



NAR Midyear Flash Poll

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Introduction

As we continue to navigate the evolving landscape of the residential real estate brokerage industry, it is imperative to gather insights and perspectives. This survey, conducted prior to the National Association of REALTORS® Midyear Conference, aimed to capture sentiments and viewpoints regarding the performance of NAR in relation to the recent settlement and its subsequent activities.

Understanding where industry executives stand on these critical issues helps us all to better prepare for the changes ahead. While sentiments may have evolved since the survey, the insights provided herein offer a valuable snapshot of the industry's mindset during a pivotal moment.

I would like to extend my heartfelt gratitude to all respondents for taking the time to share their thoughts and experiences. Your input is invaluable and contributes significantly to our collective knowledge.

At T3 Sixty, we remain committed to providing comprehensive research and unwavering support for industry executives. As we move forward together, we will continue to offer the guidance and resources needed to adapt and thrive in these challenging times.

Thank you for your continued trust and engagement.

Warm regards,

Jack
President and CEO, T3 Sixty

Methodology

The flash poll (survey) was designed to gather timely insights from industry executives on their perceptions of NAR and the proposed practice changes following the recent settlement. The survey aimed to provide a comprehensive understanding of the industry's stance on these critical issues ahead of the NAR Midyear Conference.

Data Collection

Data was collected via Typeform. The survey was distributed to a curated list of industry executives, ensuring a diverse representation of roles within the residential real estate brokerage industry.

Survey Groups

The survey was split into two distinct groups to capture a broader spectrum of perspectives:

- **Survey A:** This group included industry executives at large, encompassing brokerage leaders or owners, agents, sales managers, team leaders, and association or MLS executives and staff. This group represented the mainstream segment of the real estate industry.
- **Survey B:** This group was targeted specifically at executives not covered by the NAR or other related settlements. This segmentation allowed us to capture the views of those potentially impacted by different regulatory or organizational frameworks, providing a comparative analysis against the mainstream segment.

Anonymization and Aggregation

To ensure confidentiality and encourage honest feedback, all responses were anonymized. Identifying information was removed and data was aggregated to present overall trends and insights without linking responses to specific individuals. This approach safeguarded the privacy of respondents and enhanced the reliability of the data collected.

Analysis

The collected data was analyzed to identify key trends, concerns and opportunities. Responses were categorized into relevant themes and quantified to provide a clear picture of the industry's sentiment. Both qualitative and quantitative methods were employed to interpret the data, ensuring a comprehensive understanding of the perspectives shared by the respondents.

By adopting this methodology, we ensured that the survey results were both robust and representative of the diverse views within the residential real estate brokerage industry. The insights derived from this survey offer valuable guidance as we navigate the evolving landscape and move beyond the NAR Midyear Conference.

High-Level Observations

- 1 Organizational Roles:** The majority of respondents (61%) were brokerage leaders or owners, providing a strategic perspective on industry challenges and opportunities. Agents made up 21% of the respondents, while sales managers and team leaders comprised 9%.
- 2 NAR's Overall Performance:** Approval of NAR's performance is mixed, with 33% of respondents approving and 62% disapproving. A notable segment (27%) strongly disapproves, indicating significant dissatisfaction.
- 3 Handling of Compensation Lawsuits:** Only 32% approve of how NAR is handling the compensation lawsuits and settlement, while a substantial 63% disapprove. This highlights concerns about NAR's legal strategies and their impacts.
- 4 Communications and Support:** Approval for NAR's handling of communications and support regarding the settlement stands at 44%, with 48% disapproving. Clear and consistent communication remains a critical need.
- 5 Understanding of Practice Changes:** A significant 73% of respondents completely understand the required changes, indicating effective initial communication efforts. However, 28% still lack full understanding, pointing to a need for ongoing education.

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Opportunities for Brokers and Agents: Key opportunities include articulating and proving value (18%), training and education (17%) and improved communication and transparency (13%). These areas are crucial for adapting to industry changes.

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Concerns and Challenges: Top concerns involve commission-related issues (14%), consistent communication (14%) and managing market variability and compliance (11%). Addressing these concerns is vital for smooth transitions.

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Implementation Confidence: There is cautious optimism about implementing changes by Sept. 16, 2024, with 71% feeling likely or very likely to meet the deadline. However, 26% express doubts, highlighting the need for robust support.

Survey Questions and Responses

? Organization Role

The majority of respondents (61%) are brokerage leaders or owners, highlighting the perspective of those in strategic and operational leadership roles. Agents constitute the second-largest group at 21%, providing insights from the front lines of real estate transactions. Sales managers and team leaders make up 9%, offering a mid-management perspective. Association or MLS executives and staff account for 6%, reflecting the administrative and regulatory side of the industry. The 'Other' category is minimal at 3%, indicating diverse but less prevalent roles within the industry. This distribution suggests that the feedback predominantly reflects the strategic and operational concerns and opportunities of brokerage leaders and agents.

Organizational Role of Respondents

Selections	Survey A	Survey B	Total
Brokerage Leader or Owner	45	35	80
Sales Manager	6	0	6
Team Leader	6	0	6
Agent	27	0	27
Association or MLS Executive	4	0	4
Association or MLS Staff	4	0	4
Other	3	1	4
Total	95	36	131

Source: 2024 NAR Midyear Flash Poll, T3 Sixty, May 2024



Approval of NAR's Performance

Approval of NAR's performance is split, with 33% approving (including 2% who strongly approve) and 62% disapproving (including 27% who strongly disapprove). A small percentage (5%) are unsure or have no opinion. The substantial disapproval rating indicates significant dissatisfaction among respondents, with many feeling that NAR's actions and decisions have not met their expectations. The approval rating shows that there is still a segment that supports NAR's current efforts, but the organization clearly faces a credibility challenge. This division underscores the need for NAR to address the concerns of its members more effectively and transparently.

Approval of the National Association of REALTORS® overall performance

Selections	Survey A	Survey B	Total
Strongly approve	2	0	2
Approve	34	6	40
Disapprove	34	12	46
Strongly disapprove	20	16	36
No Opinion/Unsure	5	2	7
Total	95	36	131

Source: 2024 NAR Midyear Flash Poll, T3 Sixty, May 2024



Approval of NAR’s Handling of Compensation Lawsuits and Settlement

Only 32% of respondents approve (5% strongly approve) of how NAR is handling the compensation lawsuits and settlement, while a significant 63% disapprove (33% strongly disapprove). The remaining 5% are unsure. This strong disapproval indicates that many in the industry are dissatisfied with NAR’s approach to these legal issues. The high level of strong disapproval suggests deep-seated concerns about the potential impacts of the settlement on their businesses. This feedback highlights the need for NAR to revisit its strategies and improve its legal handling and communication with members regarding these lawsuits.

Approval of how the National Association of REALTORS® is handling the compensation lawsuits and settlement overall

Selections	Survey A	Survey B	Total
Strongly approve	6	0	6
Approve	31	5	36
Disapprove	28	11	39
Strongly disapprove	24	19	43
No Opinion/Unsure	6	1	7
Total	95	36	131

Source: 2024 NAR Midyear Flash Poll, T3 Sixty, May 2024



Approval of NAR’s Handling of Communications and Support

Approval of NAR’s handling of communications and support regarding the compensation settlement stands at 44% (8% strongly approve), while disapproval is at 48% (27% strongly disapprove). Additionally, 8% are unsure. This feedback indicates a slightly better reception to NAR’s communication efforts compared to its overall performance and handling of lawsuits. However, nearly half of the respondents still disapprove, signaling that NAR’s communication strategies need significant improvement. Clear, consistent and supportive communication is crucial to rebuild trust and ensure that members are well-informed and prepared for upcoming changes.

Approval of how the National Association of REALTORS® is handling communications, messaging and support regarding the compensation settlement

Selections	Survey A	Survey B	Total
Strongly approve	8	2	10
Approve	39	8	47
Disapprove	17	11	28
Strongly disapprove	24	11	35
No Opinion/Unsure	7	4	11
Total	95	36	131

Source: 2024 NAR Midyear Flash Poll, T3 Sixty, May 2024



Understanding of Proposed Compensation Settlement Practice Changes

A significant 73% of respondents report that they completely understand the changes needed to comply with the proposed practice changes, while 26% somewhat understand and only 2% do not understand the changes at all. This high level of understanding indicates that NAR's efforts to educate its members about the changes have been somewhat effective. However, the fact that 28% of respondents have only a partial or no understanding suggests that there is still room for improvement in communication and training efforts. Ensuring comprehensive understanding is essential for smooth implementation and compliance.

Understanding of the proposed compensation settlement practice changes

Selections	Survey A	Survey B	Total
I completely understand the changes we need to make to comply with the proposed changes in practice	64	31	95
I somewhat understand the changes we need to make to comply with the proposed changes in practice	30	4	34
I do not understand the changes we need to make to comply with the proposed changes in practice	1	1	2
Total	95	36	131

Source: 2024 NAR Midyear Flash Poll, T3 Sixty, May 2024



Top Opportunities or Innovations for Brokers and Agents

The leading opportunity identified is articulating and proving value, mentioned by 18% of respondents. This is followed by training and education (17%), improved communication and transparency (13%), and adopting new processes and compliance (11%). Other opportunities include innovating business practices (11%), recruitment and retaining talent (8%), and increasing accountability and professionalism (8%). Technology improvements and enhancing negotiation skills are also noted (6% each), along with leveraging AI (3%). These insights reflect a strong focus on enhancing value propositions, education and communication to navigate industry changes effectively.

Top 3 opportunities or innovations for brokers and agents

Identified Opportunities	Survey A	Survey B	Total
Articulating and proving value	18	10	28
Training and education	15	12	27
Improved communication and transparency	12	9	21
Adopting new processes and compliance	10	8	18
Innovating business practices and models	9	8	17
Recruitment and retaining talent	8	5	13
Increased accountability and professionalism	7	5	12
Technology and PropTech improvements	4	5	9
Enhancing negotiation and communication skills	6	3	9
Leveraging AI and new tools	3	2	5
Total	92	67	159

Source: 2024 NAR Midyear Flash Poll, T3 Sixty, May 2024

The identified opportunities reflect a strong focus on enhancing value propositions, continuous education and transparency. Embracing new technologies and innovative business models also emerged as critical areas for growth. These opportunities suggest that industry professionals are keen on leveraging these changes to improve their practices and client interactions.



Top Concerns or Challenges for Brokers and Agents

Commission-related issues (14%) and consistent communication (14%) are the top concerns. Managing market variability and compliance (11%), articulating value of buyer's agents (10%) and buyer-related issues (10%) follow closely. Other significant concerns include transparency and ethical behaviors (9%), training and education (9%), and public perception (9%). Impact on minority and first-time buyers (7%) and MLS-related issues (6%) are also noted. These concerns highlight the financial, communication and ethical challenges that brokers and agents face, emphasizing the need for clear guidance and robust training.

Top 3 concerns or challenges for brokers and agents

Identified Concerns	Survey A	Survey B	Total
Commission-related issues (commission, payment, structure)	13	4	17
Consistent and clear communication	13	3	16
Managing market variability, agent compliance, and rogue agents	11	2	13
Articulating and proving value of buyer's agents	10	2	12
Buyer-related issues (understanding, costs, refusal)	10	2	12
Transparency and ethical behaviors	10	1	11
Training, oversight, and education	8	3	11
Public perception, misinformation, and media	8	3	11
Impact on minority, first-time buyers, and affordability	6	2	8
MLS-related issues (definition, role, abandonment)	5	2	7
Total	94	24	118

Source: 2024 NAR Midyear Flash Poll, T3 Sixty, May 2024



Likelihood of Implementing Practice Changes by Sept. 16, 2024

Respondents are cautiously optimistic, with 34% very likely and 37% likely to implement the changes by the deadline. However, 15% find it unlikely and 11% very unlikely, with 3% unsure. This indicates a general confidence in meeting the implementation deadline, but there are significant doubts that need to be addressed. Effective planning, training and support from NAR will be critical in ensuring that all brokers and agents can meet the required changes on time.

Likelihood that brokers will be able to fully implement all of the proposed practice changes by Sept. 16, 2024

Selections	Survey A	Survey B	Total
Very likely	30	15	45
Likely	36	12	48
Unlikely	15	4	19
Very Unlikely	12	3	15
No Opinion/Unsure	2	2	4
Total	95	36	131

Source: 2024 NAR Midyear Flash Poll, T3 Sixty, May 2024

Insights from Optional Feedback

The optional feedback provided by respondents offers deeper insights into their perspectives on the performance of NAR, particularly regarding its handling of the recent settlement and communication strategies. Analyzing this qualitative data reveals recurring themes and sentiments that complement the quantitative survey results.

Lack of Leadership and Proactivity

Many respondents expressed dissatisfaction with NAR's leadership, citing a lack of proactive measures and delayed responses. One respondent mentioned, "In general, too little, too late. I think this settlement should have been handled more aggressively from the start." This sentiment reflects a broader frustration with NAR's perceived reactive stance rather than taking a proactive approach to the issues at hand.

Communication Challenges

Communication emerged as a significant area of concern. Respondents noted that NAR's efforts in handling communications, messaging, and support regarding the settlement were often inadequate. A common theme was the need for clearer, more consistent communication. One respondent stated, "I do think they are struggling a little here. They need to be more transparent and timely in their communications." This highlights the necessity for NAR to enhance its communication strategies to better support its members.

Mixed Feelings on Legal Strategies

The feedback on NAR's handling of the compensation lawsuits and settlement was polarized. Some respondents acknowledged the complexity of the situation and expressed a degree of support for NAR's efforts under challenging circumstances.

However, a significant number criticized NAR's legal strategies, suggesting they were not sufficient to protect the interests of their members. For instance, one respondent remarked, "They let Ketchmark ruin something that has worked smoothly for buyers, sellers and agents for years."

Need for Member-Centric Policies

A recurring theme in the feedback was the call for NAR to adopt more member-centric policies. Respondents felt that decisions were often made without adequately considering the day-to-day realities faced by real estate professionals. One comment encapsulated this sentiment: "Make sure the decisions are being made from a Realtor's position, not an organizational one. Maybe they all need training in 'a day in the life of a Realtor' to better understand the issues at hand."

Desire for Enhanced Support and Resources

Many respondents highlighted the need for NAR to provide more substantial support and resources to help brokers and agents navigate the proposed changes. This includes better training programs, more detailed guidance and practical tools to implement the new practices effectively. One respondent suggested, *"They need to create the proper forms to keep us out of trouble. The forms need to be simple enough for our buyers and sellers to understand and not get intimidated."*

Conclusion

The survey results provide a comprehensive view of industry sentiments towards NAR and the proposed practice changes following the recent settlement. A significant portion of respondents, mainly brokerage leaders and owners, expressed dissatisfaction with NAR's performance and its handling of the compensation lawsuits, with 62% disapproving of NAR's performance and 63% disapproving of their handling of the lawsuits. This feedback highlights the need for NAR to take decisive actions to address members' concerns and improve its strategies and communication efforts.

Communication emerged as a key area needing improvement. While 44% of respondents approved of NAR's communication efforts regarding the settlement, 48% disapproved, indicating that many feel communication has been inadequate. Clear, consistent and transparent communication is crucial for rebuilding trust and ensuring that members are well-informed and supported. Furthermore, 73% of respondents reported a solid understanding of the required changes, which reflects positively on NAR's initial educational efforts. However, the remaining 28% highlight the need for ongoing education and training to ensure comprehensive understanding across the industry.

The survey also identified several key opportunities for brokers and agents, including articulating and proving value, enhancing training and education, and improving communication and transparency. These areas are critical for growth and adaptation. However, significant concerns were raised regarding commission-related issues, managing market variability and ensuring consistent communication. Addressing these concerns while leveraging the identified opportunities will be essential for successfully adapting to the new landscape.

The optional feedback provided further insights into these issues. Respondents emphasized the need for better leadership and proactivity from NAR, clearer and more consistent communication and more robust legal strategies. There was also a call for more member-centric policies that consider the day-to-day realities of real estate professionals. Additionally, there was a strong desire for enhanced support and resources to help brokers and agents navigate the proposed changes effectively.

In summary, the survey indicates a clear need for NAR to improve its communication and support efforts, address leadership and organizational issues and provide comprehensive training and resources. By focusing on these areas, NAR can better support brokers and agents in navigating the proposed practice changes and help them seize the opportunities that lie ahead. The feedback underscores the importance of proactive and transparent leadership in fostering trust and confidence within the industry.



About T3 Sixty

T3 Sixty is a trusted advisor and management consultancy in the residential real estate industry with business units in brokerage, technology and organized real estate. The group also provides extensive intelligence, data and reports, executive search and event management services. For more information, visit t360.com.