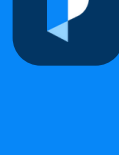


The true cost of being a Real Estate Agent



PLACESTER

OFFICE AND OFFICE EXPENSES

If you turn your house into your private office, then expect to pay office expenses. These vary from the internet bill to folder dividers depending on your office (and organization skills.)



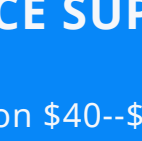
OFFICE EXPENSES

estimation: \$2,400/year



UTILITIES

estimation \$100-\$200/month



OFFICE SUPPLIES

estimation \$40-\$60/month

PROFESSIONAL FEES

The fees incur for various professional services related to their business. They are separate from brokerage fees and are typically paid by the agent directly.



Pre-licensing courses

Range from \$100 to \$2,000 or more, depending on the provider and location.



Average costs

Depending on the provider, average costs for E&O range from \$40-\$70 a month.



Licensing exam

the average cost of the test is \$100-\$300.



License renewal fees

range from \$45-\$2700 depending on location, whether you are an agent/broker, and penalty fee.

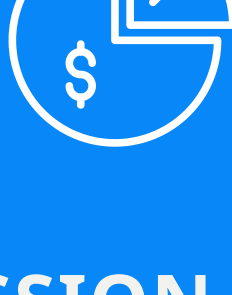


NAR® Member

\$150 per member for 2023 and \$156 per member 2024 plus \$35 entry fee.

BROKERAGE FEES

As independent contractors or employees of a brokerage, agents may be subject to various fees and expenses associated with their affiliation.



COMISSION SPLITS

30-80% or 50/50

30-85% transaction. While 50/50 deals are common, commission splits vary widely depending on many factors, experience, and performance.



DESK FEES

\$50-\$1000

\$50-\$1000/month. Some brokers charge a flat fee to use their desk space and barning in exchange for keeping all or most of your sales commission. Some brokers also charge a transaction fee.

OPERATIONAL COSTS

The operational costs for a real estate agent in the USA can vary depending on various factors such as **location, business size, marketing strategies, and individual preferences.**



\$1,200

TRANSPORTATION

estimation \$1,200 on vehicle expenses.



\$2,000+

TRAVEL EXPENSES

estimation: \$2,000+/year



\$150 - \$400

MLS FEES

estimation \$150 - \$400



\$1,000 - \$2,000

OPEN HOUSE EXPENSES

estimation: \$1,000 - \$2,000/year

MARKETING

Monthly expenses for marketing and advertising can vary widely depending on the scope and scale of the agent's promotional activities. Most agents spend about **10%** of their commission income on marketing, and **31% claim** to spend about **\$1000/year** on advertising.

BUSINESS CARDS

estimation \$50 for 1,000 cards, flyers: estimation \$35/100 flyers if you print at home)

TOTAL PRINT MARKETING

estimation \$100-\$500/month. (Yard signs: estimation \$50-85 a sign)

TOTAL ADVERTISING

\$1,750 - \$3,500/year.

WEBSITE AND MAINTENANCE

estimation: \$180 - \$3,480/year

SOFTWARE

Real estate agents rely on various software and technology tools for their day-to-day operations. From managing client databases, listings, invoicing, and project management, to conducting market research.

SOFTWARE EXPENSES

estimate \$100- \$1500/per month.



EDUCATION

About **49% of agents** spend over **\$500 a year** on training and education. Continued learning and career development are essential to the real estate industry.



EDUCATION COURSES

estimate \$50-\$1,000/per course



REAL ESTATE CONFERENCES

estimate cost \$50 and upward