

NATIONAL ASSOCIATION OF REALTORS®

Member Profile

2012



The Voice for Real Estate®



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ASSOCIATION of
REALTORS®

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NATIONAL ASSOCIATION OF REALTORS®

Member Profile

2012

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Introduction

In 2011, the housing market continued to stabilize and some areas of the country saw improvement in sales. Data from the Investment and Vacation Home Buyers Survey shows that while primary residence buyers dipped, the share of investment buyers entering the market rose to 27 percent from 17 percent. Investment buyers entered the market via buying distressed properties and often working with a real estate professional to assist in their purchase.

Resonating with a strengthening economy, commercial real estate markets turned the corner. Demand stabilized in 2011 and is expected to grow in 2012 for all property types. In turn, vacancy rates are declined and rents are poised to advance. With rising household formation and tight supply, the apartment sector is especially well positioned for 2012.

For the first time in several years, the median gross income of REALTORS® rose from the previous year. The typical income among members was \$34,900 in 2011 compared to \$34,100 in 2010. The rise in member income reflects an increase in business activity, as well. The typical brokerage specialist had 10 transaction sides in 2011 compared to eight transaction sides in 2010. The median sales volume also rose to \$1.3 million in 2011 from \$1.1 million in 2010.

The typical REALTOR® is an independent contractor affiliated with an independent company catering to local markets. Members typically have been with their firm for six years and 72 percent of members do not receive fringe benefits at their firm.

The median age of REALTORS® has steadily increased in recent years from 51 years of age in 2007 to 56 in 2012. The majority of members are women with a college education. REALTORS® frequently have had careers in other fields prior to real estate, the most common being in management, business, and financial professions, followed by sales and retail. Only five percent indicated that real estate is their first career.

REALTORS® are embracing new technologies and marketing strategies that buyers are finding useful in their home search process, including websites, blogs, and social media. 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® take advantage of each of these opportunities. Short Sales and Foreclosures remains the most popular certification, continuing a two year trend.

Looking forward, 76 percent of REALTORS® are very certain they will remain in the business at least two more years. This share is higher than last year, indicating the growing optimism that is seen in today's market. Newer members in the business are less certain they will remain in real estate, while more seasoned members are more certain.



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May 2012

Highlights

Business Characteristics of REALTORS®

- Fifty-seven percent of REALTORS® were licensed as sales agents, and eight in 10 members specialize in residential brokerage.
- The typical REALTOR® has 11 years of experience.
- Eighteen percent of members have at least one personal assistant.
- Nearly two-thirds of REALTORS® reported having a website for at least five years, one in 10 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.
- Three-quarters of REALTORS® are certain they will remain in the business for two more years.

Business Activity of REALTORS®

- In 2011, the typical agent had 10 transactions—higher than the previous year when the typical agent had eight transactions.
- The typical agent had one transaction side involving a foreclosure and one transaction side involving a short sale.
- The typical agent had a sales volume of \$1.3 million in 2011, up from \$1.1 million in 2010.
- For the third year in a row, the difficulty in obtaining mortgage financing was the most cited reason for potential clients being limited in their purchase.
- Most REALTORS® worked 40 hours per week in 2011, a trend that has continued for several years.
- The typical REALTOR® earned 19 percent of their business from past clients and customers and 20 percent through referrals from past clients and customers.
- REALTORS® spent a median of \$200 to maintain a website in 2011.
- Members typically brought in four inquiries and three percent of their business from their website

Income and Expenses of REALTORS®

- Percentage split-commission is the prevailing method for REALTOR® compensation, with roughly seven in 10 respondents indicating this method of compensation, similar to past years.
- The median gross income of REALTORS® was \$34,900 in 2011, up from \$34,100 in 2010.

- REALTORS® with 16 years or more experience had a median gross income of \$50,200 compared to REALTORS® with two years or less experience that had a median gross income of \$8,700.
- The median business expenses rose to \$4,520 in 2011 from \$4,270 in 2010.
- The largest single expense category for most REALTORS® was vehicle expenses, which increased to \$1,770 in 2011 from \$1,680 in 2010.

Office and Firm Affiliation of REALTORS®

- Fifty-nine percent of REALTORS® are affiliated with an independent company.
- Eight in 10 members are independent contractors with their firms.
- The typical REALTOR® works at a firm that employs 23 agents and brokers.
- The median tenure for REALTORS® with their current firm is unchanged at six years.
- Seventy-two percent of REALTORS® reported receiving no benefits through their firm.
- Eleven 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 56 year old white female who attended college and is a homeowner.
- Sixty percent of all REALTORS® are female.
- Eighteen percent of members had a previous career in management, business or the financial sector and 15 percent had a previous career in sales or retail. Only five percent of members reported real estate was their first career.
- Seventy-six percent of REALTORS® said that real estate was their only occupation, and that number jumps to 84 percent among members with 16 or more years of experience.
- The median gross income of REALTOR® households was \$94,100 in 2011, which is an increase from \$91,700 in 2010. This is a two year increase in household income among members.
- A substantial majority of REALTORS® - 89 percent - own their primary residence.

Chapter 1:

Business Characteristics of REALTORS®

The majority of REALTORS® are sales agents who generally specialize in residential brokerage. The years of experience declined slightly. While there is the same share of members with one to four years of experience, there is a smaller share of members with more than 16 years of experience—indicating some professionals may be retiring.

REALTORS®' web presence and use of social media has been increasing in recent years as a valuable marketing tool to reach clients. The 2012 survey shows that more than half of REALTORS® reported using social networking websites and an additional nine percent reported that they do not yet use such sites but plan to do so in the future. REALTORS® are also progressively more comfortable with technology and are using the latest technologies on a daily basis.

In addition to membership in the NATIONAL ASSOCIATION of REALTORS®, REALTORS® have other ways of distinguishing themselves, including affiliate memberships, professional designations, and certifications. Finally, three-quarters of REALTORS® report that they are certain that they will remain in the business.

REALTORS® FUNCTION AND SPECIALTY AREA

▪ Exhibits 1-1 through 1-5

Fifty-seven percent of members hold sales agents licenses, 27 percent hold broker licenses, and 18 percent hold broker associate licenses. Eight in 10 members specialize in residential brokerage. Brokers and broker associates tend to be involved in more business specialties, such as commercial brokerage and property management. Sales agents are more likely to primarily specialize in residential brokerage.

The most common secondary specialty areas for members are relocation, commercial brokerage and commercial property management. More than one-quarter of members do not practice a secondary specialty area.

EXPERIENCE AND INCOME

▪ Exhibits 1-6 through 1-8

The typical member has 11 years of experience in real estate, down from 12 years in the 2011 survey. Brokers who do not sell typically had the most experience at 25 years, while sales agents were typically the newest to the field with nine years of experience.

In 2011, 42 percent of REALTORS® earned between 50 and 100 percent of their income from their primary real estate specialty, similar to what was earned in 2010. Those who worked more hours and those with more experience were also more likely to depend entirely on their real estate specialty. Among the members with fewer years of experience and who worked fewer hours, an increasingly larger share gained their income from other sources.

PERSONAL ASSISTANTS

▪ Exhibits 1-9 through 1-12

While only 18 percent of REALTORS® have personal assistants, the use of personal assistants is more common among broker-owners and managers. More tenured members are more likely to use personal assistants as well.

Personal assistants help with a variety of tasks. The most frequently reported tasks included processing new listings and entering them into the MLS, sending mailings to past clients or prospects, and placing and tracking advertising of listings.

Personal assistants are equally likely to be licensed or unlicensed. Nearly half of assistants are paid personally by the REALTOR®, while 35 percent are paid by the company, and 17 percent are paid by both. Two-thirds of personal assistants are exclusive to the agent, while one-third are shared with others. Slightly more than half of assistants are part-time. The most popular compensation structure for assistants is hourly pay.

COMMUNICATIONS AND TECHNOLOGY

▪ Exhibits 1-13 through 1-15

Technology is increasingly important for REALTOR® business. With nearly all members reporting daily use of email and desktop or laptop computers, nearly eight in 10 reported daily use of smartphones with wireless email and Internet capability. The majority of REALTORS® use multiple listings software daily. Other software used regularly includes contact management, document preparation, and electronic contact and forms.

WEBSITES, BLOGS, AND SOCIAL NETWORKING

■ Exhibits 1-17 through 1-22

Sixty-two percent of members reported having their own website—about half of which are provided by the member firm. Appraisers were least likely to have a website, however more likely than nearly all functions to have a website that they personally develop and maintain. Managers are most likely to have a website that is provided by the firm they work for. Two-thirds of REALTORS® had a website for at least five years. Members, who have been in the industry for 16 years or more typically have a website that is 10 years old.

Among residential brokerage specialists with websites, nine in 10 listed their own property listings. Increasingly more commercial brokerage specialists did the same on their websites—eight in 10. Other popular information presented on residential websites: home buying and selling information, mortgage or financial calculators, and links to their firm's website.

One in ten members reported having a real estate blog. Among all REALTORS®, those younger than 39 years of age are more likely to have a blog, though six percent of those over 60 have a real estate blog.

More than half of members are using social media while an additional nine percent plan to in the future. The use of social networking sites is more widespread among younger REALTORS®, with 84 percent of those 29 and younger using social media.

MEMBERSHIP IN AFFILIATES, PROFESSIONAL DESIGNATIONS, AND CERTIFICATIONS

■ Exhibits 1-23 and 1-24

In addition to being a member of the NATIONAL ASSOCIATION of REALTORS®, REALTORS® can distinguish themselves in a number of other ways, including affiliate memberships, professional designations, and certifications.

Twenty-one percent of members have a membership in an affiliate. The Council of Residential Specialists and Real Estate Buyer's Agent Council are the two most popular affiliates for members. Brokers who do not sell are the most likely to have an affiliate membership.

Thirty-three percent of members have a designation and 32 percent have a certification. The most frequently cited designation was the Graduate REALTOR® Institute followed by the Accredited Buyer Representative. The most popular certification was Short Sales and Foreclosures, which has gained popularity in the last two years.

FIRM'S WEB PRESENCE AND RELOCATION DEPARTMENT

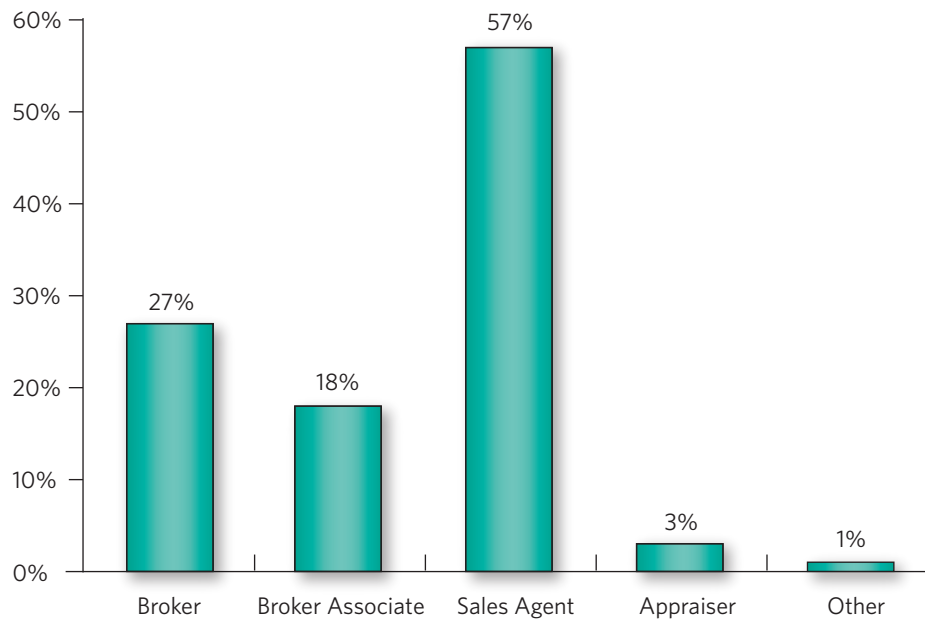
■ Exhibits 1-16 and 1-25

REALTORS'® firms provide them with additional resources, including websites and relocation departments. Nine in 10 REALTORS® reported that their firms have a web presence, and one percent indicated that there is not currently a presence, but a site is planned. Thirty-nine percent of REALTOR® firms had a relocation department or business development department responsible for relocation activities. REALTORS® who have been in the field for longer were more likely to be aware of the presence of a relocation department in their firm.

FUTURE PLANS

■ Exhibit 1-26

Seventy-six percent of members said they were certain they will remain in the business for two more years. Brokers and broker associates are slightly more certain than sales agents that they will remain in the field—79 percent compared to 74 percent. Members who are newest to the business are least certain they will remain active as a real estate professional during the next two years.

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			
	2012 Survey	2011 Survey	Broker	Broker Associate	Sales Agent	Appraiser
Primary Real Estate Specialty						
Residential brokerage	80%	78%	75%	89%	83%	2%
Commercial brokerage	2	4	4	1	1	*
Residential appraisal	2	3	1	*	1	81
Commercial appraisal	*	1	*	*	*	14
Relocation	2	1	1	1	2	2
Property management	6	5	10	3	5	*
Counseling	1	1	2	1	1	*
Land/Development	1	1	2	1	1	*
Other specialties	6	5	6	4	6	1
Main Function						
Broker-owner (with selling)	15%	16%	52%	3%	1%	*
Broker-owner (without selling)	1	2	4	*	*	*
Associate broker	11	11	13	47	1	*
Manager	4	4	6	6	2	*
Sales agent	61	60	17	41	90	2
Appraiser	2	3	*	*	*	95
Other	6	6	8	4	6	3

* Less than 1 percent

Exhibit 1-3

PRIMARY BUSINESS SPECIALTY OF BROKER/BROKER ASSOCIATE LICENSEES, 1999-2012

(Percentage Distribution)

	1999	2001	2003	2005	2007	2008	2009	2010	2011	2012
Residential brokerage	75%	76%	81%	76%	79%	79%	80%	79%	78%	75%
Commercial brokerage	6	6	3	4	5	6	6	7	6	4
Land/Development	4	3	1	3	3	1	3	2	2	2
Relocation	1	1	2	3	2	*	1	1	1	1
Counseling	1	1	2	3	1	1	1	1	1	2
Appraising	4	4	3	2	1	4	1	1	1	1
Property management	6	5	4	4	4	1	6	6	7	10
International	NA	*	*	1	*	3	*	*	*	*
Other	4	3	4	4	4	4	2	3	5	6

NA - Not Asked

* Less than 1 percent

Exhibit 1-4

PRIMARY BUSINESS SPECIALTY OF SALES AGENT LICENSEES, 1999-2012

(Percentage Distribution)

	1999	2001	2003	2005	2007	2008	2009	2010	2011	2012
Residential brokerage	88%	82%	84%	74%	75%	77%	86%	87%	83%	83%
Commercial brokerage	2	2	2	1	2	2	3	3	3	1
Land/Development	2	2	1	3	3	1	1	1	1	1
Relocation	1	2	2	5	6	*	2	2	2	2
Counseling	1	3	2	5	4	5	1	1	1	1
Appraising	2	3	3	5	1	4	1	*	1	1
Property management	2	3	3	3	4	3	4	3	4	5
International	NA	*	*	*	2	2	1	*	1	*
Other	2	3	3	3	4	6	2	2	5	6

NA - not asked

* Less than 1 percent

Exhibit 1-5

SECONDARY BUSINESS SPECIALTY OF REALTORS®

(Percent of Respondents)

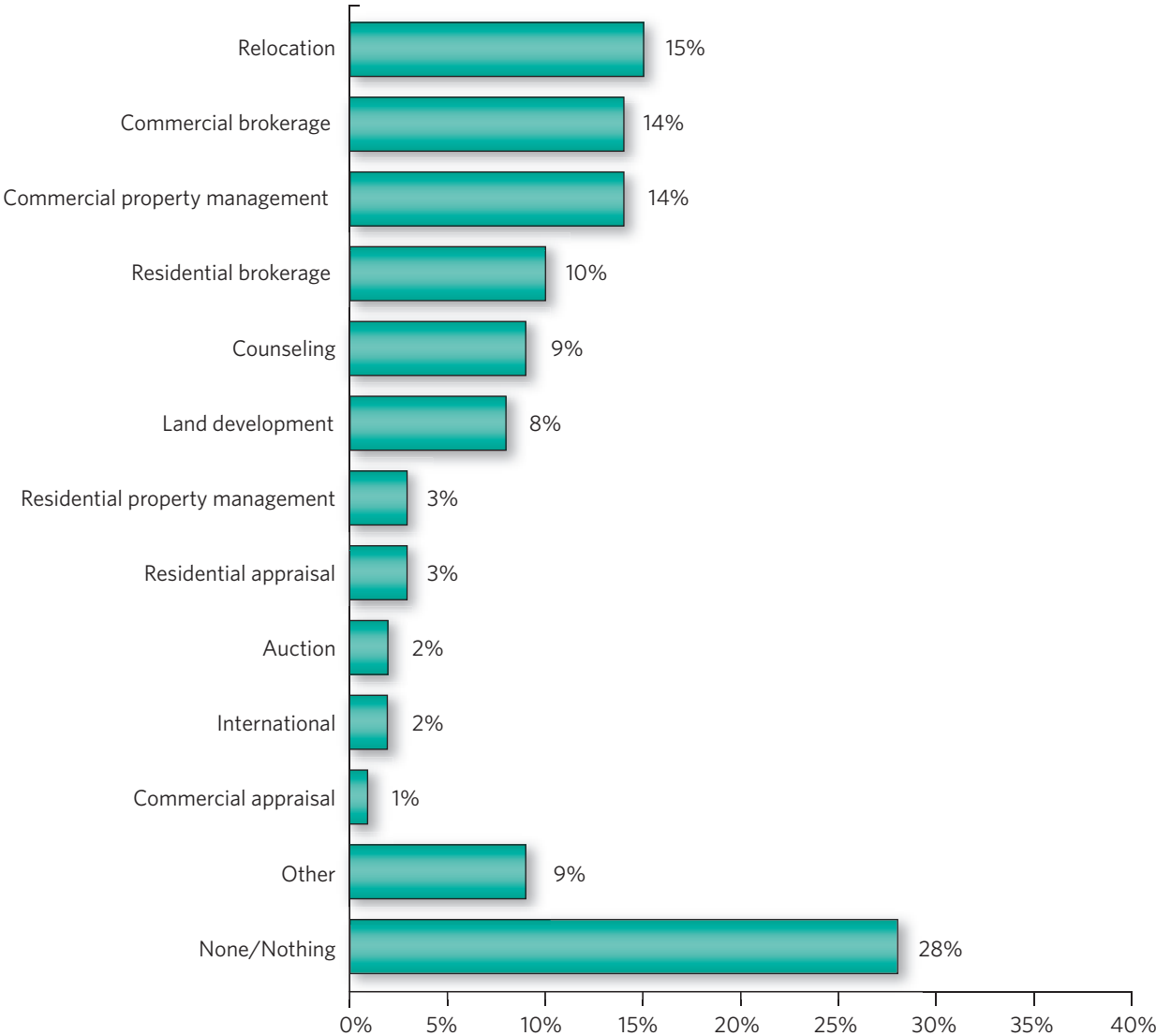


Exhibit 1-6

REAL ESTATE EXPERIENCE OF REALTORS®, BY MAIN FUNCTION

(Percentage Distribution)

	ALL REALTORS®		MAIN FUNCTION IN FIRM						
	2012 Survey	2011 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%	6%	2%	*	2%	3%	1%	8%	*
2 years	4	4	*	*	2	*	1	5	*
3 years	4	4	3	1	3	5	1	5	*
4 years	4	4	1	1	2	7	3	5	*
5 years	5	6	3	2	5	2	3	6	3
6 to 10 years	27	23	10	18	25	8	23	31	10
11 to 15 years	14	11	4	14	15	14	20	13	16
16 to 25 years	19	21	30	28	21	33	28	15	25
26 to 39 years	17	18	30	28	22	26	19	11	39
40 or more years	3	3	17	8	3	2	2	1	6
Median (years)	11	12	25	20	14	18	15	9	24

* 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	REAL ESTATE EXPERIENCE				
	ALL REALTORS®	2 years or less	3 to 5 years	6 to 15 years	16 years or more
Less than 50%	15%	25%	20%	14%	12%
Less than 25%	10	21	13	8	7
25% to 49%	5	4	7	6	5
50% to less than 100%	42%	28%	39%	42%	46%
50% to 74%	10	6	9	9	11
75% to 99%	32	22	30	33	35
100%	43	47	41	44	42

Exhibit 1-8

INCOME FROM PRIMARY REAL ESTATE SPECIALTY, BY NUMBER OF HOURS WORKED

(Percentage Distribution)

Percent of income from real estate specialty	HOURS WORKED PER WEEK				
	ALL REALTORS®	Less than 20 hours	20 to 39 hours	40 to 59 hours	60 hours or more
Less than 50%	15%	40%	23%	7%	4%
Less than 25%	10	35	13	3	1
25% to 49%	5	5	9	4	3
50% to less than 100%	42%	23%	36%	49%	48%
50% to 74%	10	6	9	11	11
75% to 99%	32	17	27	38	37
100%	43	38	41	45	48

Exhibit 1-9**NUMBER OF PERSONAL ASSISTANTS***(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
None	82%	77%	87%	63%	72%	83%	54%	72%	87%
One	14	18	11	19	22	14	27	26	11
Two	3	4	2	12	5	2	14	1	2
Three or more	1	1	*	7	1	1	6	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	82%	93%	87%	85%	76%
One	14	6	11	13	19
Two or more	3	1	2	3	5

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

Process new listings and enter them in the MLS	64%
Send mailings to past clients or prospects	58
Place/track advertising of listings	43
Schedule listing presentations, closings, and appointments	43
Order inspections	39
Photograph listings	39
Send progress reports to sellers	37
Write ads	37
Prepare comps	36
Prepare escrow files	34
Manage closing paperwork	26
Check MLS for expirations	26
Check newspapers for FSBOs	13
Prospect FSBOs	11
Other	32

Exhibit 1-12

CHARACTERISTICS OF PERSONAL ASSISTANTS

(Percentage Distribution)

License Information	Licensed	51%
	Unlicensed	49
Salary Expenses	Paid by REALTOR®	48%
	Paid by company	35
	Both	17
Employment	Full-time	46%
	Part-time	54
Exclusivity	Exclusive assistant	67%
	Shared with others	33
Employment Arrangement	Independent contractor	56%
	Employee	44
Compensation Structure	Hourly	38%
	Salary	20
	Arrangement varies	18
	Percent of commission	13
	Per task	12

Exhibit 1-13

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	93%	4%	2%	1%	1%
Laptop/Desktop computer	92	4	2	1	2
Smartphone with wireless email and Internet capabilities (e.g., Treo/BlackBerry)	78	3	2	1	17
Cell phone (no email and Internet)	64	5	2	1	30
Instant messaging (IM)	35	9	6	3	47
Global positioning system (GPS)	32	25	17	6	20
Digital camera	27	25	33	11	5
PDA/Handheld (no phone capabilities)	12	2	2	1	84
Blogs	5	6	10	9	71
RSS feeds	4	3	6	6	81
Podcasts	2	2	6	8	82

Exhibit 1-14**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%	14%	8%	4%	5%
Contact management	28	16	14	8	34
Document preparation	21	28	23	10	19
Electronic contract and forms	21	30	28	10	12
Customer relationship management	16	11	13	9	52
Comparative market analysis	16	31	34	13	7
Transaction management	14	14	14	9	49
Graphics or presentation	8	15	25	17	37
Property management	9	5	8	11	68
Loan analysis	3	9	20	17	52

Exhibit 1-15**PREFERRED METHOD OF COMMUNICATION WITH CLIENTS***(Percent of Respondents)*

ALL REALTORS®	Current clients/ customers	Past clients/ customers	Potential clients/ customers
E-mail	93%	67%	65%
Telephone	89	58	59
Text messaging	66	29	26
Postal mail	28	42	38
Instant messaging (IM)	21	8	8
Blog	4	5	8
Podcast	1	1	2

Exhibit 1-16

REALTOR'S® FIRM WEB PRESENCE

(Percentage Distribution)

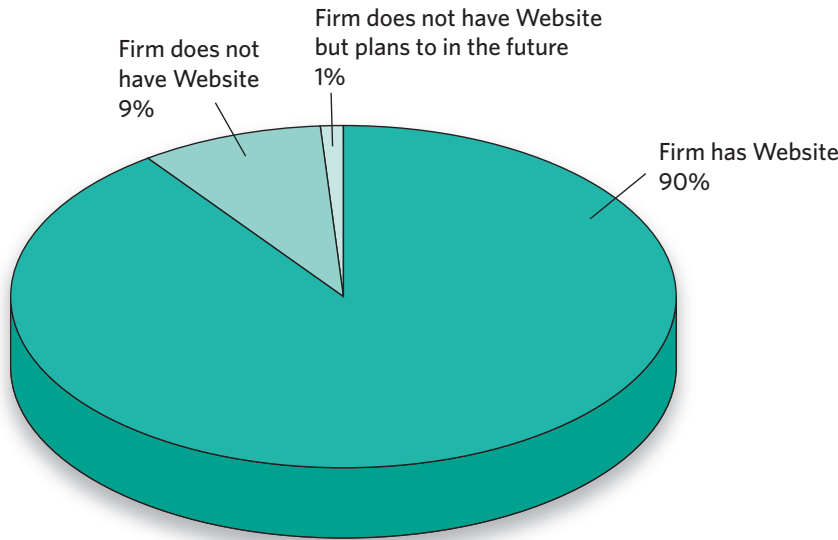


Exhibit 1-17

REALTORS® WITH WEBSITES, BY LICENSE AND FUNCTION

(Percentage Distribution)

	ALL REALTORS®	LICENSED AS			MAIN FUNCTION IN FIRM					
		Broker/ Broker Associate	Sales Agent	Broker-Owner (no selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
Have a Website	62%	63%	62%	54%	62%	64%	67%	69%	63%	45%
A Website developed and/or maintained by REALTOR®	29	32	26	20	45	27	13	19	26	39
A Website provided by firm	33	32	36	34	17	37	54	50	37	5
Do not have a Website	38	37	39	46	38	36	33	31	37	56
No Website	30	29	29	42	30	27	33	28	28	53
No Website, but plan to have one in the future	8	7	10	4	8	9	*	3	10	2

* Less than 1 percent

Exhibit 1-18**REALTORS® WITH WEBSITES, BY EXPERIENCE***(Percentage Distribution)*

	ALL REALTORS®		REAL ESTATE EXPERIENCE			
	2012 Survey	2011 Survey	2 years or less	3 to 5 years	6 to 15 years	16 years or more
Have a Website	62%	63%	60%	61%	66%	59%
A Website developed and/or maintained by REALTOR®	29	34	19	22	33	29
A Website provided by firm	33	29	41	39	33	30
Do not have a Website	38	38	40	39	34	41
No Website	30	30	24	28	27	34
No Website, but plan to have one in the future	8	8	16	11	7	7

Exhibit 1-19**LENGTH OF TIME REALTORS® HAVE HAD A WEBSITE FOR BUSINESS USE***(Percentage Distribution Among those with a Website)*

	ALL REALTORS®		REAL ESTATE EXPERIENCE			
	2012 Survey	2011 Survey	2 years or less	3 to 5 years	6 to 15 years	16 years or more
Less than one year	2%	1%	12%	1%	*	1%
1 to 2 years	19	21	83	29	12	7
3 to 4 years	13	16	1	46	12	7
5 or more years	66	63	3	24	75	86
Median years	6	6	1	3	7	10

* Less than 1 percent

Exhibit 1-20**INFORMATION ON REALTOR® WEBSITES***(Percent of Respondents with a Website)*

	ALL REALTORS®	BROKERAGE SPECIALISTS	
		Residential	Commercial
Own property listings	89%	93%	81%
Information about home buying and selling	78	82	56
Mortgage or financial calculators	67	71	52
Link to my firm's Website	66	67	76
Virtual tours	53	57	51
Community information/demographics	51	54	38
School reports	48	52	37
Links to state/local government Websites	42	43	37
Current mortgage rates	33	34	17
Home valuation/Comparative Market Analysis tools	32	33	21
Links to real estate service providers (title companies, settlement services, etc)	29	29	33
Links to mortgage lenders' Websites	24	24	34
Appointment scheduler	18	19	17
Link to commercial information exchange (CIE)	3	3	12
Other	4	4	8

Exhibit 1-21

REAL ESTATE BLOGS

(Percentage Distribution)

	ALL REALTORS®		AGE				
	2012 Survey	2011 Survey	29 or younger	30 to 39	40 to 49	50 to 59	60 or older
Have a blog	10%	10%	22%	19%	12%	10%	6%
Do not have a blog	79	81	55	71	74	78	86
Do not have a blog, but plan to in the future	11	9	23	11	15	12	8

Exhibit 1-22

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	54%	84%	71%	66%	56%	42%
No	37	11	22	23	35	48
No, but plan to in the future	9	4	6	10	9	9

Exhibit 1-23

AFFILIATE MEMBERSHIP OF REALTORS®

(Percent of Respondents)

NAR Affiliates	ALL REALTORS®	LICENSED AS				MAIN FUNCTION IN FIRM				
		Broker/ Broker Associate	Sales Agent	Broker- Owner (no selling)	Broker- Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
Not a member of any affiliate	79%	72%	83%	67%	76%	73%	76%	75%	80%	95%
CCIM Institute - Certified Commercial Investment Member	1	1	*	*	*	1	*	*	*	*
CRE - Counselors of Real Estate	1	1	1	*	1	2	7	2	1	*
CRB - Council of Real Estate Brokerage Managers	2	5	1	23	3	5	6	5	1	*
CRS - Council of Residential Specialists	11	16	7	15	13	15	10	12	9	5
IREM - Institute of Real Estate Management	*	*	*	5	1	*	1	*	*	*
REBAC - Real Estate Buyer's Agent Council	9	12	8	8	10	10	5	11	10	*
RLI - REALTORS® Land Institute	*	*	*	*	*	*	*	*	*	*
SIOR - Society of Industrial and Office REALTORS®	*	*	*	*	*	*	*	*	*	*
WCR - Women's Council of REALTORS®	3	4	3	6	4	4	*	7	3	*

* Less than 1 percent

Exhibit 1-24

PROFESSIONAL DESIGNATIONS AND CERTIFICATIONS OF REALTORS®

(Percent of Respondents)

Designations	ALL REALTORS®	LICENSED AS			MAIN FUNCTION IN FIRM					
		Broker/ Broker Associate	Sales Agent	Broker- Owner (no selling)	Broker- Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
No designations	67%	57%	73%	43%	60%	59%	70%	62%	69%	90%
ABR - Accredited Buyer Representative	15	17	14	19	14	16	12	13	15	1
ABRM - Accredited Buyer Representative Manager	*	1	*	6	1	*	1	2	*	*
ALC - Accredited Land Consultant	*	*	*	*	*	*	*	*	*	*
CCIM - Certified Commercial Investment Member	*	*	*	2	*	*	*	*	*	*
CIPS - Certified International Property Specialist	1	2	*	1	1	2	*	*	1	*
CPM - Certified Property Manager	*	*	*	*	*	*	*	*	*	*
CRB - Certified Real Estate Brokerage Manager	2	4	1	23	3	5	6	5	1	*
CRE - Counselor of Real Estate	1	1	1	*	*	1	*	2	*	*
CRS - Certified Residential Specialist	10	15	7	15	12	15	11	10	9	4
GAA - General Accredited Appraiser	*	*	*	*	*	*	*	*	*	*
Green Designation	2	3	1	*	4	4	5	1	1	*
GRI - Graduate REALTOR® Institute	19	27	14	40	27	22	19	25	17	5
PMN - Performance Management Network	1	1	*	3	1	*	*	*	1	*
RAA - Residential Accredited Appraiser	*	*	*	*	*	*	*	*	*	2
RCE - REALTOR® Association Certified Executive	*	*	*	*	*	*	*	*	*	*
SIOR - Society of Industrial and Office REALTORS®	*	*	*	*	*	*	*	*	*	*
SRES - Seniors Real Estate Specialists	3	4	3	*	2	4	*	4	4	*
Certifications										
No certifications	68%	63%	69%	64%	67%	67%	71%	47%	66%	99%
At Home with Diversity	3	5	2	6	4	3	20	7	3	*
e-Pro	11	15	9	31	14	14	20	5	10	*
REPA - Real Estate Professional Assistant	15	9	18	*	9	8	29	9	18	2
RSPS - Resort & Second Home Specialist	1	1	1	*	*	1	*	*	1	*
Short Sales and Foreclosures (SFR)	18	19	19	6	19	19	9	36	20	1
TRC - Transnational Referral Certification	2	3	1	*	4	5	1	*	1	*

* Less than 1 percent

Exhibit 1-25 **RELOCATION ACTIVITY OF REALTORS®**

(Percentage Distribution)

ALL REALTORS®	LICENSED AS		REAL ESTATE EXPERIENCE				
	Broker/ Broker Associate	Sales Agent	2 years or less	3 to 5 years	6 to 15 years	16 years or more	
REALTORS®'s firm has a relocation department or business development department responsible for relocation activities							
Yes	39%	34%	44%	34%	39%	38%	40%
No	52	61	43	42	49	52	55
Don't know	10	5	14	24	12	10	5

Exhibit 1-26 **WILL REMAIN ACTIVE AS A REAL ESTATE PROFESSIONAL DURING THE NEXT TWO YEARS**

(Percentage Distribution)

	ALL REALTORS®		LICENSED AS		REAL ESTATE EXPERIENCE			
	2012 Survey	2011 Survey	Broker/ Broker Associate	Sales Agent	2 years or less	3 to 5 years	6 to 15 years	16 years or more
Very certain	76%	73%	79%	74%	72%	76%	77%	76%
Somewhat certain	17	18	14	19	21	19	16	15
Not certain	8	9	7	8	8	6	7	9

Chapter 2:

Business Activity of REALTORS®

REALTORS® in 2011 reported improved market conditions. The typical member had more transaction sides and higher sales volume. Property managers typically managed more properties after seeing two years of declines. Higher sales volumes and transaction sides of members indicate a housing market that is improving.

Median weekly hours worked by the typical REALTOR® was unchanged from the previous five 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 thru 2-3

Nine in 10 appraisal specialists appraise one to four unit residential properties—up just slightly from the 2011 survey. There was a decline in nearly all other types of property appraisal. The typical specialist appraised 200 properties in 2011—a figure which has remained consistent for several years. More than one-quarter of appraisal specialists have a secondary specialty in residential brokerage.

BROKERAGE SPECIALISTS

■ Exhibits 2-4 thru 2-16

Forty-three percent of REALTORS® practice buyer and seller agency with disclosed dual agency, which is a significant increase from 33 percent in the 2011 survey. Thirty-one percent practice single agency and 10 percent practice buyer agency exclusively. There was a significant decline in those who practice transactional agency, from 18 percent in the 2011 survey to nine percent in the 2012 survey.

In 2011, the typical agent had 10 transactions—an increase from eight transactions in 2010 and seven transactions in 2009. Members who are residential specialists typically had ten transactions compared to commercial specialists who typically had eight transactions. REALTORS® with two years of experience or less had a median of three transactions, compared to brokerage specialists with 16 years of experience or more who had a median of 12 transactions. The median sales volume for brokerage specialists was higher than the previous two years at \$1.3 million compared to \$1.1 million in 2010 and \$1.2 million in 2009.

The typical member had one transaction side involving a short sale and one transaction involving a foreclosure. Forty-four percent of members did not have a transaction involving a foreclosure, and 49 percent of members did not have a transaction involving a short sale. Eight percent of members had more than 11 transactions sides involving a foreclosure and three percent had more than 11 transaction sides involving a short sale.

For the third consecutive year REALTORS® reported that the most cited reason for limiting potential clients was the difficulty in obtaining mortgage financing. There was a decline in the share of members who reported the most important factor limiting clients was the expectation that prices would fall further, from 26 percent in the 2011 survey to 18 percent in the 2012 survey.

PROPERTY MANAGEMENT

■ Exhibits 2-17 thru 2-19

There was a rise in the number of properties that property managers managed. The rise follows a two year decline, and brings the number of properties managed near the level in 2009. The typical property management specialist managed 30 properties in 2011. Residential specialists managed a median of 13 properties, compared with commercial specialists who managed a median of 30 properties. The four most commonly reported tasks of property managers are collecting rent, taking tenant applications, selecting tenants and performing small repairs. Eighty-eight percent of property management specialists managed single-family residential homes—up from 78 percent in the 2011 survey. Six in 10 managed some multi-family properties, and about one-quarter were active in office property management.

HOURS WORKED PER WEEK

■ Exhibit 2-20

The typical REALTOR® worked 40 hours per week in 2011, a trend that has continued for several years. Managers who do not sell and appraisers reported working the most hours at 50 hours per week and managers who sell reported working 45 hours per week. All other members reported working 40 hours per week.

REPEAT BUSINESS AND REFERRALS

- **Exhibits 2-21 thru 2-24**

The typical REALTOR® earned 19 percent of their business from past clients and customers—a share that is consistent from the prior year. As expected, experienced REALTORS® reported a greater share of repeat business from clients or referrals. Repeat business has also held steady from the prior year at 20 percent. Repeat business was more common among REALTORS® with more experience (a median of 23 percent for those with 16 or more years of experience, compared to three percent for those with two years of experience or less).

OPEN HOUSES

- **Exhibit 2-25 thru 2-26**

While open houses are a useful tool for home buyers to compare and contrast home features and neighborhoods, of residential brokerage specialists surveyed only 34 percent said they received some business from an open house. Sixty-six percent of agents reported no business as a result of open houses. The share of members who received and did not receive business from an open house has remained consistent from the prior year. Experience does not play a role in whether the member had business from an open house.

LANGUAGE AND NATIONALITY

- **Exhibits 2-27 thru 2-28**

Twenty-eight percent of REALTORS® had clients who were foreign nationals, and 56 percent of REALTORS® had clients whose primary language was not English. Among members who are fluent in a language other than English, 79 percent had clients whose primary language was not English.

WEBSITE BUSINESS ACTIVITY

- **Exhibit 2-29 thru 2-33**

The typical REALTOR® spent \$200 to maintain a website in 2011—\$50 less than was spent in 2010. The typical member brought in four inquiries and three percent of their business from their website. Brokers tend to spend more on their websites, while managers who do not sell and sales agents tend to spend the least amount on websites. Not surprisingly, those who spent the most on websites also got the highest number of 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)

	2012 Survey	2011 Survey
Residential (1 to 4 units)	93%	90%
Agricultural land and farms	30	36
Residential (5 or more units)	21	28
Commercial (retail, office, shopping centers, etc.)	19	28
Industrial (manufacturing, warehouses, etc.)	14	21
Institutional (hospitals, schools, etc.)	7	11
Other	9	7

Exhibit 2-2

APPRAISAL: NUMBER OF PROPERTIES APPRAISED, 2011

(Percentage Distribution, Appraisal Specialists only)

ALL APPRAISAL SPECIALISTS

	In 2011	In 2010	RESIDENTIAL APPRAISAL SPECIALISTS
9 or fewer	4%	2%	5%
10 to 24	3	4	3
25 to 49	6	5	6
50 to 99	10	11	8
100 to 199	23	22	23
200 to 299	27	26	26
300 to 399	15	12	17
400 or more	13	18	13
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	27%	29%
Residential appraisal	10	NA
Commercial property management	8	7
Commercial brokerage	7	29
Land/development	6	3
Counseling	6	2
Relocation	4	3
Commercial appraisal	3	4
Residential property management	3	1
Auction	2	1
International	*	*
Other	4	4
None	25	28

* Less than 1 percent

NA - Not Applicable

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

	ALL REALTORS®		RESIDENTIAL SPECIALISTS			Commercial Specialists
	2012 Survey	2011 Survey	All	Broker/ Broker Associate	Sales Agent	
Buyer agency and seller agency with disclosed dual agency	43%	33%	43%	47%	40%	45%
Single agency	31	32	31	31	31	25
Buyer agency exclusively	10	10	10	6	13	7
Transactional agency	9	18	9	8	10	7
Seller agency exclusively	6	7	6	6	5	16
Other	1	1	1	2	1	1

Exhibit 2-5

BROKERAGE: LISTINGS SOLD, 2011

(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	42%	26%	15%
1 listing	17	12	9
2 listings	12	10	11
3 listings	7	8	8
4 listings	4	7	8
5 listings	4	6	7
6 to 10 listings	7	17	22
11 listings or more	7	14	20
Median listings (2011)	1	3	4
Median listings (2010)	1	3	4
Residential Specialists			
0 listings	43%	25%	15%
1 listing	17	12	9
2 listings	12	10	10
3 listings	7	8	8
4 listings	4	7	8
5 listings	4	6	7
6 to 10 listings	7	17	23
11 listings or more	7	14	20
Median listings (2011)	1	3	4
Median listings (2010)	1	3	4
Commercial Specialists			
0 listings	30%	35%	27%
1 listing	12	8	10
2 listings	17	12	19
3 listings	9	10	4
4 listings	4	3	11
5 listings	5	11	4
6 to 10 listings	6	10	10
11 listings or more	18	12	16
Median listings (2011)	2	2	2
Median listings (2010)	3	2	3

Exhibit 2-6**BROKERAGE: NUMBER OF TRANSACTION SIDES OR COMMERCIAL DEALS, 2011***(Percentage Distribution, Brokerage Specialists only)*

	ALL REALTORS®		RESIDENTIAL SPECIALISTS			Commercial Specialists
	In 2011	In 2010	All	Broker/ Broker Associate	Sales Agent	
0 transactions	6%	8%	6%	4%	8%	9%
1 to 5 transactions	27	29	27	23	29	34
6 to 10 transactions	21	23	21	20	22	23
11 to 15 transactions	15	14	15	16	15	8
16 to 20 transactions	10	9	10	10	10	8
21 to 50 transactions	18	14	18	21	15	16
51 transactions or more	4	4	4	5	2	3
Median (transactions)	10	8	10	12	8	8

Exhibit 2-7**BROKERAGE: NUMBER OF TRANSACTION SIDES OR COMMERCIAL DEALS, BY EXPERIENCE, 2011***(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	6%	17%	5%	5%	5%
1 to 5 transactions	27	51	34	24	22
6 to 10 transactions	21	14	22	22	21
11 to 15 transactions	15	11	15	16	16
16 to 20 transactions	10	6	10	11	10
21 to 50 transactions	18	2	13	20	21
51 transactions or more	4	*	1	3	6
Median (transactions)	10	3	8	10	12

* Less than 1 percent

Exhibit 2-8**BROKERAGE: NUMBER OF TRANSACTION SIDES INVOLVING PROPERTIES IN FORECLOSURE, 2011***(Percentage Distribution, Brokerage Specialists only)*

	ALL REALTORS®	RESIDENTIAL SPECIALISTS			Commercial Specialists
		All	Broker/ Broker Associate	Sales Agent	
0 transactions	44%	43%	41%	45%	61%
1 to 5 transactions	40	41	41	40	30
6 to 10 transactions	9	9	9	8	4
11 to 15 transactions	3	3	2	3	4
16 to 20 transactions	2	2	2	1	*
21 transactions or more	3	3	5	2	1
Median (transactions)	1	1	1	1	*

* Less than 1 percent

Exhibit 2-9

BROKERAGE: NUMBER OF TRANSACTION SIDES INVOLVING PROPERTIES IN FORECLOSURE, BY EXPERIENCE, 2011

(Percentage Distribution, Brokerage Specialists only)

	REAL ESTATE EXPERIENCE				
	ALL REALTORS®	2 years or less	3 to 5 years	6 to 15 years	16 years or more
0 transactions	44%	63%	41%	40%	44%
1 to 5 transactions	40	33	44	42	39
6 to 10 transactions	9	4	9	10	8
11 to 15 transactions	3	*	2	4	2
16 to 20 transactions	2	*	1	1	2
21 transactions or more	3	*	2	3	5
Median (transactions)	1	0	1	1	1

* Less than 1 percent

Exhibit 2-10

BROKERAGE: NUMBER OF TRANSACTION SIDES INVOLVING SHORT SALES, 2011

(Percentage Distribution, Brokerage Specialists only)

	RESIDENTIAL SPECIALISTS				
	ALL REALTORS®	All	Broker/ Broker Associate	Sales Agent	Commercial Specialists
0 transactions	49%	49%	49%	49%	56%
1 to 5 transactions	43	42	43	42	42
6 to 10 transactions	5	5	5	5	*
11 transactions or more	3	3	3	3	1
Median (transactions)	1	1	1	1	0

* Less than 1 percent

Exhibit 2-11

BROKERAGE: NUMBER OF TRANSACTION SIDES INVOLVING SHORT SALES, BY EXPERIENCE, 2011

(Percentage Distribution, Brokerage Specialists only)

	REAL ESTATE EXPERIENCE				
	ALL REALTORS®	2 years or less	3 to 5 years	6 to 15 years	16 years or more
0 transactions	49%	67%	50%	46%	49%
1 to 5 transactions	43	31	46	43	43
6 to 10 transactions	5	2	2	7	5
11 transactions or more	3	1	2	4	3
Median (transactions)	1	0	0	1	1

* Less than 1 percent

Exhibit 2-12**BROKERAGE: SALES VOLUME, 2011***(Percentage Distribution, Brokerage Specialists only)*

	ALL REALTORS®		RESIDENTIAL SPECIALISTS			
	In 2011	In 2010	All	Broker/ Broker Associate	Sales Agent	Commercial Specialists
Less than \$500,000	34%	36%	34%	28%	39%	33%
\$500,000 to under \$1 million	12	13	12	12	13	14
\$1 to under \$1.5 million	9	9	9	9	9	8
\$1.5 to under \$2 million	9	9	9	9	8	11
\$2 to under \$3 million	9	10	9	11	8	8
\$3 to under \$4 million	8	7	8	10	7	6
\$4 to under \$5 million	6	5	6	7	5	3
\$5 to under \$6 million	4	3	4	4	4	1
\$6 to under \$7 million	2	2	2	2	2	3
\$7 to under \$8 million	1	1	1	1	1	1
\$8 to under \$10 million	2	2	2	2	2	5
\$10 million or more	4	4	4	5	3	8
Median (millions)	\$1.3	\$1.1	\$1.3	\$1.6	\$1.0	\$1.4

Exhibit 2-13**BROKERAGE: SALES VOLUME, BY EXPERIENCE, 2011***(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	34%	64%	39%	31%	28%
\$500,000 to under \$1 million	12	16	15	12	12
\$1 to under \$1.5 million	9	9	13	9	9
\$1.5 to under \$2 million	9	4	8	10	9
\$2 to under \$3 million	9	2	10	11	9
\$3 to under \$4 million	8	3	6	9	9
\$4 to under \$5 million	6	2	3	6	7
\$5 to under \$6 million	4	1	3	4	4
\$6 to under \$7 million	2	*	1	3	2
\$7 to under \$8 million	1	*	1	1	2
\$8 to under \$10 million	2	*	1	2	3
\$10 million or more	4	*	2	3	7
Median (millions)	\$1.3	\$0.3	\$0.9	\$1.5	\$1.7

* Less than 1 percent

Exhibit 2-14

THE MOST IMPORTANT FACTOR LIMITING POTENTIAL CLIENTS IN COMPLETING A TRANSACTION

(Percentage Distribution, Brokerage Specialists only)

RESIDENTIAL SPECIALISTS

	ALL REALTORS®	All	Broker/ Broker Associate	Sales Agent	Commercial Specialists
Difficulty in obtaining mortgage finance	30%	30%	31%	29%	30%
Expectation that prices might fall further	18	18	16	19	8
Difficulty in finding the right property	12	12	10	14	17
Low consumer confidence	11	11	12	10	18
No factors are limiting potential clients	8	8	7	8	13
Ability to sell existing home	4	4	4	4	5
Concern about losing job	3	3	2	3	1
Expectation that mortgage rates might come down	1	1	1	1	*
Other	15	15	17	14	8

* Less than 1 percent

Exhibit 2-15

THE MOST IMPORTANT FACTOR LIMITING POTENTIAL CLIENTS IN COMPLETING A TRANSACTION, BY EXPERIENCE, 2011

(Percentage Distribution, Brokerage Specialists only)

REAL ESTATE EXPERIENCE

	ALL REALTORS®	2 years or less	3 to 5 years	6 to 15 years	16 years or more
Difficulty in obtaining mortgage finance	30%	31%	29%	31%	28%
Expectation that prices might fall further	18	12	19	19	18
Difficulty in finding the right property	12	19	13	13	10
Low consumer confidence	11	9	8	10	13
No factors are limiting potential clients	8	8	8	6	9
Ability to sell existing home	4	4	3	5	3
Concern about losing job	3	4	3	2	3
Expectation that mortgage rates might come down	1	*	1	*	1
Other	15	13	17	14	16

* Less than 1 percent

Exhibit 2-16**BROKERAGE: WEBSITES WHERE REALTORS® PLACE THEIR LISTINGS***(Percent of Respondents, Brokerage Specialists only)*

	ALL REALTORS®		RESIDENTIAL SPECIALISTS			
	2012 Survey	2011 Survey	All	Broker/ Broker Associate	Sales Agent	Commercial Specialists
REALTOR.com®	84%	82%	85%	87%	83%	68%
Firm's Website	81	81	82	81	82	69
Local MLS Website	68	67	68	68	69	58
Personal Website	50	46	50	48	52	33
Local REALTOR® association Website	36	38	36	38	34	31
Franchiser's Website	25	25	25	26	24	17
Local newspaper Website	23	23	23	26	20	22
Local real estate magazine Website	20	21	20	21	19	15
Other Broker's Website	20	19	20	24	17	16
Commercial listing service**	8	10	7	10	5	46
Other	73	64	74	74	73	53
None	3	3	3	2	4	4

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

Exhibit 2-17**PROPERTY MANAGEMENT: TYPES OF PROPERTIES MANAGED***(Percent of Respondents, Property Management Specialists only)*

	2012 Survey	2011 Survey
Single-family residential	88%	78%
Multi-family residential	60	60
Office	24	23
Retail	14	13
Industrial	2	8
Land	7	5
Other	5	2

Exhibit 2-18

PROPERTY MANAGEMENT: NUMBER OF PROPERTIES MANAGED

(Percentage Distribution, Property Management Specialists only)

ALL REALTORS®

	2012 Survey	2011 Survey	Residential Specialists	Commercial Specialists
1 to 5 properties	20%	24%	29%	20%
6 to 10 properties	6	9	*	6
11 to 20 properties	17	12	43	16
21 to 40 properties	12	12	*	13
41 to 60 properties	9	4	28	9
61 to 80 properties	6	2	*	6
81 to 100 properties	10	5	*	10
101 to 500 properties	16	27	*	17
501 properties or more	3	5	*	3
Median (properties)	30	25	13	30

* Less than 1 percent

Exhibit 2-19

PROPERTY MANAGEMENT: MANAGEMENT FUNCTIONS PERFORMED

(Percent of Respondents, Property Management Specialists only)

	2012 Survey	2011 Survey
Collect rent	85%	79%
Take tenant applications	85	78
Select tenants	83	81
Perform small repairs	79	65
Marketing	73	77
Initiate evictions	69	71
Perform large repairs or upgrades	60	60
Make tax payments	36	54
Make mortgage payments	31	35
Initiate legal actions (other than evictions)	27	46
Other	21	28

Exhibit 2-20 HOURS WORKED PER WEEK

(Percentage Distribution)

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM						
	2012 Survey	2011 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	12%	14%	10%	14%	20%	12%	9%	6%	2%	13%	7%
20 to 39 hours	29	30	25	33	21	20	28	8	15	34	14
40 to 59 hours	44	41	49	40	41	47	48	63	71	40	53
60 hours or more	15	15	17	13	19	21	15	23	12	13	26
Median (hours)	40	40	40	40	40	40	40	50	45	40	50

Exhibit 2-21 REPEAT BUSINESS FROM PAST CONSUMERS AND CLIENTS, BY SPECIALTY, 2011

(Percentage Distribution)

	PRIMARY REAL ESTATE SPECIALTY							
	ALL REALTORS®		APPRAISAL		BROKERAGE		PROPERTY MANAGEMENT	
	In 2011	In 2010	Residential	Commercial	Residential	Commercial	Residential	Commercial
None	19%	23%	6%	*	19%	20%	6%	13%
Less than 10%	18	17	8	1	19	18	17	15
Up to 25%	23	20	11	9	24	20	6	16
Up to 50%	15	16	6	14	15	21	15	17
More than 50%	24	24	65	76	22	20	46	35
Median	19%	18%	66%	68%	18%	19%	58%	36%

* Less than 1 percent

Exhibit 2-22 REPEAT BUSINESS FROM PAST CONSUMERS AND CLIENTS, BY EXPERIENCE, 2011

(Percentage Distribution)

	REAL ESTATE EXPERIENCE				
	ALL REALTORS®	2 years or less	3 to 5 years	6 to 15 years	16 years or more
None	19%	65%	33%	15%	8%
Less than 10%	18	15	29	21	11
Up to 25%	23	8	22	28	21
Up to 50%	15	4	8	15	20
More than 50%	24	4	7	20	37
Median	19%	0%	6%	17%	38%

Exhibit 2-23

BUSINESS THROUGH REFERRALS FROM PAST CONSUMERS AND CLIENTS, BY SPECIALTY, 2011

(Percentage Distribution)

	PRIMARY REAL ESTATE SPECIALTY							
	ALL REALTORS®		APPRAISAL		BROKERAGE		PROPERTY MANAGEMENT	
	In 2011	In 2010	Residential	Commercial	Residential	Commercial	Residential	Commercial
None	13%	16%	7%	*	13%	15%	26%	10%
Less than 10%	17	19	33	35	17	19	17	23
Up to 25%	29	28	23	41	29	27	17	31
Up to 50%	18	18	6	9	19	14	16	14
More than 50%	20	20	15	16	21	25	*	15
Median	20%	18%	16%	16%	21%	20%	17%	19%

*Less than 1 percent

Exhibit 2-24

BUSINESS THROUGH REFERRALS FROM PAST CONSUMERS AND CLIENTS, BY EXPERIENCE, 2011

(Percentage Distribution)

	REAL ESTATE EXPERIENCE				
	ALL REALTORS®	2 years or less	3 to 5 years	6 to 15 years	16 years or more
None	13%	45%	15%	10%	8%
Less than 10%	17	20	27	17	14
Up to 25%	29	13	25	31	31
Up to 50%	18	9	17	19	19
More than 50%	20	9	14	21	24
Median	20%	3%	14%	21%	23%

Exhibit 2-25

BUSINESS ORIGINATED FROM AN OPEN HOUSE, BY SPECIALTY, 2011

(Percentage Distribution)

	RESIDENTIAL SPECIALISTS			
	ALL REALTORS®	All	Broker/ Broker Associate	Sales Agent
None	66%	61%	64%	59%
Less than 10%	24	28	27	28
Up to 25%	6	7	6	8
Up to 50%	2	2	1	3
More than 50%	1	2	1	2
Median	0%	0%	0%	0%

Exhibit 2-26**BUSINESS ORIGINATED FROM AN OPEN HOUSE, BY EXPERIENCE, 2011***(Percentage Distribution)*

	ALL REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
None	66%	67%	60%	68%	65%
Less than 10%	24	17	26	24	26
Up to 25%	6	9	8	5	6
Up to 50%	2	2	3	2	2
More than 50%	1	3	3	1	1
Median	0%	0%	0%	0%	0%

Exhibit 2-27**CUSTOMERS AND CLIENTS WHOSE PRIMARY LANGUAGE IS NOT ENGLISH, 2011***(Percentage Distribution)*

	ALL REALTORS®		REALTOR® IS	
	In 2011	In 2010	Fluent in a language other than English	Fluent in English only
None	44%	44%	21%	49%
Less than 10%	32	33	21	34
Up to 25%	10	10	13	9
Up to 50%	5	5	14	3
More than 50%	6	7	30	2
Median	3%	3%	20%	1%

Exhibit 2-28**CUSTOMERS AND CLIENTS WHO WERE FOREIGN NATIONALS, 2011***(Percentage Distribution)*

	ALL REALTORS®	
	In 2011	In 2010
None	68%	72%
Less than 10%	20	21
Up to 25%	5	5
Up to 50%	1	1
More than 50%	2	2

Exhibit 2-29

EXPENDITURES TO MAINTAIN REALTOR® WEBSITE, 2011

(Percentage Distribution)

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2011	In 2010	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	24%	19%	19%	28%	6%	7%	25%	40%	32%	27%
Less than \$100	19	18	17	20	11	15	19	13	14	20
\$100 to \$499	30	33	31	29	31	35	28	18	25	29
\$500 to \$999	16	17	19	13	20	24	16	9	19	14
\$1,000 or more	12	13	15	10	32	20	12	20	11	10
Median	\$200	\$250	\$290	\$130	\$550	\$430	\$180	\$70	\$170	\$140

Exhibit 2-30

CUSTOMER INQUIRIES GENERATED FROM WEBSITE, 2011

(Percentage Distribution)

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2011	In 2010	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	28%	27%	23%	32%	11%	18%	28%	25%	20%	31%
1 to 5 inquiries	36	37	35	36	14	33	36	31	31	37
6 to 10 inquiries	12	14	12	11	2	12	14	5	6	12
11 to 20 inquiries	8	8	10	7	*	11	6	6	19	7
21 to 50 inquiries	8	6	9	7	33	10	9	10	10	6
51 to 100 inquiries	4	3	4	3	10	5	3	9	6	3
More than 100 inquiries	6	6	7	5	30	11	4	15	10	4
Median (inquiries)	4	3	4	3	43	5	3	4	5	3

* Less than 1 percent

Exhibit 2-31**CUSTOMER INQUIRIES GENERATED FROM WEBSITE BY AMOUNT SPENT TO MAINTAIN, 2011***(Percentage Distribution)*

		AMOUNT SPENT TO MAINTAIN THE WEBSITE				
ALL REALTORS®		None	Less than \$100	\$100 to \$499	\$500 to \$999	\$1,000 or more
None	28%	48%	31%	22%	16%	12%
1 to 5 inquiries	36	28	44	42	37	23
6 to 10 inquiries	12	9	10	12	13	13
11 to 20 inquiries	8	6	5	9	9	12
21 to 50 inquiries	8	3	5	8	13	13
51 to 100 inquiries	4	3	2	2	6	7
More than 100 inquiries	6	3	2	4	6	21
Median (inquiries)	4	1	3	4	5	13

Exhibit 2-32**BUSINESS GENERATED FROM REALTOR® WEBSITE, 2011***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2011	In 2010	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	34%	35%	28%	39%	7%	24%	30%	34%	22%	39%
1% to 5%	28	28	27	28	24	24	28	21	25	29
6% to 10%	16	14	19	13	7	19	21	19	19	14
11% to 25%	11	12	13	10	39	12	11	10	20	10
26% to 50%	6	8	8	5	20	11	7	13	9	5
More than 50%	5	4	6	4	5	10	5	4	5	4
Median (percent of business)	3%	3%	4%	3%	16%	6%	4%	4%	7%	3%

Exhibit 2-33**BUSINESS GENERATED FROM REALTOR® WEBSITE, BY AMOUNT SPENT TO MAINTAIN, 2011***(Percentage Distribution)*

		AMOUNT SPENT TO MAINTAIN THE WEBSITE				
ALL REALTORS®		None	Less than \$100	\$100 to \$499	\$500 to \$999	\$1,000 or more
None	34%	58%	36%	29%	21%	12%
1% to 5%	28	20	38	32	29	18
6% to 10%	16	11	13	19	19	20
11% to 25%	11	6	7	12	15	18
26% to 50%	6	2	4	6	10	15
More than 50%	5	3	2	2	6	17
Median (percent of business)	3%	0%	3%	4%	5%	10%

Chapter 3:

Income and Expenses of REALTORS®

In a reflection of the stabilizing housing market, the median gross income of REALTORS® - income earned from real estate activities - was \$34,900 in 2011. This is up marginally from \$34,100 in 2010 and is the first income increase seen since 2002. Although this is a positive sign that suggests both sales volume and prices are finding their footing, REALTOR® expenses also rose slightly in 2011 to \$4,520 from \$4,270 in 2010.

Compared across functions, 2011 data shows that managers, brokers not involved in selling activities, and appraisers typically earned the highest annual income. As real estate is often a referrals-based business, REALTORS® who have been involved in the business the longest are typically the most successful: those practicing for 16 years or more earned the highest income in 2011.

Sales agents (at 12 percent) are less likely to work under a 100 percent commission than brokers (at 23 percent). Percentage split-commission was even more popular with sales agents, with roughly eight in 10 receiving this type of compensation structure.

A comparison of business characteristics also shows that those who earned more in 2011 shared some interesting characteristics: 80 percent of those who earned \$150,000 or more have a website, received 36 percent of their business from past consumers and clients, and work 50 hours a week. As the real estate business is largely commission-based, higher income levels are strongly associated with more real estate transactions. Finally, as REALTORS®' years of experience increase, they build a client network through referrals of past clients and repeat businesses.

COMPENSATION STRUCTURE

▪ Exhibits 3-1 to 3-3

In 2011, as in 2010, about seven in 10 REALTORS® were compensated under a percentage split commission. A little fewer than one in five were compensated with a 100 percent commission arrangement.

Brokers are more likely to work under a 100 percent commission than sales agents (23 percent vs. 12 percent). Percentage split-commission was even more popular with sales agents, with roughly eight in 10 receiving this type of compensation structure. Those with less experience more often had percentage split-commission arrangements, as did those who had lower personal earnings.

Similar to last year's survey, the median year starting and ending commission splits were 70 percent. 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 \$150,000. 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 70 percent, compared to 55 percent for those with two years or less experience.

BUSINESS EXPENSES

▪ Exhibits 3-4 to 3-13

Median business expenses were \$4,270 in 2010 and rose slightly to \$4,520 in 2011. Brokers typically had higher business expenses at \$5,580 compared to \$3,460 for sales agents. It is, however, interesting to note that broker business expenses fell slightly in 2011 from \$6,180 in 2010.

There is a strong correlation between REALTOR® income and expenses. REALTORS® with gross personal incomes of less than \$10,000 a year reported a median business expense level of \$1,810, compared to those REALTORS® who made \$150,000 or more with median business expenses of \$28,530.

The median administrative expenses reported in 2011 were \$560, down from \$720 in 2010, and were higher for brokers than sales agents. Marketing services typically were \$510, down from \$550 in 2010. The largest single expense category for most REALTORS® was vehicle expenses, which increased from \$1,680 in 2010 to \$1,770 in 2011.

REALTOR® INCOME

■ Exhibits 3-14 to 3-17

The median gross income of REALTORS® — income earned from real estate activities — was \$34,900 in 2011, a modest increase from the \$34,100 reported in 2010. Nearly four in 10 respondents reported gross incomes below \$25,000, and 17 percent reported incomes of \$100,000 or more, the same as in the 2010 report. Sales agents typically reported a median income of \$28,700, a rise from the \$24,900 reported in 2010, while associate brokers reported a median income of \$34,800. Over half of REALTORS® had net incomes (accounting for taxes and expenses) of less than \$25,000, with a median of \$23,200 in 2011. 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 \$64,100, down a little bit from the \$64,500 reported in 2010.

Income is typically commensurate with experience. As REALTORS® gain experience and a larger network of referrals and previous clients, their income generally rises. REALTORS® with 16 years or more experience had a median gross income of \$50,200 compared to REALTORS® with two years or less experience that had a median gross income of \$8,700. The number of hours worked per week also strongly correlates with income. REALTORS® who typically worked less than 20 hours a week had a median gross income of \$8,600 a year, and those who worked 60 or more hours per week had a median gross income of \$80,900.

BUSINESS CHARACTERISTICS OF REALTORS®

■ Exhibit 3-18

Looking at the comparison of REALTORS®' experience in real estate, number of hours worked, function performed with the firm, and license type reveal some interesting characteristics among income groups. For instance, REALTORS® in higher income groups report they are more likely to remain active as a real estate professional during the next two years: 92 percent of those in the \$150,000 or more income bracket said they were very certain to remain active in the business compared to only 60 percent in the less than \$10,000 income group. Also, REALTORS® who make more money are more likely to have a designation, a certification, and a website.

Because the real estate business is largely based on commissions, higher income levels also correlate with a higher number of real estate transactions. As REALTORS®' years of experience increase, they build a client base through referrals of past clients and repeat businesses. REALTORS® making \$150,000 or more had a median of 36 percent of repeat business from past clients and 24 percent of business through referrals from past clients, compared to two percent of repeat business from past clients and seven percent of business through referrals for those making less than \$10,000.

REALTORS®' level of education also factors in to reported income. While about 49 percent in the lowest income group have a bachelor's degree or higher, this number is 60 percent in the highest income group. Of those in the highest income group, 94 percent said that real estate was their only occupation, compared with 51 percent in the lowest income group. Median tenure in firm is also higher in the higher income group, with nine years compared to three in the lowest income group — another reflection of experience. The home ownership level in the highest income group was 95 percent compared to 86 percent in the lowest income group. Median firm size, median age, and voter participation varies somewhat across income categories.

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

	ALL REALTORS®		LICENSED AS	
	2012 Survey	2011 Survey	Broker/ Broker Associate	Sales Agent
Percentage commission split	69%	68%	57%	81%
100% commission	17	18	23	12
Commission plus share of profits	3	3	4	3
Salary plus share of profits/production bonus	3	3	5	1
Salary only	2	2	3	1
Share of profits only	1	1	2	*
Other	5	6	7	3
Median year-starting percentage commission split	70%	70%	70%	67%
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%	82%	72%	59%
100% commission	17	9	10	17	21
Commission plus share of profits	3	2	1	4	4
Salary plus share of profits/production bonus	3	1	1	2	5
Salary only	2	1	1	1	3
Share of profits only	*	*	*	*	2
Other	5	3	4	4	7
Median year-starting percentage commission split	70%	55%	64%	70%	70%
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%	78%	78%	74%	70%	68%	59%	54%	51%
100% commission	17	13	13	14	15	16	23	27	25
Commission plus share of profits	3	2	2	2	5	4	5	4	7
Salary plus share of profits/production bonus	3	1	1	2	2	4	5	7	6
Salary only	2	1	1	2	2	2	2	3	1
Share of profits only	1	1	1	1	1	1	1	*	3
Other	5	5	4	5	5	4	7	6	7
Median year-starting percentage commission split	70%	60%	65%	70%	70%	70%	72%	80%	80%
Median year-ending percentage commission split	70%	60%	65%	70%	70%	75%	80%	85%	90%

* Less than 1 percent

Exhibit 3-4

TOTAL REAL ESTATE BUSINESS EXPENSES, 2011

(Percentage Distribution)

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2011	In 2010	Broker/Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	2%	3%	3%	5%	17%	6%	3%	18%	4%	4%
Less than \$500	5	6	4	6	4	4	4	12	7	5
\$500 to \$999	8	9	7	9	7	5	7	8	8	8
\$1,000 to \$2,499	19	20	15	22	16	12	19	16	20	21
\$2,500 to \$4,999	20	19	18	22	7	17	19	10	19	23
\$5,000 to \$9,999	15	15	16	15	5	15	15	18	13	16
\$10,000 to \$19,999	12	13	13	10	9	15	13	9	15	11
\$20,000 to \$29,999	7	7	9	6	4	8	7	5	6	6
\$30,000 to \$49,999	5	5	8	3	4	8	7	3	6	4
\$50,000 to \$99,999	3	3	5	1	9	5	3	*	*	2
\$100,000 or more	1	2	2	1	19	3	1	*	3	1
Median	\$4,520	\$4,270	\$5,580	\$3,460	\$5,200	\$7,010	\$4,720	\$2,150	\$3,970	\$3,840

* Less than 1 percent

Exhibit 3-5**TOTAL REAL ESTATE EXPENSES, BY GROSS PERSONAL INCOME, 2011***(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%	7%	5%	7%	5%	5%	4%	5%	4%
Less than \$500	5	12	6	5	1	2	3	3	*
\$500 to \$999	8	13	11	9	7	4	3	2	1
\$1,000 to \$2,499	19	33	24	21	16	12	10	10	4
\$2,500 to \$4,999	20	23	26	28	23	21	16	8	8
\$5,000 to \$9,999	15	8	18	18	21	20	19	13	8
\$10,000 to \$19,999	12	2	8	9	18	20	21	16	13
\$20,000 to \$29,999	7	1	1	3	5	11	14	18	13
\$30,000 to \$49,999	5	*	1	1	4	4	10	15	17
\$50,000 to \$99,999	3	*	*	1	1	2	2	7	18
\$100,000 or more	1	*	*	*	*	1	*	3	12
Median	\$4,520	\$1,810	\$2,880	\$3,320	\$4,800	\$6,620	\$9,160	\$15,220	\$28,530

* Less than 1 percent

Exhibit 3-6**ADMINISTRATIVE EXPENSES, 2011***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2011	In 2010	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	14%	17%	17%	16%	43%	17%	12%	48%	19%	14%
Less than \$500	34	25	21	30	9	17	24	21	25	29
\$500 to \$999	18	16	16	18	1	14	20	2	14	18
\$1,000 to \$1,499	11	13	12	14	7	13	13	4	14	14
\$1,500 to \$2,499	9	10	12	10	4	13	11	2	10	11
\$2,500 to \$4,999	7	9	9	6	8	10	9	10	8	6
\$5,000 to \$9,999	4	4	5	3	8	7	4	4	5	3
\$10,000 to \$14,999	2	2	4	2	*	4	3	4	5	2
\$15,000 or more	2	4	5	2	11	6	5	3	3	2
Median	\$560	\$720	\$890	\$610	\$400	\$1,120	\$850	\$40	\$740	\$680

* Less than 1 percent

Exhibit 3-7

AFFINITY/REFERRAL RELATIONSHIP EXPENSES, 2011

(Percentage Distribution)

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2011	In 2010	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	58%	61%	54%	59%	74%	53%	51%	77%	56%	57%
Less than \$500	16	15	16	16	5	19	17	3	23	16
\$500 to \$999	7	7	7	7	4	6	8	5	6	7
\$1,000 to \$1,499	6	5	7	5	5	7	7	4	5	5
\$1,500 to \$2,499	5	4	6	4	1	7	7	*	3	4
\$2,500 to \$4,999	4	4	5	4	6	4	4	*	4	5
\$5,000 to \$9,999	3	3	3	3	4	3	3	7	2	3
\$10,000 to \$14,999	1	1	1	1	*	*	2	*	2	1
\$15,000 or more	1	1	2	1	2	1	1	5	*	2
Median	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

* Less than 1 percent

Exhibit 3-8

MARKETING OF SERVICES EXPENSES, 2011

(Percentage Distribution)

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2011	In 2010	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	18%	18%	19%	17%	52%	18%	14%	67%	19%	15%
Less than \$500	31	31	26	36	13	23	27	10	30	36
\$500 to \$999	18	17	17	19	4	19	18	10	16	19
\$1,000 to \$1,499	11	11	12	10	7	12	15	4	11	10
\$1,500 to \$2,499	8	9	10	8	2	10	10	6	10	8
\$2,500 to \$4,999	7	7	8	5	4	9	7	3	7	6
\$5,000 to \$9,999	4	4	5	3	9	5	4	*	5	3
\$10,000 to \$14,999	2	2	2	1	4	2	3	*	1	2
\$15,000 or more	2	2	2	2	5	3	2	*	1	2
Median	\$510	\$550	\$670	\$470	\$0	\$750	\$730	\$0	\$530	\$500
Median percent spent on online marketing and promotion	10%	10%	10%	10%	5%	10%	10%	5%	10%	10%

* Less than 1 percent

Exhibit 3-9**OFFICE LEASE/BUILDING EXPENSES, 2011***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2011	In 2010	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	72%	72%	67%	77%	71%	52%	74%	84%	78%	76%
Less than \$500	7	7	6	8	1	7	4	6	5	8
\$500 to \$999	4	4	4	4	3	5	4	2	2	5
\$1,000 to \$1,499	4	4	4	4	*	4	4	*	2	4
\$1,500 to \$2,499	2	3	3	1	3	4	2	4	2	2
\$2,500 to \$4,999	3	3	5	2	2	8	3	*	*	2
\$5,000 to \$9,999	3	3	4	1	4	8	2	*	2	2
\$10,000 to \$14,999	2	2	4	1	2	7	2	*	4	1
\$15,000 or more	2	3	4	1	15	5	3	4	5	1
Median	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

* Less than 1 percent

Exhibit 3-10**PROFESSIONAL DEVELOPMENT EXPENSES, 2011***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2011	In 2010	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	9%	10%	11%	7%	29%	15%	5%	24%	10%	7%
Less than \$500	36	35	33	38	22	29	37	19	37	38
\$500 to \$999	26	27	25	27	16	25	26	28	21	27
\$1,000 to \$1,499	15	15	15	15	10	15	17	9	12	15
\$1,500 to \$2,499	9	9	8	9	7	8	9	11	13	8
\$2,500 to \$4,999	4	4	6	3	11	6	4	4	4	4
\$5,000 to \$9,999	1	1	1	1	2	1	2	*	2	1
\$10,000 to \$14,999	*	1	*	*	*	1	*	4	*	*
\$15,000 or more	*	*	*	*	4	*	*	*	1	*
Median	\$600	\$600	\$610	\$590	\$490	\$630	\$660	\$620	\$580	\$600

* Less than 1 percent

Exhibit 3-11 BUSINESS PROMOTION EXPENSES, 2011

(Percentage Distribution)

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2011	In 2010	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	14%	15%	16%	12%	54%	18%	9%	54%	13%	10%
Less than \$500	34	33	29	38	6	27	30	17	38	37
\$500 to \$999	18	18	17	18	3	16	21	17	15	19
\$1,000 to \$1,499	11	11	11	11	10	12	12	4	8	12
\$1,500 to \$2,499	9	9	9	9	4	10	9	4	10	9
\$2,500 to \$4,999	7	8	9	5	6	9	9	3	7	6
\$5,000 to \$9,999	4	4	4	4	3	5	5	*	7	4
\$10,000 to \$14,999	2	2	2	1	3	2	3	1	2	1
\$15,000 or more	2	2	3	1	11	3	2	*	1	2
Median	\$560	\$580	\$650	\$500	\$0	\$670	\$760	\$0	\$490	\$560
Median percent spent on online marketing and promotion	10%	10%	10%	10%	5%	10%	10%	5%	10%	10%

* Less than 1 percent

Exhibit 3-12 TECHNOLOGY PRODUCTS AND SERVICES EXPENSES, 2011

(Percentage Distribution)

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2011	In 2010	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	14%	16%	14%	15%	32%	14%	11%	39%	15%	13%
Less than \$500	30	29	26	34	24	21	31	15	26	33
\$500 to \$999	22	22	22	21	14	21	23	18	22	22
\$1,000 to \$1,499	16	14	16	15	8	18	15	7	15	16
\$1,500 to \$2,499	10	11	12	9	2	13	12	13	9	9
\$2,500 to \$4,999	5	6	7	4	10	9	4	3	9	5
\$5,000 to \$9,999	2	2	3	2	3	3	3	5	2	2
\$10,000 to \$14,999	*	1	*	*	*	*	1	*	1	*
\$15,000 or more	1	1	1	*	7	1	1	*	2	*
Median	\$630	\$630	\$750	\$530	\$360	\$860	\$680	\$350	\$710	\$590

* Less than 1 percent

Exhibit 3-13**BUSINESS USE OF VEHICLE EXPENSES, 2011***(Percentage Distribution)*

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM					
	In 2011	In 2010	Broker/ Broker Associate	Sales Agent	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent
None	8%	8%	10%	6%	33%	12%	4%	45%	6%	6%
Less than \$500	12	12	9	14	7	9	9	12	11	13
\$500 to \$999	13	15	11	14	2	8	13	5	8	15
\$1,000 to \$1,499	14	13	11	16	10	10	15	9	14	15
\$1,500 to \$2,499	15	15	15	15	11	14	16	14	16	16
\$2,500 to \$4,999	18	17	20	17	17	18	20	2	18	19
\$5,000 to \$9,999	13	13	15	12	11	16	15	4	21	12
\$10,000 to \$14,999	4	5	6	3	*	8	5	7	3	3
\$15,000 or more	3	3	4	3	9	5	3	2	3	3
Median	\$1,770	\$1,680	\$2,110	\$1,490	\$1,360	\$2,290	\$2,030	\$220	\$2,190	\$1,630

* Less than 1 percent

Exhibit 3-14**ANNUAL INCOME OF REALTORS®, 2011***(Percentage Distribution)*

Gross Income: Before taxes and expenses	ALL REALTORS®		LICENSED AS	
	In 2011	In 2010	Broker/ Broker Associate	Sales Agent
Less than \$10,000	21%	22%	14%	28%
\$10,000 to \$24,999	18	18	16	20
\$25,000 to \$34,999	11	11	11	10
\$35,000 to \$49,999	11	12	10	11
\$50,000 to \$74,999	13	13	14	12
\$75,000 to \$99,999	9	9	11	7
\$100,000 to \$149,999	9	8	12	7
\$150,000 to \$199,999	4	4	5	3
\$200,000 to \$249,999	1	2	2	1
\$250,000 or more	3	3	4	2
Median	\$34,900	\$34,100	\$48,400	\$27,200
Net Income: After taxes and expenses				
Less than \$10,000	32%	30%	24%	39%
\$10,000 to \$24,999	21	21	20	21
\$25,000 to \$34,999	11	12	11	10
\$35,000 to \$49,999	13	12	13	12
\$50,000 to \$74,999	10	11	13	8
\$75,000 to \$99,999	6	7	8	4
\$100,000 to \$149,999	5	4	6	4
\$150,000 to \$199,999	2	2	2	1
\$200,000 to \$249,999	1	1	1	0
\$250,000 or more	1	1	2	1
Median	\$23,200	\$24,600	\$30,800	\$17,900

Exhibit 3-15

ANNUAL INCOME OF REALTORS®, BY MAIN FUNCTION, 2011

(Percentage Distribution)

MAIN FUNCTION IN FIRM

Gross Income: Before taxes and expenses	ALL REALTORS®	Broker-Owner (without selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
Less than \$10,000	21%	29%	13%	18%	5%	6%	26%	3%
\$10,000 to \$24,999	18	10	14	19	10	12	20	7
\$25,000 to \$34,999	11	4	9	13	2	11	11	11
\$35,000 to \$49,999	11	4	11	9	7	9	11	17
\$50,000 to \$74,999	13	5	13	12	17	24	12	22
\$75,000 to \$99,999	9	4	12	9	19	16	8	17
\$100,000 to \$149,999	9	20	14	11	18	12	7	13
\$150,000 to \$199,999	4	9	6	5	8	6	3	6
\$200,000 to \$249,999	1	3	2	2	7	1	1	2
\$250,000 or more	3	13	5	2	7	3	2	2
Median	\$34,900	\$66,100	\$55,900	\$34,800	\$86,600	\$62,400	\$28,700	\$64,100
Net Income: After taxes and expenses								
Less than \$10,000	32%	29%	23%	29%	10%	13%	37%	13%
\$10,000 to \$24,999	21	10	19	22	4	15	22	15
\$25,000 to \$34,999	11	8	11	8	6	13	11	19
\$35,000 to \$49,999	13	5	12	14	16	18	12	14
\$50,000 to \$74,999	10	6	15	11	15	21	8	23
\$75,000 to \$99,999	6	9	9	8	18	10	4	7
\$100,000 to \$149,999	5	15	8	5	17	5	4	5
\$150,000 to \$199,999	2	7	2	2	5	3	1	2
\$200,000 to \$249,999	1	3	1	*	5	1	1	1
\$250,000 or more	1	8	2	1	4	1	1	1
Median	\$23,200	\$45,800	\$33,100	\$24,300	\$71,900	\$42,300	\$18,600	\$37,700

* Less than 1 percent

Exhibit 3-16**ANNUAL INCOME OF REALTORS®, BY EXPERIENCE, 2011***(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%	57%	28%	18%	14%
\$10,000 to \$24,999	18	22	26	18	15
\$25,000 to \$34,999	11	7	15	11	10
\$35,000 to \$49,999	11	6	10	12	11
\$50,000 to \$74,999	13	4	8	15	14
\$75,000 to \$99,999	9	2	6	10	11
\$100,000 to \$149,999	9	1	5	9	13
\$150,000 to \$199,999	4	*	2	4	5
\$200,000 to \$249,999	1	*	1	1	2
\$250,000 or more	3	*	1	2	5
Median	\$34,900	\$8,700	\$22,600	\$39,500	\$50,200
Net Income: After taxes and expenses					
Less than \$10,000	32%	69%	39%	29%	23%
\$10,000 to \$24,999	21	17	29	21	19
\$25,000 to \$34,999	11	6	10	11	12
\$35,000 to \$49,999	13	6	8	15	13
\$50,000 to \$74,999	10	2	8	11	13
\$75,000 to \$99,999	6	*	3	6	7
\$100,000 to \$149,999	5	*	2	4	7
\$150,000 to \$199,999	2	*	*	2	2
\$200,000 to \$249,999	1	*	*	*	1
\$250,000 or more	1	*	*	1	2
Median	\$23,200	\$7,200	\$15,500	\$25,200	\$32,300

* Less than 1 percent

Exhibit 3-17

ANNUAL INCOME OF REALTORS®, BY HOURS WORKED, 2011

(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%	58%	31%	10%	6%
\$10,000 to \$24,999	18	23	28	13	9
\$25,000 to \$34,999	11	6	14	11	7
\$35,000 to \$49,999	11	6	10	13	10
\$50,000 to \$74,999	13	3	8	18	15
\$75,000 to \$99,999	9	2	5	12	15
\$100,000 to \$149,999	9	2	3	12	20
\$150,000 to \$199,999	4	1	1	5	8
\$200,000 to \$249,999	1	*	*	2	2
\$250,000 or more	3	*	1	3	9
Median	\$34,900	\$8,600	\$20,100	\$54,900	\$80,900
Net Income: After taxes and expenses					
Less than \$10,000	32%	70%	46%	18%	13%
\$10,000 to \$24,999	21	19	27	19	13
\$25,000 to \$34,999	11	4	11	13	11
\$35,000 to \$49,999	13	4	7	17	18
\$50,000 to \$74,999	10	2	5	13	19
\$75,000 to \$99,999	6	1	2	8	11
\$100,000 to \$149,999	5	1	1	7	8
\$150,000 to \$199,999	2	*	*	3	3
\$200,000 to \$249,999	1	*	*	1	2
\$250,000 or more	1	*	*	1	3
Median	\$23,200	\$7,200	\$12,500	\$34,600	\$46,200

* 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%	18%	21%	22%	9%	8%
REAL ESTATE EXPERIENCE							
2 years or less	9%	26%	12%	6%	3%	1%	1%
3 to 5 years	12	16	17	14	7	7	4
6 to 15 years	40	35	40	43	47	41	37
16 years or more	39	24	32	38	43	51	59
Have a Website	62%	45%	52%	66%	71%	77%	80%
Have a designation	34%	19%	31%	33%	40%	49%	43%
Have a certification	45%	34%	43%	50%	52%	53%	51%
WILL REMAIN ACTIVE AS A REAL ESTATE PROFESSIONAL DURING THE NEXT TWO YEARS							
Very certain	76%	60%	69%	77%	84%	90%	92%
Somewhat certain	17	25	22	16	12	8	5
Not certain	8	15	9	7	4	2	3
BUSINESS ACTIVITY							
Brokerage: Median number of transactions	10	2	6	10	15	21	30
Brokerage: Median sales volume (millions)	\$1.3	\$0.2	\$0.6	\$1.3	\$2.6	\$4.3	\$8.2
Median hours worked per week	40	20	30	40	45	50	50
Percent of repeat business from past consumers and clients (median)	19%	2%	15%	19%	23%	29%	36%
Percent of business through referrals from past consumers and clients (median)	20%	7%	19%	22%	23%	25%	24%
AFFILIATION WITH FIRM							
Independent Contractor	81%	88%	88%	82%	78%	73%	75%
Employee	6	3	3	6	7	10	6
Other	13	9	9	12	15	17	19
Median size of firm, by number of brokers and agents	20	20	20	20	20	50	40
Tenure at firm (median years)	6	3	5	6	7	7	9
DEMOGRAPHICS							
Age							
39 or younger	11%	15%	10%	13%	10%	10%	8%
40 to 59	51	48	48	49	55	51	57
60 or older	38	37	42	39	35	39	35
Median age	56	55	56	56	55	56	56
Education: Bachelor's degree or higher	49%	49%	44%	45%	49%	53%	60%
Real estate is only occupation	76%	51%	66%	82%	89%	90%	94%
Gross household income (median)	\$94,100	\$68,900	\$70,100	\$75,000	\$100,400	\$151,700	\$234,200
Real estate is primary source of income for household	43%	11%	22%	44%	63%	72%	87%
Homeownership rate	89%	86%	89%	88%	91%	89%	95%
Voted in the last national election	93%	88%	93%	93%	95%	94%	96%

Chapter 4:

Office and Firm Affiliation of REALTORS®

Despite the unsettled nature of the housing markets in the past few years, REALTOR® office and firm affiliation remained largely unchanged. Most REALTORS® are independent contractors typically 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 2011 the median firm size, in terms of the number of sales agents and brokers, decreased slightly to 23, down from 24 in 2010. One-office firms were predominant among respondents. The typical REALTOR® had been with their current firm for six years, a figure that has not changed in the previous few years. While mergers and consolidations continued to affect about one in 10 REALTORS®, most were unaffected in their compensation.

Brokers typically have an ownership stake in their firms. While just under half of brokers had sole ownership of their firm in the 2011 survey, in the 2012 survey 39 percent of brokers reported sole ownership of their firm.

Because most members are independent contractors, firm benefits are not common; only one-quarter of REALTORS® reported receiving any benefits. Among those receiving benefits, liability insurance was the most commonly received.

FIRM AFFILIATION

▪ Exhibits 4-1 thru 4-4

More REALTORS® report that they work with an independent company than any other type of company (59 percent). Brokers and broker associates (64 percent) are more often affiliated with an independent company than sales agents (54 percent). In the 2012 survey, less REALTORS® reported an affiliation with a franchised company (38 percent) than with an independent company (59 percent). By function in the firm, broker-owners and appraisers most often reported an affiliation with independent companies.

Among the primary specialties, those in appraisal (85 percent), residential property management (88 percent), and commercial property management (100 percent) were most likely to be affiliated with an independent company.

Based on firm size, smaller firms are more often independent companies, while larger firms are more likely to be franchised. As in previous years, four-fifths of REALTORS® (81 percent) are independent contractors of their firms.

FIRM CHARACTERISTICS

▪ Exhibits 4-5 thru 4-8

The typical REALTOR® works at a firm that employs 23 agents and brokers. Brokers and broker associates typically work at smaller firms with a median of 15 total agents and brokers; comparatively sales agents typically work at larger firms with a median of 35 agents and brokers. One in 10 respondents worked in a firm with more than a thousand agents and brokers.

The number of offices in firms that REALTORS® are affiliated with is little changed from last year. Most REALTORS® are affiliated with firms that have a single office. About one-quarter of REALTORS® (24 percent) work at a firm with two to four offices. Sales agents, associate brokers, and managers typically work in firms with two or more offices, while the median number of offices for broker-owners and appraisers is one office.

Because the typical REALTOR® works at a single-office firm, the typical office of 25 agents is very close in size to the typical firm. Managers who do not sell usually work in an office that is half the size of the firm, measured by the number of brokers or agents working there.

The median tenure for REALTORS® with their current firm jumped to six years, from five years. By function within the firm, sales agents have the least tenure at their current firm while broker-owners who do not sell and appraisers tend to have the longest tenure.

BROKERS OWNERSHIP INTEREST

■ **Exhibit 4-9**

Fifty-five percent of brokers had some ownership interest in their firm, and 39 percent reported having sole ownership of their firm. Fifty percent of those affiliated with independent companies reported being the sole owner, compared to just eight percent at franchised companies. Twenty-eight percent of members who reported working at an independent company have no ownership interest compared to 72 percent at a franchised firm.

BENEFITS

■ **Exhibits 4-10 thru 4-11**

Almost three-quarters of REALTORS® received no benefits from their firm. Independent contractors, the most common arrangement among REALTORS®, are less likely than employees to receive benefits. Among all REALTORS® errors and omissions insurance was the most common benefit received; just over one-fifth reported this benefit. Six of 10 members who were employees received benefits and were nearly equally likely to report errors and omissions insurance as health insurance and paid vacation or sick days.

MERGERS

■ **Exhibits 4-12 thru 4-14**

REALTOR® experience with mergers was similar to what was reported in the last few years. Eleven percent of REALTORS® worked for a firm that was either bought or merged in the past two years. Most who changed firms after the merger did so voluntarily. While most REALTORS® who worked for a firm that was bought or merged were not affected in their compensation, firm changers were more likely than non-changers to see a change in compensation. Among all who had a change in compensation a slightly larger share saw a decrease than an increase, whether or not they changed firms.

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

Firm Description	ALL REALTORS®	LICENSED AS		MAIN FUNCTION IN FIRM							
	2012 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 company	59%	64%	54%	56%	88%	47%	53%	65%	52%	84%	69%
Franchised company	38	33	46	40	11	50	35	32	44	3	27
Other	4	3	4	4	1	3	12	3	4	13	4

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 company	59%	85%	56%	60%	88%	100%
Franchised company	38	4	41	38	12	*
Other	4	11	3	3	*	*

* 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 company	59%	93%	89%	66%	44%	46%
Franchised company	38	2	9	33	54	49
Other	4	5	2	1	3	5

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

Exhibit 4-4

REALTOR® AFFILIATION WITH FIRMS

(Percentage Distribution)

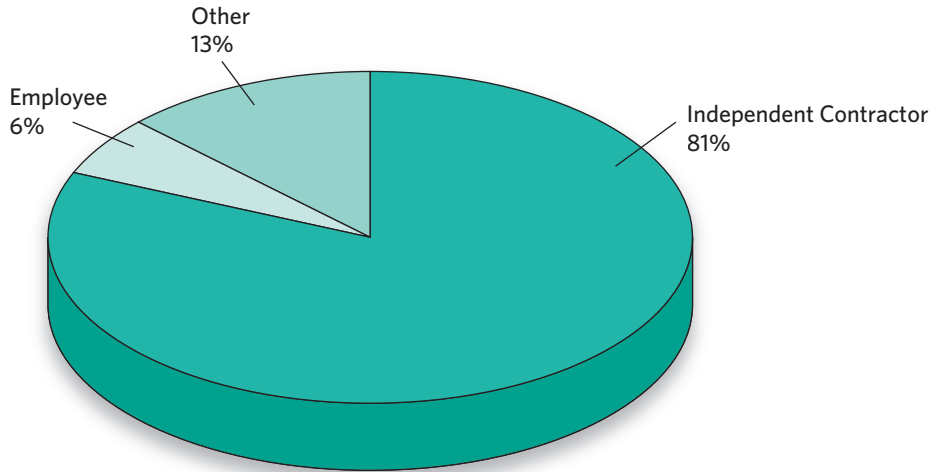


Exhibit 4-5

SIZE OF FIRM, BY NUMBER OF COMMERCIAL AND RESIDENTIAL BROKERS AND AGENTS

(Percentage Distribution)

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM						
	2012 Survey	2011 Survey	Broker/ Broker Associate	Sales Agent	Broker-Owner (no selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
One	6%	7%	9%	2%	2%	20%	1%	2%	3%	2%	13%
2 to 5	24	21	26	17	25	34	24	11	21	16	11
6 to 25	24	22	21	23	18	19	26	3	25	23	1
26 to 50	11	8	6	14	14	2	7	7	8	14	1
51 to 100	9	8	7	9	13	1	10	9	8	10	*
101 to 250	9	8	6	10	4	1	9	23	16	10	*
251 to 500	5	4	4	6	2	1	6	6	3	6	*
501 to 999	4	4	4	4	*	*	7	9	7	4	*
1,000 or more	9	8	6	10	*	1	7	21	7	11	*
None/ Not applicable	*	11	12	4	22	21	4	10	3	4	74
Median	23	29	15	35	19	4	24	188	27	40	2

* Less than 1 percent

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

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM						
	2012 Survey	2011 Survey	Broker/ Broker Associate	Sales Agent	Broker-Owner (no selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
1 office	52%	54%	61%	42%	74%	88%	45%	26%	36%	40%	90%
2 to 4 offices	24	22	19	30	21	9	25	27	31	30	7
5 to 9 offices	9	9	7	11	2	1	12	11	13	11	2
10 to 99 offices	13	12	11	16	*	1	17	24	17	17	1
100 or more offices	2	2	2	2	2	*	2	13	3	2	*
Median	1	1	1	3	1	1	2	4	3	3	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						
	2012 Survey	2011 Survey	Broker/ Broker Associate	Sales Agent	Broker-Owner (no selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
One	6%	6%	12%	2%	10%	24%	2%	*	4%	2%	15%
2 to 5	18	18	23	14	14	34	17	14	28	12	11
6 to 25	27	27	27	29	24	18	35	12	38	29	2
26 to 50	15	15	12	19	11	4	17	6	15	19	*
51 to 100	15	16	11	19	11	1	17	31	9	20	*
101 to 250	10	8	7	12	6	1	9	30	6	12	*
251 to 500	2	2	1	3	*	*	1	*	*	3	*
501 to 999	1	1	1	1	*	*	1	*	*	1	*
1,000 or more	1	1	*	1	*	*	*	*	*	1	*
None/Not applicable	6	6	8	2	24	18	*	7	*	2	72
Median	25	25	15	33	18	4	23	74	15	34	1

* Less than 1 percent

Exhibit 4-8 TENURE OF REALTORS® AT THEIR PRESENT FIRM

(Percentage Distribution)

	ALL REALTORS®		LICENSED AS		MAIN FUNCTION IN FIRM						
	2012 Survey	2011 Survey	Broker/Broker Associate	Sales Agent	Broker-Owner (no selling)	Broker-Owner (with selling)	Associate Broker	Manager (without selling)	Manager (with selling)	Sales Agent	Appraiser
1 year or less	14%	17%	10%	19%	13%	6%	14%	14%	7%	18%	2%
2 years	10	12	8	12	4	6	10	14	8	12	1
3 years	10	9	10	10	4	11	10	13	13	10	6
4 years	7	7	7	8	*	6	8	5	6	8	1
5 years	6	6	5	6	4	5	5	5	6	6	3
6 to 10 years	26	24	25	28	18	24	27	22	25	27	32
11 years or more	27	26	36	18	57	44	27	28	34	20	55
Median (years)	6	5	7	5	13	10	6	5	7	5	14

* Less than 1 percent

Exhibit 4-9 BROKER OWNERSHIP INTEREST, 2012

(Percentage Distribution)

	ALL BROKERS		FIRM AFFILIATION		
	2012 Survey	2011 Survey	Independent company	Franchised company	Other
Sole ownership	39%	56%	50%	8%	27%
Partner in a partnership	11	12	10	13	4
Stockholder and/or corporate office	9	8	10	6	7
No ownership interest	39	23	28	72	55
Other	2	1	2	1	8

Exhibit 4-10 BENEFITS RECEIVED THROUGH FIRM

(Percent of Respondents)

	ALL REALTORS®	AFFILIATION WITH FIRMS	
		Employees	Independent Contractors
Errors and omissions (liability insurance)	23%	46%	22%
Health insurance	6	45	2
Paid vacation/sick days	4	49	1
Pension/SEP/401(K)	3	28	1
Life insurance	3	26	1
Dental insurance	3	31	1
Disability insurance (long-term care)	2	22	1
Vision care	2	22	1
Other	2	3	2
None	72	24	76

Exhibit 4-11

BENEFITS RECEIVED THROUGH FIRM, BY FIRM TYPE

(Percent of Respondents)

	ALL REALTORS®	FIRM AFFILIATION		
		Independent company	Franchised company	Other
Errors and omissions (liability insurance)	23%	23%	24%	22%
Health insurance	6	6	3	14
Paid vacation/sick days	4	4	3	9
Pension/SEP/401(K)	3	3	2	11
Life insurance	3	3	1	11
Dental insurance	3	3	2	10
Disability insurance (long-term care)	2	2	1	12
Vision care	2	2	1	9
Other	2	2	2	1
None	72	71	72	72

Exhibit 4-12

WORKED FOR A FIRM THAT WAS BOUGHT OR MERGED

(Percentage Distribution)

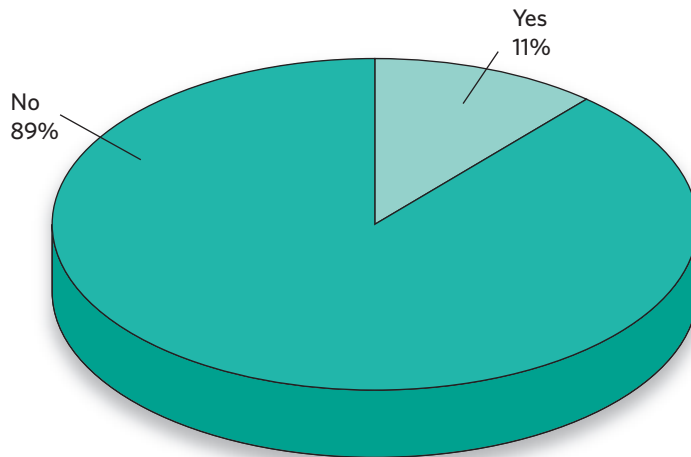


Exhibit 4-13

REALTORS® CHANGING FIRMS DUE TO CONSOLIDATION

(Percentage Distribution)

REALTOR® changed firms as a result of a merger:	2012 Survey	2011 Survey
Yes, voluntarily	27%	35%
Yes, involuntarily	6	6
No	67	59

Exhibit 4-14

CHANGE IN COMPENSATION RESULTING FROM MERGER

(Percentage Distribution)

	2012 SURVEY		2011 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	13%	22%	14%	22%
It stayed the same	13	25	70	53
It decreased	74	53	16	25

Chapter 5:

Demographic Characteristics of REALTORS®

The typical REALTOR® is a 56-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. Most often, their previous career was in management, business or finance (18 percent) or in the sales or retail sector (15 percent). REALTORS® often reflect the many age, ethnic, language, education and income characteristics represented in their local communities.

The median gross income of REALTOR® households was \$94,100 in 2011. This is up from \$91,700 in 2010. Household income of members directly correlates to the number of hours worked per week and whether real estate is their primary source of income. Eighty-nine percent of members own their primary residence, while some also owned vacation or commercial properties.

GENDER

- **Exhibits 5-1 thru 5-3**

Sixty percent of all REALTORS® are female, up from last year. However, among members who are over 60 years old, this percentage falls to 56 percent. Among broker licensees, 55 percent are female, compared with 66 percent of sales agent licensees. Among part-time sales agents, 68 percent are female, while 63 percent of full-time sales agents are female.

AGE

- **Exhibits 5-4 thru 5-6**

The median age of REALTORS® has stayed the same at 56 years. In past years, median age hovered around 52. Thirty-eight percent of REALTORS® are more than 60 years old, while only two percent are under 30 years old. Those who function as brokers without selling tend to be the oldest (a median age of 62).

EDUCATION

- **Exhibit 5-7**

Overall, the level of education among REALTORS® exceeds that of the general public. Nine in 10 members have some post-secondary education, with 29 percent having completed a bachelor's degree as their highest level of educational attainment. Eight 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 thru 5-9**

REALTORS® enter the profession with a variety of employment experiences. Most often, their previous career was in management, business or finance (18 percent) or in the sales or retail sector (15 percent). Only five percent reported that real estate was their first career.

REAL ESTATE AS ONLY OCCUPATION

- **Exhibit 5-10**

Real estate remains the only occupation for 76 percent of all REALTORS®. Members with more experience are most likely to indicate that real estate is their only current occupation. For REALTORS® with 16 or more years of experience, 84 percent indicated real estate was their only occupation, compared with 64 percent of REALTORS® with five or fewer years of experience.

MARITAL STATUS AND SIZE OF HOUSEHOLD

- **Exhibits 5-11 thru 5-12**

The marital status of REALTORS® has remained relatively unchanged from last year. Seventy-two percent of REALTORS® are married, with 15 percent being divorced, and seven percent being single and never married. The typical REALTOR® household has two people. Younger REALTORS® more often have larger households; the median household size for REALTORS® aged 49 or younger is three.

RACE AND ETHNICITY, LANGUAGES, AND COUNTRY OF BIRTH

▪ Exhibits 5-13 thru 5-14, and Exhibits 5-20 thru 5-21

Eighty-six percent of REALTORS® are white. Hispanics/Latinos account for six percent of REALTORS®, followed by Black/African Americans (four percent) and Asian/Pacific Islanders (three percent).

Eighty-five percent of REALTORS® report they are fluent only in English. REALTORS® under 40 years of age are most likely to be fluent in another language (24 percent). Among all REALTORS®, 11 percent were born outside the U.S.

HOUSEHOLD INCOME

▪ Exhibits 5-15 thru 5-16

The median gross income of REALTOR® households was \$94,100 in 2011. This is up from \$91,700 in 2010. As experience increases so does the typical REALTOR®'s gross household income. REALTORS® with 16 years or more of real estate experience had a median income of \$101,200 in 2011.

Household income of members directly correlates to the number of hours worked per week and whether real estate is their primary source of income. Of those who worked 40 hours or more per week, 61 percent said real estate was their primary source of household income, compared with 18 percent of those who typically worked less than 40 hours per week. 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 thru 5-18

A substantial majority of REALTORS® (89 percent) own their primary residence. The percentage of REALTORS® who own their home differs slightly by age. Members 39 years old and younger had a lower level of homeownership at 76 percent, compared with a homeownership rate of more than 94 percent for REALTORS® aged 60 or older.

In addition to their primary residences, REALTORS® often own other properties. Twelve percent reported that they owned one or more vacation homes, while 53 percent noted that they owned other residential properties for investment. Thirty-nine percent own at least one commercial property.

VOTING

▪ Exhibit 5-19

REALTORS® understand the importance of voting. Ninety-six percent are registered to vote and 93 percent voted in the last national election, while 82 percent voted in their local 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	40%	43%	36%	35%	44%
Female	60	57	64	65	56

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
All REALTORS®					
Male	40%	36%	37%	38%	42%
Female	60	64	63	62	58
Brokers/Broker Associates					
Male	45	36	41	44	46
Female	55	64	59	56	54
Sales Agents: Work 40+ hours					
Male	37	38	40	37	33
Female	63	62	60	63	67
Sales Agents: Work less than 40 hours					
Male	32	34	33	32	30
Female	68	66	67	68	70

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	40%	45%	34%	69%	53%	40%	40%	49%	35%	62%
Female	60	55	66	31	47	60	60	51	65	38

Exhibit 5-4 AGE OF REALTORS®, 1999-2012*(Percentage Distribution)*

	1999	2001	2003	2005	2007	2008	2009	2010	2011	2012
Under 30 years	4%	4%	5%	5%	5%	5%	4%	4%	3%	2%
30 to 34 years	5	6	6	6	6	6	4	5	4	4
35 to 39 years	9	9	9	8	8	8	7	6	5	5
40 to 44 years	12	12	13	12	12	10	9	8	9	9
45 to 49 years	15	14	12	13	14	13	12	12	11	11
50 to 54 years	17	18	16	16	16	15	16	15	15	15
55 to 59 years	15	16	15	16	16	16	15	16	16	16
60 to 64 years	11	10	12	12	13	14	15	16	16	16
65 years and over	13	12	12	13	12	14	17	17	22	22
Median age	52	52	51	52	51	52	54	54	56	56

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	2%	1%	3%	*	1%	2%	3%	4%	2%	1%
30 to 34 years	4	3	5	1	2	3	4	5	5	*
35 to 39 years	5	4	6	1	4	4	3	5	6	3
40 to 44 years	9	7	10	1	6	8	8	7	10	9
45 to 49 years	11	12	12	11	11	12	14	11	12	9
50 to 54 years	15	14	15	10	15	14	7	21	15	23
55 to 59 years	16	15	16	13	15	16	31	12	16	20
60 to 64 years	16	19	14	25	20	18	9	15	15	16
65 years and over	22	26	19	37	26	24	19	20	20	19
Median age	56	58	54	62	58	57	56	54	55	56

* Less than one 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	2%	11%	6%	1%	NA
30 to 34 years	4	10	9	5	NA
35 to 39 years	5	11	8	7	1
40 to 44 years	9	12	13	12	3
45 to 49 years	11	13	15	14	7
50 to 54 years	15	15	16	17	12
55 to 59 years	16	13	14	16	16
60 to 64 years	16	8	13	15	21
65 years and over	22	5	7	13	40
Median age	56	46	49	53	62

NA- Not Applicable

Exhibit 5-7 FORMAL EDUCATION OF REALTORS®

(Percentage Distribution)

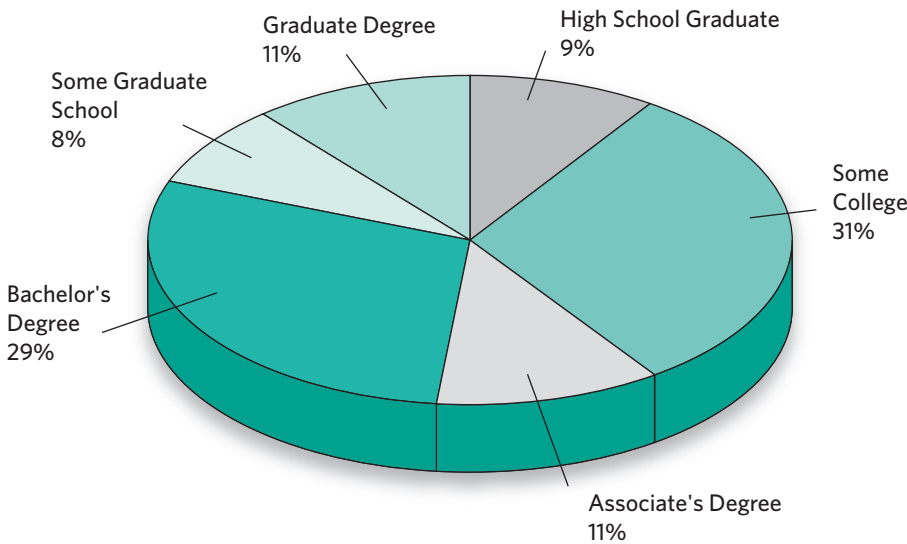


Exhibit 5-8

PRIOR FULL-TIME CAREERS OF REALTORS®

(Percentage Distribution)

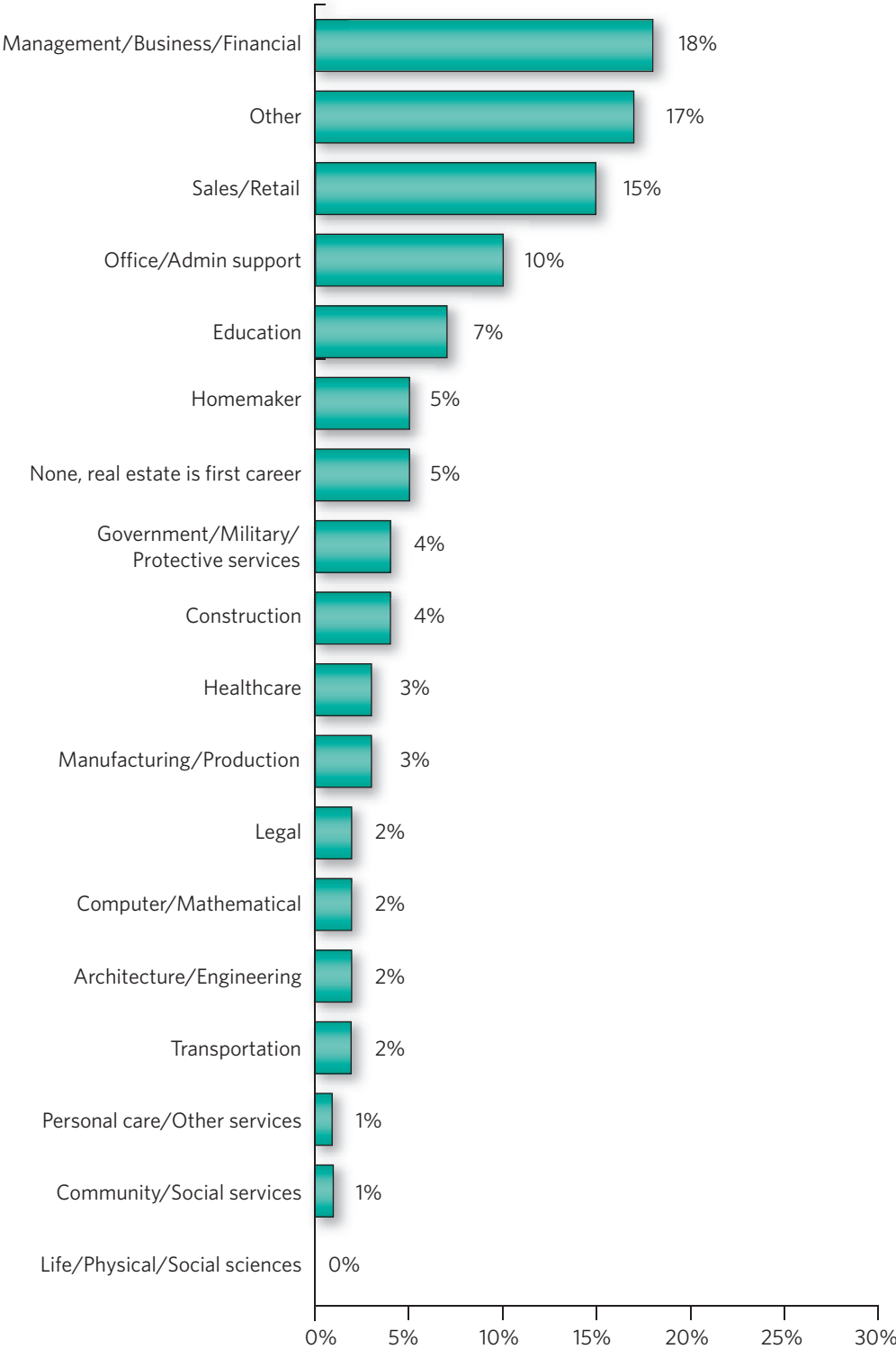


Exhibit 5-9

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	18%	20%	23%	21%	14%
Other	17	19	18	16	16
Sales/Retail	15	13	14	16	15
Office/Admin support	10	9	9	10	10
Education	7	5	7	6	8
Homemaker	5	7	4	4	7
None, real estate is first career	5	3	1	2	9
Government/Military/Protective services	4	6	4	4	4
Construction	4	4	4	3	4
Healthcare	3	3	4	4	3
Manufacturing/Production	3	2	2	3	3
Legal	2	3	2	3	2
Computer/Mathematical	2	3	2	3	1
Architecture/Engineering	2	2	2	2	2
Transportation	2	1	3	2	1
Personal care/Other services	1	*	1	1	1
Community/Social services	1	2	1	1	1
Life/Physical/Social sciences	*	*	*	*	*

* Less than one percent

Exhibit 5-10 REAL ESTATE IS ONLY OCCUPATION

(Percent "Yes")

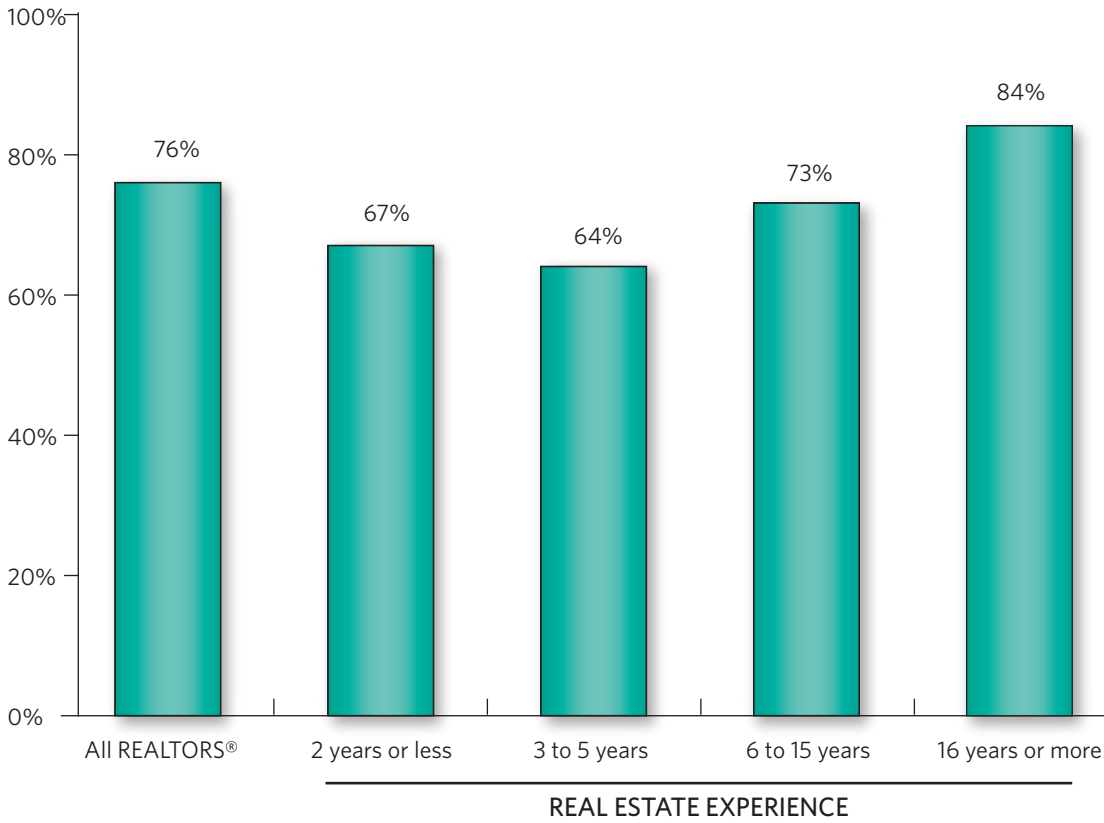


Exhibit 5-11 MARITAL STATUS OF REALTORS®

(Percentage Distribution)

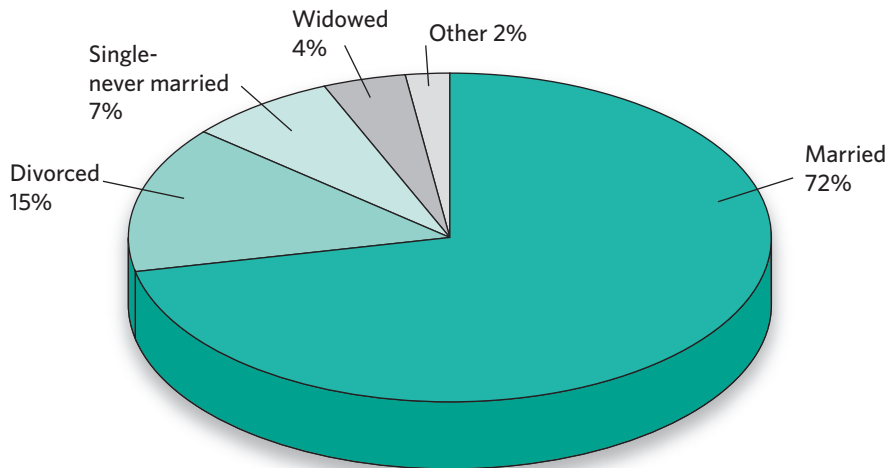


Exhibit 5-12 **SIZE OF REALTOR® HOUSEHOLDS**

(Percentage Distribution)

	All REALTORS®	AGE			
		39 or younger	40 to 49	50 to 59	60 or older
1 person	16%	12%	11%	14%	21%
2 persons	50	28	24	51	69
3 persons	13	16	20	17	6
4 persons	14	27	27	14	3
5 or more persons	8	17	17	6	1
Median	2	3	3	2	2

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

(Percentage of Respondents)

	All REALTORS®	REAL ESTATE EXPERIENCE			
		2 years or less	3 to 5 years	6 to 15 years	16 years or more
White	86%	78%	81%	85%	92%
Hispanic/Latino	6	11	10	7	3
Black/African American	4	5	4	5	2
Asian/Pacific Islander	3	5	6	3	2
American Indian/Eskimo/Aleut	1	1	1	1	*
Other	2	3	2	2	2

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

* Less than one 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	86%	77%	81%	88%	91%
Hispanic/Latino	6	12	10	5	3
Black/African American	4	5	5	4	2
Asian/Pacific Islander	3	6	4	3	2
American Indian/Eskimo/Aleut	1	1	1	1	1
Other	2	2	2	2	2

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

Exhibit 5-15**GROSS HOUSEHOLD INCOME OF REALTORS®, BY REAL ESTATE EXPERIENCE, 2011***(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%	1%	2%	6%	1%	1%	2%
\$10,000 to \$24,999	4	3	5	8	7	3	3
\$25,000 to \$34,999	5	5	6	7	6	5	5
\$35,000 to \$49,999	9	8	10	12	9	9	8
\$50,000 to \$74,999	17	16	18	17	17	18	15
\$75,000 to \$99,999	17	16	17	17	18	17	16
\$100,000 to \$149,999	22	22	21	19	20	23	22
\$150,000 to \$199,999	12	14	11	7	11	13	14
\$200,000 to \$249,999	6	6	5	3	5	6	6
\$250,000 or more	7	9	6	5	6	5	9
Median	\$94,100	\$101,100	\$89,700	\$76,300	\$88,700	\$95,000	\$101,200

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®	43%	50%	37%	24%	30%	42%	54%
Work less than 40 hours per week	18	22	16	10	14	16	26
Work 40 hours or more per week	61	65	55	41	45	59	70

Exhibit 5-17 HOMEOWNERSHIP OF REALTORS®, BY AGE

(Percent "Own Primary Residence")

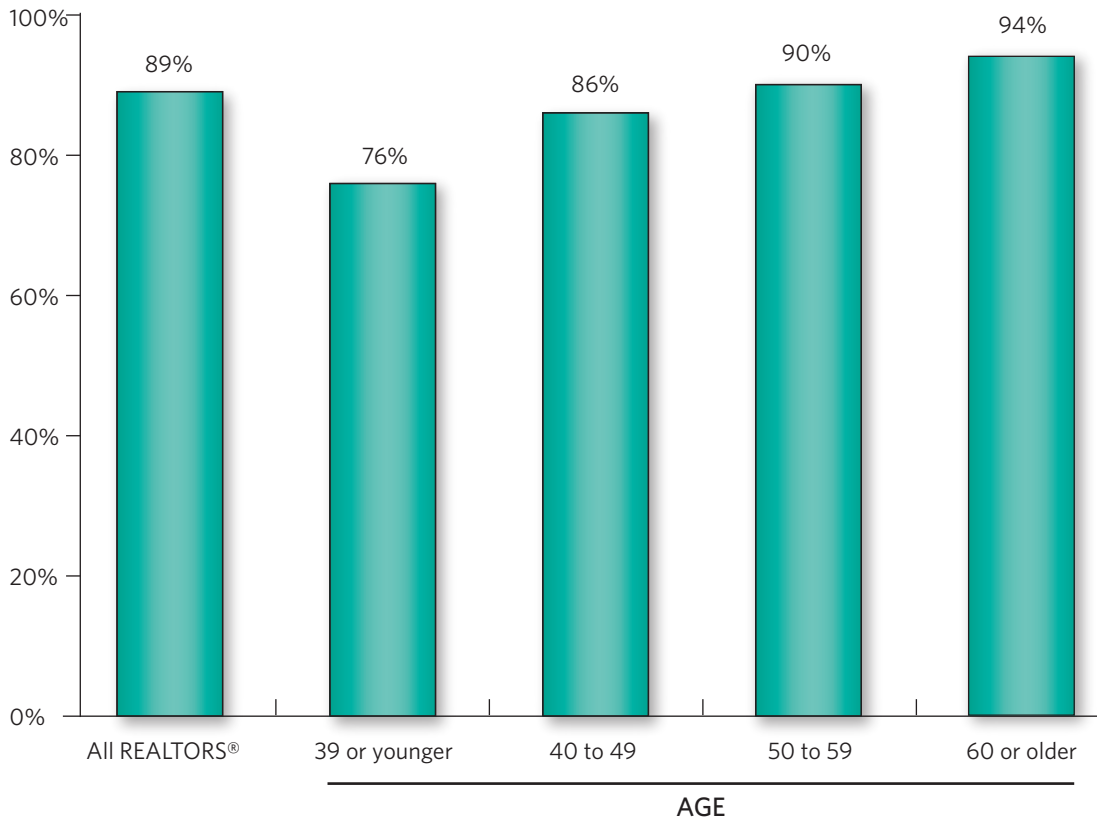


Exhibit 5-18 REAL ESTATE INVESTMENTS OF REALTORS®

(Percentage Distribution)

All REALTORS®	
Vacation Homes	
None	81%
One	12
Two	4
Three or more	3
"Residential Properties (except primary residence and vacation homes)"	
None	47%
One	20
Two	32
Three or more	1
Commercial Properties	
None	71%
One	15
Two	20
Three or more	4

* Less than one percent

Exhibit 5-19 VOTING PATTERN OF REALTORS®

(Percent "Yes")

Registered to vote	96%
Voted in last national election	93
Voted in last local election	82

Exhibit 5-20 LANGUAGE FLUENCY OF REALTORS®

(Percentage Distribution)

		AGE			
All REALTORS®		39 or younger	40 to 49	50 to 59	60 or older
Fluent only in English	85%	76%	81%	87%	87%
Fluent in other languages	16	24	19	14	13

Exhibit 5-21 COUNTRY OF BIRTH OF REALTORS®

(Percentage Distribution)

		AGE			
All REALTORS®		39 or younger	40 to 49	50 to 59	60 or older
U.S.	89%	86%	86%	90%	92%
Outside U.S.	11	15	14	10	8

Methodolgy

In January 2012, NAR mailed out a survey to a random sample of 58,823 REALTORS®. An identical questionnaire was also distributed via e-mail to the same members to fill out a Web-based online version if preferred. The Tailored Survey Design Method was used to survey the sample, which includes a mailing of the survey, and a re-mailing of the survey. Members also received an e-mail letting them know they would be receiving a survey, the survey link via e-mail, and two follow-up reminders. Using this method, a total of 6,245 responses were received, including 3,531 via hard copy mail survey and 2,714 via the Web-based survey. After accounting for undeliverable questionnaires, the survey had an adjusted response rate of 10.8 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 2011, while all other data are representative of member characteristics in early 2012.

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 is 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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