



More agents are fighting for fewer homes: Here's how to rise to the top

The real estate industry is becoming more competitive, with NAR enrolling a record number of agents in 2021 and inventory dipping below 1M. Four brokers share how to survive choppy waters

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The past two-plus years have been a smorgasbord of opportunity for the real estate industry, as record-low mortgage rates and other socio-economic factors sparked blazing home sales. Established agents posted banner years in transactions and sales volume, and [more than 180,000 new agents entered the industry](#), hoping to capture their piece of the pie.

However, the market trends that gave agents a fierce tailwind in 2020 and 2021 are waning — [mortgage rates are slowly rising](#), home prices have sailed past their previous peaks, buyers are getting weary and [inventory has dipped to astonishingly low levels](#). In the words of former Nest Realty broker-owner Jennifer Kjellgren, 2022 is shaping up to be “the perfect storm” for agents.

“With the predicted interest rate hikes and other market factors, this is the perfect storm,” she said. “Agents are going to have to work harder for maybe less business because of the competition, and I think clients are going to become more demanding.”

Although this may strike fear in the hearts of new and even more established agents alike, Kjellgren and several other leading brokers said there are several ways to successfully ride the coming tide. “There will always be opportunities and I still believe that there’s enough business for everyone,” she said. “It’s just going to be different [than the past two years] and they’ll have to attack [the market] and sharpen their saw the way this market demands.”

Here are six tips for keeping your business afloat in 2022:

Strengthen your market knowledge



Matthew Bizzarro

Although today's buyers and sellers often come to real estate agents already having a solid understanding of the real estate market and its current challenges, there's still ample room to give clients a deep dive into the intricacies of their specific market and [help them understand how macro-trends relate to them](#).

"Really being able to understand the market, understand the product, and understand how to allow your clients to have seamless experience is paramount, especially in New York," New York City-based broker Matthew Bizzarro told Inman. "When you buy a house in the suburbs, you can close in two to three weeks. However, buying a co-op in Manhattan [closing] generally takes a minimum of 90 to 120 days."

Bizzarro said that's one example of the level of expertise agents need to have, which should go beyond simply having information about inventory levels, home price trends, existing, pending and new-home sales, and other statistics. To win and retain clients, he said agents must stay up to date about specific rules and regulations in their market, which can make the difference between winning or losing a listing.

"The experience here is very different — you're with your clients a lot longer, there's a lot more hand-holding in the process and there's way more paperwork like co-op board applications, board reviews and interviews," he said. "So really being able to understand [those rules] is essential because when you're going into low inventory markets you have to know how to negotiate and know how to maneuver since you're up against a lot of competition."

Learn to mix old-school tactics with new-school tools

After shoring up your market knowledge, Kjellgren said it's important for agents to masterfully wield tried-and-true business tactics and new-school tech tools and platforms to better serve their current clients and attract new ones. "The good agents who have the systems in place, who have the relationships, [who've been able to work smarter](#), are going to get more of the business," she said. "The agents who mix old-school real estate the new school, they're killing it."



Kimberly Taylor

Mississippi-based RE/MAX broker Jody Black said he's been reaching into his past client database and [touching base with his sphere of influence](#) to drum up new business as the Oxford market struggles with record-low inventory, much like the rest of the nation.

"You have to secure those relationships you've made in the past," he said. "I think we've gotten really spoiled over the past couple of years because real estate has been very easy for the most part."

"Technology and social media have been crucial to agents' success, but I think for a lot of people, it's time to get back to those old school ways of reaching out on the phone and building those relationships again."

In addition to making phone calls, Illinois-based broker Kimberly Taylor said it's crucial for agents to stay active in their communities by attending events, supporting local organizations through donations or volunteerism, and hosting your own workshops or events that allow you to show your real estate expertise to potential clients.

"You have to stay strong and steady with all of your marketing and you have to stay active in the community. You have to work your sphere of influence," she said. "You definitely also have to be able to capitalize on homeownership and share the benefits of homeownership for the community as whole, whether you're a buyer or a seller."

Partner with other agents to get the job done

As more agents enter the industry, Kjellgren said it can be easy to simply write them off as competition to be crushed. However, she said that viewpoint doesn't help anyone, as new and experienced agents both have something to offer each out.

"Get some new agents and mentor them," she said. "I mean, that's the beautiful thing about real estate. You can pivot your career. I'm 52 and I've worked around a lot of agents for a while, and there are definitely people out of my age group who've been doing this for a while and are saying, 'Wait a second, we don't have the energy we had when we were 20.'"



Jody Black

Kjellgren suggested experienced agents and promising new agents team up to [create a referral pipeline](#). The experienced agent can refer some of their clients to the new agent, and help them work through those deals for a referral fee.

"I think as a younger new agent coming into a company that has a lot of agents, partner up with a senior agent and you show that you can help," she said. "Yeah, you will pay a referral fee but that's some potentially good business that might be thrown your way."

Black echoed Kjellgren's statement and said experienced agents should be excited about the new talent that's coming into the industry, and work to identify someone you can pass your business to as you near retirement, or someone that could be a good match for a team you'd like to start.

"These new agents that are coming in have this new outlook on their business and their career, they're really diving in and eager to learn the business," he said. "We're seeing a lot of experienced agents getting ready to exit the business in the next couple of years, and this new wave of younger folks are coming in. It's really exciting."

Shore up your interpersonal skills

As the market continues to move at a fever pitch, Kjellgren, Black and Bizzarro said agents must [improve their interpersonal skills](#) so they can create lifelong clients who feel connected to them on a business and personal level.

"I've been doing this for 21 years, and never in my career have I seen more people focused on the way that they live," Kjellgren said of the pandemic's impact on buyer wants and needs. "That's why the market is moving so much because they're either enhancing where they live, they're buying a second home, they're moving somewhere that resonates with the life they want to live."

Black said taking the time to understand your clients' worries and clearly address those worries is more important than ever, as buyers feel the weight of bidding wars and [rapidly-rising home prices that make homeownership seem impossible](#).

"Buyers are getting a little frustrated because they're getting beat out on seven or eight homes," he said. "The key to a buyer or any client trusting you is transparency and education. You have to prepare them for what's coming and the possibility of what's coming, so when they place an offer so there are no surprises and they're not as upset if something doesn't go their way."

Most of all, Bizzarro said, successful agents see themselves as more than the person who makes the transaction work — they see themselves as a trusted advisor who is helping a buyer or seller work through the most important purchase of their lives.

"Obviously, experience rules, especially in a time when 10,000s of new agents are coming in the market," he said. "But in addition to that, being able to serve the client and being able to meet them where they're at and provide guidance, and [actually be their trusted advisor](#) is essential."

"A lot of people forget about that, you know," he added. "So right off the bat, half the people don't take that responsibility seriously, and you can separate yourself by genuinely caring, and making sure that you're connecting and understanding your clients and listening."

Upgrade your team



Jennifer Kjellgren

Each of the brokers said they've noticed a game of musical chairs happening this January, as experienced real estate agents seek new brokerages to help them move to the next level and new agents search for the place to find their footing.

"We're seeing [experienced] agents move from brokerage to brokerage and a lot of new agents coming in," Black said. "I think right now agents, whether they're new or experienced, are really seeing the value of either their current brokerage or another brokerage as far as support, training, education and technology. A lot of agents are sort of opening their eyes up to what's around them."

Kjellgren said this is an opportunity for [broker-owners to step their game up](#) and create a culture and team that can withstand any kind of market shift or industry change. "For the broker-owners out there who've been doing this for a while, we went through the recession, which was, 'Oh, my God, what happened to this market?' and we came out on the other side successful, and we've gotten fat and happy," she said. "Don't get fat and happy."

The former Nest Realty owner said broker-owners must remind themselves of the basics of creating and maintaining a robust team, which requires a delicate balance between recruiting and retainment and forging an environment that makes agents want to stay.

"[You have to recruit and retain equally](#). You have to continue to bring on new talent, but you've got to remember who you already have, and you have to love them and offer them the services and tools and training and mentorship to be successful," she said. "And geez, you maybe even have to offer some counseling or other things that might help them be successful in their businesses and lives."

"It's really straddling that balance of keeping your people happy, and also making sure that you grow with the right new people, too," she added.

For agents who are considering joining a new crew, Bizzarro said the decision can't solely come down to money. Agents must also have to consider which environments will improve their career overall and help them live the lives they desire, which may revolve around having more time to spend with family or better financial freedom.

"It's about [aligning yourself with an organization](#) that's going to support you on your path to the career you want," he said. "It's not just about making a ton of money, right? You know, there's more than that. So you have to align yourself with an organization that's going to support you in meeting your goals, but also one that really stands out in the market, right?"

"You need to support yourself when competition is fierce, and you need to make sure you are aligned with folks that are not only going to give you opportunities and help you grow your business and support it, but also have a name that garners respect in the neighborhood for being trustworthy and honest and doing the job. I mean, that's half the battle."

Shift your personal goals and expectations

Lastly, Kjellgren said agents must shift their mindset and not limit success to being No. 1 in your office or market. Success, she said, is ultimately having a well-rounded life that enables you to actually enjoy the fruits of your labor.

"This business is exhilarating. It's addictive to be busy and there's so much validation of being first in sales and all of those things that feel good," she said. "But sometimes you have to have some systems and some self-discipline to step away, take a breath, and just make sure that you are not killing yourself while you're making money and servicing your clients."

"I've had some personal health issues from working too hard in the past that I was thankfully able to handle," she said. "Burnout is real."

While some agents need to relax, Bizzarro said others may realize they've gotten too comfortable and need to place their foot back on the pedal.

"Don't take your foot off the brake and get comfortable," he said. "Good is the enemy of great, right? You have to commit yourself to doing [real estate]. You always have to be committed to learning the process, learning how to work with clients, and learning the business. That's how you grow."