
2019 Member Profile The New York State Association of REALTORS® Report

Prepared for:
The New York State Association of REALTORS®

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NATIONAL ASSOCIATION OF REALTORS®
Research Division

July 2019



NATIONAL ASSOCIATION OF REALTORS®

The Voice for Real Estate®

2019 Member Profile New York Report

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2019 Member Profile

New York Report

Introduction

In 2019, the rise in new members the National Association of REALTORS® witnessed in the last several years has largely leveled out. While membership grew from 1.23 million in 2016 to 1.36 in 2018, as of April 2019 membership remained steady at 1.32 million. The median years of experience in real estate decreased to eight years from 10 in last year's report. Tenure at the firm was a median of four years again this year.

The median age of REALTORS® was 54 in the 2019 survey, the same as last year. The median age held steady between 56 and 57 from 2011 to 2015, then dropped to 53 in 2016 and 2017. This year, 33 percent were over 60 years old and four percent were less than 30, slightly down from last year. Ten percent of members (down from 13 percent) who had two years or less experience were under 30 years of age.

Limited inventory continues to plague many housing markets in the United States. For the sixth year in a row, the difficulty finding the right property surpassed the difficulty in obtaining mortgage financing as the most cited reason limiting potential clients. Impacted by limited inventory, the typical number of transactions was 11 in 2018, the same as in the previous year. Despite rising home prices again in 2018, the median brokerage sales volume increased to \$1.9 million in 2018 from \$1.8 million in 2017.

The median gross income of REALTORS® was \$41,800 in 2018, an increase from \$39,800 in 2017. New members entering the field can be seen with the differences in income by experience, function, and hours worked per week. Fifty-four percent of members (down from 60 percent of members) who have two years or less experience made less than \$10,000 in 2018 compared to 35 percent of members with more than 16 years of experience who made more than \$100,000 in the same time period.

REALTORS® with 16 years or more experience had a median gross income of \$71,000—down from \$78,800 in 2017— compared to REALTORS® with two years or less experience that had a median gross income of \$9,300—a slight increase from \$8,330.

The typical member was an independent contractor affiliated with an independent company catering to local markets. 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 four percent indicated that real estate was their first career. The majority of members were women homeowners with a college education.

Looking ahead, 80 percent of REALTORS® were very certain they would remain in the market for two more years.

2019 Member Profile

New York Report

Highlights

Business Characteristics of REALTORS®

- Sixty-eight percent of REALTORS® were licensed sales agents, 20 percent held broker licenses, and 14 percent held broker associate licenses. In New York, 62 percent of REALTORS® were licensed sales agents, 27 percent held broker associate licenses, and 12 percent held broker licenses.
- The typical REALTOR® had eight years of experience, down from 10 last year. In New York, the typical REALTOR® had 10 years of experience.
- Fourteen percent of members had at least one personal assistant. In New York, 15 percent operate with at least one assistant.
- Fifty-one percent of REALTORS® reported having a website for at least five years, nine percent reported having a real estate blog, and 73 percent of members were on Facebook and 58 percent on LinkedIn for professional use. In New York, 52 percent of REALTORS® reported having a website for at least five years, seven percent of members have a real estate blog, and 68 percent of members are on Facebook and 56 percent on LinkedIn for professional use.
- The most common information found on REALTOR® websites, among all REALTORS®, was the member's own listings and home buying and selling information. In New York, this was the member's own listing and a link to their firm's web site.
- Eighty percent of REALTORS® were very certain they would remain active as a real estate professional for two more years. In New York, 82 percent of members report they are certain they will remain active for two more years.

Business Activity of REALTORS®

- In 2018, the typical agent had 11 transactions, the same as in the 2017 report. In New York, agents had 12 transactions typically.
- The median sales volume for brokerage specialists increased to \$1.9 million in 2018 from \$1.8 million in 2017. In New York, the typical sales volume was \$2.2 million in 2018.
- For the sixth year in a row, difficulty finding the right property surpassed difficulty in obtaining mortgage financing as the most cited reason limiting potential clients. In New York, this was also the most cited reason.
- The typical property manager managed 47 properties in 2018, up from 35 properties in 2017. In New York, the typical property manager managed 30 properties.
- Most REALTORS® worked 35 hours per week in 2018, down from 40 hours last year. In New York, the typical REALTOR® worked 50 hours per week.
- The typical REALTOR® earned 13 percent of their business from repeat clients and customers and 17 percent through referrals from past clients and customers. In New York, 13 percent of business came from repeat business and 18 percent through referrals from past clients.

- REALTORS® spent a median of \$65 to maintain a website again in 2018. REALTORS® in New York spent a median of \$20 to maintain a website.

Income and Expenses of REALTORS®

- In 2018, 36 percent of REALTORS® were compensated under a fixed commission split (under 100 percent), followed by 23 percent with a graduated commission split (increases with productivity). In New York, 42 percent of respondents were compensated under a fixed commission split (under 100%).
- The median gross income of REALTORS® was \$41,800 in 2018, an increase from \$39,800 in 2017. The median gross income for REALTORS® in New York was \$38,750.
- REALTORS® with 16 years or more experience had a median gross income of \$71,000—down from \$78,800 in 2017— compared to REALTORS® with two years or less experience that had a median gross income of \$9,300—a slight increase from \$8,330. In New York, members with 16 or more years of experience had a median gross income of \$65,600 and those with less than two years had an income of \$7,000.
- The median business expenses were \$4,600 in 2018, similar to the past year, which was \$4,580. In New York, the typical business expenses were \$3,960.
- The largest expense category for most REALTORS® was vehicle expenses, similar to last year, which was \$1,370. In New York, the largest single expense category was business promotion expenses, which was \$1,560.

Office and Firm Affiliation of REALTORS®

- Fifty-four percent of REALTORS® were affiliated with an independent company. This number was 53 percent of members in New York.
- Nearly nine in ten members were independent contractors at their firms. That number is 89 percent for New York.
- The median tenure for REALTORS® with their current firm was four years again in 2019. The median tenure for New York members was four years.
- Nine percent of REALTORS® worked for a firm that was bought or merged in the past two years. In New York, this number was 11 percent.

Demographic Characteristics of REALTORS®

- The typical REALTOR® was a 54-year-old white female who attended college and was a homeowner. The typical REALTOR® in New York is 55 years old and 64 percent are female.
- Sixty-seven percent of all REALTORS® were female, up from 63 percent last year.
- Sixteen percent of REALTORS® had a previous career in management, business, or finance, and 15 percent in sales or retail. Only four percent of REALTORS® reported real estate was their first career. In New York, 18 percent had a previous career in management, business, or the financial sector, and 14 percent in sales or retail. Four percent in New York also reported real estate was their first career.
- Seventy-two percent of REALTORS® said that real estate was their only occupation, and that number jumped to 82 percent among members with 16 or more years of experience. Sixty-three percent in New York reported real estate was their only occupation.

- The majority of REALTORS®—84 percent—own their primary residence. Seventy-seven percent of REALTORS® own their primary residence in New York.

Methodology

In March 2019, NAR e-mailed a 92-question survey to a random sample of 174,242 REALTORS®. Using this method, a total of 12,700 responses were received. The survey had an adjusted response rate of 7.2 percent. The confidence interval at a 95 percent level of confidence is +/- 0.87 percent based on a population of 1.3 million members. In New York a random sample of 10,304 members were sent the survey, 427 members took the survey. New York had a response rate of 4.1 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 2018, while all other data are representative of member characteristics in early 2019.

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 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.