

## The Critical Role of the REALTOR® in the Real Estate Transaction

Do you know what your REALTOR® does, exactly? Surveys show that many homeowners and homebuyers are not aware of the true value a REALTOR® provides during the course of a real estate transaction.

Many of the most important services and steps are performed behind the scenes by either the REALTOR® or the brokerage staff and traditionally have been viewed simply as part of their professional responsibilities to the client. But, without them, the transaction could be placed in jeopardy.

### The REALTOR® Commitment

Not every real estate agent or broker is a REALTOR®. That term and the familiar Block "R" logo are trademarked by the National Association of REALTOR® and can only be used by those are REALTOR® members through their local association of REALTORS®.

While all REALTORS® are state-issued licensees as agents or brokers, the major difference between a "real estate licensee" and a REALTOR® is that REALTORS® have taken an oath to subscribe to a stringent, enforceable Code of Ethics with Standards of Practice that promote the fair, ethical and honest treatment of all parties in a transaction. Non-member licensees have taken no such oath and are not morally bound to the ethical practices and principles set for in the [REALTOR® Code](#).

More importantly, they reflect the level of skill, knowledge and attention to detail required in today's real estate transaction, underscoring the importance of having help and guidance from someone who fully understands the process – a REALTOR®.

And never forget that REALTORS® are pledged to uphold the stringent, enforceable tenets of the [REALTOR® Code of Ethics](#) in their professional dealings with the public. Not every real estate licensee holds REALTOR® membership. Make sure yours does!

To locate a REALTOR®, visit the [Find a REALTOR® page](#).

Listed below are nearly 200 typical actions, research steps, procedures, processes and review stages in a successful residential real estate transaction that are normally provided by full service real estate brokerages in return for their sales commission. Depending on the transaction, some may take minutes, hours, or even days to complete, while some may not be needed.

(This list is by no means an attempt to set forth a complete list of services as these may vary within each brokerage and each market.)

### Pre-Listing Activities

- 1 Make appointment with seller for listing presentation
- 2 Send seller a written or e-mail confirmation of listing appointment and call to confirm
- 3 Review pre-appointment questions
- 4 Research all comparable currently listed properties
- 5 Research sales activity for past 12 months from MLS and public records databases
- 6 Research "Average Days on Market" for this property of this type, price range and location
- 7 Download and review property tax roll information
- 8 Prepare "Comparable Market Analysis" (CMA) to establish fair market value
- 9 Obtain copy of subdivision plat/complex lay-out
- 10 Research property's ownership & deed type
- 11 Research property's public record information for lot size & dimensions
- 12 Research and verify legal description
- 13 Research property's land use coding and deed restrictions

- 14 Research property's current use and zoning
- 15 Verify legal names of owner(s) in county's public property records
- 16 Prepare listing presentation package with above materials
- 17 Perform exterior "Curb Appeal Assessment" of subject property
- 18 Compile and assemble formal file on property
- 19 Review listing appointment checklist to ensure all steps and actions have been completed

### **Listing Appointment Presentation**

- 20 Give seller an overview of current market conditions and projections
- 21 Review agent's and company's credentials and accomplishments in the market
- 22 Present company's profile and position or "niche" in the marketplace
- 23 Present CMA Results To Seller, including Comparables, Solds, and Current Listings & Expireds
- 24 Offer pricing strategy based on professional judgment and interpretation of current market conditions
- 25 Discuss Goals with Seller to market effectively
- 26 Explain market power and benefits of Multiple Listing Service
- 27 Explain market power of web marketing, IDX and REALTOR.com
- 28 Explain the work the brokerage and agent do "behind the scenes" and agent's availability on weekends
- 29 Explain agent's role in taking calls to screen for qualified buyers and protect seller from curiosity seekers
- 30 Present and discuss strategic master marketing plan
- 31 Explain different agency relationships and determine seller's preference
- 32 Review and explain all clauses in Listing Contract & Addendum and obtain seller's signature

### **Once Property is Under Listing Agreement**

- 33 Review current title information
- 34 Measure overall and/or heated square footage
- 35 Measure interior room sizes
- 36 Confirm lot size via owner's copy of certified survey, if available
- 37 Note any and all unrecorded property lines, agreements, easements
- 38 Obtain house plans, if applicable and available
- 39 Review house plans and make copy
- 40 Order plat map for retention in property's listing file
- 41 Prepare showing instructions for buyers' agents and agree on showing time window with seller
- 42 Obtain current mortgage loan(s) information: companies and loan account numbers if available from the bank(s)
- 43 Verify current loan information with lender(s) if possible
- 44 Check assumability of loan(s) and any special requirements
- 45 Discuss possible buyer financing alternatives and options with seller
- 46 Review current appraisal if available
- 47 Identify Home Owner Association manager if applicable
- 48 Verify Home Owner Association Fees with manager - mandatory or optional and current annual fee
- 49 Order copy of Homeowner Association bylaws, if applicable
- 50 Research electricity availability and supplier's name and phone number
- 51 Calculate average utility usage from last 12 months of bills
- 52 Research and verify city sewer/septic tank system
- 53 Water System: Calculate average water fees or rates from last 12 months of bills)
- 54 Well Water: Confirm well status, depth and output from Well Report
- 55 Natural Gas: Research/verify availability and supplier's name and phone number
- 56 Verify security system, current term of service and whether owned or leased
- 57 Ascertain need for lead-based paint disclosure
- 58 Prepare detailed list of property amenities and assess market impact
- 59 Prepare detailed list of property's "Inclusions & Conveyances with Sale"
- 60 Explain benefits of Home Owner Warranty to seller
- 61 Assist sellers with completion and submission of Home Owner Warranty Application
- 62 When received, place Home Owner Warranty in property file for conveyance at time of sale

- 63 Have extra key made for lockbox
- 64 Verify if property has rental units involved. And if so:
- 65 Make copies of all leases for retention in listing file
- 66 Inform tenants of listing and discuss how showings will be handled
- 67 Arrange for installation of yard sign
- 68 Assist seller with completion of Seller's Disclosure form
- 69 "New Listing Checklist" Completed
- 70 Review results of Curb Appeal Assessment with seller and provide suggestions to improve salability
- 71 Review results of Interior Décor Assessment and suggest changes to shorten time on market
- 72 Load listing into transaction management software program

### **Entering Property in Multiple Listing Service Database**

- 73 Prepare MLS Profile Sheet -- Agent is responsible for "quality control" and accuracy of listing data
- 74 Enter property data from Profile Sheet into MLS Listing Database
- 75 Proofread MLS database listing for accuracy - including proper placement in mapping function
- 76 Add property to company's Active Listings list
- 77 Provide seller with signed copies of Listing Agreement and MLS Profile Sheet Data Form within 48 hours
- 78 Take additional photos for upload into MLS and use in flyers. Discuss efficacy of panoramic photography

### **Marketing the Listing**

- 79 Create print and Internet ads with seller's input
- 80 Coordinate showings with owners, tenants, and other Realtors®. Return all calls - weekends included
- 81 Install electronic lock box if authorized by owner. Program with agreed-upon showing time windows
- 82 Prepare mailing and contact list
- 83 Generate mail-merge letters to contact list "Just Listed" labels & reports
- 84 Prepare flyers & feedback faxes
- 85 Review comparable MLS listings regularly to ensure property remains competitive in price, terms, conditions and availability
- 86 Prepare property marketing brochure for seller's review
- 87 Arrange for printing or copying of supply of marketing brochures or fliers
- 88 Place marketing brochures in all company agent mail boxes
- 89 Upload listing to company and agent Internet site, if applicable
- 90 Mail Out "Just Listed" notice to all neighborhood residents
- 91 Advise Network Referral Program of listing
- 92 Provide "Special Feature" cards for marketing, if applicable
- 93 Submit ads to company's participating Internet real estate sites
- 94 Price changes conveyed promptly to all Internet groups
- 95 Reprint/supply brochures promptly as needed
- 96 Loan information reviewed and updated in MLS as required
- 97 Feedback e-mails/faxes sent to buyers' agents after showings
- 98 Review weekly Market Study
- 99 Discuss feedback from showing agents with seller to determine if changes will accelerate the sale
- 100 Place regular weekly update calls to seller to discuss marketing & pricing
- 101 Promptly enter price changes in MLS listing database

### **The Offer and Contract**

- 102 Receive and review all Buy-Sell Agreements submitted by buyers or buyers' agents.
- 103 Evaluate offer(s) and prepare a "net sheet" on each for the owner for comparison purposes
- 104 Counsel seller on offers. Explain merits and weakness of each component of each offer
- 105 Contact buyers' agents to review buyer's qualifications and discuss offer
- 106 Fax/deliver Seller's Disclosure to buyer's agent or buyer upon request and prior to offer if possible
- 107 Confirm buyer is pre-qualified by calling Loan Officer
- 108 Obtain pre-qualification letter on buyer from Loan Officer when possible
- 109 Negotiate all offers on seller's behalf, setting time limit for loan approval and closing date

- 110 Prepare and convey any counteroffers, acceptance or amendments to buyer's agent
- 111 Fax copies of contract and all addendums to closing attorney or title company
- 112 When Buy-Sell Agreement is accepted and signed by seller, deliver to buyer's agent
- 113 Record and promptly deposit buyer's earnest money in escrow account.
- 114 Disseminate "Under-Contract Showing Restrictions" as seller requests
- 115 Deliver copies of fully signed Offer to Purchase contract to seller
- 116 Fax/deliver copies of Buy-Sell Agreements to Selling Agent
- 117 Fax copies of Buy-Sell Agreement to lender
- 118 Provide copies of signed Buy-Sell Agreement for office file
- 119 Advise seller in handling additional offers to purchase submitted between contract and closing
- 120 Change status in MLS to "Sale Pending"
- 121 Update transaction management program to show "Sale Pending"
- 122 Review buyer's credit report results -- Advise seller of worst and best case scenarios
- 123 Provide credit report information to seller if property will be seller-financed
- 124 Assist buyer with obtaining financing, if applicable and follow-up as necessary
- 125 Coordinate with lender on Discount Points being locked in with dates
- 126 Deliver unrecorded property information to buyer
- 127 Order septic system inspection, if applicable
- 128 Receive and review septic system report and assess any possible impact on sale
- 129 Deliver copy of septic system inspection report lender & buyer
- 130 Deliver Well Flow Test Report copies to lender & buyer and property listing file
- 131 Verify mold inspection ordered, if required

#### **Tracking the Loan Process**

- 132 Confirm Verifications Of Deposit & Buyer's Employment Have Been Returned
- 133 Follow Loan Processing Through To The Underwriter
- 134 Add lender and other vendors to transaction management program so agents, buyer and seller can track progress of sale
- 135 Contact lender weekly to ensure processing is on track
- 136 Relay final approval of buyer's loan application to seller

#### **Home Inspection**

- 137 Coordinate buyer's professional home inspection with seller
- 138 Review home inspector's report
- 139 Enter completion into transaction management tracking software program
- 140 Explain seller's responsibilities with respect to loan limits and interpret any clauses in the contract
- 141 Ensure seller's compliance with Home Inspection Clause requirements
- 142 Recommend or assist seller with identifying and negotiating with trustworthy contractors to perform any required repairs
- 143 Negotiate payment and oversee completion of all required repairs on seller's behalf, if needed

#### **The Appraisal**

- 144 Coordinate the Appraisal

#### **Closing Preparations and Duties**

- 145 Coordinate closing process with buyer's agent and lender
- 146 Ensure all parties have all forms and information needed to close the sale
- 147 Select location where closing will be held
- 148 Confirm closing date and time and notify all parties
- 149 Assist in solving any title problems (boundary disputes, easements, etc) or in obtaining Death Certificates
- 150 Work with buyer's agent in scheduling and conducting buyer's Final Walk-Thru prior to closing
- 151 Research all tax, HOA, utility and other applicable prorations
- 152 Request final closing figures from closing agent (attorney or title company)

- 153 Receive & carefully review closing figures to ensure accuracy of preparation
- 154 Forward verified closing figures to buyer's agent
- 156 Request copy of closing documents from closing agent
- 157 Confirm buyer and buyer's agent have received title insurance commitment
- 158 Provide "Home Owners Warranty" for availability at closing
- 159 Review all closing documents carefully for errors
- 160 Review documents with closing agent (attorney)
- 161 Coordinate this closing with seller's next purchase and resolve any timing problems
- 162 Have a "no surprises" closing so that seller receives a net proceeds check at closing
- 163 Refer sellers to one of the best agents at their destination, if applicable
- 164 Change MLS status to Sold. Enter sale date, price, selling broker and agent's ID numbers, etc.
- 165 Close out listing in transaction management program

#### **Follow Up After Closing**

- 166 Answer questions about filing claims with Home Owner Warranty company if requested
- 167 Attempt to clarify and resolve any conflicts about repairs if buyer is not satisfied
- 168 Respond to any follow-on calls and provide any additional information required from office files.

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