

2018 Teams Survey

October 2018



National Association of REALTORS® Research Group



NATIONAL
ASSOCIATION of
REALTORS®



Executive Summary

In July 2018, NAR surveyed its members pertaining to teams in the real estate industry.

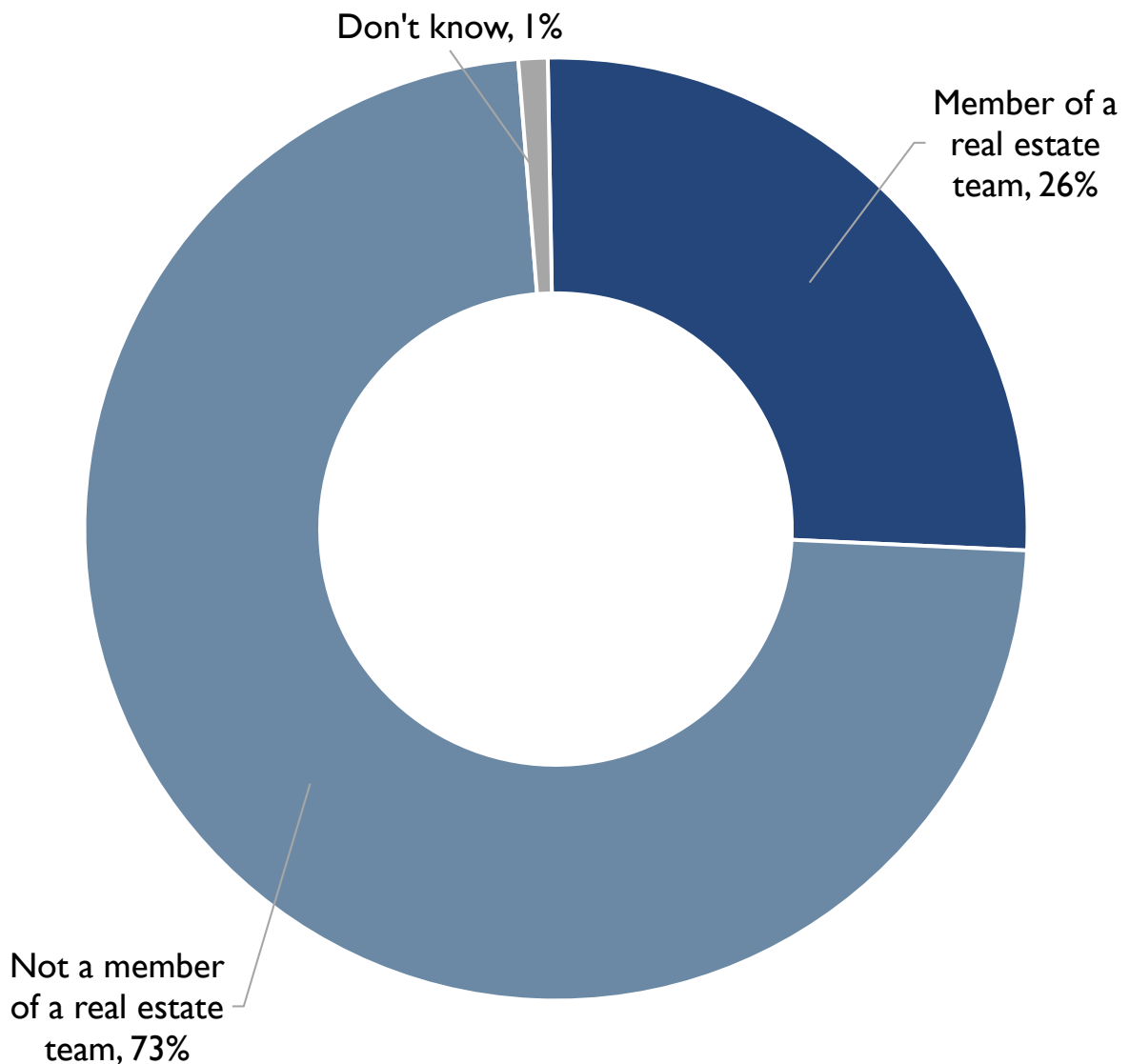
Highlights:

- Twenty-six percent of respondents were members of a real estate team, while 73 percent were not a member of a real estate team.
- The median number of people on a real estate team was four.
- In real estate teams, typically all members of the team held a real estate license (80 percent).
- The most common compensation arrangements within a real estate team were fixed commission split (38 percent), graduated commission split (22 percent), and 100 percent commission split (13 percent).
- Fourteen percent of respondents stated that they use virtual assistants in their real estate team.
- The median year that real estate teams were established was in 2014.
- Typically, respondents joined their current real estate team in 2016.
- The most common function of real estate team members was that of an agent (88 percent).
- Among respondents that are not currently on a real estate team, 16 percent of respondents have previously been on a real estate team, and 84 percent have never been a member of a real estate team.
- Among respondents that are not currently on a real estate team, nine percent have strongly considered and 30 percent have briefly considered joining or starting a real estate team.
- Fifty-eight percent of respondents have not considered joining or starting a real estate team.

Member of a Real Estate Team

- Twenty-six percent of respondents were members of a real estate team, while 73 percent were not a member of a real estate team.

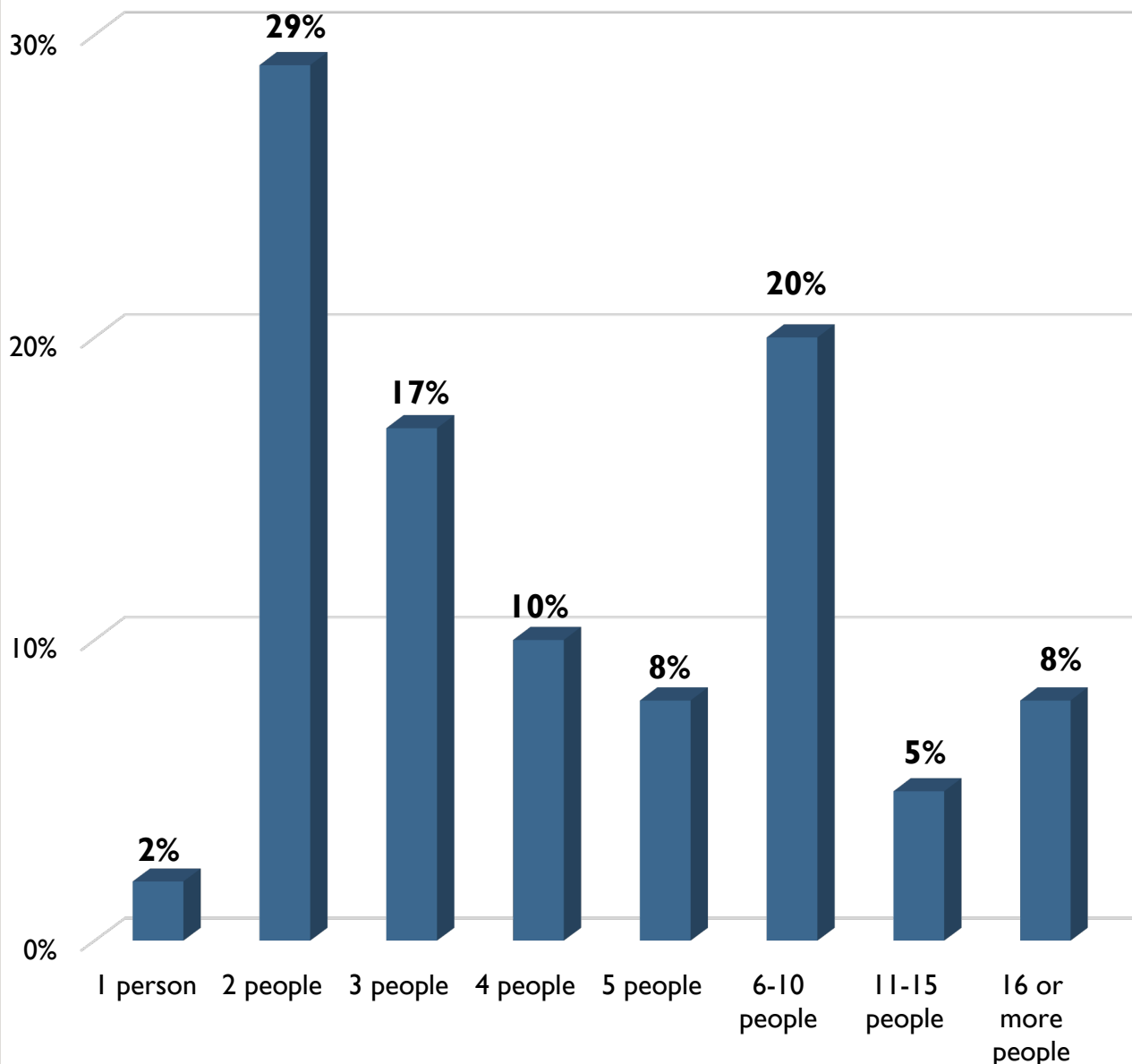
Member of a Real Estate Team



Number of Real Estate Team Members

- Twenty-nine percent of respondents had two people on their real estate team.
- The median number of people on a real estate team was four.

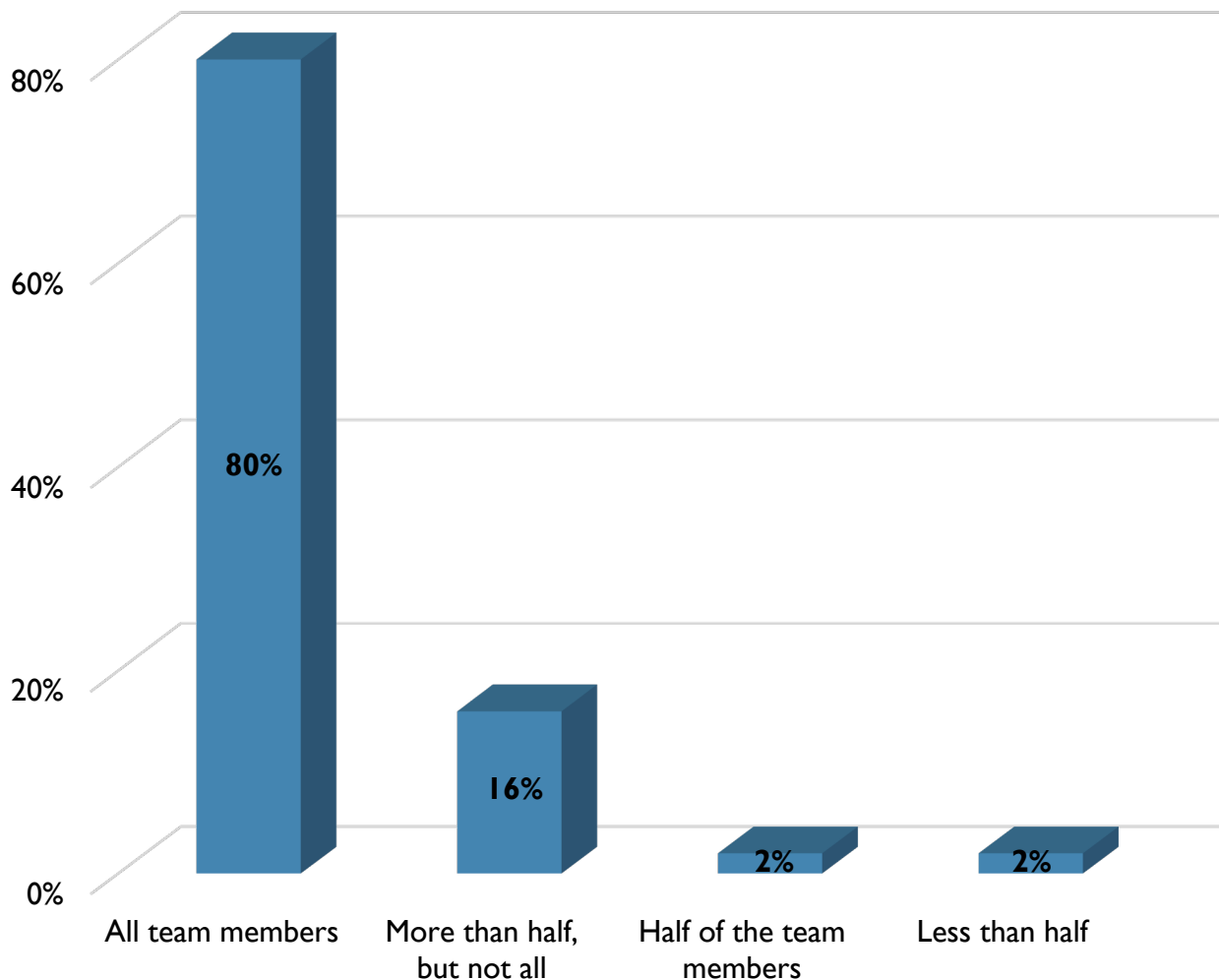
Number of People on Real Estate Team



Licensed Real Estate Team Members

- In real estate teams, typically all members of the team held a real estate license (80 percent).
- Sixteen percent of respondents stated that more than half, but not all of their team members held a real estate license.

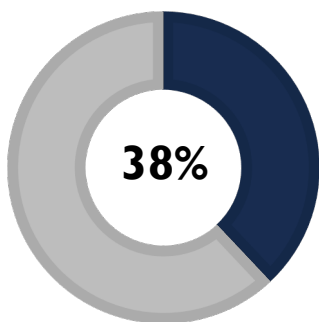
Team Members with Real Estate License



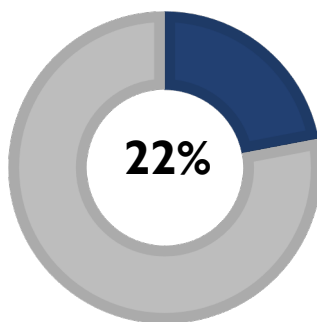
Compensation Arrangement with Real Estate Team

- When asked about the type of compensation arrangement respondents had within their team, fixed commission split (38 percent), graduated commission split (22 percent), and 100% commission split (13 percent) were the most common.

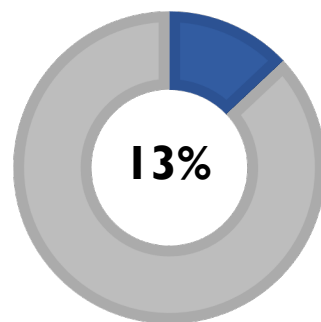
Fixed commission split (under 100%)



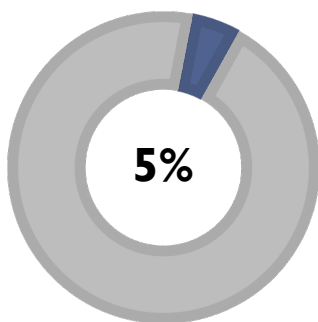
Graduated commission split



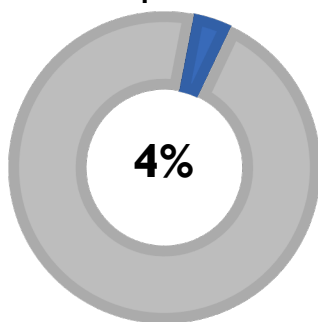
100% commission split



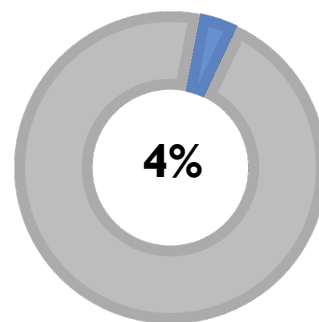
Salary plus share of profits/production



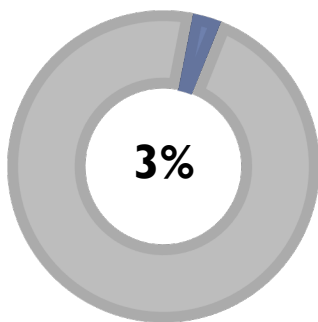
Capped commission split



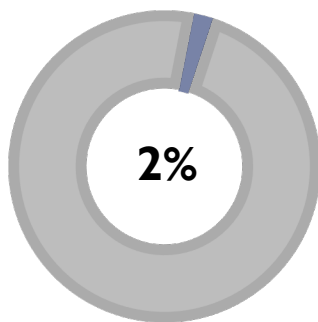
Commission plus share of profits



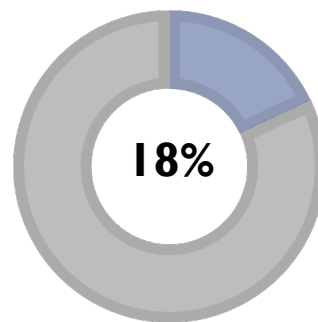
Salary only



Share of profits only



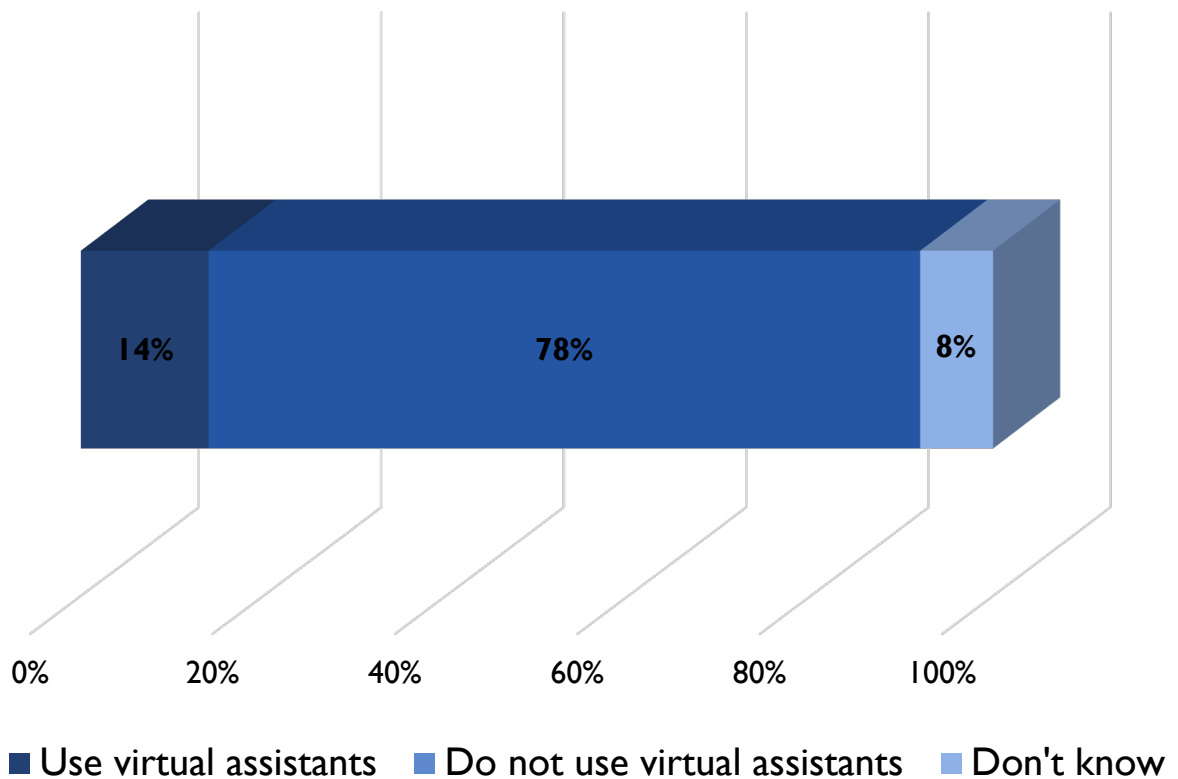
Other



Real Estate Team Use of Virtual Assistants

- Fourteen percent of respondents stated that they use virtual assistants in their real estate team.
- The majority of respondents (78 percent) do not use virtual assistants.

Use of Virtual Assistants



Real Estate Team Establishment

- The median year that real estate teams were established was in 2014.
- Typically, respondents joined their current real estate team in 2016.

Year Real Estate Team was Established and
Year Joined

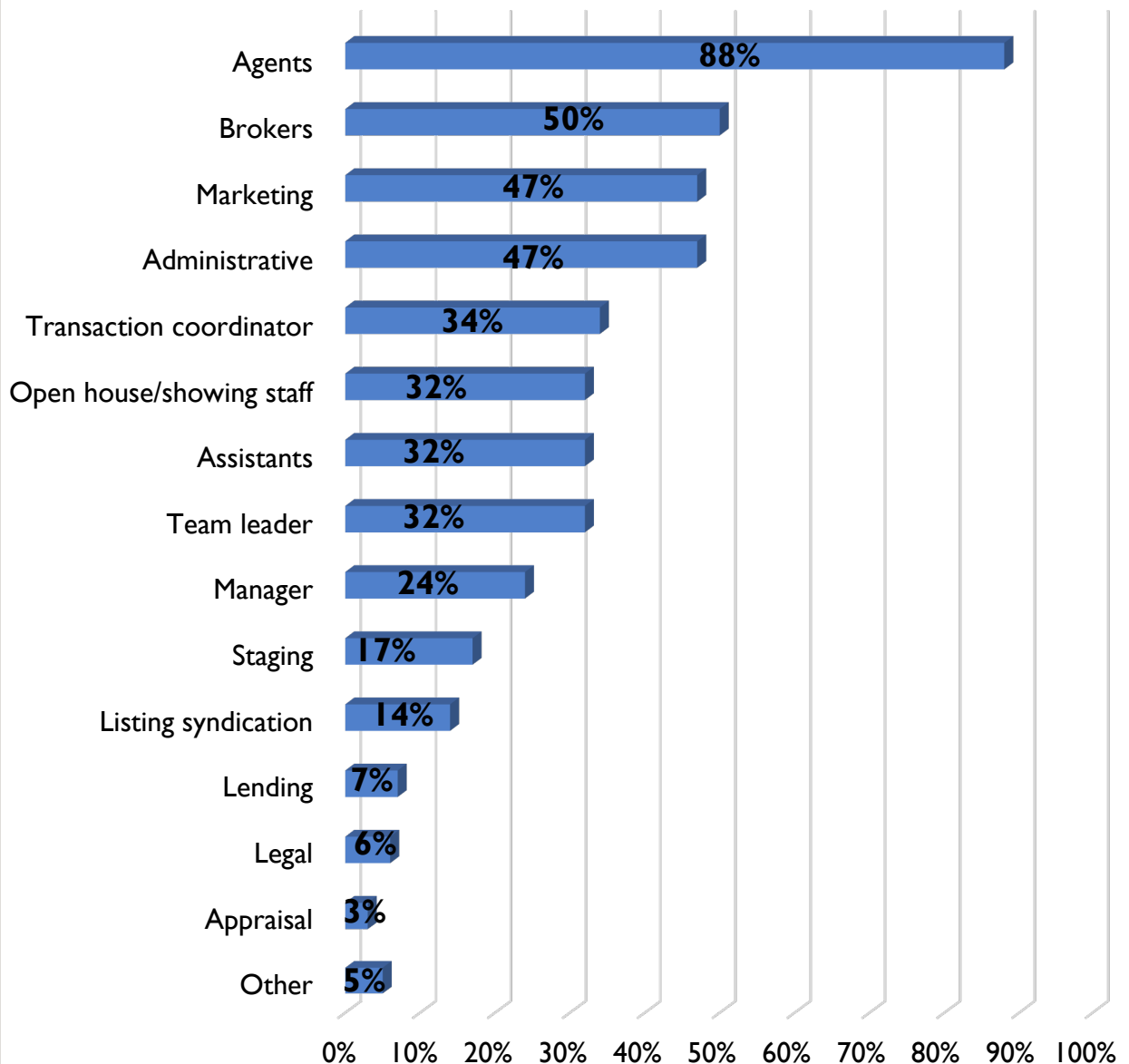
Real estate teams
were typically
established in 2014

Respondents
typically joined
their real estate
team in 2016

Real Estate Team Member Functions

- Respondents were asked to choose from a list of activities to explain their primary functions on a team. The most commonly chosen answer was agent, at 88 percent.
- Fifty percent of respondents stated that they took on the function of a broker.

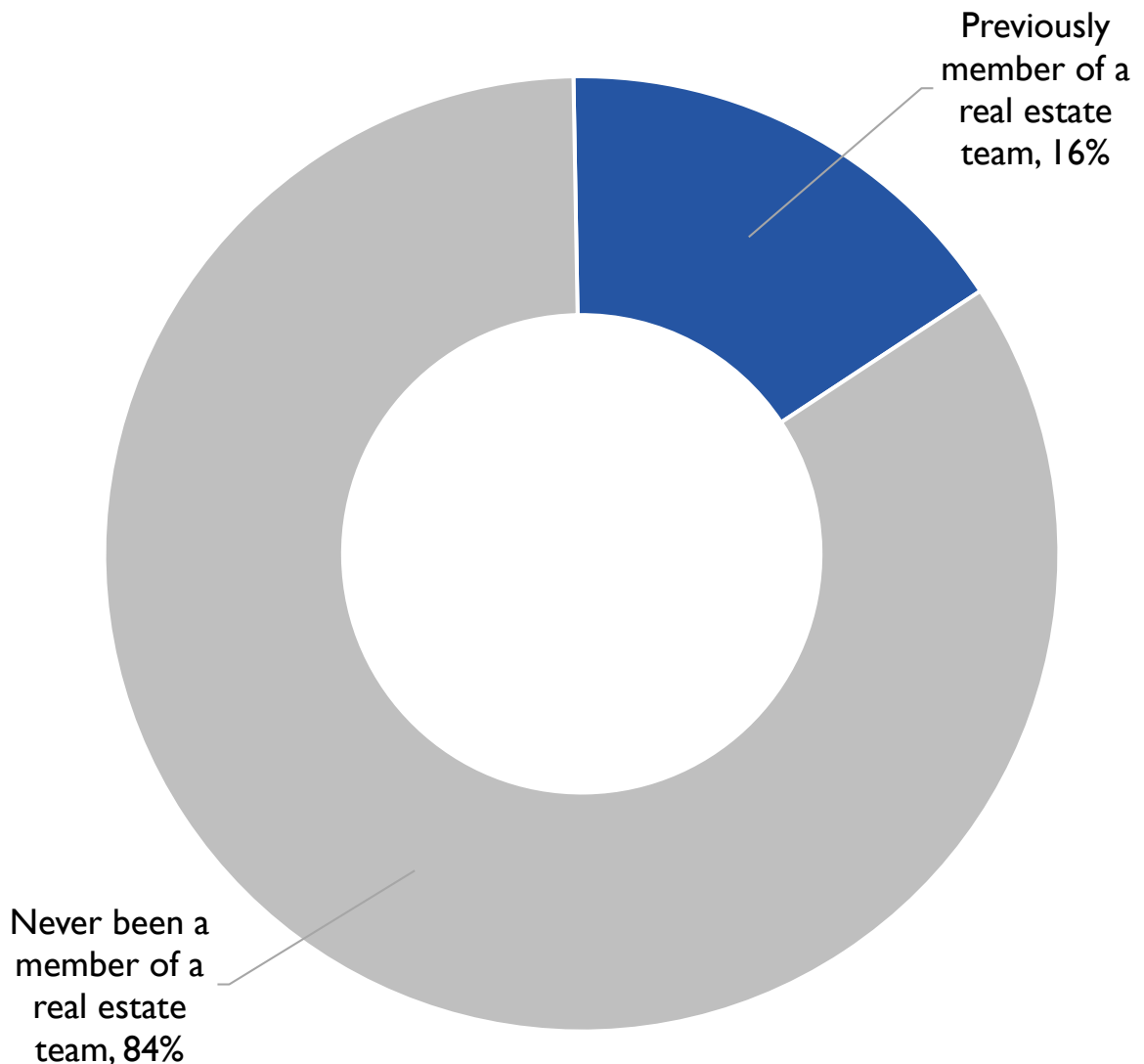
Functions on Real Estate Team



Previously Been on Real Estate Team

- Among respondents that are not currently on a real estate team, 16 percent of respondents have previously been on a real estate team.
- Eighty-four percent of respondents have never been a member of a real estate team.

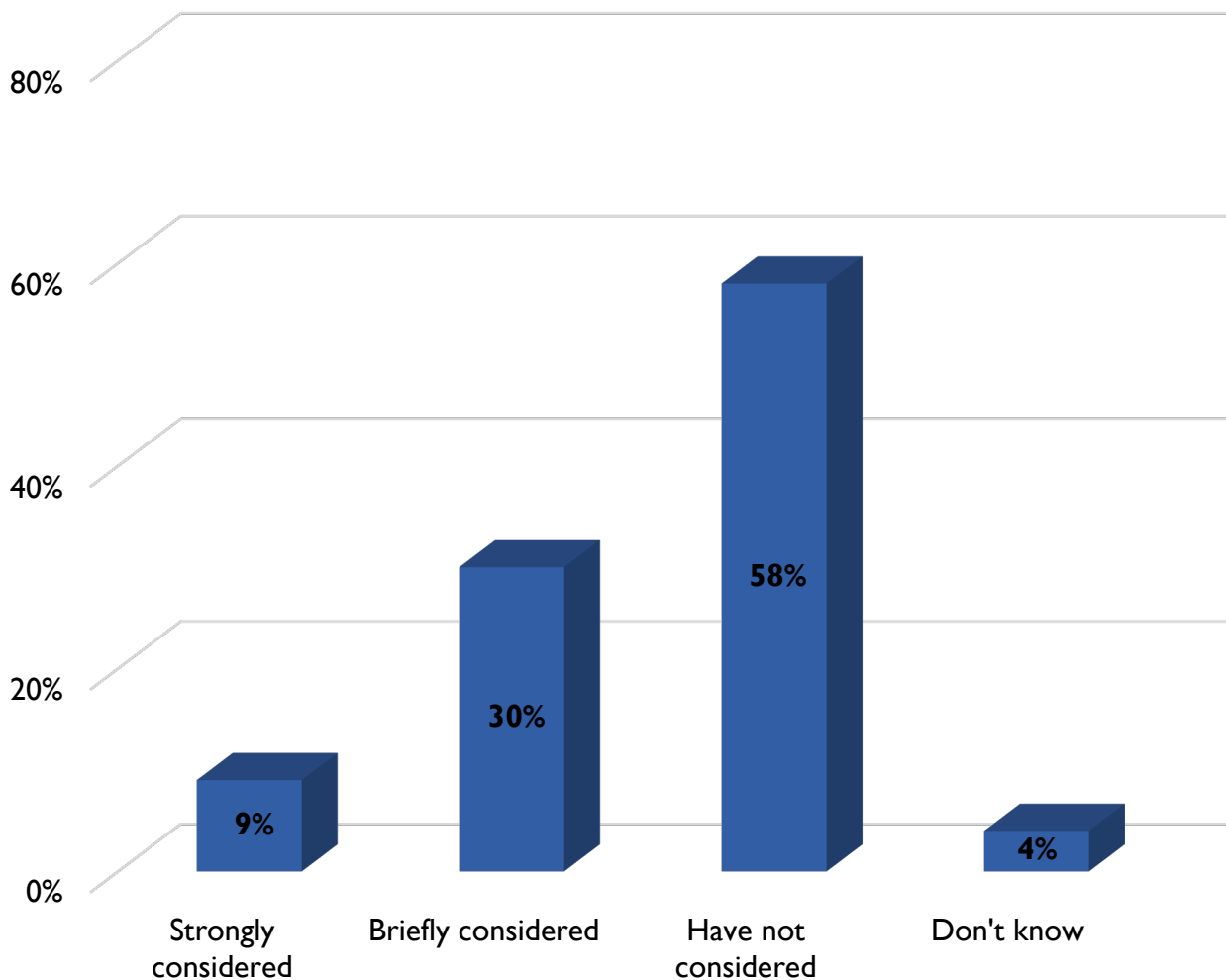
Previously Been on Real Estate Team But Not Currently



Consideration of Joining or Starting a Real Estate Team

- Among respondents that are not currently on a real estate team, nine percent have strongly considered and 30 percent have briefly considered joining or starting a real estate team.
- Fifty-eight percent of respondents have not considered joining or starting a real estate team.

Consideration of Joining or Starting a Team





NAR Survey Respondents

- Among all of the respondents surveyed, the median age was 57 years—31 percent falling into the age bracket between 55 to 64 years, 23 percent between 45 to 54 years, 21 percent between 65 to 74 years, and 14 percent between 35 to 44 years.
- The primary functions of survey respondents were sales agents at 62 percent, followed by associate brokers at 16 percent.
- Respondents have been active as real estate professionals for a median of 12 years.
- Sixty-five percent of respondents work primarily in residential only, 30 percent work in mostly residential and some commercial, two percent work in mostly commercial and some residential, and one percent work in only commercial.
- Survey respondents typically worked 40 hours per week, and 56 percent worked 40 or more hours per week.



Methodology

In July 2018, NAR invited a random sample of 50,436 active REALTORS® to fill out an online survey. A total of 3,483 useable responses were received for an overall response rate of 6.9 percent. At the 95 percent confidence level, the margin of error is plus-or-minus 1.66 percent.

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.

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The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics.

Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property.

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