

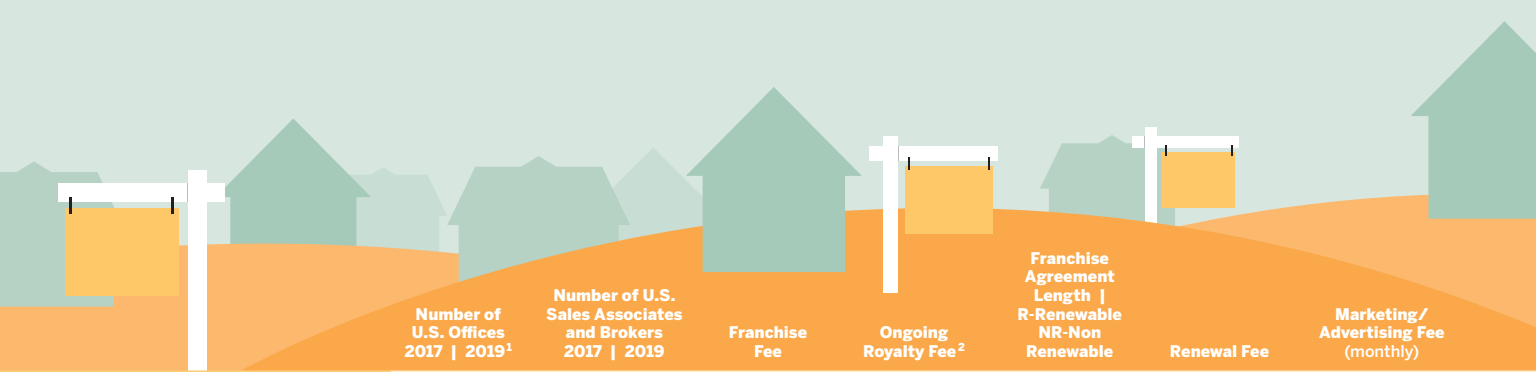
2019 Residential Franchise Report

While the great majority of real estate brokerages are independent firms, the impact of franchise companies remains unmistakable. A full 42% of REALTORS® are affiliated with a franchise, according to NAR data. Here's a rundown of 28 franchise brands, from Century 21, which began franchising in 1971, to Pink Realty, which launched last year. If you're thinking about opening a franchise or affiliating with a national or regional brand, this chart can help you compare offerings. You'll find information about the companies' U.S. market presence, changes in size from two years ago, and fee structure. Access the report online, and those from previous years, at realtormag.com/franchise.

The information below is supplied by the companies and not independently verified. Some numbers have been rounded. Percentages are based on GCI unless otherwise noted.

	Number of U.S. Offices 2017 2019 ¹	Number of U.S. Sales Associates and Brokers 2017 2019	Franchise Fee	Ongoing Royalty Fee ²	Franchise Agreement Length R-Renewable NR-Non Renewable	Renewal Fee	Marketing/Advertising Fee (monthly)
Assist2Sell buyassist2sell.com	202 209	700 800	\$14.5k	5%	5 yrs R	\$2,995	1%
Began Franchising: 1996 Reno, Nev. Ryan Elliott Ryan@Assist2Sell.com Target Areas: All U.S.							
Berkshire Hathaway HomeServices berkshirehathawayhs.com	1,313 1,450	43,479 50,000	\$25k	6%	10 yrs NR	N/A	1%
Began Franchising: 2013 Irvine, Calif. Michael Jalbert michaeljalbert@hsfranchise.com Target Areas: All U.S.							
Better Homes and Gardens Real Estate LLC bhgrefranchise.com	343 368	11,364 12,277	\$35k	5%	10 yrs NR	N/A	1%
Began Franchising: 2008 Madison, N.J. David Cernich david.cernich@bhgre.com Target Areas: All U.S.							
Century 21 Real Estate LLC century21.com/about-us/franchise	2,216 2,174	55,346 53,571	\$25k (first office); \$10k (branch)	6%	10 yrs NR	N/A	2% up to \$3M gross revenue; 0.5% over \$3M
Began Franchising: 1971 Madison, N.J. Tom O'Hern tom.ohern@century21.net Target Areas: Dark and underperforming markets							
Coldwell Banker Real Estate LLC coldwellbanker.com	2,200 2,165	89,000 85,192	\$25k (first office); \$10k (branch)	6%	10 yrs NR	N/A	2.5% of gross revenue up to \$2.1M; 0.5% of gross revenue over \$2.1M
Began Franchising: 1982 Madison, N.J. Mark Westphale mark.westphale@cbhomeoffice.com Target Areas: Avoids areas with existing affiliates							
Crye-Leike Franchises Inc. crye-leike.com/corporate/franchises	29 28	320 347	\$13.5k-\$25k	6%	5 yrs R	20% of initial investment or \$2.5k, whichever is greater	None
Began Franchising: 1998 Brentwood, Tenn. Keith Sullivan keith.sullivan@crye-leike.com Target Areas: Southeast and Gulf Coast							
Engel & Völkers Americas evrealestate.com	133 176 (includes US, Canada and Caribbean)	2,305 3,251	\$35k	6%	10 yrs R	N/A	2% on gross closed commission per transaction
Began Franchising: 2006 New York Jacob Stepan jacob.stepan@evrealestate.com Target Areas: All U.S.							

	Number of U.S. Offices 2017 2019 ¹	Number of U.S. Sales Associates and Brokers 2017 2019	Franchise Fee	Ongoing Royalty Fee ²	Franchise Agreement Length R-Renewable NR-Non Renewable	Renewal Fee	Marketing/Advertising Fee (monthly)
Equity Real Estate joinequityre.com	50 60	2,922 3,324	\$1.6k	N/A	Indefinite R	N/A	None
Began Franchising: 2003 Sandy, Utah Lance Card marketing@equity-usa.net Target Areas: Texas, Florida, Georgia, California, Arizona, Oregon, and Washington							
ERA Franchise Systems LLC era.com/explore	516 508	16,228 16,939	\$25k (first office); \$7.5k (branch)	Minimum \$796 per office/monthly	10 yrs R	N/A	1.5% of gross revenue up to \$4M; 0.5% of gross revenue over \$4M
Began Franchising: 1972 Madison, N.J. Diana Wall diana.wall@teamera.com Target Areas: All U.S.							
EXIT Realty Corp. USA joinexitrealty.com	510 539	25,000 20,000	\$7.5k–\$32k	None	5 yrs R	10% of franchise fee	\$35 per transaction; caps at \$500 annually per agent
Began Franchising: 1996 Woburn, Mass. Tami Bonnell tbonnell@exitrealty.com Target Areas: All U.S.							
Flat Rate Realty flatraterealty.com	12 14	12 25	\$2k	\$495 per office/monthly	1 yr R	None	None
Began Franchising: 2006 Scotts Valley, Calif. Thomas Moulding flatraterealty@gmail.com Target Areas: All U.S.							
Harcourts North America harcourtsgrows.com	37 36	600 720	\$25k	6%/transaction (sliding scale)	5 yrs R	\$5k	None
Began Franchising: 2010 Aliso Viejo, Calif. Ben Brady ben.brady@harcourts.net Target Areas: All U.S.							
HomeSmart International homesmart.com/franchising	102 170	11,186 16,290	\$20k	\$12 per agent/month	10 yrs R	50% of initial franchise fee	4% of transaction fee
Began Franchising: 2011 Scottsdale, Ariz. Bryan Brooks bbrooks@HomeSmart.com Target Areas: Southeast, South Central, Great Plains, Midwest, Mid-Atlantic, and Northeast							
Iowa Realty iowarealty.com	56 50	950 1,020	\$5k–\$20k	5%	5 or 10 yrs R	\$500	None
Began Franchising: 1988 West Des Moines, Iowa Cary Claiborne cary@iowarealty.com Target Areas: Iowa							
John L. Scott Real Estate Affiliates johnlscottfranchise.com	108 111	3,200 3,234	\$15k	5% of gross revenue up to \$75k; 2.5% from \$75k–\$162.5k; 1% over \$162.5k	1 yr (urban) 5 yrs (rural) R	None	\$20 per agent
Began Franchising: 1992 Bellevue, Wash. Howard Chung franchiseinfo@johnlscott.com Target Areas: Washington, Oregon, California, and Idaho							
Keller Williams kw.com	757 825	149,203 153,904	\$35k	6%	5 yrs R	10% of current license fee or \$5k, whichever is less	\$83.30 per office
Began Franchising: 1987 Austin, Texas Debbie Gardner debbie.gardner@kw.com Target Areas: All U.S.							
Nest Realty Group nestrealty.com	N/A 13	N/A 275	\$35k	3%–4.5%	10 yrs R	\$1k	None
Began Franchising: 2017 Charlottesville, Va. Jonathan Kauffmann jk@nestrealty.com Target Areas: All U.S.							
NextHome Inc. nexthome.com	200 350	1,400 3,200	\$3.5k–\$7.5k	1-year agreement: \$85/office/month plus \$185/agent/month or 6% of GCI/transaction ³	1 or 5 yrs R	\$3.5k	\$85 (1-year agreement) / \$75 (5-year agreement) per transaction
Began Franchising: 2015 Pleasanton, Calif. Charis Moreno Charis@nexthome.com Target Areas: All U.S.							



	Number of U.S. Offices 2017 2019 ¹	Number of U.S. Sales Associates and Brokers 2017 2019	Franchise Fee	Ongoing Royalty Fee ²	Franchise Agreement Length R-Renewable NR-Non Renewable	Renewal Fee	Marketing/Advertising Fee (monthly)
Pink Realty pinkrealty.com/why-franchise	N/A 8	N/A 66	\$15k	5%	5 yrs R	None	Onetime fee/office included in initial franchise fee
Began Franchising: 2018 Colorado Springs, Colo. Ethan Dahlberg franchise@pinkrealty.com Target Areas: West and Northeast							
Realty Executives realtyexecutives.com/joinus	N/A 355	N/A 6,500	\$1k–10k	Varies	10 yrs R	None	Varies
Began Franchising: 1973 Phoenix, Ariz. David Celaya davidcelaya@realtyexecutives.com Target Areas: Midwest, Southeast, and West							
Realty ONE Group realtyonegroup.com	N/A 185	N/A 12,000	\$20k	None	10 yrs R	\$5k	2% of gross revenues per month/agent; includes transaction fee
Began Franchising: 2012 Laguna Niguel, Calif. Cory Jo Vasquez coryjo.vasquez@realtyonegroup.com Target Areas: All U.S.							
Realty World Inc. realtyworld.com	221 235	1,600 2,300	\$18k	\$225 plus \$99 per agent or \$225 plus 5% of each closing	5–20 yrs R	\$1.5k; waived if renewed prior to agreement expiration	\$50 per office and \$25 per agent or 1% of each closing
Began Franchising: 1973 Newport Beach, Calif. Lisa Gerdes realtyworldgerdes@gmail.com Target Areas: All U.S.							
RE/MAX LLC joinremax.com	3,689 3,765	62,441 62,664	\$17.5k–\$35k	1% of GCI per transaction	5 yrs R	\$6k–\$17.5k	\$75–\$148 per agent/month
Began Franchising: 1975 Denver, Colo. joinremax.com/contact Target Areas: All U.S.							
Sotheby's International Realty Affiliates LLC sothebysrealty.com	608 655	17,429 19,500	\$25k	6%	10 yrs NR	N/A	2% based on gross revenue
Began Franchising: 2004 Madison, N.J. Joe Bernardo joe.bernardo@sothebys.realty Target Areas: Luxury markets within metropolitan areas							
United Country Real Estate unitedcountry.com	470 450	5,000 5,000	\$10k–20k	6%–10%	5 or 10 yrs R	\$1k–\$2k	None
Began Franchising: 1997 Kansas City, Mo. Richard Thompson rgthompson@unitedcountry.com Target Areas: Nonurban markets							
United Real Estate unitedrealestate.com	60 89	3,000 3,944	\$35k	None	10 yrs N/A	N/A	N/A
Began Franchising: 2013 Dallas, Texas Amanda Cline acline@unitedrealestate.com Target Areas: All U.S.							
Weichert Real Estate Affiliates Inc. weichertfranchise.com	462 485	14,200 13,500	\$25k	6%	10 yrs NR	N/A	2% of GCI per office
Began Franchising: 2002 Morris Plains, N.J. Kevin Hill khill@weichertrealtors.net Target Areas: Continental U.S.							
Windermere Real Estate windermere.com/company/join_us	299 318	6,191 6,386	\$25k	5%	1 yr R	None	1% of GCI
Began Franchising: 1983 Seattle, Wash. Shelley Rossi shelley.rossi@windermere.com Target Areas: West							

1) As of March 27, 2019; combine franchised and company-owned offices. 2) % of gross, closed income unless otherwise noted. 3) 5-year agreement: \$75/office/month plus \$175/agent/month or 6% of GCI/transaction.

SPONSORED

FRANCHISE SPOTLIGHT

NextHome | James Dwiggins, CEO

Q. Where is NextHome in terms of national footprint today, and how have you grown so quickly since REALTOR® Magazine's last Franchise Report two years ago?

A. We're just under five years old, and as of March, we've opened 350 franchises across 45 states with 3,200+ members nationwide. This year, we'll close more than 20,000 transactions worth \$5-\$6 billion in volume, making NextHome one of the top real estate companies in the U.S.

Our growth is attributed to our flexible franchise fees, all-inclusive and completely automated technology platform, consumer-oriented branding and marketing, and member support. We are the first franchise designed for the small to midsize real estate office and team. This combination has allowed us to be named the number four franchise in the country by Franchise Business Review and one of the fastest-growing private companies in America by Inc. 5000.

Q. What sets you apart from a consumer perspective?

A. We are solely focused on the needs of the home buyer and seller. When something is commonly requested, we implement it and make it a minimum standard across our whole company. Our bed/bath/parking sign rider is a great example. Sellers want the key features of their home advertised on the yard sign, and buyers want to know the property details when driving by. Our orange Frenchie mascot Luke is another example. A cutout of him sits next to our yard signs attracting attention, and we provide a stuffed version of him to our clients and their children. Our brand truly creates an emotional connection with our clients. It's an experience unique to our company.

Q. From what we have seen, your franchise has cultivated a truly unique culture. Tell us about the NextHome difference.

A. Being a "NextHomie" means you bleed orange, put others above yourself, and deeply care about the buying and selling experience. We're creating a professional, collaborative, community-based organization that cares about people.

We've achieved this by being selective about who joins our company. For us, agent count is never a measure of success.

The result is a nationwide network of NextHomies who truly want to help and see each other succeed. It's a culture and mindset that simply doesn't exist elsewhere.



NextHome®

nexthome.com