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

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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