



## Real's February Agent Survey: Inventory Rises as Listing Times Lengthen

March 19, 2025

*Transaction Growth and Agent Optimism Indexes Ease but Remain Near Recent Highs*

TORONTO & NEW YORK--(BUSINESS WIRE)--Mar. 19, 2025-- The Real Brokerage Inc. (NASDAQ: REAX, "Real"), a technology platform reshaping real estate for agents, home buyers and sellers, today released results from its February 2025 Agent Survey. The findings indicate that housing inventory is rising in many markets, leading to longer listing times and increased price reductions as sellers adjust expectations. Meanwhile, Real's Agent Optimism and Transaction Growth indexes moderated in February, though remain elevated relative to last year.

"Higher inventory levels are giving buyers more options and greater negotiating power, but affordability still remains the biggest hurdle in today's market," said Tamir Poleg, Chairman and CEO of Real. "While our Transaction Growth Index softened slightly from last month, the overall market continues to show signs of stabilization."

"As more homes come on to the market agents are advising sellers to set realistic price expectations and, in some cases, invest in upgrades to attract buyers," said Sharran Srivatsaa, President of Real. "Sellers who overprice their homes are seeing longer days on market, while those who price more competitively or enhance their listings with staging and cosmetic improvements are securing more offers and faster sales."

### Key Survey Findings: Market Trends and Insights

- **Transaction Growth Index Slips Back into Contraction:** Real's Transaction Growth Index, which measures year-over-year changes in home sales activity as reported by agents, edged down to 49.1 in February, from 51.3 in January. A reading below 50 signals contraction, marking a return to declining transaction volumes after January's expansionary reading.
  - U.S. transaction activity softened according to agents, with the sub-index slipping to 49.4 in February from 50.2 in January.
  - Canada saw a more pronounced decline, with the sub-index falling to 46.2 from 60.5 in January, its first contractionary reading since August 2024.
- **Agent Optimism Index Eases but Remains Near Recent Highs:** Real's Agent Optimism Index, which tracks agent sentiment on local market conditions over the next 12 months, registered 70.4 in February, down from 74.0 in January, though still near historic highs. Forty-eight percent (48%) of agents reported feeling more optimistic about their local market compared to the previous month, with 22% feeling significantly more optimistic. Only 9% of agents felt more pessimistic, while 22% remained neutral.
- **Market Conditions Remain Balanced, But Buyer Power is Growing:** In February, 33% of agents described their market as balanced, down from 36% in January. Thirty-four percent (34%) still reported a seller's market, unchanged from the prior month, while 33% identified a buyer's market, up from 30% in January. This points to a gradual shift toward more buyer-friendly conditions.
- **Affordability Remains the Top Challenge for Buyers, But Economic Uncertainty is Rising:** While 53% of agents cited affordability as the biggest hurdle for homebuyers—down from 61% in January—another 15% noted concerns over economic uncertainty as the biggest challenge facing homebuyers, up from 10% the prior month. Inventory constraints were noted by 24% of agents, a slight uptick from 23% in January, while buyer competition remained limited, with just 4% of agents citing it as a key issue.

### Key Survey Findings: Housing Inventory Trends

- **Housing Inventory Rises in Most Markets:** A majority of agents (52%) reported higher housing inventory than a year ago, with 15% citing a significant increase in their markets and 37% noting a slight rise. Meanwhile, 28% said inventory levels have remained steady, while 20% observed a decline in available listings.
- **Agents Advise More Competitive Pricing as Inventory Increases:** Among agents in markets with rising inventory, 49% are advising sellers to set lower initial listing prices to reduce time on market. Twenty-two percent (22%) recommend home upgrades or professional staging to improve marketability, while 12% suggest more frequent price reductions if homes aren't selling. Another 12% are maintaining previous pricing strategies, and 2% are recommending higher list prices to allow for more negotiation.
- **Buyers Leverage Higher Inventory to Negotiate More Aggressively:** Forty-five percent (45%) of agents said they are encouraging buyers to negotiate harder on price due to increased inventory, while 24% report no major change in buyer strategy. Additionally, 13% suggest buyers take more time evaluating multiple options, and another 13% recommend

buyers include more contingencies when submitting offers.

- **Homes Are Taking Longer to Sell:** Approximately two-thirds (65%) of agents said homes are sitting on the market longer than this time last year, with 50% reporting a slight increase in time on market and 15% noting a more significant rise. Twenty-two percent (22%) indicated that listing times are unchanged, while only 13% of agents reported a decrease in time on market.
- **Lofty Seller Expectations Are Primary Cause of Longer Time on Market:** Among agents seeing longer selling times, 41% cited unrealistic seller pricing expectations as the main cause, while 39% pointed to affordability constraints limiting buyer demand. Ten percent (10%) attributed longer market times to increased competition from other listings, 5% to outdated property features, and 1% to other property-specific challenges.

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 February 2025 Agent Survey included responses from over 500 real estate agents across the United States and Canada and was conducted between February 28, 2025 and March 11, 2025. 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 26,000 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 expectations regarding 2025 market conditions. 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, and those risk factors discussed under the heading "Risk Factors" in the Company's Annual Information Form dated March 6, 2025, a copy of which is available under the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca). 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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Source: The Real Brokerage Inc.