


# Monthly Real Estate Statistical Update

Up-to-date data on crucial California real estate trends from [first tuesday](#)

January 2017 • Vol. 6 • Issue 1 • *Headwinds ahead for increasing sales agent trend in California*

Presented by



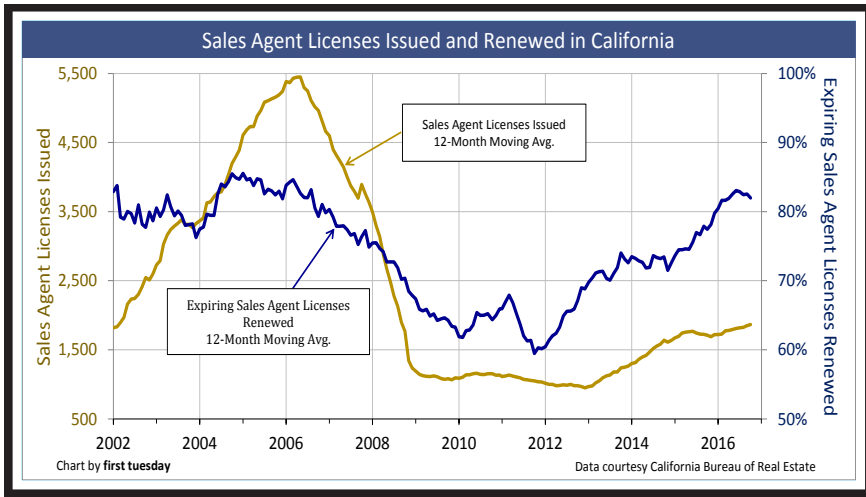
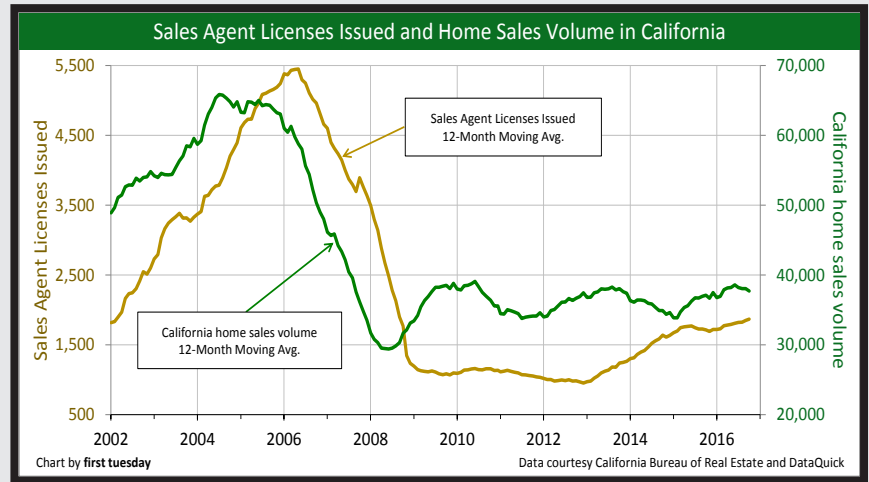
Name \_\_\_\_\_  
 CalBRE # \_\_\_\_\_  
 Phone \_\_\_\_\_  
 Email \_\_\_\_\_

## New sales agents increase in 2016

This chart shows the 12-month average for the number of **sales agent licenses issued** in California alongside **California home sales volume**. The direct correlation between licensing and sales volume shows licensing movement changes 6-12 months after a consistent change in home sales volume.

An average of 1,900 new sales agent licenses were issued each month during the 12 months ending October 2016. This is up from the 1,700 monthly average seen a year earlier. Meanwhile, home sales volume increased in 2014-2015, but was mostly level in 2016.

2016's level sales volume projects a timid year for agent licensing in 2017. The next substantial increase in sales agents will likely occur during 2019-2021 in response to the increased sales volume expected during the Great Confluence of retiring **Baby Boomers** and **first-time homebuyers**.



## Renewals are up

This chart shows the number of sales agent licenses issued and the percentage of expiring **sales agent licenses renewed**.

An average of 83% of sales agents whose licenses were expiring renewed their licenses in the 12 months ending October 2016. This is higher than the average 78% who renewed their licenses one year earlier. Today's increased renewal rate is related to the **boost in home prices** and sales volume experienced in 2015.

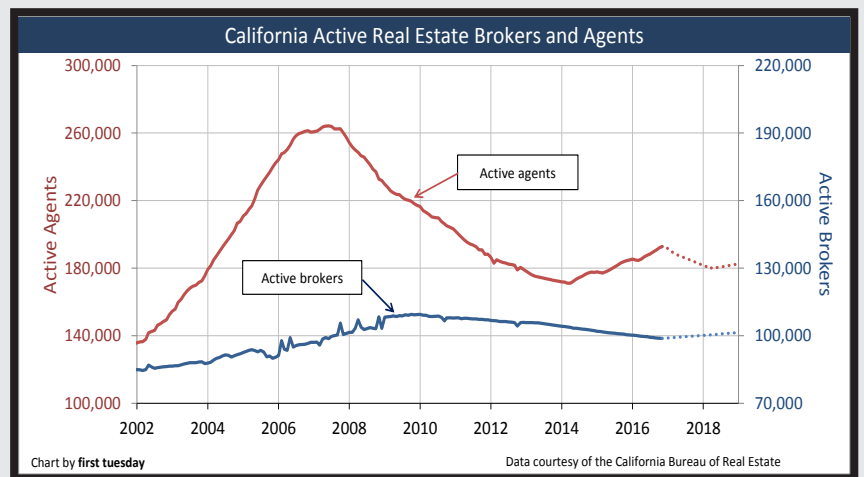
However, don't expect the rising trend in renewals to continue in 2017. Due to 2016's flat-to-down sales volume and faltering home prices, the renewal rate will likely decrease or remain level in the coming year.

## Brokers continue to drop out

This chart displays the number of **active sales agents** and **brokers** in California.

192,700 agents and 98,800 brokers were actively practicing real estate in California during November 2016. The number of active sales agents is 8,200 — 4.5% higher than a year earlier. But the number of active brokers is lower this year, having decreased by 1,700 active brokers — 1.7% lower than a year earlier. This continues a **seven-year downward trend**.

When the declining home price trend extends into 2017, more **fickle sales agents** will drop out of the active real estate population. Due to the extra difficulty and expense needed to obtain a broker license, brokers will be more likely to stick out the home price dip, and thus won't see the same population decline as agents.



Click on any chart for more information!