183 Things a REALTOR® Does

Listed here 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.

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!

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 18 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 Confirm current public schools and explain impact of schools on market value
20 Review listing appointment checklist to ensure all steps and actions have been completed

**Listing Appointment Presentation**

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

**Once Property is Under Listing Agreement**

34 Review current title information
35 Measure overall and heated square footage
36 Measure interior room sizes
37 Confirm lot size via owner's copy of certified survey, if available
38 Note any and all unrecorded property lines, agreements, easements
39 Obtain house plans, if applicable and available
40 Review house plans and make copy
41 Order plat map for retention in property's listing file
42 Prepare showing instructions for buyers' agents and agree on showing time window with seller
43 Obtain current mortgage loan(s) information: companies and & loan account numbers
44 Verify current loan information with lender(s)
45 Check assumability of loan(s) and any special requirements
46 Discuss possible buyer financing alternatives and options with seller
47 Review current appraisal if available
48 Identify Home Owner Association manager if applicable
49 Verify Home Owner Association Fees with manager - mandatory or optional and current annual fee
50 Order copy of Homeowner Association bylaws, if applicable
51 Research electricity availability and supplier's name and phone number
52 Calculate average utility usage from last 12 months of bills
53 Research and verify city sewer/septic tank system
54 Water System: Calculate average water fees or rates from last 12 months of bills
55 Well Water: Confirm well status, depth and output from Well Report
56 Natural Gas: Research/verify availability and supplier's name and phone number
57 Verify security system, current term of service and whether owned or leased
58 Verify if seller has transferable Termite Bond
59 Ascertain need for lead-based paint disclosure
60 Prepare detailed list of property amenities and assess market impact
61 Prepare detailed list of property's "Inclusions & Conveyances with Sale"
62 Compile list of completed repairs and maintenance items
63 Send "Vacancy Checklist" to seller if property is vacant
64 Explain benefits of Home Owner Warranty to seller
65 Assist sellers with completion and submission of Home Owner Warranty Application
66 When received, place Home Owner Warranty in property file for conveyance at time of sale
67 Have extra key made for lockbox
68 Verify if property has rental units involved. And if so:
69 □ Make copies of all leases for retention in listing file
70 □ Verify all rents & deposits
71 Inform tenants of listing and discuss how showings will be handled
72 Arrange for installation of yard sign
73 Assist seller with completion of Seller's Disclosure form
74 "New Listing Checklist" Completed
75 Review results of Curb Appeal Assessment with seller and provide suggestions to improve salability
76 Review results of Interior Décor Assessment and suggest changes to shorten time on market
77 Load listing into transaction management software program

**Entering Property in Multiple Listing Service Database**

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

**Marketing The Listing**

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

The Offer and Contract

109 Receive and review all Offer to Purchase contracts submitted by buyers or buyers' agents.
110 Evaluate offer(s) and prepare a "net sheet" on each for the owner for comparison purposes
111 Counsel seller on offers. Explain merits and weakness of each component of each offer
112 Contact buyers' agents to review buyer's qualifications and discuss offer
113 Fax/deliver Seller's Disclosure to buyer's agent or buyer upon request and prior to offer if possible
114 Confirm buyer is pre-qualified by calling Loan Officer
115 Obtain pre-qualification letter on buyer from Loan Officer
116 Negotiate all offers on seller's behalf, setting time limit for loan approval and closing date
117 Prepare and convey any counteroffers, acceptance or amendments to buyer's agent
118 Fax copies of contract and all addendums to closing attorney or title company
119 When Offer to Purchase Contract is accepted and signed by seller, deliver to buyer's agent
120 Record and promptly deposit buyer's earnest money in escrow account.
121 Disseminate "Under-Contract Showing Restrictions" as seller requests
122 Deliver copies of fully signed Offer to Purchase contract to seller
123 Fax/deliver copies of Offer to Purchase contract to Selling Agent
124 Fax copies of Offer to Purchase contract to lender
125 Provide copies of signed Offer to Purchase contract for office file
126 Advise seller in handling additional offers to purchase submitted between contract and closing
127 Change status in MLS to "Sale Pending"
128 Update transaction management program to show "Sale Pending"
129 Review buyer's credit report results -- Advise seller of worst and best case scenarios
130 Provide credit report information to seller if property will be seller-financed
131 Assist buyer with obtaining financing, if applicable and follow-up as necessary
132 Coordinate with lender on Discount Points being locked in with dates
133 Deliver unrecorded property information to buyer
134 Order septic system inspection, if applicable
135 Receive and review septic system report and assess any possible impact on sale
136 Deliver copy of septic system inspection report lender & buyer
137 Deliver Well Flow Test Report copies to lender & buyer and property listing file
138 Verify termite inspection ordered
139 Verify mold inspection ordered, if required

**Tracking the Loan Process**

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

**Home Inspection**

145 Coordinate buyer's professional home inspection with seller
146 Review home inspector's report
147 Enter completion into transaction management tracking software program
148 Explain seller's responsibilities with respect to loan limits and interpret any clauses in the contract
149 Ensure seller's compliance with Home Inspection Clause requirements
150 Recommend or assist seller with identifying and negotiating with trustworthy contractors to perform any required repairs
151 Negotiate payment and oversee completion of all required repairs on seller's behalf, if needed

**The Appraisal**

152 Schedule Appraisal
153 Provide comparable sales used in market pricing to Appraiser
154 Follow-Up On Appraisal
155 Enter completion into transaction management program
156 Assist seller in questioning appraisal report if it seems too low

**Closing Preparations and Duties**

157 Contract Is Signed By All Parties
158 Coordinate closing process with buyer's agent and lender
159 Update closing forms & files
160 Ensure all parties have all forms and information needed to close the sale
161 Select location where closing will be held
162 Confirm closing date and time and notify all parties
163 Assist in solving any title problems (boundary disputes, easements, etc) or in obtaining Death Certificates
164 Work with buyer's agent in scheduling and conducting buyer's Final Walk-Thru prior to closing
165 Research all tax, HOA, utility and other applicable prorations
166 Request final closing figures from closing agent (attorney or title company)
167 Receive & carefully review closing figures to ensure accuracy of preparation
168 Forward verified closing figures to buyer's agent
169 Request copy of closing documents from closing agent
170 Confirm buyer and buyer's agent have received title insurance commitment
171 Provide "Home Owners Warranty" for availability at closing
172 Review all closing documents carefully for errors
173 Forward closing documents to absentee seller as requested
174 Review documents with closing agent (attorney)
175 Provide earnest money deposit check from escrow account to closing agent
176 Coordinate this closing with seller's next purchase and resolve any timing problems
177 Have a "no surprises" closing so that seller receives a net proceeds check at closing
178 Refer sellers to one of the best agents at their destination, if applicable
179 Change MLS status to Sold. Enter sale date, price, selling broker and agent's ID numbers, etc.
180 Close out listing in transaction management program

Follow Up After Closing
181 Answer questions about filing claims with Home Owner Warranty company if requested
182 Attempt to clarify and resolve any conflicts about repairs if buyer is not satisfied
183 Respond to any follow-on calls and provide any additional information required from office files.
1. An agent wants to help her buyers, who do not have the required financial reserves to meet conventional underwriting guidelines. They qualify to buy the home in every other way that they love and want. To assist them, the agent adds the buyers to her personal checking account so the buyers will be able to produce the needed bank statements. This would qualify as:

A. A very bad idea
B. Mortgage fraud
C. A great way to save your deal and your commission
D. A and B

2. A top agent is having trouble making his payroll to pay his assistants and his advertising costs. His dues are coming up for renewal and he cannot afford to go even one day without his license. As a result, he has his new buyer clients write their earnest money check out to him directly. Should he have done this?

A. Yes, it is allowed as long as the agent holds onto the funds and doesn’t spend any of it
B. Yes, as long as it is fully disclosed in writing to all parties
C. Yes, he is entitled to a portion of his commission up front
D. No, this is a violation of most state laws and the Code of Ethics

3. Your client is a successful investor who has purchased a number of properties in the past. He does not like the State approved purchase contract and asks you to draft another one that is more to his liking. This is an example of:
A. Acting like an attorney  
B. Providing excellent service to your clients  
C. Showing off your excellent writing skills  
D. How savvy investors like to purchase new investment properties

4. A very busy and successful brokerage buys out another moderately sized brokerage. With all of the growth and excitement, one agent’s license expires and she closes a deal. Neither the broker nor the agent catches this oversight. What should the broker have done to prevent this problem?

A. Create internal systems to help prevent these kinds of problems  
B. If he is too busy to handle personnel matters, hire someone to monitor licensees and their license expiration dates  
C. Communicate early and often with licensees for the month prior to an agent’s license expiration  
D. All of the above

5. Brokers must remember that they have a duty to supervise the actions of all of their salespeople. Often, the biggest thing that gets new agents in trouble is:

A. Incompetence  
B. Dishonesty  
C. Inexperience  
D. Ineptitude

6. If state investigators want to ask you questions about one of your transactions, you should:

A. Stonewall and not return their calls  
B. Hire an attorney and refuse to answer any questions  
C. Move to Guam  
D. Provide all requested records and cooperate fully
7. If you have had a criminal conviction prior to licensure or after you become licensed, the best way to handle this is:

   A. Fully disclose everything to the Real Estate Commission
   B. Don’t disclose criminal convictions and hope no one finds out
   C. Change your name
   D. Have your spouse become licensed and use their license

8. The most common causes of lawsuits against licensees are:

   A. Mortgage Fraud and Inflated Appraisals
   B. Incompetence and Mishandling Funds
   C. Misrepresentation and Failure to Disclose
   D. Acting Like a Lawyer

9. Listing brokers who get too close to unrepresented buyers run the risk of becoming:

   A. Undisclosed Defacto Agents
   B. Their Agent for Life
   C. Undisclosed Dual Agents
   D. Sued
   E. Both C and D

10. Lack of professional competence is shown by:

    A. A property manager forgets to pay taxes for an owner
    B. Agent doesn’t get documents properly signed and/or delivered
    C. Agent missed key deadlines, costing the buyers their Earnest Money
    D. All of the Above
“STUPID AGENT TRICKS – DON’T TRY THIS AT HOME”

QUIZ

1. As a real estate licensee, if I’m going to drive buyers around as a Buyer’s Agent, I need to have:

   a. A valid Driver’s License
   b. Auto Insurance and carry the card in my car
   c. Valid vehicle registration and carry proof in my car
   d. All of the Above

2. Prior to listing a house on the MLS, I need to get:

   a. An appraisal done so I know how to tell the seller to price it
   b. A written agency agreement signed by all sellers
c. The sellers’ written permission to put the house on the MLS
d. Both b and c

3. When receiving earnest money, I should:
   a. Put it in a safe place until closing
   b. Not ask my buyer for earnest money in case we doesn’t close escrow
   c. Give it to my broker right away so it can be deposited
   d. Deposit it in my own business account within 3 days

4. When going to a listing appointment and I discover there are 3 short sales on the same street, I should counsel the sellers to:
   a. Stop making their mortgage payments so they can be competitive
b. Tell the sellers I don’t do short sales and I can’t help them

c. Let the house go into foreclosure

d. Carefully consider their options after we review the CMA I brought

5. My buyers are incredibly busy people and can only go out on nights that my kids have soccer games. I have known them for a long time and I trust them completely. I should:

a. Find another great agent who can show them homes if I’m too busy

b. Trust them with my Supra key after I make all of the appointments

c. Have them drive around without me and tell me which ones they liked best

d. Let the listing agents let them in on the houses they like a lot
6. I am so tired of underwriters that are killing my deals! I need one to close. I’m worried about the contract I’m writing up because the buyer wants to include the seller’s hot tub. The seller said they are happy to include it. I should:

a. Write up a separate contract for the underwriter that does not include the hot tub
b. Include the hot tub in the contract, knowing the underwriter might kill the deal
c. Counsel my buyer to buy a new hot tub and not complicate the deal
d. Counsel my buyer they can buy a cheaper one on Craig’s List

7. If my license has just expired but I can’t afford to renew it until my closing on one of my listings next week, I should:

a. Not tell anyone and hope no one notices
b. Do the very best job I can and renew in person the same day I get my check
c. Be grateful I have a grace period of 30 days before I have to worry about it
d. Talk to my broker immediately

8. If my buyer clients don’t have enough funds in their checking account to pay for all of their closing costs, I should NOT:

a. Check with the loan officer to see if gift funds or grants could be used
b. Add them to my personal account so they will have enough to satisfy the underwriter
c. Encourage them to work with the loan officer to see if selling an asset will work
d. Try to negotiate with the seller to see if they will pay some of the buyer’s closing costs
9. If I know that a letter is coming to my broker from the Division of Real Estate regarding disciplinary action against me for a mistake I made on a transaction I should NOT:

a. Try to learn from my mistake so I know to do better next time
b. Warn my broker it is coming
c. Watch for the mail to come and hide it so he won’t find out
d. Hope he won’t get too upset with me when he reads it

10. If my sellers ask me a question about the contract they are about to sign and accept and I don’t know the answer, I should:

a. Pretend I know
b. Confidently answer with the best answer I can think up
c. Tell them it isn’t important and not to worry about it
d. Tell them “I don’t know, but I will be happy to find out and get back to you”

11. You have listed your own beautiful home for sale and have placed a sign in your immaculately groomed yard. A buyer calls you and would like to see your home. They love it and want to make an offer on it. They tell you they are not represented by an agent. What can you do?

a. Represent the buyers as a limited agent, but only with full disclosure to all parties
b. Represent the buyers as a limited agent, but only with full disclosure to all parties in writing
c. Refer them to another agent
d. You cannot represent them
e. Both C and D

12. You represent the buyer in a transaction. They want a home inspection to be done. You want to champion your buyers and help them in every way. You should:

a. Suggest the names of 3 reputable inspectors you know will do a great job
b. Suggest the names of 3 reputable inspectors you know will do a great job and call the one they choose to set up the appointment
c. Suggest the names of 3 reputable inspectors you know will do a great job and call the one they choose to set up the appointment and unlock the house so the buyers and the inspector can get in
d. Suggest the names of 3 reputable inspectors you know will do a great job and call the one they choose to set up the appointment,
and walk through the inspection with the buyer and the inspector so you are fully aware of all issues that arise

13. You represent the seller in a transaction. A buyers’ agent calls you and tells you they have written up an offer for their buyer clients. The buyers love this home and the agent is very enthusiastically trying to sell you on the buyers and their offer. In the process of the conversation, the agent tells you her buyers are a happily married couple with two adorable kids and that both buyers are highly successful professionals – he is a doctor and she is an attorney. Have any state or federal Fair Housing laws been broken?

   a. Yes
   b. No
14. You represent the buyer in a cash transaction. You are told that your buyer has to use the seller’s title company because, with a cash transaction, both parties have to use the same title company. Have any state or federal laws been broken?

a. Yes  
b. No
10 Ways to Lose Your Real Estate License
by Paul Beakley

Thousands of real estate professionals lose their license every year—some through dishonest dealings, others through incompetence, and still others as the victims of circumstance. Your license is your lifeblood in this business. Keep it safe by avoiding these 10 mistakes.

1. **Playing with other people's money.** Money mistakes—sloppy bookkeeping, fund shuffling, "borrowing" clients' funds—represent the fastest ways to lose your license. Bill Titter, an enforcement officer for the Texas Real Estate Commission, recalls a broker who agreed to hold $18,479 until closing so the buyer wouldn't spend it. The broker cashed the buyer's check and put the money in his own safety deposit box, then deducted expenses related to the deal without the buyer's knowledge. The broker's license was revoked. "If the money isn't yours, put it in escrow or in a trust account," says Titter.

2. **Misrepresentation. Embellishing, obfuscating, omitting, or just plain fibbing.** Don't do it. Misrepresentation and failure to disclose are the most common causes of lawsuits against licensees, says NAR General Counsel Laurie Janik. Those lawsuits most often relate to inaccurate disclosure or nondisclosure of property condition. Know your state law, but no matter where you live, follow this simple rule: "When in doubt, disclose, and do it in writing," says William Moran, chief of enforcement for the California Real Estate Commission.

3. **Mortgage fraud.** Say the buyers are short of cash for the down payment, and the salesperson arranges for them to borrow a little extra by fudging appraisal figures. It may seem like an innocent fix, but it's illegal to trick a lender into lending too much money against an overvalued property. Even if you don't lose your license in such a scheme, you can jeopardize your livelihood, according to Jon Goodman, a Colorado real estate attorney who answers questions for the state's legal hotline. The U.S. Department of Housing and Urban Development is known to stop dealing with licensees simply because they were implicated in mortgage fraud, Goodman says.

4. **Criminal conviction.** Being a convicted criminal may affect your ability to obtain or keep a real estate license, depending on the crime and the state in which you work. In Texas, for example, crimes such as rape, murder, robbery, and embezzlement result in an instant license revocation, says Titter. A more common conviction, driving under the influence of alcohol or drugs, will not. In Arizona, the Department of Real Estate will give someone convicted of DUI a provisional license but require another licensed broker to sponsor the licensee and report on the person's sobriety.

5. **Not cooperating with investigators.** If your real estate commission questions you, don't stonewall. "When licensees won't talk to us or provide us with records we've requested, that's a failure to cooperate with the investigation," says Bruce Stuart, attorney for licensing services for New York's Department of State. "Usually, it's a sign they've done something wrong."

6. **Incompetence.** This category is a catchall of professional screw-up. "We look for a pattern of conduct or a single act that's so serious it demonstrates that the licensee lacks professional competence," says New York's Stuart. A typical example: A property manager forgets to make tax or mortgage payments for an owner.

7. **Forgetting who hired you.** Undisclosed dual agency is a particular problem in states where buyer's agents are uncommon. "Listing brokers can get too close to the buyer and become a de facto dual agent," explains Keith Stack, deputy secretary of state of New York. "In such cases, licensees forget whose interests they're supposed to be looking out for."

8. **Acting like a lawyer.** In some states, drafting or significantly altering sales contracts may constitute the unauthorized practice of law. But it's not always clear to brokers how far they can go. New York, for
example, allows brokers to prepare simple purchase and lease contracts—not complex contracts. But what's the gauge for complexity? "In this day and age, we never see a simple contract," says New York's Stuart. "Assume all contracts are complex." The conservative thing to do is to consult an attorney whenever an issue comes up that's outside the language of the form contract. The other risk of drafting a contract yourself is that you may do it wrong. In Oregon, real estate commissioner Scott Taylor says he regularly sees contracts in which either the practitioners didn't say what was intended or the grammar was so poor it was impossible to determine the intent. The most typical mistakes occur when practitioners leave blanks, because they're in a hurry, says Taylor.

9. Not meeting license requirements. It's the silliest reason to lose a license and the easiest to avoid. According to Titter, two or three Texas licensees each month forget to pay their renewal fees, and a few more fail to complete their continuing education requirements. Not bad for a state with more than 100,000 licensees. Although salespeople should be responsible for staying on top of licensing requirements, supervising brokers need a system in place to make sure their licensees know and follow through on what's required. Brokers who let associates' licenses or education lapse risk disciplinary action or even a civil lawsuit.

10. Letting salespeople run rampant. Likewise, brokers must remember they have a duty to supervise the actions all of their salespeople. Often it's not incompetence but inexperience that gets a salesperson in trouble—something that might have been avoided if the broker had only been paying closer attention. A supervising broker has a great responsibility, says California's Moran. "Too often, brokers don't take this responsibility seriously, and the public suffers."

Factoid: 80%
When NAR supports litigation, financially or through filing briefs, the NAR-supported side wins about 80 percent of the time.
Source: NAR's Legal Action Committee

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