**The 4 Trends Impacting our Industry in the Next 5 Years**

1. **Acceleration of Technology**
	1. Moore’s Law
		1. Chip Capacity Doubles Every 2 Years
		2. Cost to Sequence a Gene Went Down from $100,000,000 to $1,000 in 20 years
	2. The Arc of Price for Any Service Bends to Zero
		1. Business Models Where the Goal is to Price Aggressively to Acquire Clients
			1. Amazon
			2. Costco
			3. Spirit
			4. Charles Schwab
				1. Charged $49.95 a Trade in 1990
				2. Charged $0 in 2019
		2. VOIP Created Outsourcing
			1. The Rise of RTMs (Remote Team Members)
				1. Phone Calls
				2. Operations
				3. Tenant Issues
				4. Maintenance Coordination
				5. Accounting
				6. Compliance
		3. Delegating
		4. Automating
2. **Commission Compression**
	1. Change in Buyer Agent Compensation
		1. 2 Class Action Lawsuits
		2. DOJ & FTC Investigating
		3. New Entrants
		4. New Commission Models
	2. Northwest MLS (Effective 10/3/22)
		1. Buyer’s Agent Commission Removed from the MLS
		2. Seller Can Offer Compensation
		3. Agent’s Commission Negotiated in Offer
		4. Without Buyer Agent Agreement – No Commission May Be Earned
		5. New Business Models
			1. Flat Fee Buyer’s Agent
			2. Pay by the Hour
			3. Go Directly to the Listing Agent
3. **The Coming United States Renter Country**
	1. Percent of Renter Households Increasing
		1. Home Not Affordable
		2. Generational Choice
		3. Why Buy?
	2. Typical Tenant Protections
		1. Annual inspections
		2. No criminal history
		3. No retaliation
		4. House authority oversight
		5. Jury trial
		6. Just Cause Eviction
		7. Rent Caps/Rent Control
		8. Relocation Expense
4. **The Real Estate Recession of 202?**
	1. Causes of the Recession
		1. Increased government debt
		2. Increased government spending
		3. Higher interest rates
		4. Higher inflation
		5. Housing payment shock
	2. The effect of a Recession
		1. Tenants stop paying
		2. Takes longer to find a suitable tenant
		3. Rent prices soften
		4. Rather than selling at a discount, rent
		5. Legal renters add illegal roommates
		6. Investors buy homes at a discount
5. **What you should do.**
	1. Refine your success propositions
	2. Increase your profit per door.
	3. More effective marketing makes sales unnecessary
	4. Position yourself as the tenant protection expert
	5. Embrace “aggregation of small gains”
	6. Explore ancillary income streams