



VALUE OF A REALTOR Q & A

Below are questions and answers we recommend using with consumers or other parties who have questions about the value a REALTOR® (or real estate agent when referenced more broadly) brings to the home buying and selling process.

Why should a home buyer use a real estate agent?

A real estate agent who is a REALTOR® is an expert in helping a home buyer with one of the largest and most complex purchases most people will make in their lifetime. Real estate agents who are REALTORS® help people navigate legal (e.g., attorney reviews; required state and federal forms; closing documents), financial (e.g., lenders; mortgage rates and terms; appraisals and inspections) and community (e.g., property taxes; public property information; price trends; neighborhoods) aspects of the purchase. This expertise is even more critical for first-time, low-income and racially under-represented home buyers.

Why should a home seller use a real estate agent?

A home seller should use a real estate agent who is a REALTOR® because a REALTOR® has specific expertise they can bring to each transaction. When a home seller tries to go at it alone, also known as “For Sale by Owner” (FSBO), they tend to lose out on potential value for their homes. According to the [2022 Home Buyers and Sellers Report](#), FSBO homes sold for about 35% less than agent-assisted properties. FSBO homes sold at a median of \$225,000 in 2021, significantly lower than the median of agent-assisted homes at \$345,000. Even these FSBO sellers know the value of the buyer broker and typically offer some sort of compensation.

According to a [2022 Bright MLS study](#), between 2019 and 2022, 83.4% of all home sales transactions took place on a local broker marketplace and sold for an average of 13% more than comparable homes. This amounts to an additional \$45,741 to the seller for the typical home sold on the local broker marketplace over that period.

How do real estate professionals advance the economy?

Homeownership benefits individuals and communities. Homeownership is the most common way the average family builds generational wealth – and, in turn, closes the gap between the rich and poor. Every home sale at the median generates roughly \$113,000 of economic impact, accounting for nearly 17% of the nation’s GDP, and every home sale generates two American jobs. Those jobs include the 88% of REALTORS® who are small business owners.

Given so much is available online, why should I use a real estate agent?

Expert real estate agents who are REALTORS® save home buyers time and money and help take the stress out of the process. In fact, 90% of home buyers say they would engage their real estate agent again or recommend them to others. For home sellers, agents ensure your property is seen by the maximum number of buyers by utilizing their local broker marketplaces, the number one source for sellers to list their homes. In fact, studies consistently show that houses sell for more when using a real estate agent, rather than FSBO. Buyers, in turn, get access to the largest marketplace of homes for sale through a real estate agent and the expertise of a real estate agent to navigate through all the community, legal and financial aspects of your home purchase.

Why should real estate professionals make the money they do in commissions when so much information is available online?

Real estate agents who are REALTORS® provide essential guidance as consumers navigate the legal, financial and community aspects of a purchase, including everything from determining property value to negotiating prices. They also make possible local broker marketplaces – the source of most information for online housing portals – because of all the information they input into those databases. According to our [member survey](#), a REALTOR’S® annual median gross income is about \$54,000 and 88% are small businesses, a majority of which are women-owned.