

INTRODUCTION

IN 2006, THERE WERE NEARLY 6.5 MILLION EXISTING-HOME SALES, MORE THAN ONE million new-home sales, and several billion dollars worth of commercial leasing and sales transactions. All told, the real estate industry accounts for about 20 percent of the nation's gross domestic product, making it one of the largest sectors of the economy.

The services provided by real estate professionals – from brokerage and property management to appraisal and relocation – are an essential part of most real estate transactions. More than 1.3 million of these real estate professionals – about half of all real estate licensees – are members of the NATIONAL ASSOCIATION OF REALTORS®. REALTORS® bring their knowledge, experience and expertise to each transaction, while abiding by a strict Code of Ethics.

To better understand today's REALTORS® and their important role in the real estate industry, NAR regularly surveys its members about their business activities, use of technology, demographic characteristics and their relationship to their firms. This information is summarized in the *2007 NATIONAL ASSOCIATION OF REALTORS® Member Profile*.

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HIGHLIGHTS

BUSINESS CHARACTERISTICS OF REALTORS®

- Three quarters of REALTORS® consider residential brokerage their primary specialty.
- The typical REALTOR® has been in the business for seven years.
- About one in five REALTORS® has at least one personal assistant.
- Six in 10 REALTORS® have a Web site for business purposes; about one-third of them have had a Web site for at least five years.

BUSINESS ACTIVITY OF REALTORS®

- Although the typical brokerage specialist completed 10 transaction sides in 2006, the number of transactions is highly correlated with years of experience.
- Sixty percent of REALTORS® typically work at least 40 hours per week.
- REALTORS® report that one-quarter of their business is based on referrals from past customers.
- The typical REALTOR® received four inquires from their Web site accounting for about 3 percent of their business.

INCOME AND EXPENSES OF REALTORS®

- Seventy percent of REALTORS® have a split commission compensation arrangement.
- The typical REALTOR® reported total business expenses of over \$7,000 with considerable variation across different functions and business specialties.
- The median gross income of REALTORS® with at least 16 years experience is about five times greater than the median income of those with two or fewer years of experience.

OFFICE AND FIRM AFFILIATION OF REALTORS®

- Half of REALTORS® are affiliated with an independent, non-franchised firm.
- Eight of 10 REALTORS® are affiliated with their firm as independent contractors.
- The typical REALTOR® has been at the same firm for four years.
- Less than 10 percent report that their firm was bought by or merged with another firm since 2005.

DEMOGRAPHIC CHARACTERISTICS OF REALTORS®

- The median age of REALTORS® is 51.
 - Over one-third of REALTORS® report that they had a prior career in management, business, finance or sales.
 - Nine in 10 REALTORS® own their home.
 - Ninety-five percent of REALTORS® are registered to vote.
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