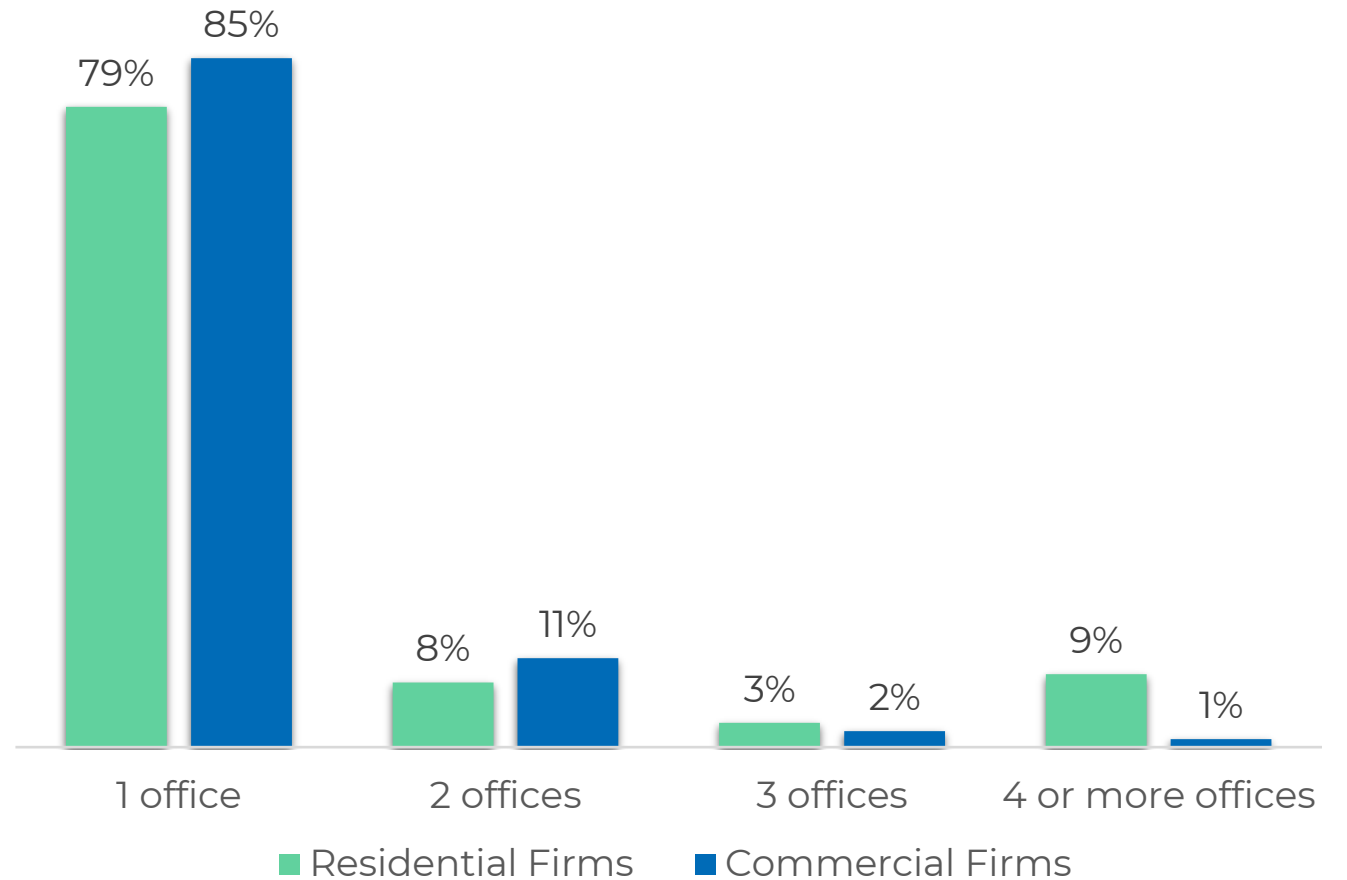
(Percentage Distribution)

Medians:
 All Firms: 1 office
 Residential Firms: 1 office
 Commercial Firms: 1 office

All Firms



■ 1 office ■ 2 offices ■ 3 offices ■ 4 or more offices



OFFICE OPENINGS AND CLOSINGS, BY RESIDENTIAL AND COMMERCIAL FIRMS

(Medians)



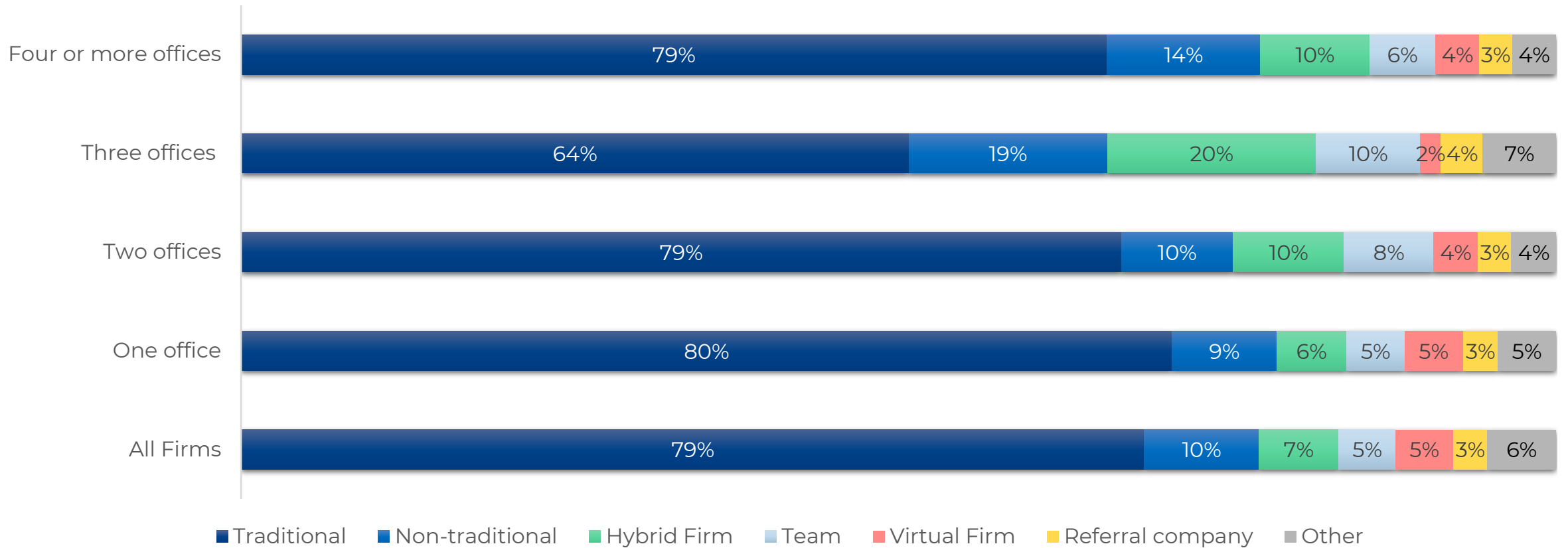
The following had a median of zero offices by number of firms:

- Number of new offices opened in 2022
- Number of offices acquired through purchase or merger with another firm in 2022
- Number of offices closed in 2022

BROKERAGE TYPE, BY NUMBER OF OFFICES AT FIRM

(Percentage Distribution)

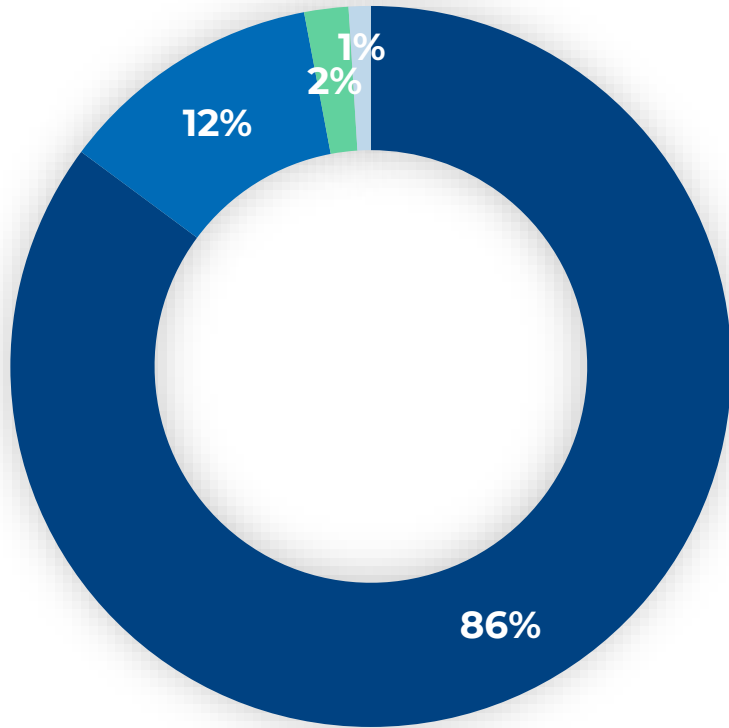
Respondents gave the following as “other” brokerage type:
Appraisal, boutique, commercial, consulting, independent, and property management.



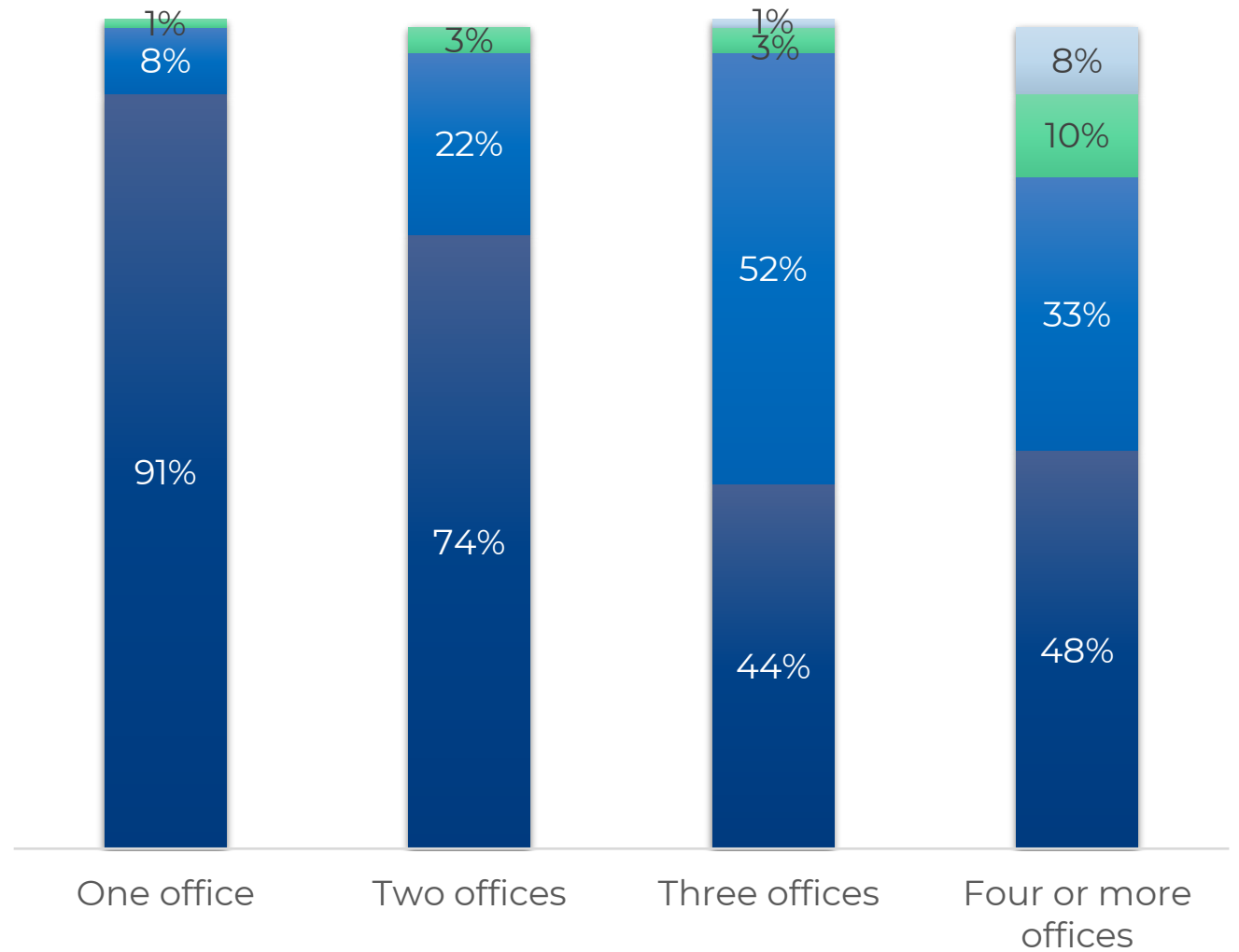
FIRM TYPE, BY NUMBER OF OFFICES AT FIRM

(Percentage Distribution)

All Firms

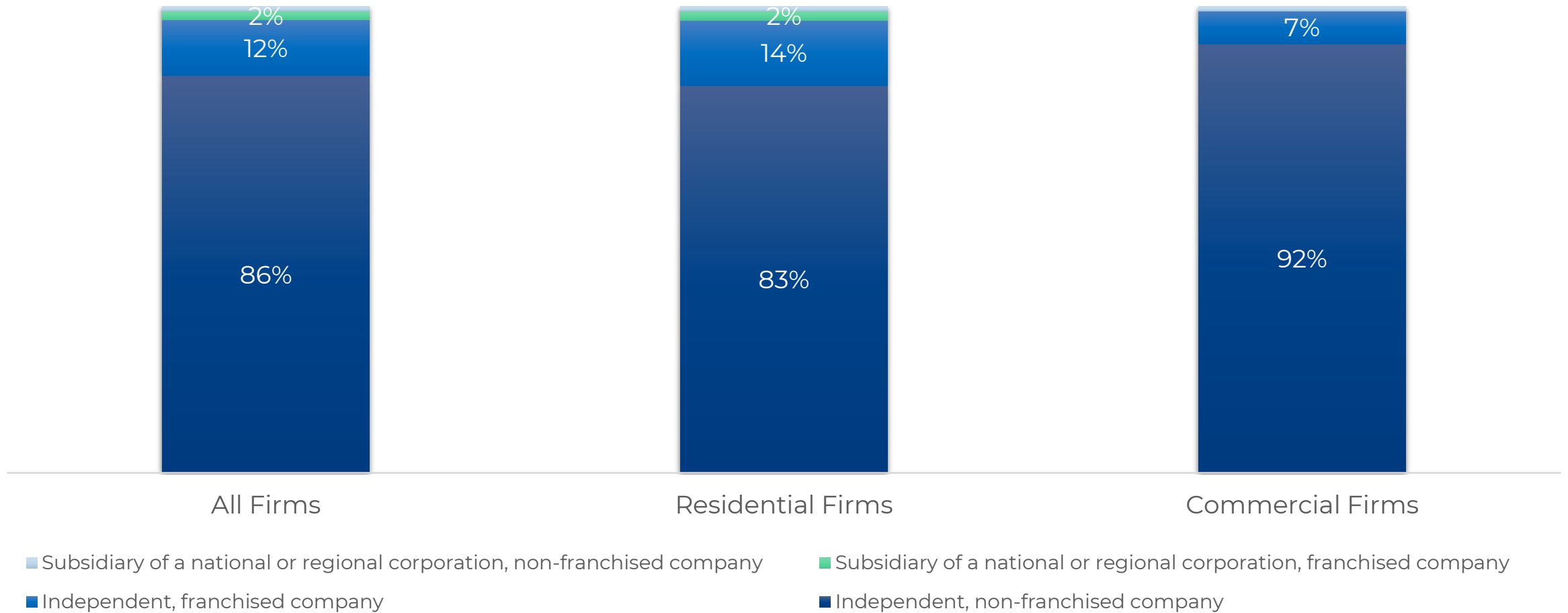


- Independent, non-franchised company
- Independent, franchised company
- Subsidiary of a national or regional corporation, franchised company
- Subsidiary of a national or regional corporation, non-franchised company



FIRM TYPE, BY RESIDENTIAL AND COMMERCIAL FIRMS

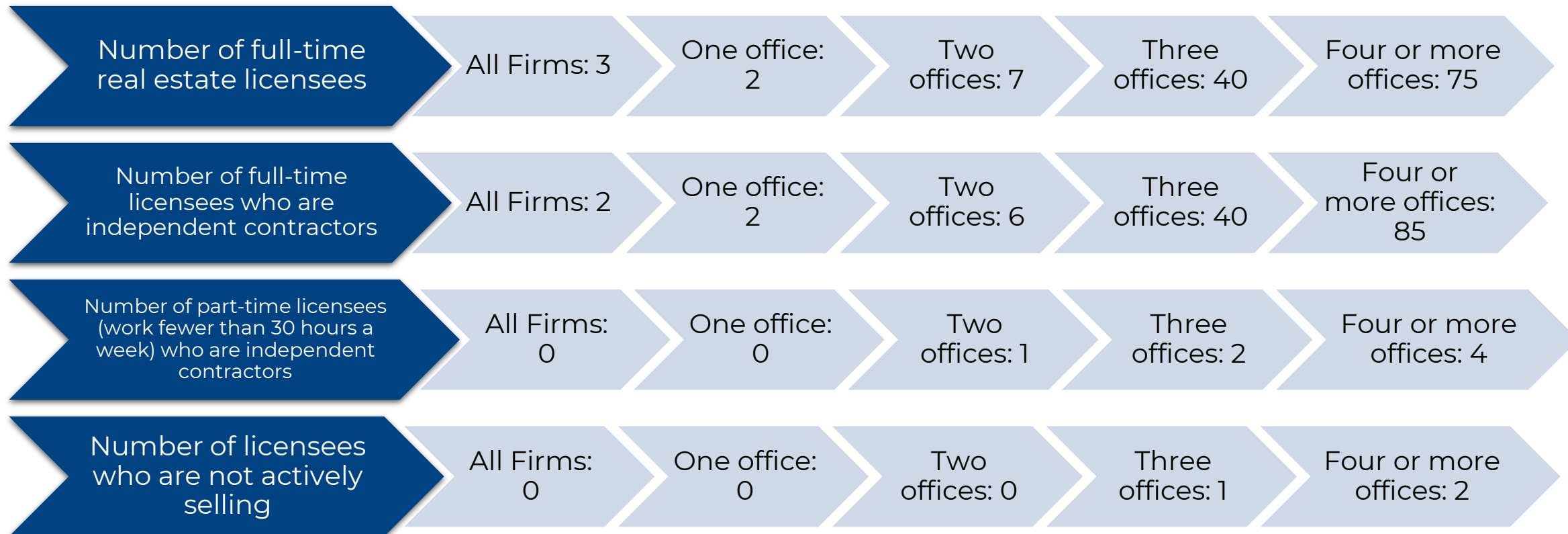
(Percentage Distribution)



*Less than 1 percent

STAFF AT FIRMS, BY NUMBER OF OFFICES AT FIRM

(Medians)



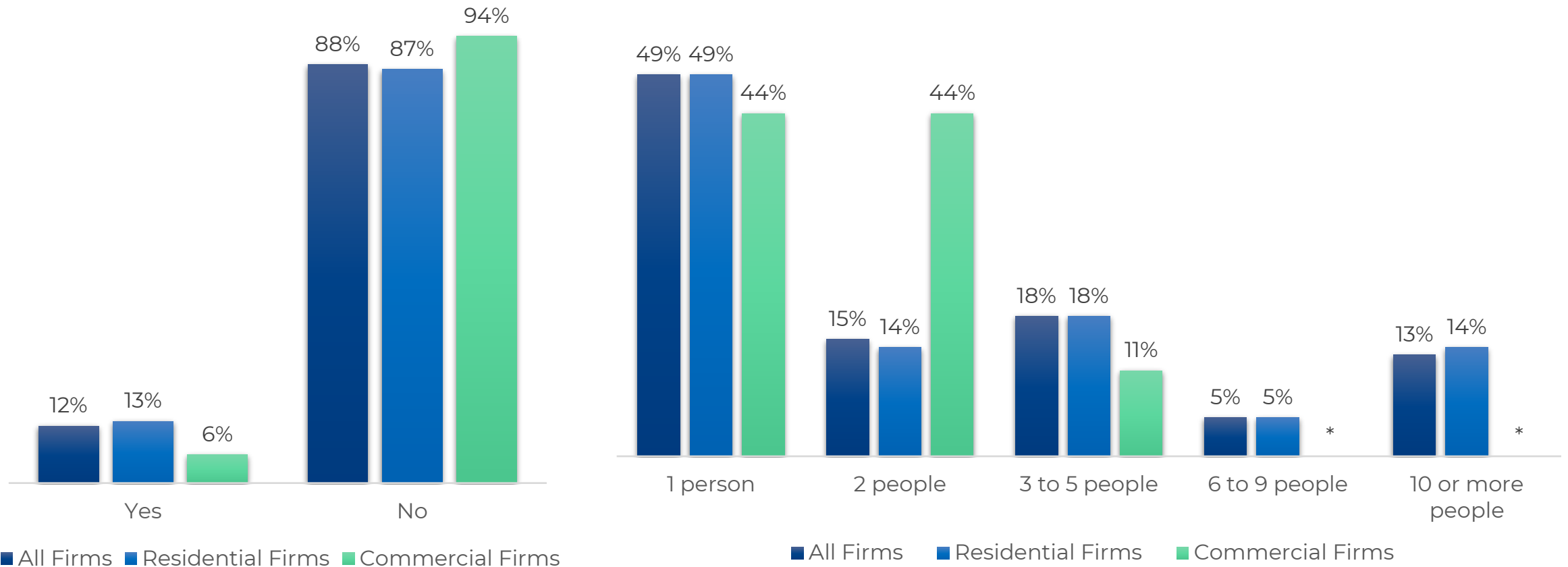
The following had a median of zero staff by number of firms:

- Number of part-time real estate licensees (work fewer than 30 hours a week) who are salaried

FIRM HAS REFERRAL DEPARTMENT, BY RESIDENTIAL AND COMMERCIAL FIRMS

(Percentage Distribution)

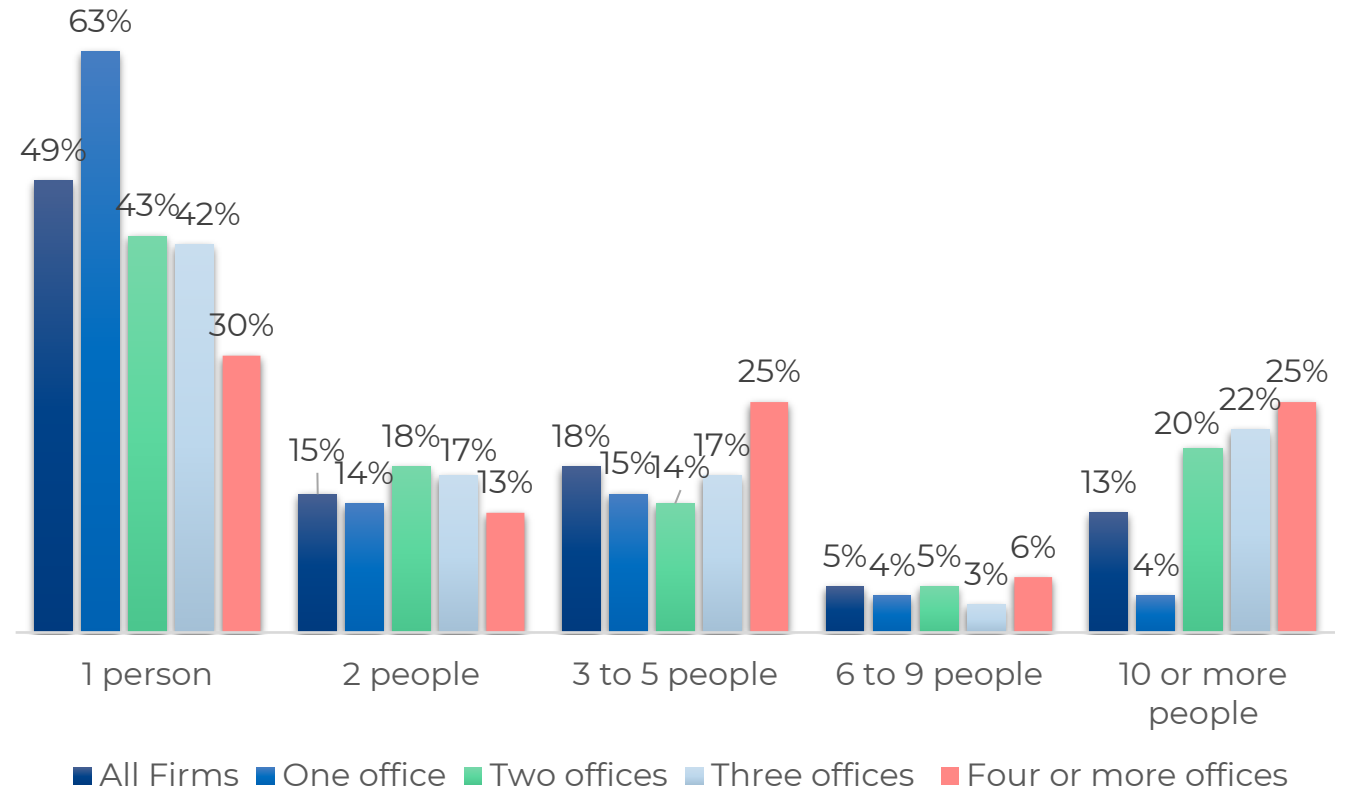
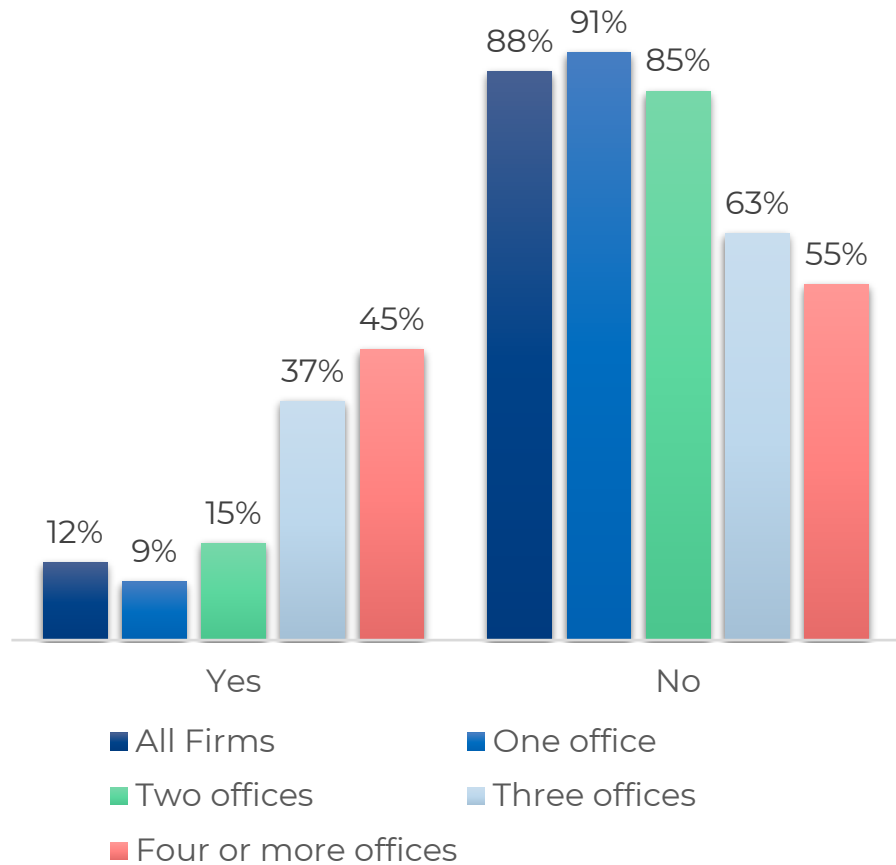
Median
 (staff in referral department):
 All Firms: 2
 Residential Firms: 2
 Commercial Firms: 2



FIRM HAS REFERRAL DEPARTMENT, BY NUMBER OF OFFICES AT FIRM

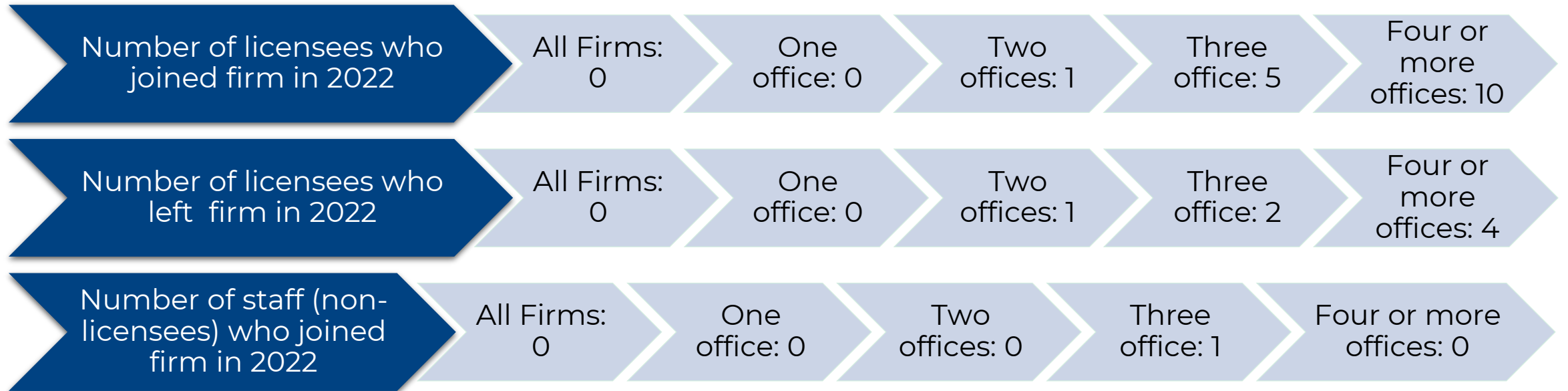
(Percentage Distribution)

Median (staff in referral department):
 All Firms: 2
 One office: 1
 Two to three offices: 2
 Four or more offices: 3



CHANGE IN STAFF AT FIRMS, BY NUMBER OF OFFICES AT FIRM

(Medians)

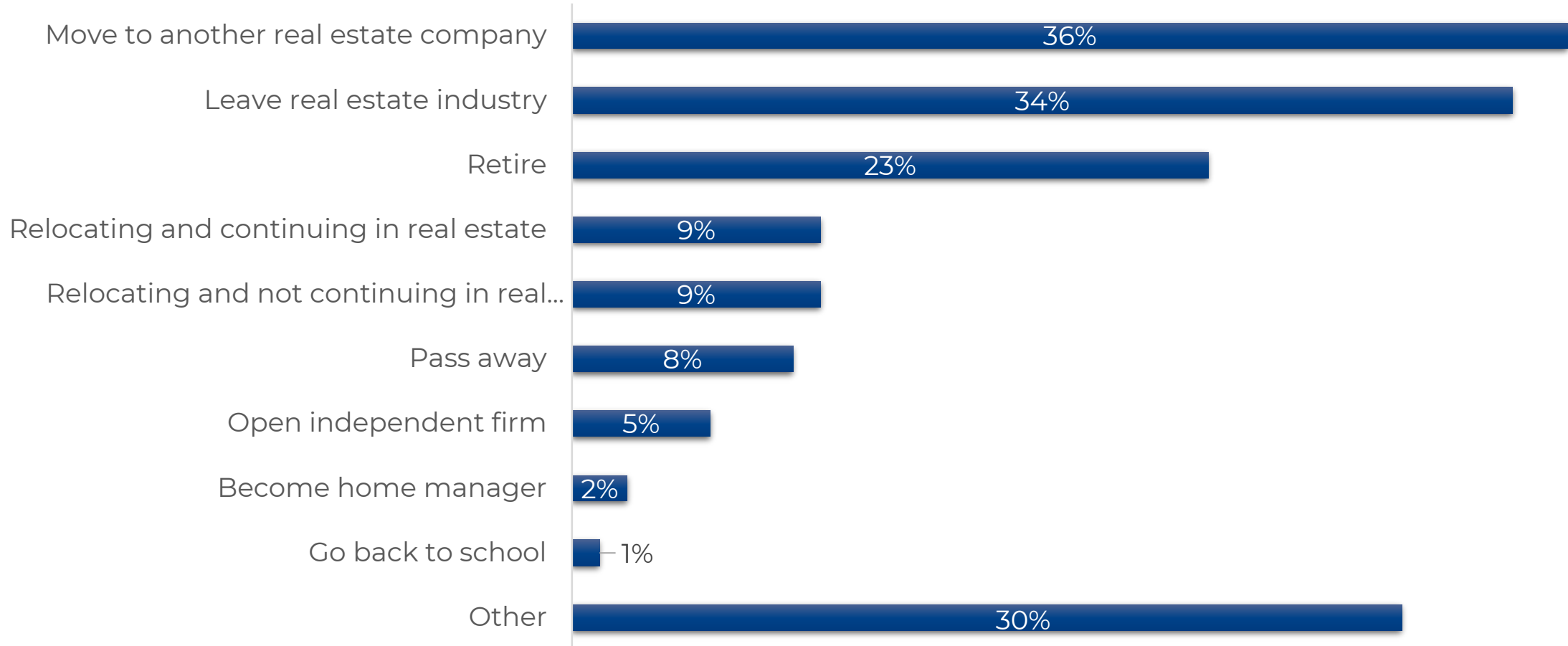


The following had a median of zero staff by number of firms:

- Number of staff (non-licensees) who left firm in 2022
- Number of licensees for referral only who joined firm in 2022
- Number of licensees for referral only who left firm in 2022
- Number of active agents who moved to referral only in 2022

STAFF CAREER DIRECTION AFTER LEAVING FIRM

(Percentage Distribution)

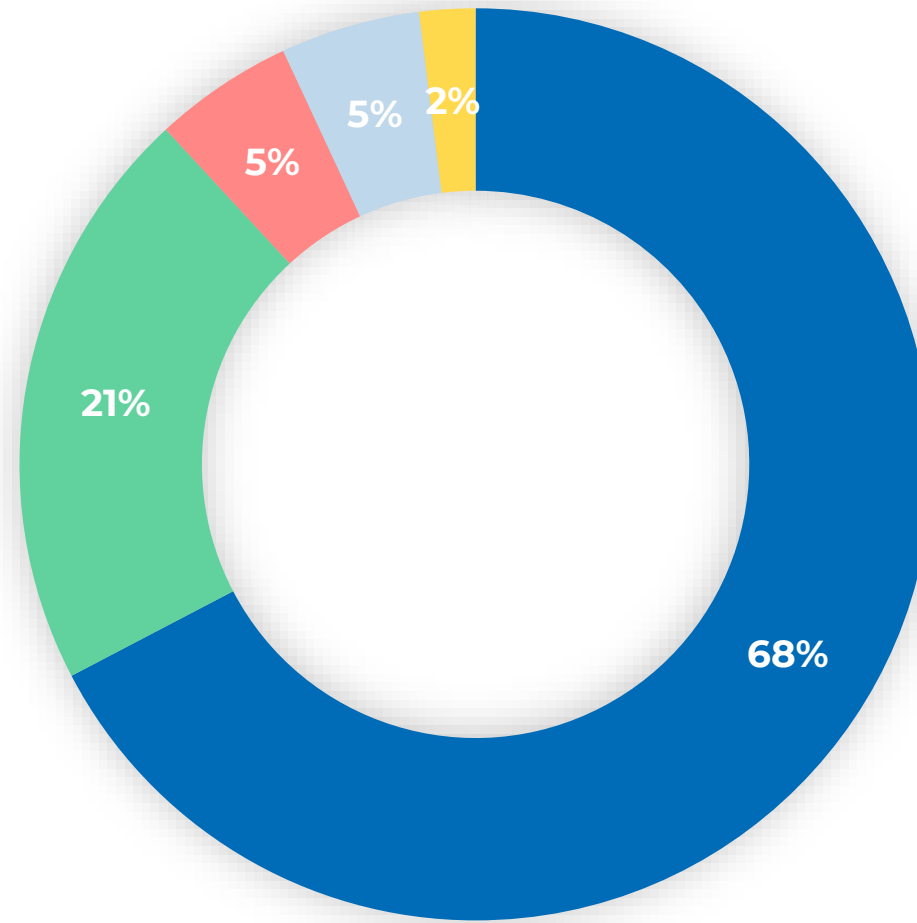


CHANGE IN MERGERS/ACQUISITIONS FOR FIRM FROM 2017-2019 TO 2020-2022

(Percentage Distribution)

All Firms

- Not applicable
- Stayed the same
- Increased
- Firm is newer than 5 years
- Decreased

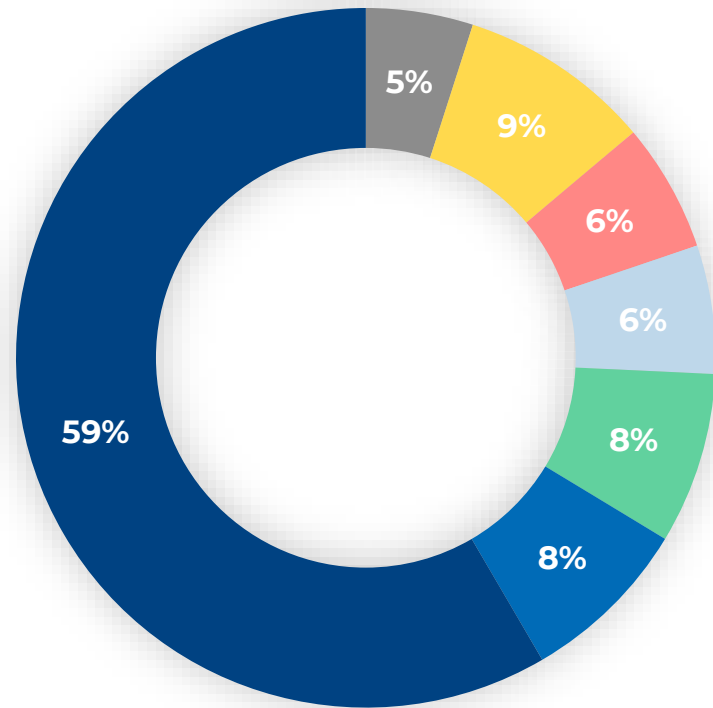


YEARS IN REAL ESTATE BUSINESS

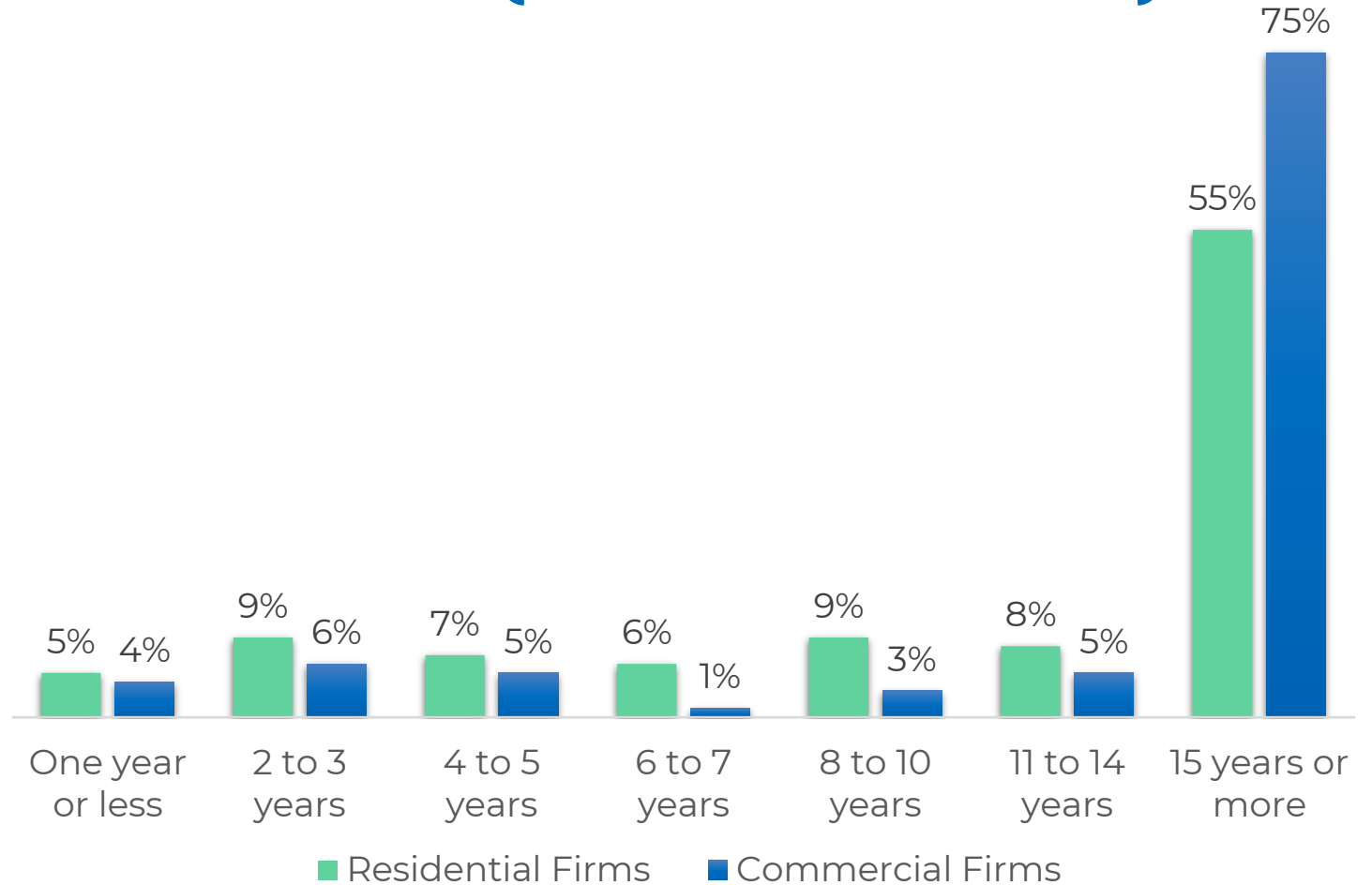
(Percentage Distribution)

Medians:
 All Firms: 18 years
 Residential Firms: 16 years
 Commercial Firms: 25 years

All Firms



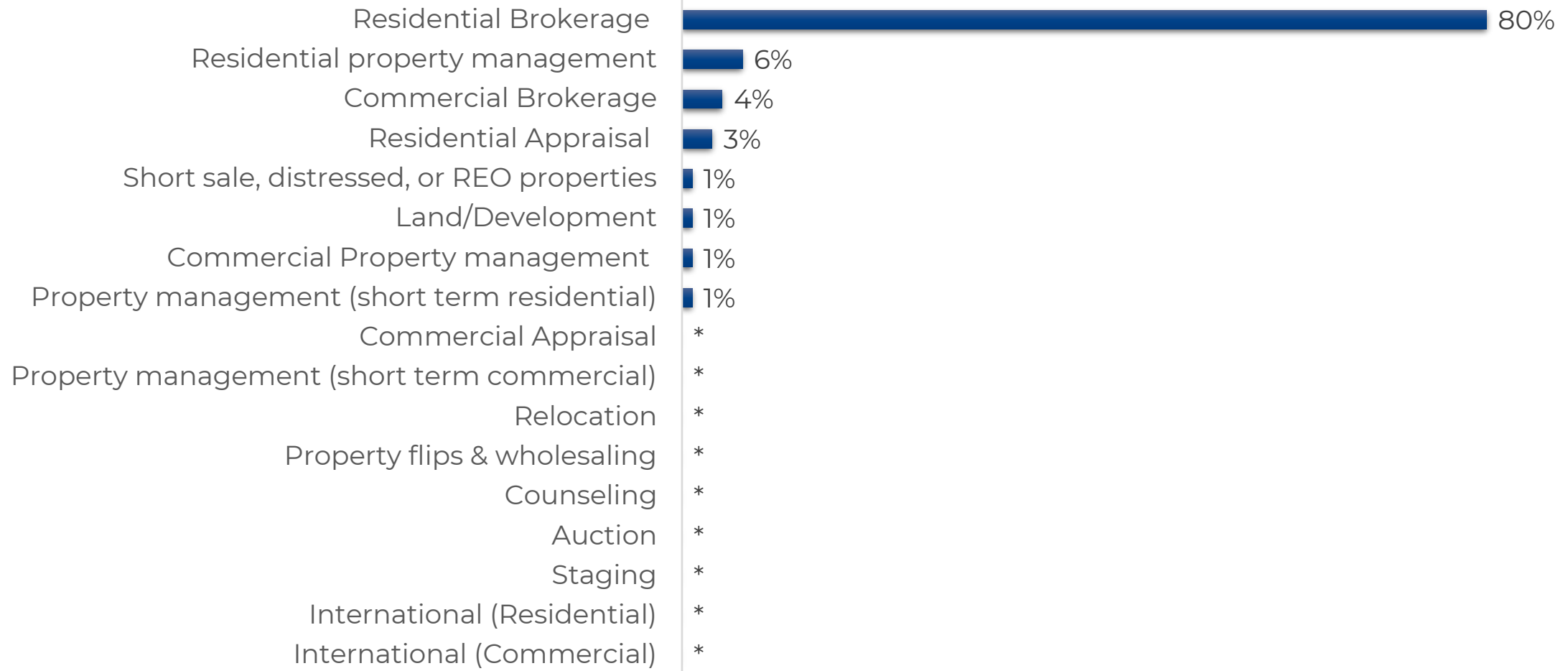
- One year or less ■ 2 to 3 years ■ 4 to 5 years
- 6 to 7 years ■ 8 to 10 years ■ 11 to 14 years
- 15 years or more



FIRM'S PRIMARY SPECIALTY AREA

(Percentage Distribution)

All Firms



*Less than 1 percent

OTHER REAL ESTATE BUSINESS ACTIVITIES AMONG FIRM

(Percent of Respondents)

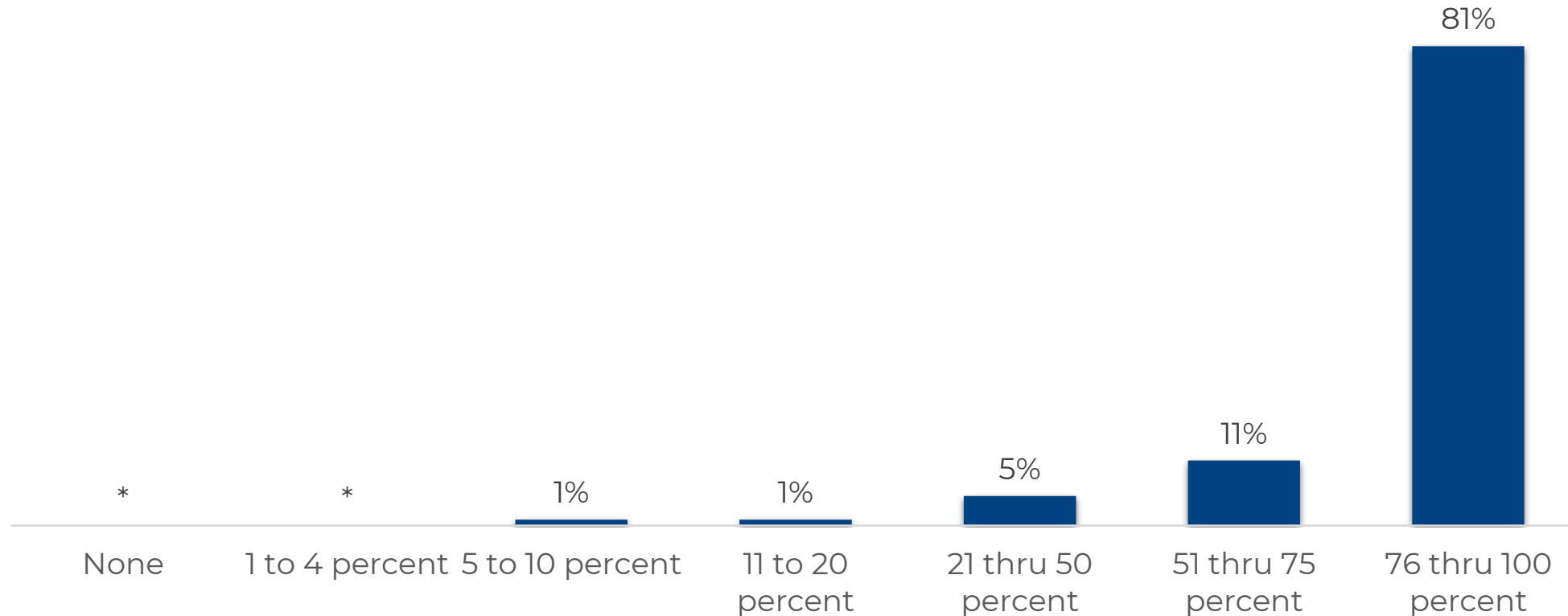


PERCENT OF FIRM'S REVENUE FROM PRIMARY REAL ESTATE BUSINESS ACTIVITY

(Percentage Distribution)

All Firms

{ Median:
All Firms: 99% }



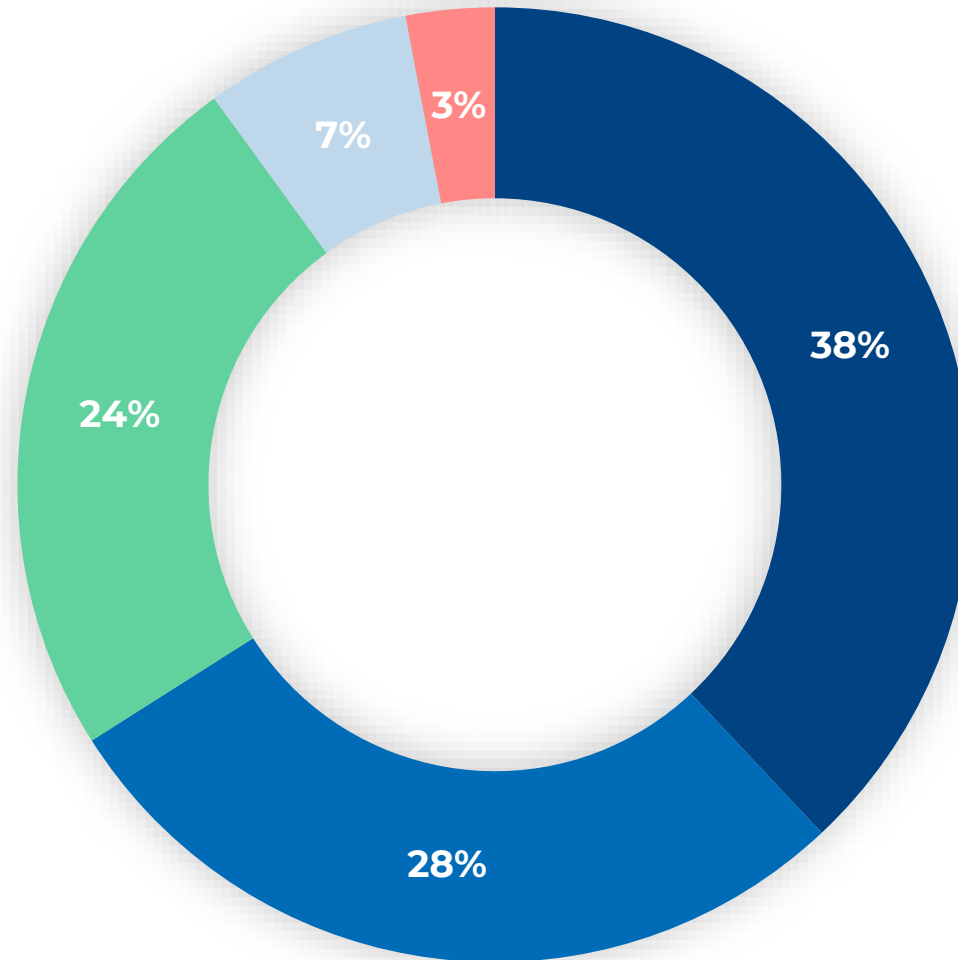
*Less than 1 percent

LEGAL ORGANIZATION OF REAL ESTATE FIRMS

(Percentage Distribution)

All Firms

- LLC
- S-Corp
- Sole proprietorship
- C-Corp
- Partnership

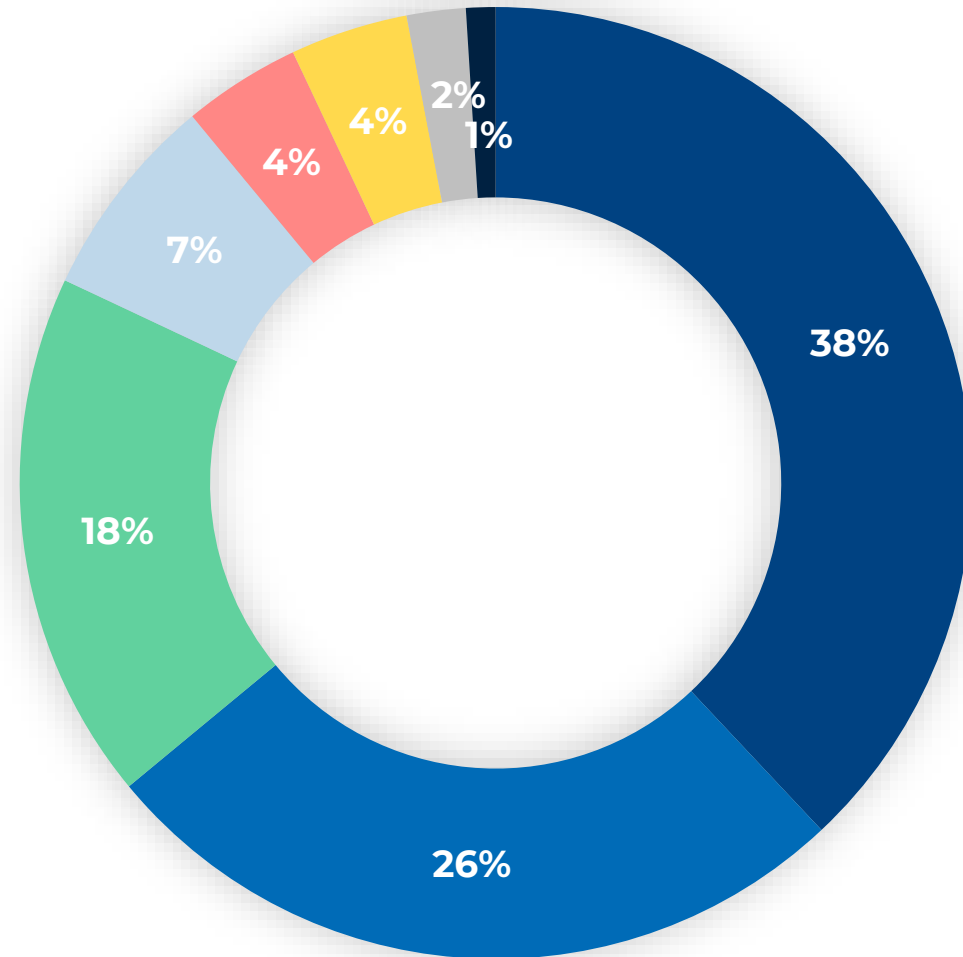


GEOGRAPHIC MARKET AREA OF FIRM

(Percentage Distribution)

All Firms

- Metropolitan area or region
- Rural area/Small town
- Multiple metro areas or regions
- Entire state
- Resort/Recreation area
- Multi-state area
- Other
- Nationwide



Business Activity of Firms

Chapter 2



Chapter 2 Highlights

Business Activity of Firms

- Firms with only one office had a median brokerage sales volume of \$5.3 million in 2022, while firms with four or more offices had a median brokerage sales volume of \$154.6 million in 2022.
 - Firms with one office had a total of 15 real estate transaction sides in 2022, while firms with four or more offices typically had 403 transaction sides.
 - Firms with only one office had a median brokerage commission volume of \$2.8 million in 2022, while firms with four or more offices had a median brokerage commission volume of \$8.3 million in 2022.
- Firms typically generated 48 percent of their sales volume from repeat business from past clients and 47 percent from past client referrals.
 - Many firms had the capability to offer in-house ancillary services to real estate clients. The most common in-house service was business brokerage, followed by commercial consulting services, relocation services, and staging services.
 - Forty-three percent of current competition came from traditional brick-and-mortar large franchise firms and 29 percent from traditional brick-and-mortar single-office firms.

CHAPTER 2 – LIST OF EXHIBITS

Exhibit 2-1 FIRM'S REAL ESTATE BROKERAGE SALES VOLUME, BY RESIDENTIAL AND COMMERCIAL FIRMS, 2022

Exhibit 2-2 FIRM'S REAL ESTATE BROKERAGE SALES VOLUME, BY NUMBER OF OFFICES AT FIRM, 2022

Time Series 1 FIRM'S REAL ESTATE BROKERAGE SALES VOLUME BY RESIDENTIAL AND COMMERCIAL FIRMS, 2012-2022

Exhibit 2-3 FIRM'S REAL ESTATE BROKERAGE COMMISSION VOLUME, BY RESIDENTIAL AND COMMERCIAL FIRMS, 2022

Exhibit 2-4 FIRM'S REAL ESTATE BROKERAGE COMMISSION VOLUME, BY NUMBER OF OFFICES AT FIRM, 2022

Exhibit 2-5 FIRM'S TOTAL REAL ESTATE TRANSACTION SIDES, BY RESIDENTIAL AND COMMERCIAL FIRMS, 2022

Exhibit 2-6 FIRM'S TOTAL REAL ESTATE TRANSACTION SIDES, BY NUMBER OF OFFICES AT FIRM, 2022

Time Series 2 FIRM'S TOTAL REAL ESTATE TRANSACTION SIDES BY RESIDENTIAL AND COMMERCIAL FIRMS, 2012-2022

Exhibit 2-7 FIRM'S TOTAL LEASING SIDES, BY RESIDENTIAL AND COMMERCIAL FIRMS, 2022

Exhibit 2-8 FIRM'S TOTAL LEASING SIDES, BY NUMBER OF OFFICES AT FIRM, 2022

Exhibit 2-9 ANCILLARY SERVICES OFFERED AT FIRMS, BY NUMBER OF OFFICES AT FIRM

Exhibit 2-10 PERCENT OF NET REVENUE OF FIRM MADE ON ANCILLARY SERVICES, BY NUMBER OF OFFICES AT FIRM

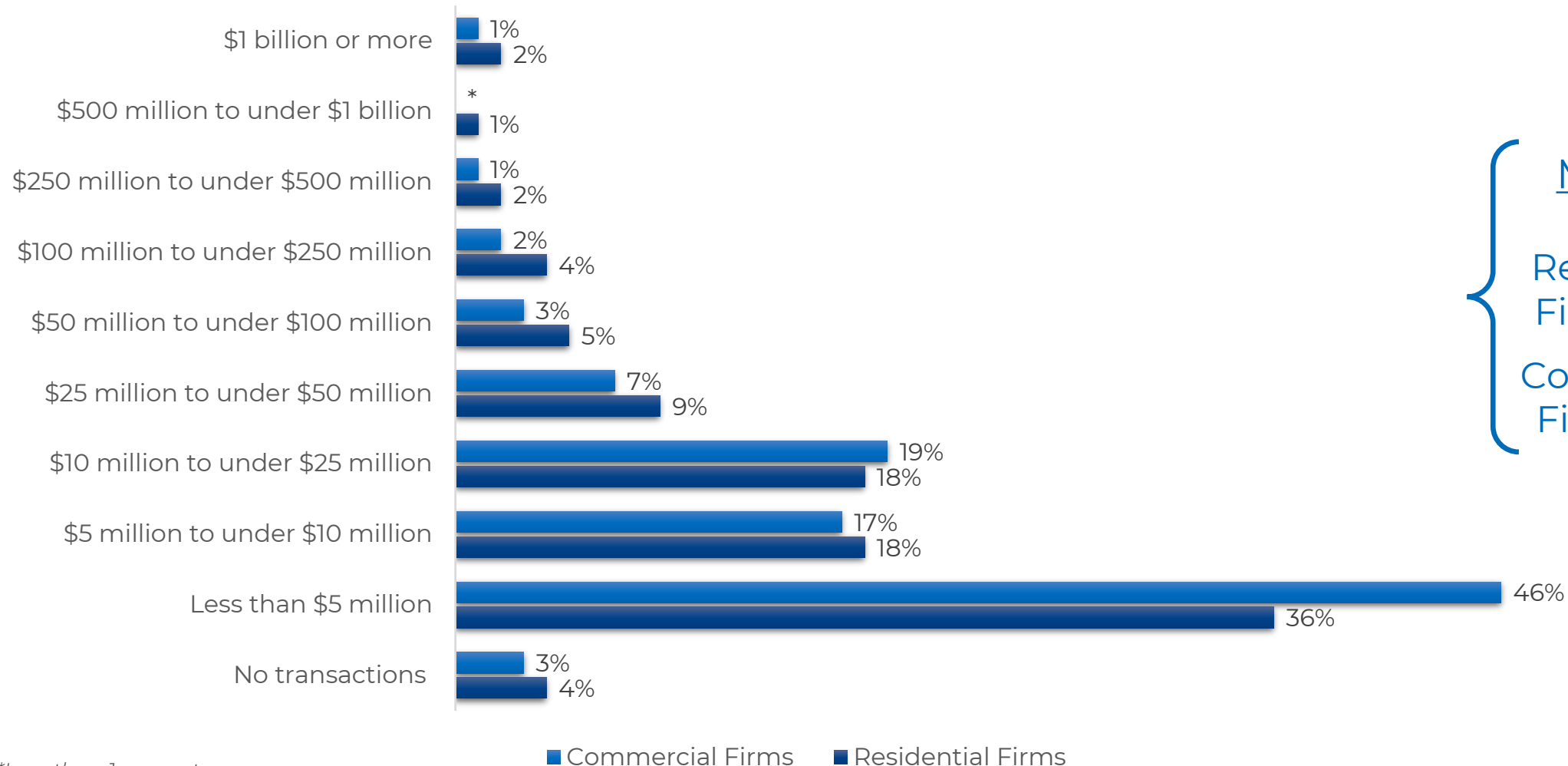
Exhibit 2-11 MEDIAN PERCENT OF CUSTOMER INQUIRIES GENERATED FROM SOURCES

Exhibit 2-12 MEDIAN PERCENT OF FIRM'S SALES VOLUME WAS GENERATED BY SOURCE

Exhibit 2-13 PERCENT OF CURRENT COMPETITION FROM SOURCES

FIRM'S REAL ESTATE BROKERAGE SALES VOLUME, BY RESIDENTIAL AND COMMERCIAL FIRMS, 2022

(Percentage Distribution)



Median
(millions):

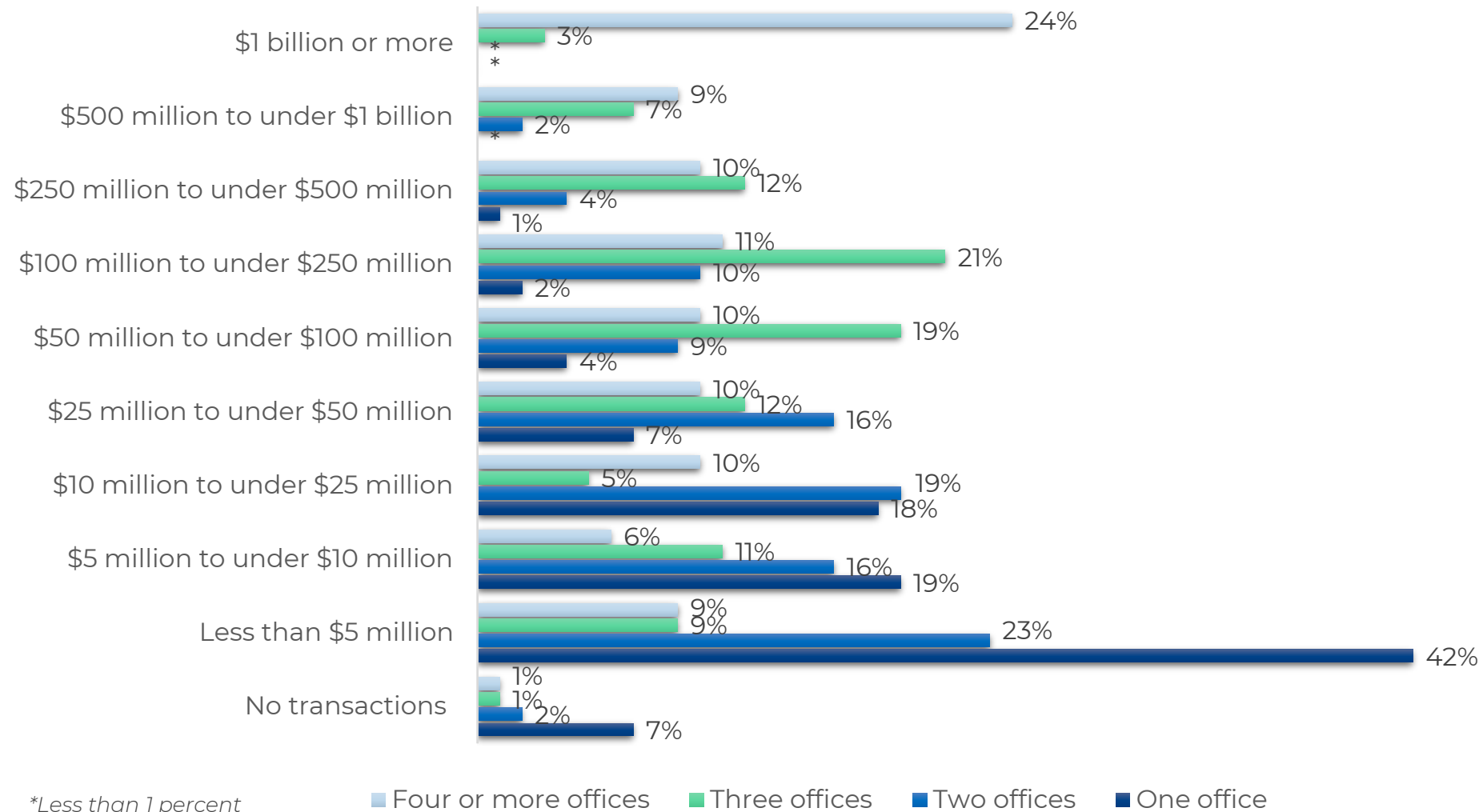
Residential Firms: \$7.8

Commercial Firms: \$5.3

*Less than 1 percent

FIRM'S REAL ESTATE BROKERAGE SALES VOLUME, BY NUMBER OF OFFICES AT FIRM, 2022

(Percentage Distribution)

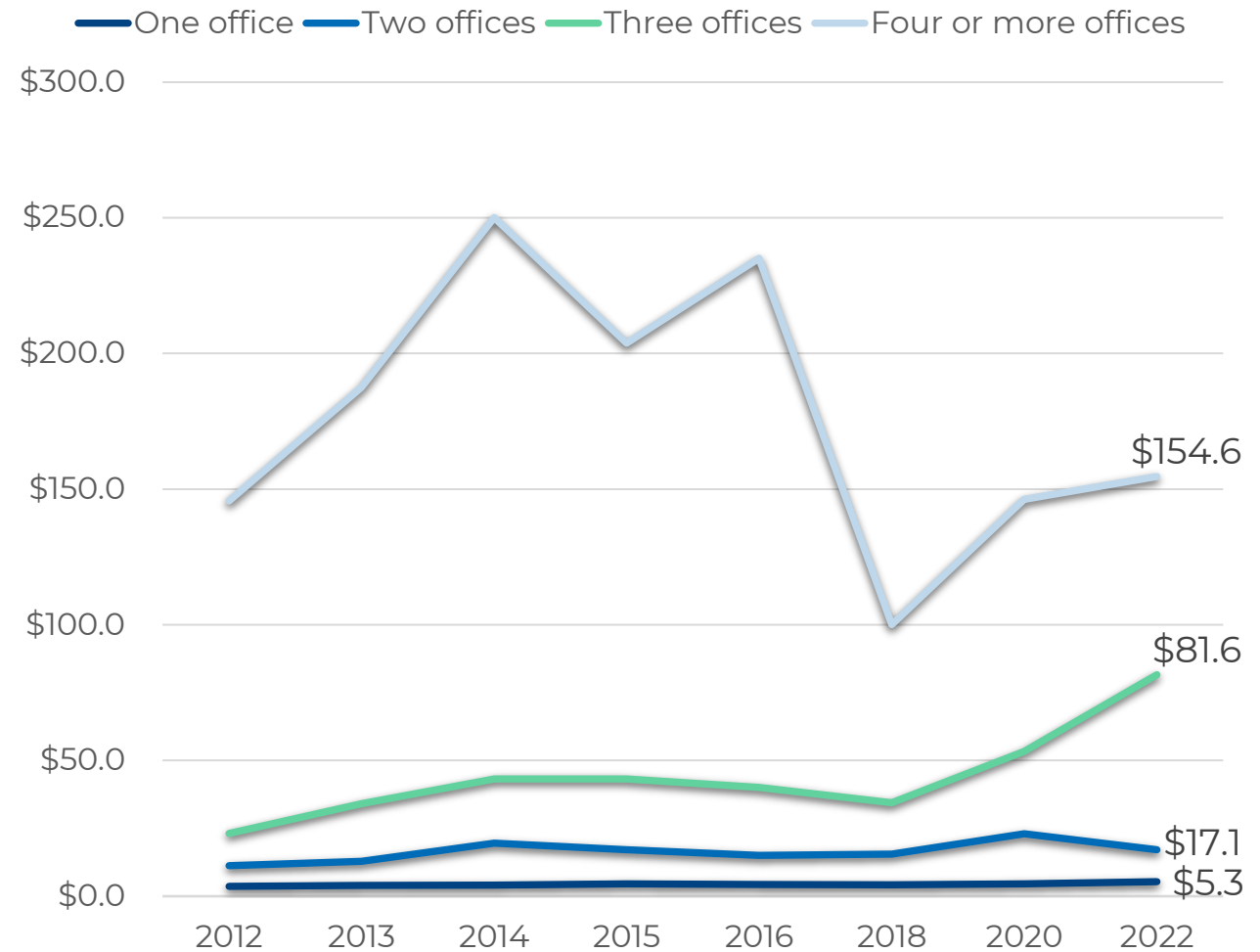
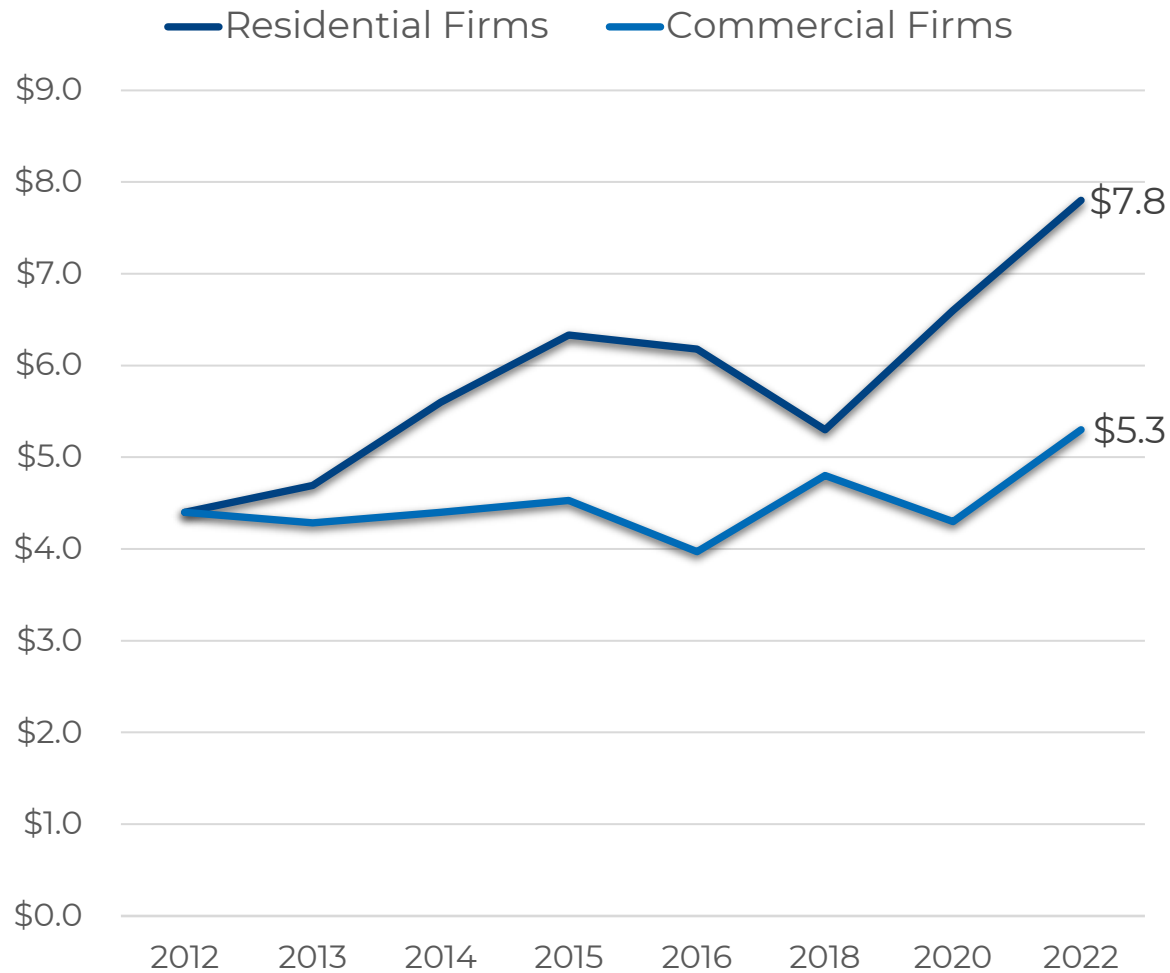


Median
(millions):

One Office: \$5.3
Two Offices: \$17.1
Three Offices: \$81.6
Four or More Offices: \$154.6

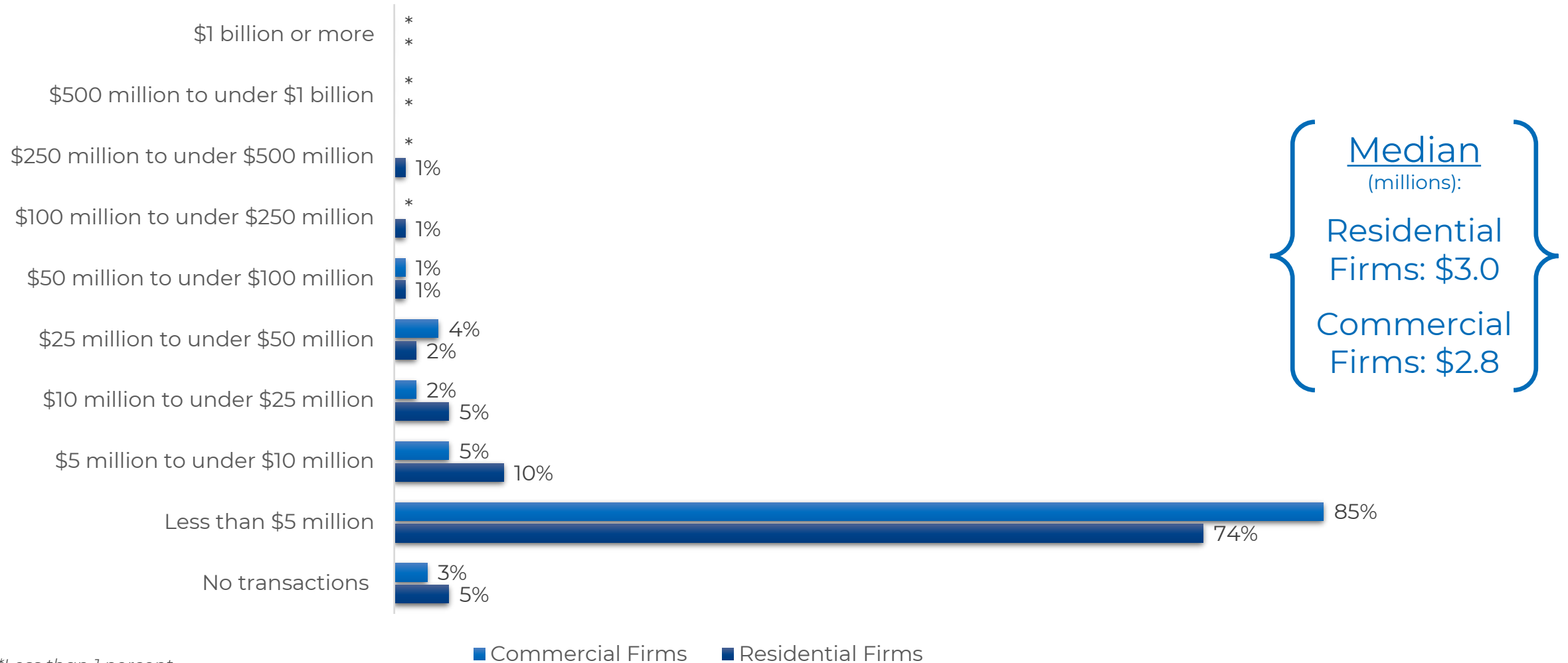
FIRM'S REAL ESTATE BROKERAGE SALES VOLUME BY RESIDENTIAL AND COMMERCIAL FIRMS, 2012-2022*

(Medians)



FIRM'S REAL ESTATE BROKERAGE COMMISSION VOLUME, BY RESIDENTIAL AND COMMERCIAL FIRMS, 2022

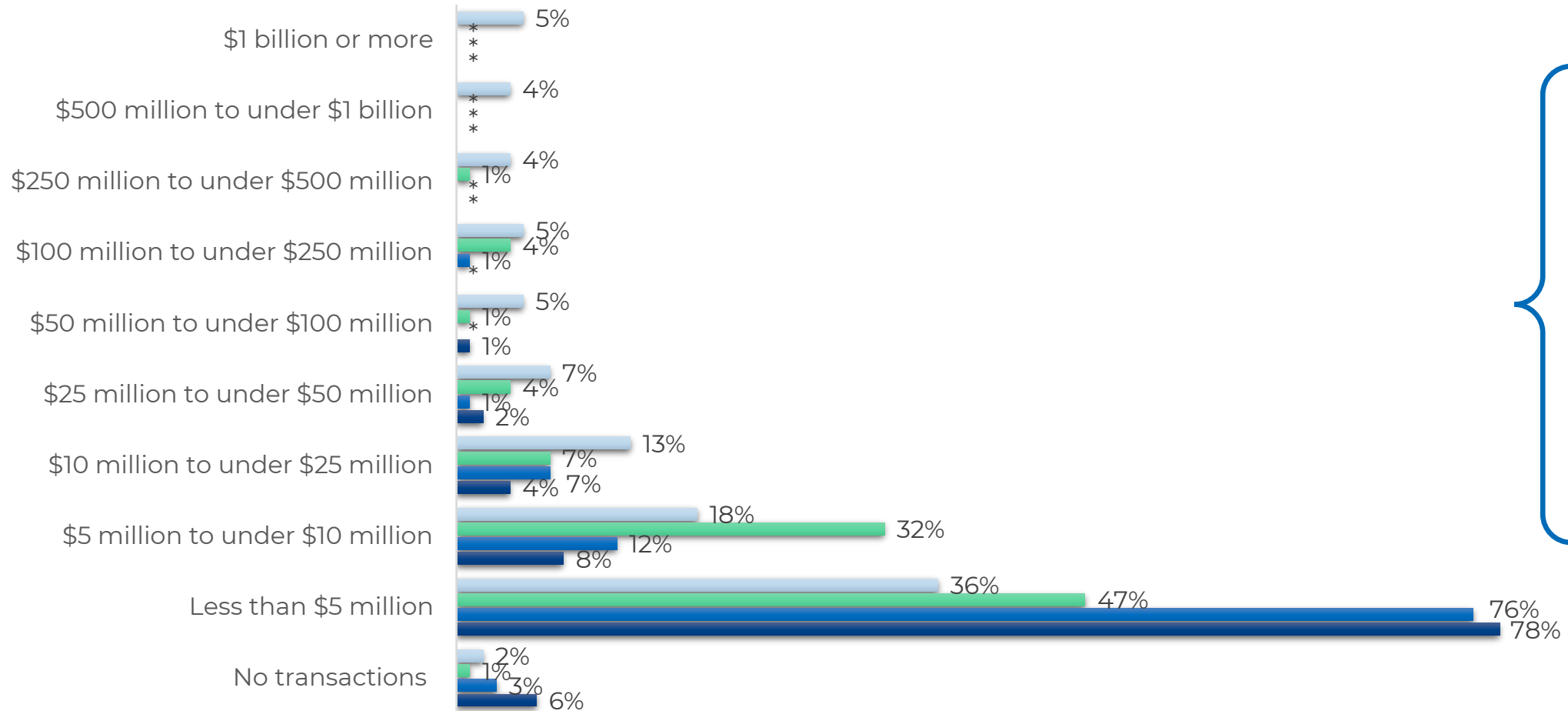
(Percentage Distribution)



*Less than 1 percent

FIRM'S REAL ESTATE BROKERAGE COMMISSION VOLUME, BY NUMBER OF OFFICES AT FIRM, 2022

(Percentage Distribution)



Median
(millions):

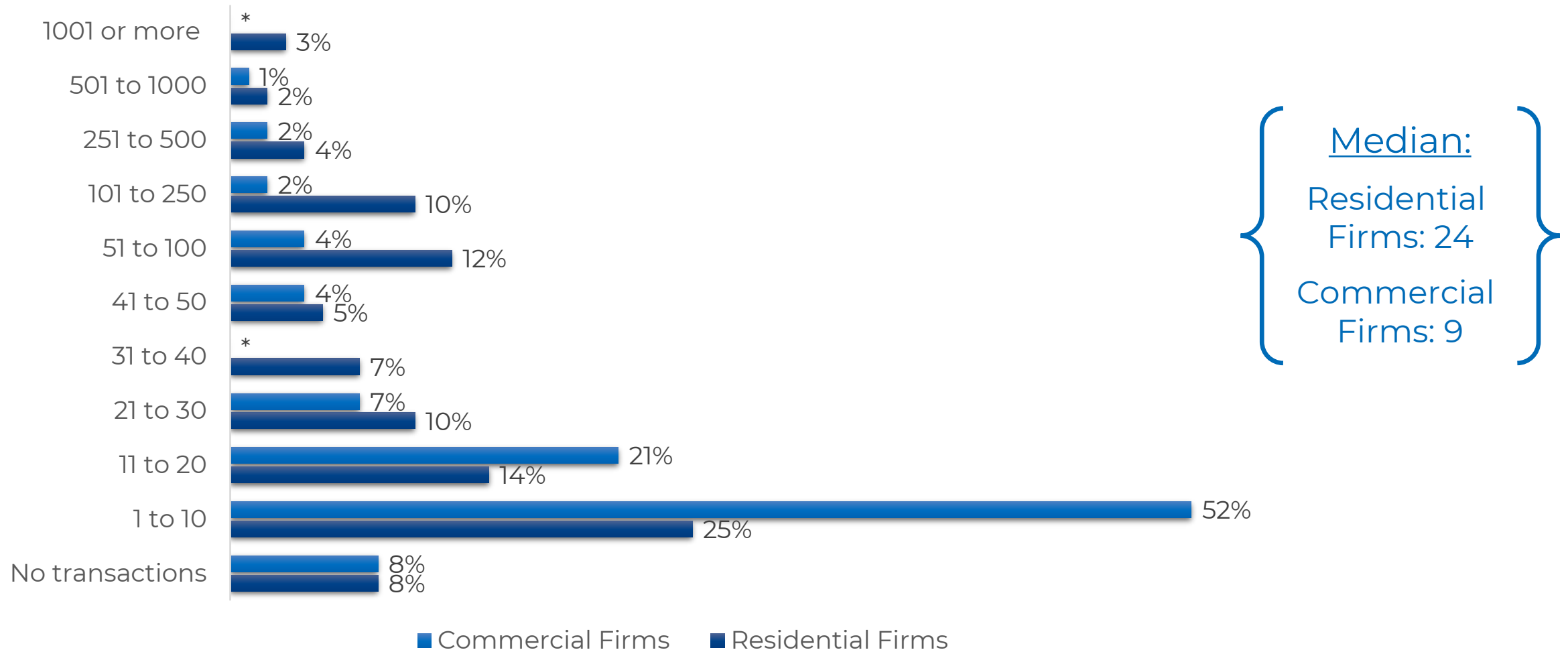
One Office: \$2.8
Two Offices: \$3.1
Three Offices: \$5.3
Four or More Offices: \$8.3

*Less than 1 percent

■ Four or more offices ■ Three offices ■ Two offices ■ One office

FIRM'S TOTAL REAL ESTATE TRANSACTION SIDES, BY RESIDENTIAL AND COMMERCIAL FIRMS, 2022

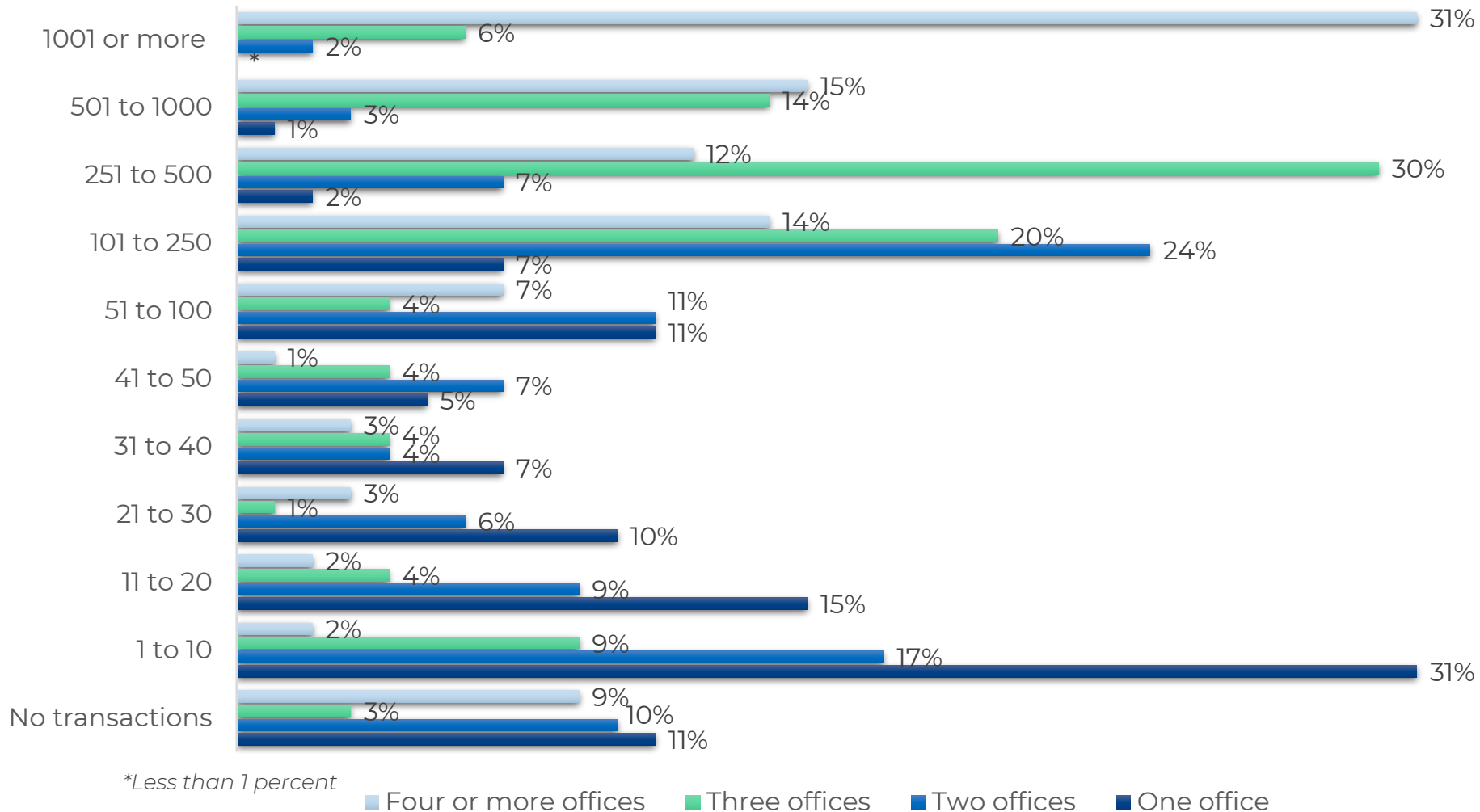
(Percentage Distribution)



*Less than 1 percent

FIRM'S TOTAL REAL ESTATE TRANSACTION SIDES, BY NUMBER OF OFFICES AT FIRM, 2022

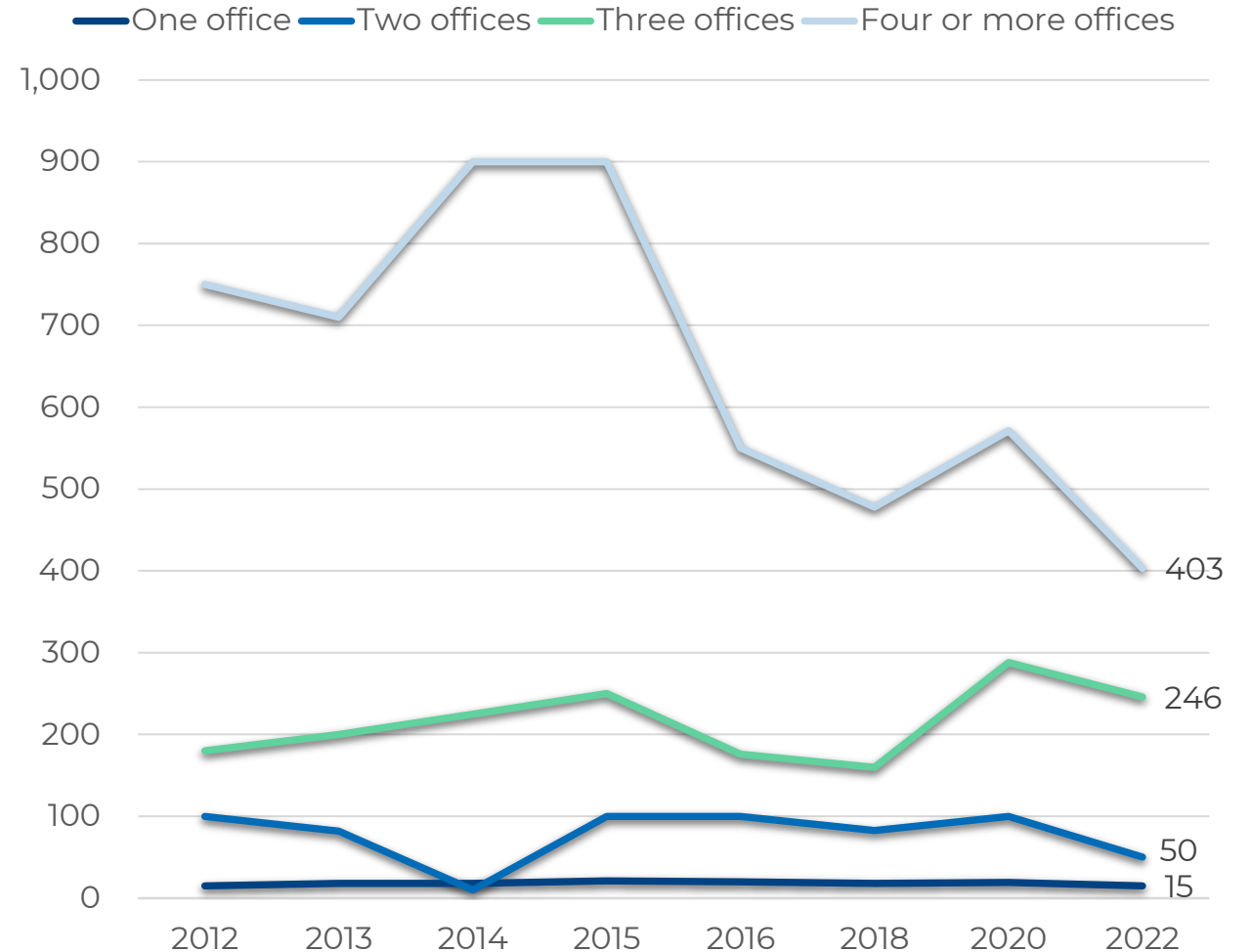
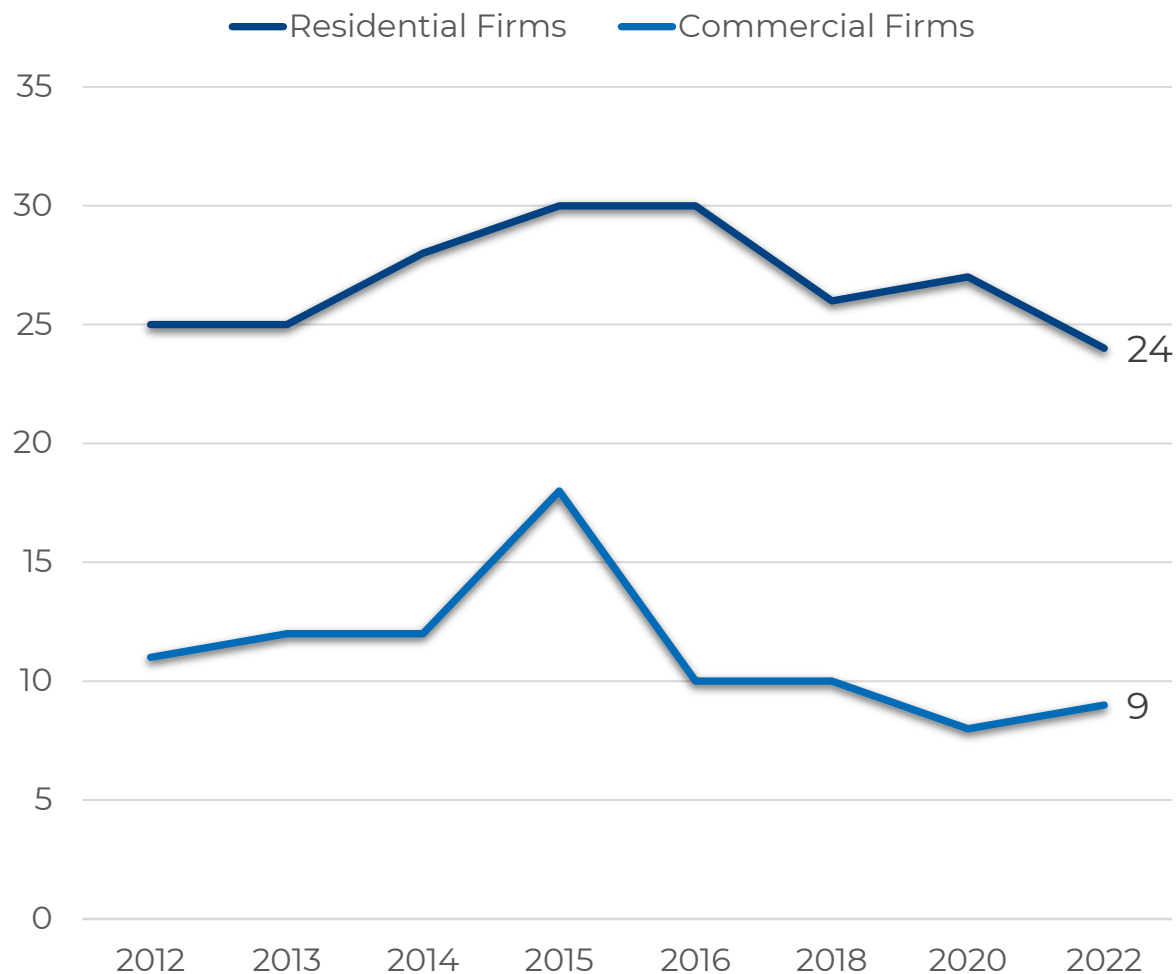
(Percentage Distribution)



Median:
 One Office: 15
 Two Offices: 50
 Three Offices: 246
 Four or More Offices: 403

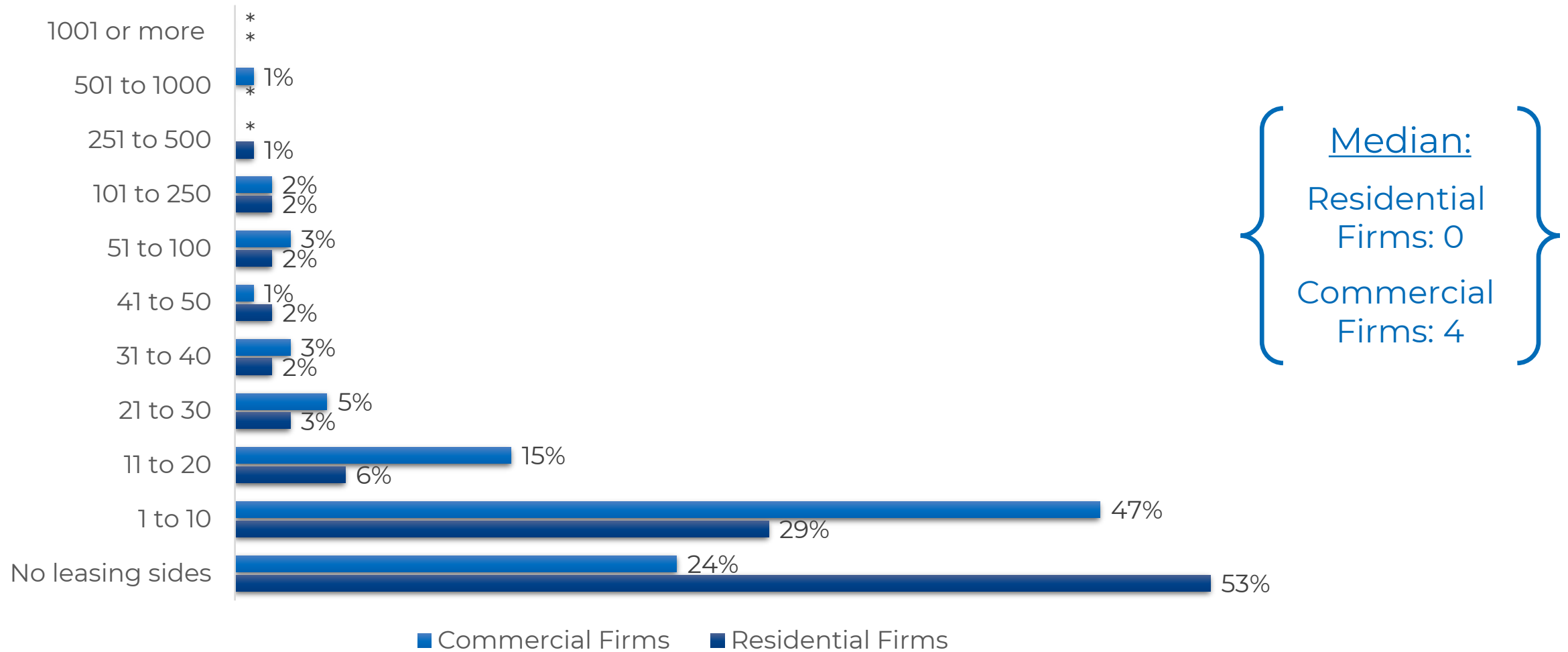
FIRM'S TOTAL REAL ESTATE TRANSACTION SIDES BY RESIDENTIAL AND COMMERCIAL FIRMS, 2012-2022*

(Medians)



FIRM'S TOTAL LEASING SIDES, BY RESIDENTIAL AND COMMERCIAL FIRMS, 2022

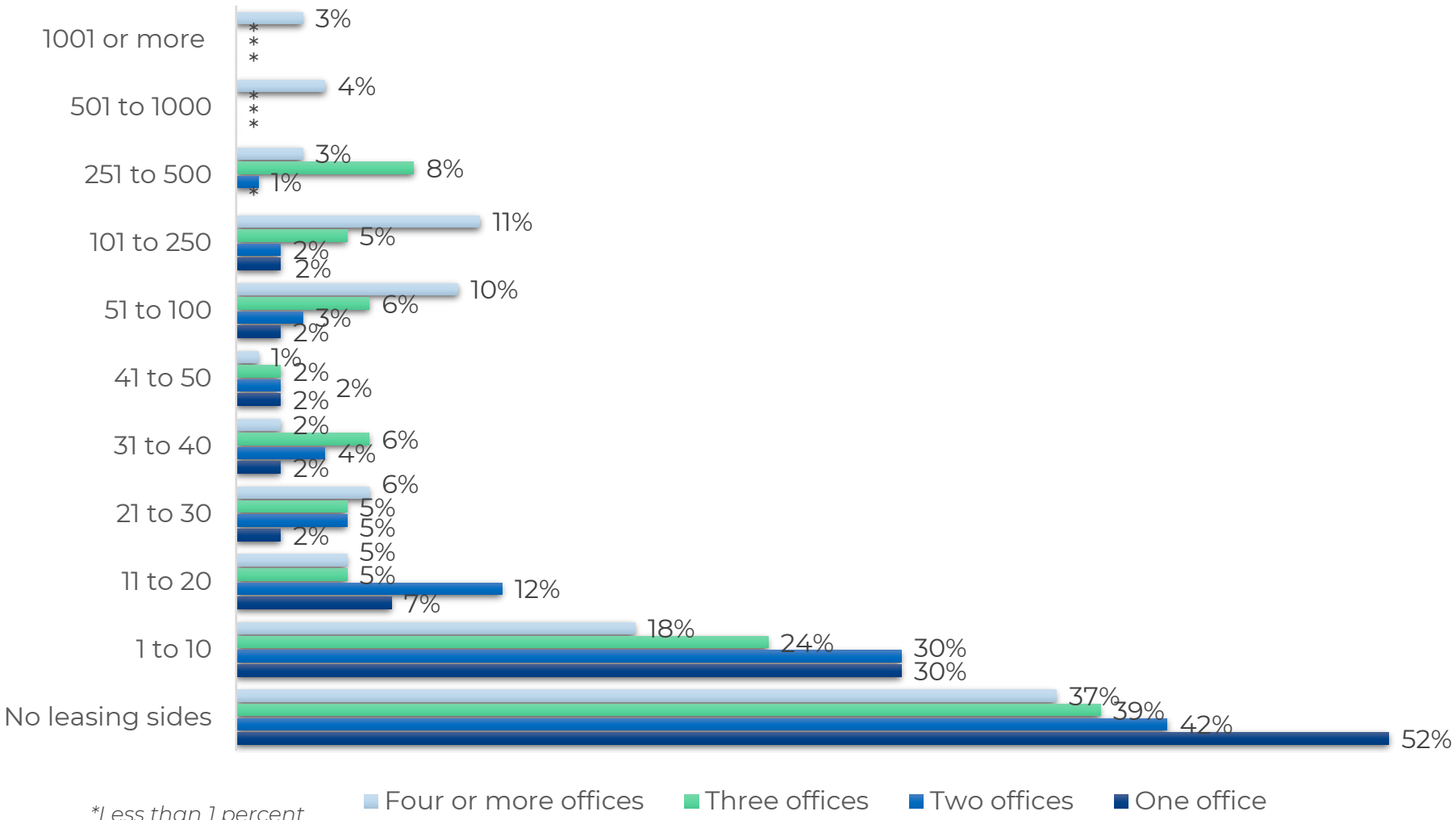
(Percentage Distribution)



*Less than 1 percent

FIRM'S TOTAL LEASING SIDES, BY NUMBER OF OFFICES AT FIRM, 2022

(Percentage Distribution)



Median:
 One Office: 0
 Two Offices: 2
 Three Offices: 4
 Four or More Offices: 7

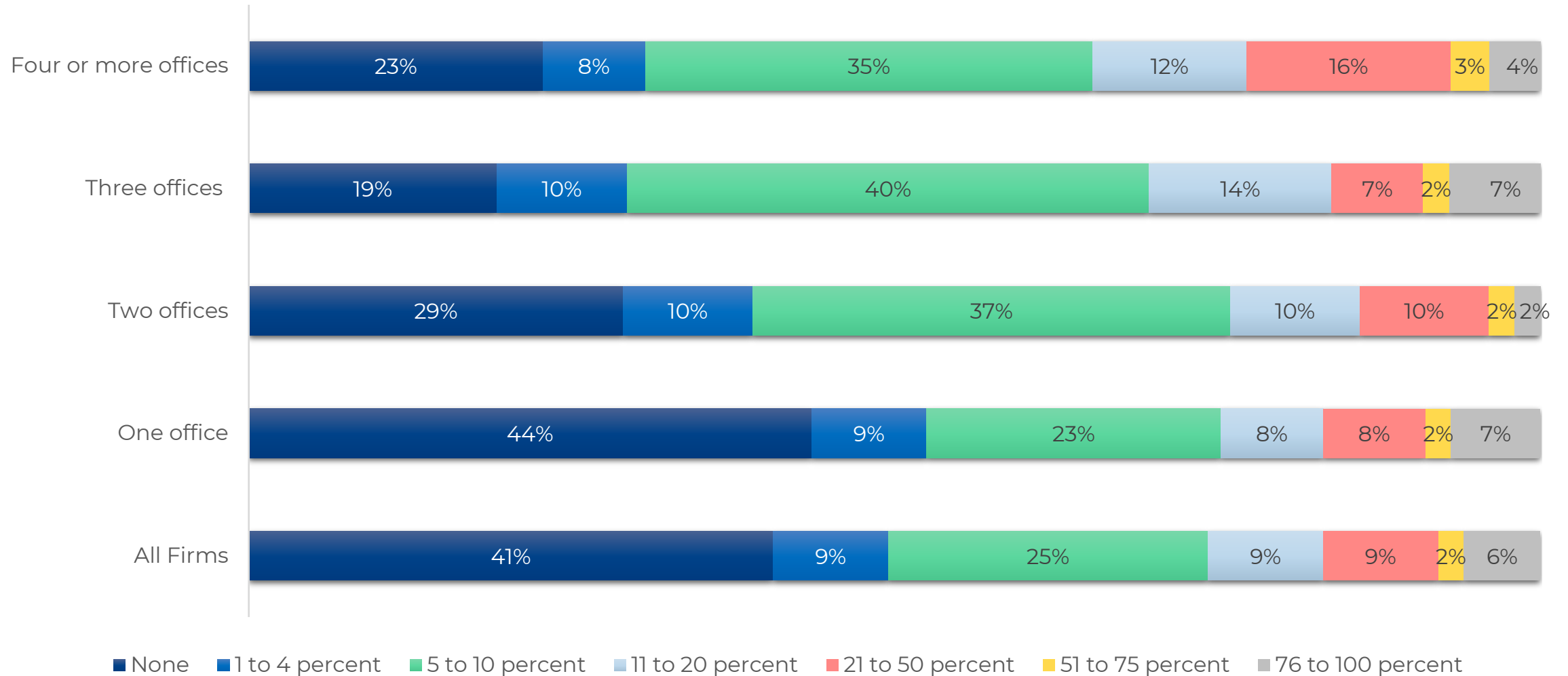
ANCILLARY SERVICES OFFERED AT FIRMS, BY NUMBER OF OFFICES AT FIRM

(Percentage Distribution)

	Offer this service in-house					Offer this service outsourced or with a business relationship					Do not currently offer this service					Do not currently offer this service, but plan to in the future				
	All Firms	One office	Two offices	Three offices	Four+ offices	All Firms	One office	Two offices	Three offices	Four+ offices	All Firms	One office	Two offices	Three offices	Four+ offices	All Firms	One office	Two offices	Three offices	Four+ offices
Business brokerage	28%	25%	33%	38%	41%	7%	7%	8%	10%	9%	59%	61%	53%	45%	45%	7%	7%	6%	7%	4%
Commercial consulting services	16	14	19	22	33	11	11	7	12	13	66	68	67	57	47	8	7	7	10	7
Relocation services	13	10	14	23	37	15	14	16	26	23	64	68	59	46	34	8	7	11	4	6
Staging services	10	9	13	9	9	22	21	21	28	35	60	61	56	54	48	8	8	10	9	8
Home improvement	7	7	7	12	6	23	23	24	23	30	63	63	61	61	57	7	7	7	4	7
Mortgage lending	7	4	11	16	26	35	35	35	36	44	53	56	49	42	27	6	6	6	6	3
1031 Tax Deferred Exchange Services	6	5	7	13	6	28	28	26	32	35	60	61	64	50	52	6	6	4	4	7
Remodeling services while fronting costs	5	5	7	9	8	14	14	10	24	24	73	75	73	60	58	8	7	10	7	9
Title or escrow services	5	2	6	15	25	34	33	34	32	38	56	59	54	46	32	6	6	6	7	5
Home warranty	4	3	4	4	9	37	36	35	43	56	54	55	57	50	31	5	5	4	3	4
Settlement services	3	2	2	7	16	21	20	22	24	30	70	72	68	61	49	6	6	7	7	6
Homeowners insurance	3	2	3	7	14	27	26	27	34	39	64	66	64	54	40	6	6	6	4	7
Home inspection	2	2	3	1	3	34	34	31	35	38	58	58	61	59	53	6	6	5	4	6
Other insurance	2	1	3	4	11	19	18	19	31	31	72	74	72	58	51	7	7	7	6	7
Moving services	2	1	2	3	6	23	22	22	26	36	69	70	67	63	51	7	7	8	7	6
Termite inspection services	1	1	2	2	3	31	32	30	26	31	62	62	63	65	59	5	5	5	8	6
Securities brokerage	1	1	1	2	2	5	5	2	9	7	87	87	88	82	81	7	7	8	8	10

PERCENT OF NET REVENUE OF FIRM MADE ON ANCILLARY SERVICES, BY NUMBER OF OFFICES AT FIRM

(Percentage Distribution)

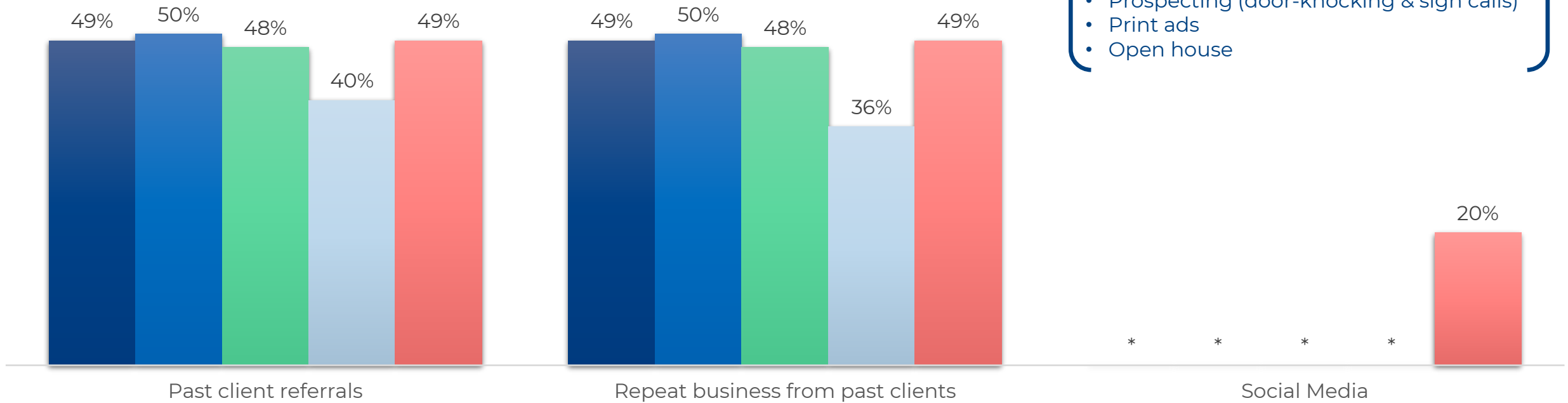


MEDIAN PERCENT OF CUSTOMER INQUIRIES GENERATED FROM SOURCES

(Median Percentage Distribution)

Firms reported a median of zero percent of inquiries from the following:

- Website
- Online advertisements
- Third party referral company
- Prospecting (door-knocking & sign calls)
- Print ads
- Open house

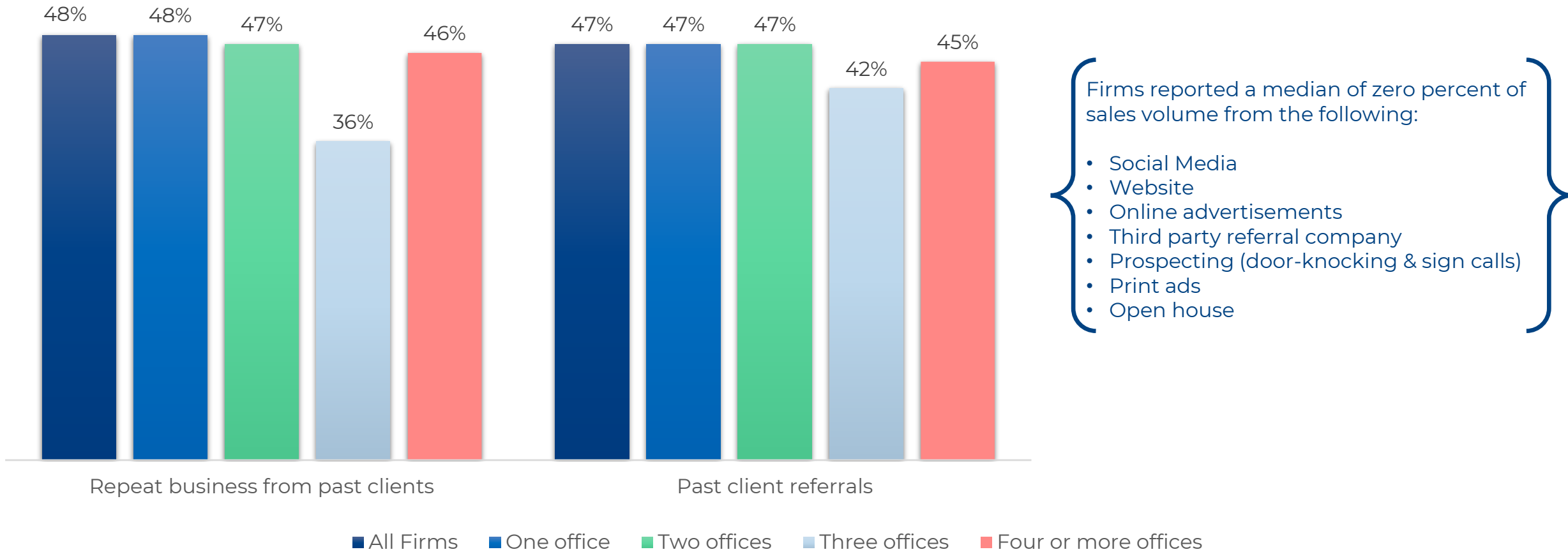


■ All Firms ■ One office ■ Two offices ■ Three offices ■ Four or more offices

*Less than 1 percent

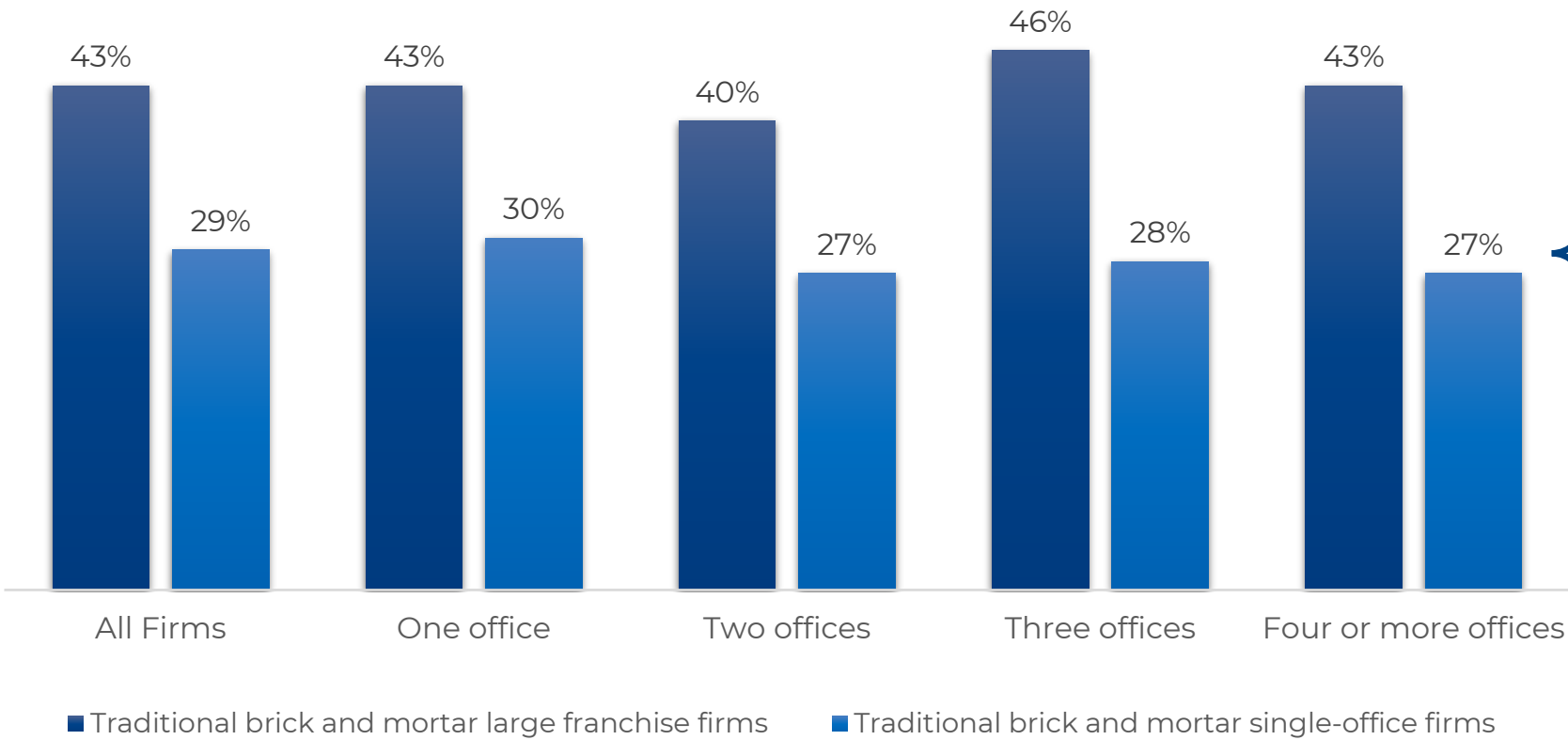
MEDIAN PERCENT OF FIRM'S SALES VOLUME WAS GENERATED BY SOURCE

(Median Percentage Distribution)



MEDIAN PERCENT OF CURRENT COMPETITION FROM SOURCES

(Percentage Distribution)



Firms reported a median of zero percent of current competition from the following:

- Virtual firms (i.e. a firm that does not have a fixed location, and employees may work from home or in different cities and countries)
- Non-traditional market participants
- For-Sale-By-Owner (FSBO)

*Less than 1 percent



What Firm Provides to Agents & Staff

Chapter 3

Chapter 3 Highlights

What Firm Provides to Agents & Staff

- The most common benefit that firms offered to independent contractors, licensees, and agents was errors and omissions/liability insurance at 43 percent.
- While this was also the most common benefit for salaried licensees and agents, only 25 percent received this benefit.
- Among administrative staff, 29 percent received errors and omissions/liability insurance, 25 percent received vacation/sick days, and 10 percent received health insurance.
- Thirty-five percent of senior management received errors and omissions/liability insurance, 16 percent received vacation/sick days, and 11 percent received health insurance.

- The most common tools provided or encouraged by firms are e-signature, comparative market analysis, multiple listing, and electronic contracts/forms.
- Twenty-five percent of all firms offered a virtual office for agents and staff, and eight percent offered a virtual assistant.
- Four percent of firms with one office operate a non-profit foundation, compared to 25 percent of firms with four or more offices.
- Seventy-six percent of firms encourage agents to pursue certifications and designations, and 62 percent encourage agents to take additional training classes.

CHAPTER 3 – LIST OF EXHIBITS

Exhibit 3-1 BENEFITS RECEIVED BY INDEPENDENT CONTRACTORS/LICENSEES/AGENTS

Exhibit 3-2 BENEFITS RECEIVED BY SALARIED LICENSEES/AGENTS

Exhibit 3-3 BENEFITS RECEIVED BY ADMINISTRATIVE STAFF

Exhibit 3-4 BENEFITS RECEIVED BY SENIOR MANAGEMENT

Exhibit 3-5 FIRM PROVIDES OR ENCOURAGES AGENT/BROKER USE OF SPECIFIC SOFTWARE, BY RESIDENTIAL AND COMMERCIAL FIRMS

Exhibit 3-6 FIRM PROVIDES OR ENCOURAGES AGENT/BROKER USE OF SPECIFIC SOFTWARE, BY NUMBER OF OFFICES AT FIRM

Exhibit 3-7 FEATURES ON FIRM'S WEBSITE, BY RESIDENTIAL AND COMMERCIAL FIRMS

Exhibit 3-8 FIRM HAS SOCIAL MEDIA GUIDELINES FOR AGENTS AND EMPLOYEES, BY RESIDENTIAL AND COMMERCIAL FIRMS

Exhibit 3-9 FIRM HAS SOCIAL MEDIA GUIDELINES FOR AGENTS AND EMPLOYEES, BY NUMBER OF OFFICES AT FIRM

Exhibit 3-10 FIRM USE OF CLOSED COMMUNICATION GROUP, BY RESIDENTIAL AND COMMERCIAL FIRMS

Exhibit 3-11 FIRM USE OF CLOSED COMMUNICATION GROUP, BY NUMBER OF OFFICES AT FIRM

CHAPTER 3 – LIST OF EXHIBITS

Exhibit 3-12 FIRM HAS VIRTUAL OFFICE AND/OR ASSISTANT, BY RESIDENTIAL AND COMMERCIAL FIRMS

Exhibit 3-13 FIRM HAS VIRTUAL OFFICE AND/OR ASSISTANT, BY NUMBER OF OFFICES AT FIRM

Exhibit 3-14 OFFICE SPACE PROVIDED PER AGENT, BY NUMBER OF OFFICES AT FIRM

Exhibit 3-15 FIRM'S WEBSITE FOLLOWS ADA ACCESSIBLE GUIDELINES, BY RESIDENTIAL AND COMMERCIAL FIRMS

Exhibit 3-16 FIRM'S WEBSITE FOLLOWS ADA ACCESSIBLE GUIDELINES, BY NUMBER OF OFFICES AT FIRM

Exhibit 3-17 FIRM OPERATES NON-PROFIT FOUNDATION, BY RESIDENTIAL AND COMMERCIAL FIRMS

Exhibit 3-18 FIRM OPERATES NON-PROFIT FOUNDATION, BY NUMBER OF OFFICES AT FIRM

Exhibit 3-19 FIRM ENCOURAGEMENT TO PURSUE EDUCATIONAL OPPORTUNITIES, BY RESIDENTIAL AND COMMERCIAL FIRMS

Exhibit 3-20 FIRM ENCOURAGEMENT TO PURSUE EDUCATIONAL OPPORTUNITIES, BY NUMBER OF OFFICES AT FIRM

Exhibit 3-21 MEDIAN PERCENT OF AGENTS & BROKERS PURSUING EDUCATIONAL OPPORTUNITIES, BY RESIDENTIAL AND COMMERCIAL FIRMS

Exhibit 3-22 MEDIAN PERCENT OF AGENTS & BROKERS PURSUING EDUCATIONAL OPPORTUNITIES, BY NUMBER OF OFFICES AT FIRM

BENEFITS RECEIVED BY INDEPENDENT CONTRACTORS/LICENSEES/AGENTS

(Percentage Distribution)

	Employee Pays	Firms Pays	Both Pay	Not Offered
Errors and Omissions (E&O) Insurance/Liability Insurance	21%	43%	14%	22%
Health insurance	18	2	1	79
Dental care	11	1	1	87
Vision care	10	1	1	88
Long-term care insurance	10	1	*	89
Life insurance	8	1	1	91
Disability insurance	8	2	*	90
Vacation/sick days	8	3	1	88
Pension plan/401(k)/SEP	8	1	1	90

*Less than 1 percent

BENEFITS RECEIVED BY SALARIED LICENSEES/AGENTS

(Percentage Distribution)

	Employee Pays	Firms Pays	Both Pay	Not Offered
Errors and Omissions (E&O) Insurance/Liability Insurance	8%	25%	5%	62%
Health insurance	7	5	4	84
Dental care	6	2	2	89
Vision care	6	2	2	90
Disability insurance	5	3	2	91
Long-term care insurance	5	1	2	92
Life insurance	5	2	1	92
Pension plan/401(k)/SEP	4	2	4	90
Vacation/sick days	4	10	1	85

BENEFITS RECEIVED BY ADMINISTRATIVE STAFF

(Percentage Distribution)

	Employee Pays	Firms Pays	Both Pay	Not Offered
Health insurance	7%	10%	7%	76%
Dental care	6	4	4	86
Vision care	6	4	4	87
Long-term care insurance	6	3	2	89
Life insurance	5	3	2	90
Disability insurance	5	6	2	87
Errors and Omissions (E&O) Insurance/Liability Insurance	5	29	3	63
Pension plan/401(k)/SEP	4	4	6	86
Vacation/sick days	4	25	1	70

BENEFITS RECEIVED BY SENIOR MANAGEMENT

(Percentage Distribution)

	Employee Pays	Firms Pays	Both Pay	Not Offered
Health insurance	8%	11%	5%	76%
Errors and Omissions (E&O) Insurance/Liability Insurance	7	35	4	55
Long-term care insurance	7	3	2	88
Dental care	6	6	4	85
Vision care	6	5	3	86
Disability insurance	6	5	2	87
Life insurance	5	6	2	87
Pension plan/401(k)/SEP	5	4	6	85
Vacation/sick days	4	16	1	79

FIRM PROVIDES OR ENCOURAGES AGENT/BROKER USE OF SPECIFIC SOFTWARE, BY RESIDENTIAL AND COMMERCIAL FIRMS

(Percent of Respondents)

E-signature
Comparative market analysis
Multiple listing
Electronic contracts/form
Document preparation/Management
Contact management
Transaction management
Market statistics
Social media management tools
Customer relationship management
Graphics/Presentation
Video
QR Code
Home visualization (e.g. virtual tours or virtual staging)
Property management
Marketing automation
Agent rating
Loan analysis

All Firms	Residential Firms	Commercial Firms
83%	86%	79%
81	83	76
79	82	59
78	81	80
55	57	53
50	53	52
41	44	25
38	40	30
36	40	19
35	38	25
32	33	38
30	33	16
25	27	20
24	26	10
22	18	29
18	19	20
15	16	5
12	12	12

FIRM PROVIDES OR ENCOURAGES AGENT/BROKER USE OF SPECIFIC SOFTWARE, BY NUMBER OF OFFICES AT FIRM

(Percent of Respondents)

E-signature
Comparative market analysis
Multiple listing
Electronic contracts/form
Document preparation/Management
Contact management
Transaction management
Market statistics
Social media management tools
Customer relationship management
Graphics/Presentation
Video
QR Code
Home visualization (e.g. virtual tours or virtual staging)
Property management
Marketing automation
Agent rating
Loan analysis

All Firms	Number of Offices at Firm			
	One office	Two offices	Three offices	Four or more offices
83%	82%	88%	88%	94%
81	81	82	79	88
79	79	83	84	83
78	77	83	85	90
55	53	64	76	78
50	47	63	71	81
41	38	51	62	69
38	35	48	51	61
36	32	48	54	68
35	32	46	50	58
32	29	40	51	60
30	25	46	53	62
25	22	29	37	55
24	23	29	38	37
22	22	25	28	25
18	14	27	34	42
15	12	20	21	33
12	10	17	24	19

FEATURES ON FIRM'S WEBSITE, BY RESIDENTIAL AND COMMERCIAL FIRMS

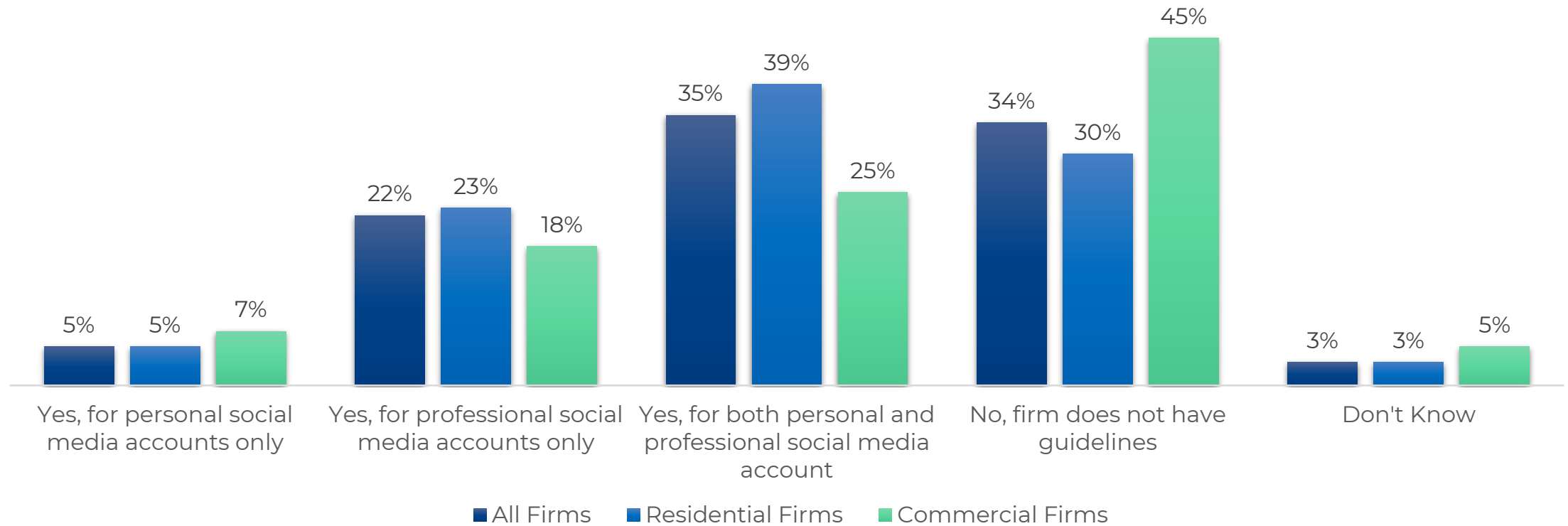
(Percent of Respondents)

Property listings
Agent/staff profiles
Customer reviews/testimonials
Information about the home buying and selling process
Mortgage/financial calculators
Community information/demographics
Links to social media accounts
Virtual tours
Home valuation/comparative market analysis tools
School reports
Videos
Links to mortgage lenders' websites
Links to state/local government websites
Market statistics
Appointment scheduler
Links to real estate service providers
Current mortgage rates
Live agent chat
Link to local association
Language Translation
Link to state association
Link to NAR
Link to commercial information exchange (CIE)

All Firms	Residential Firms	Commercial Firms
91%	92%	90%
75	78	73
59	63	36
42	47	10
42	47	13
39	42	24
38	42	20
30	33	11
25	28	7
24	28	5
22	23	10
21	24	5
17	17	11
16	17	11
15	16	7
13	14	6
10	10	8
9	10	*
8	8	12
7	8	2
6	6	5
6	6	4
4	3	18

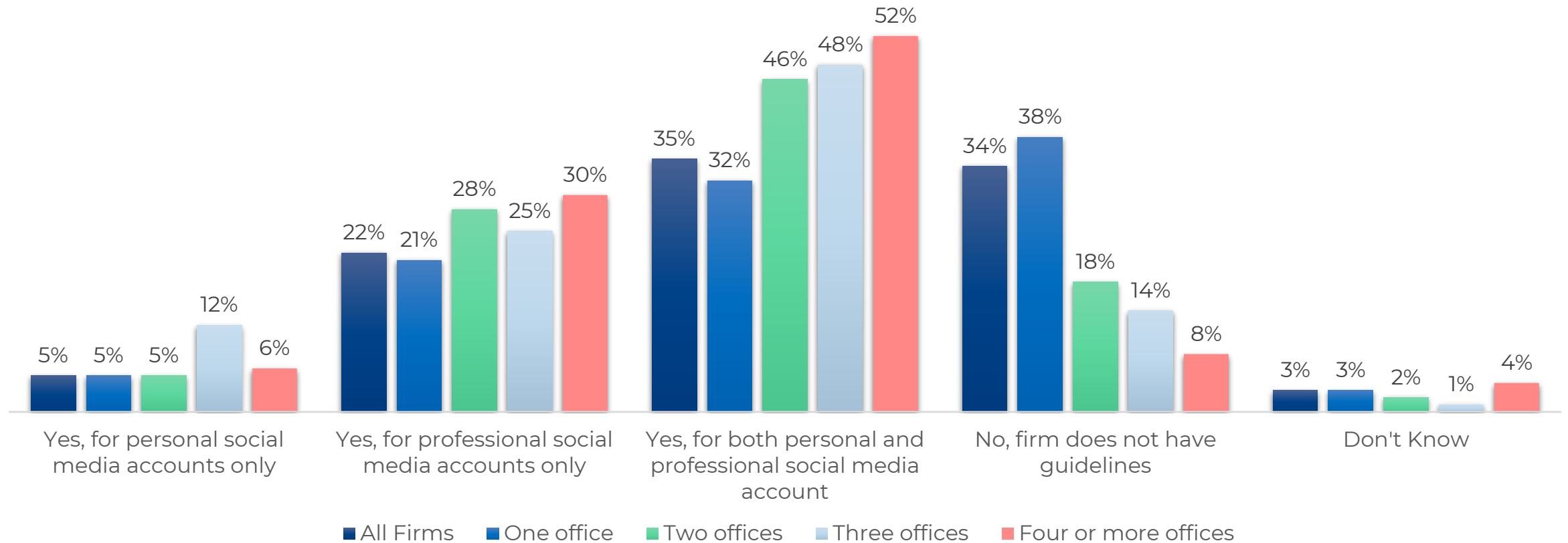
FIRM HAS SOCIAL MEDIA GUIDELINES FOR AGENTS AND EMPLOYEES, BY RESIDENTIAL AND COMMERCIAL FIRMS

(Percentage Distribution)



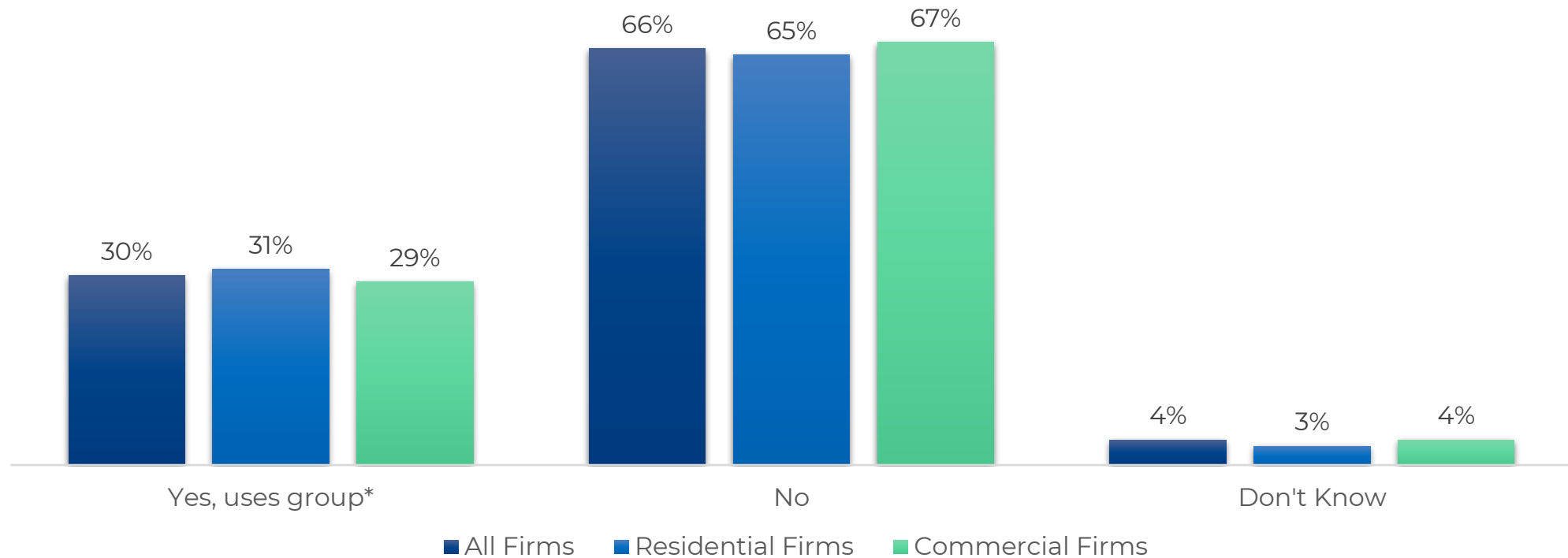
FIRM HAS SOCIAL MEDIA GUIDELINES FOR AGENTS AND EMPLOYEES, BY NUMBER OF OFFICES AT FIRM

(Percentage Distribution)



FIRM USE OF CLOSED COMMUNICATION GROUP, BY RESIDENTIAL AND COMMERCIAL FIRMS

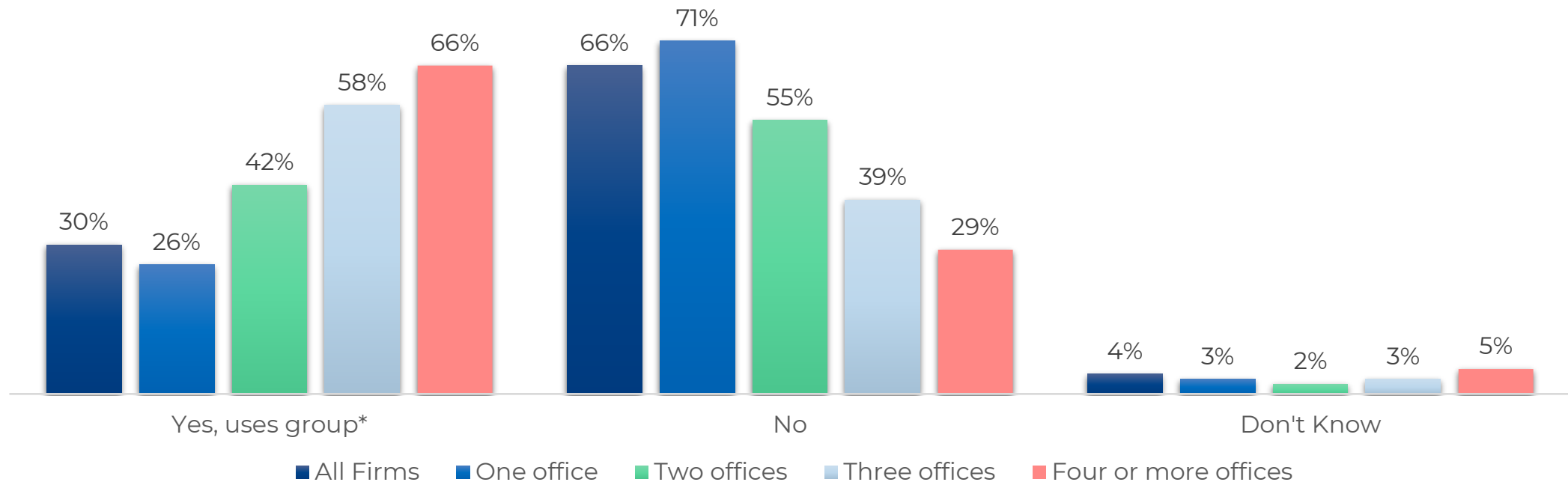
(Percentage Distribution)



* Such as: Google Chat, Skype, Slack, Teams

FIRM USE OF CLOSED COMMUNICATION GROUP, BY NUMBER OF OFFICES AT FIRM

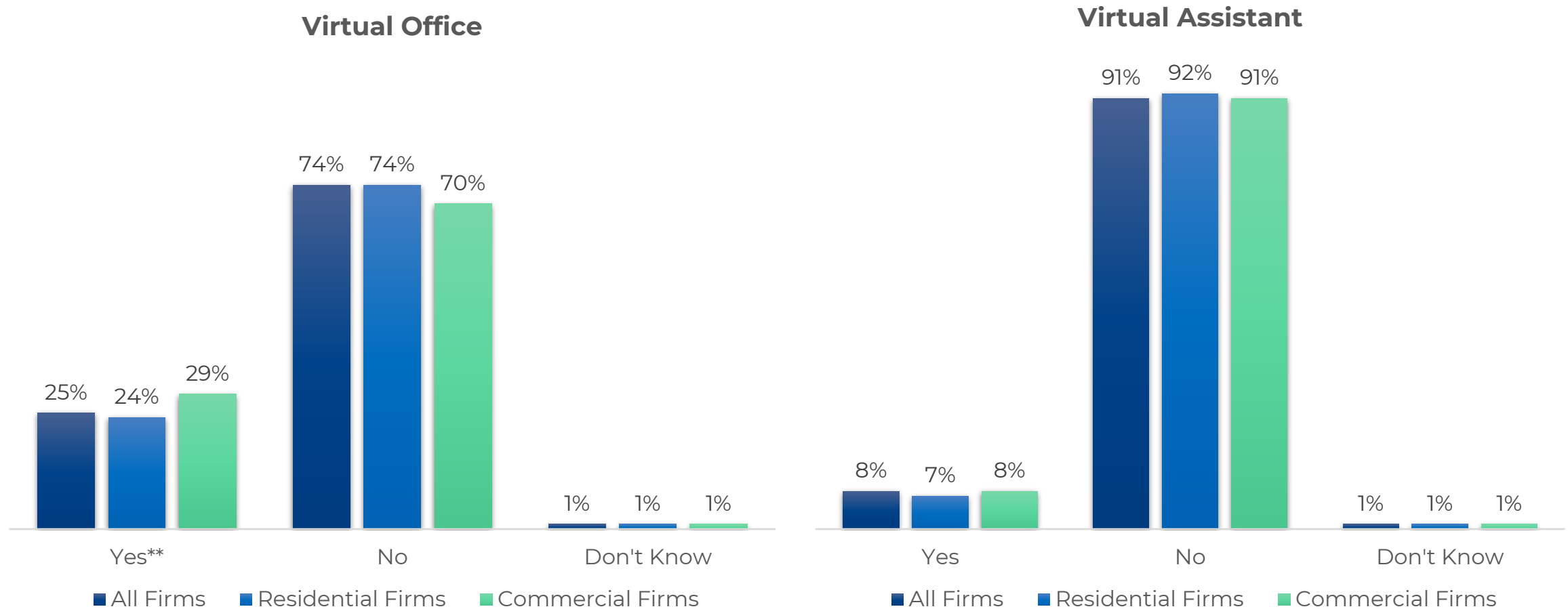
(Percentage Distribution)



* Such as: Google Chat, Skype, Slack, Teams

FIRM HAS VIRTUAL OFFICE AND/OR ASSISTANT, BY RESIDENTIAL AND COMMERCIAL FIRMS

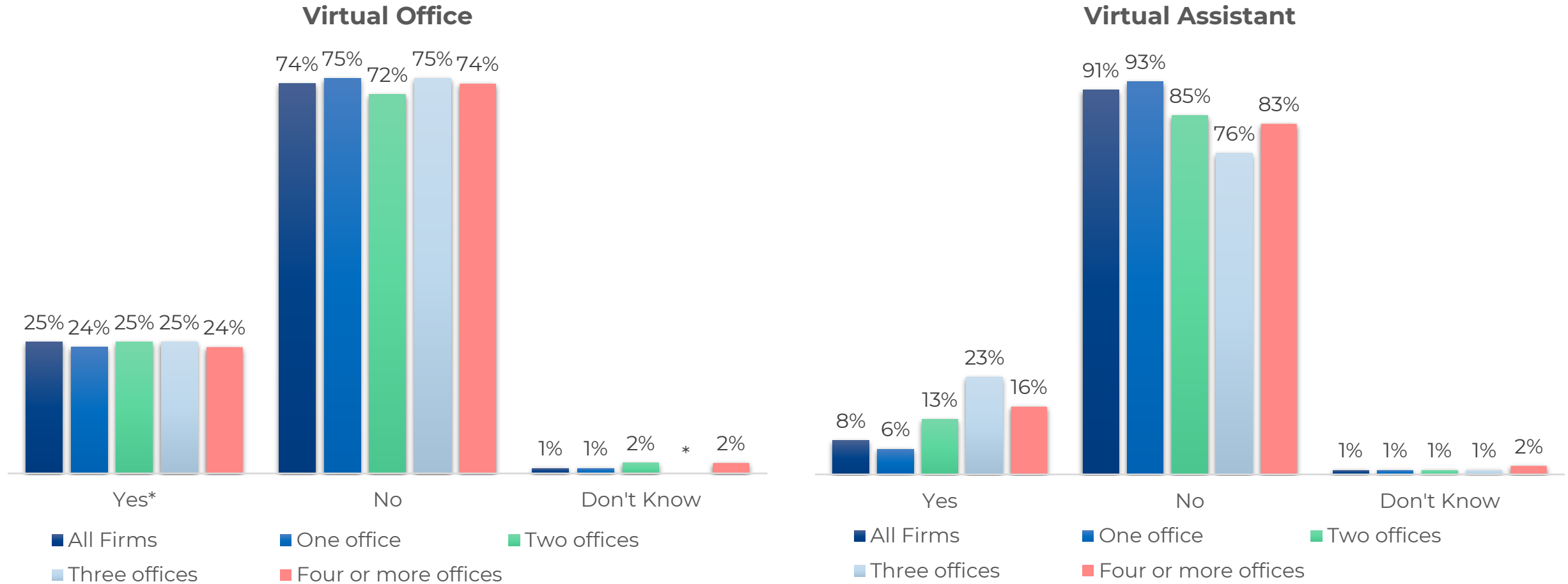
(Percentage Distribution)



**A firm that does not have a fixed location, and employees may work from home or in different cities and countries.

FIRM HAS VIRTUAL OFFICE AND/OR ASSISTANT, BY NUMBER OF OFFICES AT FIRM

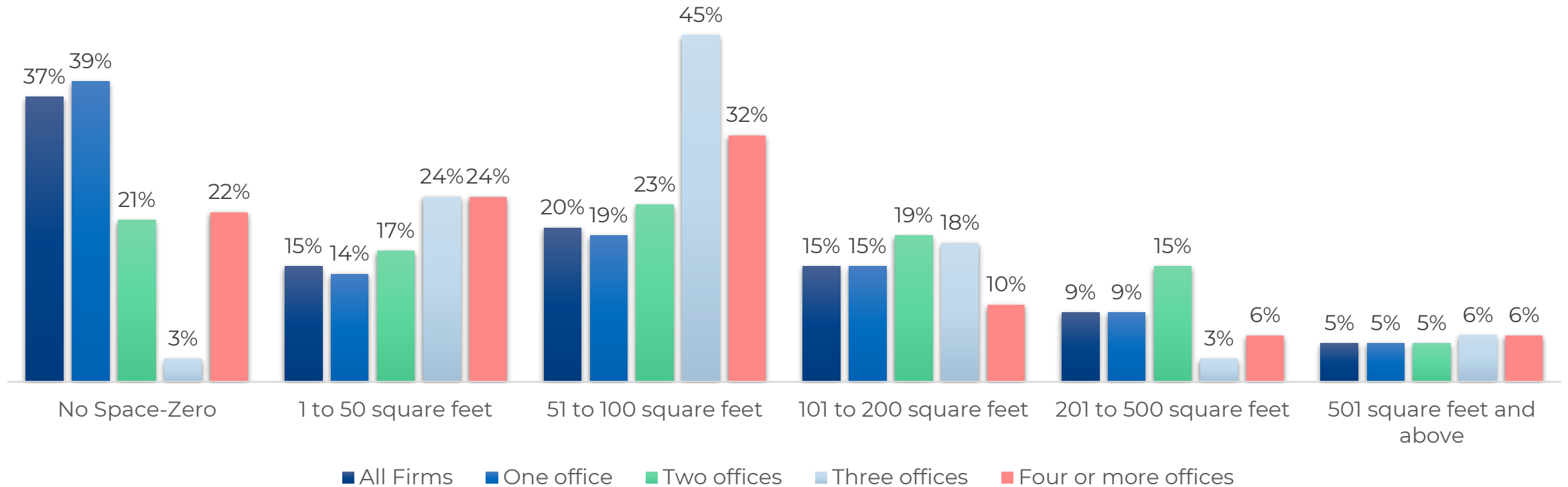
(Percentage Distribution)



*A firm that does not have a fixed location, and employees may work from home or in different cities and countries.

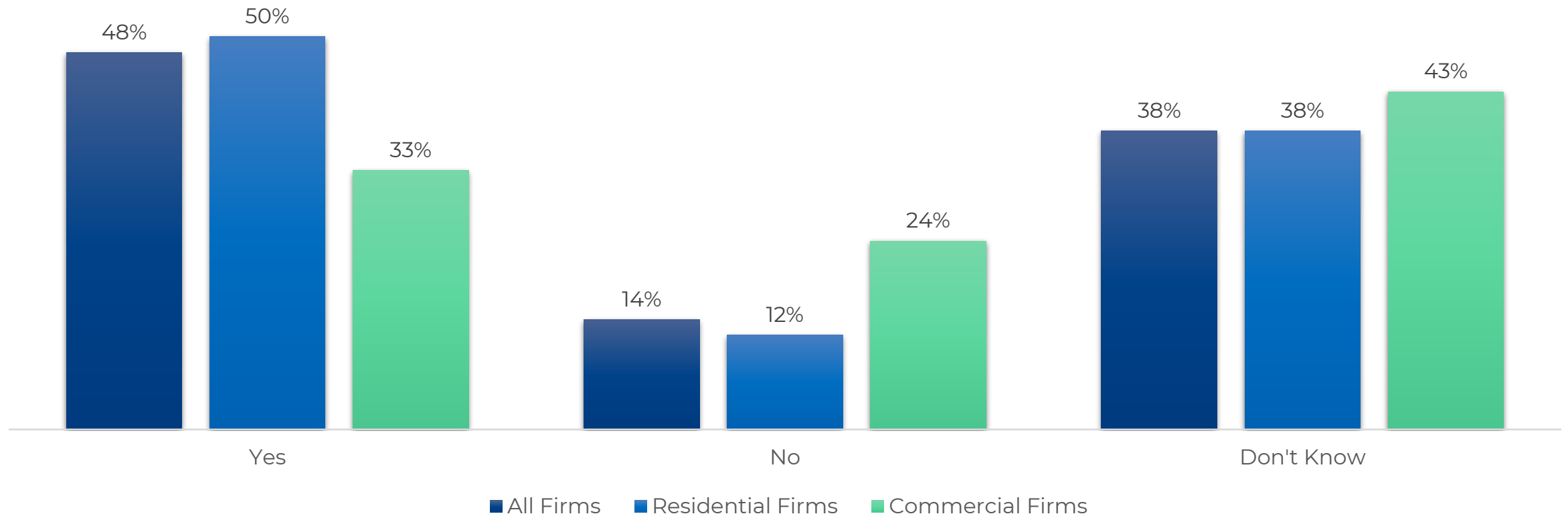
OFFICE SPACE PROVIDED PER AGENT, BY NUMBER OF OFFICES AT FIRM

(Percentage Distribution)



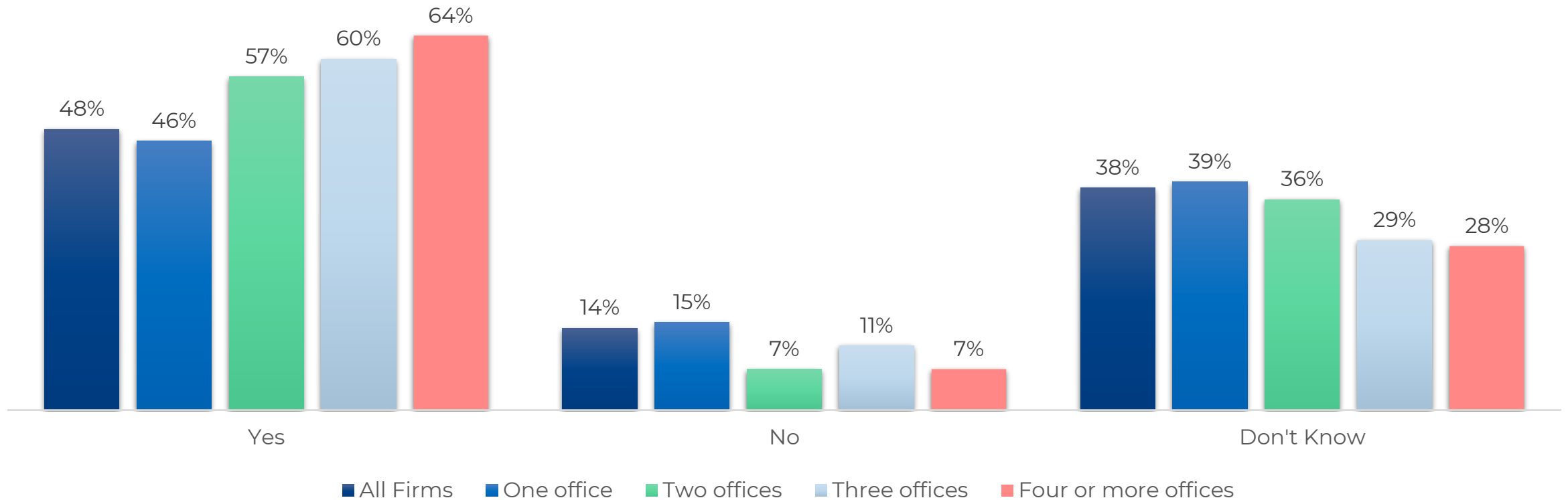
FIRM'S WEBSITE FOLLOWS ADA ACCESSIBLE GUIDELINES, BY RESIDENTIAL AND COMMERCIAL FIRMS

(Percentage Distribution)



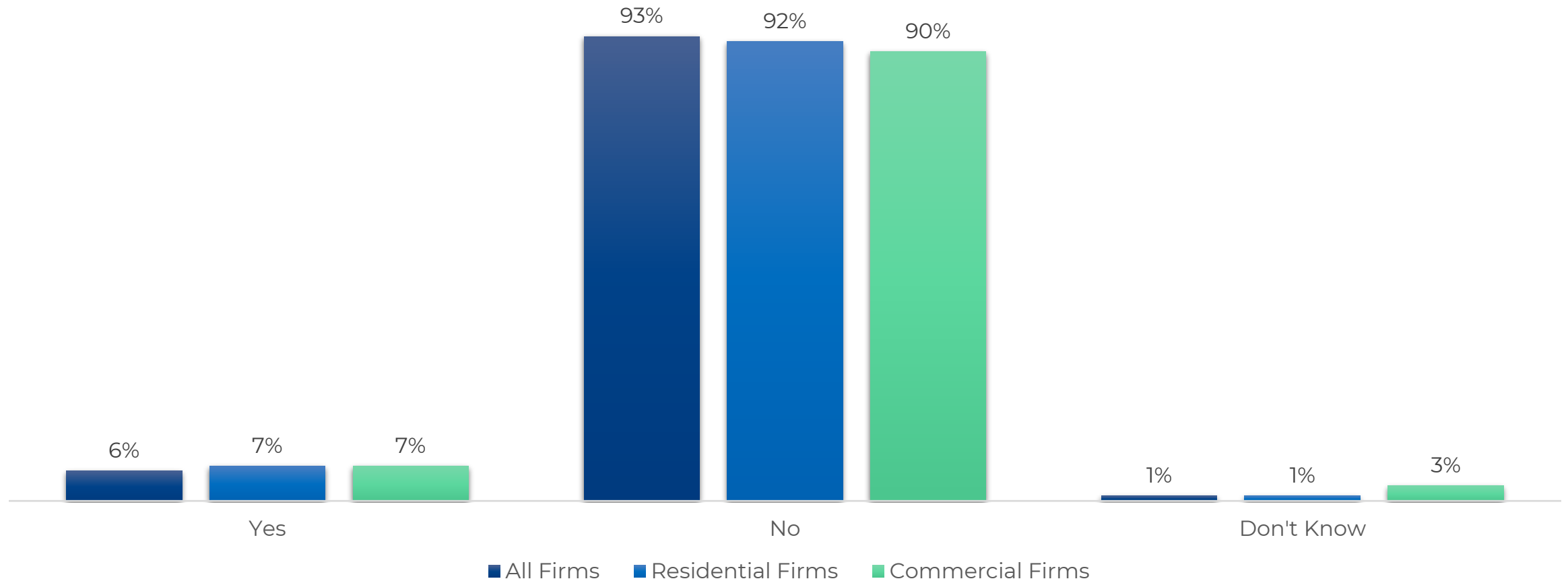
FIRM'S WEBSITE FOLLOWS ADA ACCESSIBLE GUIDELINES, BY NUMBER OF OFFICES AT FIRM

(Percentage Distribution)



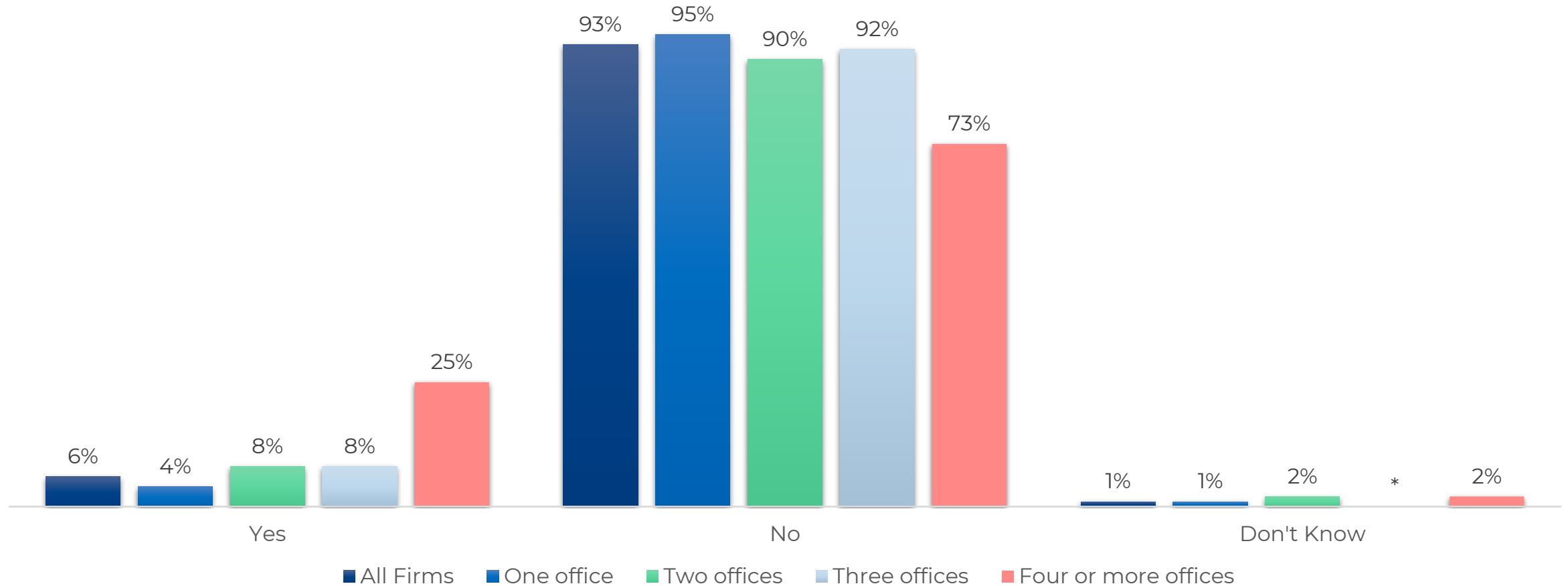
FIRM OPERATES NON-PROFIT FOUNDATION, BY RESIDENTIAL AND COMMERCIAL FIRMS

(Percentage Distribution)



FIRM OPERATES NON-PROFIT FOUNDATION, BY NUMBER OF OFFICES AT FIRM

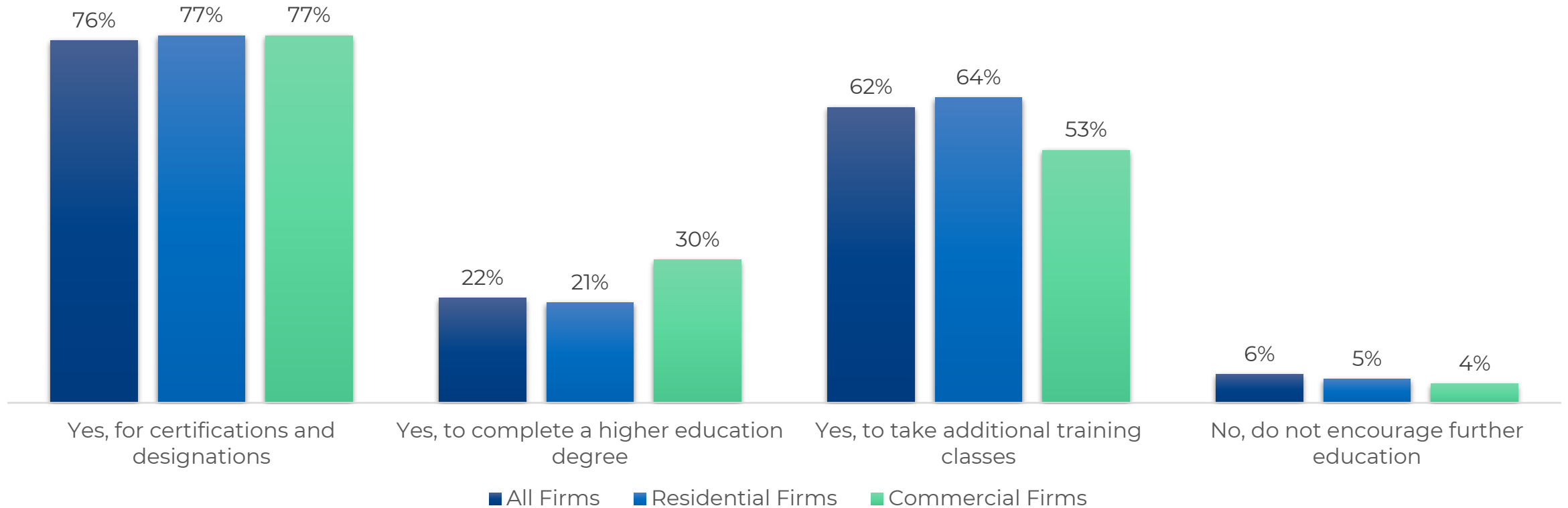
(Percentage Distribution)



*Less than 1 percent

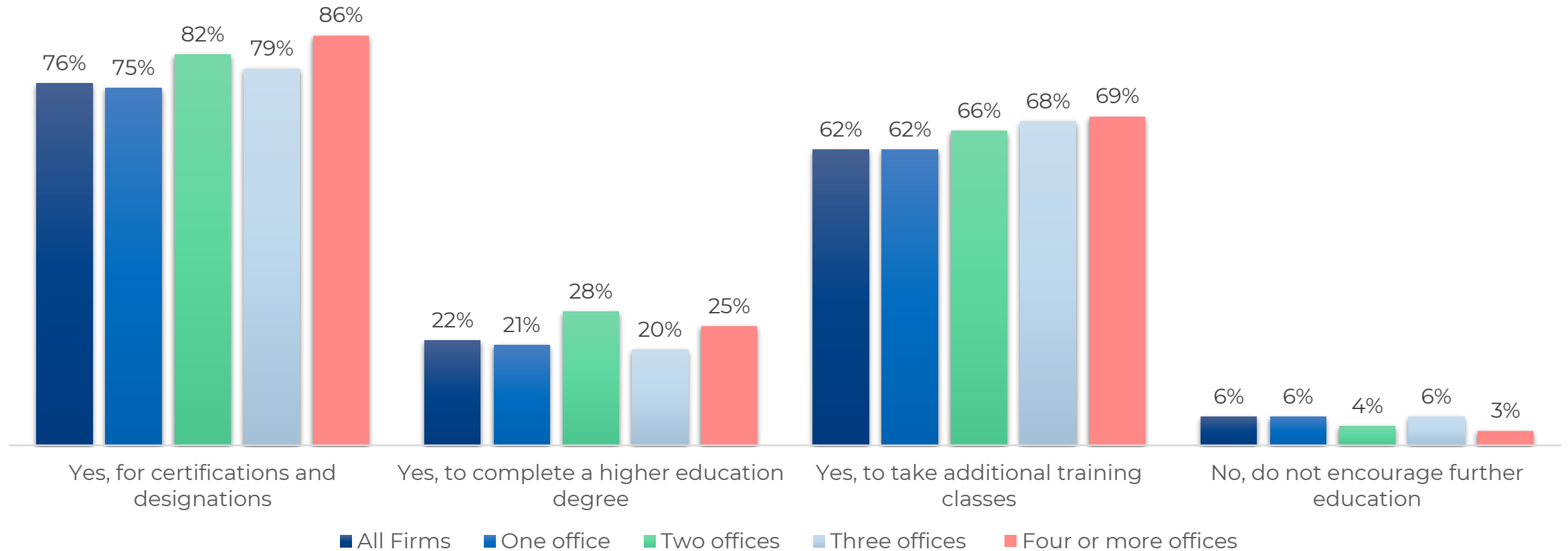
FIRM ENCOURAGEMENT TO PURSUE EDUCATIONAL OPPORTUNITIES, BY RESIDENTIAL AND COMMERCIAL FIRMS

(Percent of Respondents)



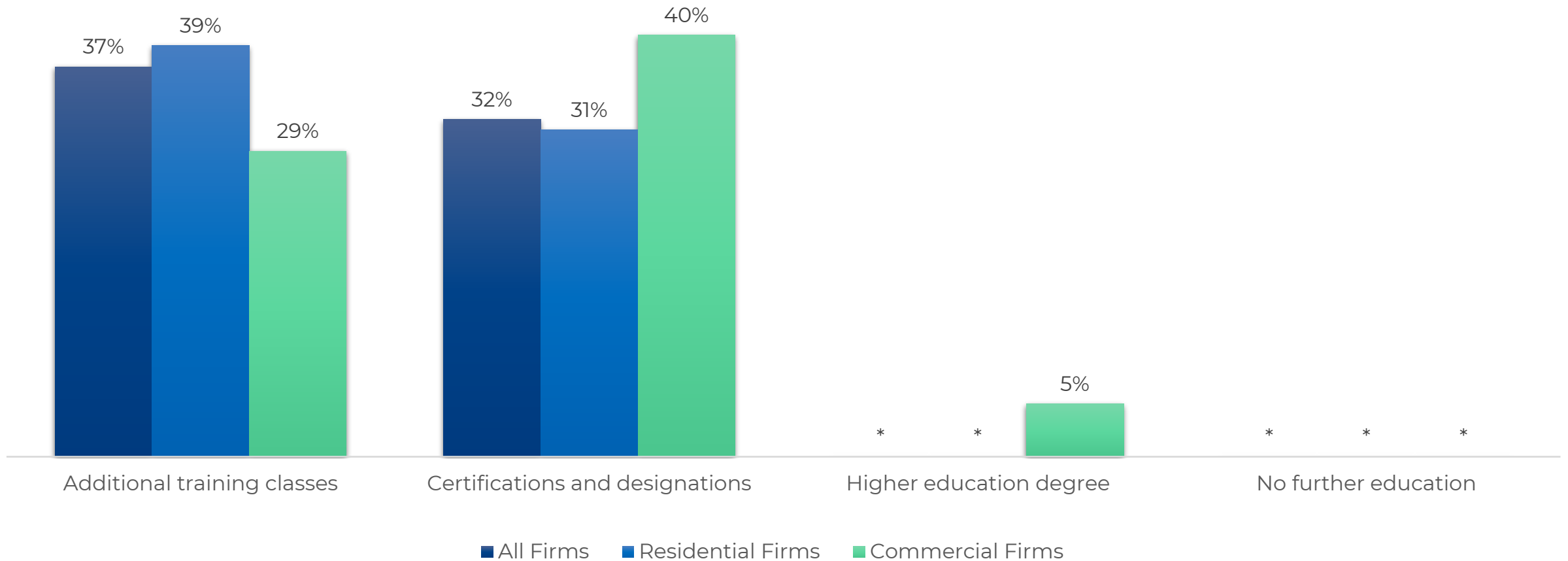
FIRM ENCOURAGEMENT TO PURSUE EDUCATIONAL OPPORTUNITIES, BY NUMBER OF OFFICES AT FIRM

(Percent of Respondents)



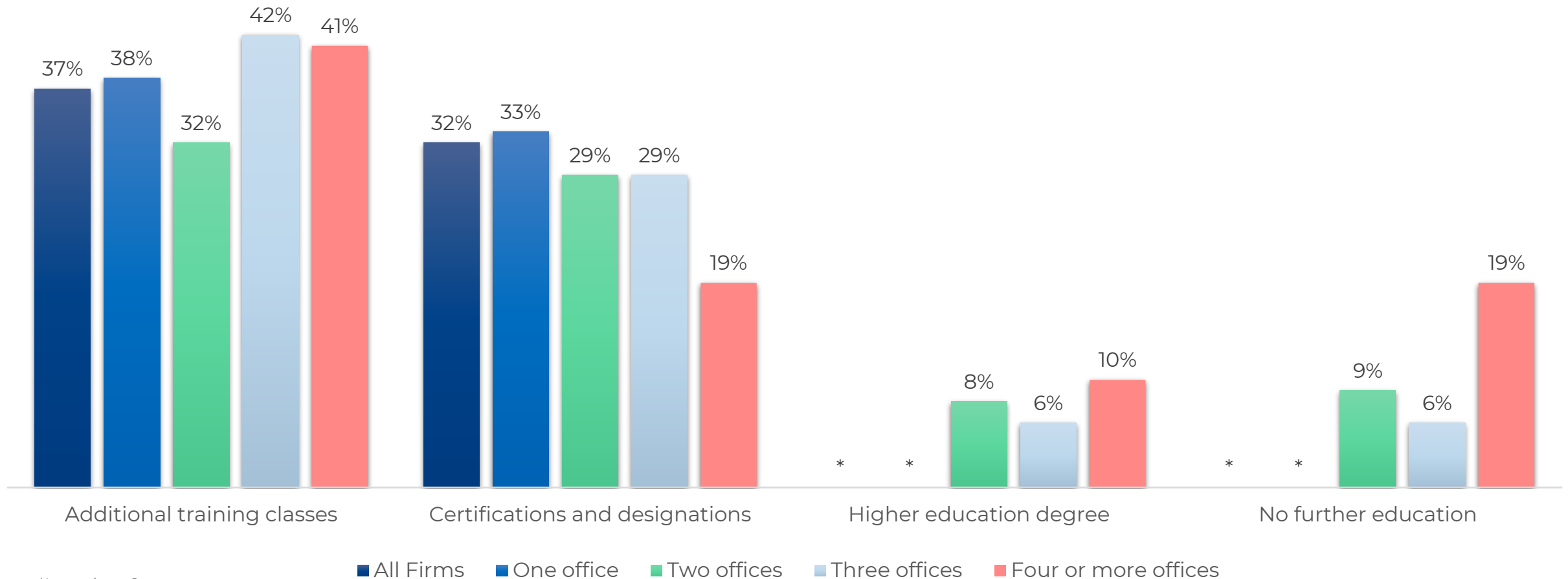
MEDIAN PERCENT OF AGENTS & BROKERS PURSUING EDUCATIONAL OPPORTUNITIES, BY RESIDENTIAL AND COMMERCIAL FIRMS

(Median Percentage Distribution)



MEDIAN PERCENT OF AGENTS & BROKERS PURSUING EDUCATIONAL OPPORTUNITIES, BY NUMBER OF OFFICES AT FIRM

(Median Percentage Distribution)



Future Outlook of Firms

Chapter 4



Chapter 4 Highlights

Future Outlook of Firms

- Forty percent of firms reported they were actively recruiting sales agents in 2023.
 - Thirty percent of firms expected profitability (net income) from all real estate activities to increase this year (down from 58 percent in the 2021 report).
 - Thirty-eight percent of firms expected competition to increase in 2023 from virtual firms and 28 percent from non-traditional market participants.
 - Sixty-four percent of firms expected competition in 2023 to stay the same from traditional brick-and-mortar single office firms, while 62 percent expected competition to stay the same from larger traditional brick and mortar firms.
- Housing affordability was cited as the biggest challenge for firms in the next two years, followed by maintaining sufficient inventory and keeping up with technology.
 - Sixty-three percent of firms were concerned with young adults' ability to buy a home, 38 percent with young adults' view of homeownership, and 27 percent with Baby Boomers retiring from real estate.
 - Forty percent of all firms said they had an exit plan for when they decide to retire or exit the real estate industry.
 - Twelve percent of all firms had real estate teams with a median of three people per team.

CHAPTER 4 – LIST OF EXHIBITS

Exhibit 4-1 FIRM ACTIVELY RECRUITING SALES AGENTS IN 2023, BY RESIDENTIAL AND COMMERCIAL FIRMS

Exhibit 4-2 FIRM ACTIVELY RECRUITING SALES AGENTS IN 2023, BY NUMBER OF OFFICES AT FIRM

Exhibit 4-3 REASON FOR FIRM TO ACTIVELY RECRUIT SALES AGENTS, BY RESIDENTIAL AND COMMERCIAL FIRMS

Exhibit 4-4 REASON FOR FIRM TO ACTIVELY RECRUIT SALES AGENTS, BY NUMBER OF OFFICES AT FIRM

Exhibit 4-5 EXPECTATION ON PROFITABILITY (NET INCOME) FROM ALL REAL ESTATE ACTIVITIES IN 2023, BY RESIDENTIAL AND COMMERCIAL FIRMS

Exhibit 4-6 EXPECTATION ON PROFITABILITY (NET INCOME) FROM ALL REAL ESTATE ACTIVITIES IN 2023, BY NUMBER OF OFFICES AT FIRM

Exhibit 4-7 EXPECTATION OF LEVEL OF COMPETITION IN 2023

Exhibit 4-8 BIGGEST CHALLENGES FACING FIRM IN NEXT TWO YEARS, BY RESIDENTIAL AND COMMERCIAL FIRMS

Exhibit 4-9 BIGGEST CHALLENGES FACING FIRM IN NEXT TWO YEARS, BY NUMBER OF OFFICES AT FIRM

Exhibit 4-10 PREDICTION OF GENERATIONS EFFECT ON THE INDUSTRY IN THE NEXT TWO YEARS, BY RESIDENTIAL AND COMMERCIAL FIRMS

CHAPTER 4 – LIST OF EXHIBITS

Exhibit 4-11 PREDICTION OF GENERATIONS EFFECT ON THE INDUSTRY IN THE NEXT TWO YEARS, BY NUMBER OF OFFICES AT FIRM

Exhibit 4-12 FIRM EXIT PLAN, BY RESIDENTIAL AND COMMERCIAL FIRMS

Exhibit 4-13 FIRM EXIT PLAN, BY NUMBER OF OFFICES AT FIRM

Exhibit 4-14 FAMILY RELATIONSHIPS IN FIRM, BY RESIDENTIAL AND COMMERCIAL FIRMS

Exhibit 4-15 FAMILY RELATIONSHIPS IN FIRM, BY NUMBER OF OFFICES AT FIRM

Exhibit 4-16 TYPE OF FAMILY RELATIONSHIPS IN FIRM

Exhibit 4-17 FIRM HAS REAL ESTATE TEAMS, BY RESIDENTIAL AND COMMERCIAL FIRMS

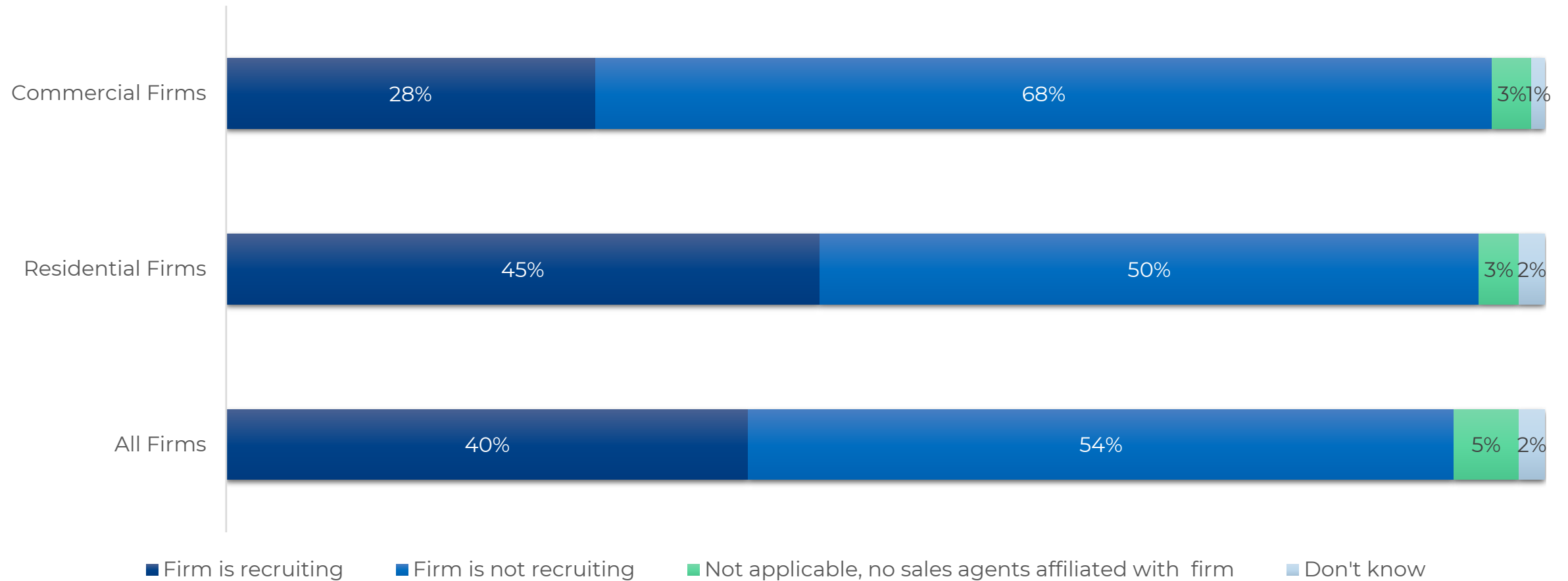
Exhibit 4-18 FIRM HAS REAL ESTATE TEAMS, BY NUMBER OF OFFICES AT FIRM

Exhibit 4-19 MAIN FUNCTION OF FIRM'S REAL ESTATE TEAMS, BY RESIDENTIAL AND COMMERCIAL FIRMS

Exhibit 4-20 MAIN FUNCTION OF FIRM'S REAL ESTATE TEAMS, BY NUMBER OF OFFICES AT FIRM

FIRM ACTIVELY RECRUITING SALES AGENTS IN 2023, BY RESIDENTIAL AND COMMERCIAL FIRMS

(Percentage Distribution)



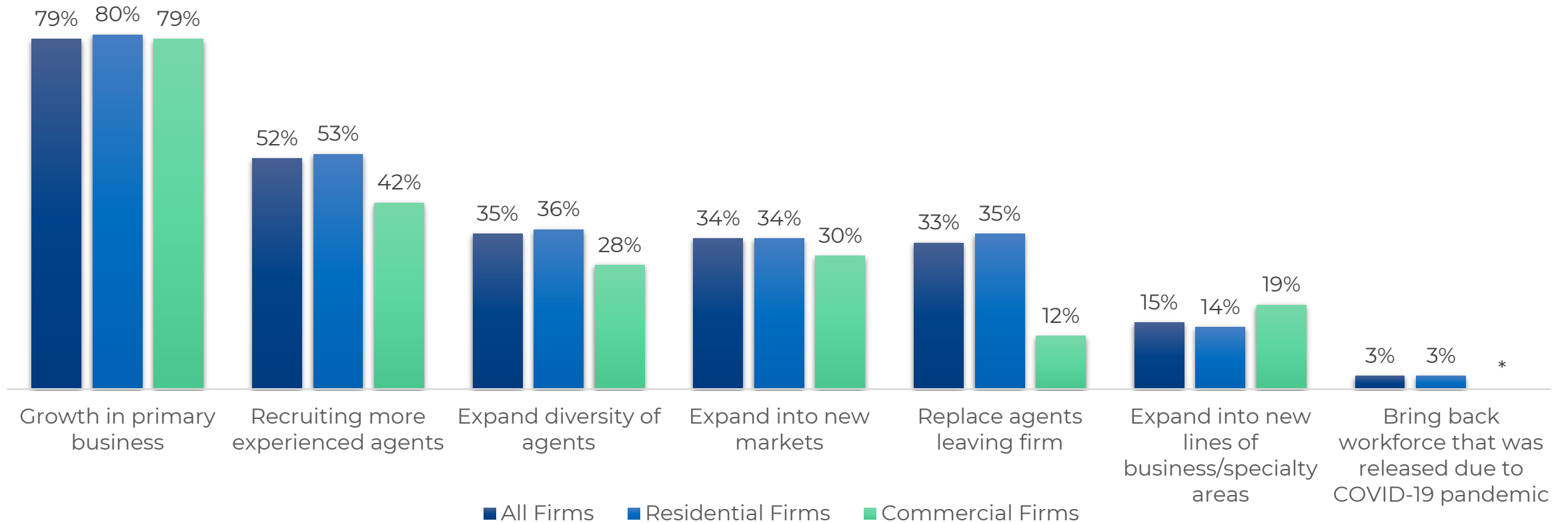
FIRM ACTIVELY RECRUITING SALES AGENTS IN 2023, BY NUMBER OF OFFICES AT FIRM

(Percentage Distribution)



REASON FOR FIRM TO ACTIVELY RECRUIT SALES AGENTS, BY RESIDENTIAL AND COMMERCIAL FIRMS

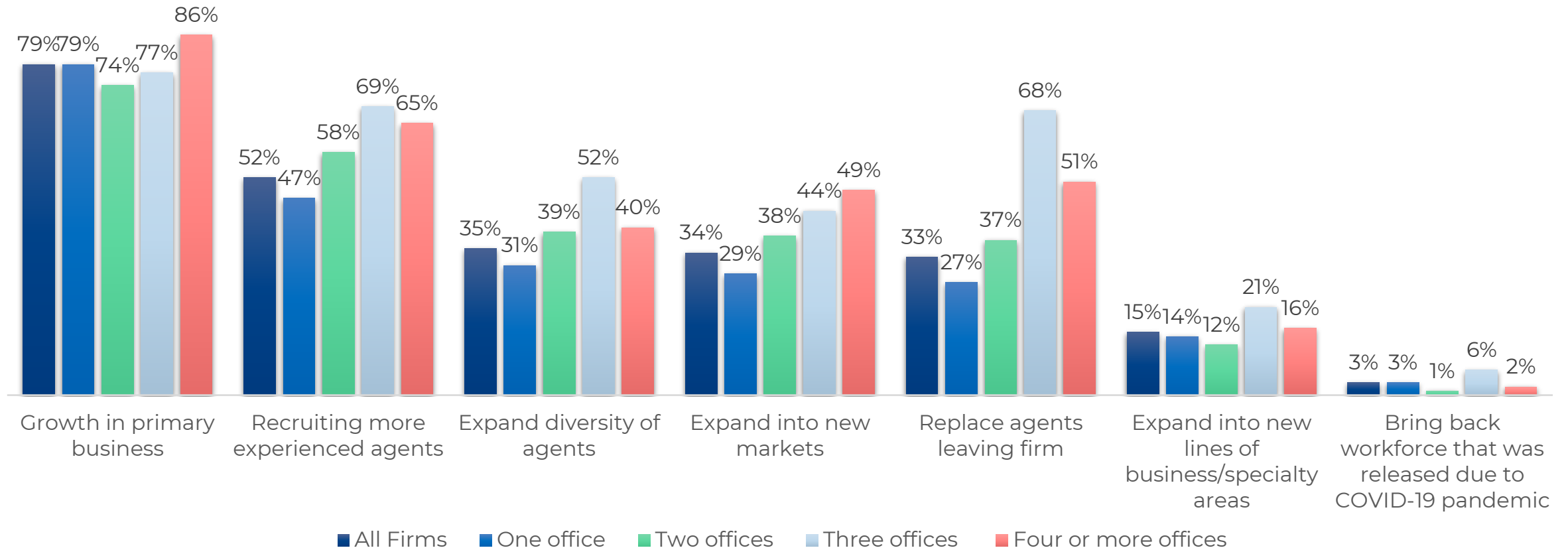
(Percent of Respondents)



*Less than 1 percent

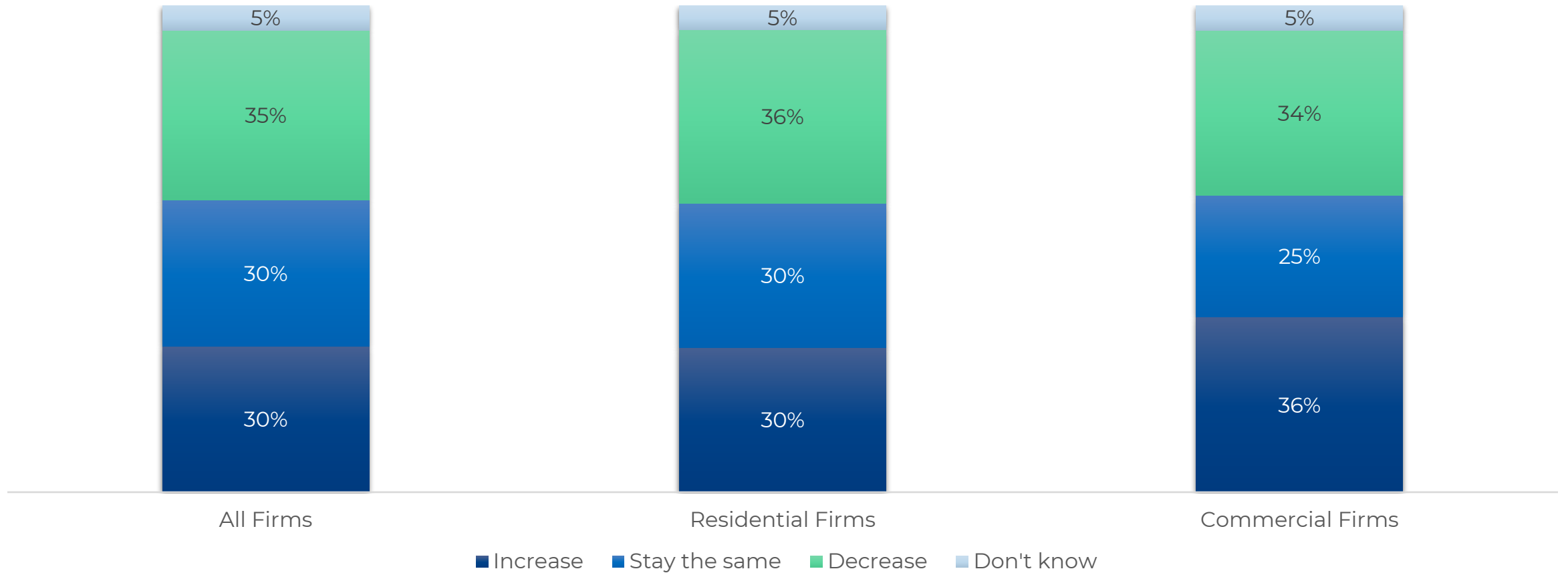
REASON FOR FIRM TO ACTIVELY RECRUIT SALES AGENTS, BY NUMBER OF OFFICES AT FIRM

(Percent of Respondents)



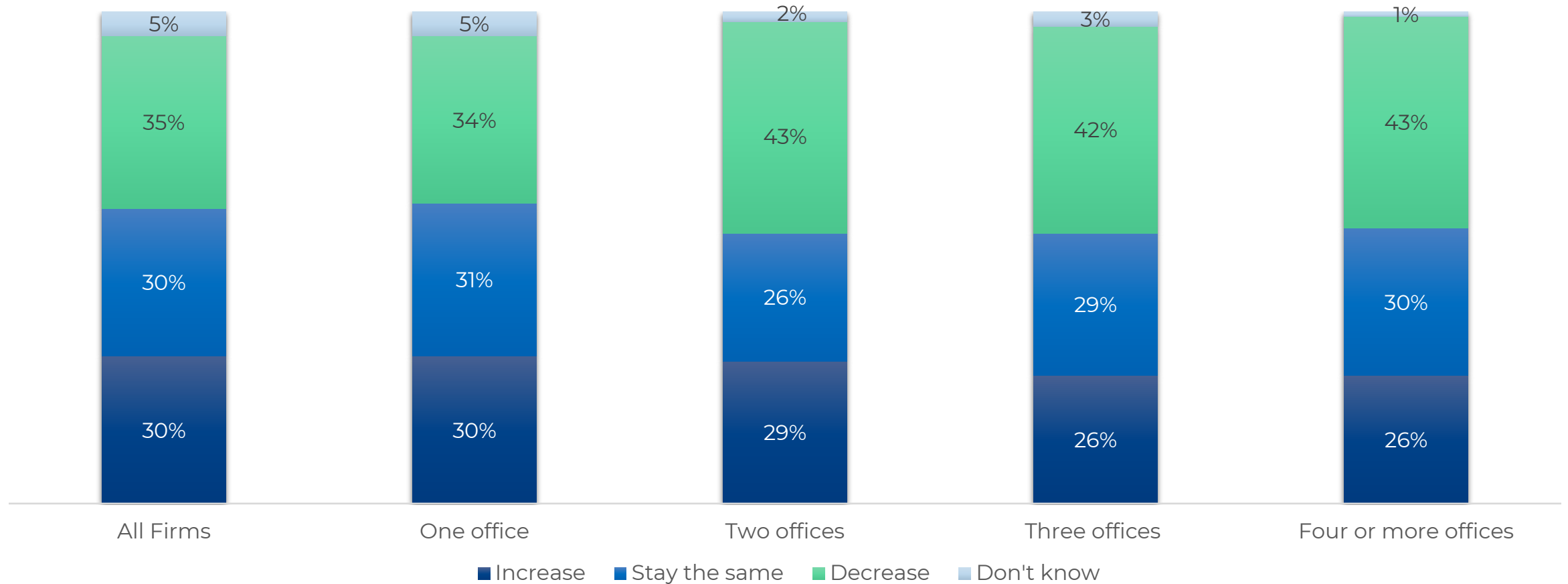
EXPECTATION OF PROFITABILITY (NET INCOME) FROM ALL REAL ESTATE ACTIVITIES IN 2023, BY RESIDENTIAL AND COMMERCIAL FIRMS

(Percentage Distribution)



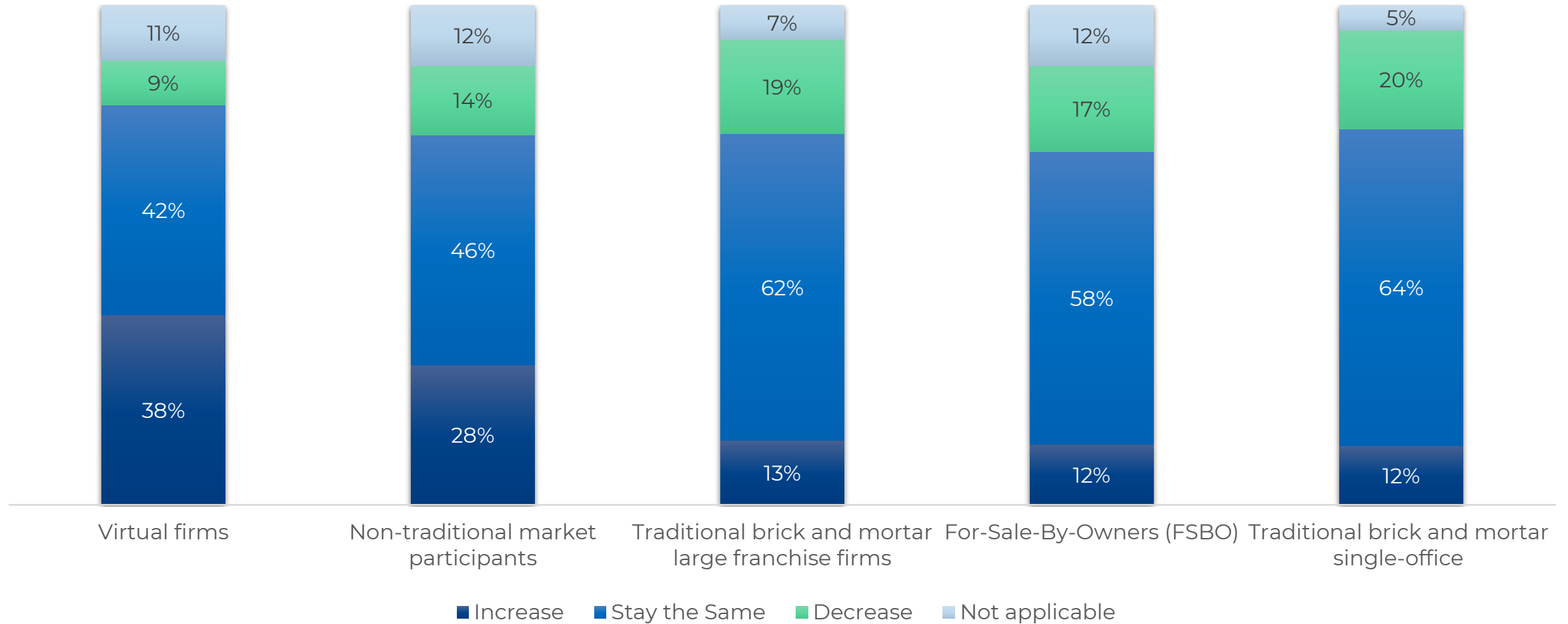
EXPECTATION OF PROFITABILITY (NET INCOME) FROM ALL REAL ESTATE ACTIVITIES IN 2023, BY NUMBER OF OFFICES AT FIRM

(Percentage Distribution)



EXPECTATION OF LEVEL OF COMPETITION IN 2023

(Percentage Distribution)



BIGGEST CHALLENGES FACING FIRM IN NEXT TWO YEARS, BY RESIDENTIAL AND COMMERCIAL FIRMS

(Percent of Respondents)

	All Firms	Residential Firms	Commercial Firms
Housing affordability	59%	63%	28%
Maintaining sufficient inventory	48	53	36
Keeping up with technology	38	38	37
Profitability	34	35	29
Rising cost of industry	34	35	37
Local or regional economic conditions	34	34	38
Competition from nontraditional market participants	29	30	23
State and local legislation and regulation	23	22	31
Agent retention	22	25	13
Keeping up with changing consumer needs	20	21	16
Competition from new virtual firms	19	20	15
Competition from traditional brick and mortar firms	18	19	16
Recruiting younger agents	18	20	19
Wire Fraud	16	17	14
Off market listings (pocket listings)	15	16	17
Liability in a digital world (contracts, signatures, etc.)	15	15	10
Agent teams/brokerage management	12	13	10
Protecting client data	10	11	10
Other	9	8	9
Listing data security	8	8	5
Industry consolidation	8	8	11
Piracy/scraping	7	7	3
Following Fair Housing guidelines	5	4	2
Drones and regulation of drones	4	3	4
State and local laws involving legal marijuana	3	3	4
TRID (TILA-RESPA Integrated Disclosure)	2	2	3

BIGGEST CHALLENGES FACING FIRM IN NEXT TWO YEARS, BY NUMBER OF OFFICES AT FIRM

(Percent of Respondents)

	Number of Offices at Firm				
	All Firms	One office	Two offices	Three offices	Four or more offices
Housing affordability	59%	59%	61%	63%	64%
Maintaining sufficient inventory	48	47	53	59	66
Keeping up with technology	38	37	37	34	39
Profitability	34	31	41	46	57
Rising cost of industry	34	32	38	43	50
Local or regional economic conditions	34	33	40	33	32
Competition from nontraditional market participants	29	29	30	27	31
State and local legislation and regulation	23	23	31	26	28
Agent retention	22	19	30	47	52
Keeping up with changing consumer needs	20	19	24	26	23
Competition from new virtual firms	19	18	21	24	23
Competition from traditional brick and mortar firms	18	18	17	23	17
Recruiting younger agents	18	16	21	34	34
Wire Fraud	16	14	17	23	27
Off market listings (pocket listings)	15	15	18	19	17
Liability in a digital world (contracts, signatures, etc.)	15	15	17	17	16
Agent teams/brokerage management	12	10	16	13	23
Protecting client data	10	9	18	17	14
Other	9	10	9	3	6
Listing data security	8	7	12	7	9
Industry consolidation	8	7	11	10	14
Piracy/scraping	7	6	10	4	10
Following Fair Housing guidelines	5	5	4	9	3
Drones and regulation of drones	4	4	4	3	2
State and local laws involving legal marijuana	3	3	5	*	3
TRID (TILA-RESPA Integrated Disclosure)	2	2	3	1	3

PREDICTION OF GENERATIONS EFFECT ON THE INDUSTRY IN THE NEXT TWO YEARS, BY RESIDENTIAL AND COMMERCIAL FIRMS

(Percent of Respondents)

	All Firms	Residential Firms	Commercial Firms
Young adults' ability to buy a home (stagnant wages, tough job market, student debt)	63%	65%	42%
Young adults' view of homeownership (idea of renter generation)	38	39	29
Baby boomers (58 to 76 years) retiring from real estate as a profession	27	26	40
Recruitment of Gen Z (23 years and under) and Millennials (24 to 42 years) real estate professionals	20	20	19
Baby boomers relocating to other states in retirement	20	20	16
Too many younger real estate professionals joining	18	18	12
Retention of Gen Z, Millennials, and Gen X real estate professionals	18	19	15
Too many older real estate professionals staying in the profession	14	14	17
Other	10	10	13

PREDICTION OF GENERATIONS EFFECT ON THE INDUSTRY IN THE NEXT TWO YEARS, BY NUMBER OF OFFICES AT FIRM

(Percent of Respondents)

	Number of Offices at Firm				
	All Firms	One Office	Two Offices	Three Offices	Four or More Offices
Young adults' ability to buy a home (stagnant wages, tough job market, student debt)	63%	63%	62%	63%	63%
Young adults' view of homeownership (idea of renter generation)	38	37	42	41	31
Baby boomers (58 to 76 years) retiring from real estate as a profession	27	26	29	35	39
Recruitment of Gen Z (23 years and under) and Millennials (24 to 42 years) real estate professionals	20	18	24	34	30
Baby boomers relocating to other states in retirement	20	20	14	19	22
Too many younger real estate professionals joining	18	19	13	15	17
Retention of Gen Z, Millennials, and Gen X real estate professionals	18	16	26	34	35
Too many older real estate professionals staying in the profession	14	14	11	19	22
Other	10	11	9	6	5

FIRM EXIT PLAN, BY RESIDENTIAL AND COMMERCIAL FIRMS

(Percentage Distribution)



FIRM EXIT PLAN, BY NUMBER OF OFFICES AT FIRM

(Percentage Distribution)



FAMILY RELATIONSHIPS IN FIRM, BY RESIDENTIAL AND COMMERCIAL FIRMS

(Percentage Distribution)

		Yes, everyone is related	Yes, relationships exist	No, there are no family relationships	Don't know
All Firms	Among firm ownership	12%	26%	61%	1%
	Among licensees and staff	6%	33%	59%	1%
Residential Firms	Among firm ownership	11%	26%	62%	1%
	Among licensees and staff	5%	35%	59%	1%
Commercial Firms	Among firm ownership	6%	30%	63%	1%
	Among licensees and staff	3%	27%	70%	*

*Less than 1 percent

FAMILY RELATIONSHIPS IN FIRM, BY NUMBER OF OFFICES AT FIRM

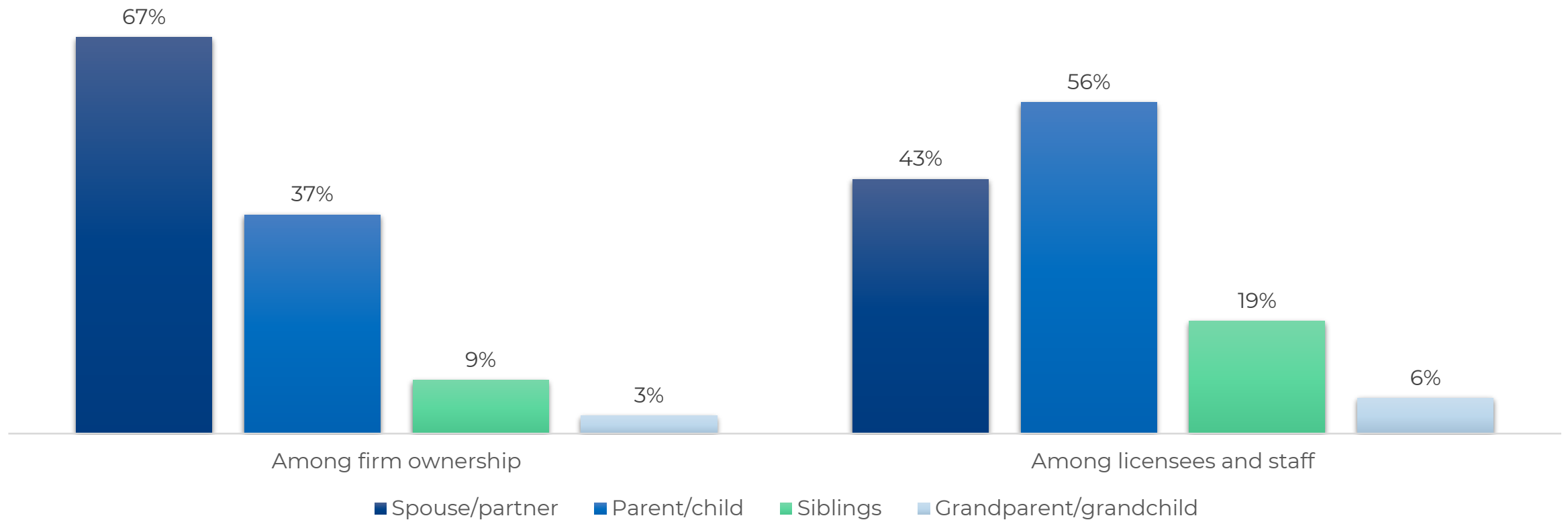
(Percentage Distribution)

		Yes, everyone is related	Yes, relationships exist	No, there are no family relationships	Don't know
All Firms	Among firm ownership	12%	26%	61%	1%
	Among licensees and staff	6%	33%	59%	1%
One office	Among firm ownership	13%	23%	63%	1%
	Among licensees and staff	7%	30%	62%	1%
Two offices	Among firm ownership	13%	37%	51%	*
	Among licensees and staff	3%	51%	46%	1%
Three offices	Among firm ownership	9%	41%	48%	2%
	Among licensees and staff	3%	63%	31%	3%
Four or more offices	Among firm ownership	8%	47%	43%	2%
	Among licensees and staff	1%	61%	38%	1%

*Less than 1 percent

TYPE OF FAMILY RELATIONSHIPS IN FIRM, BY RESIDENTIAL AND COMMERCIAL FIRMS

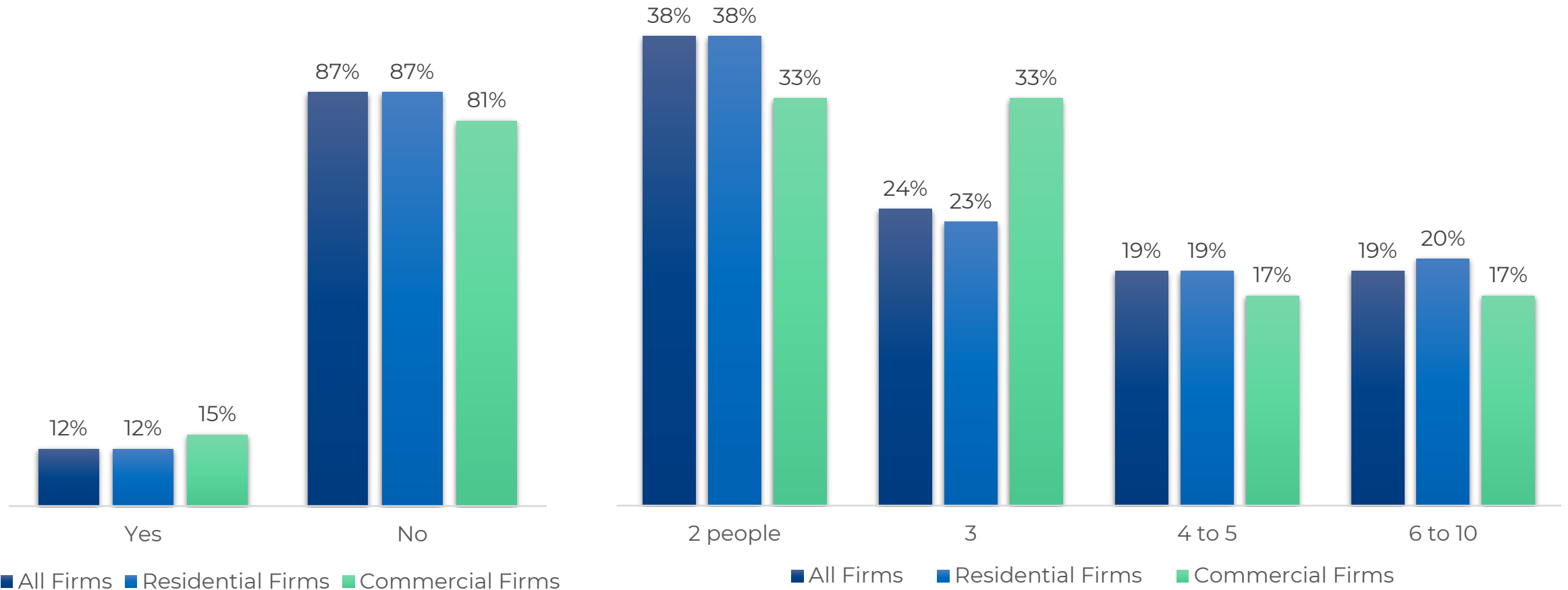
(Percentage Distribution)



FIRM HAS REAL ESTATE TEAMS, BY RESIDENTIAL AND COMMERCIAL FIRMS

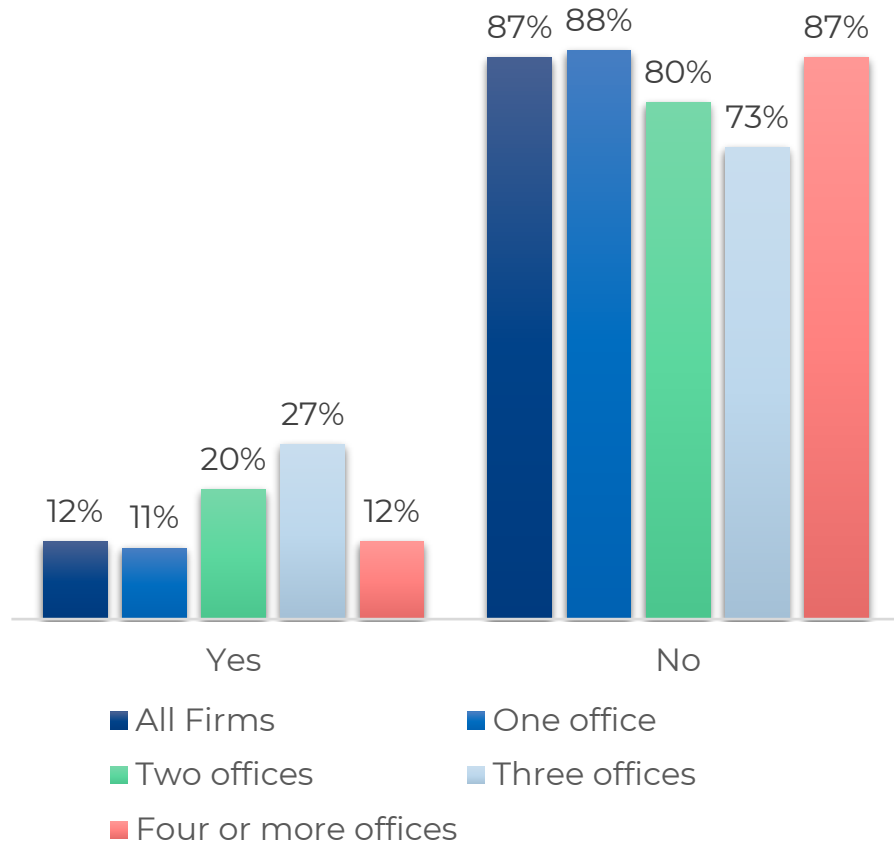
(Percentage Distribution)

Median
(people per team):
All Firms: 3
Residential Firms: 3
Commercial Firms: 3

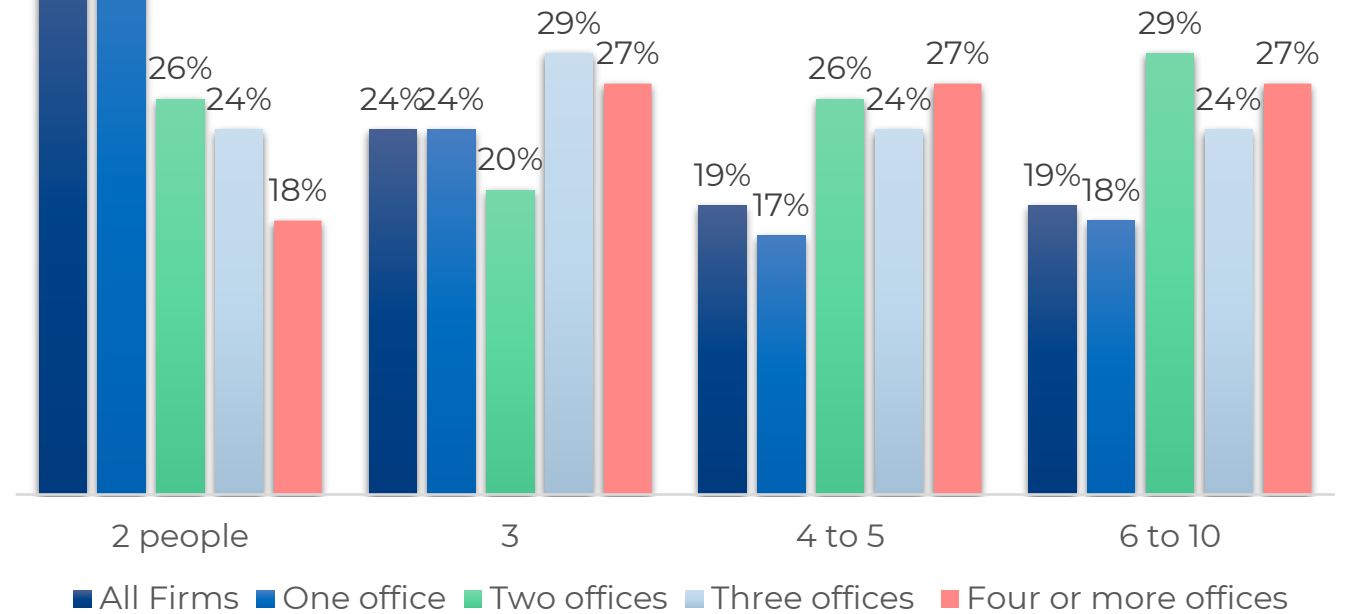


FIRM HAS REAL ESTATE TEAMS, BY NUMBER OF OFFICES AT FIRM

(Percentage Distribution)



Median (people per team):
 All Firms: 3
 One office: 3
 Two offices: 4
 Three offices: 3
 Four or more offices: 4



MAIN FUNCTION OF FIRM'S REAL ESTATE TEAMS, BY RESIDENTIAL AND COMMERCIAL FIRMS

(Percent of Respondents)

	All Firms	Residential Firms	Commercial Firms
Agent	80%	83%	50%
Broker	78%	79%	79%
Marketing	44%	47%	36%
Administrative	41%	41%	43%
Transaction coordinator	36%	40%	14%
Manager	33%	31%	21%
Assistant	33%	34%	36%
Open house/showing staff	31%	33%	21%
Team leader	28%	28%	21%
Staging	15%	16%	7%
Listing syndication	15%	15%	7%
Legal	7%	6%	7%
Lending	6%	7%	*

*Less than 1 percent

MAIN FUNCTION OF FIRM'S REAL ESTATE TEAMS, BY NUMBER OF OFFICES AT FIRM

(Percent of Respondents)

	All Firms	One office	Two offices	Three offices	Four or more offices
Agent	80%	83%	74%	79%	71%
Broker	78%	80%	72%	79%	71%
Marketing	44%	41%	56%	58%	43%
Administrative	41%	39%	56%	47%	38%
Transaction coordinator	36%	36%	41%	42%	43%
Manager	33%	30%	46%	26%	38%
Assistant	33%	31%	36%	42%	52%
Open house/showing staff	31%	30%	38%	37%	29%
Team leader	28%	26%	33%	32%	38%
Staging	15%	15%	18%	11%	5%
Listing syndication	15%	13%	26%	26%	14%
Legal	7%	6%	15%	11%	*
Lending	6%	5%	8%	11%	5%

*Less than 1 percent



Methodology

In July 2023, NAR invited a random sample of 176,291 REALTORS® who were executives and senior management at real estate firms to fill out an online survey. A total of 5,889 usable responses were received for an overall response rate of 3.3 percent. The confidence interval at a 95 percent level of confidence was +/-1.27 percent based on the share of real estate executives at real estate firms. All information in this report was representative of member characteristics, sales and lease transaction values, and other statistics from the calendar year of 2022.

The primary measure of central tendency used throughout this report was the median – the middle point in the distribution of responses to a particular question or, equivalently, the point at which half of the responses were above and below a particular value.



NATIONAL ASSOCIATION OF REALTORS®

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 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.

RESEARCH GROUP

The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers, and the media in a professional and accessible manner. To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics.

NATIONAL ASSOCIATION OF REALTORS®

Research Group
500 New Jersey Avenue, NW
Washington, DC 20001
202-383-1000
data@nar.realtor

©2023 National Association of REALTORS®
All Rights Reserved.

May not be reprinted in whole or in part without permission of the National Association of REALTORS®.

For reprint information, contact data@nar.realtor.