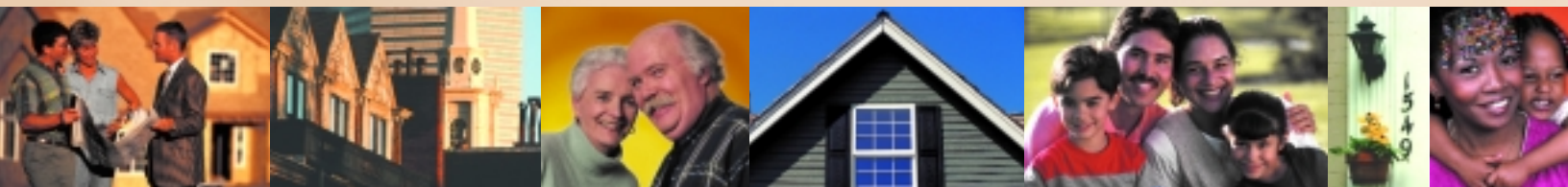


THE 2001 NATIONAL ASSOCIATION OF REALTORS® MEMBER PROFILE

Demographic, Economic, and
Professional Characteristics
of REALTORS®



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REALTOR®

NATIONAL ASSOCIATION
OF REALTORS®

The Voice For Real Estate®

The NATIONAL ASSOCIATION OF REALTORS®, “The Voice for Real Estate,” is the nation’s largest professional association, representing more than 760,000 members involved in all aspects of the real estate industry.

REALTOR®, REALTORS®, and REALTOR-ASSOCIATE® are registered collective 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.

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Prepared by:

Economic Research

THE NATIONAL ASSOCIATION OF REALTORS®

PREFACE

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HO IS THE NATIONAL ASSOCIATION OF REALTORS®? Of course, the Association is comprised of real estate professionals involved in all aspects of the real estate industry and who subscribe to its strict Code of Ethics. But who are its members? What kinds of business relationships do they have with their real estate firms? How old are they? How long have they been in the real estate business?

To better understand its membership, NAR regularly surveys Association members, asking those questions and others about basic demographic, economic and professional characteristics of REALTORS®. Results of these surveys enable the Association to construct a profile of the typical REALTOR®. *The NAR Member Profile* provides NAR Leadership and State and Local REALTOR® Association Executives with information they can use to plan for the future needs of members and develop and market products and services to meet those needs. Members can use the *Profile* to see how they compare to the typical REALTOR®, and firm owners/managers can see how their agents measure up.

The NAR Member Profile has been conducted regularly since 1964. This *2001 NATIONAL ASSOCIATION OF REALTORS® Member Profile* presents the most current information regarding the members of the NATIONAL ASSOCIATION OF REALTORS®.

This 2001 NATIONAL ASSOCIATION OF REALTORS® Member Profile presents the most current information regarding the members of the NATIONAL ASSOCIATION OF REALTORS®.

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In January 2001, the NATIONAL ASSOCIATION OF REALTORS® mailed its Member Profile survey questionnaire to 40,000 randomly selected members of the Association.

NOTES TO THE 2001 MEMBER PROFILE

In January 2001, the NATIONAL ASSOCIATION OF REALTORS® mailed its Member Profile survey questionnaire to 40,000 randomly selected members of the Association. Usable responses were weighted to be representative of all four regions (as defined by the Census Bureau) of the country. In order to gather the latest information on the level of income REALTORS® earn during a one-year period, survey respondents were asked to indicate their gross personal income and gross household income earned in 2000. Survey results on compensation structure also apply for 2000. All other information presented in this report is characteristic of 2001. *(For more details on the survey methodology, see the Appendix).*

This report consists of five chapters that focus on certain demographic, economic and professional characteristics of REALTORS®.

Chapter 1: Economic and Demographic Characteristics (age, gender, marital status, income, homeownership)

Chapter 2: Education (designations, special section membership)

Chapter 3: Business Characteristics (prior careers, years in real estate, agency relationship, compensation structure)

Chapter 4: Office Affiliation (type of firm, years with firm, function in firm, ownership)

Chapter 5: The Internet and Technology (computer use, Web pages, online listings)

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

Throughout this report, information is presented on the typical REALTOR®. Where relevant, characteristics by type of license—broker and sales agent—held by REALTORS® are presented. For purposes of this report, all members who hold either a broker's license or a broker associate license are referred to as "brokers."

REPORT HIGHLIGHTS

THE MEMBERSHIP OF THE NATIONAL ASSOCIATION OF REALTORS® IS AS DIVERSE AS THE REAL

estate markets real estate professionals serve. This report provides information on the range of professional experience, education level, real estate firm affiliation, and use of technology by real estate brokers and real estate sales agents.

The typical REALTOR® is a sales agent who is associated with a single-office firm.

WHAT HAVE WE LEARNED:

Experience continues to be one of the greatest assets that a REALTOR® can bring to real estate transactions. Today's real estate professionals have twice as many years of experience in real estate than they had in the 1970s. With this experience, real estate professionals are best able to guide their customers through the homebuying and selling processes. In addition to experience, REALTORS® better serve their clients through the use of technology, including the Internet. REALTORS® communicate with their customers with E-mail and place their listings on a variety of Web sites.

THE TYPICAL REALTOR®:

- has a gross personal income of \$47,700
- works 43 hours a week
- is a sales agent who has been in the real estate business for 13 years
- has been with the same firm for five years and has worked for only one other firm
- owns or leases a computer
- does not hold any ownership interest in her firm
- is affiliated with an independently owned non-franchised firm
- is associated with a firm that has just one office
- is a 52 year old married female
- lives in a household with three people

Two out of five sales agents are affiliated with franchise firms.

BROKERS VS. SALES AGENTS:

- Fifty-six percent of all REALTORS® are female; 46 percent of brokers and 63 percent of sales agents are female.
- The median age for brokers is 54 years; the typical sales agent is also 54 years old.
- In 2000, the median gross personal income earned by brokers was \$73,400, while the median gross personal income for agents was \$34,100.
- Brokers typically work four hours more a week than do sales agents.
- Two out of five sales agents are affiliated with firms that are franchised, while one third of brokers are affiliated with such firms.
- Two thirds of sales agents represent real estate firms with three or fewer offices; nearly four out of five brokers are associated with similar-sized firms.

More than 75 percent of REALTORS® use E-mail and the Internet for business purposes and four out of ten REALTORS® have a World Wide Web page.

Personal and professional characteristics can affect a REALTOR®'s success, and, in turn, REALTORS® are changing their ways of doing business to meet the needs of today's customers.

- Nearly nine out of ten REALTORS® have completed at least some college courses, with 45 percent having completed a Bachelor's degree.
- The primary business specialty of most REALTORS® is residential brokerage. Four out of five REALTORS® spend at least 50 percent of their time representing buyers and/or sellers in residential transactions.
- Seventy-four percent of REALTORS® are compensated with a percentage commission split, with an additional 19 percent (93 percent total) receiving 100 percent of the sales commission.
- Twenty percent of REALTORS® use personal assistants in their business practices.
- Nineteen percent of REALTORS® have conducted business in a language other than English. Spanish is the most widely used language in those transactions.

Technology continues to influence the real estate industry, and REALTORS® are using technology to adopt new methods of communication, business management, and marketing.

- Nearly nine out of ten REALTORS® own or lease a computer.
- More than three fourths of REALTORS® use E-mail and the Internet for business purposes.
- Seventy-one percent of REALTORS® have conducted some business online, whether it be through E-mail or the Internet.
- Four out of ten REALTORS® have a World Wide Web page for business purposes.
- Eighty-seven percent of REALTORS® who specialize in residential real estate have their listings on at least one Web site.
- Fifty-four percent of REALTORS® report that at least one percent of their business is generated from online services.



MEMBERSHIP STRENGTH IS AFFECTED BY A VARIETY OF FORCES, BOTH WITHIN THE

real estate industry and from external influences. Economic recessions, mergers and acquisitions, and increased efficiencies fueled by technological advances can offset any short-term membership growth spurred by increased levels of home sales and healthy housing affordability.

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THE NATIONAL ASSOCIATION OF REALTORS® ECONOMIC RESEARCH GROUP

Economic Research analyzes the economic, policy and structural effects of changes in the real estate industry and produces studies and statistics on topics affecting the practice of real estate and the ownership and management of real estate firms. It provides policy analysis on the impact of legislative, regulatory and tax code changes on the real estate industry and the homeownership public, and monitors developments in the U.S. economy, producing a regular economic forecast for home sales, mortgage interest rates, and home prices. NAR Research produces the benchmark measurement of the health of the residential real estate market—the existing home sales series, which includes statistics on the number of existing home sales transactions as well as median sales prices of existing single-family homes. These analyses and statistics are used by the Association's members and leadership to track market performance, project future membership levels, lobby legislators and regulators on issues of concern to the membership, and plan for future marketing efforts and other business strategies. The Economic Research Group is comprised of professionals trained in economics, policy research, econometric modeling, survey and other research techniques and management, and statistical analysis.

Other studies and statistics produced by the NATIONAL ASSOCIATION OF REALTORS® can be accessed by NAR members at the Association's members-only Web site, One Realtor Place®—<http://www.onerealtorplace.com/research.nsf>

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