

Home Buyers and Sellers Recognize the Value of their Agent

Highlights You Can Use From NAR'S 2007 Profile of Home Buyers and Sellers

Get the Professional Edge

- NAR's 2007 Profile of Home Buyers and Sellers shows that while technology is playing a large part in competitive approaches to buying and selling homes, consumers continue to prefer more traditional methods.
- Although most buyers use the internet at some point during the home search process, more often than not they turn to a professional to help them actually purchase the home. More discover the home they eventually purchase through an agent than via the internet.
- Nearly nine out of 10 homebuyers rely on their agent's knowledge of the home buying process. They look to their agent for advice and guidance, developing a partnership of sorts.
- As business philosopher and author Jim Rohn says: "***One customer, well taken care of, could be more valuable than \$10,000 worth of advertising.***"

Full-Service Remains King

- Most sellers continue to favor full-service brokerages, where professionals handle all aspects of the transaction process from listing to closing, including preparation of the home for sale, pricing, marketing, showing the home, contract negotiations and closing.
- Even so, limited services (like discount brokerage) and minimum services are important market segments, where sellers take a more active role in the process, such as showing their homes themselves or preparing the contract.
- Comparable to last year,
 - 81% of sellers use full-service brokerage
 - 9% use limited services
 - 9% use minimal service, such as simply listing a property on an MLS
- Help in finding the right home is most important to buyers. After that, they want help in negotiating the terms of the sale and help determining what comparable homes are selling for.

A Reputation is a Terrible Thing to Waste

- Ask sellers about the most important factor in choosing a real estate agent to sell their home and more than a third will mention reputation.
- The second most important factor is that the agent is honest and trustworthy.

- People commonly choose their real estate agent based on word-of-mouth recommendations. Nearly half of sellers and buyers found their agent through a referral, while nearly eight out of 10 sellers and more than nine out of 10 buyers would definitely or probably use the same agent again or recommend the agent to others.
- Benjamin Franklin once said: "***It takes many good deeds to build a good reputation and only one bad deed to lose it.***"

Fewer Sellers Choose to Go it Alone

- The percentage of For Sale By Owners (FSBOs) continues to trend downward. In this latest survey, the level of FSBO transactions remains at a record-low market share of 12 percent, the same as last year. This is down from 13 percent in 2005 and from 20 percent in 1987.
- Nearly four out of 10 FSBO properties were not placed on the open market and were "closely held" between parties who knew each other in advance, such as friends or family members.
- Factor out the properties not placed on the open market and the actual number of FSBOs is only 7 percent. The rest are simply unrepresented sellers in private transactions. This is down from 10 percent sold on the open market in 2004.

Get More

- Members can get the 2007 Profile of Home Buyers and Sellers for just \$50 per copy from the Realtor.org Store. The price for non-members is \$125. Click on the Research tab and then click the "Latest Research Products" link. Or, call 1-800-874-6500.