



SPEECH

VISION

2013

The Numbers That Drive U.S. Real Estate



Home
Sales



Home
Price



Inventory



Mortgage

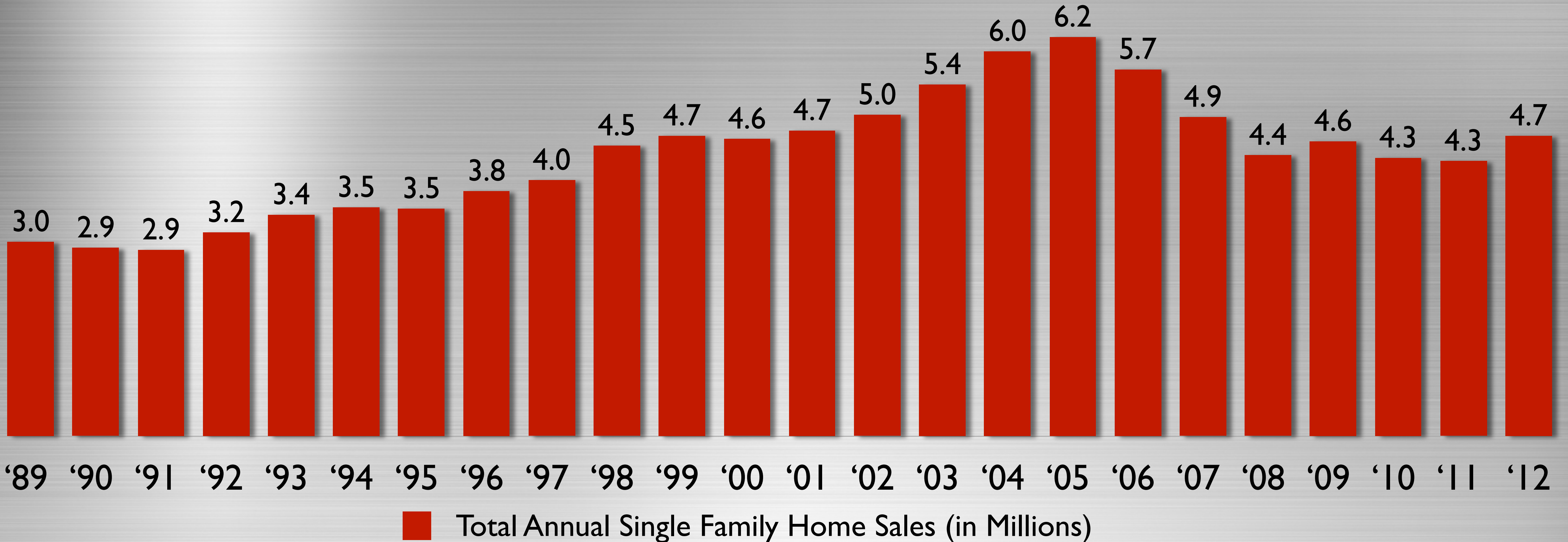


Affordability



Home Sales

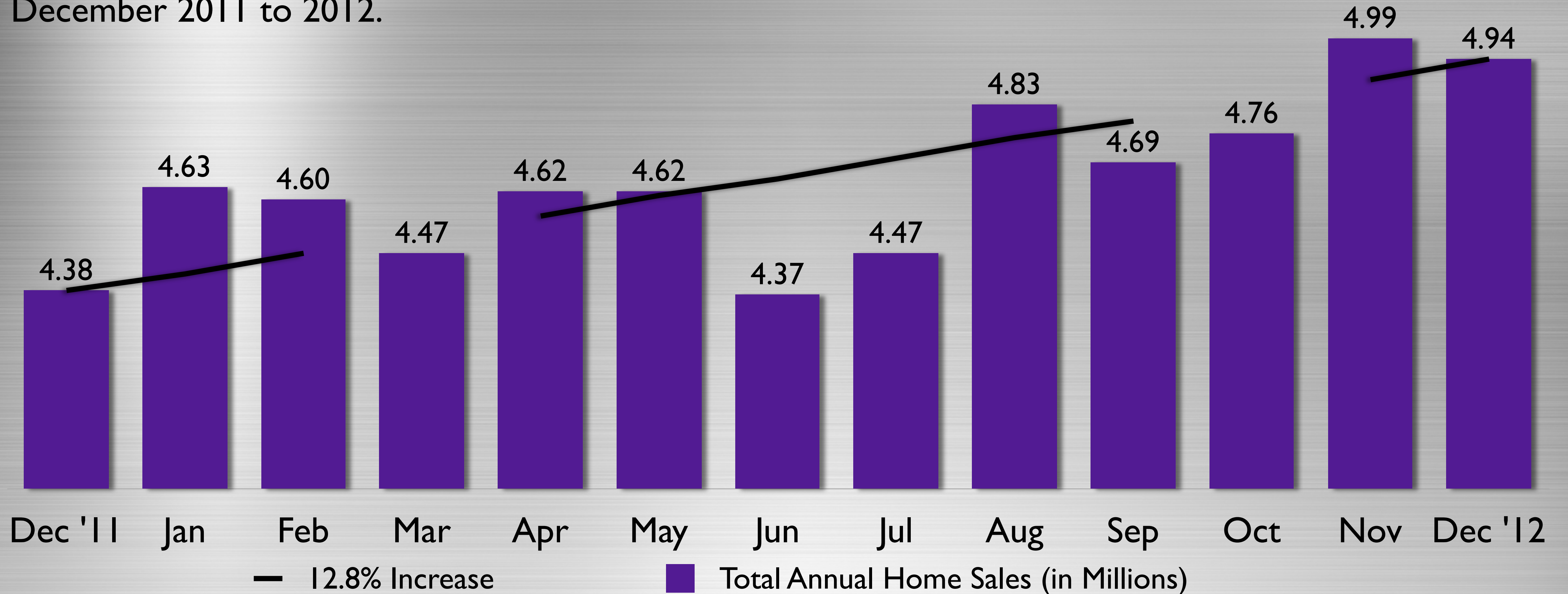
Home sales are up 9.2% to 4.65 million in 2012 from 4.26 million in 2011. Annual sales levels are now close to 2007 levels.





Home Sales MONTHLY ANNUAL PACE OF SALES (Seasonally Adj.)

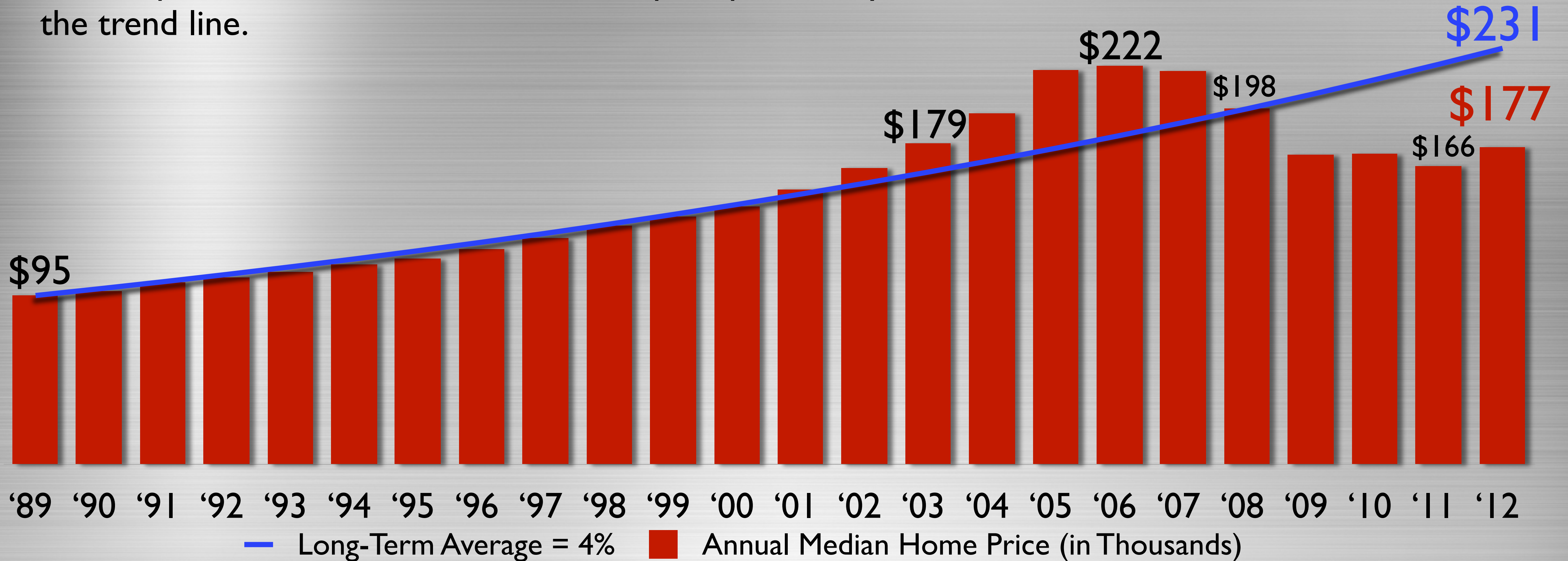
The year ended on a strong note with a 12.8% increase in the monthly annual pace of sales from December 2011 to 2012.





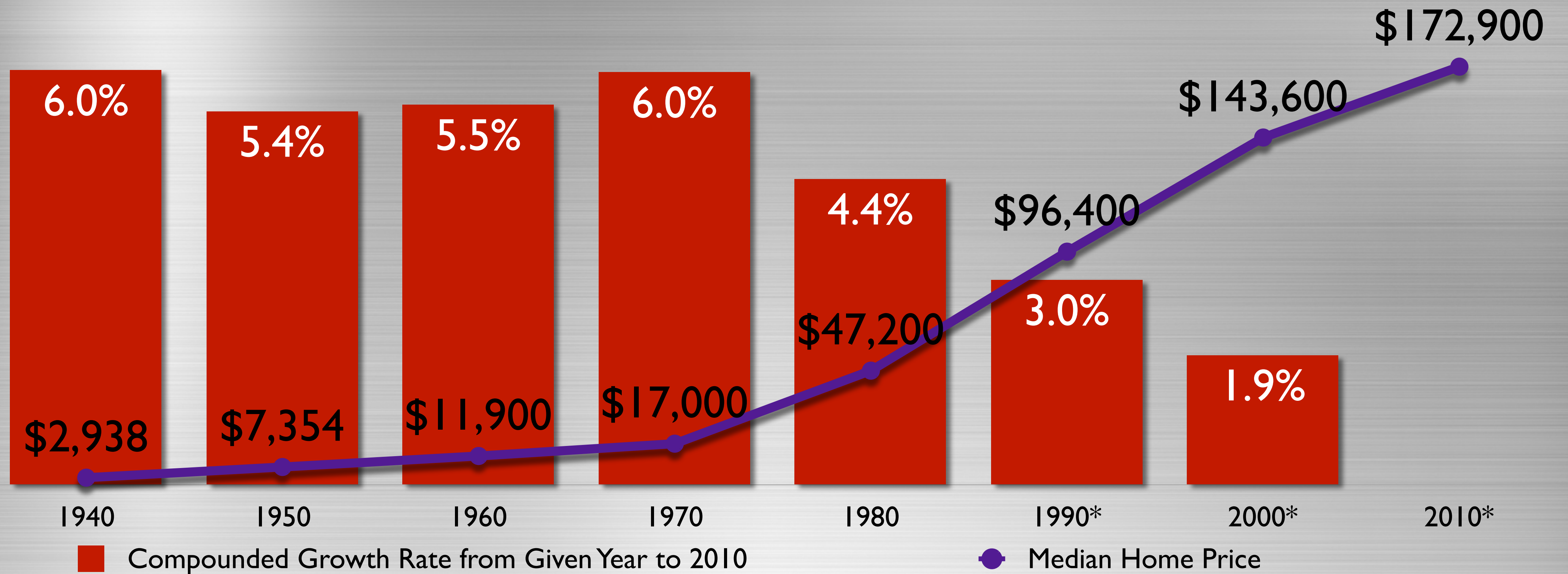
Home Price

Median home prices are up 6.3% to \$176,600. If prices followed a 4% appreciation rate each year, the median price would be \$231,683. This implies prices may still be 23.8% undervalued, based on the trend line.





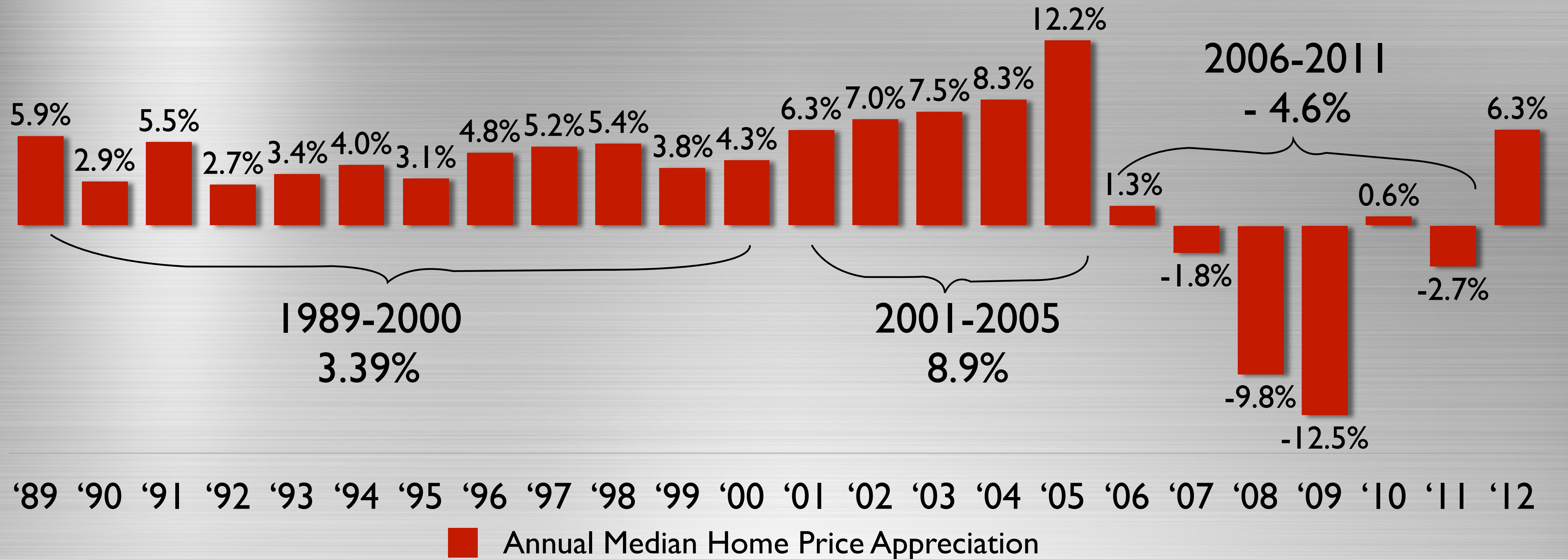
Annual Appreciation





Annual Appreciation

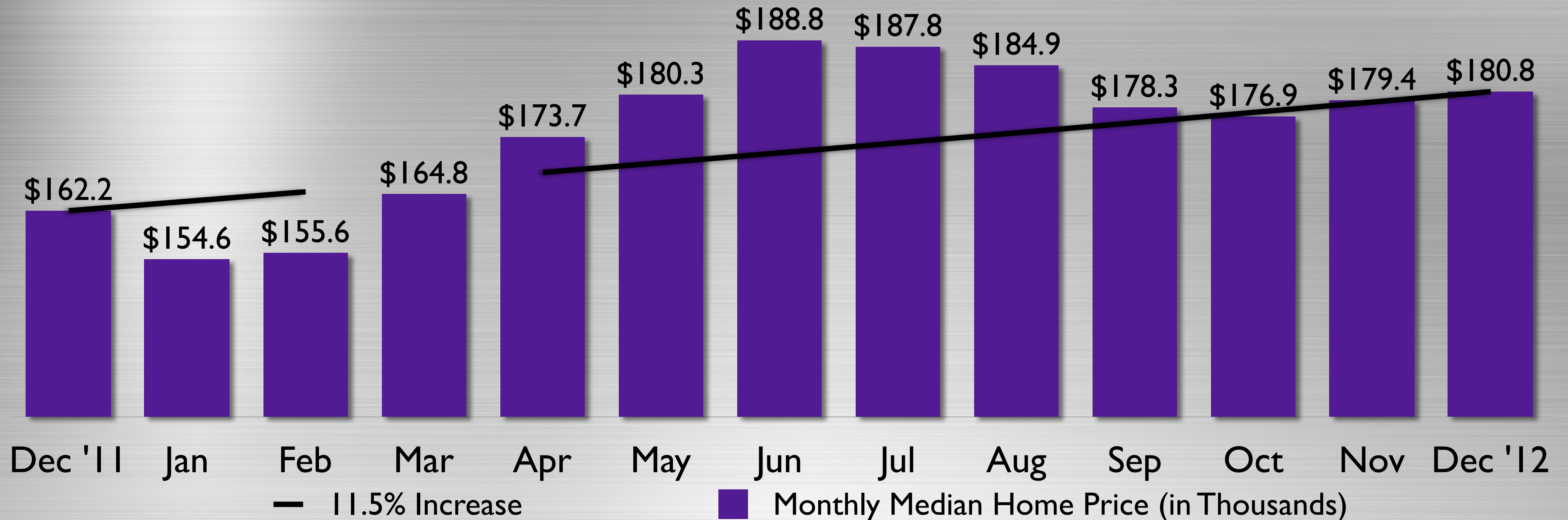
Home price appreciation is back in positive territory and growing strong, thanks in part to less distressed sales and tightening inventory.





Home Price MONTHLY

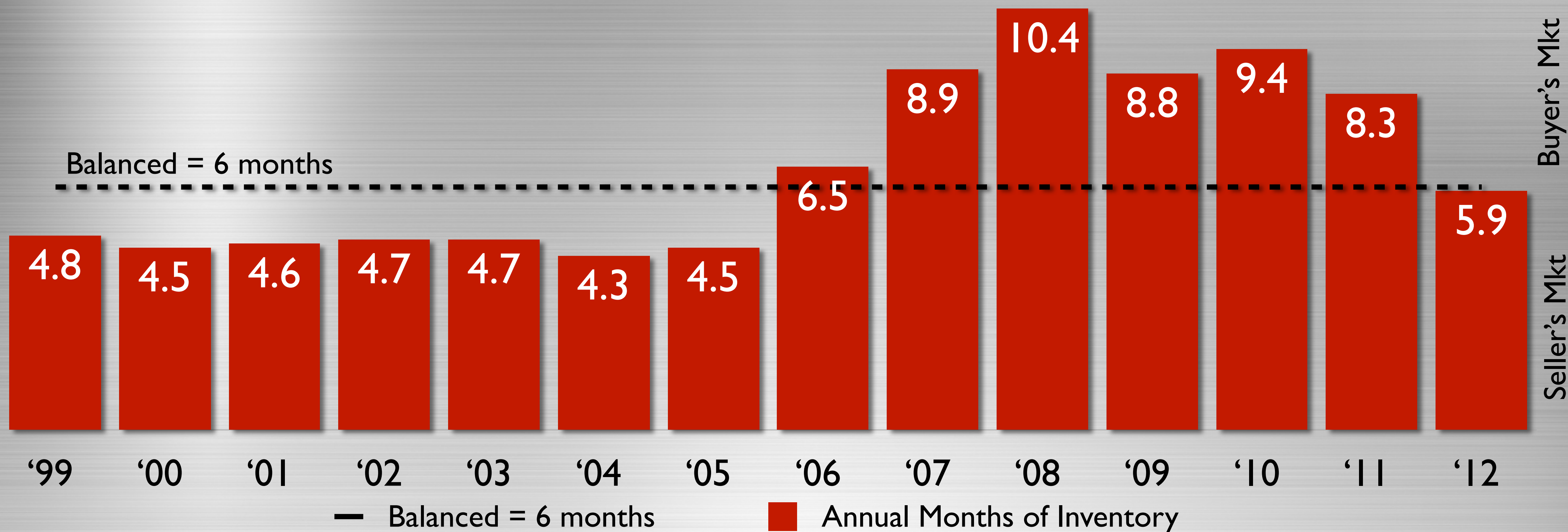
In December, the median home price was up 11.5% compared to the same month a year earlier. Prices reached a high of \$188,800 during June, the highest monthly level since September 2008. The last time there were 10 consecutive monthly increases was August 2005-May 2006.





Months Supply of Inventory

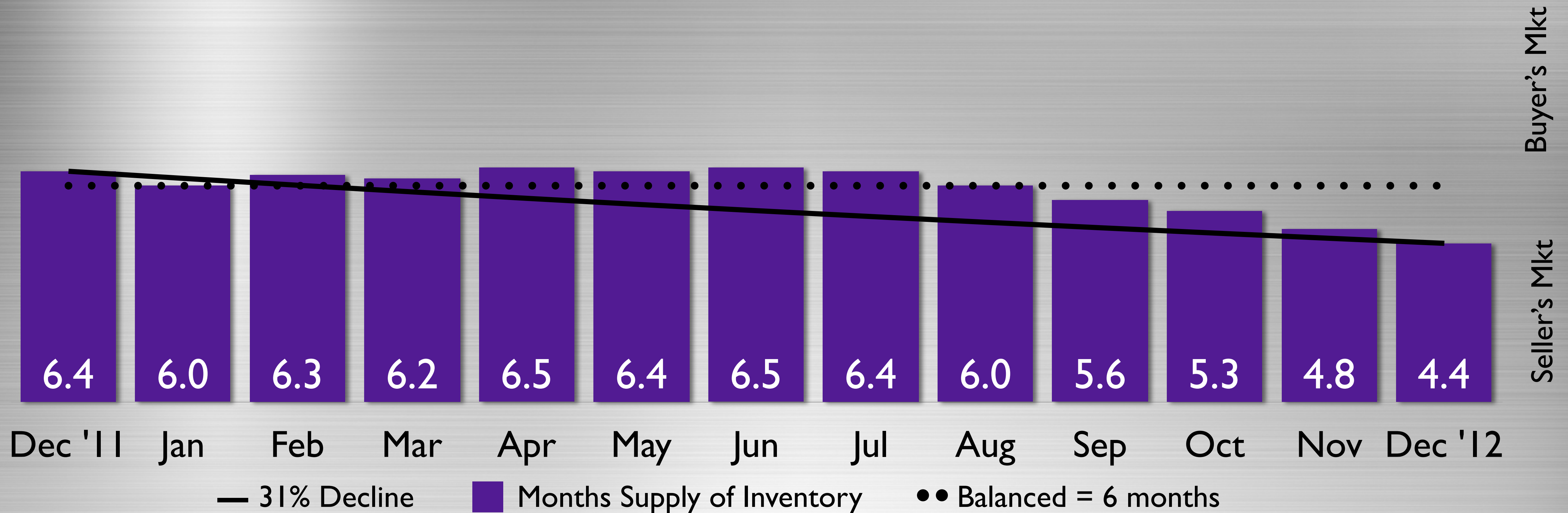
Annual average inventory declined 28% and is back to balanced levels for the whole of 2012. While local markets may vary considerably, year-end monthly numbers show the United States is clearly in a seller's market.





Months Supply of Inventory MONTHLY

When looking at the monthly inventory levels, December 2011 to December 2012 months supply of inventory is down 31%. The last quarter of the year illustrates a clear move into a seller's market.

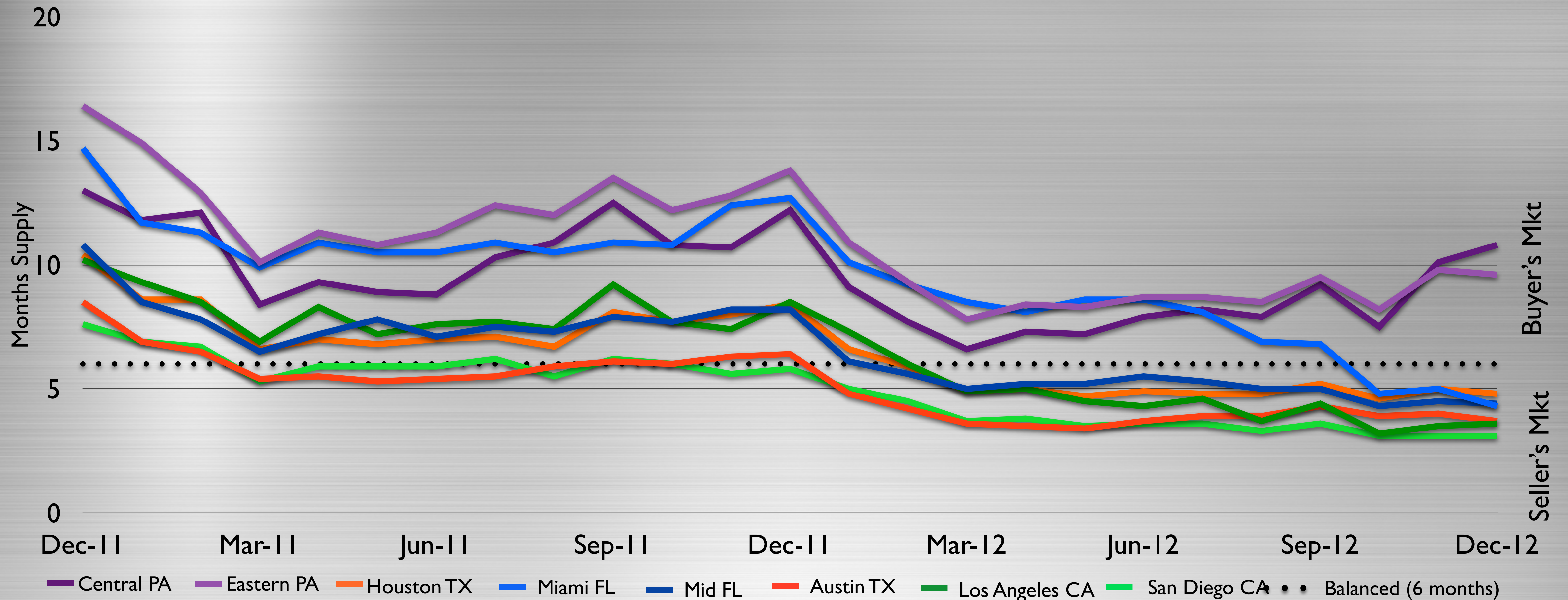


Source: NAR



Inventory MONTHLY Select Local MLS

Most markets are back to a seller's market. Pennsylvania is one of the few buyer's markets left.

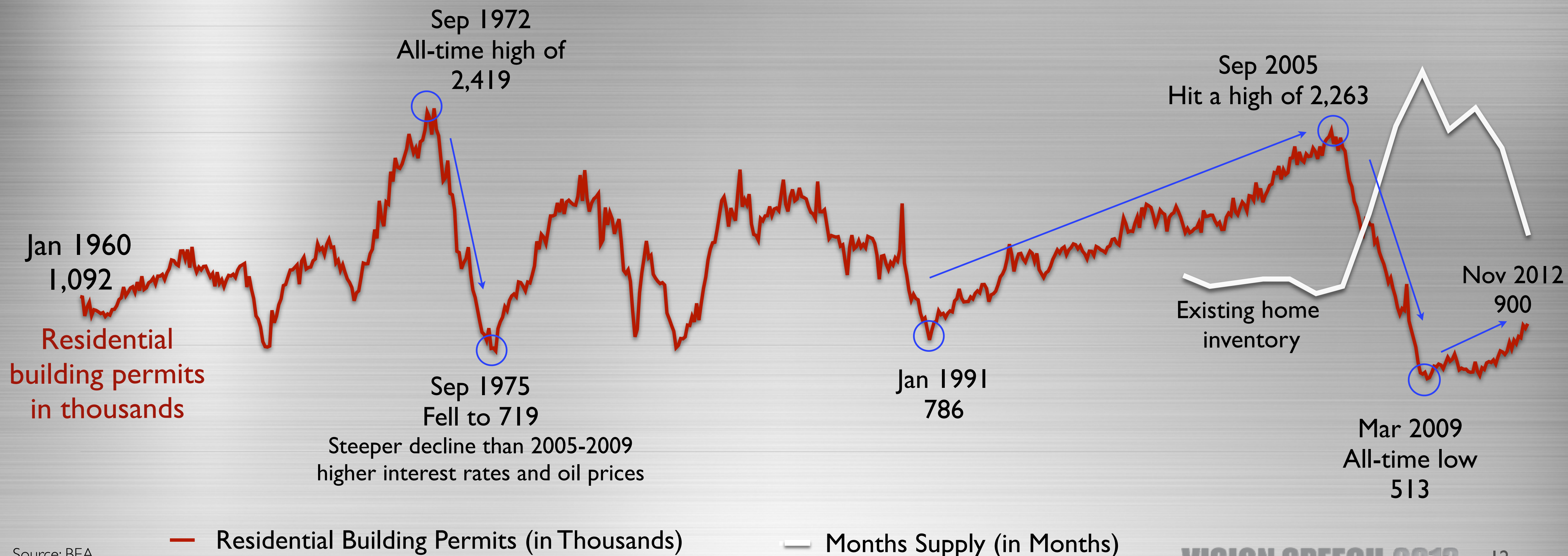


Source: BrokerMetrics



Residential Building Permits

After a sharp decline, new home building is picking back up as inventory falls.

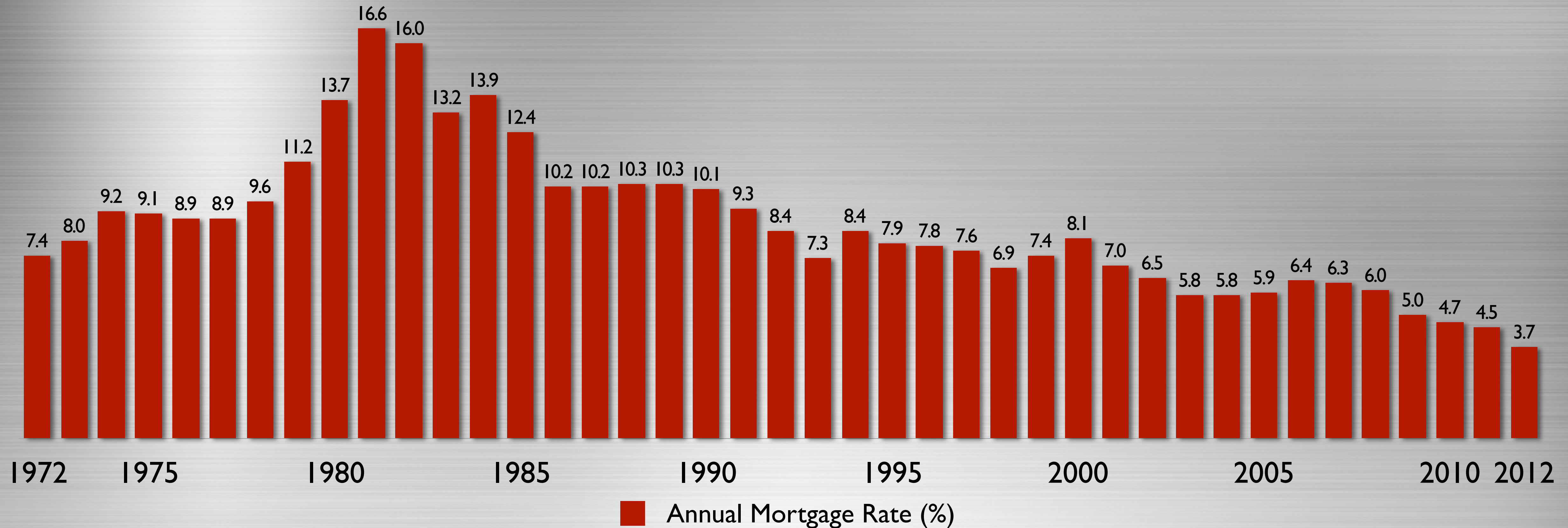


Source: BEA



Mortgage Rates 30-Year Fixed

Mortgage rates hit a record low for the year of 2012 at 3.66%. The Federal Reserve has kept Treasury rates low and the spread, or difference, between the two has tightened since 2008.



Source: Freddie Mac



Mortgage Rates

MONTHLY 2006-2012

The year ended on a record-breaking low. In November 2012, monthly interest rates hit an all-time low of 3.35% and stayed through the end of the year. Rates are down 2.8 percentage points and have declined 45% since January 2006.



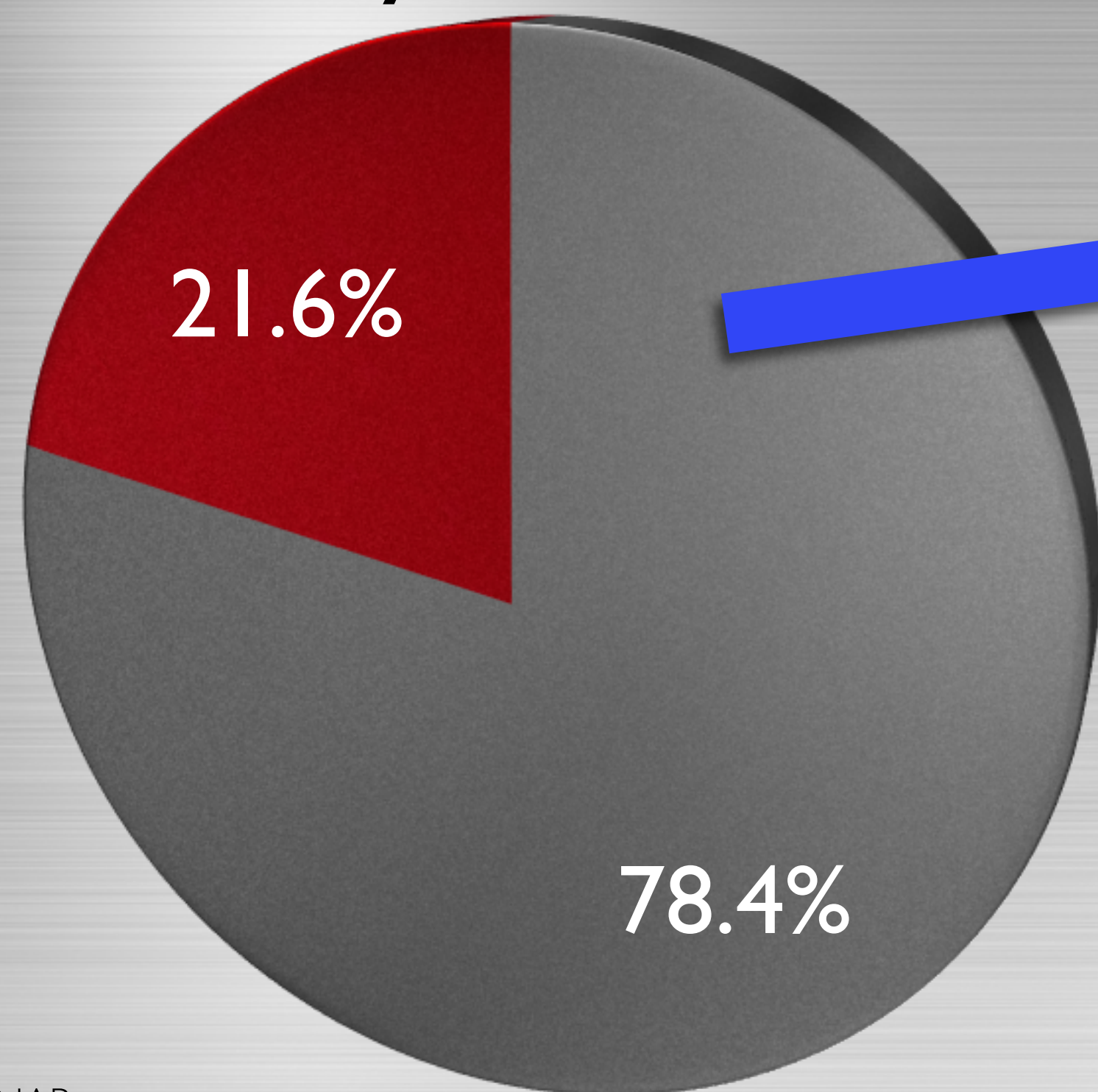


Affordability

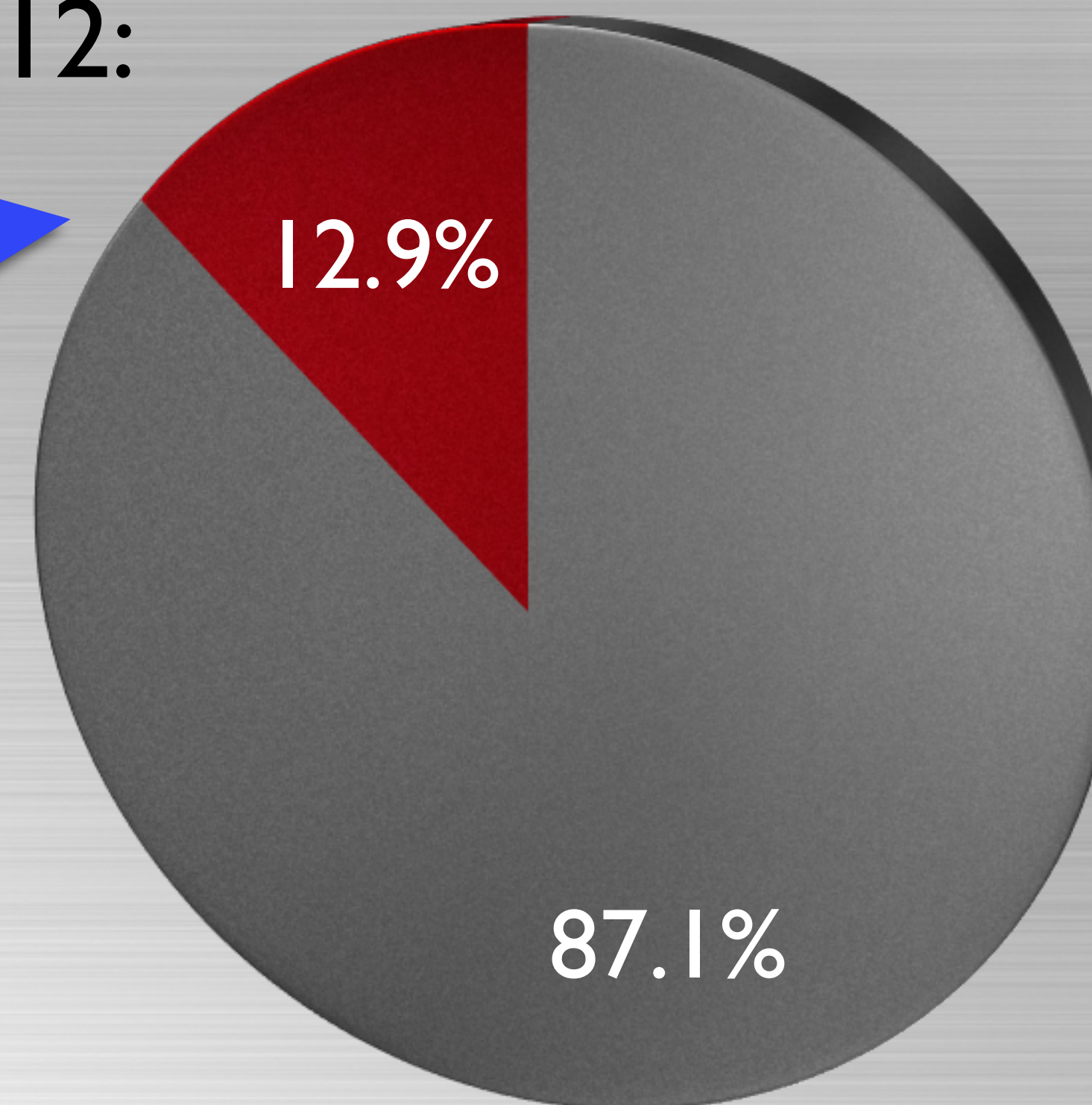
PERCENTAGE OF THE MEDIAN FAMILY INCOME
REQUIRED FOR MEDIAN PRICE HOME PAYMENT

It takes a smaller slice of the typical family's income to pay the mortgage on a median-priced home.

Historically:



2012:



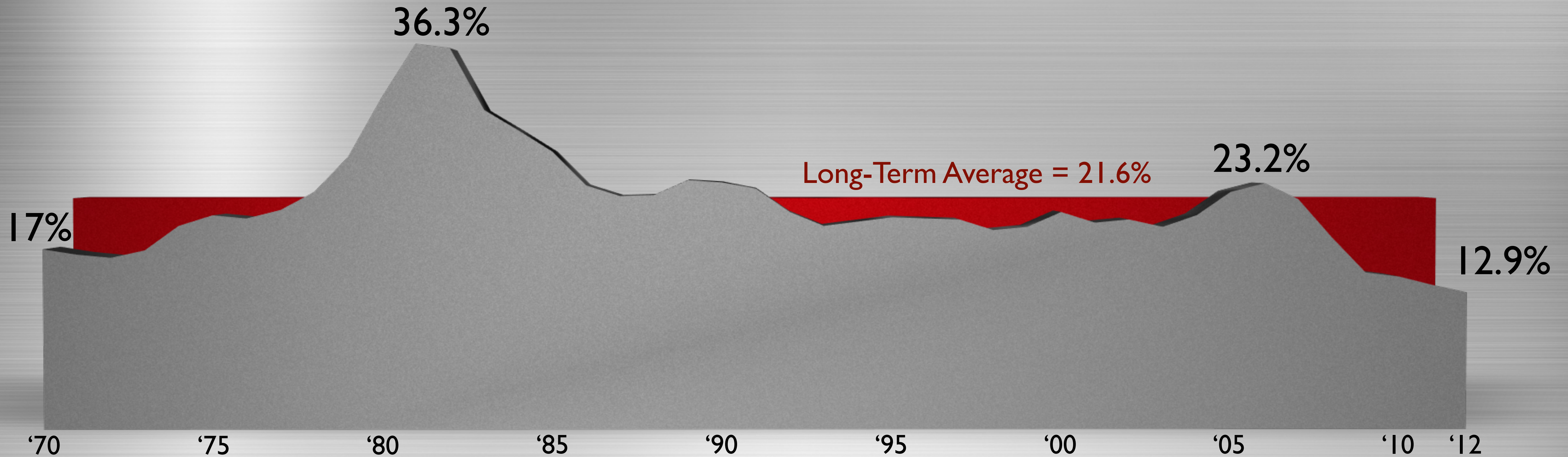
- Everything Else
- Principal and Interest Payment



Affordability

PERCENTAGE OF THE MEDIAN FAMILY INCOME
REQUIRED FOR MEDIAN PRICE HOME PAYMENT

It has never been more affordable to own a home—the United States breaks another record.





The Good Old Days



McDonald's only had one arch and hamburgers were 15 cents



Gas was 20 cents per gallon



A night in the hospital was 15 dollars



Postage stamps were 3 cents



Affordability in Perspective

1989



New Car: \$15,350

Gas: \$0.97

Bread: \$0.67

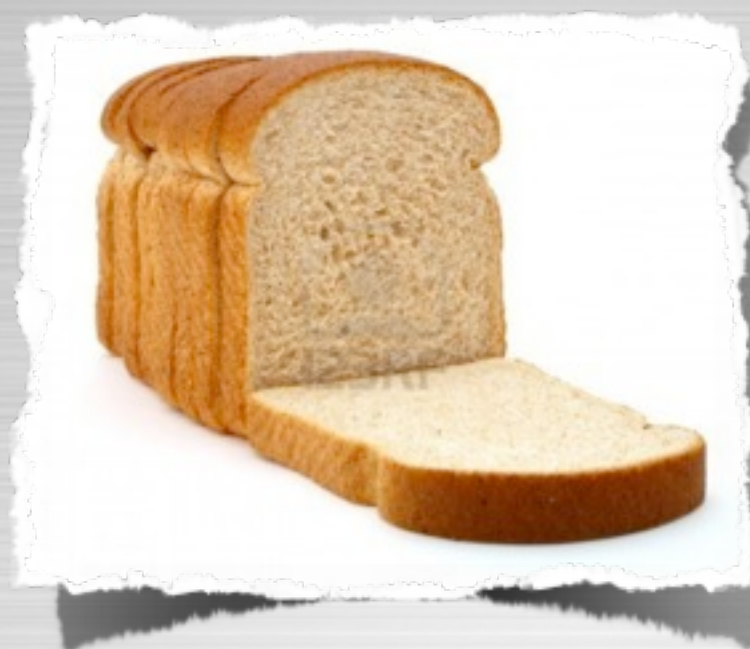


2012

New Car: \$30,000

Gas: \$3.54

Bread: \$1.99





Affordability in Perspective



1989

Median Home Price: \$94,000

Mortgage Rate: 10%

Monthly P&I Payment: \$825



2012

Median Home Price: \$176,600

Mortgage Rate: 3.4%

Monthly P&I Payment: \$626

The Numbers That Drive Canadian Real Estate



Home
Sales



Home
Price



Inventory



Mortgage

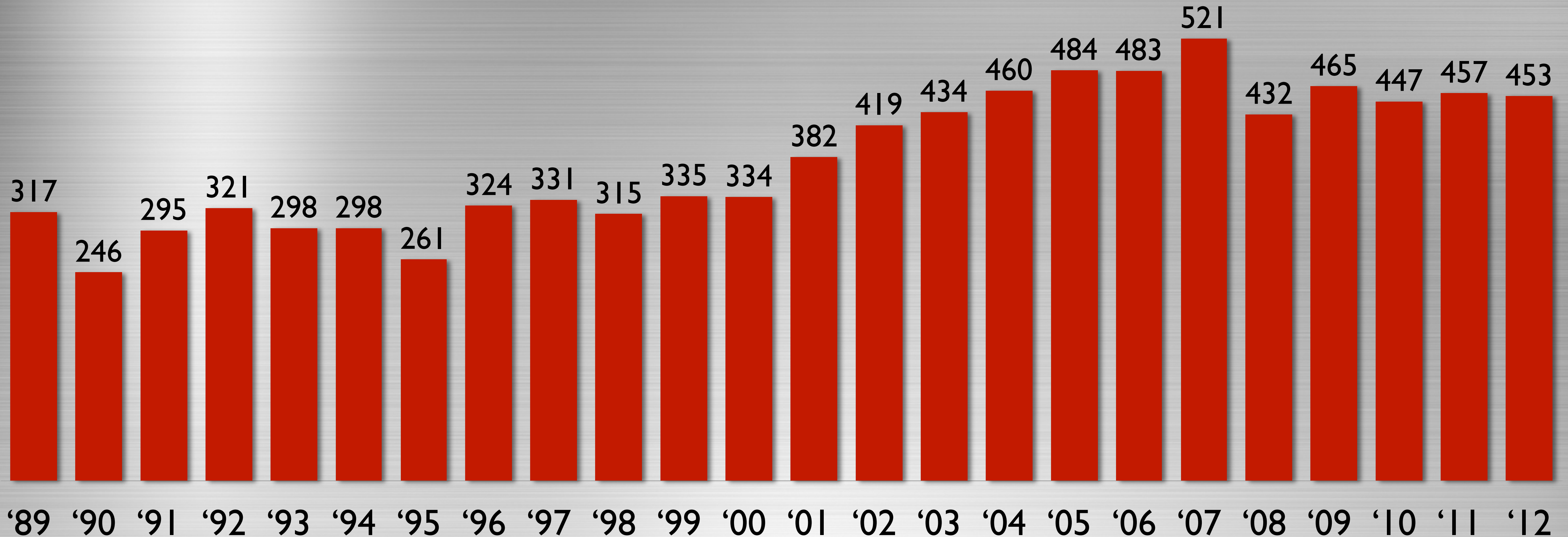


Affordability



Home Sales

Home sales were stable in 2012 and are expected to be the same in 2013. New mortgage regulations are working as intended by spurring a tightening of the market.

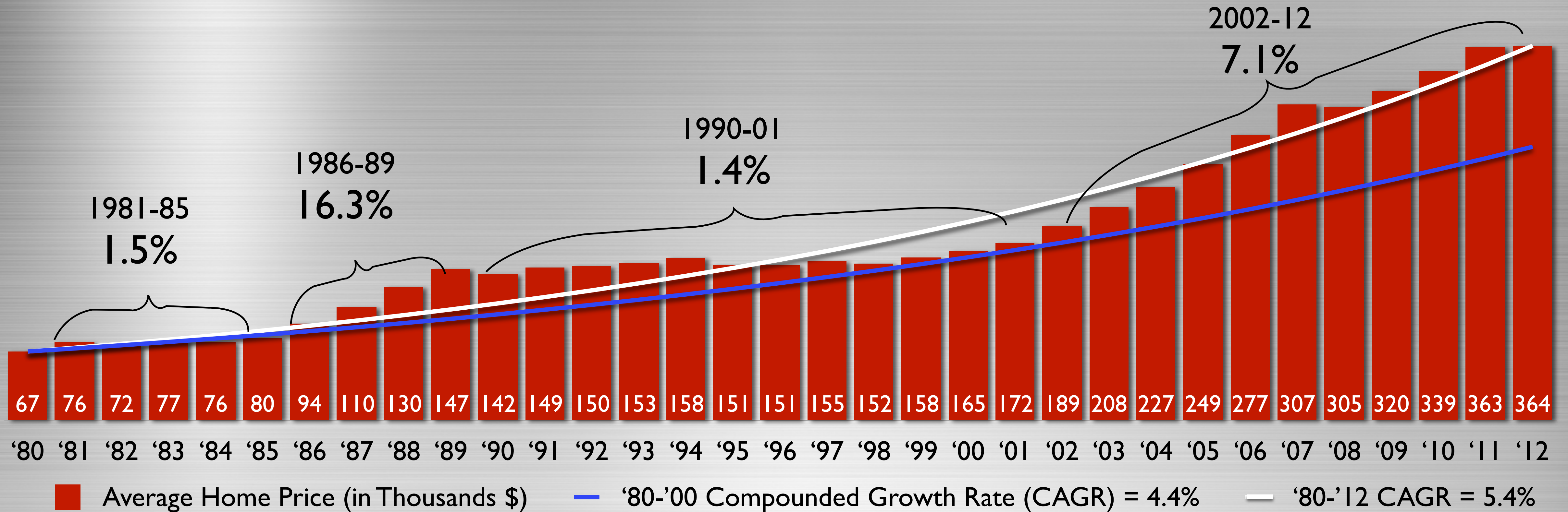


■ Annual Home Sales (in Thousands)



Home Price

Home prices were stable in 2012, rising by only 0.3% after a period of strong growth. Prices are above the 4.4% trend line, implying that prices may be overvalued in Canada. The government has taken measures to help cool the market, which is a positive indicator for long-term stability.

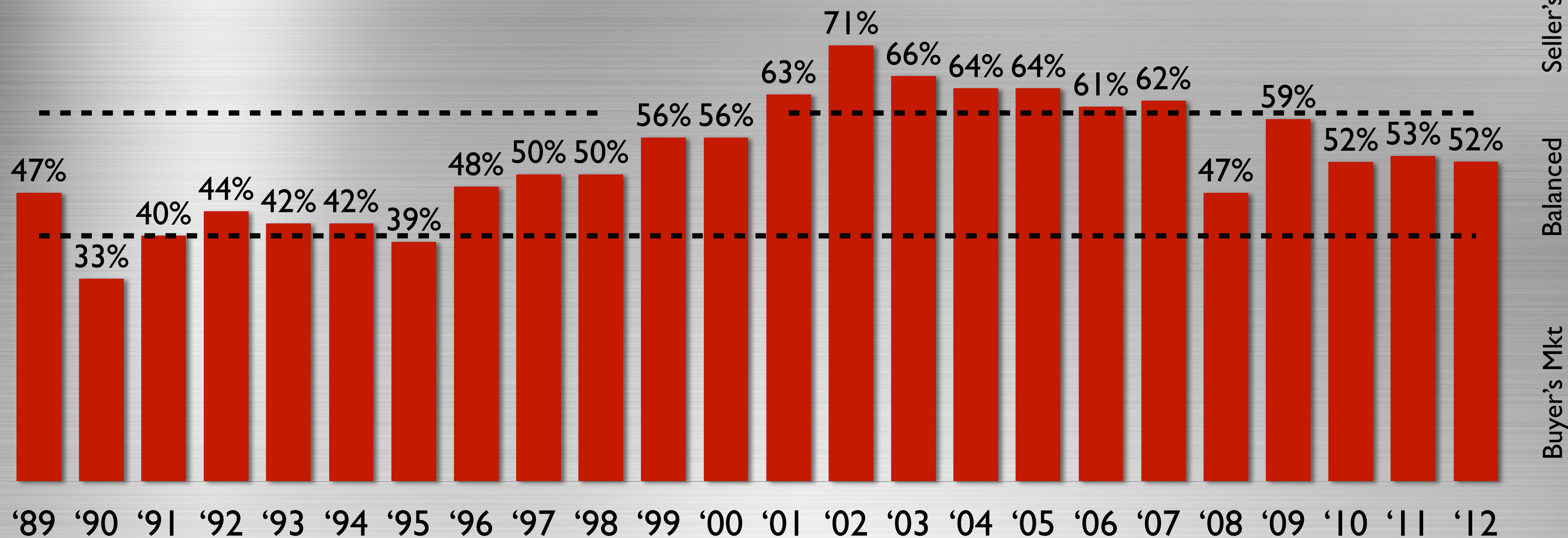


Source: CREA



Inventory

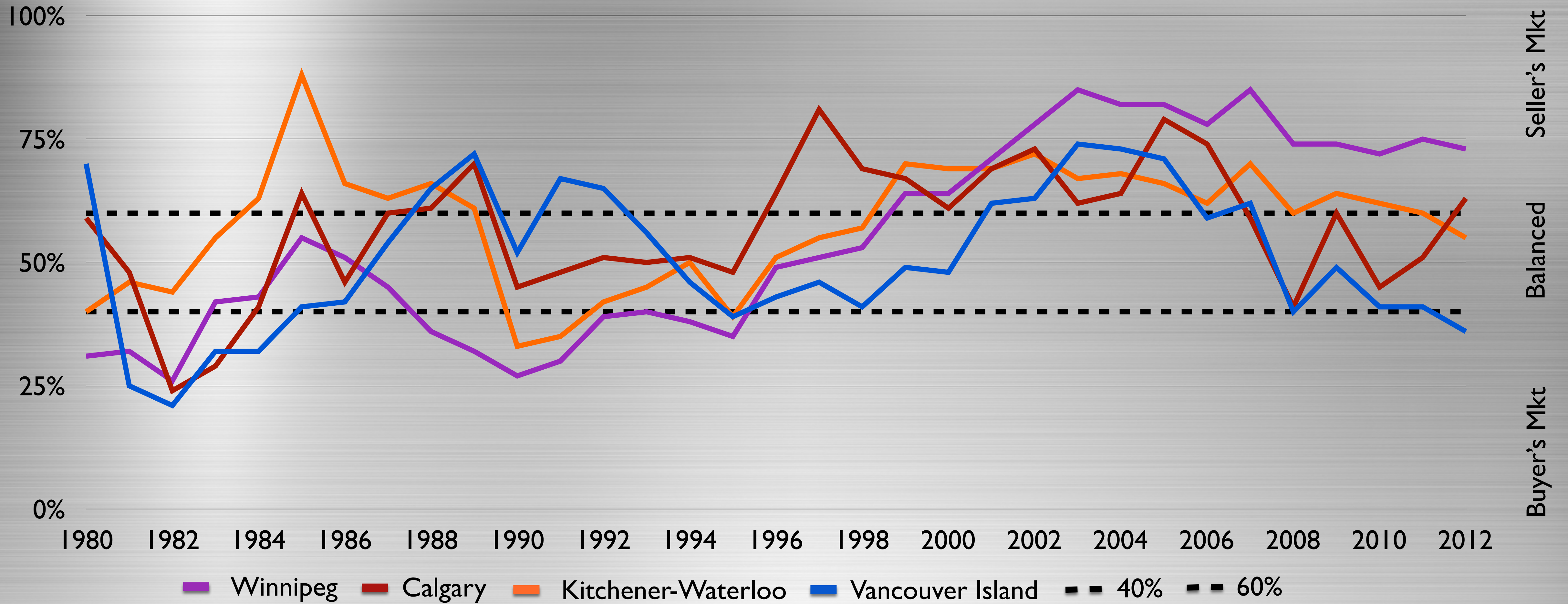
Inventory remains firmly balanced in Canada. Local markets may vary.





Inventory

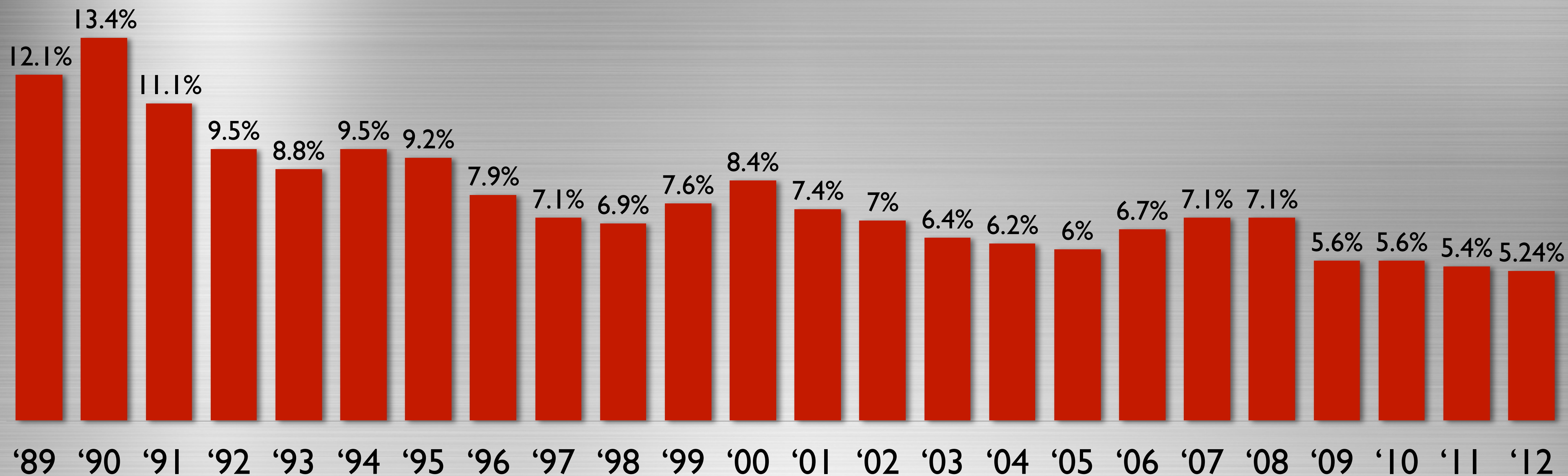
Local Markets





Mortgage Rates 5-Year Fixed

Mortgage rates continue to be at all-time lows.





Affordability

PERCENTAGE OF MEDIAN PRE-TAX HOUSEHOLD INCOME
REQUIRED TO SERVICE THE COST OF MORTGAGE PAYMENTS
(PRINCIPAL, INTEREST, PROPERTY TAXES, AND UTILITIES)



Homeownership costs remained fairly **stable** over the last two years. Lower mortgage rates helped lessen the costs of owning a home in Canada.

- Two storey homes have led the charge in deteriorating affordability, compared to the historic average.
- Bungalows and condos remain fairly close to the norms.

Property Type	Q3 2011	Q3 2012	Q3/Q3 Change		Avg. Since 1985	Q3 2012 Vs. Avg	
Detached bungalow	42.7%	42.0%	-0.7%	↑	39.4%	+2.6%	↓
Standard two-storey	48.8%	47.8%	-1.0%	↑	43.8%	+4%	↓
Standard condo	29.0%	28.0%	-1.0%	↑	27.1%	+0.9%	↓

An **increase** in cost (%) represents **deteriorated** affordability (↓)
 A **decrease** in cost (%) represents **improved** affordability (↑)

The United States Economy



Gross Domestic
Product



Unemployment

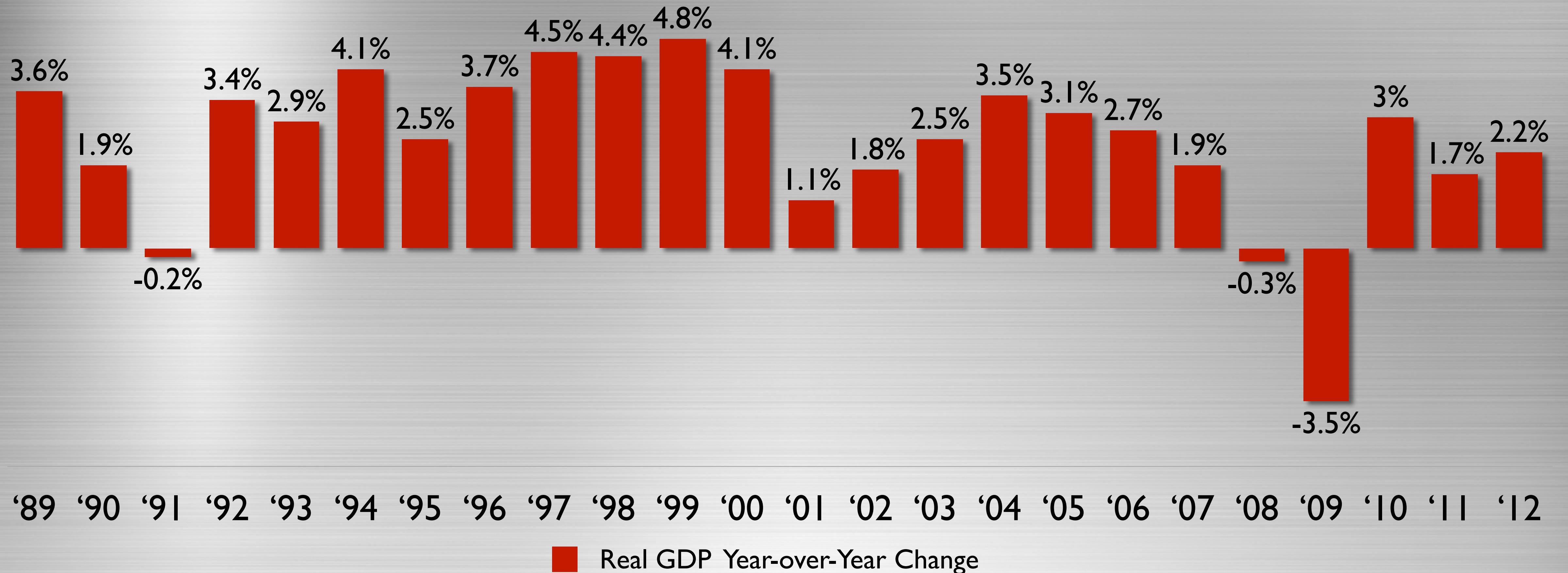


Inflation



Gross Domestic Product ANNUALLY

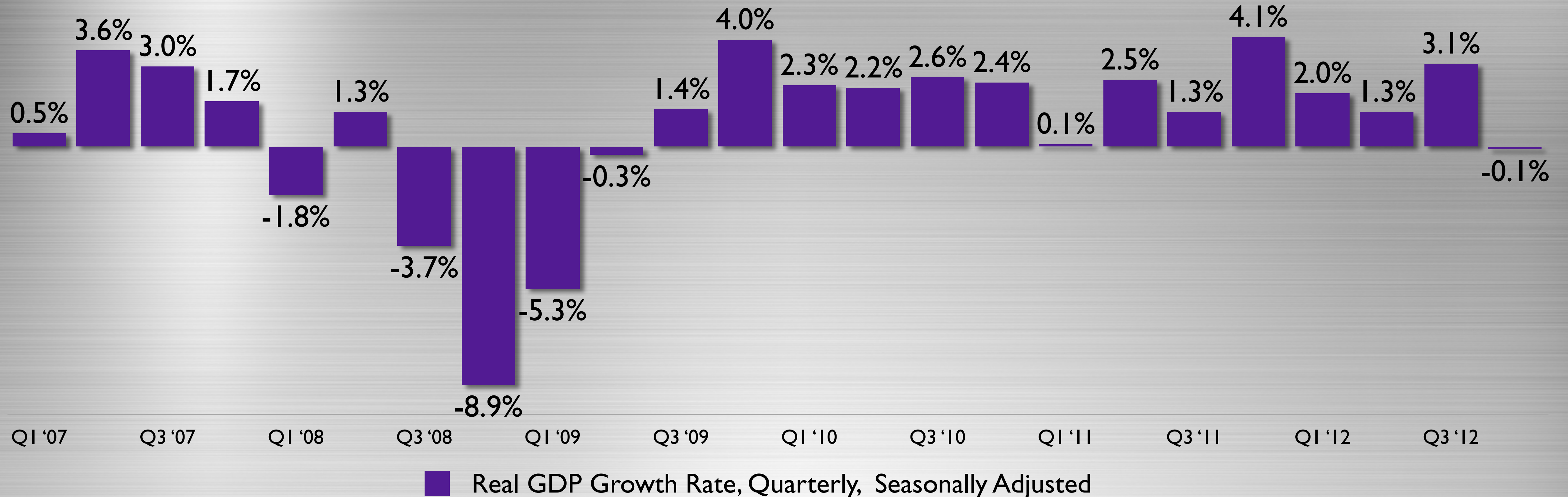
2012 marks the third year in a row of positive growth.





Gross Domestic Product QUARTERLY

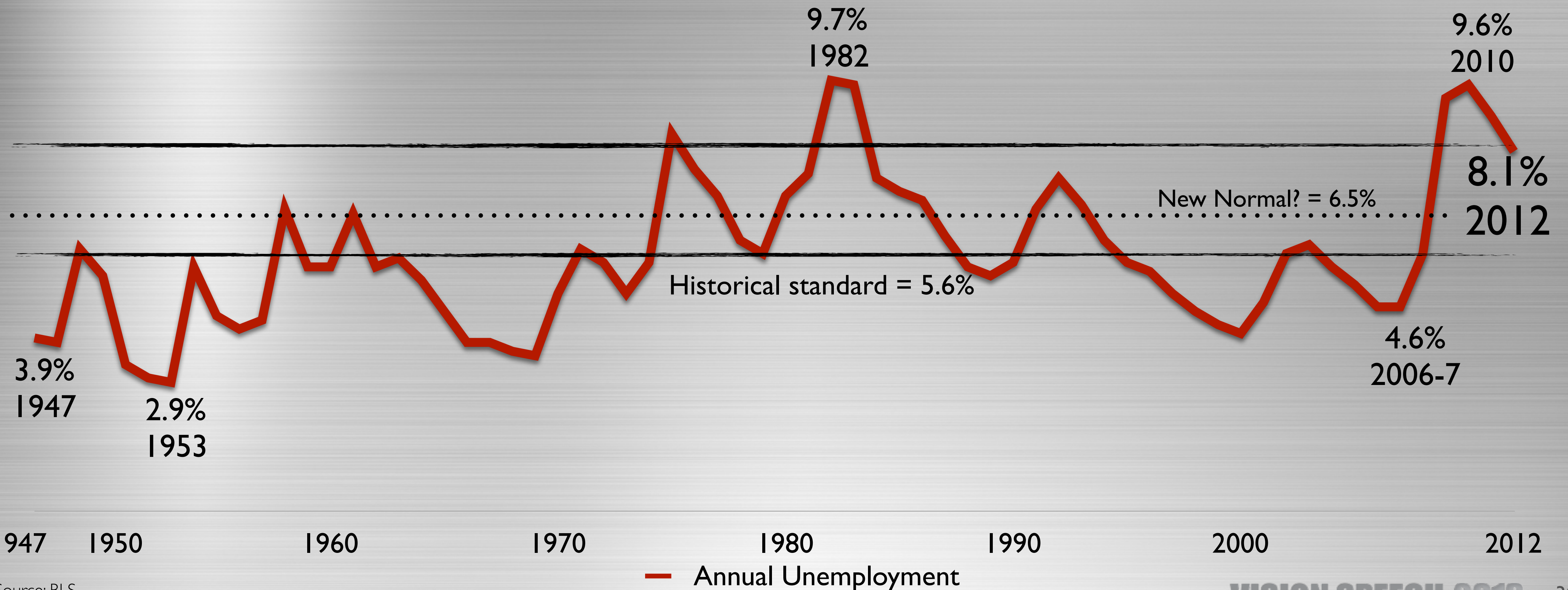
After six quarters of strong growth, Q4 GDP disappoints with a slight contraction—the first since Q2 2009.





Unemployment ANNUALLY

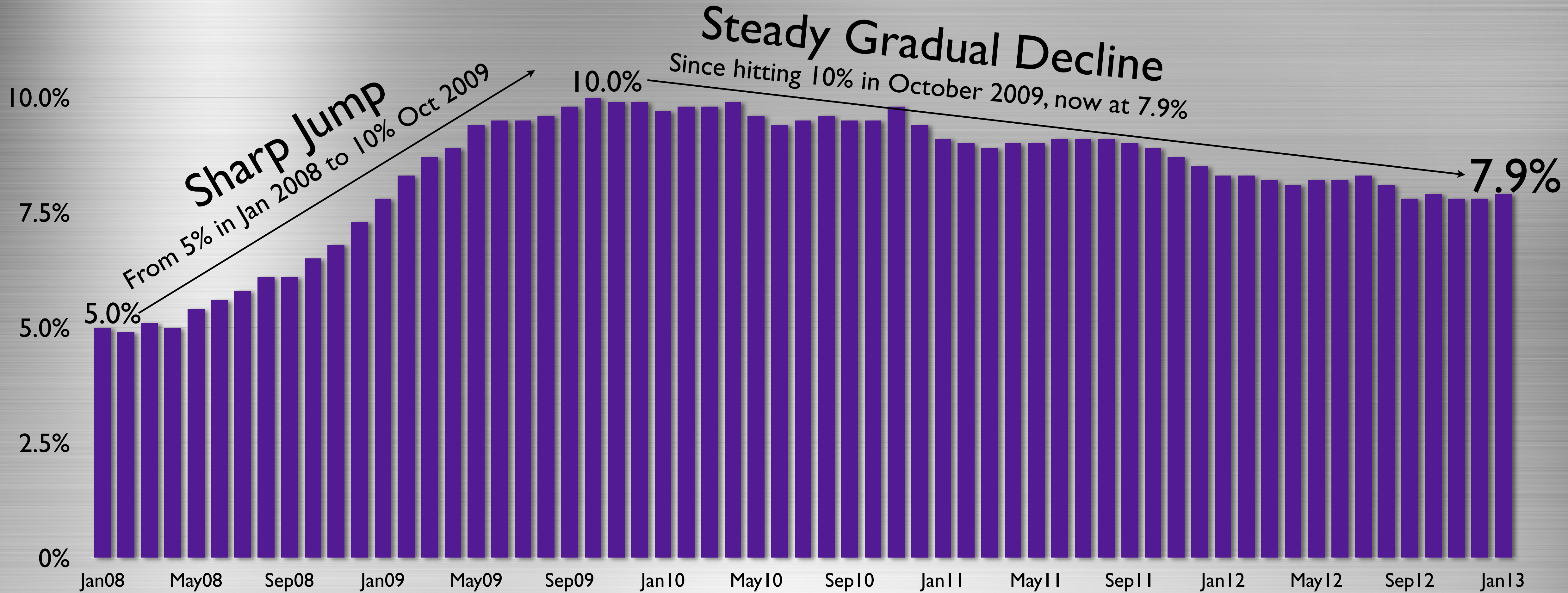
Although the annual level of unemployment spiked in a recession spurred on by the Fed in the early 80s, monthly unemployment hit 10% in October 2009, the highest since World War II.



Source: BLS



Unemployment MONTHLY

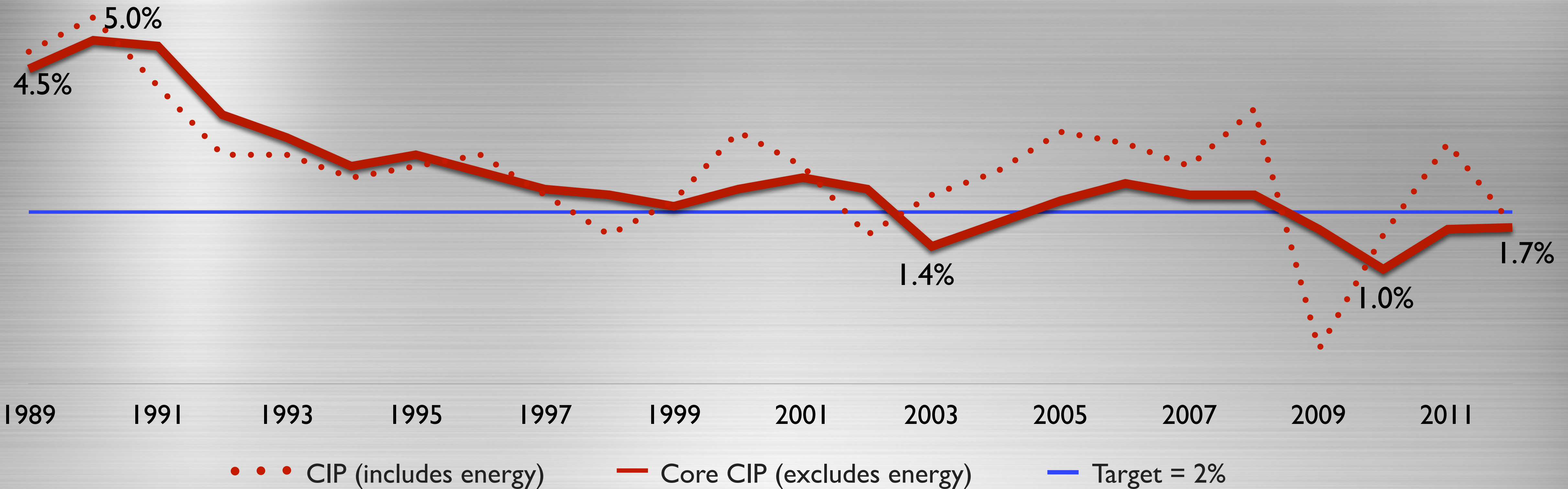


Source: BLS



Inflation

Inflation remains close to the 2% target rate.



The Canadian Economy



Gross Domestic
Product



Unemployment

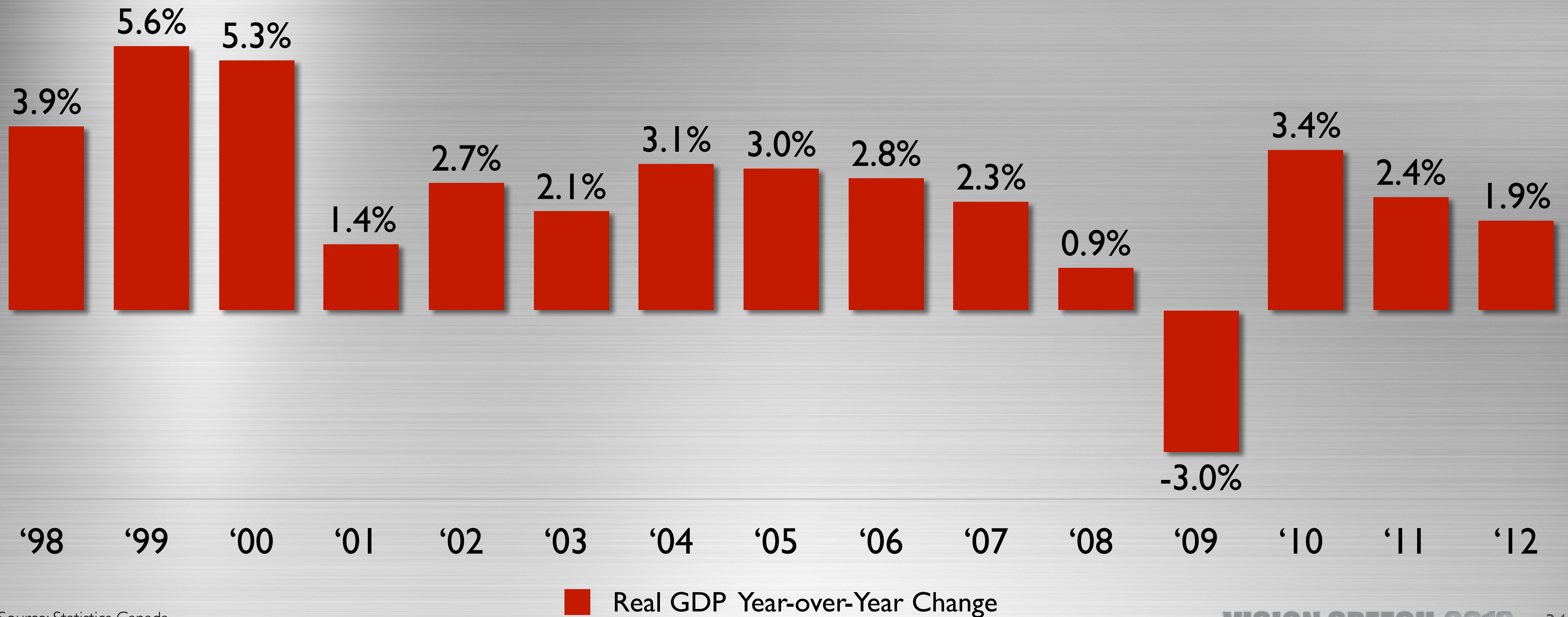


Inflation



Gross Domestic Product

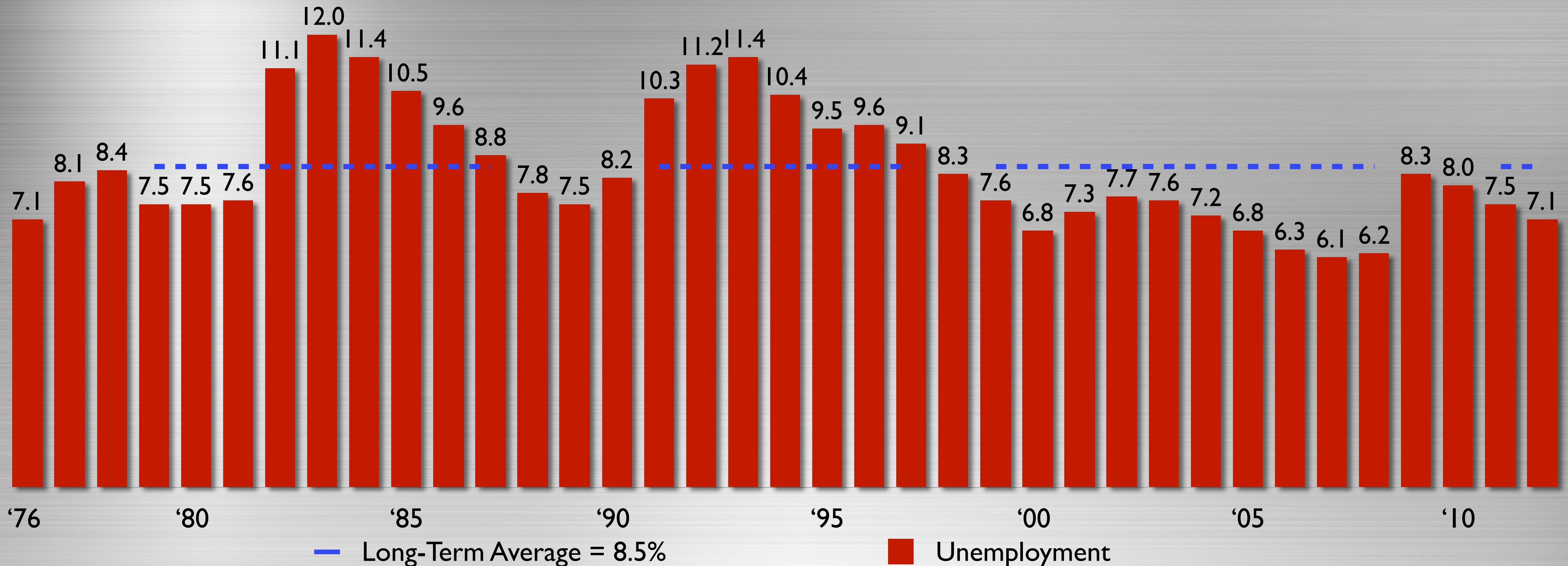
After rebounding sharply in 2010, economic growth has slowed but remains positive.





Unemployment

Unemployment continues a downward trend, improving the conditions for employees and job seekers.

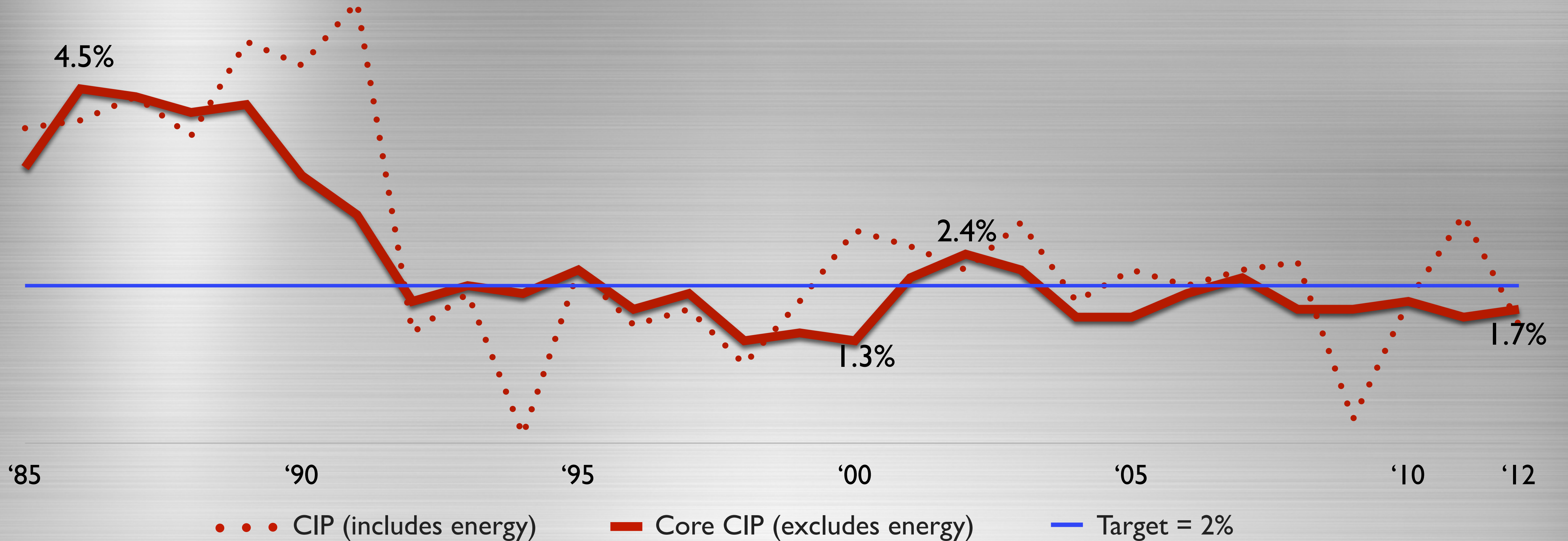




Inflation

Consumer Price Index

Since the early '90s, core inflation, which excludes energy, has been fairly stable.



Events That Drive the Numbers in the United States



Industry



Worldwide



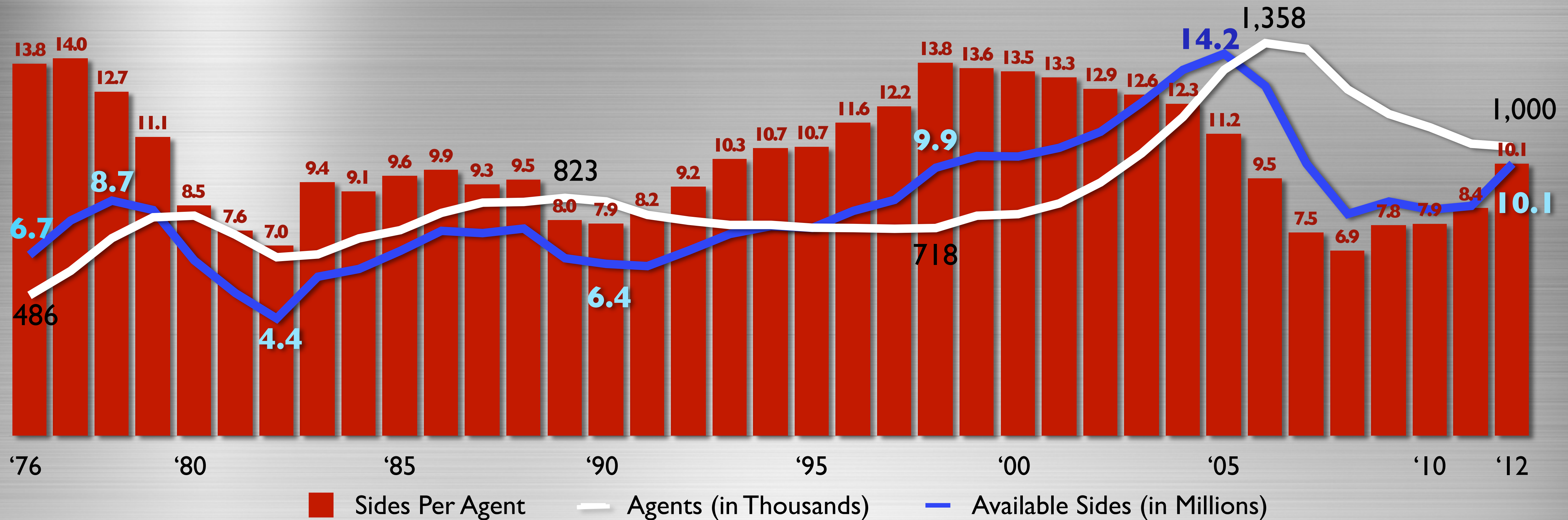
Government



Sides Per Agent

The average transactions available per agent

As the number of agents continues to decline and the number of sales increases, the number of available sales is up to a 7-year high.

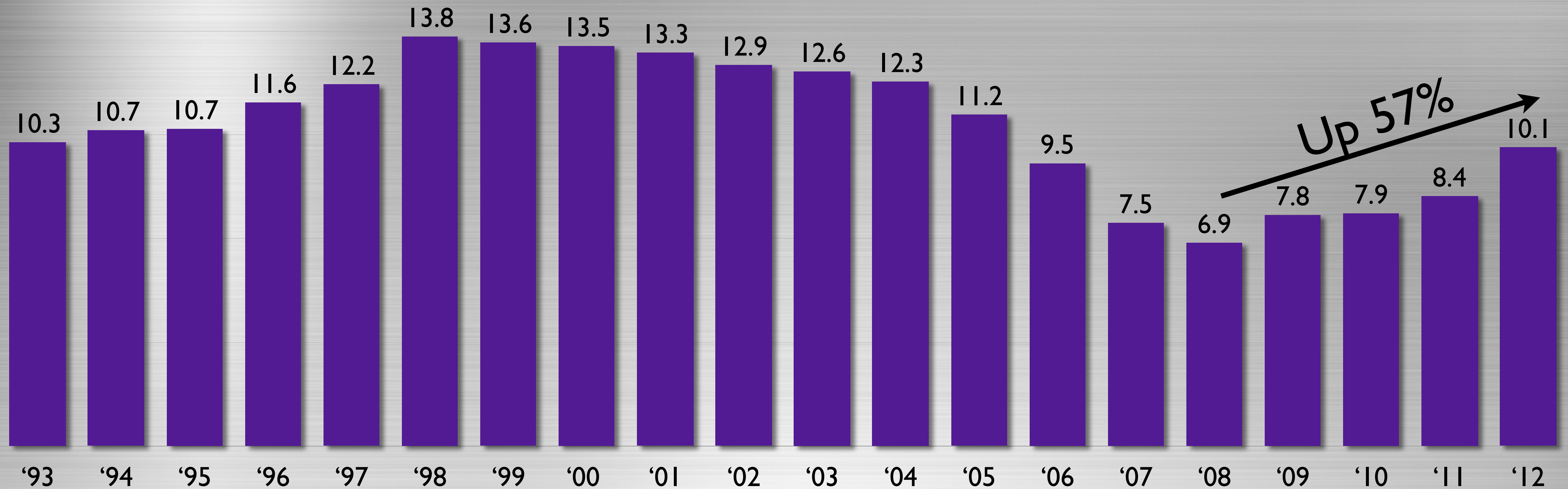




Sides Per Agent

The average transactions available per agent

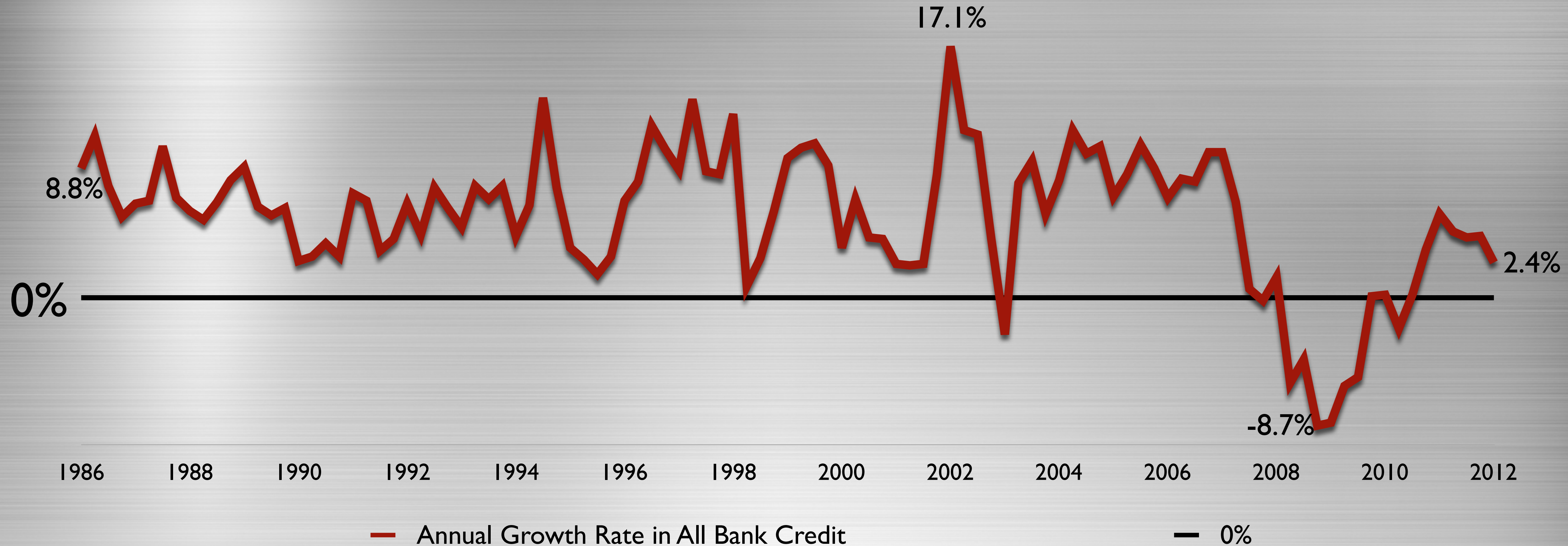
2012 is up 57% from the all-time low in 2008 and just 20% down from the 20-year high in 1998.





Credit Conditions

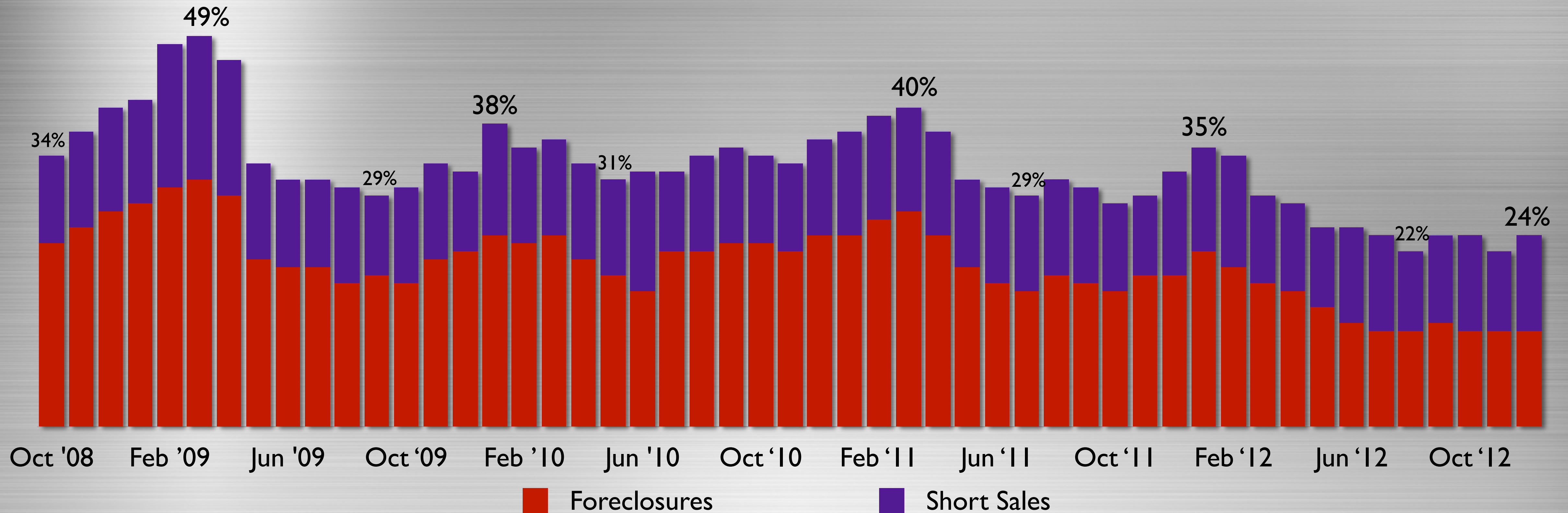
Lending has been up since Q2 2011 but fell in Q4, likely due to uncertainty around the fiscal cliff.





Foreclosures

Distressed property sales stabilized in mid-2012, which is an important key to a healthy overall market. 24% of the market is distressed—split evenly between short sales and foreclosures.





European Debt Crisis

The outlook for Europe is bleak.

GDP for the Eurozone contracted by 0.5%. Contraction has taken root in many countries, with Germany, the strongest Eurozone economy, contracting in Q4 2012. This is the first year the currency area has not posted positive growth in any quarter dating back to 1995.

Unemployment averaged 11.8% in November 2012 but is much worse in struggling countries (Spain, Italy, Greece) and among the youth who have an average 24.4% unemployment.

- Spain's overall unemployment is 25% and 57% for their youth.





Fiscal Policies: Cliffs, Sequesters, and Debt Ceiling

The fiscal cliff referred to a list of across-the-board tax increases and automatic spending cuts that would have taken place in 2013 without legislative action.

It was averted in part by the American Taxpayer Relief Act of 2013 passed January 2 this year.

- Bush-era tax rates were extended, payroll tax was not
- The automatic spending cuts were pushed to March.

A new deadline for part II of this conversation—averting automatic spending cuts—is March 1.





Mortgage Settlement

In January 2013, an \$8.5 billion deal was agreed upon between ten big mortgage lenders and regulators to increase efficiency and end the loan-by-loan review of foreclosures.

This was to address the Independent Foreclosure Review that was intended to review loans foreclosed from 2009-2010. This review was said to be poorly designed and executed.

The \$8.5 billion includes cash contributions, changes in loan terms, and mortgage forgiveness. It pays up to \$125,000 to homeowners who were victims of improper foreclosure proceedings.

There are concerns that this may “allow banks to skirt what they owe and sweep past abuses under the rug ...”

Events That Drive the Numbers in Canada



Industry



Credit

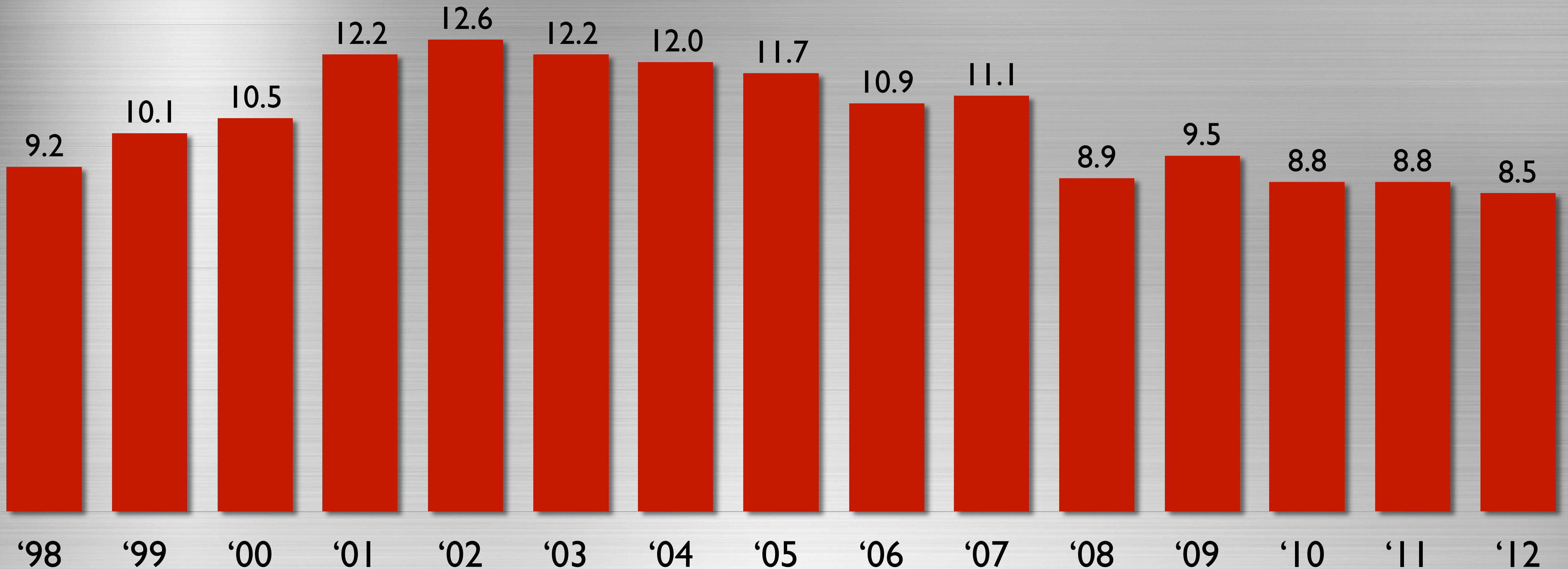


Government



Sides Per Agent

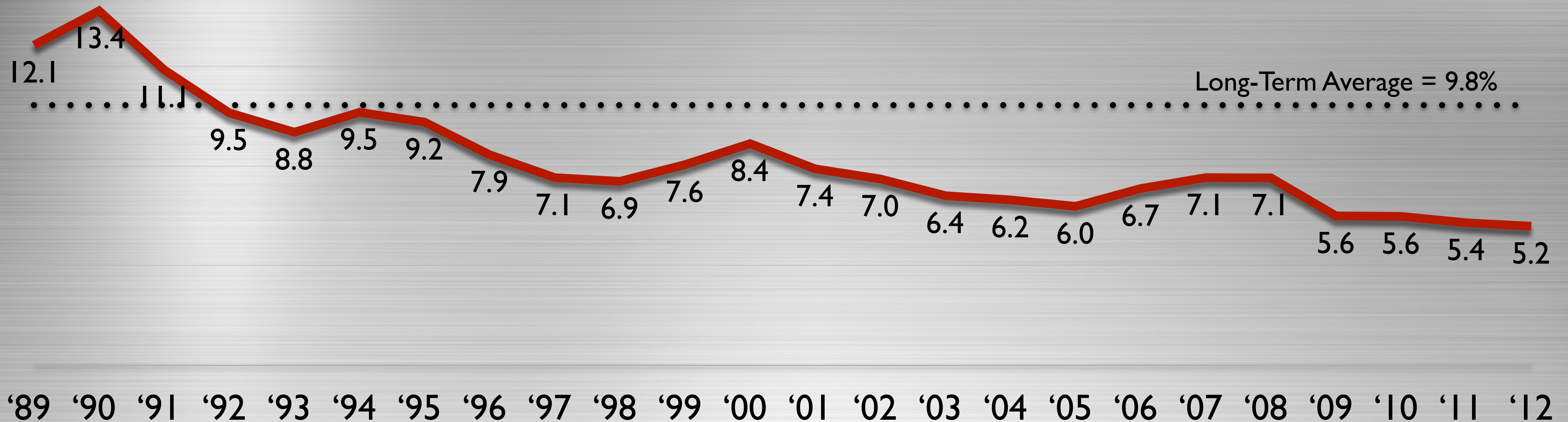
Available sides per agent is down 3.5% from last year but remains relatively steady since 2008.





Monetary Policy

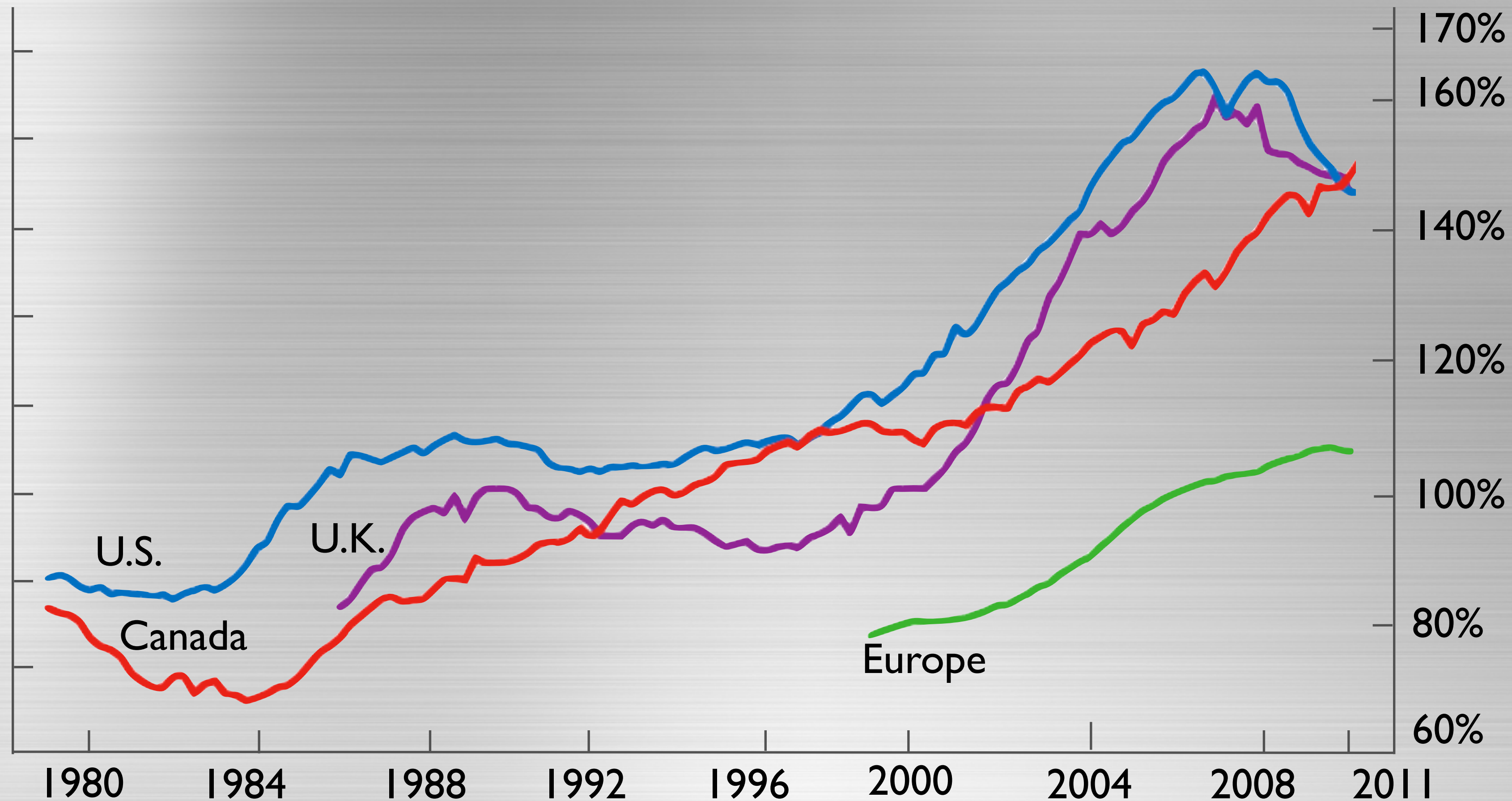
Canadians continue to benefit from record-low interest rates thanks to continuing supportive monetary policy.





Rising Household Debt

A major concern in Canada is the steadily rising household debt, which surpassed that of the United States in 2012.





Strong Currency

Persistent strength of the Canadian dollar will continue to hinder Canada's competitiveness in the global market, restraining its exports and widening the trade deficit. However, it is a signal of the strength of the Canadian economy.



2011 1 CAD = .97 USD

2012 1 CAD = 1.02 USD





Mortgage Regulations Tighten

- Decrease the maximum (insured by the Housing Corporation) amortization length to 25 years.
- The difference between a 25-year and 30-year amortization can be \$200-300 per month. Many prospective home buyers jumped on before the rule took effect.
 - Shortening the repayment period decreases the amount of mortgage a family can qualify for. A household income of \$75,000 may now qualify for \$50,000 less in their mortgage.
 - This may discourage homeownership, encourage families to purchase smaller homes, or push back the first-time home buyer age across the country.

Home equity loans can have a maximum LTV of 80%, down from 85%.
Mortgages must be insured if the down payment is less than 20%.

The limits are now back to where they were in 2006 before the government modified the rules so more households could qualify.

This new regulation went into effect July 9.



Luxury Real Estate



The Wealthy



Inventory



Days on
Market



List-to-Sell



Opportunity



The World's Wealthy

The world's population of high net worth individuals (HNWI) remained fairly consistent with the previous year's numbers and are up from 2006.

Year	HNWI in US (in Thousands)	HNWI in Canada (in Thousands)	Global HNWI (in Millions)	Wealth of Global HNWIs (in US\$ Trillions)
2005	2,669	232	8.8	\$33.4
2006	2,920	248	9.5	\$37.2
2007	3,019	281	10.1	\$40.7
2008	2,460	231	8.6	\$32.8
2009	2,866	251	10.0	\$39.0
2010	3,104	282	10.9	\$42.7
2011	3,068	280	11	\$42.0
2006 - 2011	5.1% increase	12.9% increase	15.8% increase	12.9% increase



Allocation of Financial Assets

Real estate continues to make up a sizable portion of HNWIs' investment portfolio.

Year	Real Estate	Cash/ Deposits	Fixed Income	Equities	Alternative Investments
2004	16%	13%	24%	28%	19%
2005	16%	13%	21%	30%	20%
2006	24%	14%	21%	31%	10%
2007	14%	17%	27%	33%	9%
2008	18%	21%	29%	25%	7%
2009	18%	17%	31%	29%	6%
2010	19%	14%	29%	33%	5%
2012*	15%	11%	29%	38%	8%



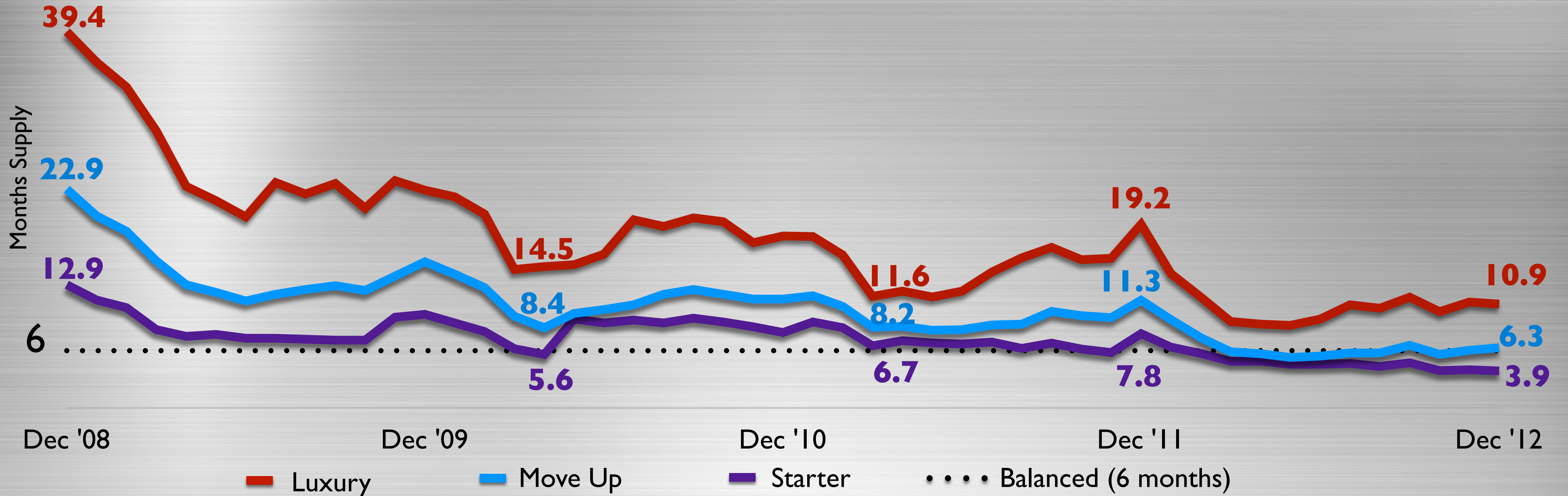
Months Supply of Inventory

Months supply of inventory dropped at the beginning of 2012 and has remained fairly stable throughout the year. Luxury ended with 10.9 months supply, down 72% from December 2008.

Luxury = Buyer's Market

Move Up = Balanced Market

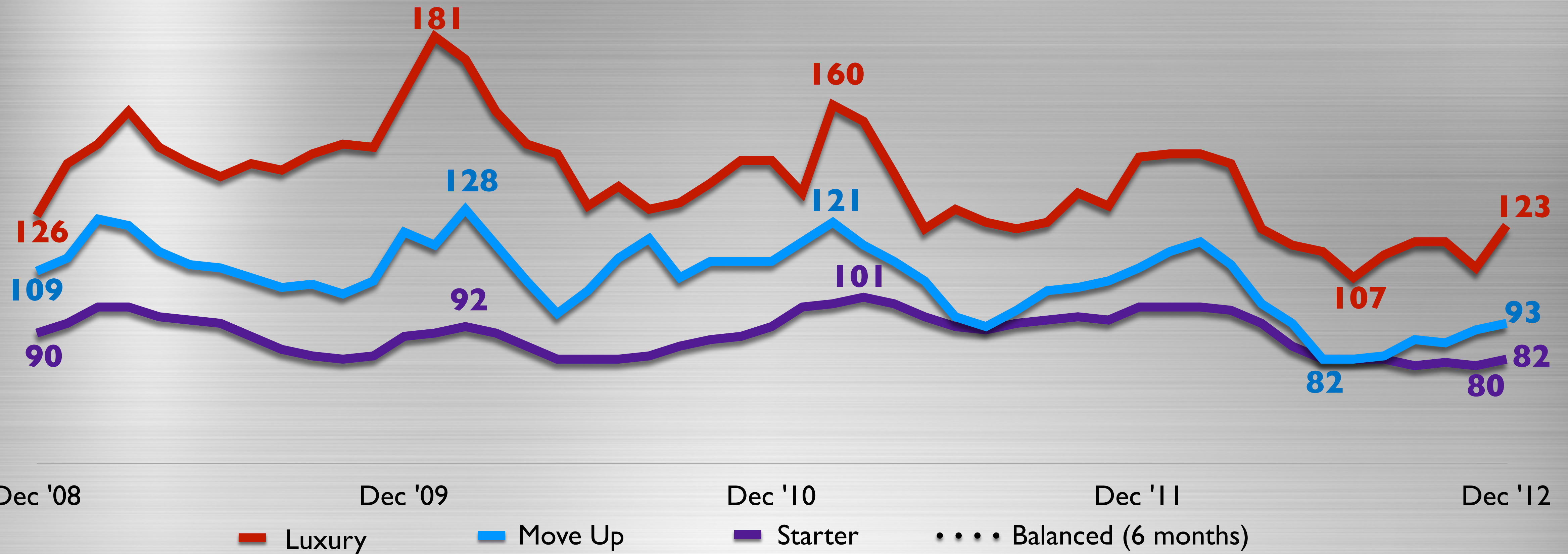
Starter = Seller's Market





Days on Market

Days on market continues to be more volatile as the price point increases.

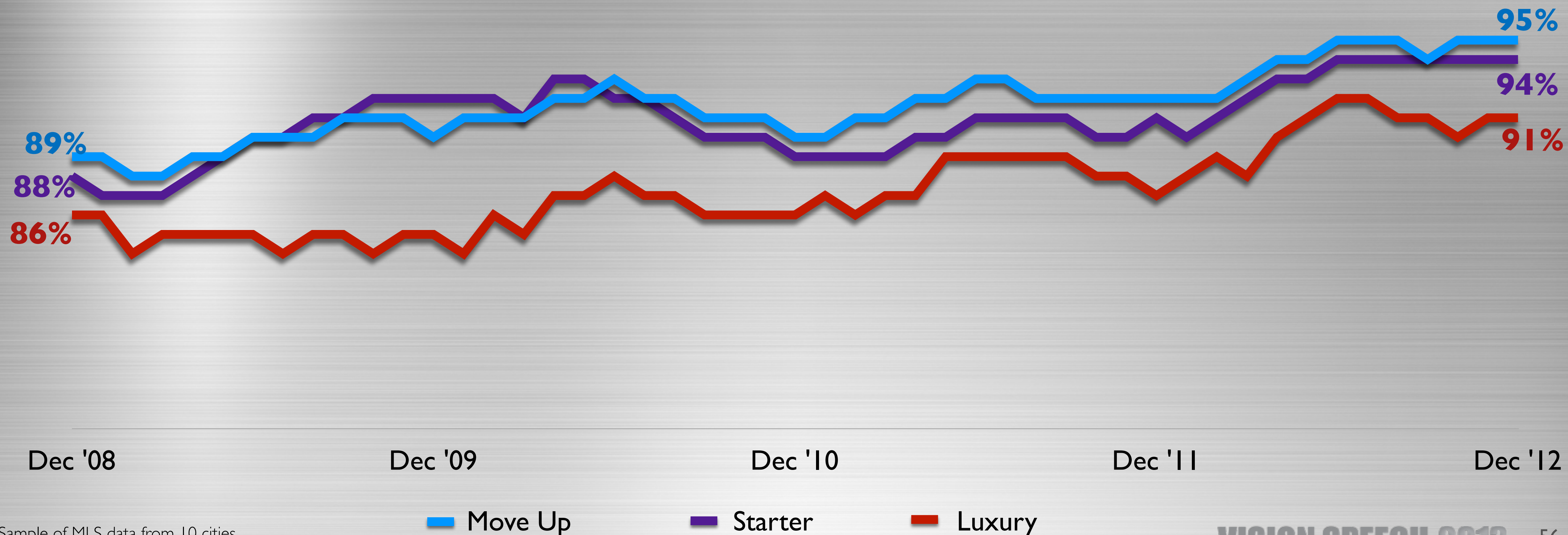


Sample of MLS data from 10 cities



List-to-Sell

List-to-sell ratios hit a 4-year high during 2012. There continues to be more opportunity to negotiate a bargain in luxury price points. The gap between luxury and move up tightened in mid-2012 and has loosened since.





Opportunities

Move-up buyers who can sell in a balanced market and buy in a buyer's market.

International buyers who are cash rich and with a strong appetite for U.S. luxury properties.

Investors who stand ready to take advantage of undervalued properties—most are focused on the starter price points but there are bigger discounts at the luxury level.

Commercial Real Estate



Economic



Industry

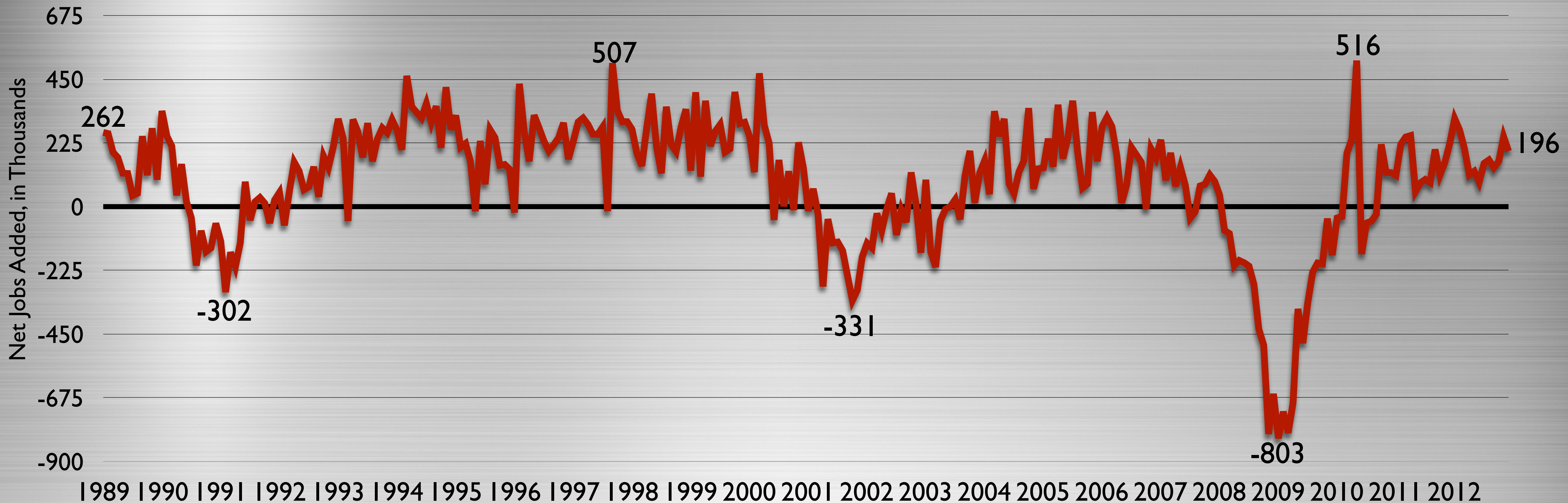


Government



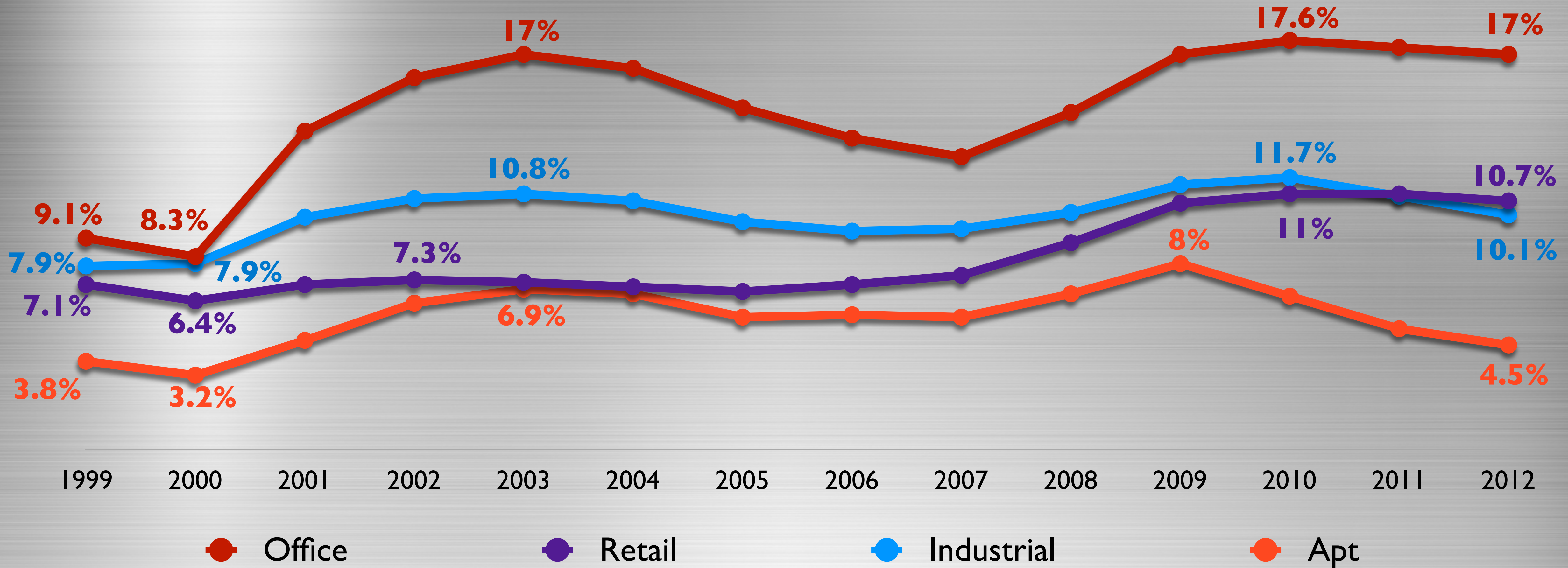
Job Growth Monthly

After falling dramatically from 2008-2009, job growth has followed a fairly normal positive trend from 2010 onward.





Vacancy Rates





Vacancy Rates By Commercial Real Estate Sector



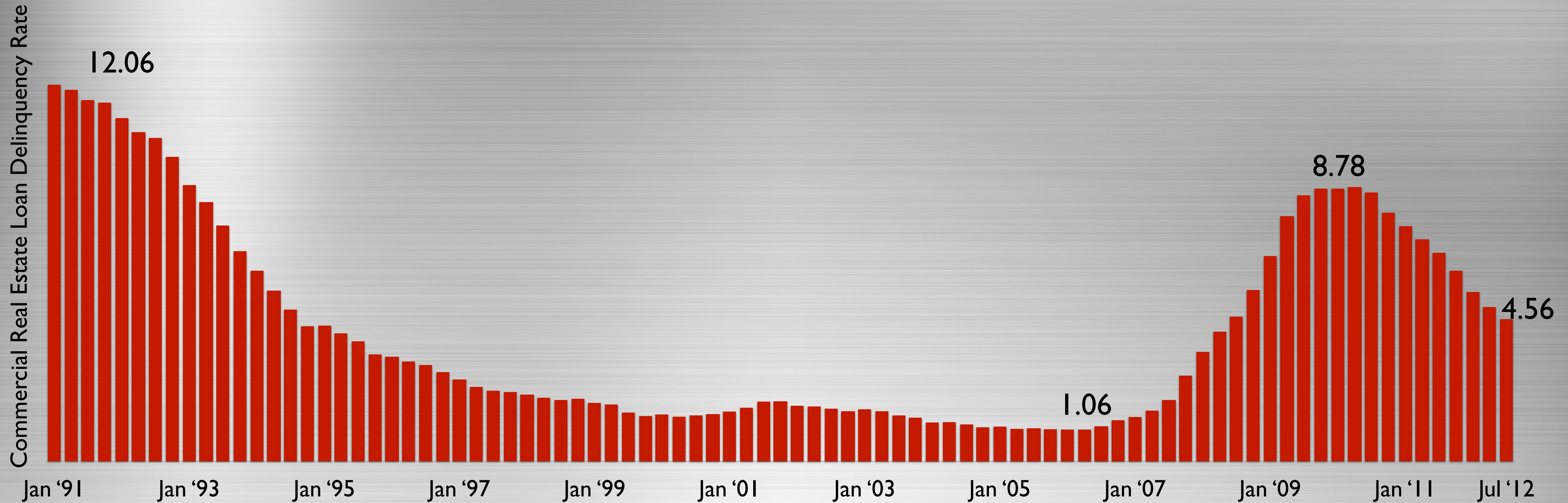
Sector	CANADA		
	2010	2011	2012
Office	9.4%	8.4%	8.3%
Industrial	7.4%	6.3%	6.3%
Retail	4.2%	3.9%	4.9%
Multi-Family	2.6%	2.2%	2.2%



Loan Delinquency Rate

Quarterly, 1991-2012

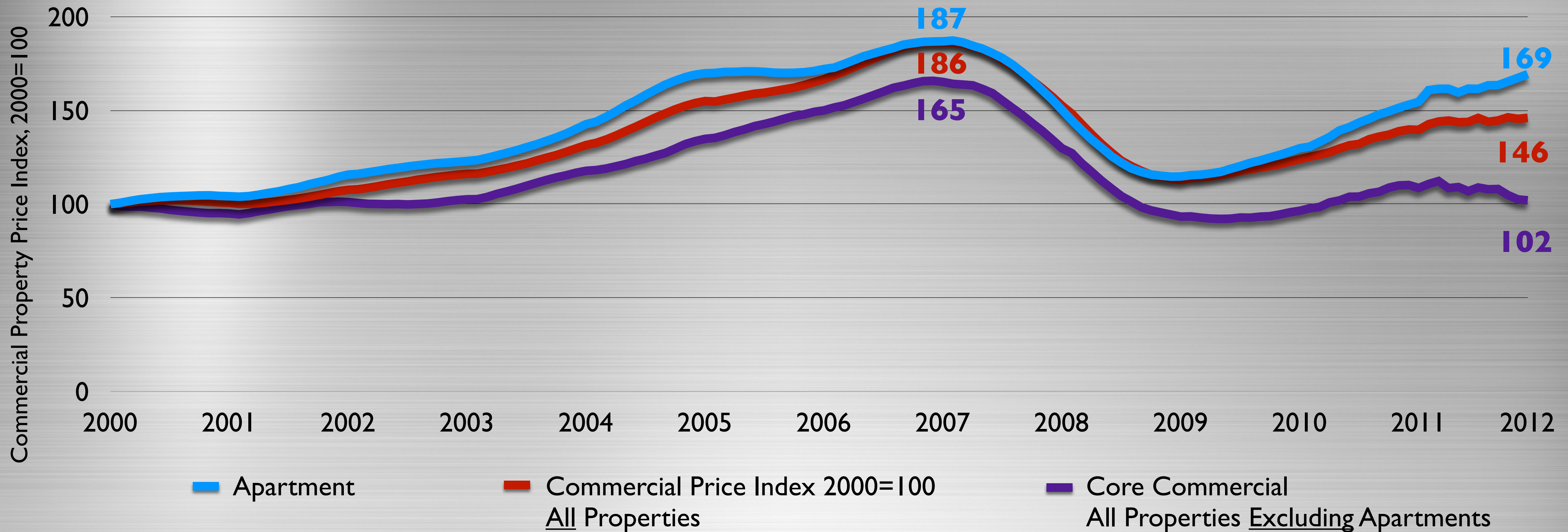
After a period of low delinquency rates from 1997-2008, rates spiked in 2011 but have been steadily decreasing since.





Commercial Property Price Index

From November 2011-2012, prices for apartments grew by 10.6%, offices in a central business district grew by 18.1%, industrial grew 3.4%, while retail fell by 4.9% and offices in suburban areas fell by 7.4%.



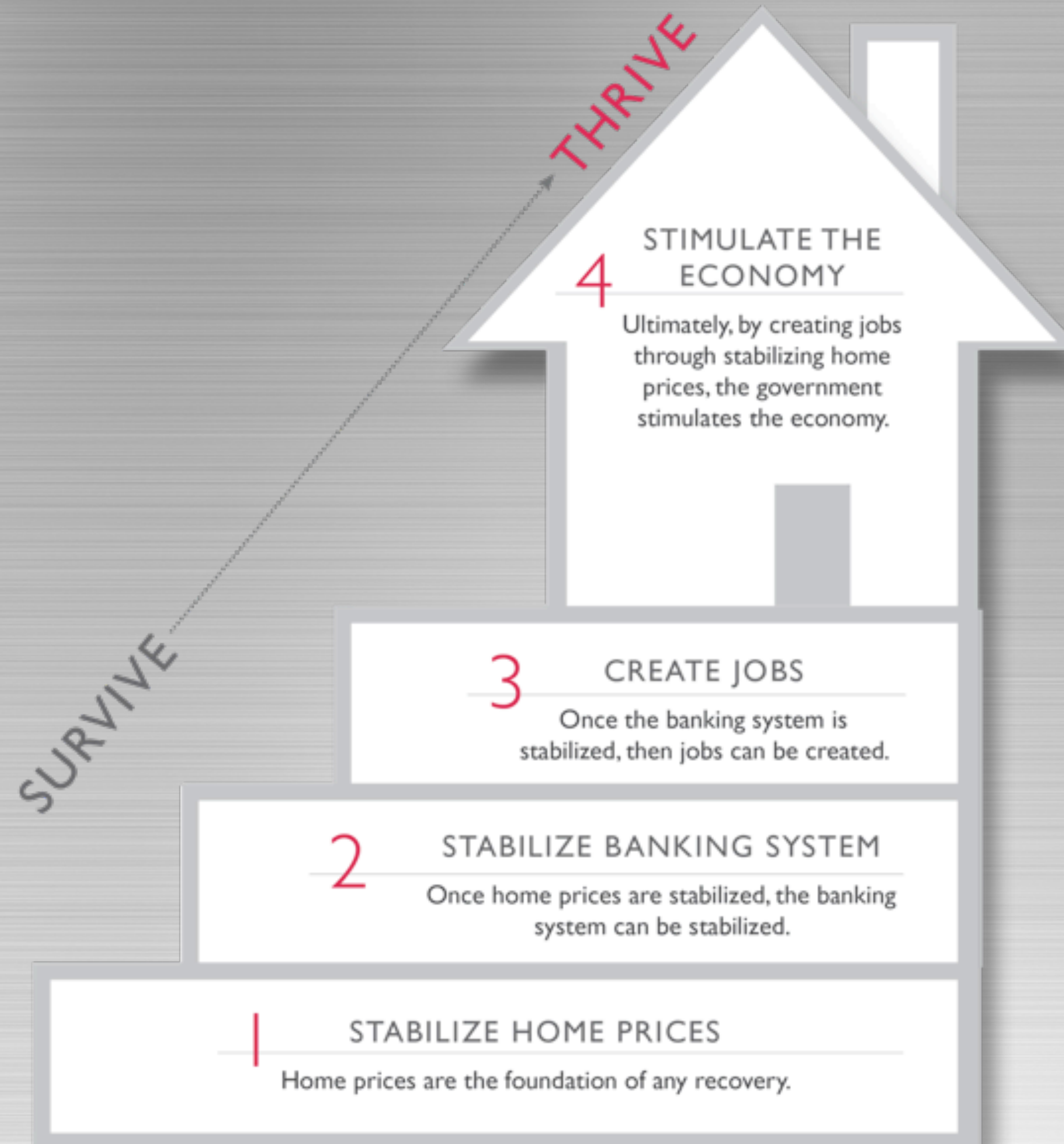
How Do We Recover?



Four Steps
to Recovery



Four Steps to Housing Recovery



What Can NAR Tell Us?



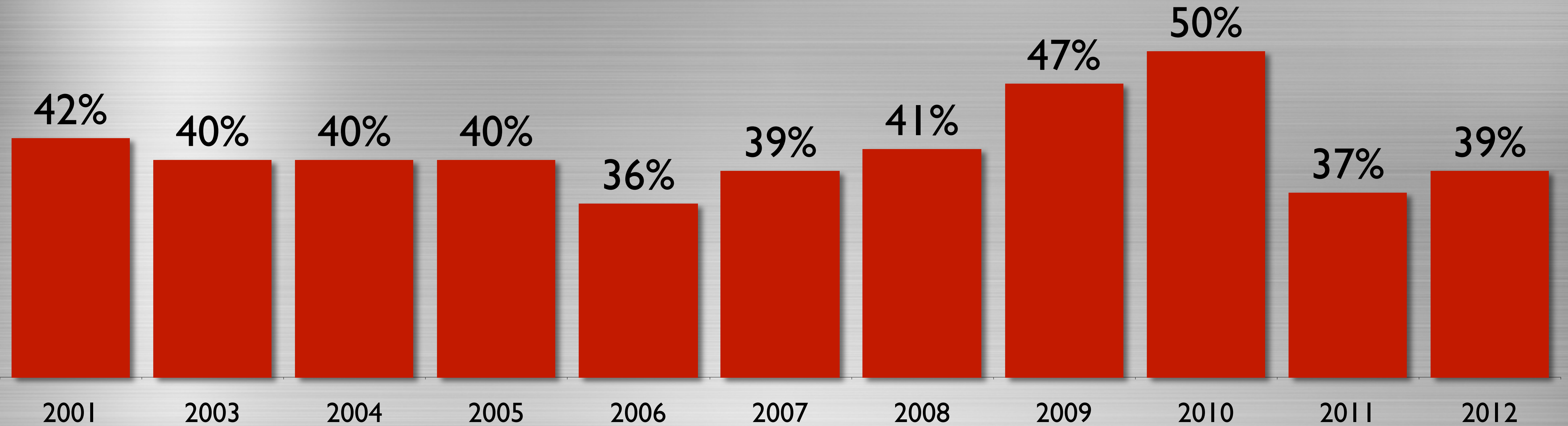
Buyers



Sellers



First-Time Home Buyers





Primary Reason for Purchasing

	All Buyers		
	2005	2011	2012
Desire to own a home	39%	27%	30%
Desire for larger home	20	10	11
Job-related relocation or move	11	10	9
Change in family situation	*	8	8
Affordability of homes	*	8	7
Desire for a home in a better area	*	5	6
Desire to be closer to family/friends	8	7	6
Desire to be closer to job/school/transit	*	4	4
Desire for smaller home	6	4	4
Retirement	3	5	4
Establish household	*	2	2
Home buyer tax credit	*	--	--



Tenure in Previous Home

	2011	2012
1 year or less	4%	3%
2 to 3 years	8	7
4 to 5 years	13	12
6 to 7 years	16	15
8 to 10 years	17	18
11 to 15 years	18	19
16 to 20 years	9	9
21 years or more	15	16
Median	9	9

Only 10% buy again in less than 4 years.



Buyer's Expected Tenure

	2011	2012
1 year or less	1%	1%
2 to 3 years	2	2
4 to 5 years	8	7
6 to 7 years	2	2
8 to 10 years	14	13
11 to 15 years	5	6
16 to 20 years	27	26
Don't know	41	43
Median	15	15

Buyers expect to stay almost twice as long as they actually do. Stay in touch so that even if your client's move is unexpected, you are top of mind.

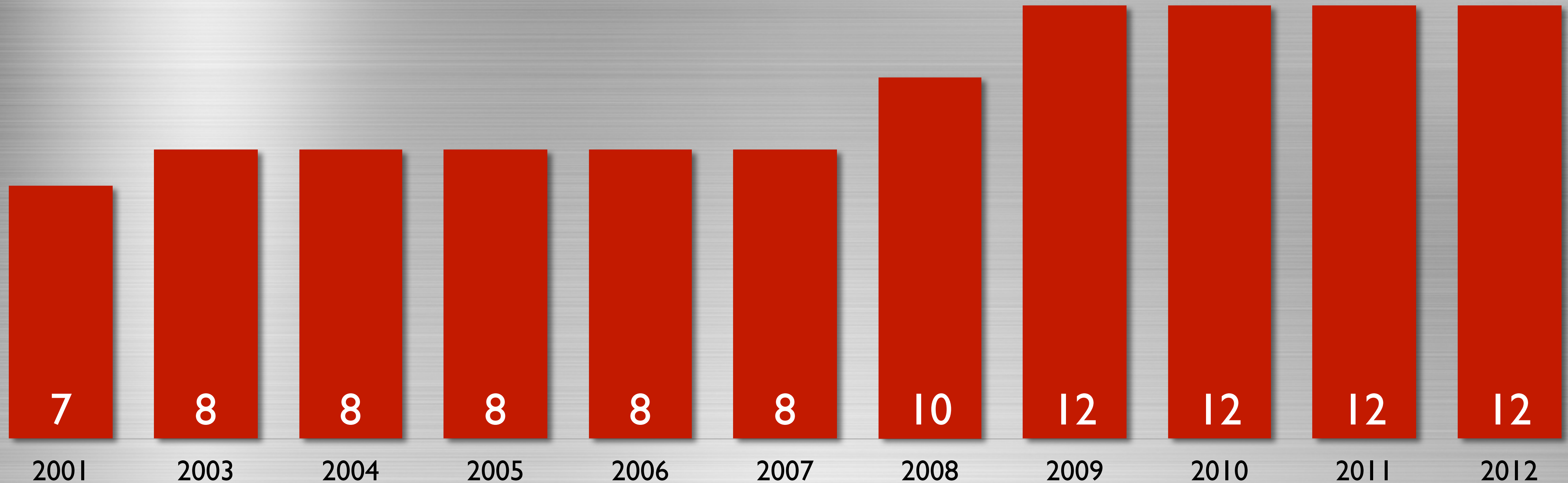


First Step in Buying Process

	All Buyers	
	2011	2012
Looked online for properties for sale	35%	41%
Contacted a real estate agent	21	18
Looked online for information about the buying process	10	11
Drove by homes/neighborhoods	8	8
Contacted a bank or mortgage lender	7	6
Talked with a friend or relative about buying process	7	6
Visited open houses	4	3
Looked in newspapers, magazines, or home-buying guides	2	1
Attended a home-buying seminar	2	1
Contacted builder/visited builder models	2	1



Weeks in Home Search



The home search length is usually lower during a seller's market when buyers need to move quickly.



Info Sources Buyers Use

	2011	2012
Internet	88%	90%
Real estate agent	87	87
Yard sign	55	53
Open house	45	45
Print newspaper advertisement	30	27
Home book or magazine	19	18
Home builder	16	17
Television	4	5
Billboard	4	5
Relocation company	4	4

Real estate-related Google searches have grown 253% in the past four years.

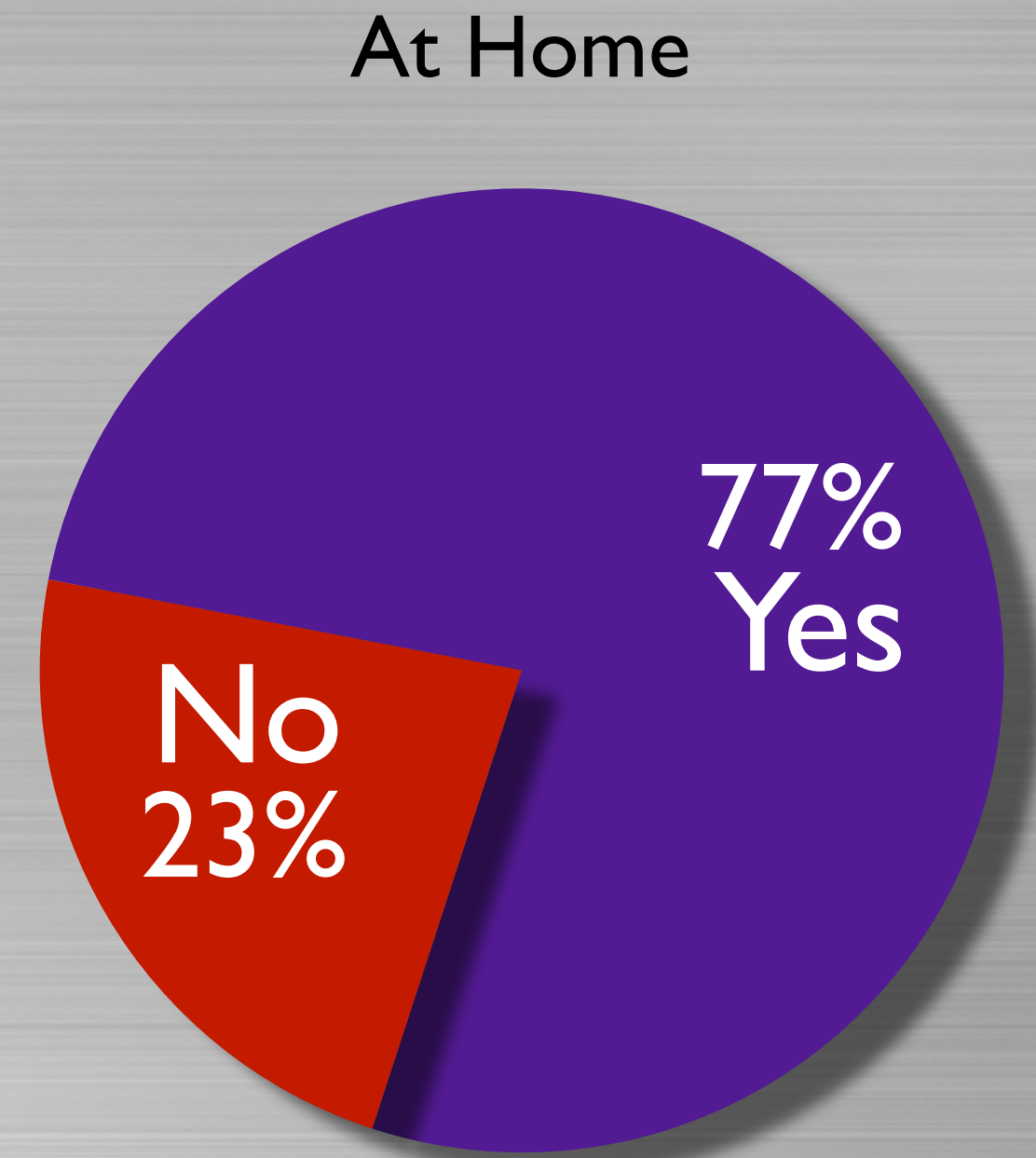
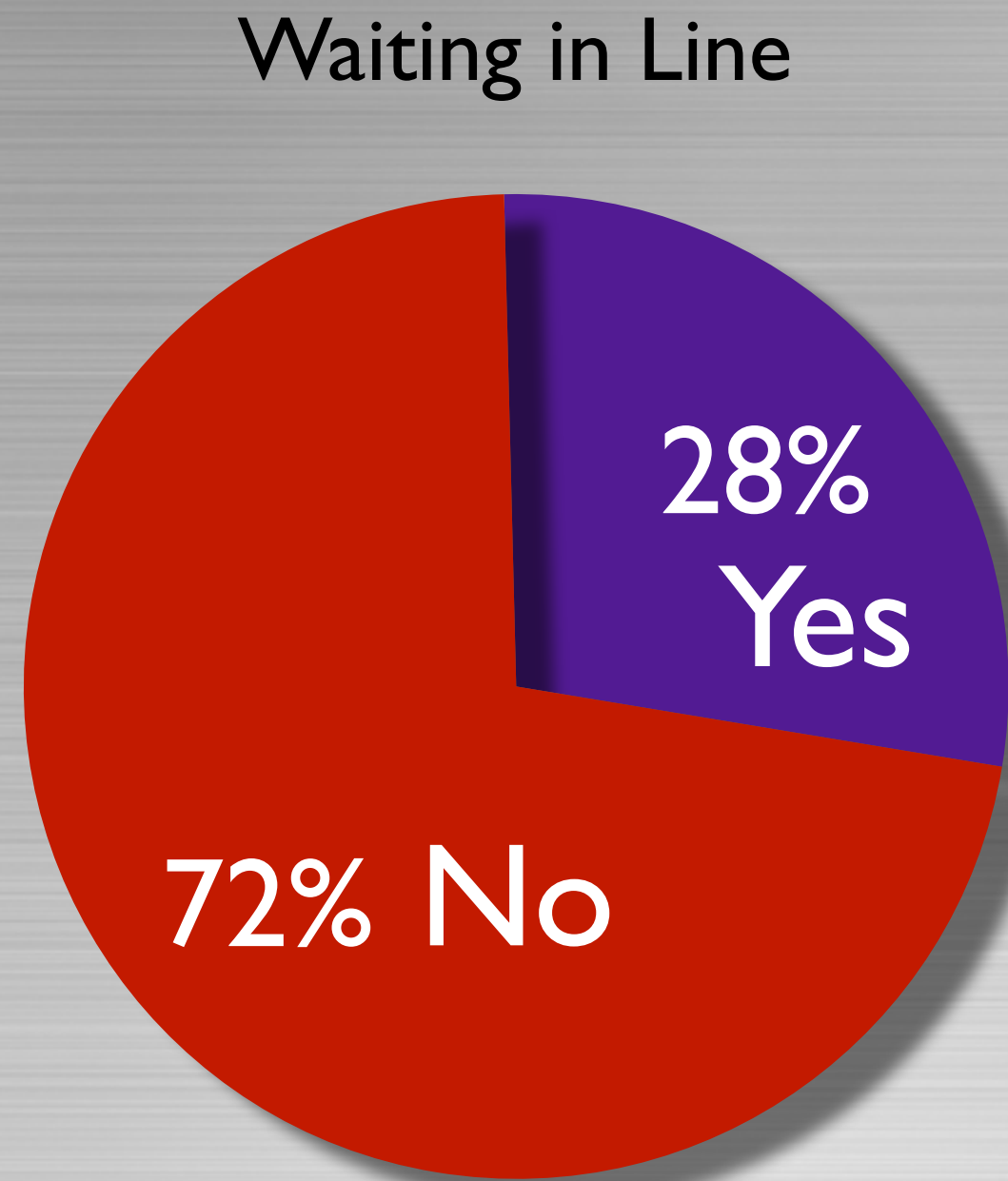
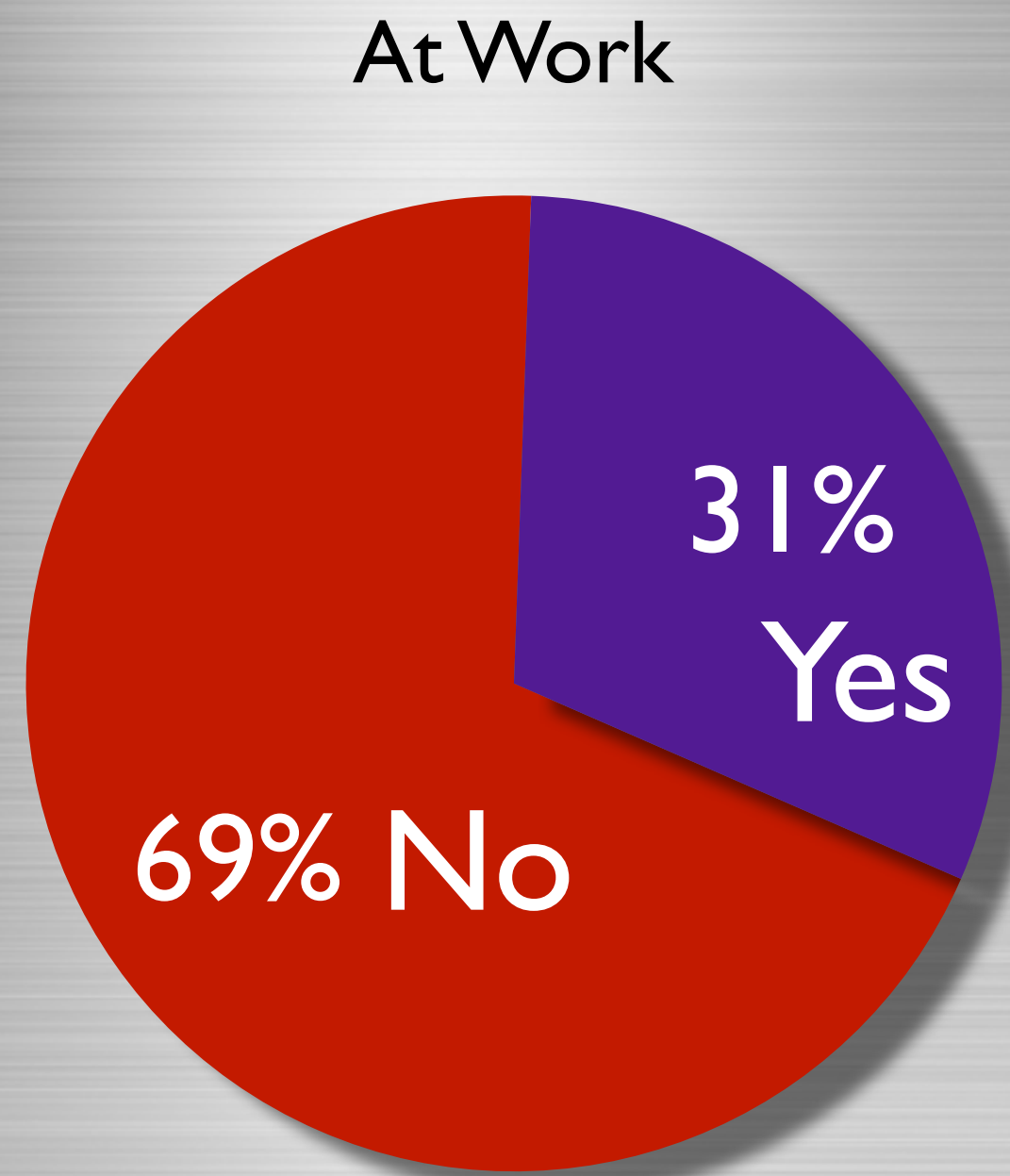


Where Buyers Found the Home They Purchased

	2001	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Internet	8%	11%	15%	24%	24%	29%	32%	36%	37%	40%	47%
Real estate agent	48	41	38	36	36	34	34	36	38	35	33
Yard sign/Open house sign	15	16	16	15	15	14	15	12	11	11	9
Friend, relative, or neighbor	8	7	7	7	8	8	7	6	6	6	5
Home builder or their agent	3	7	7	7	8	8	7	5	4	5	4
Directly from sellers/knew the sellers	4	4	5	3	3	3	2	2	2	2	1
Print newspaper advertisement	7	7	5	5	5	3	3	2	2	2	1
Home book or magazine	2	1	2	1	1	1	1	*	*	*	*
Other	3	6	4	--	--	--	--	--	--	--	--



Where Buyers Search



● Yes
● No

36% of new home shoppers used their mobile device to research while watching TV.



Value of Website Features

	Very Useful	Somewhat Useful	Not Useful	Did Not Use / Not Avail
Photos	84%	14%	1%	1%
Detailed information about properties for sale	79	19	*	1
Virtual tours	45	33	10	12
Real estate agent contact info	44	34	13	10
Interactive maps	41	34	11	15
Neighborhood information	34	44	12	9
Detailed information about recently sold properties	33	41	15	11
Pending sales/Contract status	30	35	19	17
Information about upcoming open houses	20	31	25	24

69% of home shoppers who take action on a real estate website begin their search with a local term.



Length of Search Process

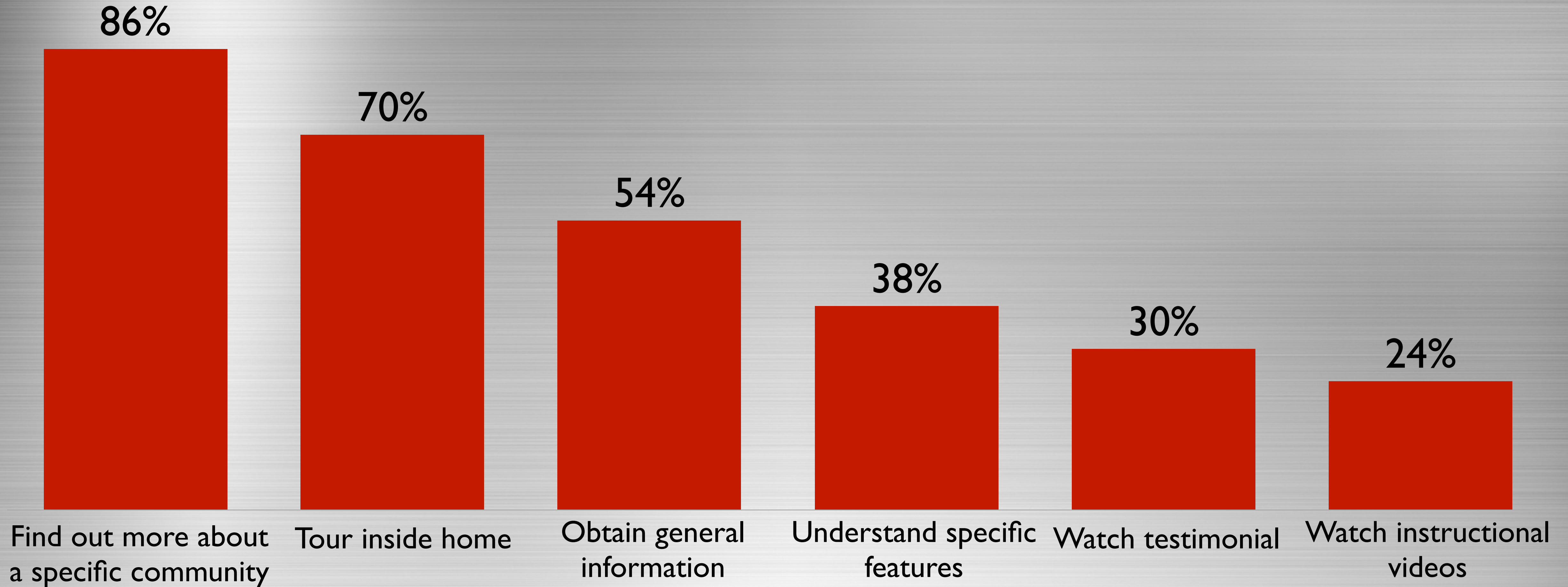
Expect buyers to have done some research online before contacting you. 40% will have researched up to three months first. 1 in 4 will take action the same day they begin researching online.



This 3 week window is the time to reach buyers online. 78% of new home buyers visit 3+ sites before taking action.



What Buyers Use Video For





Websites Used in Home Search

	2005	2011	2012
Multiple Listing Service (MLS) website	50%	56%	54%
REALTOR.com	54	45	51
Real estate agent website	31	46	47
Real estate company website	38	40	39
Other website with real estate listings	11	38	27
For-sale-by-owner website	*	14	13
Newspaper website	15	6	6
Real estate magazine website	6	4	4
Video hosting websites (e.g., YouTube, etc.)	*	1	2
Social networking websites (e.g., Facebook, etc.)	*	1	1

Home buyer browsers will perform an average of 11 searches prior to taking action on a real estate website.



Method of Home Purchase

	2001	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Through a real estate agent or broker	69%	75%	77%	77%	77%	79%	81%	77%	83%	89%	89%
Directly from builder or builder's agent	15	14	12	12	13	12	10	8	6	7	6
Directly from the previous owner	15	9	9	9	9	7	6	5	5	4	5

Just because buyers are using the internet more doesn't mean they're not relying on you. In fact, the number of buyers using an agent remains at a ten year high. To keep it that way, understand your value proposition and be able to communicate it.



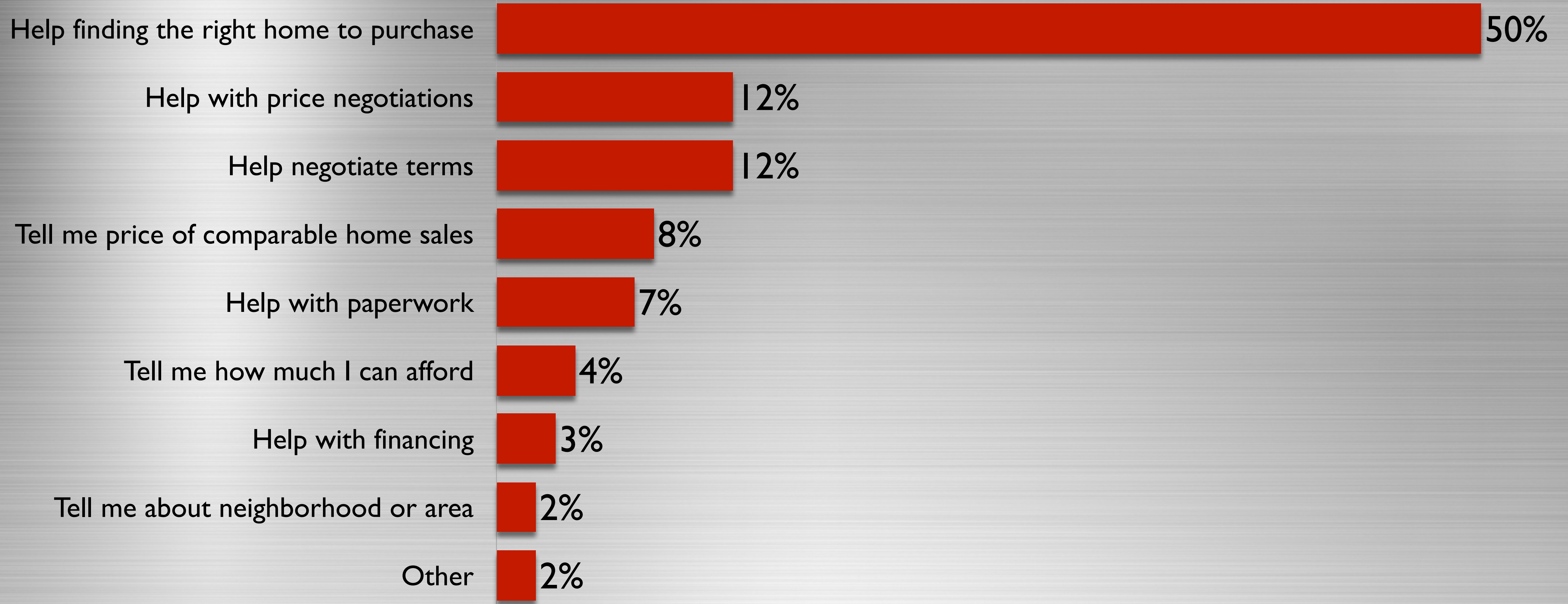
Buyer Representation Agreement

Buyer representation agreements are down compared to last year. These are a no-brainer risk mitigator for agents wanting to protect their time and income.

	2011	2012
Yes, a written arrangement	42%	40%
Yes, an oral arrangement	18	19
No	29	28
Don't know	11	13



What Buyers Want Most from Agent





How Buyers Found Their Agent

	2005	2011	2012
Referred by (or is) a friend, neighbor, or relative	44%	41%	40%
Internet website	7	9	11
Used agent previously to buy or sell a home	11	9	10
Visited an open house and met agent	7	7	6
Saw contact information on for sale/open house sign	6	6	6
Personal contact by agent (telephone, email, etc.)	3	3	4
Referred through employer or relocation company	4	4	4
Walked into or called office and agent was on duty	4	4	3
Newspaper, Yellow Pages, or home book ad	2	1	*
Direct mail (newsletter, flier, postcard, etc.)	1	--	*
Other	6	10	10

The data is clear. Staying in relationship with your database is the #1 way to get more business.



Interviews by Buyers

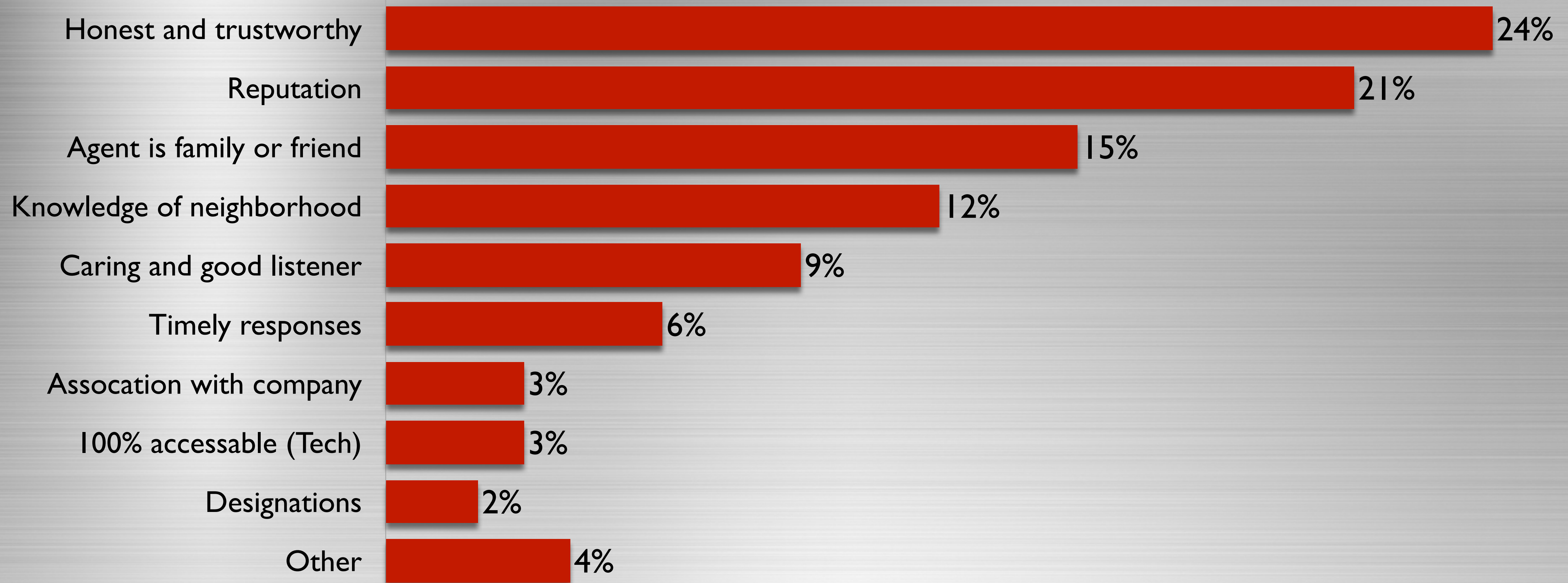
	2002	2005	2009	2010	2011	2012
One	59%	64%	66%	64%	65%	66%
Two	22	20	19	21	20	20
Three	19	10	10	10	10	8
Four or more	--	5	6	6	6	6

2 out of 3 times if you are not the first one they call there is no possibility to get their business.



Most Important Factors for Buyers

The most important factors for buyers when choosing an agent





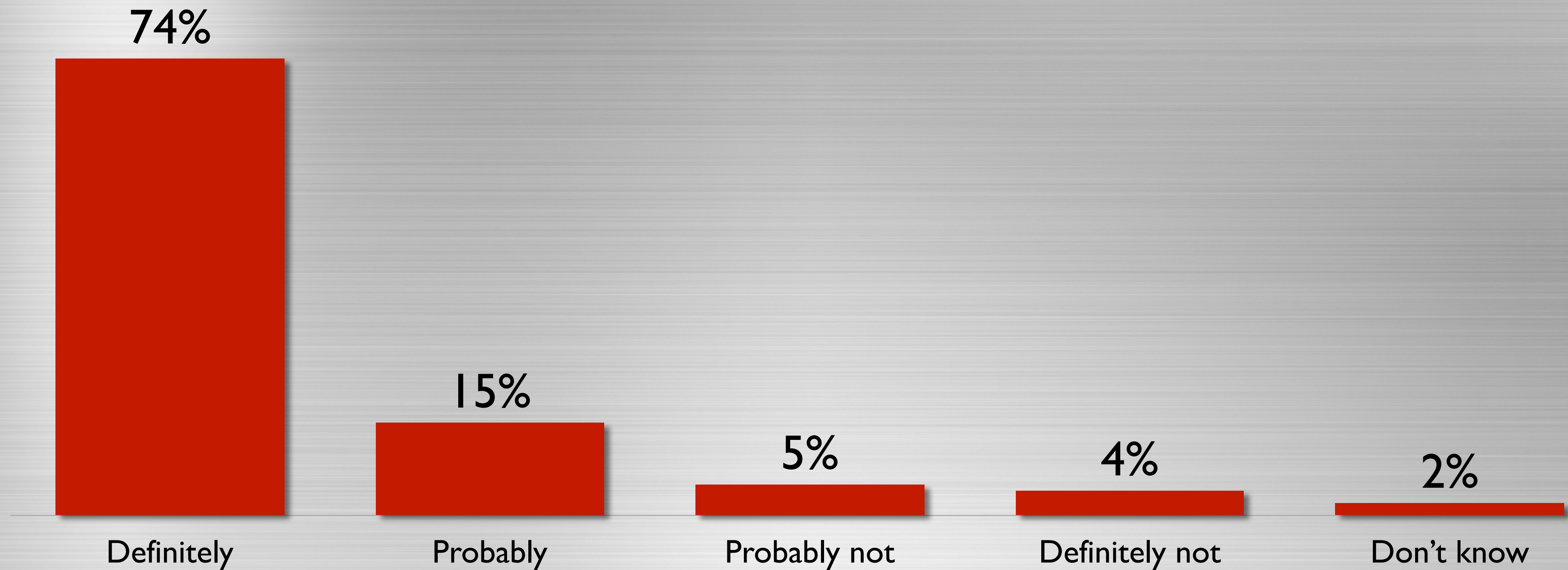
Home as Financial Investment

	2005	2010	2011	2012
Good financial investment	94%	85%	78%	78%
- Better than stocks	*	47	45	46
- About as good as stocks	*	30	24	23
- Not as good as stocks	*	9	9	9
Not a good financial investment	1	4	8	6
Don't know	5	11	14	16



Buyer: Repeat and Referrals?

Would seller work with agent again or refer them to friends?





Method Sellers Used to Find Agent

	2005	2011	2012
Referred by (or is) a friend, neighbor, or relative	43%	39%	38%
Used agent previously to buy or sell a home	28	22	23
Personal contact by agent (telephone, email, etc.)	5	4	5
Visited an open house and met agent	4	4	4
Referred by another real estate agent or broker	3	4	4
Saw contact information on for sale/open house sign	4	4	4
Referred through employer or relocation company	3	5	4
Internet website	2	3	3
Walked into or called office and agent was on duty	2	1	2
Direct mail (newsletter, flier, postcard, etc.)	3	2	2
Newspaper, Yellow Pages, or home book ad	2	1	1
Advertising specialty (calendar, magnet, etc.)	*	*	1
Other	*	11	11



Seller Interviews

Number of agents sellers contacted before deciding who to list with.

	2002	2010	2011	2012
One	76%	66%	66%	65%
Two	16	19	16	20
Three	8	10	13	11
Four	--	3	3	3
Five or more	--	3	2	2



What Sellers Want Most from Agent

	2005	2010	2011	2012
Help sell the home within specific time frame	27%	19%	19%	22%
Help seller market home to potential buyers	*	20	24	21
Help find a buyer for home	28	21	19	19
Help price home competitively	17	23	20	18
Help seller find ways to fix up home to sell it for more	12	7	9	10
Help with negotiations and dealing with buyers	5	5	5	5
Help with paperwork/inspections/preparing for settlement	7	4	3	3
Help seller see homes available to purchase	3	1	2	1



Most Important Factors for Sellers

	2005	2010	2011	2012
Reputation of agent	57%	35%	38%	37%
Agent is honest and trustworthy	*	23	20	19
Agent is friend or family member	*	16	18	13
Agent's knowledge of the neighborhood	17	12	11	12
Agent has caring personality/good listener	*	4	4	4
Agent's association with a particular firm	6	4	5	4
Professional designations held by agent	3	1	1	1
Other	17	4	4	5



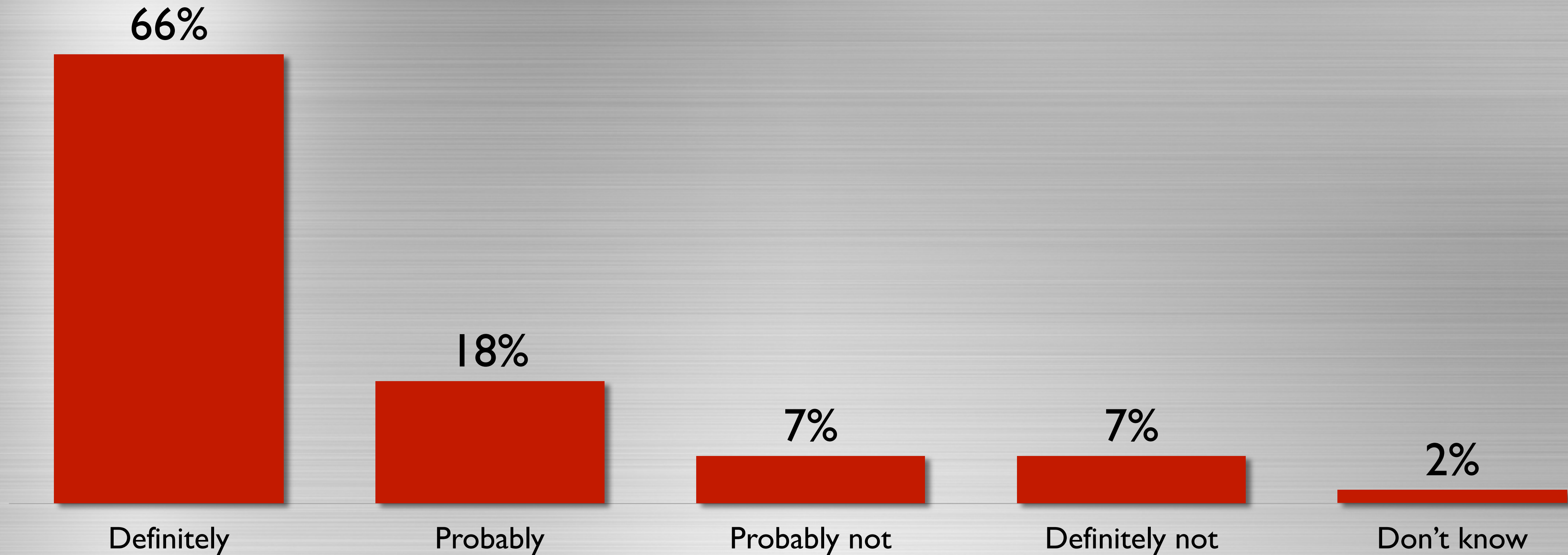
Compensation Negotiations

	2011	2012
Real estate agent initiated discussion of compensation	43%	43%
Client brought up the topic and the real estate agent was willing to negotiate their commission or fee	26	22
Client did not know commissions and fees could be negotiated	13	15
Client did know commissions and fees could be negotiated but did not bring up the topic	8	11
Client brought up the topic and the real estate agent was not willing to negotiate their commission or fee	10	9



Seller: Repeats and Referrals?

Would seller work with agent again or refer them to friends?



74% of buyers would. Don't forget to call your past buyer and seller clients to ask for referrals.



Method Used To Sell Home

	2001	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Sold home using an agent or broker	79%	83%	82%	85%	84%	85%	84%	85%	88%	87%	88%
For-sale-by-owner (FSBO)	13	14	14	13	12	12	13	11	9	10	9
Sold to home-buying company	1	1	1	1	1	1	1	1	1	1	1
Other	7	3	3	2	3	2	2	3	3	2	2



For Sale By Owners (FSBOs)



A shifting market may mean FSBOs will increase and expireds will decrease. Take note if expireds are a big part of your lead gen strategy.



Incentives Offered to Attract Buyers

	2011	2012
None	59%	60%
Home warranty policies	23	22
Assistance with closing costs	20	17
Credit toward remodeling or repairs	7	7
Other incentives, such as a car, flat-screen TV, etc.	3	3
Assistance with condo association fees	1	*
Other	4	5

KW Research



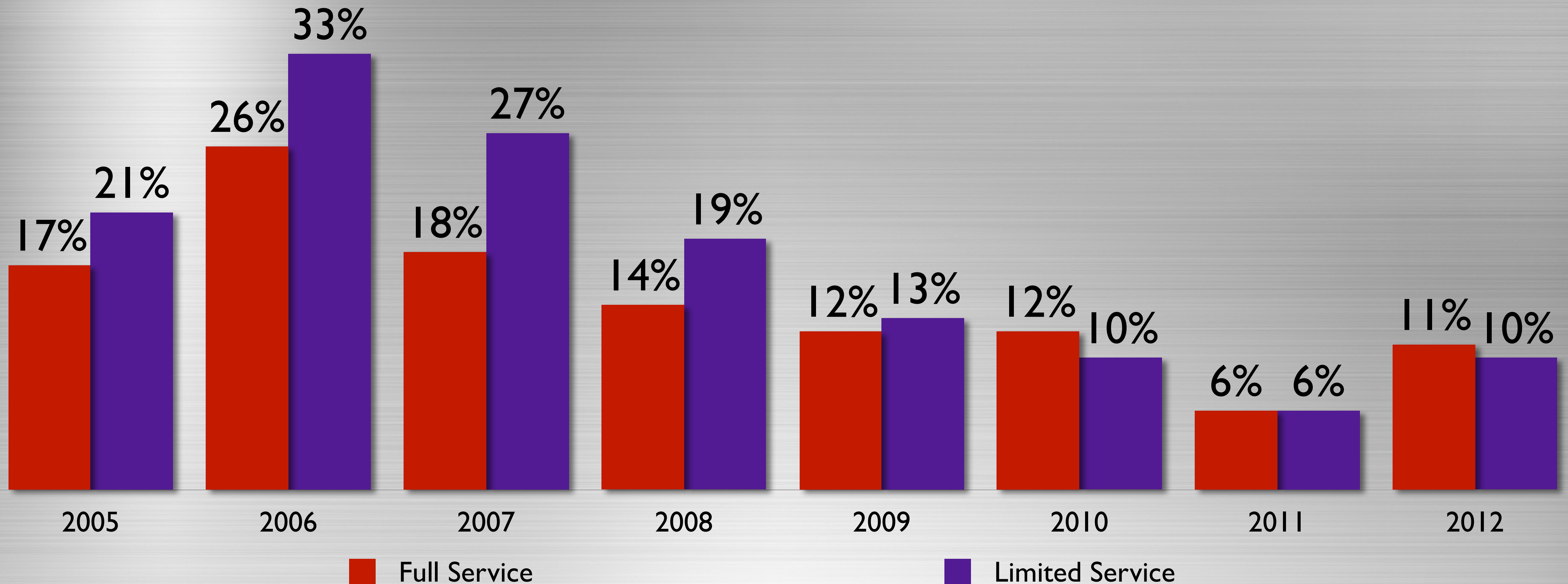
MLS Study on
Discounters



The State of our
Commission

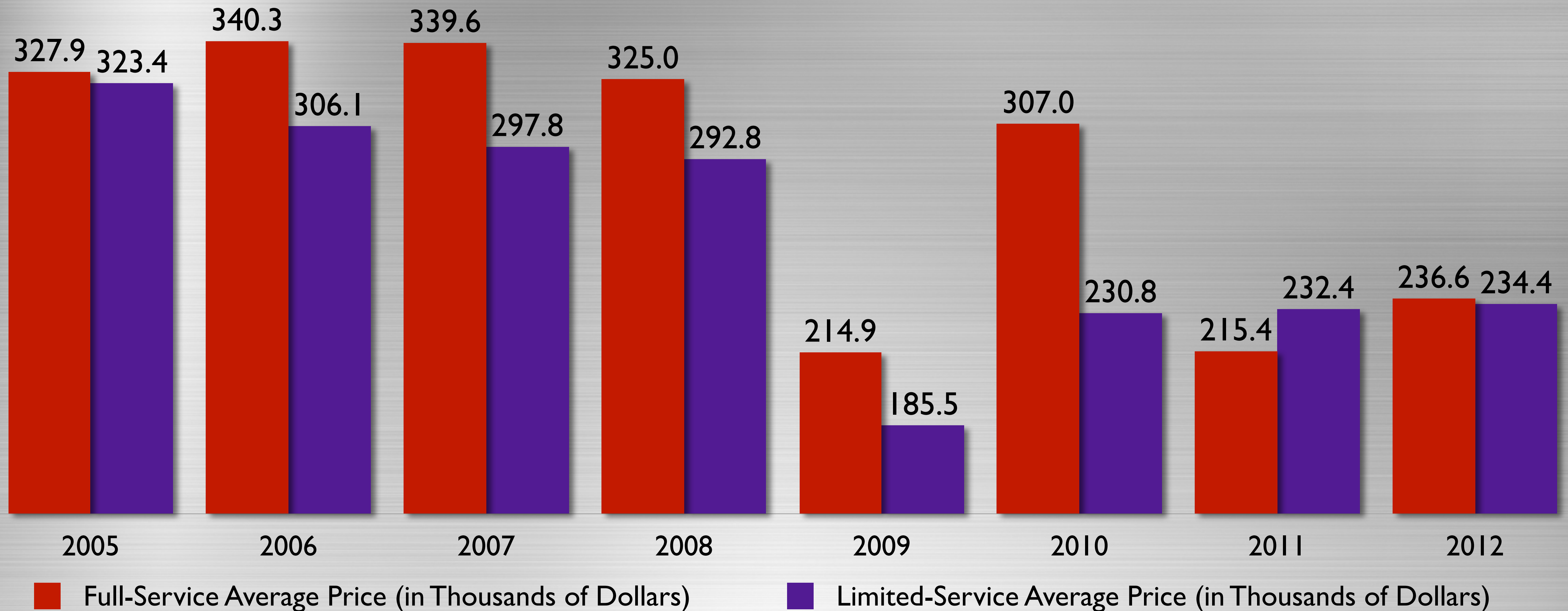


MLS Study: Percentage of Expired Listings



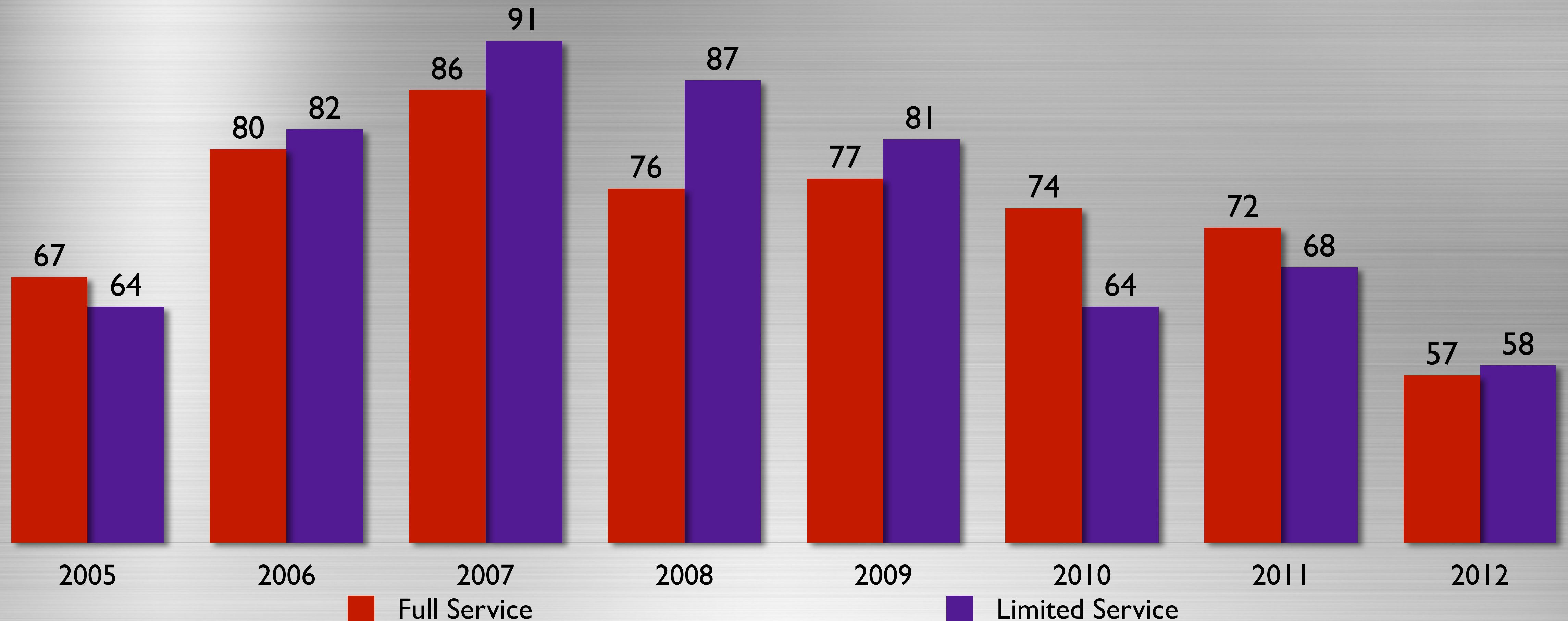


MLS Study: Average Price



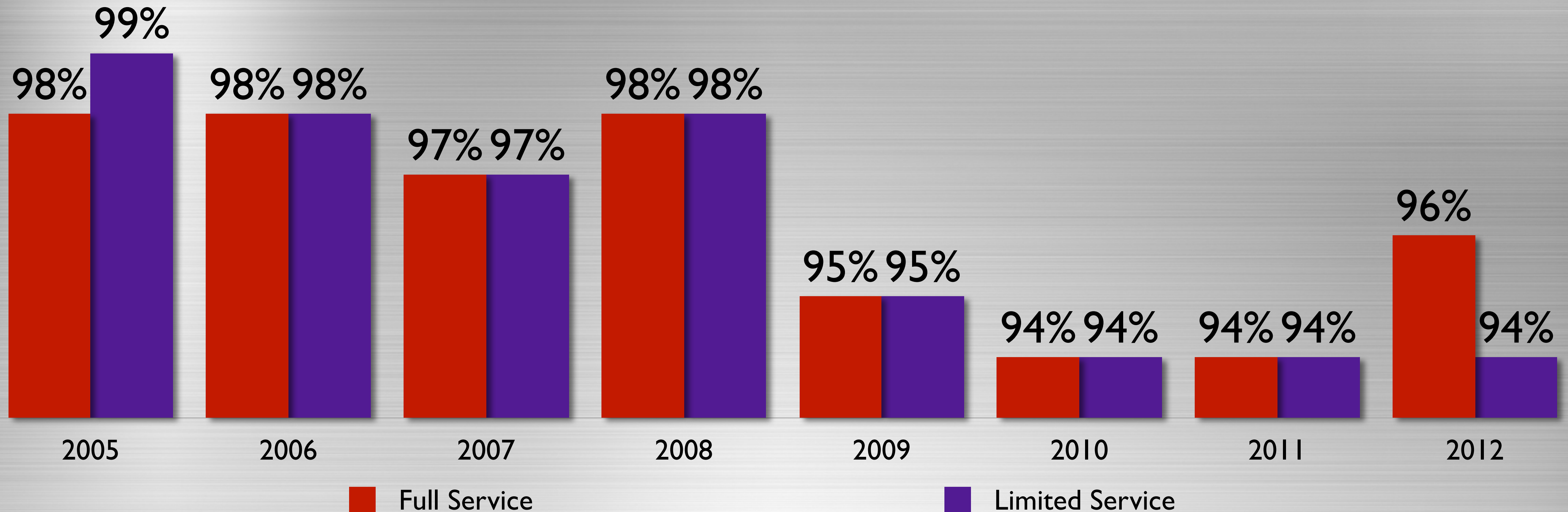


MLS Study: Average Days on Market



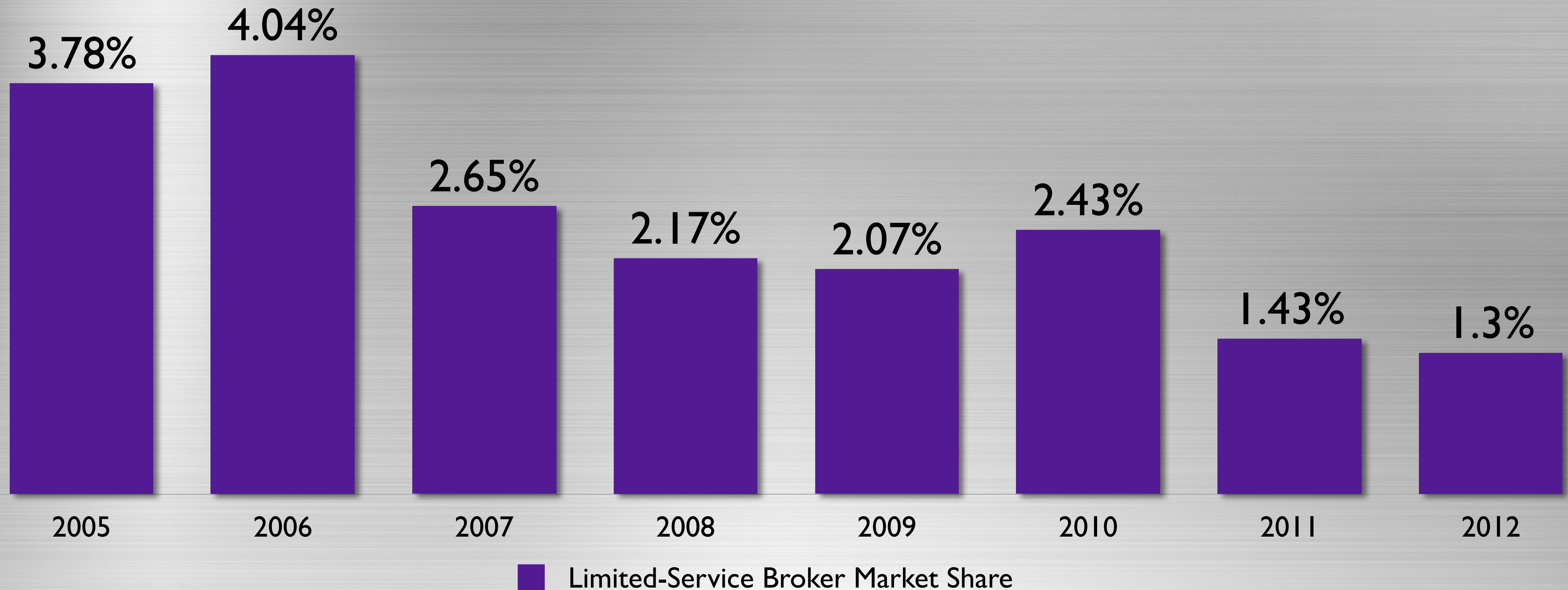


MLS Study: List to Sell



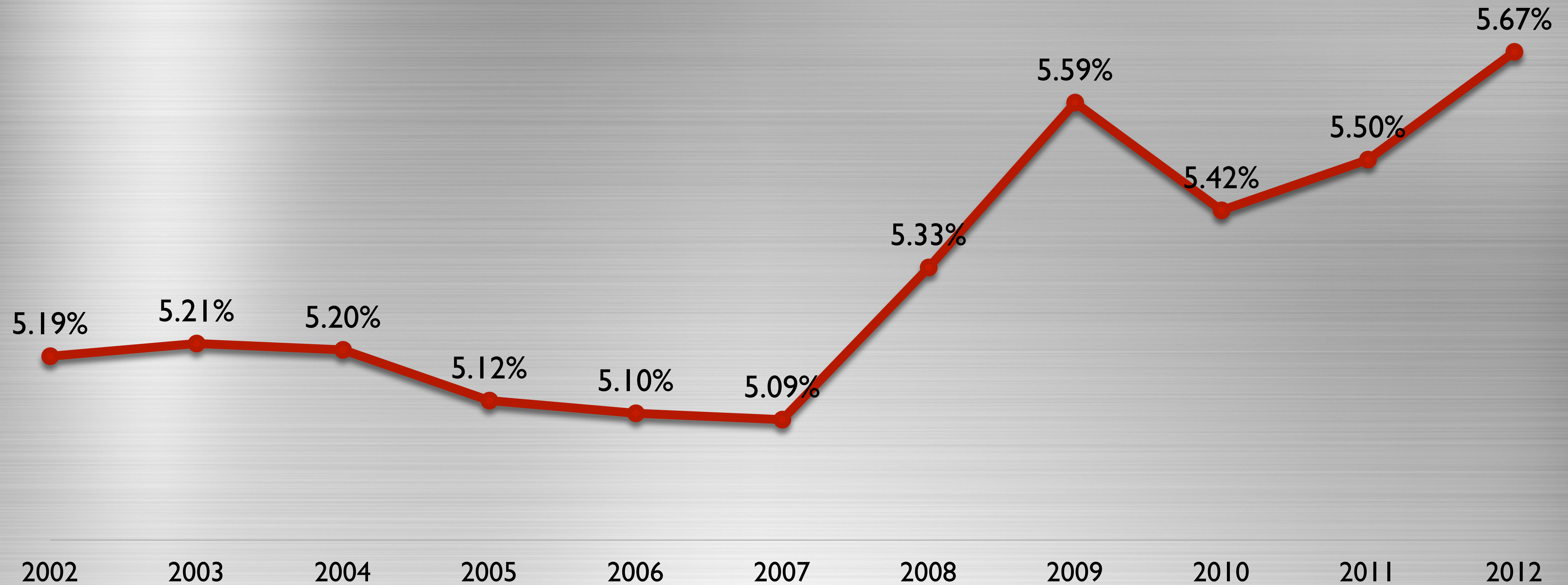


MLS Study: Market Share



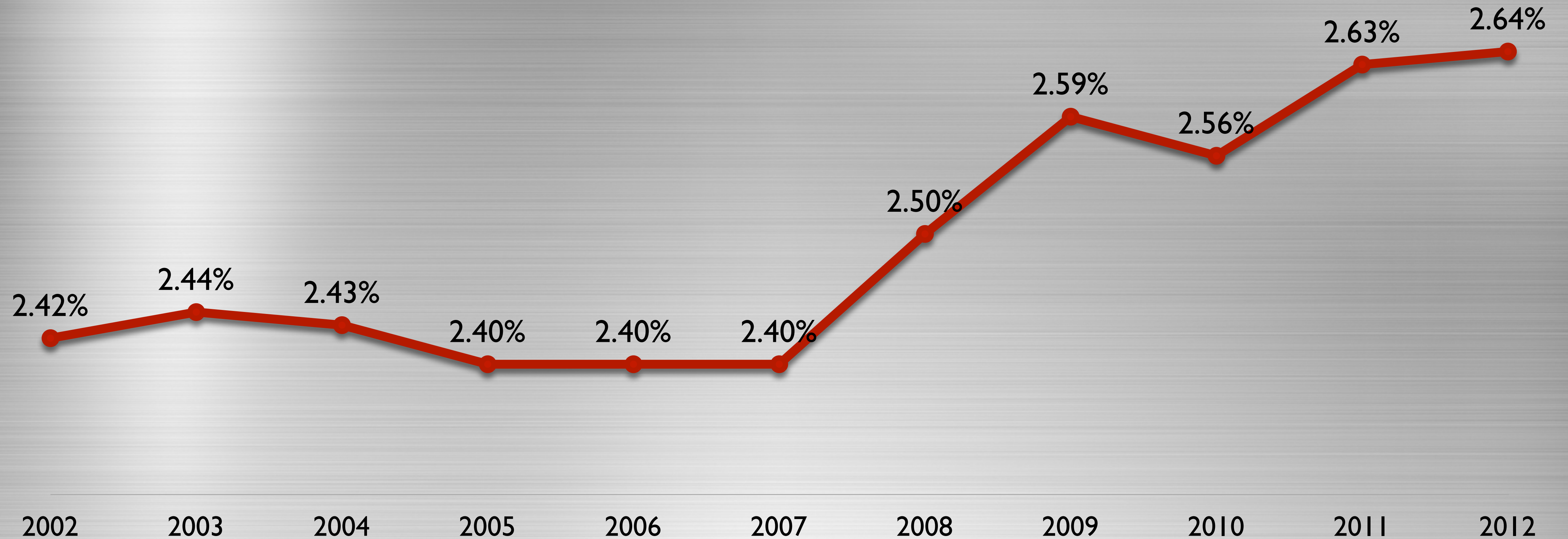


Commission: Total Median Percentage



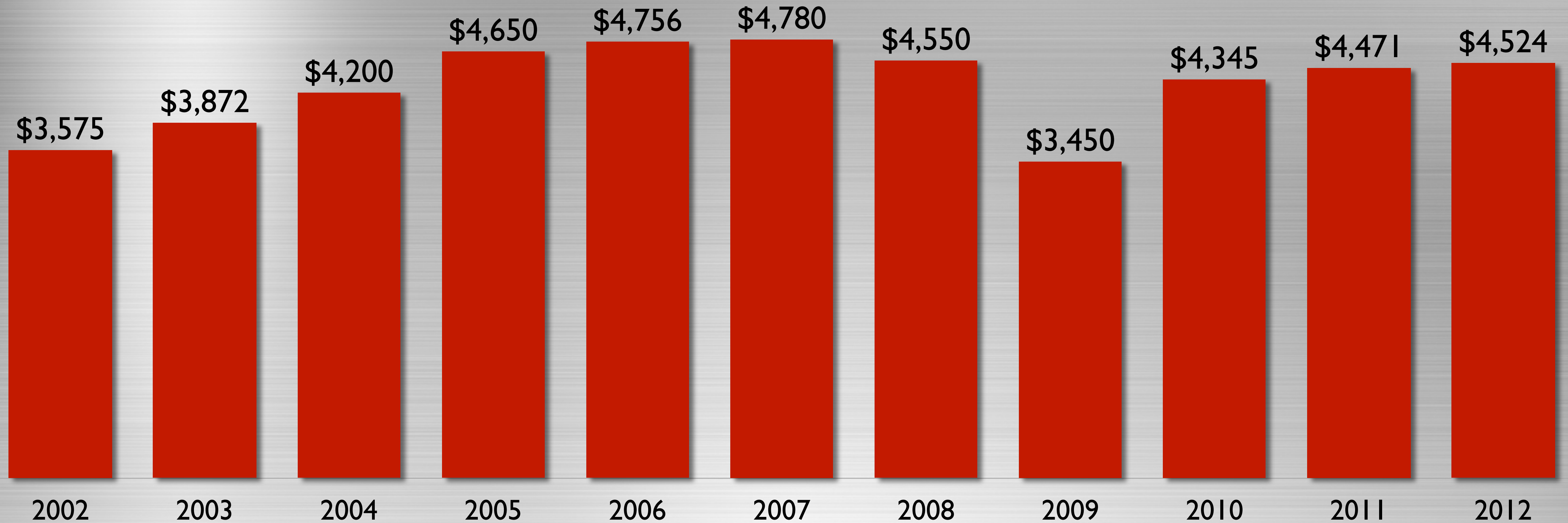


Commission: Median Seller Percentage



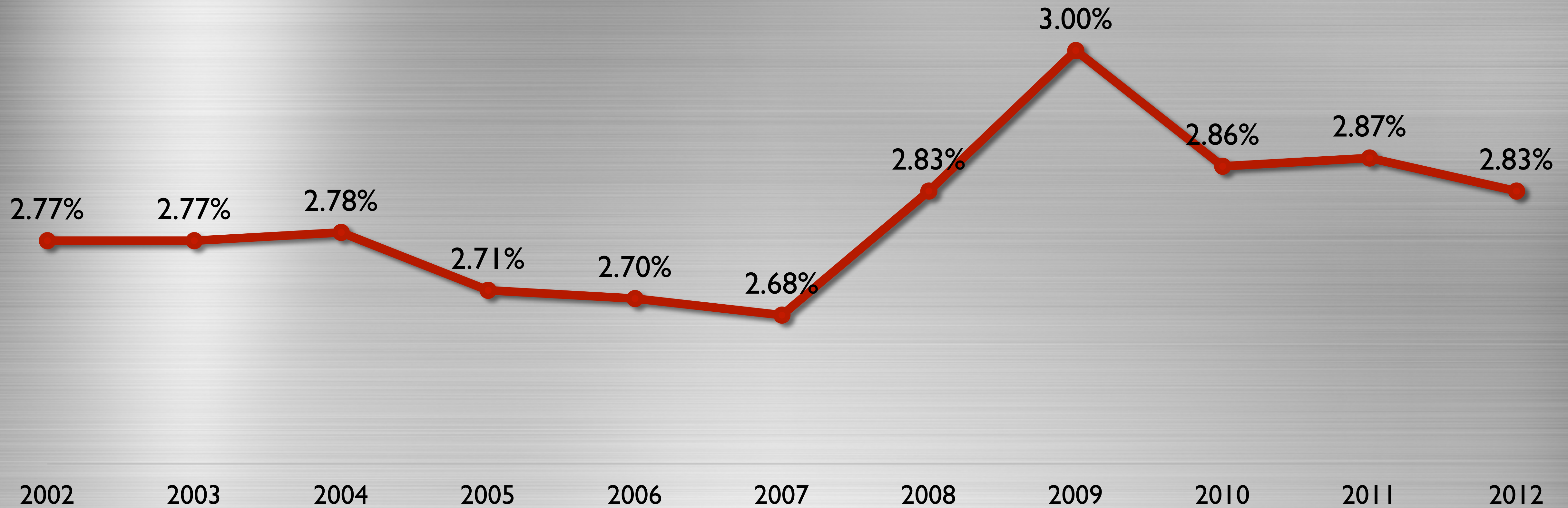


Commission: Median Seller Amount



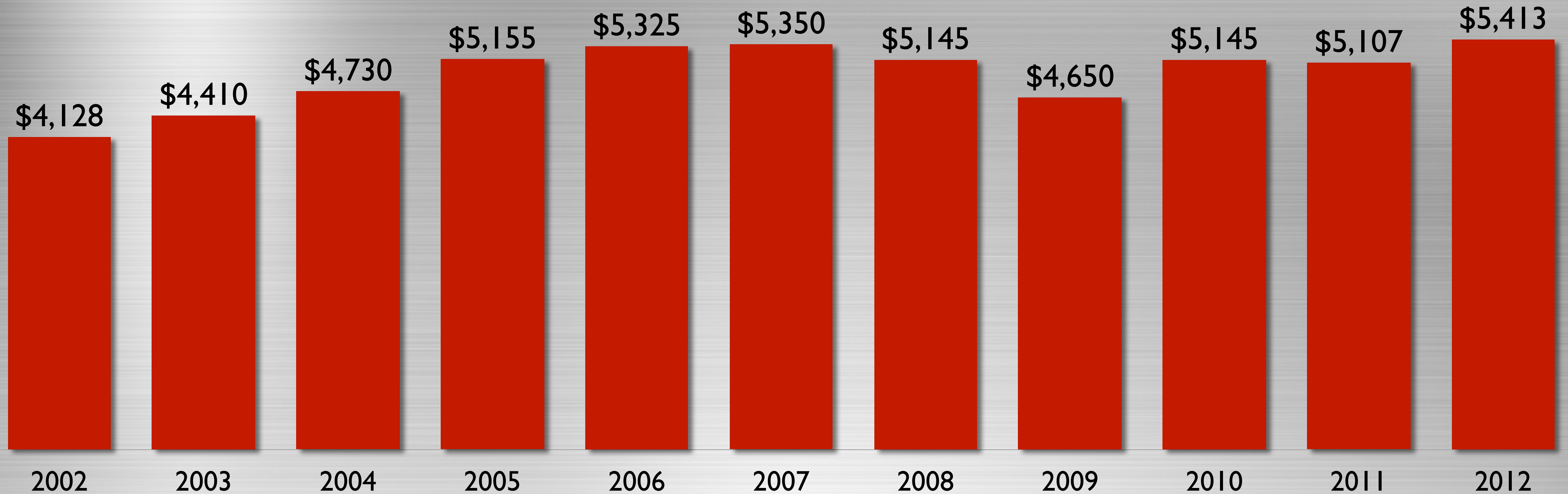


Commission: Median Buyer Percentage





Commission: Median Buyer Amount



What Do You Do Now?



Up Next

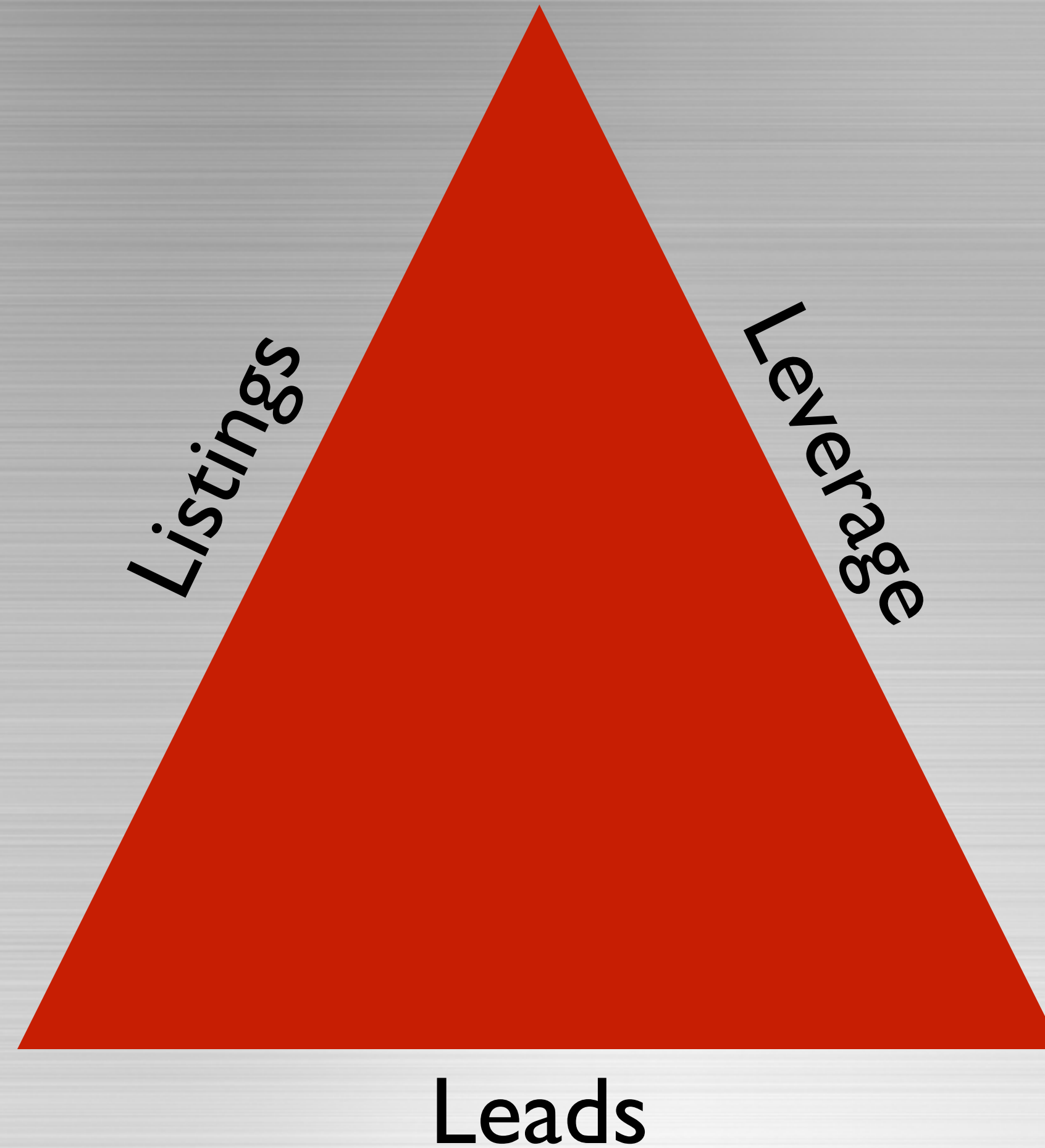


Challenges in Markets Shifting Up

- Competition with less skilled agents
- Competition with sellers–FSBOs
- Commission pressure



The Foundation Always Stays the Same





SPEECH

VISION

2013