



Real September Agent Survey Reveals Uptick in Agent Optimism Despite Mortgage Rate and Election Uncertainty

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Agents Say Mortgage Rates Below 5.5% Key to Unlocking Market Growth in 2025

TORONTO & NEW YORK--(BUSINESS WIRE)--Oct. 29, 2024-- The Real Brokerage Inc. (NASDAQ: REAX, "Real"), a technology platform reshaping real estate for agents, home buyers and sellers, today released results from its September 2024 Agent Survey. With responses from agents across North America, the survey reveals growing optimism about the next 12 months, despite challenges posed by recent mortgage rate volatility and the upcoming U.S. presidential election. Agents continue to cite affordability and inventory as the biggest challenges for buyers.

"Although agents are optimistic that mortgage rates below the mid-5% range could unlock market growth, we're not sitting back waiting for a recovery," said Tamir Poleg, Chairman and CEO of Real. "We are continuing to play offense and working to deliver differentiated results in this environment by empowering agents with the tools to help them succeed today."

"Affordability remains the biggest challenge for buyers," said Sharran Srivatsaa, President of Real. "Given the Fed's rate-cut path remains uncertain, Real remains focused on developing tools, training, and technology that help our agents serve their clients effectively, no matter the market conditions."

Key Survey Findings: Agent Insights on Upcoming Presidential Election

- **Election Uncertainty Delays Buyer Activity:** Seventy-four percent (74%) of agents reported that election uncertainty is causing some clients to delay home buying or selling decisions until after the election. Eighteen percent (18%) said the election is not influencing decisions, while 8% were unsure.
- **Housing Policy a Focus for Voters:** Twenty-six percent (26%) of agents believe housing policy will be a major issue in the election, while 35% expect it to play a minor role. Nineteen percent (19%) believe housing policy will not be a significant factor for voters, and 21% were uncertain.
- **Mixed Sentiment on Home Prices Post-Election:** When asked whether clients had expressed concerns about the election's impact on home prices, 18.5% of agents reported clients are optimistic that prices may rise, while 24% are concerned prices could fall. Thirty-six percent (36%) said buyers and sellers are not focused on election-related concerns, and 21% reported mixed or uncertain responses.

Key Survey Findings: Market Trends and Insights

- **Agent Optimism Index Improves in September:** Agents were asked, "Compared to one month ago, are you more optimistic or pessimistic about the outlook for your primary market over the next 12 months?". Forty-six percent (46%) felt more optimistic, with an additional 18% feeling significantly more optimistic. This outweighed the 9% feeling more pessimistic and 2% significantly more pessimistic, while 24% remained neutral. The weighted Agent Optimism Index rose to 67.0, up from 59.3 in August, with scores above 50 indicating a net positive outlook. Agent optimism improved across both the U.S. and Canada.
- **Market Remains Balanced as Buyer Power Increases:** When asked whether their market was a buyer's or seller's market, 38% of agents identified a seller's market, down from 41% in August. Forty percent (40%) said their market was balanced, largely consistent with 39% in August, while the share of agents reporting a buyer's market increased to 23%, up from 20%.
- **Affordability and Inventory Remain Key Challenges:** Affordability remains the top concern for prospective home buyers. Forty-eight percent of agents identified affordability/mortgage rates as the top challenge for prospective home buyers, down from 53% in August, likely the result of the easing of mortgage rates in September. Lack of inventory rose to 22% of respondents, up from 20%; economic uncertainty increased to 20%, from 18% in August; and buyer competition inched up to 6% from 5% in August.
- **North American Industry Transactions Show Modest Improvement, Though Continue Downward Trend:** Agents reported a year-over-year decline in industry home sale transactions in September. The Transaction Growth Index increased to 46.6, up from 41.6 in August, signaling progress but still indicating contraction as it remains below 50. This aligns with the 3.5% year-over-year decline in September existing home sales reported by the National Association of Realtors (NAR).
- **Lower Mortgage Rates Needed to Unlock Growth:** Agents were asked what mortgage rate would drive a 10% or more increase in home sales in 2025 compared to 2024. The responses indicate that further reductions from current levels

would be necessary to stimulate meaningful market growth:

- o 3% of agents believe that current mortgage rates between **6.0% to 6.5%** would be sufficient to generate a 10% or more increase in sales.
- o 18% expect that rates easing to **5.5% to 6.0%** could drive this level of growth.
- o 46% of agents say that rates between **5.0% to 5.5%** would be sufficient to unlock a meaningful (10% or greater) increase in sales.
- o 24% believe mortgage rates between **4.5% to 5.0%**, would be required.
- o 5% of agents think that only a significant drop below 4.5% would unlock a 10% or more increase in sales activity.

A summary presentation of these results can be found on Real's investor relations website at the link [here](#).

About the Survey

The Real Brokerage September 2024 Agent Survey included responses from over 200 real estate agents across the United States and Canada and was conducted between September 30, 2024 and October 16, 2024. Responses to questions regarding transaction growth and agent optimism were calibrated on a 0-100 point index scale, with readings above 50 indicating an improving trend, whereas readings below 50 indicate a declining trend. Responses are meant to capture industry-level information and are not meant to serve as an indication of Real's company-specific growth trends. Additionally, given the smaller sample size, there can be greater variability in Canada index results on a month-to-month basis.

About Real

Real (NASDAQ: REAX) is a real estate experience company working to make life's most complex transaction simple. The fast-growing company combines essential real estate, mortgage and closing services with powerful technology to deliver a single seamless end-to-end consumer experience, guided by trusted agents. With a presence in all 50 states throughout the U.S. and Canada, Real supports over 22,000 agents who use its digital brokerage platform and tight-knit professional community to power their own forward-thinking businesses.

Forward-Looking Information

This press release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "likely" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These statements reflect management's current beliefs and are based on information currently available to management as of the date hereof. Forward-looking information in this press release includes, without limiting the foregoing, expectations regarding the residential real estate market in the U.S. and Canada.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. Important factors that could cause such differences include, but are not limited to, slowdowns in real estate markets and economic and industry downturns. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

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