

2025 PROFILE OF REAL ESTATE FIRMS



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EXECUTIVE SUMMARY

A Survey of NAR Brokers of Record



Brokers of Record in Real Estate

- *Definition:* A licensed real estate broker responsible for one or more licensed real estate agents involved in representing a buyer or seller in real estate transactions.
- The *2025 NAR Profile of Real Estate Firms* surveyed its Brokers of Record membership to understand the demographics, composition, and characteristics of real estate firms from the perspective of executives and managers.

NAR Broker Membership

- As of September 2025, NAR had 205,470 self-designated Brokers of Record.

Executive Summary

With more than 300,000 real estate firms operating in the United States, it is important to understand their unique characteristics and how they operate successfully. Firm characteristics and policies vary not only by size of company or number of offices but also based on geographical area and the state and local laws and regulations that apply. The real estate industry has experienced several unprecedented years recently, and its many firms have remained resilient. This *Profile of Real Estate Firms* measured aspects of firms nationwide to see exactly how they operate and what lies ahead.

Characteristics of Real Estate Firms

The typical Broker of Record remains the same: a manager or owner of a single-office firm who identifies as a broker owner. The typical firm was an independent, non-franchised single-office firm with two full-time real estate licensees, down from three licensees in the 2023 report. More firms reported staff leaving the industry versus simply moving to another firm as compared to 2023. The typical residential firm has been operating for 19 years (16 in the 2023 report), while the typical commercial firm has been operating for 25 years.

- Thirty-three percent of Brokers of Record were CEOs, COOs, presidents, or owners.
- Eighty percent identified as broker owners and ten percent as broker managers.
- **Eighty-one percent of real estate firms have a single office, identical to the 2023 report, typically with two full-time real estate licensees (down from three in the 2023 report).**
- **Eighty-seven percent of firms are independent non-franchised firms, and 10 percent are independent franchised firms.**
- Seventy-nine percent of firms specialize in residential brokerage, in line with 80 percent in the 2023 report.
- Thirty-nine percent of firms are LLCs, 28 percent are S-Corps, 24 percent are sole proprietorships, and 7 percent are C-Corps, in line with the 2023 report.
- **The typical residential firm has been operating for 19 years (up from 16 years), while the typical commercial firm has been operating for 25 years (identical to the 2023 report).**

- Thirty-seven percent of firms cover a metropolitan region market area, 26 percent cover a rural area or small town, and 18 percent cover multiple metro areas or regions (similar to the 2023 report).

Business Activity of Firms

With growing affordability issues and existing homeowners locked into properties with historically low mortgage rates, residential and commercial firms alike experienced fewer sales transactions in 2024 as compared to 2022, which was a year with historically high property sales. Despite increasing property values, compared to 2022, both residential and commercial firms had lower sales dollar volumes in 2024. Firms continue to generate a large amount of sales volume via repeat business and referrals and were most likely to provide business brokerage and commercial consulting services as ancillary to their primary services.

- **Firms with only one office had a median brokerage sales volume of \$4.6 million in 2024, while firms with four or more offices had a median brokerage sales volume of \$169.2 million in 2024.**
- Firms with one office had a median total of 12 real estate transaction sides in 2024, while firms with four or more offices typically had 300 transaction sides.
- Firms with only one office had a median brokerage commission volume of \$2.8 million in 2024, while firms with four or more offices had a median brokerage commission volume of \$13.8 million in 2024.
- **Firms typically generate 48 percent of their sales volume from past client referrals and 48 percent from repeat business.**
- **Many firms have the capability to offer in-house ancillary services to real estate clients. The most common in-house service is business brokerage, followed by commercial consulting services, relocation services, and staging services.**
- The largest source of current competition comes from traditional brick-and-mortar large franchise firms (37% of competition), followed by traditional brick-and-mortar single-office firms (26%).

Executive Summary

What Firm Provides to Agents & Staff

The most commonly provided benefit to firm staff of all levels was errors and omissions/liability insurance, while the most common tools provided or encouraged by firms were electronic contracts/forms, comparative market analysis, e-signature, and multiple listing. Continuous education remains a priority, as nearly three in four firms encourage their agents to pursue certifications and designations, and three in five encourage agents to take additional training classes.

- **The most common benefit that firms offer to independent contractors, licensees, and agents is errors and omissions/liability insurance at 42 percent.**
- While this is also the most common benefit for salaried licensees and agents, only 22 percent receive this benefit.
- Among administrative staff, 25 percent receive errors and omissions/liability insurance, 24 percent receive vacation/sick days, and 11 percent receive health insurance.
- Thirty percent of senior management receive errors and omissions/liability insurance, 14 percent receive vacation/sick days, and 12 percent receive health insurance.
- **The most common tools provided or encouraged by firms are electronic contracts/forms, comparative market analysis, e-signature, and multiple listing.**
- Four percent of firms with one office operate a non-profit foundation, compared to 22 percent of firms with four or more offices.
- **Seventy-one percent of firms encourage agents to pursue certifications and designations, and 61 percent encourage agents to take additional training classes.**

Future Outlook of Firms

Fewer (35 percent) firms are actively recruiting in 2025, compared to 2023, and their hiring priorities have shifted slightly: focusing on growth in their primary business, recruiting more experienced agents, and replacing agents who have left. However, more firms (38 percent) expect their profitability to increase in 2025 (up from 30 percent in 2023). As a sign of current market and affordability conditions, the biggest challenge cited by firms for the next two years was housing affordability, followed by the rising costs of the industry, local or regional economic conditions, and keeping up with technology. Two-thirds are concerned about young adults' ability to purchase a home.

- **Thirty-five percent of firms reported they are actively recruiting sales agents in 2025, down from 40 percent in 2023.**
- Thirty-eight percent of firms expect profitability (net income) from all real estate activities to increase this year (up from 30 percent in the 2023 report).
- **Housing affordability was cited as the biggest challenge (56%) for firms in the next two years, followed by the rising costs of the industry (36%), local or regional economic conditions (35%), and keeping up with technology (34%).**
- Sixty-six percent of firms are concerned with the industry impact of young adults' ability to buy a home, 39 percent with young adults' view of homeownership, and 27 percent with Baby Boomers retiring from real estate.
- Thirty-nine percent of all firms said they have an exit plan for when they decide to retire or exit the real estate industry.

CHAPTER 1:

Characteristics of Real Estate Firms

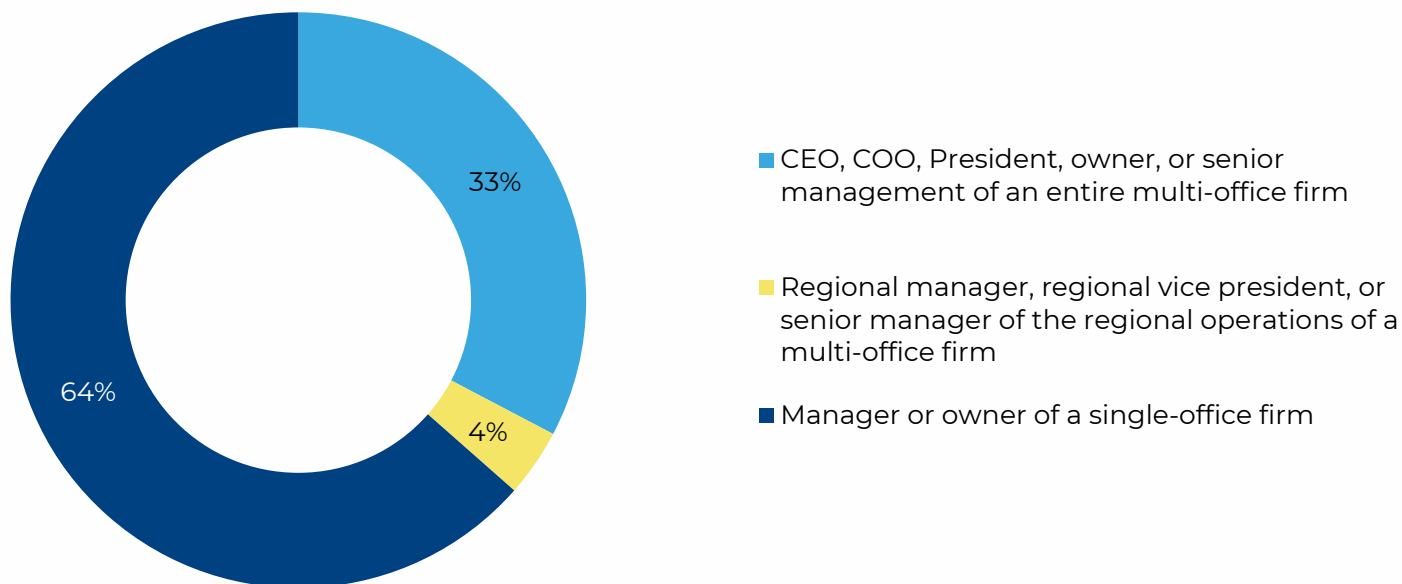


- Thirty-three percent of Brokers of Record respondents are CEOs, COOs, presidents, or owners.
- Eighty percent identified as broker owners and 10 percent as broker managers.
- Eighty-one percent of real estate firms have a single office, identical to the 2023 report, typically with two full-time real estate licensees.
- Eighty-seven percent of firms are independent non-franchised firms, and ten percent are independent franchised firms.
- Seventy-nine percent of firms specialize in residential brokerage, in line with 80 percent in the 2023 report.
- Thirty-nine percent of firms are LLCs, 28 percent are S-Corps, 24 percent are sole proprietorships, and 7 percent are C-Corps, in line with the 2023 report.
- The typical residential firm has been operating for 19 years (up from 16 years), while the typical commercial firm has been operating for 25 years (identical to the 2023 report).
- Thirty-seven percent of firms cover a metropolitan region market area, 26 percent cover a rural area or small town, and 18 percent cover multiple metro areas or regions (similar to the 2023 report).

Chapter 1: Characteristics of Real Estate Firms

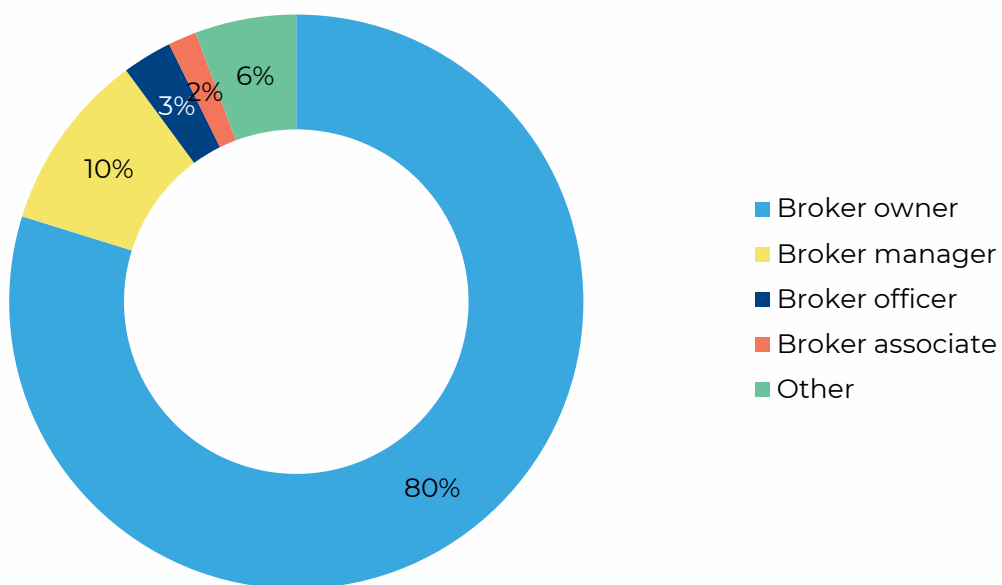
NAR Brokers of Record

(Percentage Distribution)



NAR Broker Membership

(Percentage Distribution)

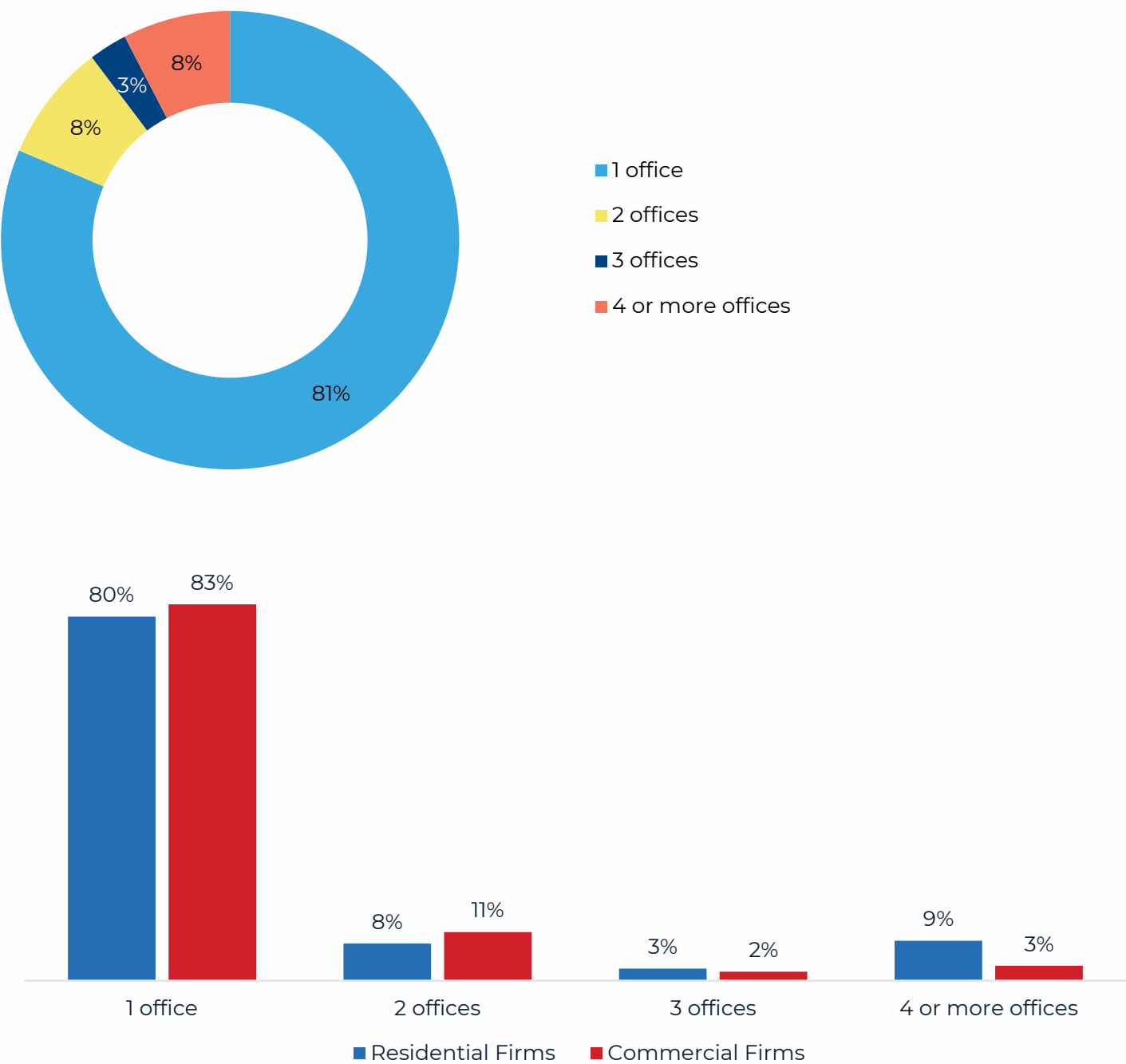


Respondents gave the following as “other” brokerage type:
Appraiser/appraiser owner, designated/managing broker, and principal broker.

Chapter 1: Characteristics of Real Estate Firms

Number of Offices, by Residential and Commercial Firms

(Percentage Distribution)



Medians:
All Firms: 1 office
Residential Firms: 1 office
Commercial Firms: 1 office

Chapter 1: Characteristics of Real Estate Firms

Office Openings and Closings, by Residential and Commercial Firms

(Medians)

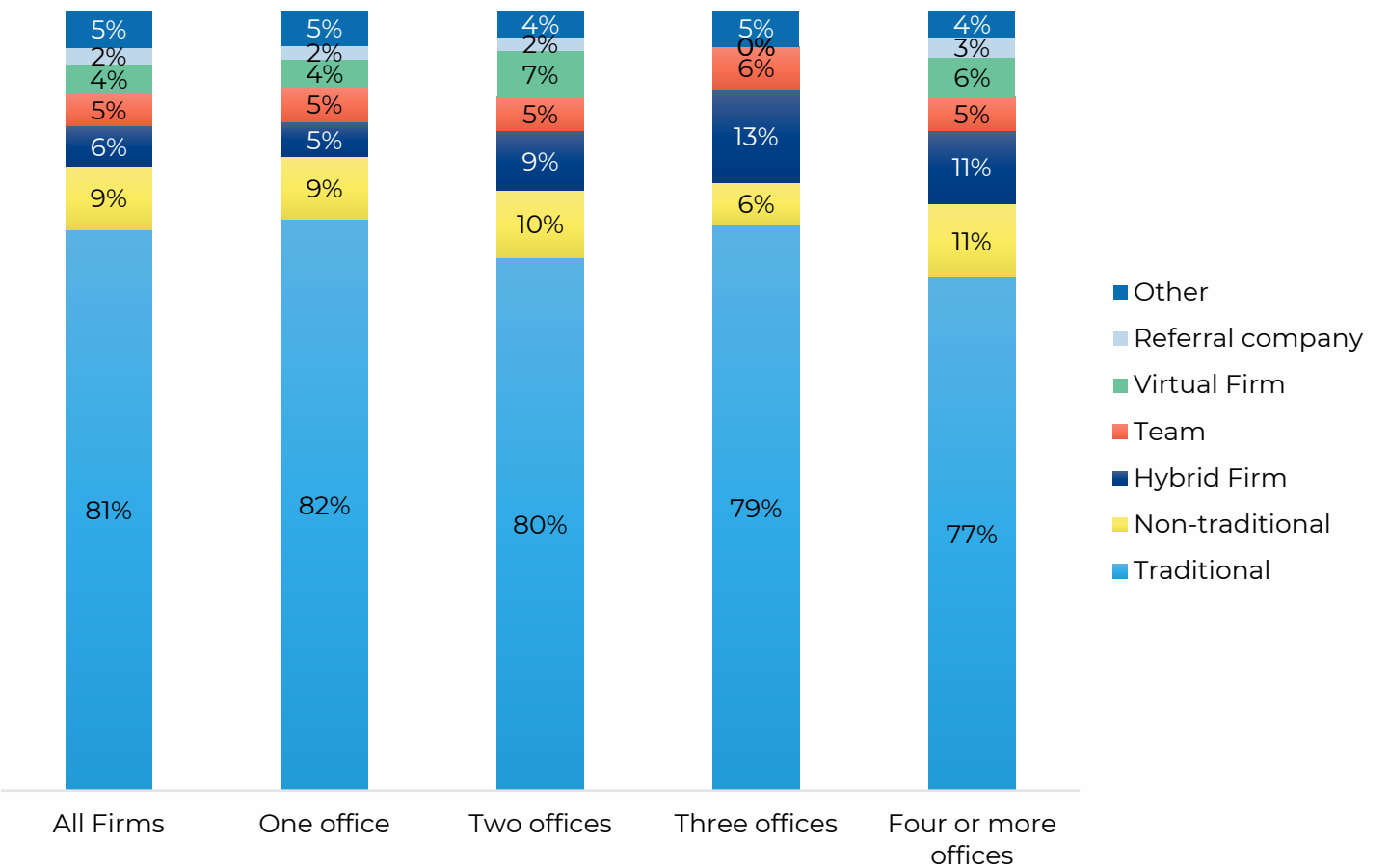
	ALL FIRMS	RESIDENTIAL	COMMERCIAL
Median number of offices affiliated with your firm at year-end 2024	One office	One office	One office

The following had a median of zero:

- Number of new offices opened in 2024
- Number of offices acquired through purchase or merger with another firm in 2024
- Number of offices closed in 2024

Brokerage Type, by Number of Offices at Firm

(Percentage Distribution)



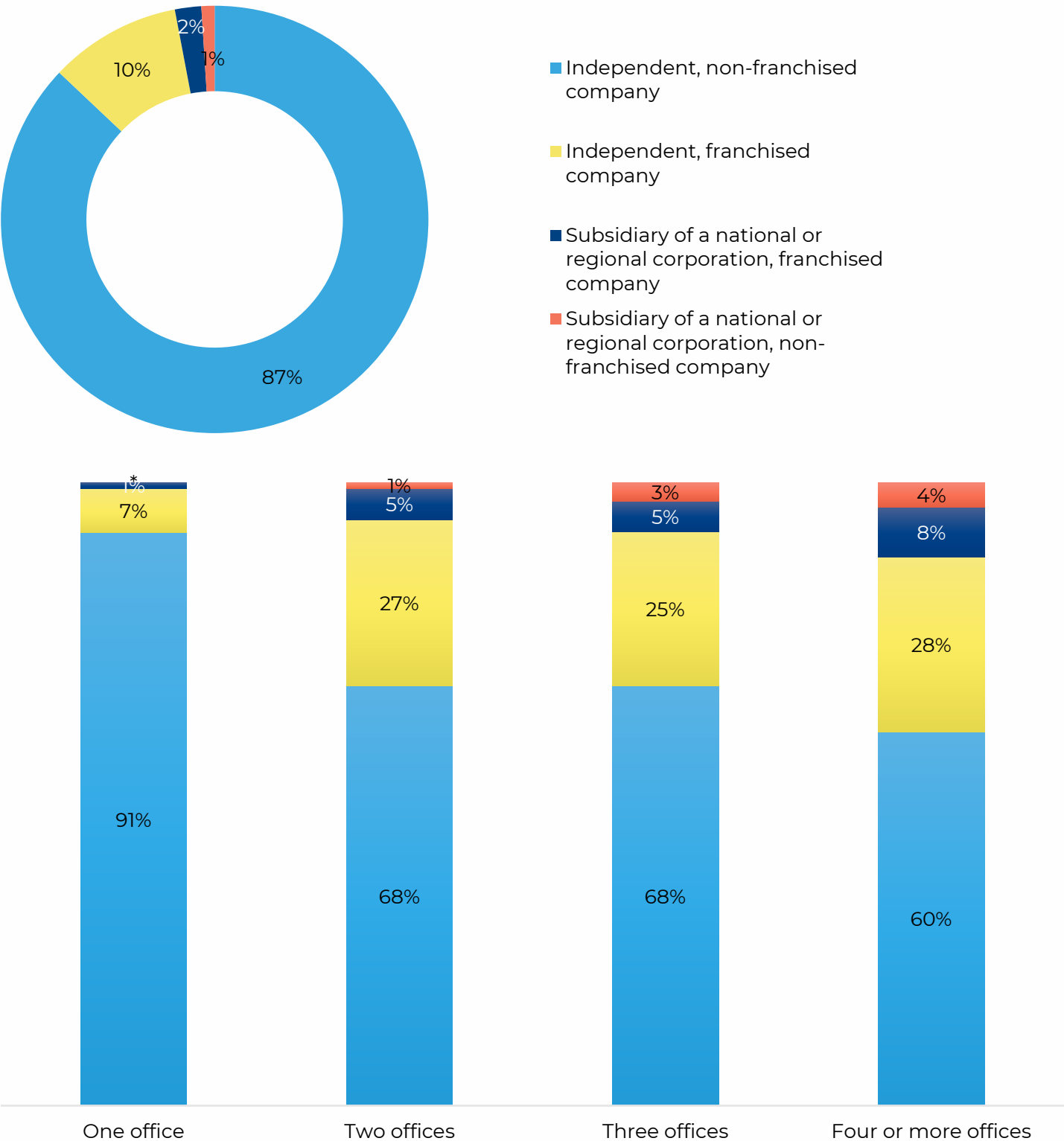
Respondents gave the following as “other” brokerage type:

Appraisal, boutique, commercial, independent, and property management.

Chapter 1: Characteristics of Real Estate Firms

Firm Type, by Number of Offices at Firm

(Percentage Distribution)

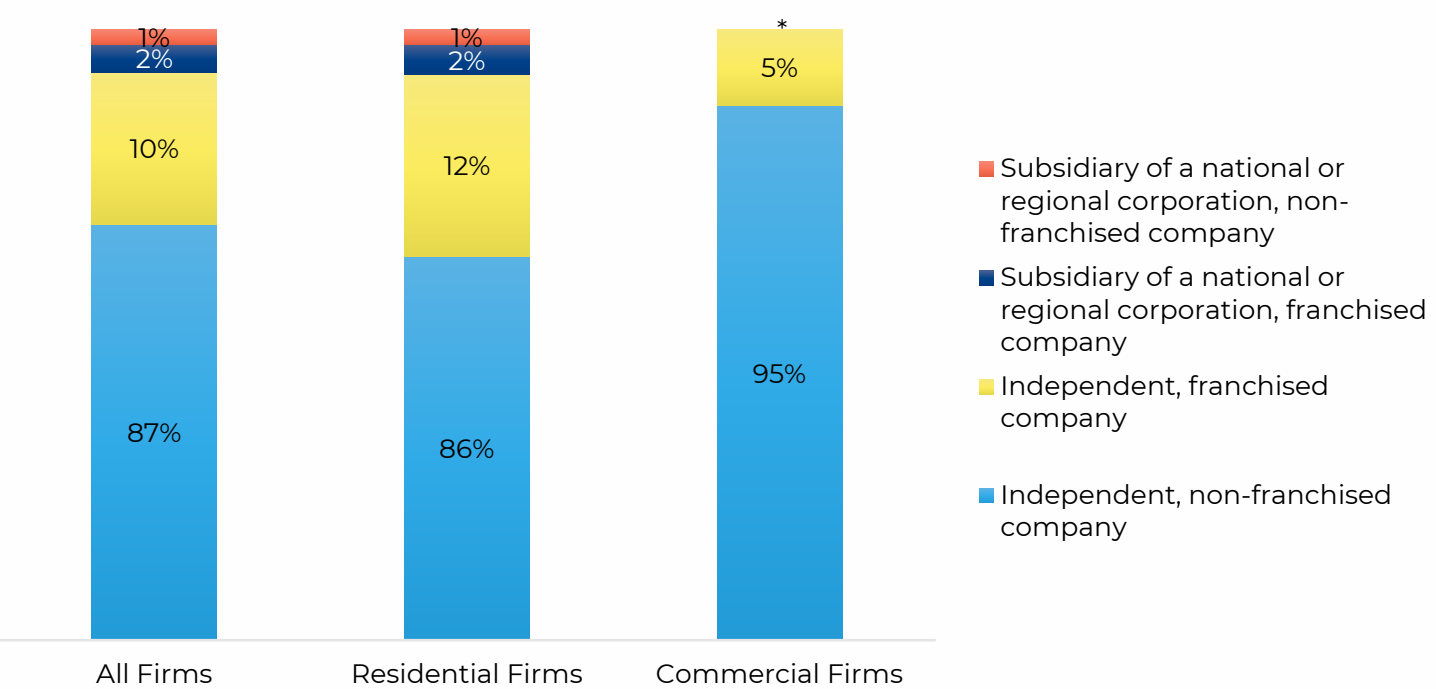


*Less than 1 percent

Chapter 1: Characteristics of Real Estate Firms

Firm Type, by Residential and Commercial Firms

(Percentage Distribution)



*Less than 1 percent

Staff at Firms, by Number of Offices at Firm

(Medians)

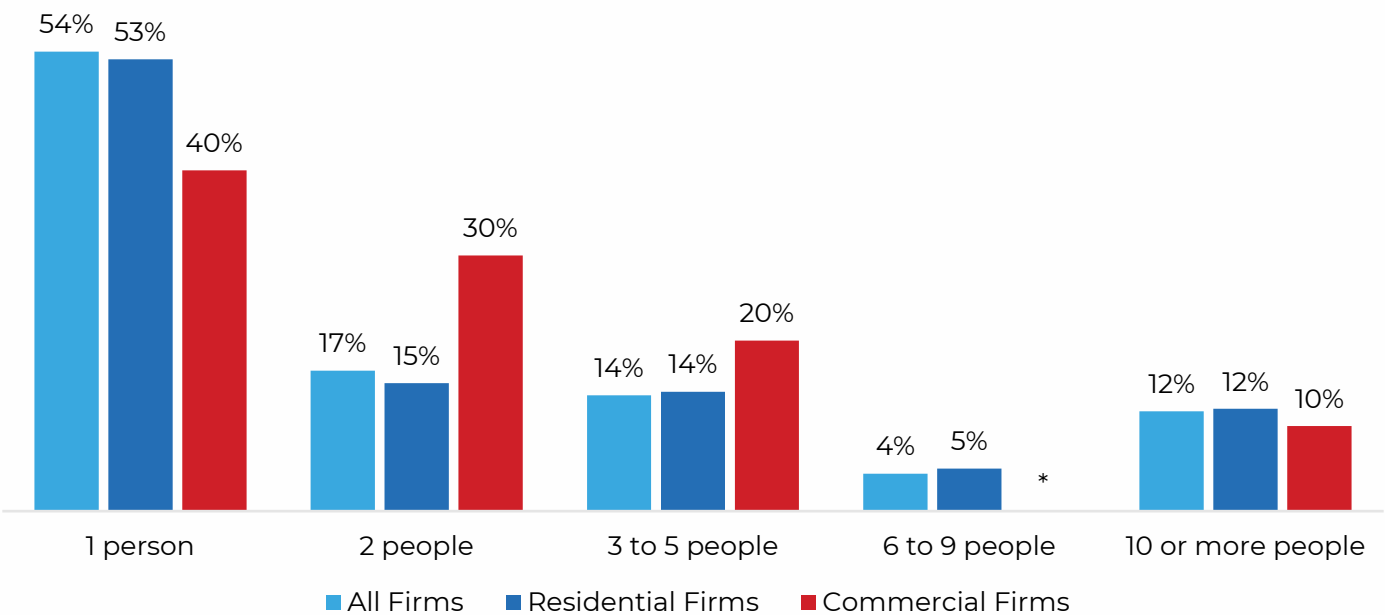
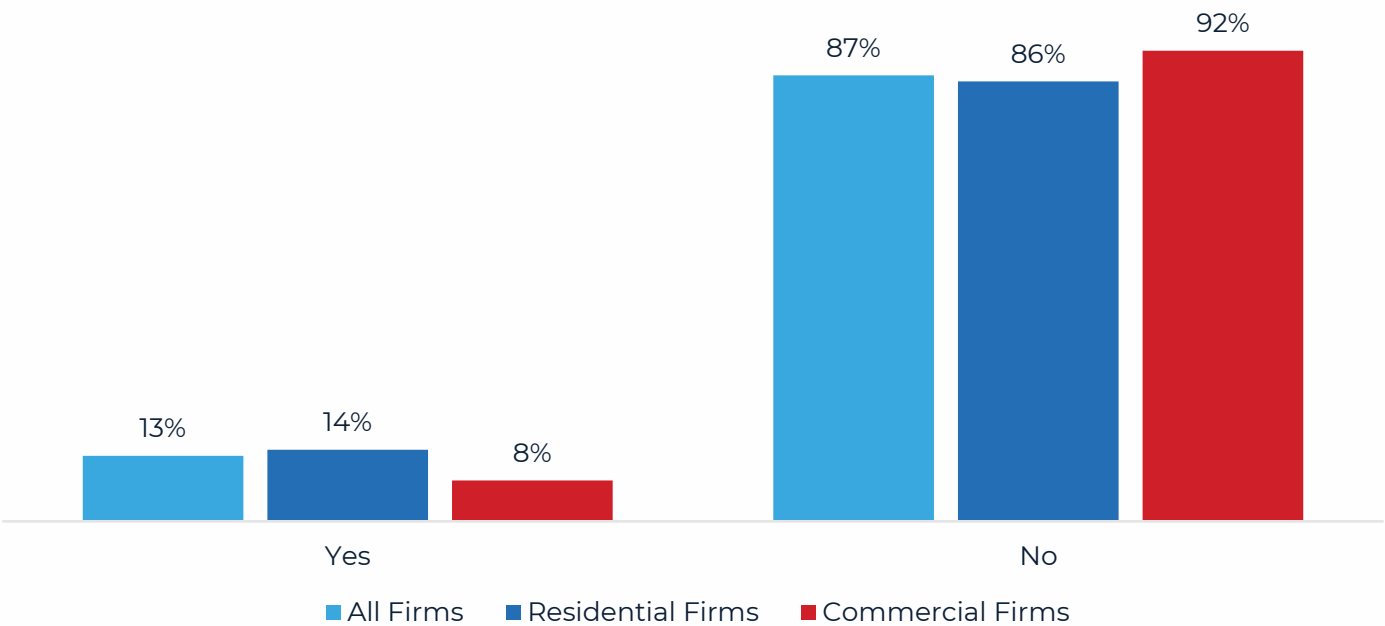
	ALL FIRMS	ONE OFFICE	TWO OFFICES	THREE OFFICES	FOUR OR MORE OFFICES
Number of full-time real estate licensees	2	2	7	20	64
Number of full-time licensees who are independent contractors	2	2	6	19	56
Number of part-time licensees (work fewer than 30 hours a week) who are independent contractors	0	0	1	1	4
Number of licensees who are not actively selling	0	0	0	0	1

The following had a median of zero:

- Number of part-time real estate licensees (work fewer than 30 hours a week) who are salaried
- Number of part-time licensees who are independent contractors
- Number of licensees who are not actively selling

Chapter 1: Characteristics of Real Estate Firms

Firm has Referral Department, by Residential and Commercial Firms (Percentage Distribution)



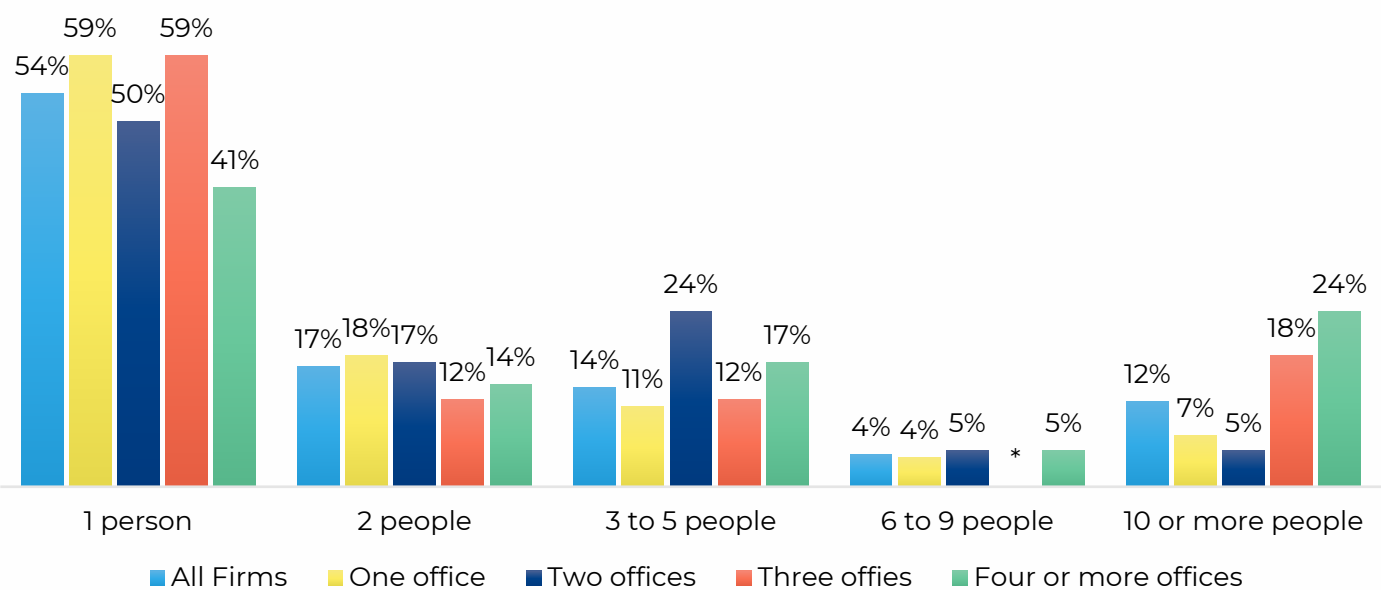
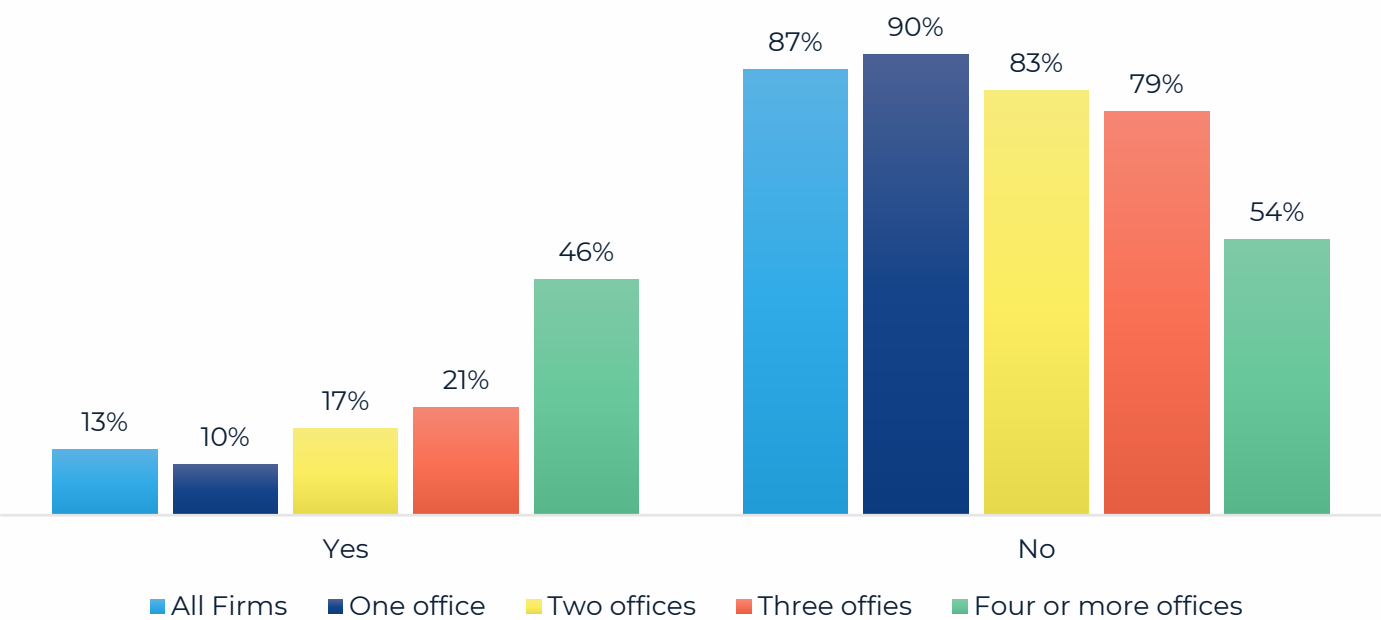
*Less than 1 percent

Median (staff in referral department): All Firms: 1
Residential Firms: 1
Commercial Firms: 2

Chapter 1: Characteristics of Real Estate Firms

Firm has Referral Department, by Number of Offices at Firm

(Percentage Distribution)



*Less than 1 percent

Median (staff in referral department):

All Firms: 1
One office: 1
Two offices: 2
Three offices: 1
Four or more offices: 2

Chapter 1: Characteristics of Real Estate Firms

Change in Staff at Firms, by Number of Offices at Firm (Medians)

	ALL FIRMS	ONE OFFICE	TWO OFFICES	THREE OFFICES	FOUR OR MORE OFFICES
Number of licensees who joined firm in 2024	0	0	1	3	8
Number of licensees who left firm in 2024	0	0	0	2	4

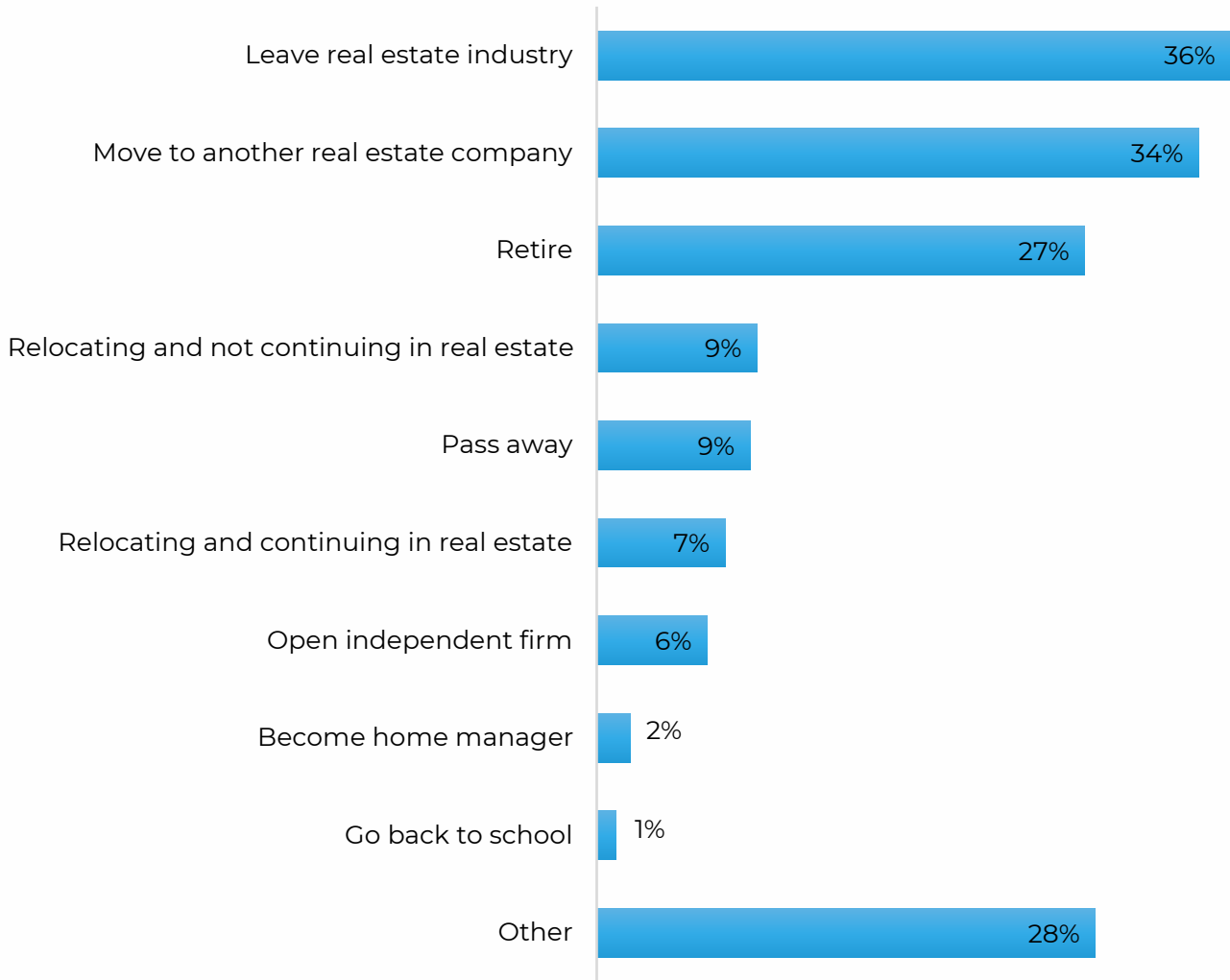
The following had a median of zero:

- Number of licensees who joined firm in 2024
- Number of licensees who left firm in 2024
- Number of staff (non-licensees) who joined firm in 2024
- Number of staff (non-licensees) who left firm in 2024
- Number of licensees for referral only who joined firm in 2024
- Number of licensees for referral only who left firm in 2024
- Number of active agents who moved to referral only in 2024

Chapter 1: Characteristics of Real Estate Firms

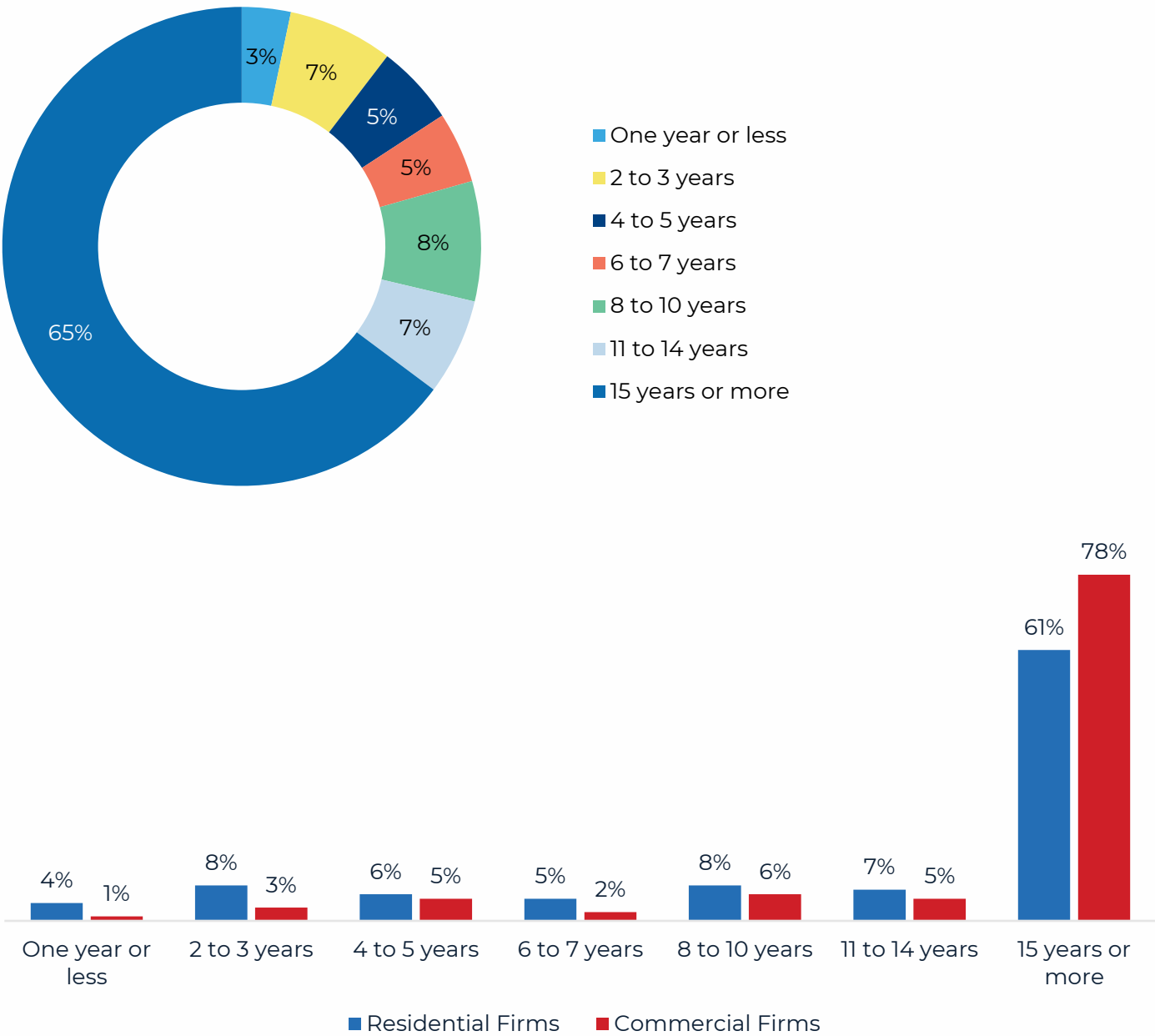
Staff Career Direction After Leaving Firm

(Percentage Distribution)



Chapter 1: Characteristics of Real Estate Firms

Years in Real Estate Business (Percentage Distribution)

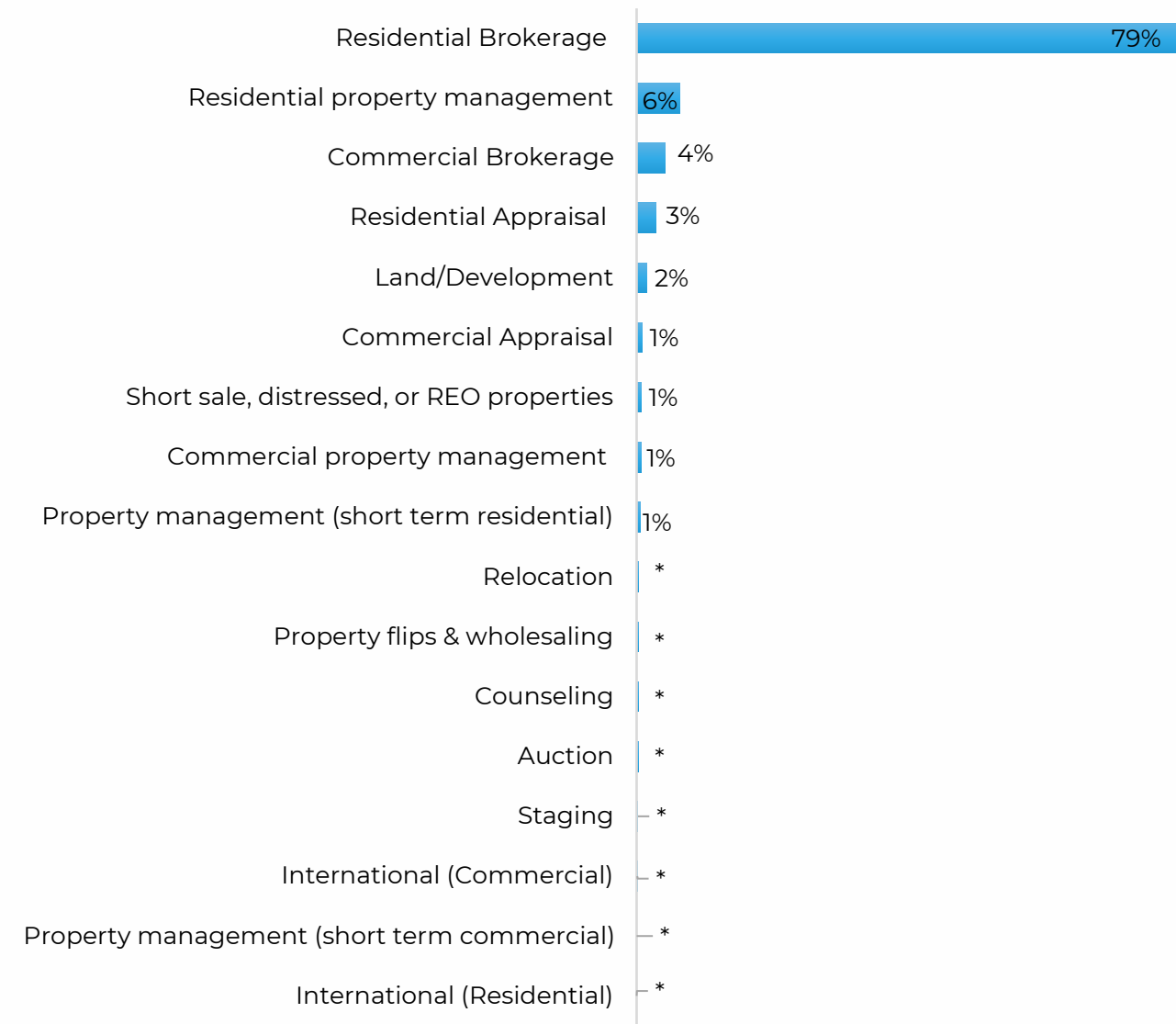


Medians: All Firms: 19 years
Residential Firms: 19 years
Commercial Firms: 25 years

Chapter 1: Characteristics of Real Estate Firms

Firm's Primary Specialty Area

(Percentage Distribution)



*Less than 1 percent

Chapter 1: Characteristics of Real Estate Firms

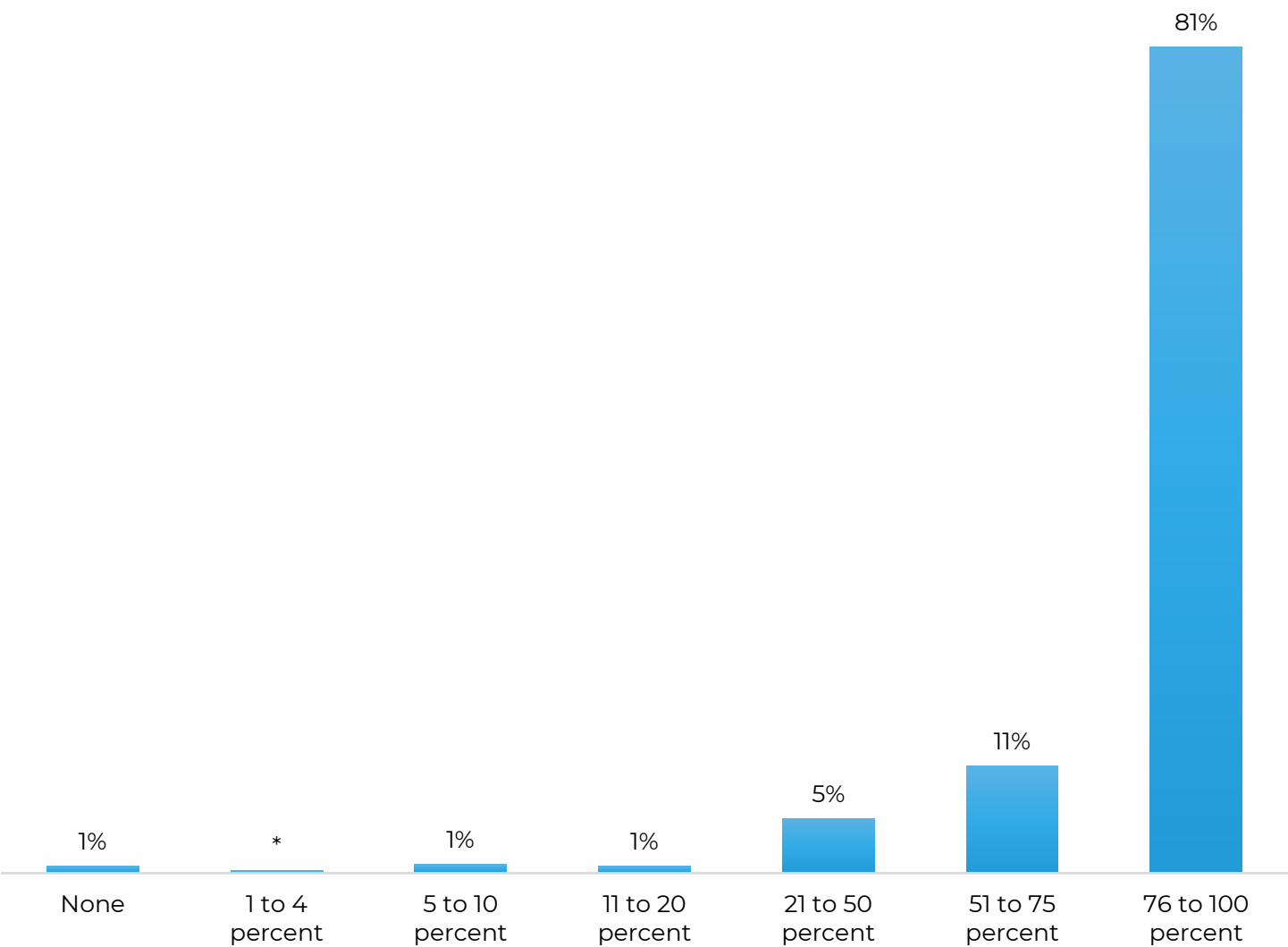
Other Real Estate Business Activities Among Firm

(Percent of Respondents)



Chapter 1: Characteristics of Real Estate Firms

Percent of Firm's Revenue from Primary Real Estate Business Activity
(Percentage Distribution)

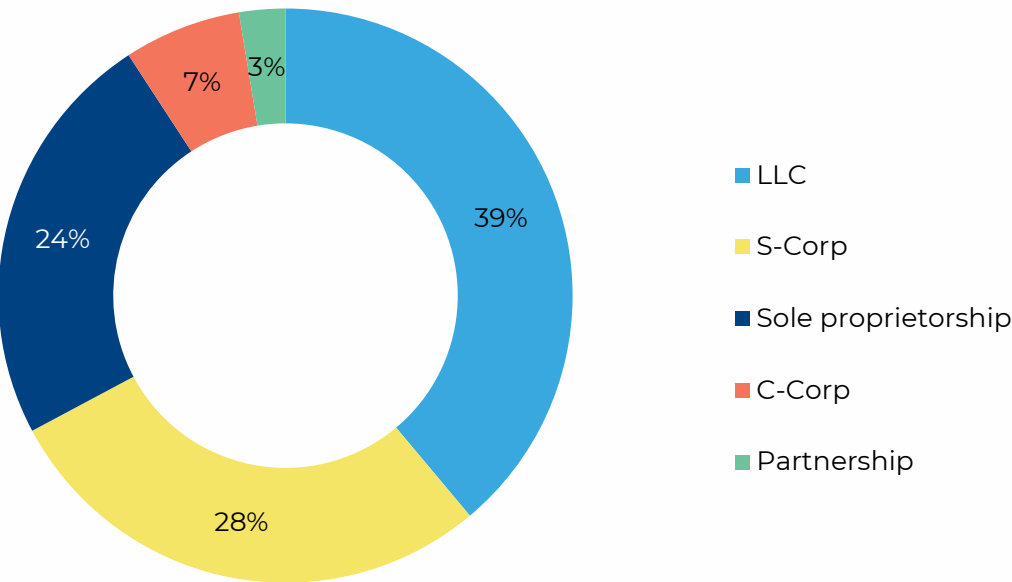


**Less than 1 percent*

Chapter 1: Characteristics of Real Estate Firms

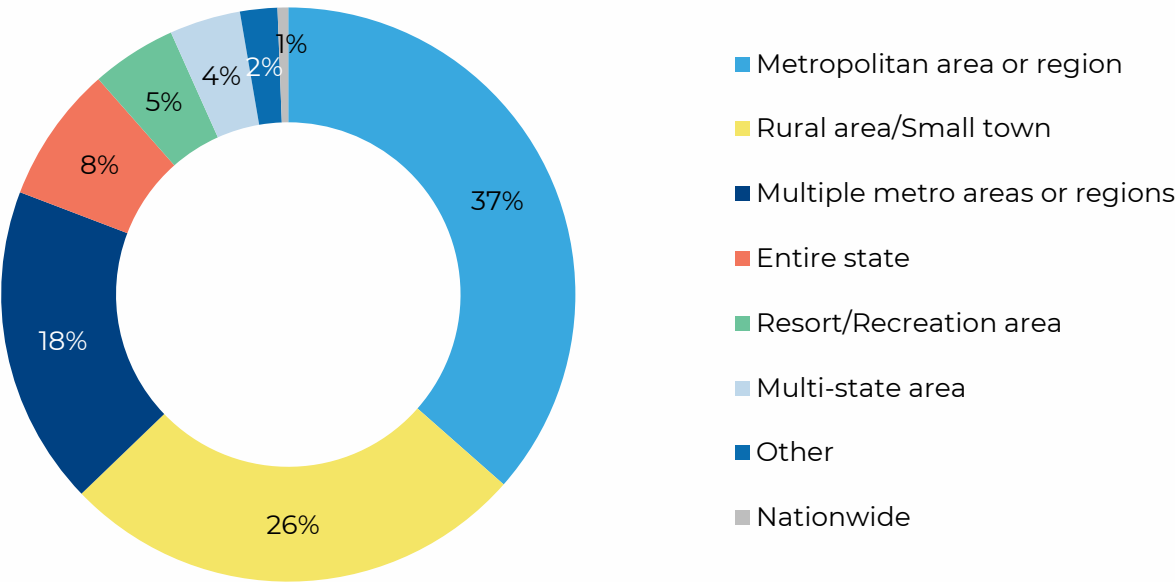
Legal Organization Of Real Estate Firms

(Percentage Distribution)



Geographic Market Area of Firm

(Percentage Distribution)



CHAPTER 2:

Business Activity of Firms

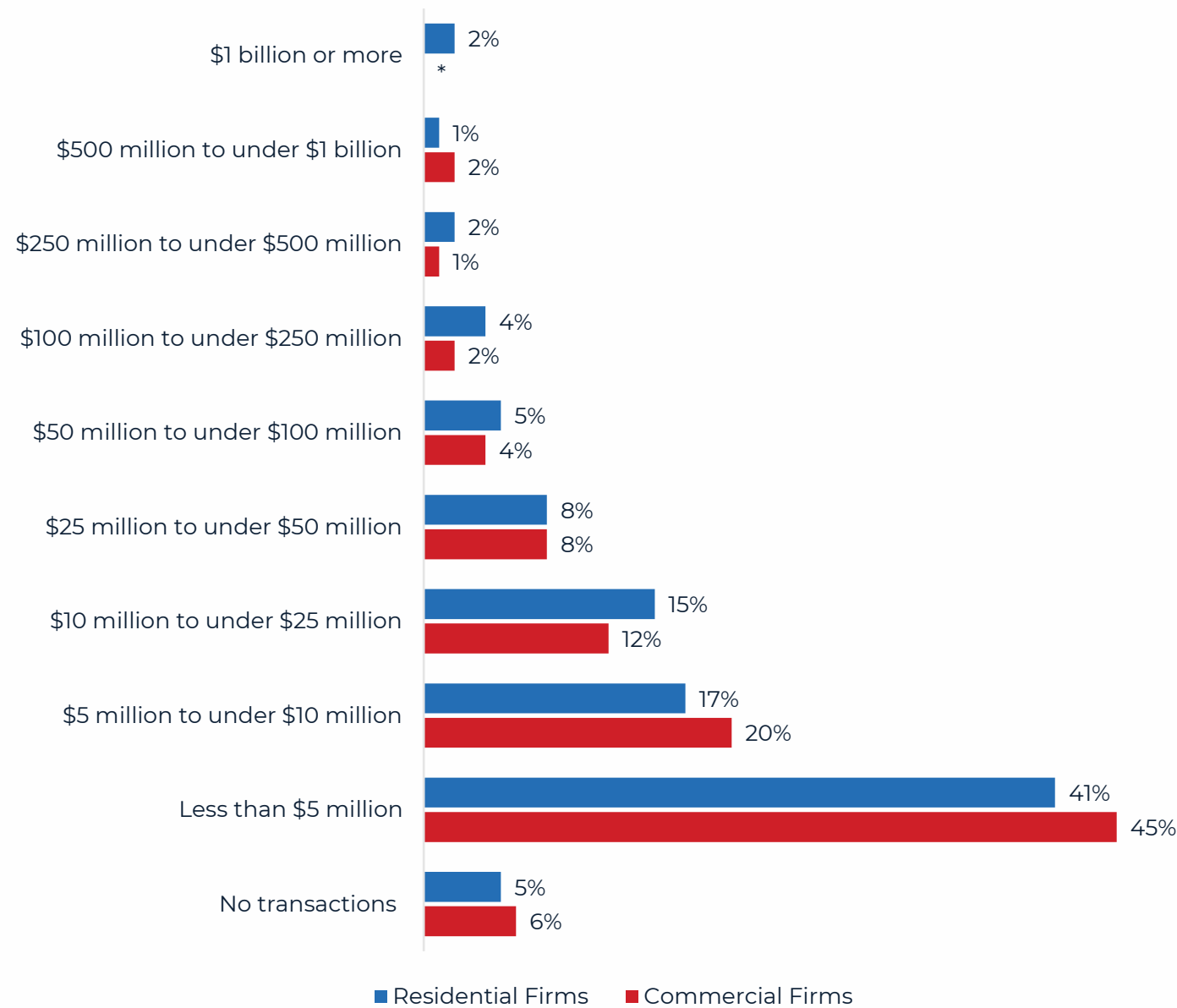


- Firms with only one office had a median brokerage sales volume of \$4.6 million in 2024, while firms with four or more offices had a median brokerage sales volume of \$169.2 million in 2024.
- Firms with one office had a median total of 12 real estate transaction sides in 2024, while firms with four or more offices typically had 300 transaction sides.
- Firms with only one office had a median brokerage commission volume of \$2.8 million in 2024, while firms with four or more offices had a median brokerage commission volume of \$13.8 million in 2024.
- Firms typically generate 48 percent of their sales volume from past client referrals and 48 percent from repeat business.
- Many firms have the capability to offer in-house ancillary services to real estate clients. The most common in-house service is business brokerage, followed by commercial consulting services, relocation services, and staging services.
- The largest source of current competition comes from traditional brick-and-mortar large franchise firms (37% of competition), followed by traditional brick-and-mortar single-office firms (26%).

Chapter 2: Business Activity of Firms

Firm's Real Estate Brokerage Sales Volume, by Residential and Commercial Firms, 2024

(Percentage Distribution)



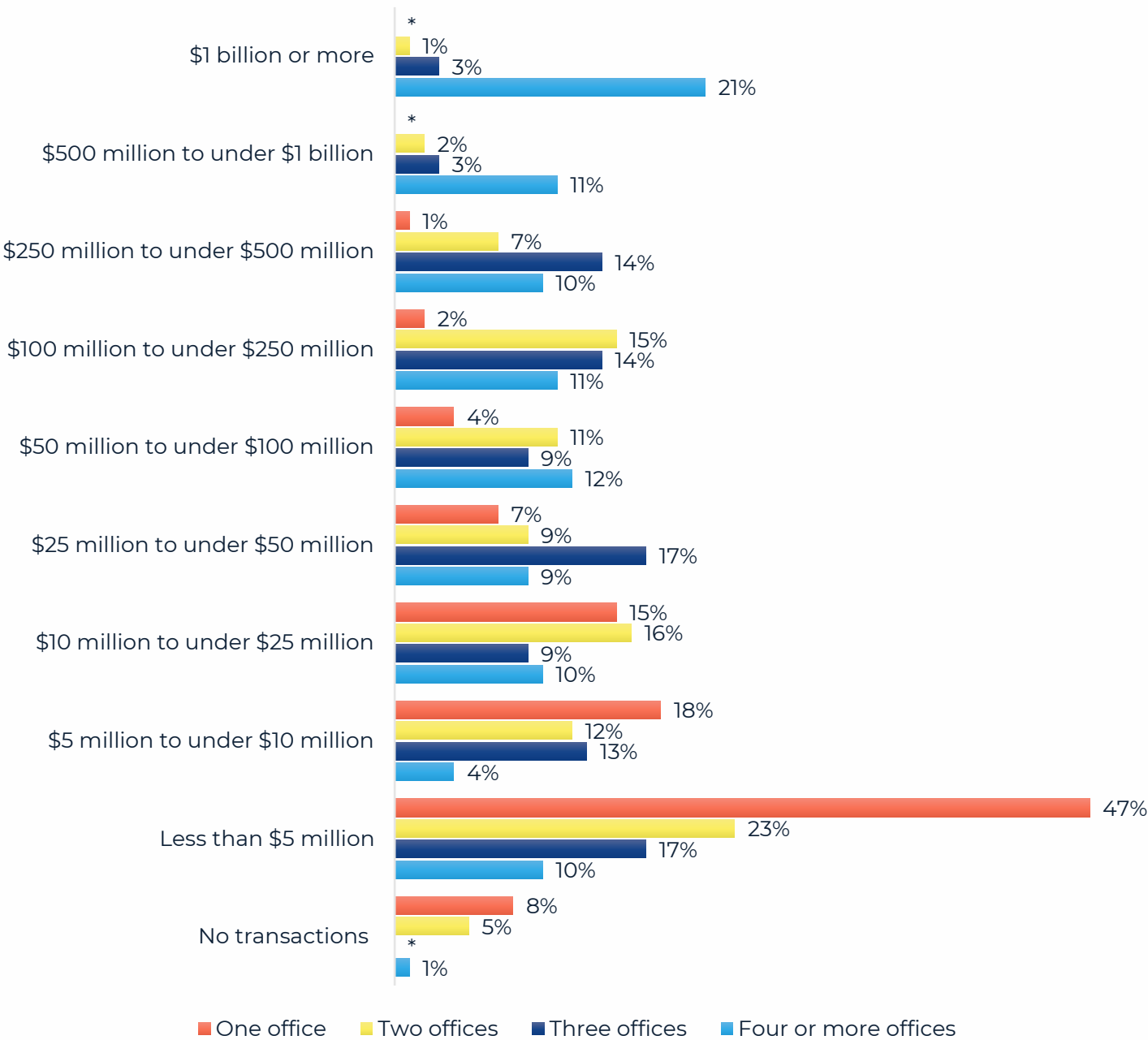
*Less than 1 percent

Median (millions): Residential Firms: \$6.2
Commercial Firms: \$4.9

Chapter 2: Business Activity of Firms

Firm's Real Estate Brokerage Sales Volume, by Number of Offices at Firm, 2024

(Percentage Distribution)



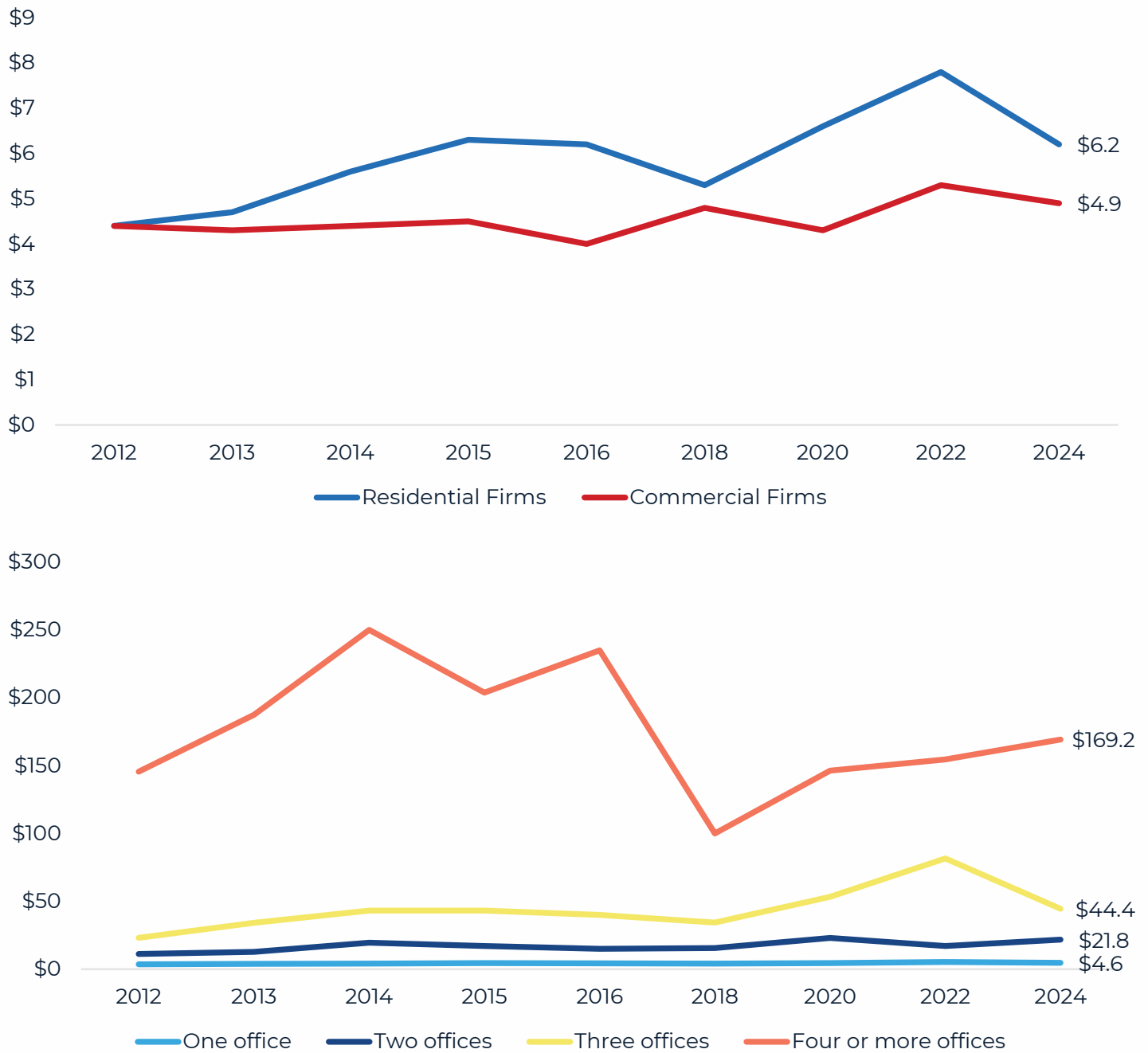
*Less than 1 percent

Median (millions): One Office: \$4.6
Two Offices: \$21.8
Three Offices: \$44.4
Four or More Offices: \$169.2

Chapter 2: Business Activity of Firms

Firm's Real Estate Brokerage Sales Volume (Millions) by Residential and Commercial Firms, 2012-2024*

(Percentage Distribution)

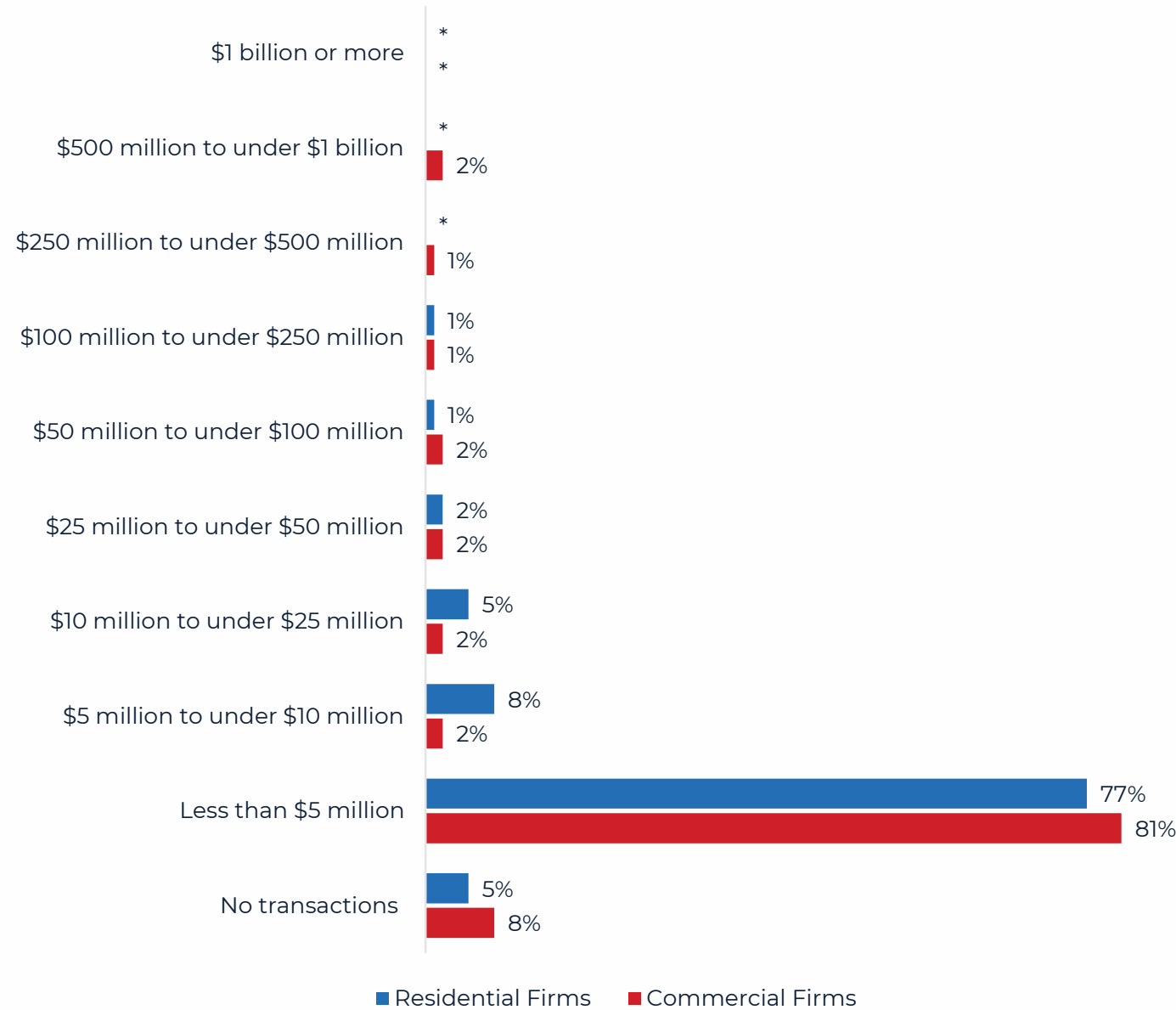


*Firm Profile was not collected in the 2018 calendar year and thus the charts do not reflect 2017 sales data.

Chapter 2: Business Activity of Firms

Firm's Real Estate Brokerage Commission Volume, by Residential and Commercial Firms, 2024

(Percentage Distribution)



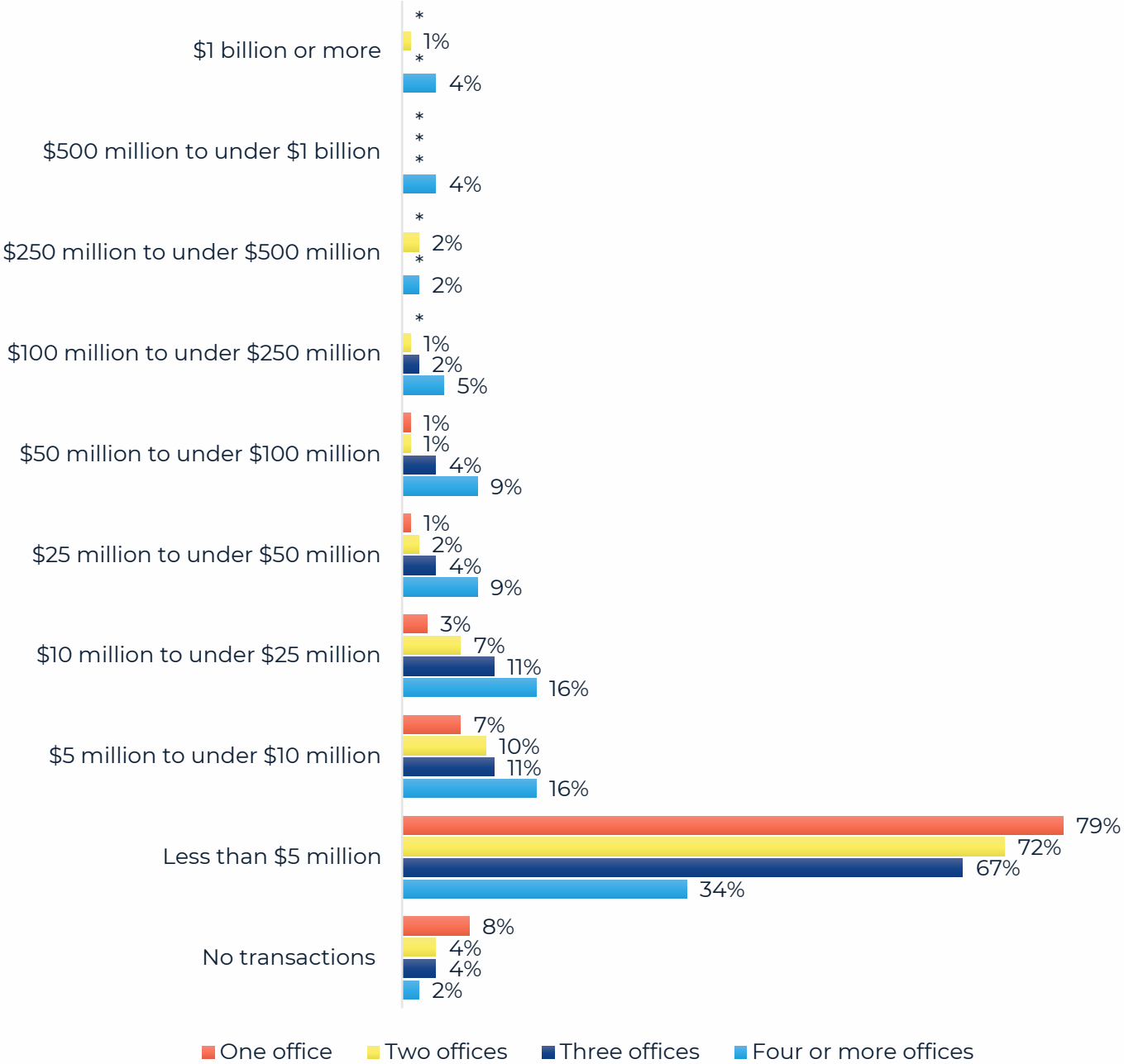
*Less than 1 percent

Median (millions): Residential Firms: \$2.9
Commercial Firms: \$2.6

Chapter 2: Business Activity of Firms

Firm's Real Estate Brokerage Commission Volume, by Number of Offices at Firm, 2024

(Percentage Distribution)



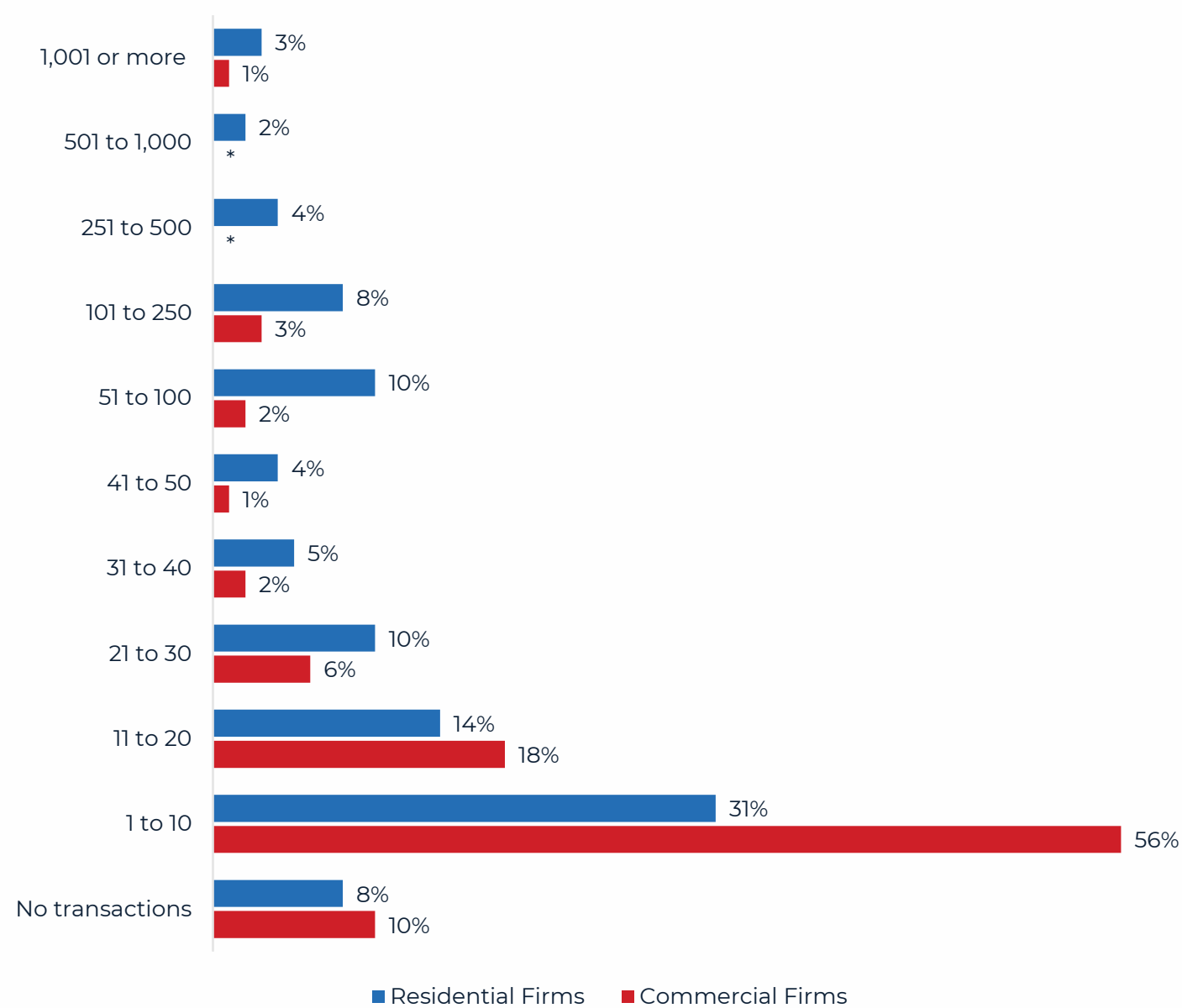
*Less than 1 percent

Median (millions): One Office: \$2.8
Two Offices: \$3.5
Three Offices: \$4.0
Four or More Offices: \$13.8

Chapter 2: Business Activity of Firms

Firm's Total Real Estate Transaction Sides, by Residential and Commercial Firms, 2024

(Percentage Distribution)

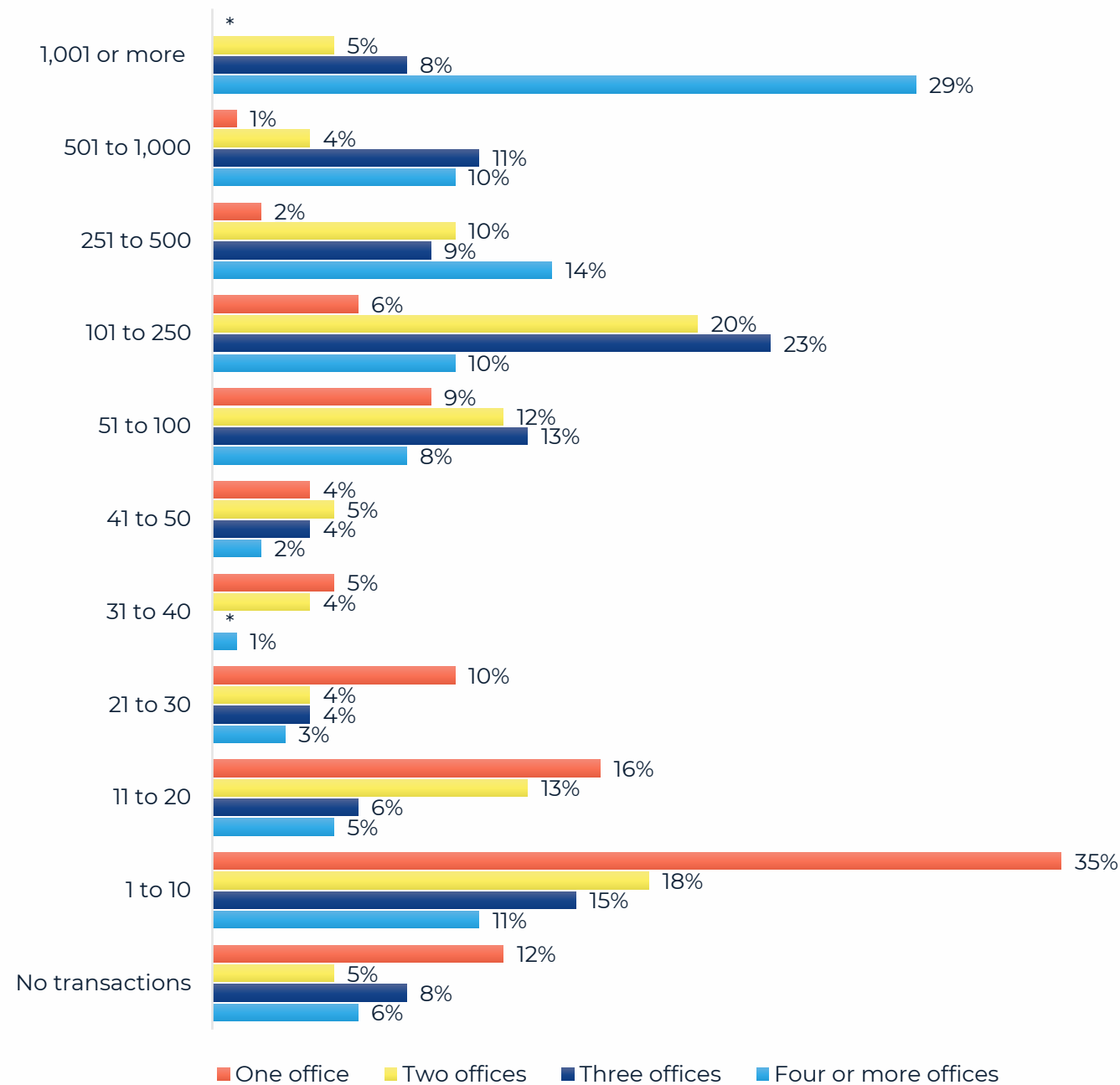


*Less than 1 percent

Median: Residential Firms: 19
Commercial Firms: 8

Chapter 2: Business Activity of Firms

Firm's Total Real Estate Transaction Sides, by Number of Offices at Firm, 2024
(Percentage Distribution)



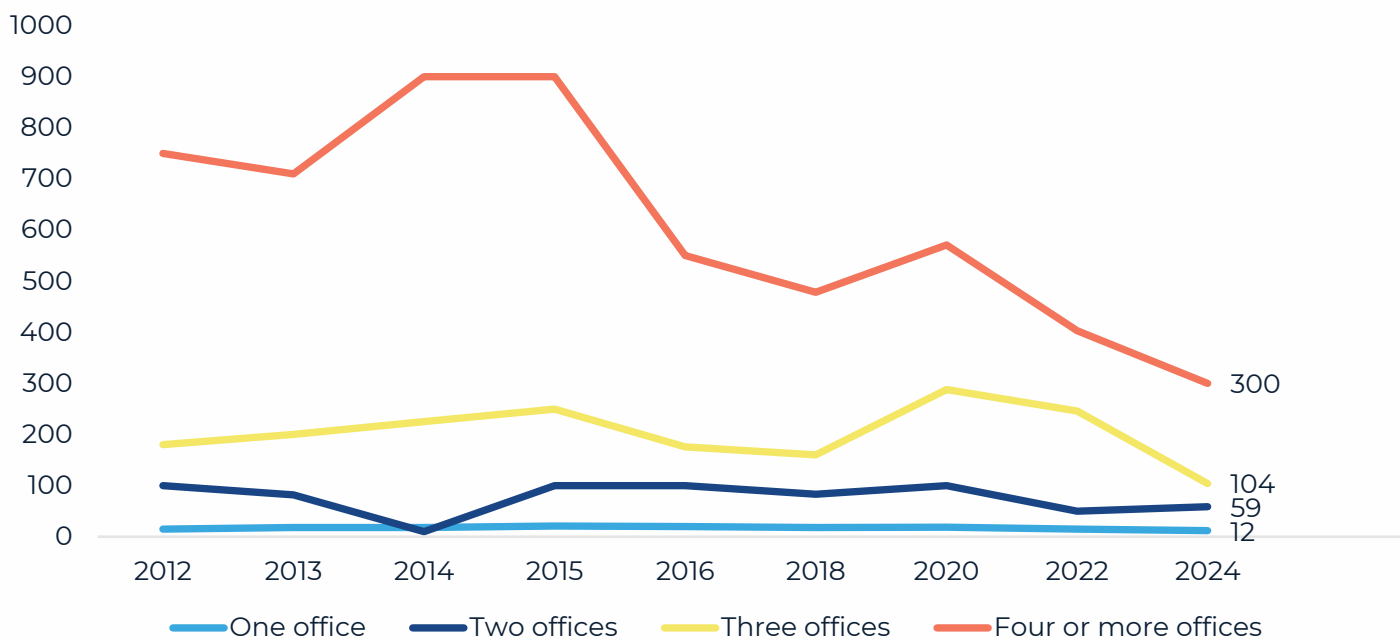
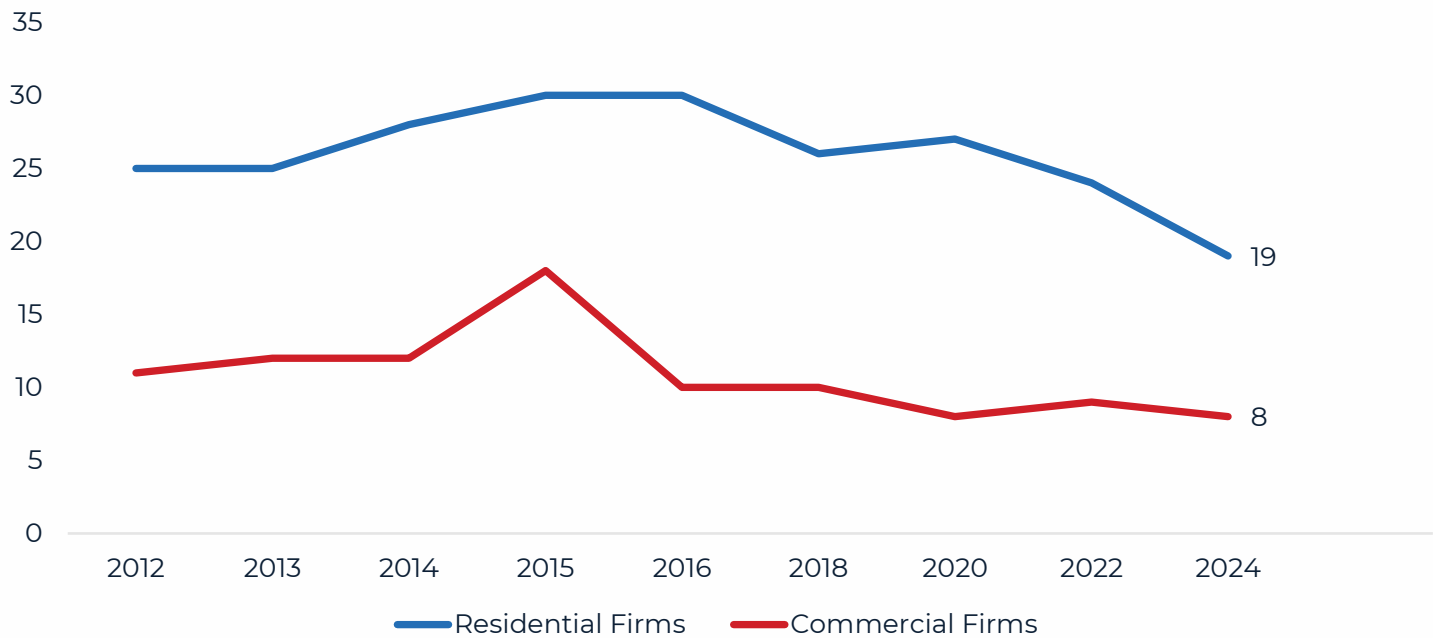
*Less than 1 percent

Median: One Office: 12
Two Offices: 59
Three Offices: 104
Four or More Offices: 300

Chapter 2: Business Activity of Firms

Firm's Total Real Estate Transaction Sides by Residential and Commercial Firms, 2012-2024*

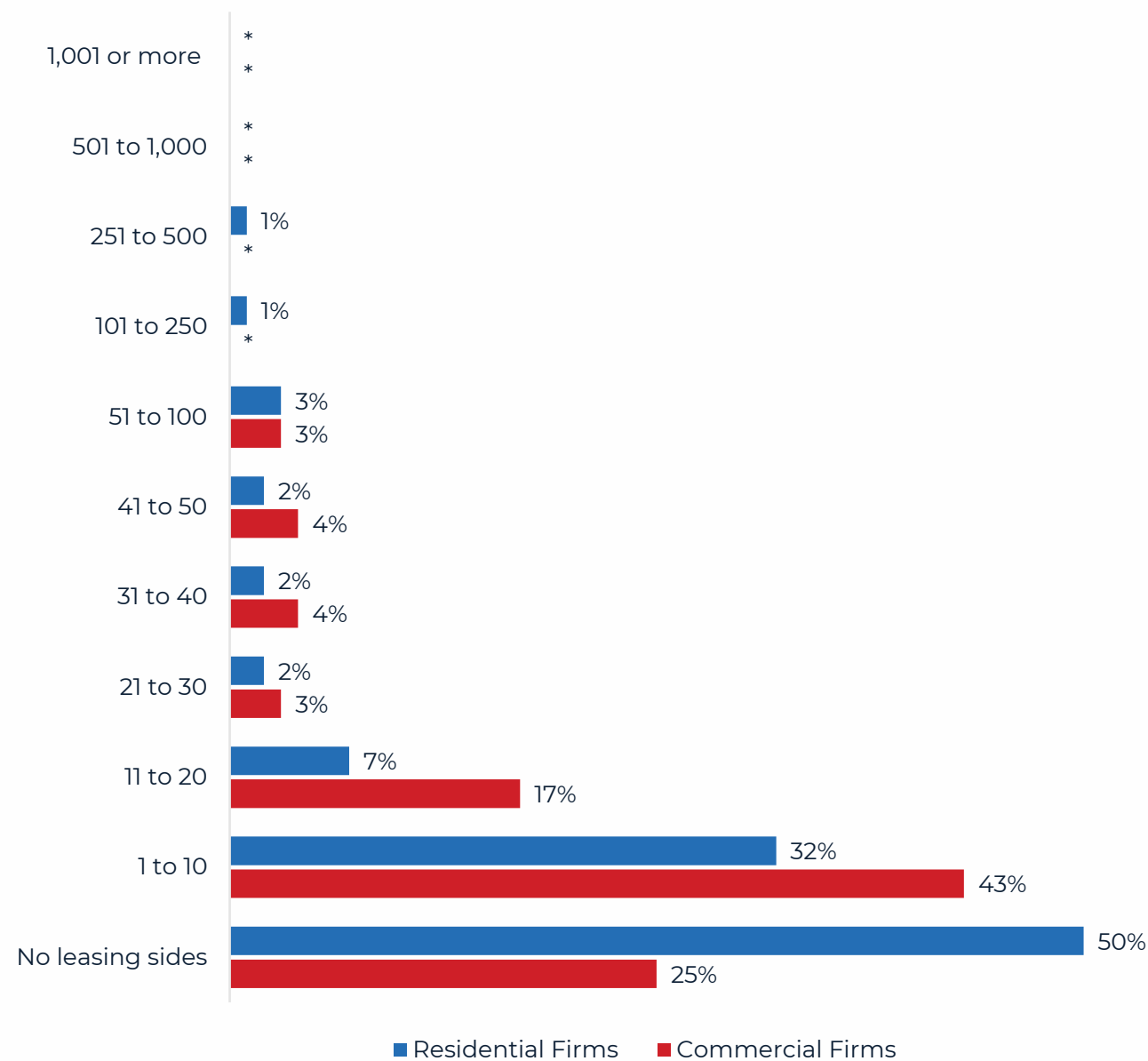
(Medians)



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Chapter 2: Business Activity of Firms

Firm's Total Leasing Sides, by Residential and Commercial Firms, 2024
(Percentage Distribution)

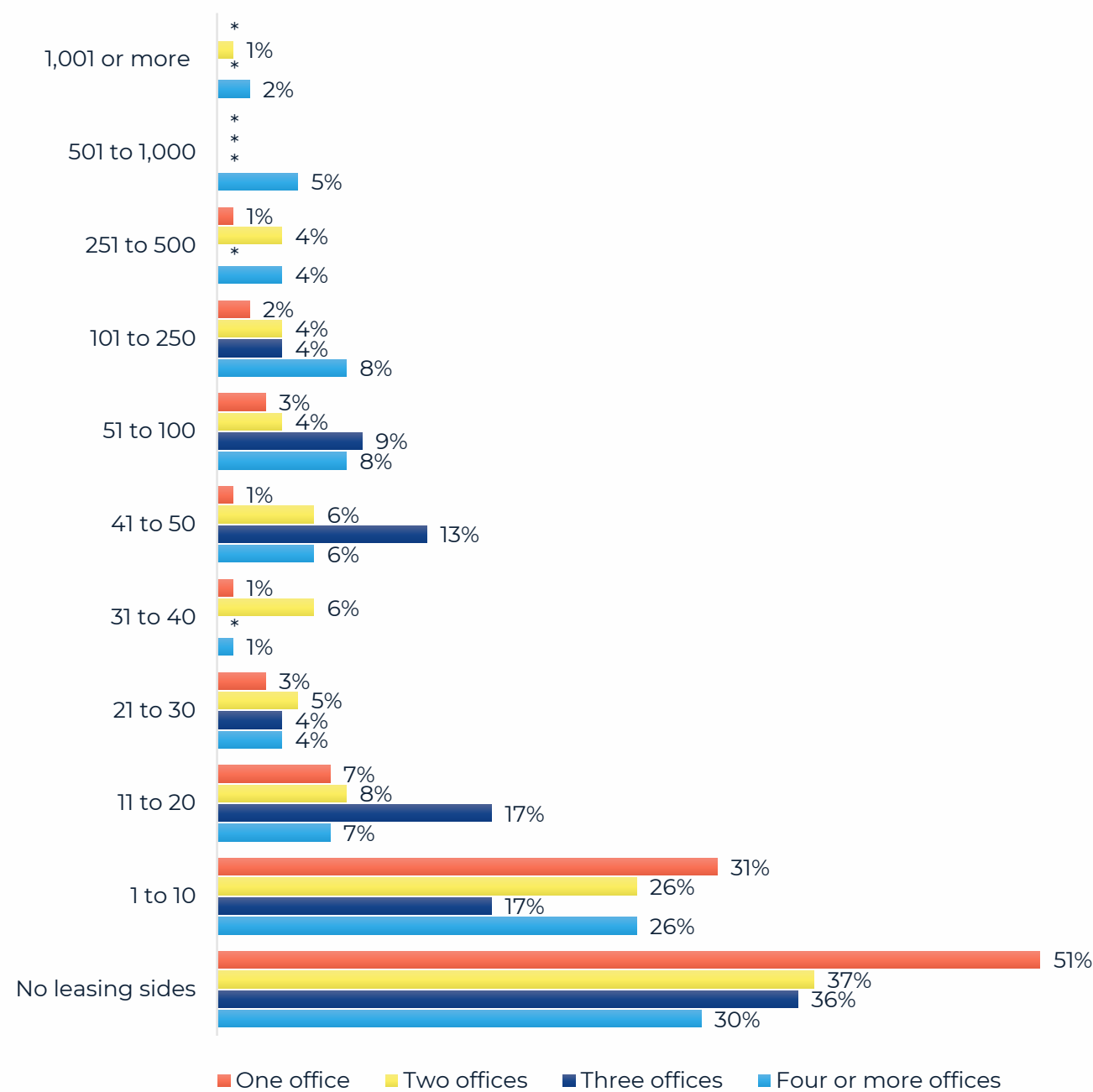


*Less than 1 percent

Median: Residential Firms: 1
Commercial Firms: 5

Chapter 2: Business Activity of Firms

Firm's Total Leasing Sides, by Number of Offices at Firm, 2024
(Percentage Distribution)



*Less than 1 percent

Median: One Office: 0
Two Offices: 4
Three Offices: 5
Four or More Offices: 7

Chapter 2: Business Activity of Firms

Ancillary Services Offered At Firms, by Number of Offices at Firm

(Percentage Distribution)

	OFFER THIS SERVICE IN-HOUSE				
	ALL FIRMS	ONE OFFICE	TWO OFFICES	THREE OFFICES	FOUR OR MORE OFFICES
Business brokerage	26%	24%	32%	27%	42%
Commercial consulting services	17	15	21	32	33
Relocation services	12	9	16	26	42
Staging services	11	11	9	11	8
Home improvement	7	7	4	3	5
Mortgage lending	5	4	4	11	13
1031 Tax Deferred Exchange Services	5	5	7	3	7
Remodeling services while paying up front costs	5	5	5	3	6
Title or escrow services	4	3	6	8	16
Home warranty	4	3	4	11	7
Settlement services	4	2	5	5	19
Homeowners insurance	2	2	2	5	7
Home inspection	2	2	1	3	2
Other insurance	2	2	2	6	5
Moving services	2	1	3	3	2
Termite inspection services	1	1	2	*	2
Securities brokerage	1	1	1	*	2

*Less than 1 percent

Chapter 2: Business Activity of Firms

Ancillary Services Offered At Firms, by Number of Offices at Firm

(Percentage Distribution)

	OFFER THIS SERVICE OUTSOURCED OR WITH A BUSINESS RELATIONSHIP				
	ALL FIRMS	ONE OFFICE	TWO OFFICES	THREE OFFICES	FOUR OR MORE OFFICES
Home warranty	35%	34%	34%	46%	48%
Mortgage lending	33	32	34	35	49
Title or escrow services	32	31	30	42	43
Home inspection	32	32	29	29	30
Termite inspection services	30	31	23	33	28
1031 Tax Deferred Exchange Services	27	26	30	36	35
Homeowners insurance	26	25	26	26	33
Home improvement	23	23	21	21	22
Staging services	21	20	21	35	26
Settlement services	20	19	20	32	28
Moving services	20	20	17	21	26
Other insurance	17	16	16	16	26
Relocation services	13	13	14	18	13
Remodeling services while paying up front costs	13	12	14	11	22
Commercial consulting services	10	10	8	11	14
Business brokerage	6	6	4	13	9
Securities brokerage	5	5	4	6	4

Chapter 2: Business Activity of Firms

Ancillary Services Offered At Firms, by Number of Offices at Firm

(Percentage Distribution)

	DO NOT CURRENTLY OFFER THIS SERVICE				
	ALL FIRMS	ONE OFFICE	TWO OFFICES	THREE OFFICES	FOUR OR MORE OFFICES
Securities brokerage	86%	86%	87%	89%	86%
Remodeling services while paying up front costs	74	74	74	80	65
Other insurance	73	75	73	74	60
Moving services	71	72	75	75	66
Settlement services	70	72	70	62	47
Relocation services	67	70	66	53	42
Commercial consulting services	65	68	63	54	47
Homeowners insurance	65	67	65	66	53
Home improvement	63	63	66	71	65
Termite inspection services	62	62	68	65	65
Staging services	61	62	62	53	60
1031 Tax Deferred Exchange Services	61	62	58	59	55
Business brokerage	60	63	55	57	43
Home inspection	59	59	64	63	62
Title or escrow services	58	60	58	50	33
Mortgage lending	56	57	57	51	33
Home warranty	56	57	56	41	40

Chapter 2: Business Activity of Firms

Ancillary Services Offered At Firms, by Number of Offices at Firm

(Percentage Distribution)

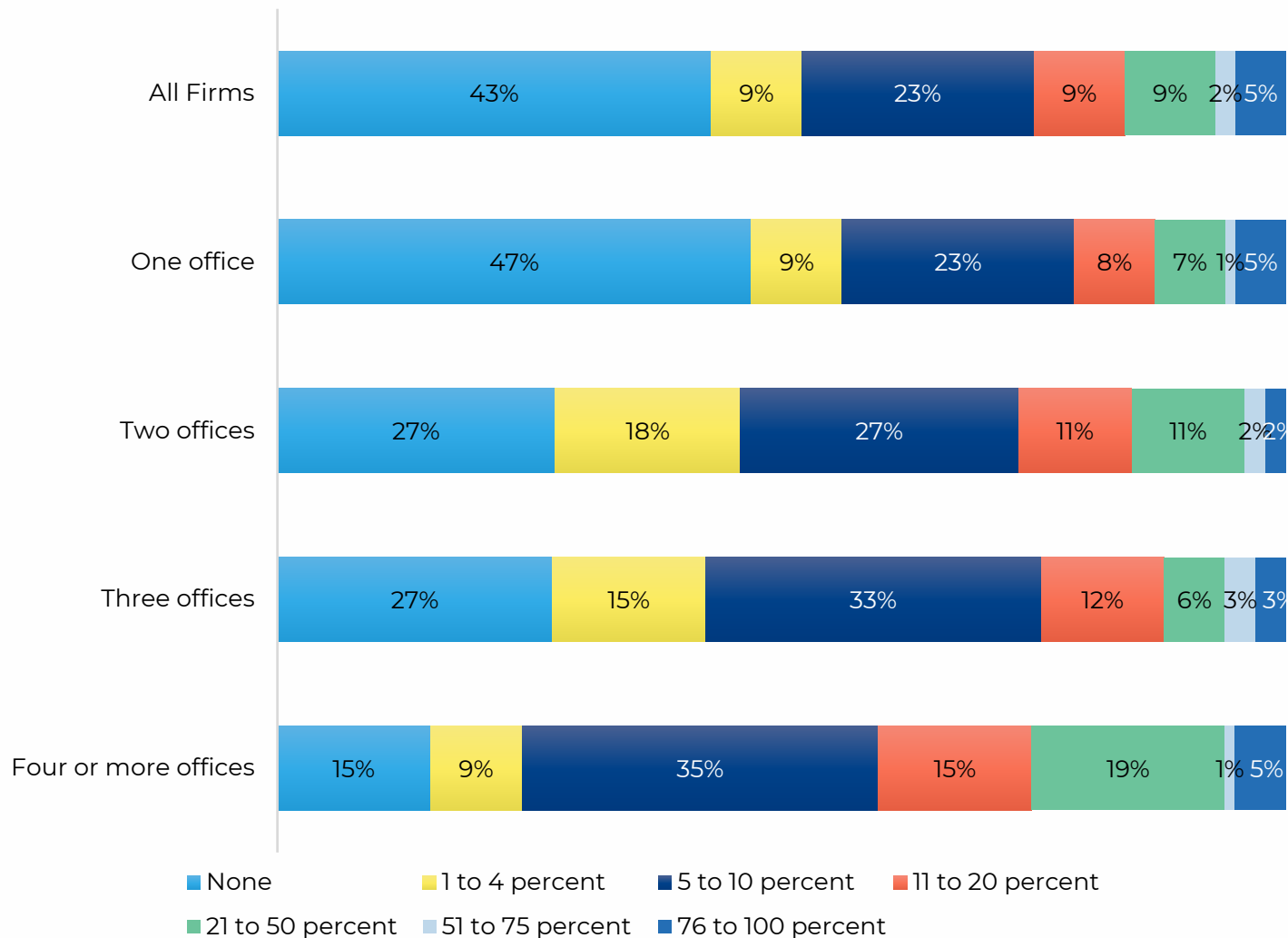
	DO NOT CURRENTLY OFFER THIS SERVICE, BUT PLAN TO IN THE FUTURE				
	ALL FIRMS	ONE OFFICE	TWO OFFICES	THREE OFFICES	FOUR OR MORE OFFICES
Business brokerage	8%	8%	9%	3%	6%
Commercial consulting services	8	8	8	3	6
Relocation services	8	9	4	3	3
Staging services	8	8	8	*	5
Home improvement	8	7	9	5	7
Remodeling services while paying up front costs	8	8	7	5	7
Other insurance	8	7	9	3	9
Securities brokerage	8	8	8	5	8
1031 Tax Deferred Exchange Services	7	7	6	2	4
Settlement services	7	7	6	2	7
Homeowners insurance	7	6	7	3	7
Moving services	7	7	6	2	6
Mortgage lending	6	6	5	3	5
Title or escrow services	6	6	6	*	8
Home warranty	6	6	6	2	4
Home inspection	6	6	6	5	6
Termite inspection services	6	6	6	2	5

*Less than 1 percent

Chapter 2: Business Activity of Firms

Percent of Net Revenue of Firm Made On Ancillary Services, by Number of Offices at Firm

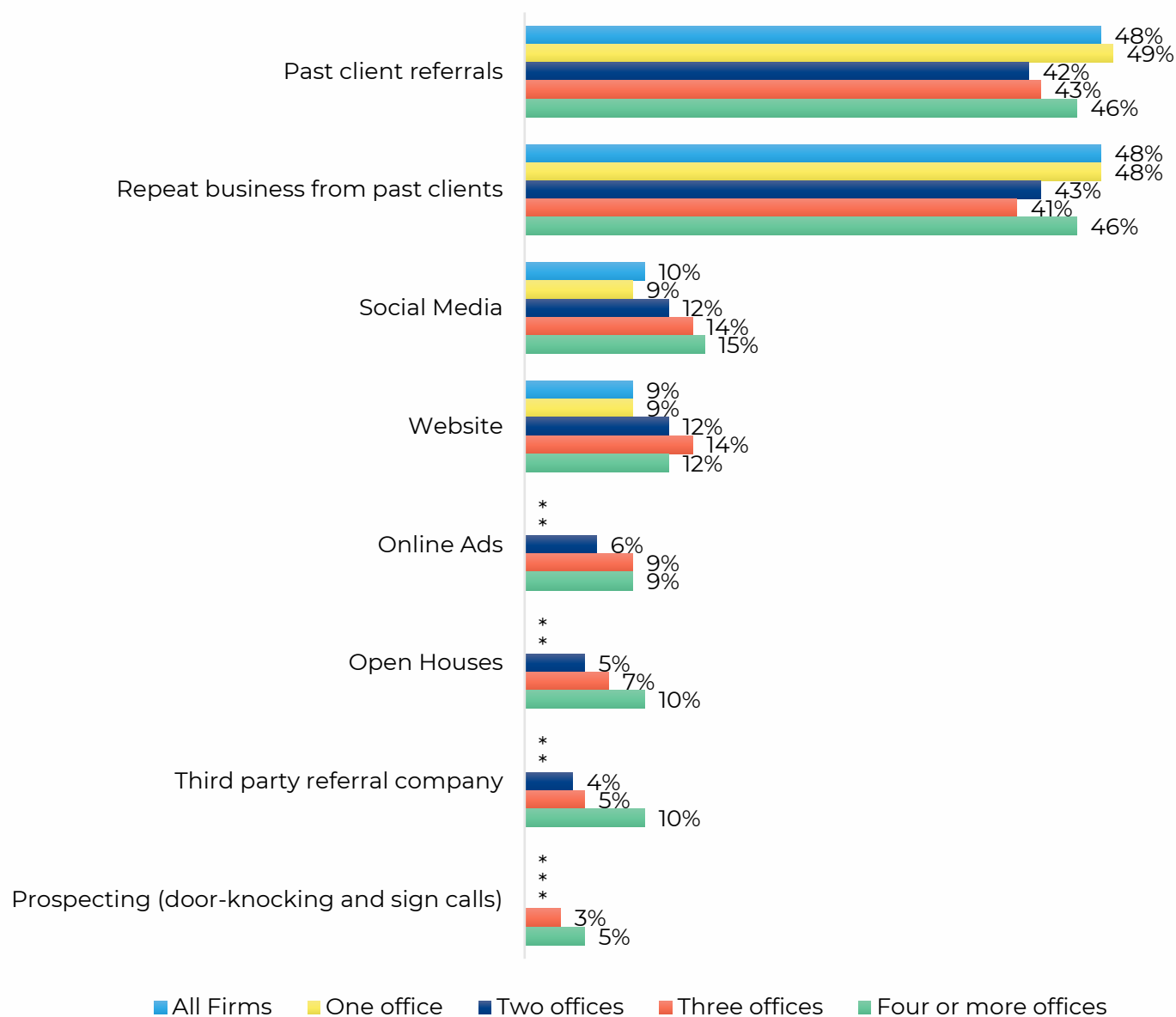
(Percentage Distribution)



Chapter 2: Business Activity of Firms

Median Percent of Customer Inquiries Generated from Sources

(Median Percentage Distribution)



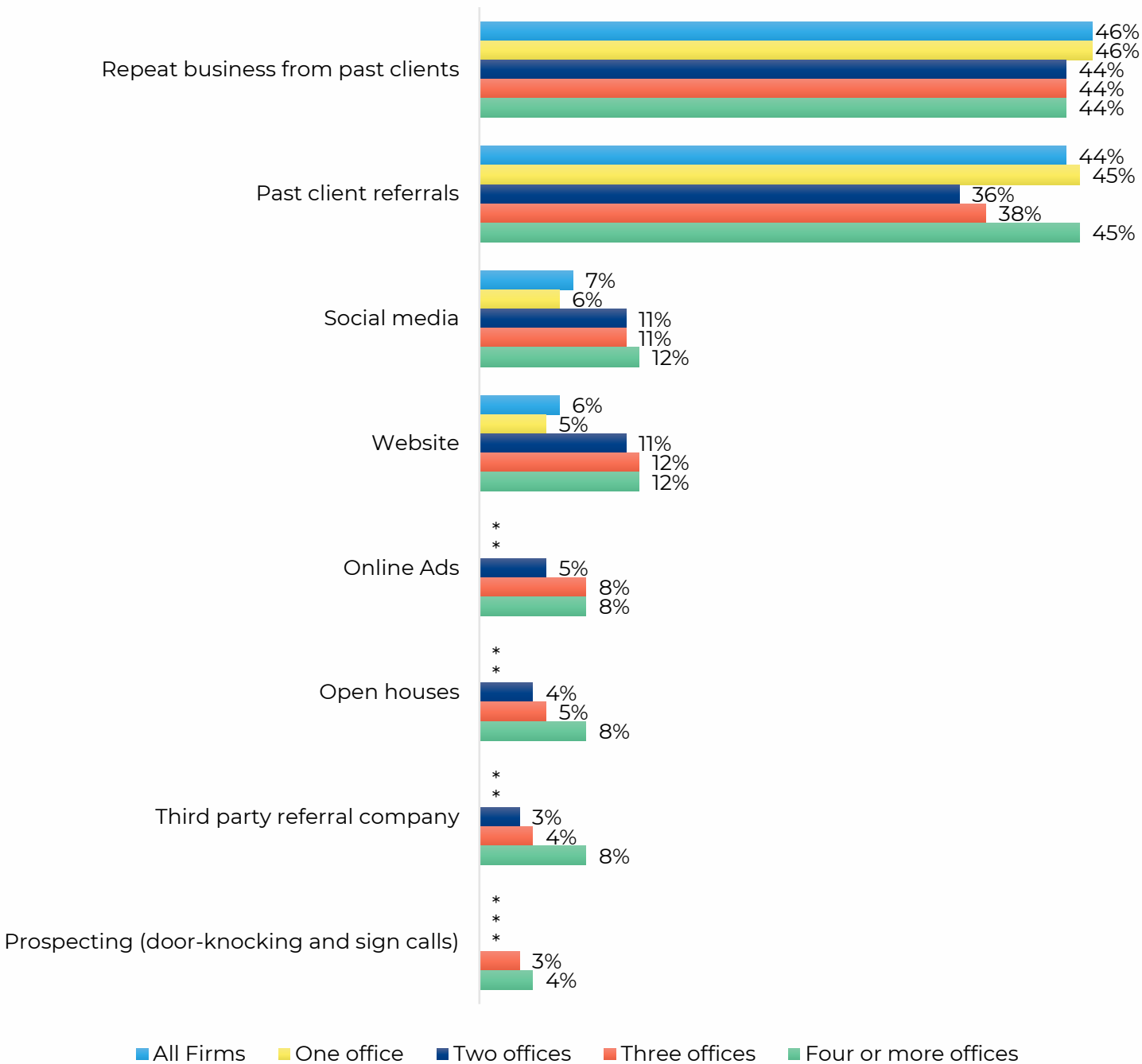
*Less than 1 percent

Firms overall reported a median of zero percent of inquiries from Print Ads.

Chapter 2: Business Activity of Firms

Median Percent of Firm's Sales Volume was Generated by Source

(Median Percentage Distribution)

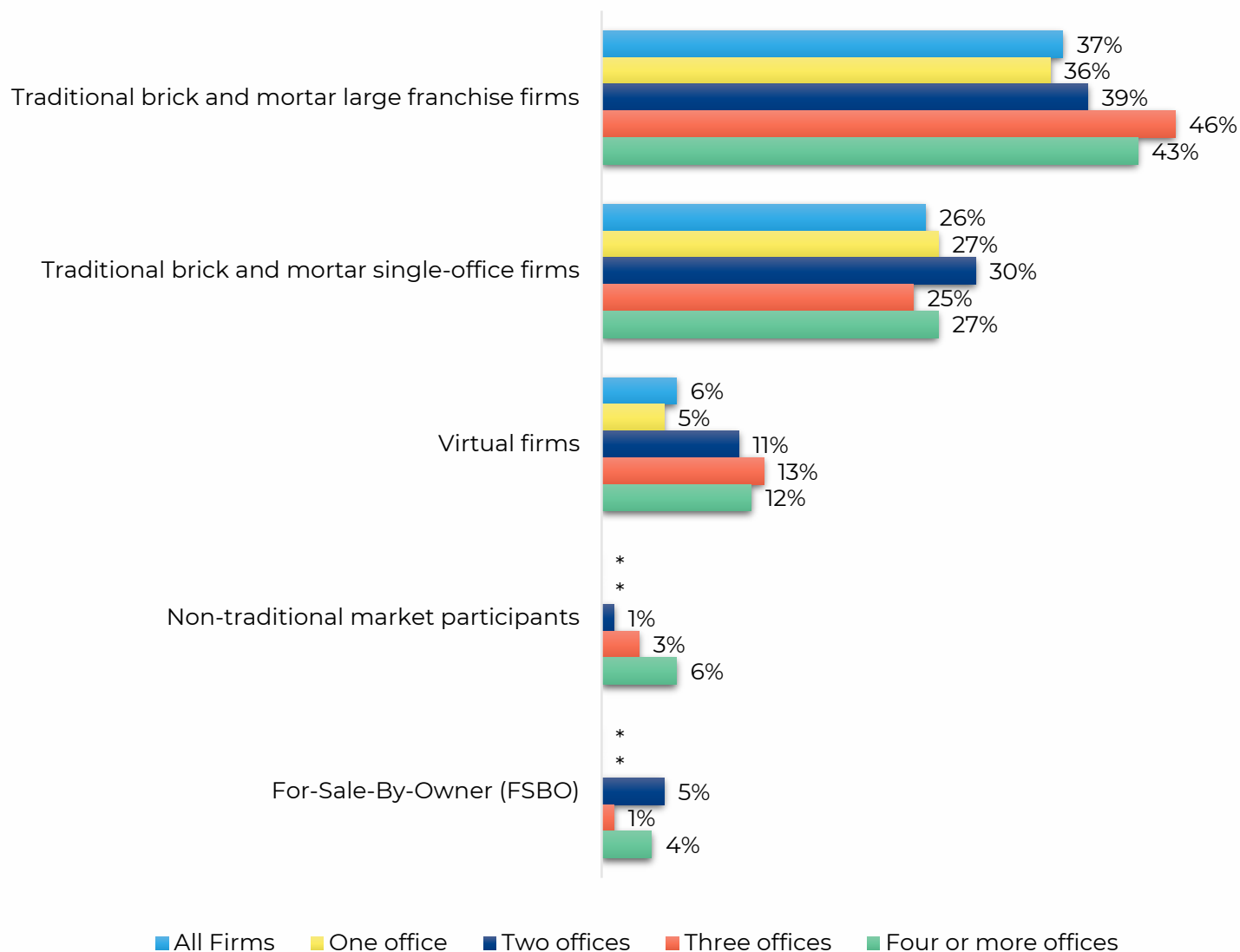


Firms overall reported a median of zero percent of inquiries from Print Ads.

Chapter 2: Business Activity of Firms

Median Percent of Current Competition from Sources

(Percentage Distribution)



*Less than 1 percent

CHAPTER 3:

What Firm Provides to Agents and Staff



- The most common benefit that firms offer to independent contractors, licensees, and agents is errors and omissions/liability insurance at 42 percent.
- While this is also the most common benefit for salaried licensees and agents, only 22 percent receive this benefit.
- Among administrative staff, 25 percent receive errors and omissions/liability insurance, 24 percent receive vacation/sick days, and 11 percent receive health insurance.
- Thirty percent of senior management receive errors and omissions/liability insurance, 14 percent receive vacation/sick days, and 12 percent receive health insurance.
- The most common tools provided or encouraged by firms are electronic contracts/forms, comparative market analysis, e-signature, and multiple listing.
- Four percent of firms with one office operate a non-profit foundation, compared to 22 percent of firms with four or more offices.
- Seventy-one percent of firms encourage agents to pursue certifications and designations, and 61 percent encourage agents to take additional training classes.

Chapter 3: What Firm Provides to Agents and Staff

Benefits Received by Independent Contractors/Licensees/Agents

(Percentage Distribution)

	EMPLOYEE PAYS	FIRMS PAY	BOTH PAY	NOT OFFERED
Errors and Omissions (E&O) Insurance/Liability Insurance	21%	42%	15%	23%
Health insurance	16	2	1	81
Dental care	10	1	1	89
Vision care	9	1	1	89
Long-term care insurance	9	1	*	90
Life insurance	8	1	*	92
Disability insurance	8	1	*	90
Pension plan/401(k)/SEP	8	1	1	90
Vacation/sick days	7	2	*	91

*Less than 1 percent

Benefits Received by Salaried Licensees/Agents

(Percentage Distribution)

	EMPLOYEE PAYS	FIRMS PAY	BOTH PAY	NOT OFFERED
Errors and Omissions (E&O) Insurance/Liability Insurance	7%	22%	6%	66%
Health insurance	6	4	4	86
Dental care	6	2	2	90
Vision care	6	2	2	90
Disability insurance	5	3	1	91
Long-term care insurance	5	2	1	93
Life insurance	5	2	1	93
Pension plan/401(k)/SEP	5	2	3	90
Vacation/sick days	4	9	1	86

Chapter 3: What Firm Provides to Agents and Staff

Benefits Received by Administrative Staff

(Percentage Distribution)

	EMPLOYEE PAYS	FIRMS PAY	BOTH PAY	NOT OFFERED
Health insurance	6%	11%	6%	77%
Dental care	6	5	4	86
Vision care	6	4	3	87
Long-term care insurance	5	3	3	89
Life insurance	5	3	2	91
Disability insurance	5	6	2	87
Pension plan/401(k)/SEP	5	3	6	86
Errors and Omissions (E&O) Insurance/Liability Insurance	4	25	3	68
Vacation/sick days	3	24	1	72

Benefits Received by Senior Management

(Percentage Distribution)

	EMPLOYEE PAYS	FIRMS PAY	BOTH PAY	NOT OFFERED
Health insurance	7%	12%	5%	76%
Dental care	7	6	3	85
Vision care	7	4	3	86
Errors and Omissions (E&O) Insurance/Liability Insurance	6	30	4	59
Life insurance	6	4	2	88
Pension plan/401(k)/SEP	6	4	5	85
Long-term care insurance	5	4	3	89
Disability insurance	5	5	2	88
Vacation/sick days	4	14	1	81

Chapter 3: What Firm Provides to Agents and Staff

Firm Provides or Encourages Agent/Broker Use of Specific Software, by Residential and Commercial Firms

(Percent of Respondents)

	ALL FIRMS	RESIDENTIAL FIRMS	COMMERCIAL FIRMS
Electronic contracts/form	73%	76%	72%
Comparative market analysis	71	75	60
E-signature	70	74	60
Multiple listing	65	67	57
Document preparation/Management	48	51	37
Contact management	38	41	33
Transaction management	36	39	26
Market statistics	34	36	32
Graphics/Presentation	30	33	30
Social media management tools	29	33	14
Customer relationship management	26	28	19
Property management	24	20	30
QR Code	19	22	8
Video	18	21	10
Home visualization (e.g., virtual tours or virtual staging)	17	20	6
Marketing automation	14	15	11
Loan analysis	11	11	11
Agent rating	8	10	1
Other	4	4	3
None of the above	10	9	11

*Less than 1 percent

Chapter 3: What Firm Provides to Agents and Staff

Firm Provides or Encourages Agent/Broker Use of Specific Software, by Number of Offices at Firm

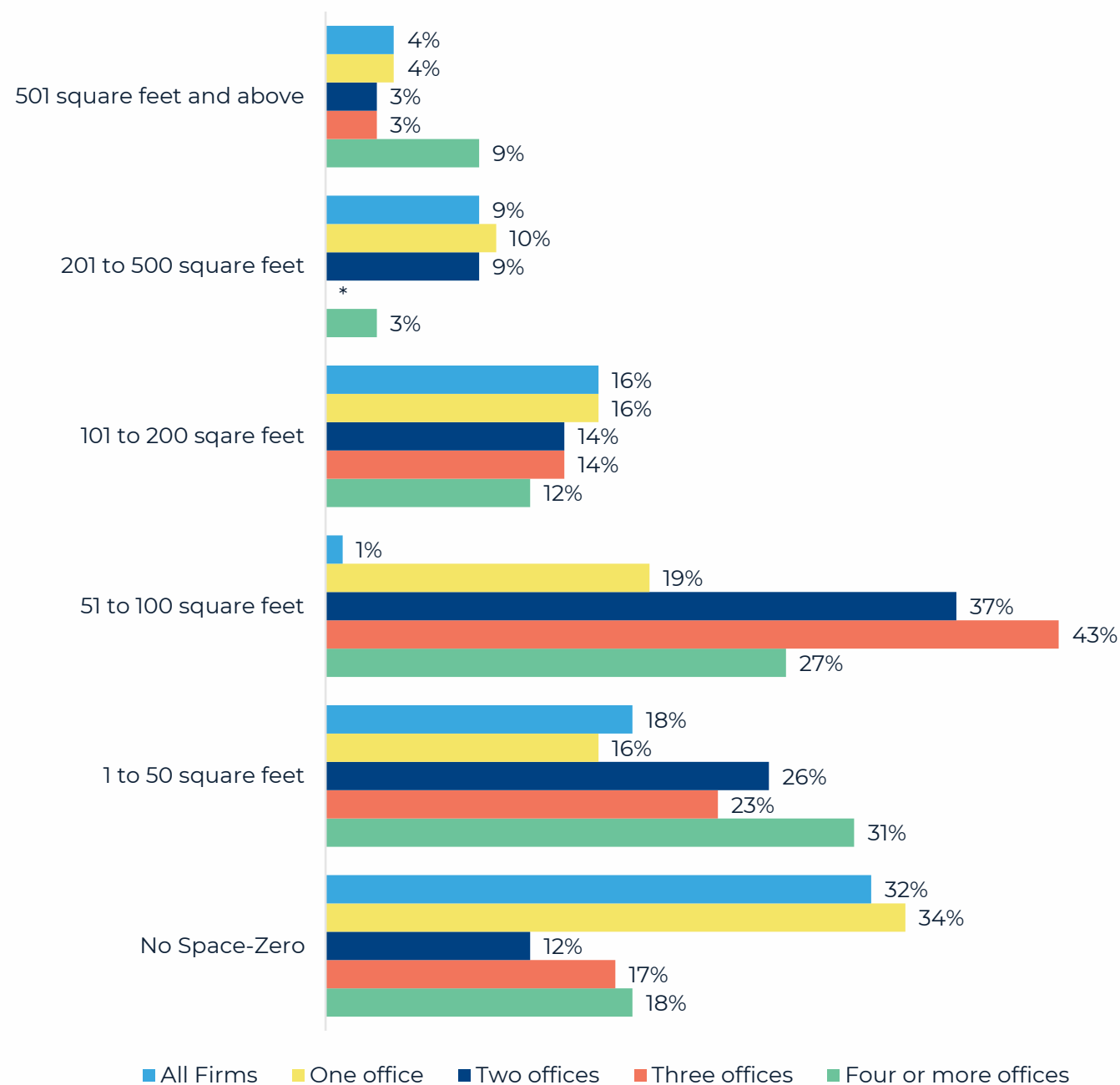
(Percent of Respondents)

	NUMBER OF OFFICES AT FIRM				
	ALL FIRMS	ONE OFFICE	TWO OFFICES	THREE OFFICES	FOUR OR MORE OFFICES
Electronic contracts/form	73%	72%	80%	86%	87%
Comparative market analysis	71	70	75	84	82
E-signature	70	69	77	95	76
Multiple listing	65	65	69	75	65
Document preparation/Management	48	47	53	70	67
Contact management	38	36	53	75	71
Transaction management	36	34	46	57	58
Market statistics	34	32	41	54	58
Graphics/Presentation	30	28	38	66	59
Social media management tools	29	26	40	63	59
Customer relationship management	26	23	38	43	45
Property management	24	23	34	25	23
QR Code	19	17	29	41	38
Video	18	15	24	55	41
Home visualization (e.g., virtual tours or virtual staging)	17	17	24	23	23
Marketing automation	14	11	23	32	40
Loan analysis	11	10	12	21	19
Agent rating	8	7	16	14	19
Other	4	4	1	4	4
None of the above	10	11	5	*	2

*Less than 1 percent

Chapter 3: What Firm Provides to Agents and Staff

Office Space Provided Per Agent, by Number of Offices at Firm
(Percentage Distribution)

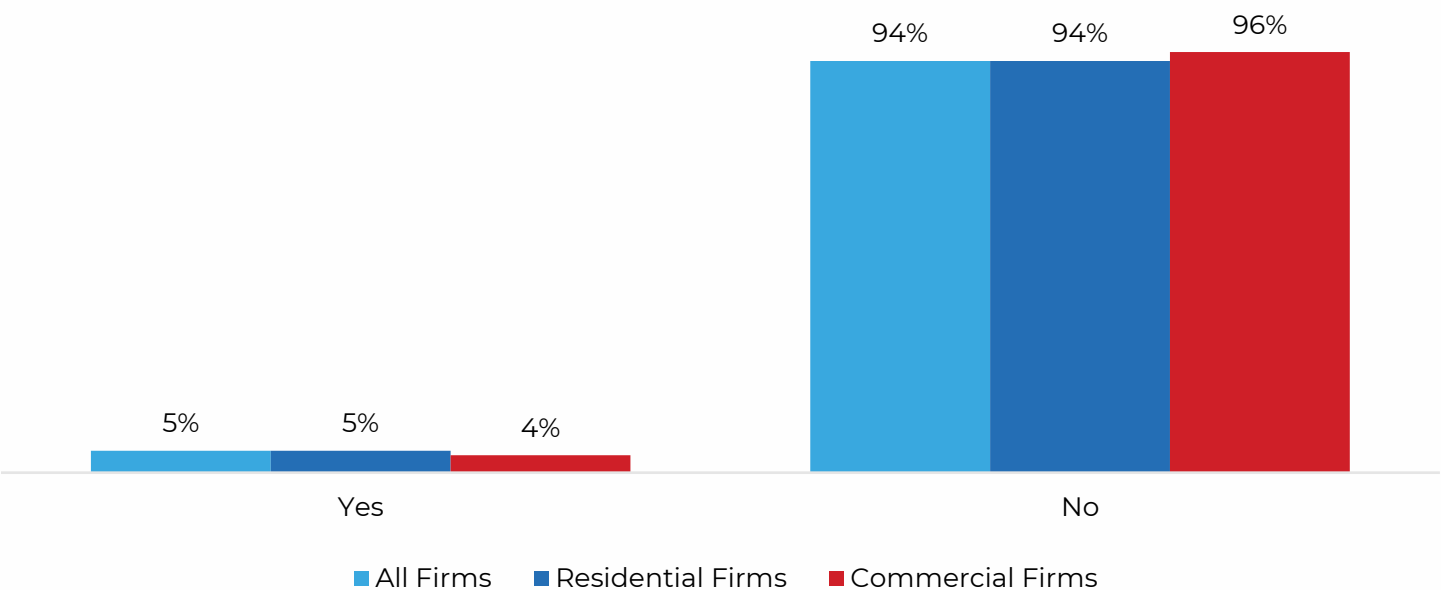


*Less than 1 percent

Chapter 3: What Firm Provides to Agents and Staff

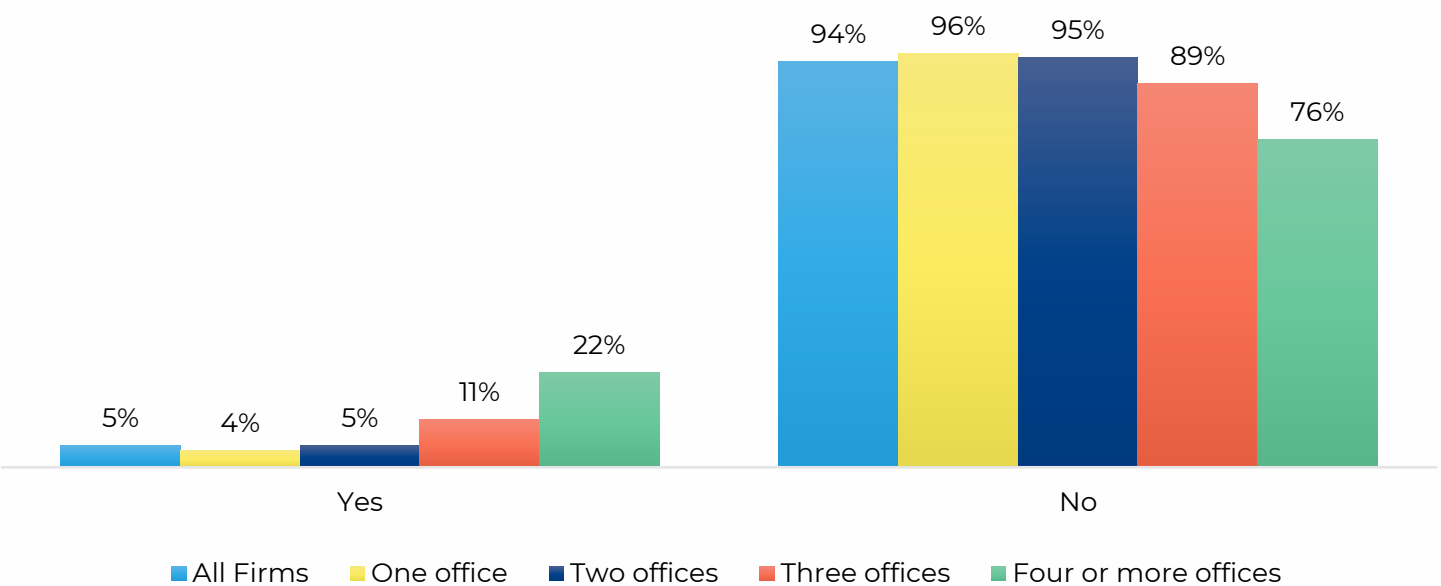
Firm Operates Non-Profit Foundation, by Residential and Commercial Firms

(Percentage Distribution)



Firm Operates Non-Profit Foundation, by Number of Offices at Firm

(Percentage Distribution)

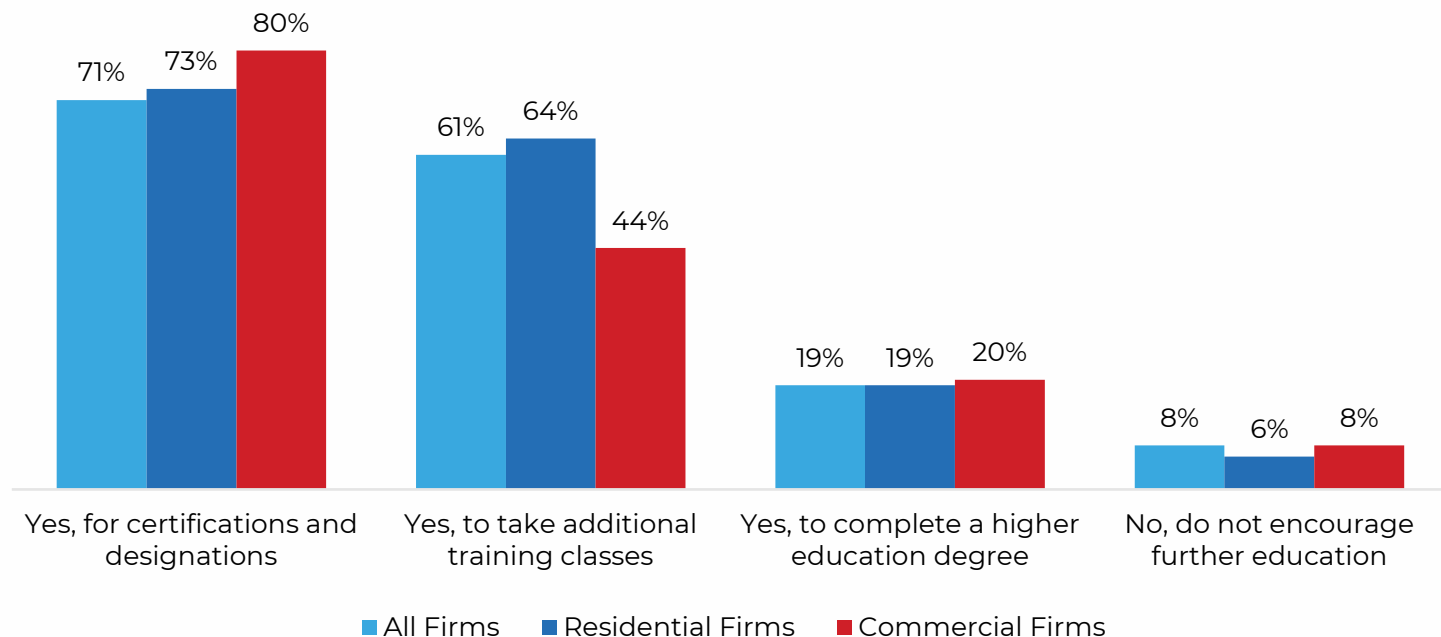


*Less than 1 percent

Chapter 3: What Firm Provides to Agents and Staff

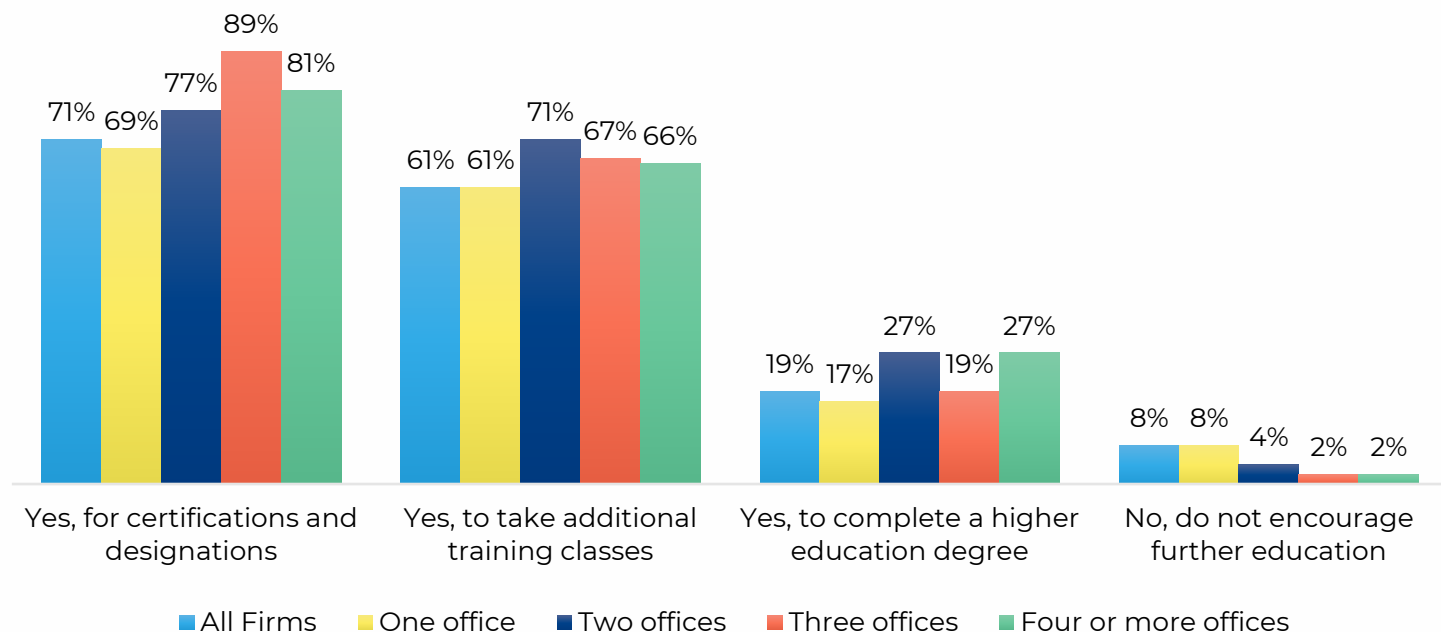
Firm Encouragement To Pursue Educational Opportunities, by Residential and Commercial Firms

(Percent of Respondents)



Firm Encouragement To Pursue Educational Opportunities, by Number of Offices at Firm

(Percent of Respondents)



CHAPTER 4:

Future Outlook of Firms

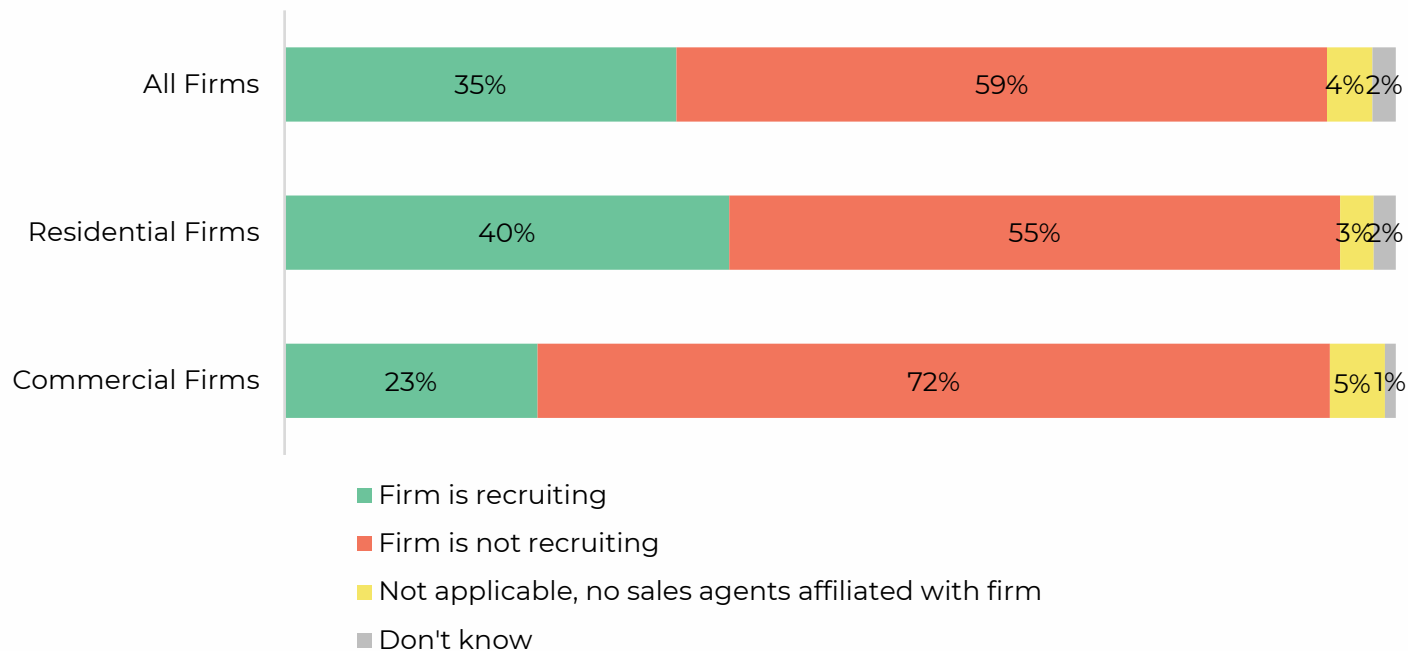


- Thirty-five percent of firms reported they are actively recruiting sales agents in 2025, down from 40 percent in 2023.
- Thirty-eight percent of firms expect profitability (net income) from all real estate activities to increase this year (up from 30 percent in the 2023 report).
- Housing affordability was cited as the biggest challenge (56%) for firms in the next two years, followed by the rising costs of the industry (36%), local or regional economic conditions (35%), and keeping up with technology (34%).
- Sixty-six percent of firms are concerned with the industry impact of young adults' ability to buy a home, 39 percent with young adults' view of homeownership, and 27 percent with Baby Boomers retiring from real estate.
- Thirty-nine percent of all firms said they have an exit plan for when they decide to retire or exit the real estate industry.

Chapter 4: Future Outlook of Firms

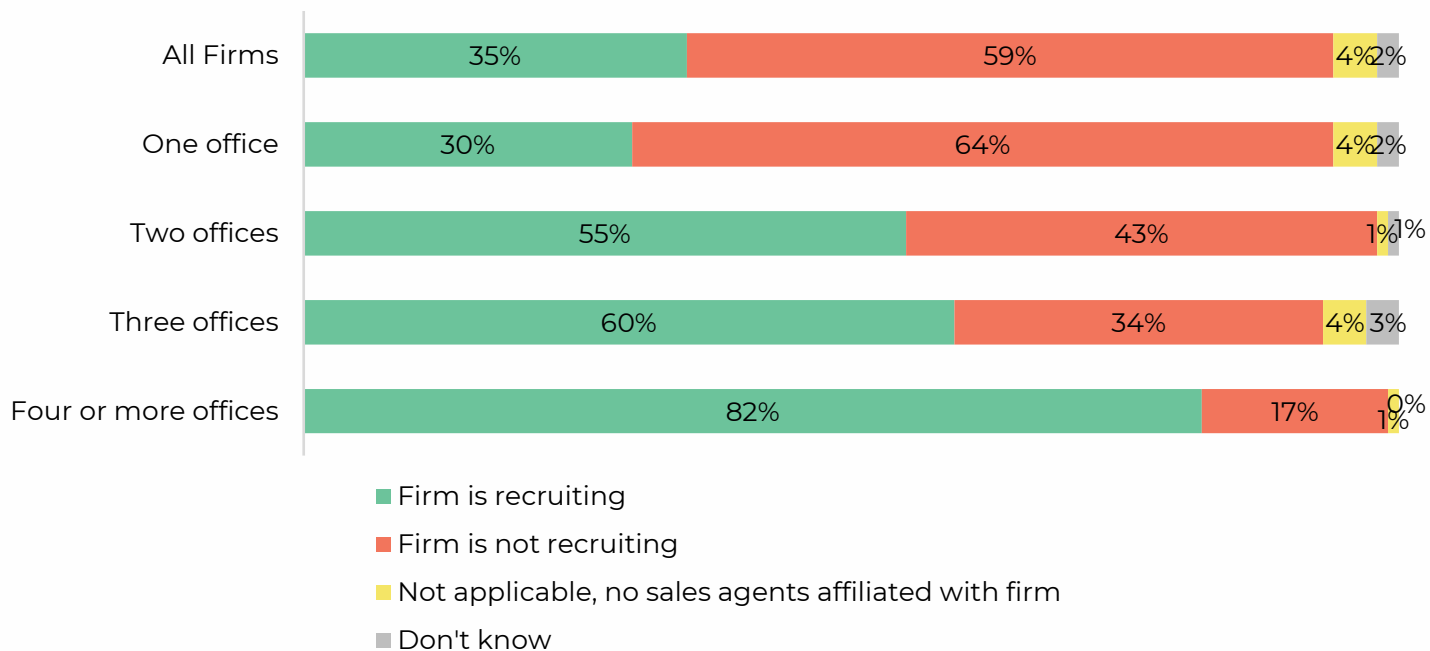
Firm Actively Recruiting Sales Agents in 2025, by Residential and Commercial Firms

(Percentage Distribution)



Firm Actively Recruiting Sales Agents in 2025, by Number of Offices at Firm

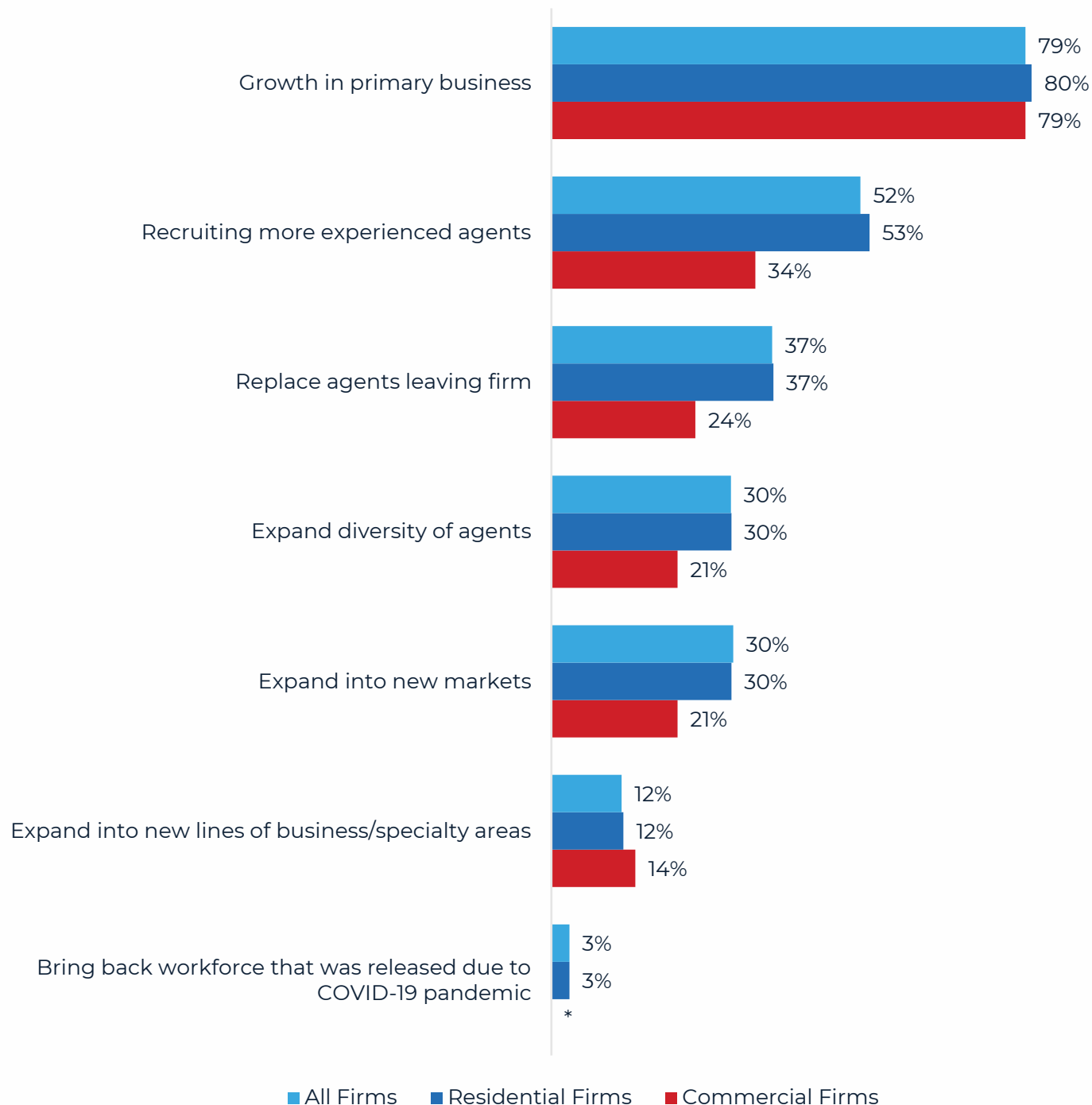
(Percentage Distribution)



Chapter 4: Future Outlook of Firms

Reason for Firm to Actively Recruit Sales Agents, by Residential and Commercial Firms

(Percent of Respondents)

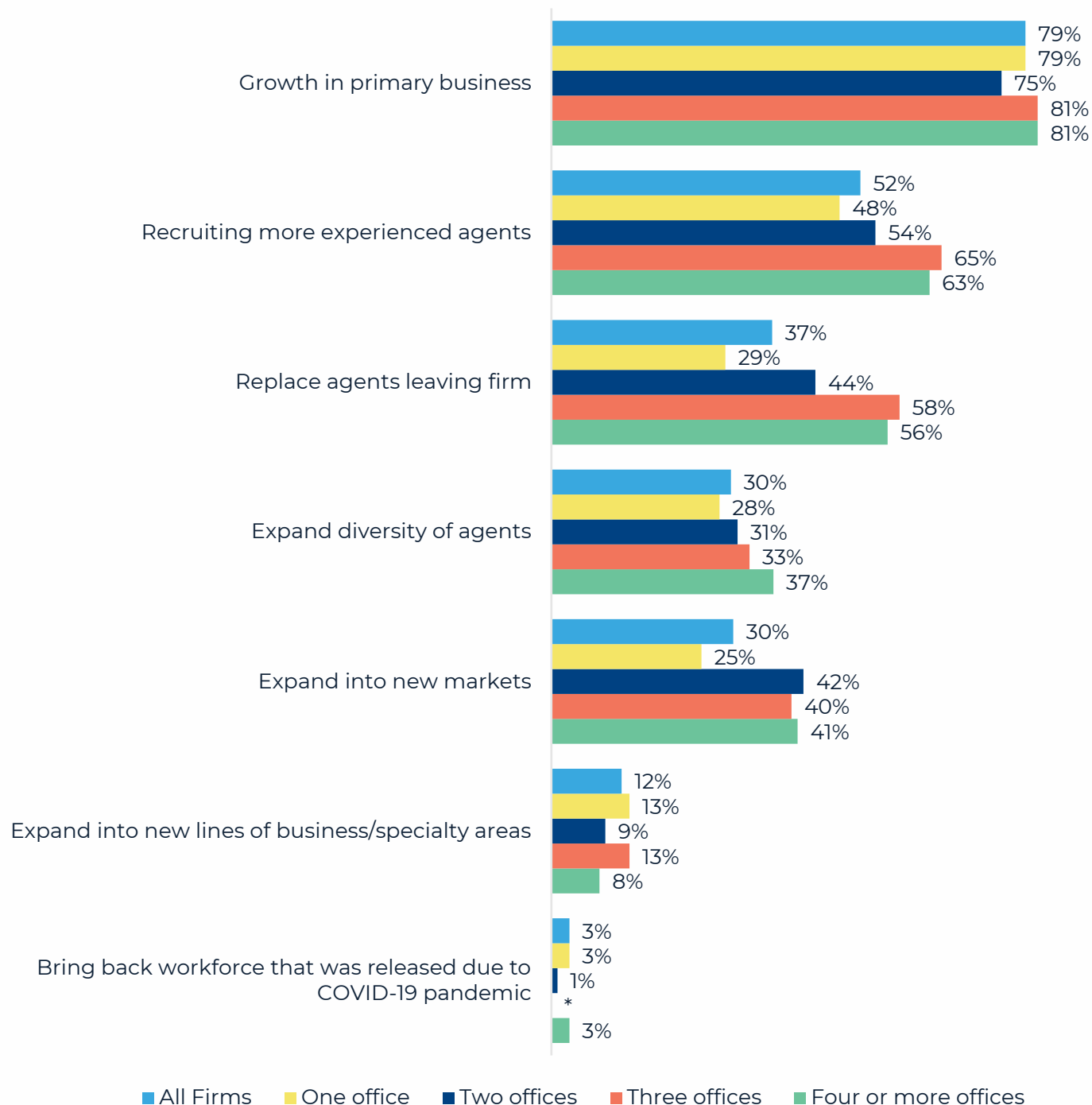


*Less than 1 percent

Chapter 4: Future Outlook of Firms

Reason for Firm to Actively Recruit Sales Agents, by Number of Offices at Firm

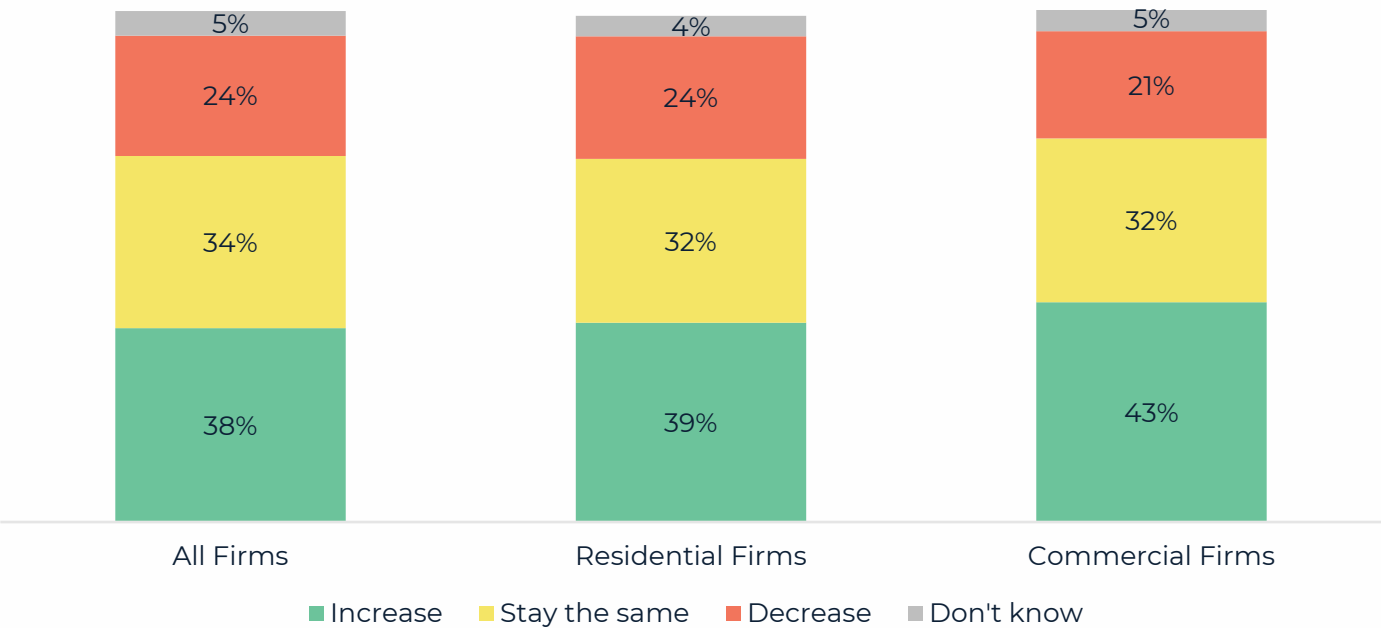
(Percent of Respondents)



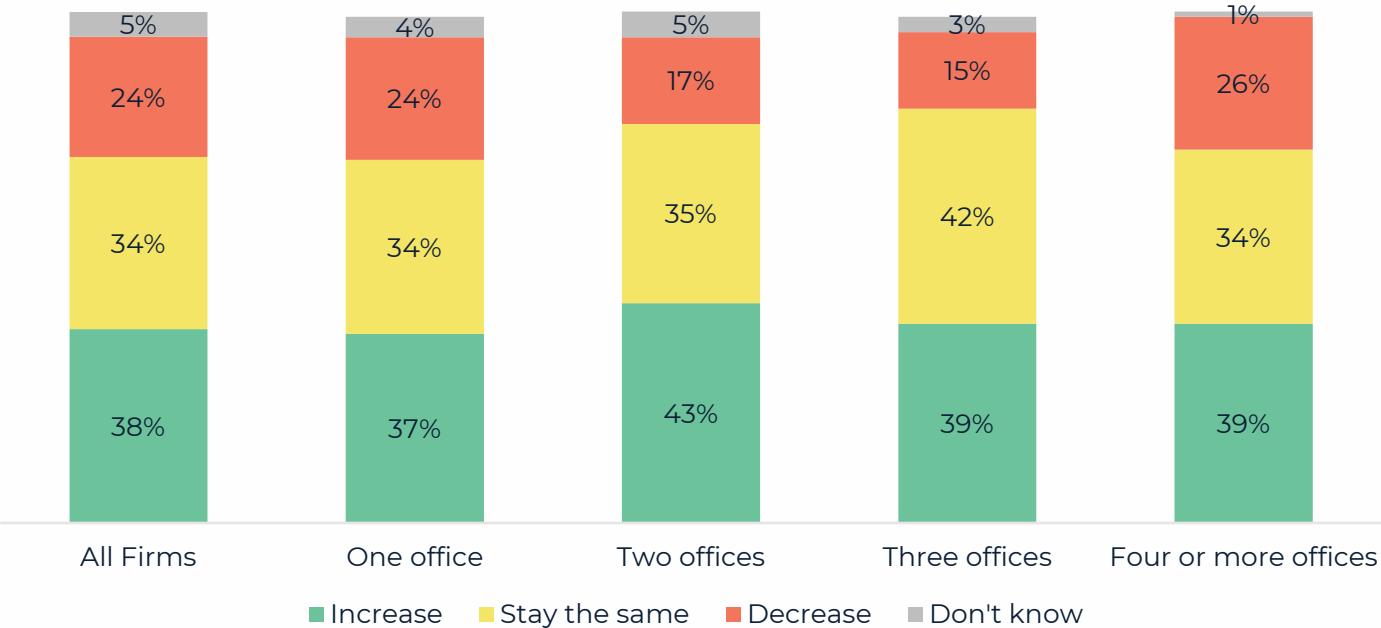
*Less than 1 percent

Chapter 4: Future Outlook of Firms

Expectation of Profitability (Net Income) from All Real Estate Activities in 2025, by Residential and Commercial Firms
(Percentage Distribution)



Expectation of Profitability (Net Income) from All Real Estate Activities in 2025, by Number of Offices at Firm
(Percentage Distribution)



Chapter 4: Future Outlook of Firms

Biggest Challenges Facing Firm in Next Two Years, by Residential and Commercial Firms

(Percent of Respondents)

	ALL FIRMS	RESIDENTIAL FIRMS	COMMERCIAL FIRMS
Housing affordability	56%	59%	28%
Rising costs of industry	36	36	33
Local or regional economic conditions	35	34	36
Keeping up with technology	34	34	40
Competition from nontraditional market participants	32	33	21
Profitability	31	33	27
Maintaining sufficient inventory	29	32	31
State and local legislation and regulation	28	26	31
Agent retention	18	20	12
Competition from new virtual firms	18	19	10
Competition from traditional brick and mortar firms	18	19	16
Recruiting younger agents	18	19	20
Keeping up with changing consumer needs	16	17	9
Pocket listings/whisper listings	15	17	12
Off market listings (pocket listings)	14	15	13
Liability in a digital world (contracts, signatures, etc.)	13	13	7
Wire Fraud	10	10	6
Agent teams/brokerage management	9	10	6
Protecting client data	8	8	6
Industry consolidation	8	8	9
Listing data security	5	6	4
Following Fair Housing guidelines	3	2	1
Other	13	12	12

Chapter 4: Future Outlook of Firms

Biggest Challenges Facing Firm in Next Two Years, by Number of Offices at Firm

(Percent of Respondents)

	NUMBER OF OFFICES AT FIRM				
	ALL FIRMS	ONE OFFICE	TWO OFFICES	THREE OFFICES	FOUR OR MORE OFFICES
Housing affordability	56%	57%	53%	58%	52%
Rising costs of industry	36	34	38	47	48
Local or regional economic conditions	35	36	35	27	28
Keeping up with technology	34	34	40	29	31
Competition from nontraditional market participants	32	32	40	33	32
Profitability	31	29	38	47	51
Maintaining sufficient inventory	29	29	32	27	37
State and local legislation and regulation	28	28	29	36	27
Agent retention	18	14	28	44	45
Competition from new virtual firms	18	16	24	22	26
Competition from traditional brick and mortar firms	18	17	25	20	20
Recruiting younger agents	18	16	25	35	35
Keeping up with changing consumer needs	16	16	17	15	17
Pocket listings/whisper listings	15	15	19	15	19
Off market listings (pocket listings)	14	14	19	18	18
Liability in a digital world (contracts, signatures, etc.)	13	13	14	15	16
Wire Fraud	10	9	10	16	13
Agent teams/brokerage management	9	8	10	15	21
Protecting client data	8	7	8	9	9
Industry consolidation	8	8	10	15	16
Listing data security	5	5	6	4	5
Following Fair Housing guidelines	3	3	4	7	2
Other	13	13	12	7	13

Chapter 4: Future Outlook of Firms

Prediction of Generations Effect on the Industry in the Next Two Years, by Residential and Commercial Firms

(Percent of Respondents)

	ALL FIRMS	RESIDENTIAL FIRMS	COMMERCIAL FIRMS
Young adults' ability to buy a home (stagnant wages, tough job market, student debt)	66%	68%	42%
Young adults' view of homeownership (idea of renter generation)	39	40	27
Baby Boomers (60 to 78 years) retiring from real estate as a profession	27	26	36
Recruitment of Gen Z (25 years and under) and Millennials (26 to 44 years) real estate professionals	19	20	18
Baby Boomers relocating to other states in retirement	18	17	21
Too many younger real estate professionals joining	17	17	16
Retention of Gen Z, Millennials, and Gen X real estate professionals	15	16	18
Too many older real estate professionals staying in the profession	13	14	18
Other	12	12	9

Chapter 4: Future Outlook of Firms

Prediction of Generations Effect on the Industry in the Next Two Years, by Number of Offices at Firm

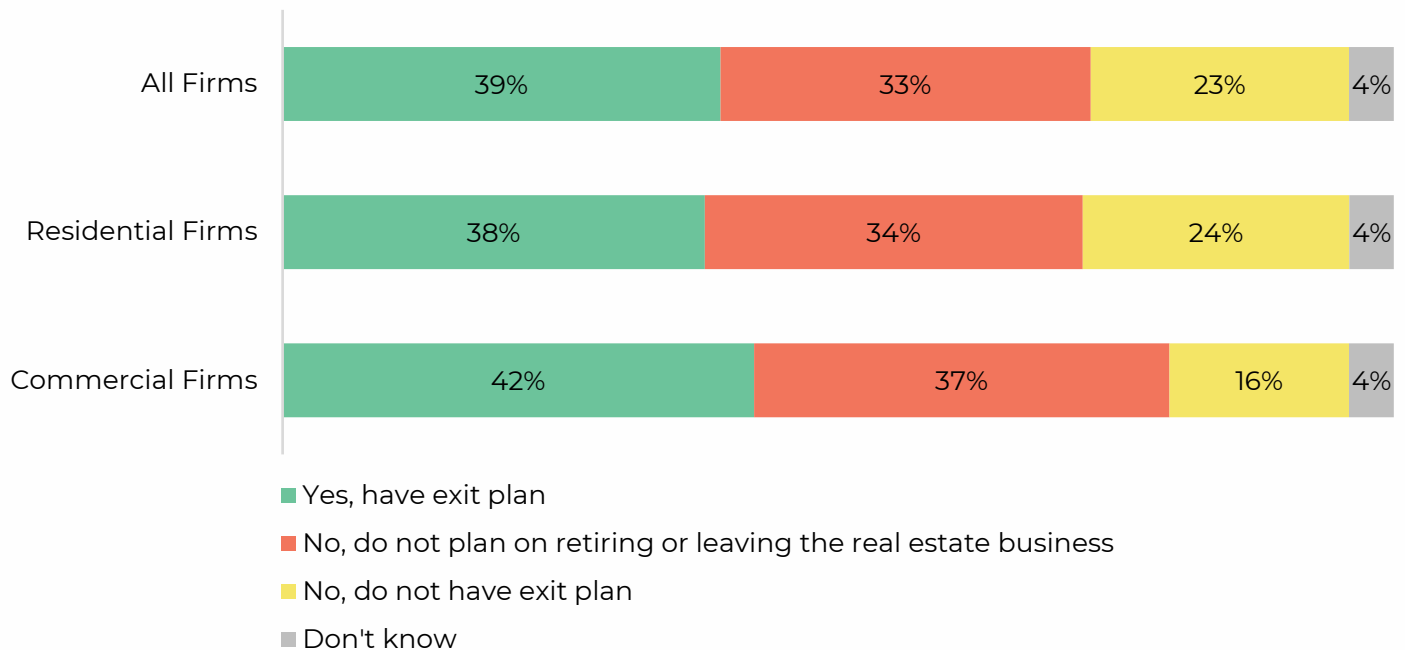
(Percent of Respondents)

	NUMBER OF OFFICES AT FIRM				
	ALL FIRMS	ONE OFFICE	TWO OFFICES	THREE OFFICES	FOUR OR MORE OFFICES
Young adults' ability to buy a home (stagnant wages, tough job market, student debt)	66%	66%	67%	59%	64%
Young adults' view of homeownership (idea of renter generation)	39	40	35	41	33
Baby Boomers (60 to 78 years) retiring from real estate as a profession	27	26	30	37	31
Recruitment of Gen Z (25 years and under) and Millennials (26 to 44 years) real estate professionals	19	17	30	39	37
Baby Boomers relocating to other states in retirement	18	17	20	15	17
Too many younger real estate professionals joining	17	17	15	15	12
Retention of Gen Z, Millennials, and Gen X real estate professionals	15	14	24	31	23
Too many older real estate professionals staying in the profession	13	13	18	19	21
Other	12	13	9	2	14

Chapter 4: Future Outlook of Firms

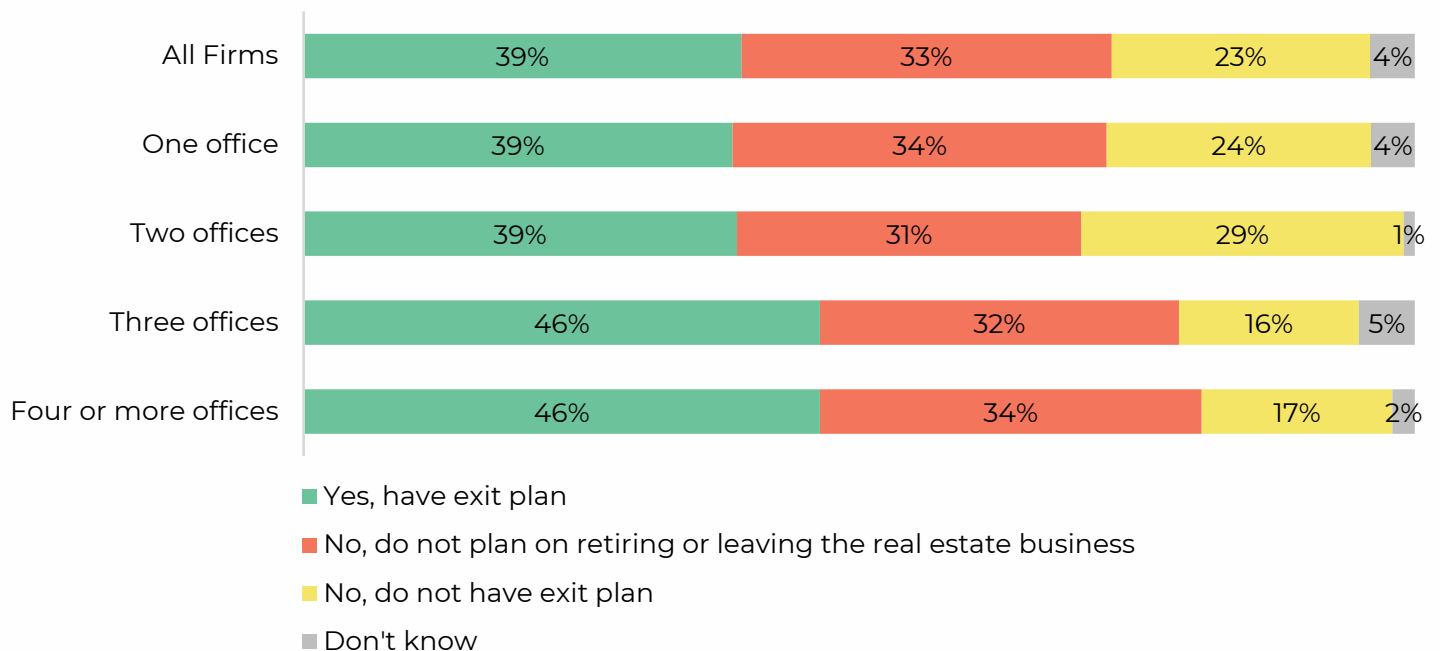
Firm Exit Plan, by Residential and Commercial Firms

(Percentage Distribution)



Firm Exit Plan, by Number of Offices at Firm

(Percentage Distribution)



Methodology

In July 2025, NAR invited a random sample of 213,592 REALTORS® who were executives and senior management at real estate firms to fill out an online survey. A total of 4,672 usable responses were received for an overall response rate of 2.2 percent. The confidence interval at a 95 percent level of confidence was ± 1.42 percent based on the share of real estate executives at real estate firms. All information in this report was representative of member characteristics, sales and lease transaction values, and other statistics from the calendar year of 2024.

The primary measure of central tendency used throughout this report was the median – the middle point in the distribution of responses to a particular question or, equivalently, the point at which half of the responses were above and below a particular value.





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