

Home Buyers and Sellers Want the Professional Edge

*Highlights You Can Use From
NAR's 2006 Profile of Home Buyers and Sellers*

Collaborate with a Professional

- NAR's 2006 Profile of Home Buyers and Sellers reveals that competition is alive and well, fueled by the growth in technology. But consumers largely prefer more traditional methods of buying and selling homes.
- Most home buyers begin the search process online. But it's a real estate agent who actually introduces them to the home they buy.
- They look to a real estate 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 is King

- Most sellers prefer full-service brokerage, 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.
 - 83% of sellers use full-service brokerage
 - 9% use limited services
 - 8% use minimal service, such as simply listing a property on an MLS
- For buyers, they want help in finding the right home. Half of all buyers will tell you so. 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

- Ask buyers about the most important factor in choosing a real estate agent and one fourth will tell you honesty and trustworthiness and 23 percent will tell you it's the agent's reputation.
- Benjamin Franklin once said: ***"It takes many good deeds to build a good reputation and only one bad deed to lose it."***
- Real estate professionals are the keepers of their own reputations – and those who do it well are rewarded...yes, in their businesses, too!

Fewer Sellers Choose to Go it Alone

- The percentage of For Sale By Owners (FSBOs) continues to trend downward. In this latest survey, just 12 percent of all sellers did the deed without the assistance of an agent – down from 13 percent the previous year and from 20 percent in 1987.
- But, this only tells part of the FSBO story.
- Forty percent of FSBO transactions in 2006 were closely held transactions – where the buyer and seller knew each other in advance (family or acquaintances).
- 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.

Get More

- Members can get the 2006 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 on the report name. Or, call 1-800-874-6500.