

THE 2003 NATIONAL ASSOCIATION OF REALTORS® MEMBER PROFILE



NATIONAL ASSOCIATION OF REALTORS®

The Voice For Real Estate®

PREFACE

THE NATIONAL ASSOCIATION OF REALTORS® INCLUDES REAL ESTATE PROFESSIONALS ENGAGED in nearly every aspect of the real estate industry. Whether as brokers, sales agents, property managers, appraisers or counselors, REALTORS® not only work with America's consumers and property owners, but also subscribe to a strict Code of Ethics and Standards of Practice.

To better understand today's REALTORS®, NAR regularly surveys Association members. This comprehensive survey includes questions about the demographic and business characteristics of REALTORS®. How old are they? How many years have they been active in real estate? How frequently do they use different types of technology? How much do they earn? How many hours per week do they work?

Results of this survey describe the typical REALTOR®. This report enables the leadership of NAR, and state and local REALTOR® association executives, to plan for the future and provide products and services that meet the needs of members. Association members can use this report to determine how they compare to the typical REALTOR® while owners and managers of firms can evaluate how their agents rate.

The *2003 NATIONAL ASSOCIATION OF REALTORS® Member Profile* presents the most current information about members of the NATIONAL ASSOCIATION OF REALTORS®.

NOTES TO THE 2003 NAR MEMBER PROFILE

In July 2003, NAR mailed a 69-question survey to a random sample of 80,000 members and sent an identical e-mail survey to a non-overlapping random selection of 24,303 members. A total of 6,734 usable responses were returned, representing a 6.6 percent response rate. Survey responses were weighted to be representative of state level membership. Information about compensation arrangements and earnings is characteristic of 2002, while all other data are representative of member characteristics in 2003.

This report consists of four chapters:

Chapter 1: Demographic Characteristics of REALTORS®

Chapter 2: Business Characteristics of REALTORS®

Chapter 3: Office and Firm Affiliation of REALTORS®

Chapter 4: Use of Technology

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The NATIONAL ASSOCIATION OF
REALTORS® Research Division

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® characteristics are presented by highest license held. For purposes of this report, all members who hold either a broker license or a broker associate license are referred to as “brokers.”

The primary measure of central tendency used throughout the report is the median. The median is estimated by arranging the data in ascending or descending order and then selecting the observation in the middle of the range, that is, the 50th percentile. Because the median is not sensitive to extreme values, it is often a preferred measure of central tendency.

HIGHLIGHTS

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ODAY'S REALTOR® SERVES AN INCREASINGLY DIVERSE REAL ESTATE MARKET. THE MORE THAN

950,000 members of the NATIONAL ASSOCIATION OF REALTORS® serve clients with needs as diverse as property management, residential brokerage and property appraisal. The dynamic needs of the marketplace also influence the real estate professional's business activity, their use of technology, and how they choose to interact with their firm or office.

The 2003 NATIONAL ASSOCIATION OF REALTORS® Member Profile provides a snapshot of demographic and business characteristics of the typical REALTOR®. This snapshot, when placed in the context of previous snapshots, describes not only today's REALTOR®, but also demonstrates how the business and demographic characteristics of real estate professionals have changed. Perhaps even more importantly, these changes may foreshadow developments that will unfold during the next several years.

THE TYPICAL REALTOR®:

- is 51 years old
- is female
- is married
- has pursued higher education
- owns a home
- is affiliated with an independently owned, non-franchised firm
- works 40 hours per week
- completes 13 transaction sides per year
- does not hold an ownership interest in her firm
- has a gross personal income of \$52,200 from her work as a REALTOR®
- communicates with her clients by e-mail on a regular basis

BROKERS VERSUS SALES AGENTS:

- The median age of brokers is 52 years; the typical sales agent is 49.
- In 2002, the median gross personal income of brokers was \$65,300; the gross personal income of sales agents was \$39,300.
- Brokers typically work three hours more per week than sales agents.
- Twelve percent of brokers are affiliated with their firm as employees rather than as independent contractors; in comparison, six percent of sales agents are employees.
- Brokers typically have been with their firms for five years—two more years than the typical sales agent.

PROFESSIONAL CHARACTERISTICS OF REALTORS®:

- Nearly nine-out-of-ten REALTORS® have attended college, with 26 percent completing a bachelor's degree.
- Residential brokerage is the primary business specialty of four-fifths of all REALTORS®.
- Seventy-three percent of all REALTORS® are compensated with a percentage commission split.
- More than one-quarter of all REALTORS® work as a member of a team; 21 percent use personal assistants.
- Fifteen percent of REALTORS® conduct some portion of their business in a language other than English.

TECHNOLOGY AND TODAY'S REALTOR®:

- Four-out-of-five REALTORS® frequently use e-mail for business purposes; another 13 percent use it occasionally.
- The typical REALTOR® conducts 35 percent of their communication with clients via e-mail.
- Eighty percent of REALTORS® use a digital camera for business either frequently or occasionally.
- Forty-six percent of REALTORS® indicate that they have a personal Web site for real estate purposes.
- The typical REALTOR® receives 13 inquiries per year through their Web site.
- Nine-out-of-ten REALTORS® frequently use Multiple Listing Service (MLS) software.

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To purchase a copy of the complete ***2003 NATIONAL ASSOCIATION OF REALTORS® Member Profile***, call NAR's Customer Service at 1-800-874-6500. Ask for item #186-12-03. Cost is \$35 for NAR Members; \$75 for nonmembers.

The NATIONAL ASSOCIATION OF REALTORS®, *The Voice for Real Estate*, is the nation's largest professional association, representing more than 950,000 members involved in all aspects of the real estate industry.

REALTOR®, REALTORS®, and REALTOR-ASSOCIATE® are registered membership marks that identify, and may be used only by, real estate professionals who are members of the NATIONAL ASSOCIATION OF REALTORS® and subscribe to its strict Code of Ethics.

For more information about the NATIONAL ASSOCIATION OF REALTORS® and its network of strategic partners visit <http://www.REALTOR.org>.

About NAR's Research Division

The Research Division of the NATIONAL ASSOCIATION OF REALTORS® produces the premier measurement of residential real estate activity – the existing home sales series – and analyzes how changes in the economy can impact the real estate business. It examines trends in real estate practices, and how NAR members are adapting technology in their business operations. NAR Research also looks at recent regulatory and legislative policy proposals and how those policies could affect REALTORS® and their clients, America's property owners.

To find out about other information and products from NAR's Research Division, visit our web site at <http://www.REALTOR.org/research>.

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