

*The 2008
HAR Survey of
Home Sellers & Buyers*

HOUSTON ASSOCIATION OF REALTORS®





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The HOUSTON ASSOCIATION OF REALTORS® (HAR) is a 26,000 member organization of real estate professionals engaged in every aspect of the industry, including residential and commercial sales and leasing, appraisal, property management and counseling. It is the largest individual membership trade association in Houston, and the second largest local Association of REALTORS® in the United States.

The term "REALTOR®" is a registered collective membership mark which identifies a real estate professional who is a member of the NATIONAL ASSOCIATION OF REALTORS® and who subscribes to its strict Code of Ethics.

For more information about the HOUSTON ASSOCIATION OF REALTORS®, please visit the Association's Web site at www.HAR.com.

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REPORT HIGHLIGHTS

The 2008 survey of home buyers and sellers in the Houston area is the third annual study on which HAR has partnered with the University of Houston's Center for Public Policy. Using larger samples of sellers and buyers, and a revised questionnaire, this year's data continues to build upon the results of the previous two surveys as HAR helps its members better understand consumers' decisions and impressions regarding the real estate market in the metropolitan area. As in the previous years, home buyers and sellers had positive feelings about their recent property transaction experience, and both groups expressed high levels of satisfaction with their REALTORS' performance. These results reflect the strong housing market in the Houston area in 2007, in contrast to many other major metropolitan areas across the nation. It should be noted that the transactions all took place during 2007, but the survey did not go into the field until mid-2008, which could have impacted the respondents' perceptions. As in many other areas, the Internet and the need for advanced technological skills were exhibited as challenges to real estate professionals. The 2008 HAR survey also showed the importance of providing excellent client service, as home buyers and sellers cited their REALTORS' reputation, honesty and trustworthiness as the primary reason they selected them. Consistent with reputation, the significant number of consumers who selected their REALTOR® based on referrals from friends, neighbors and co-workers also displayed the benefit to meeting or exceeding clients' expectations, which leads them to tell others about their positive experience with their REALTOR®.

CHARACTERISTICS OF HOME SELLERS & HOMES SOLD

- The median age of sellers is 55, and 27% were over 60 years of age.
- 59% of sellers had lived in the Houston area for at least 20 years.
- 62% has at least a college degree.

HOME SELLERS & THEIR SELLING EXPERIENCE

- 31% of sellers had just sold a home for the first time.
- 71% of sellers said they used the Multiple Listing Service in selling their home.
- 65% of sellers who used a REALTOR® used the Internet as a marketing tool.

HOME SELLERS & THEIR REALTOR®

- 73% of sellers used a REALTOR® to sell their home.
- Most found their REALTOR® either by referral from friends, neighbors or coworkers (52%) or they selected one they knew or had used before (24%).
- The most important things sellers wanted from their REALTOR® were help in finding a buyer (28%), help in selling in a specific time frame (17%), and help in pricing the home competitively (16%).
- 79% of sellers said they were "very satisfied" with their REALTOR®.
- 48% of all sellers never visited their REALTOR's office. Only 14% of sellers visited their REALTOR's office more than twice.
- 68% of sellers had some sort of follow-up contact from their REALTOR® after the closing.
- Only 39% of sellers found their REALTOR's follow-up to have been very valuable.
- 86% of those who used a REALTOR® said they would do so again, but only 79% would use the same REALTOR®.
- And 81% said it would be beneficial if they could have seen how their REALTOR® had been rated by previous home sellers and buyers.

HOME SELLERS & THE INTERNET

- 47% of those who used the Internet in selling their home visited HAR.com.
- 74% of sellers who used the Internet used it to post detailed property information and 72% posted photos of their home.
- 66% of sellers said information they gathered on the Internet was as useful or more useful than that provided by the REALTOR®.
- 79% of sellers who used the Internet were very satisfied with their REALTOR®, which mirrored the response from sellers who did not use the Internet.
- 68% of sellers responded that it would be valuable to track the transaction online.
- 86% of sellers who used the Internet to sell their home are very likely to use it in a future home sale.

CHARACTERISTICS OF HOME BUYERS & HOMES BOUGHT

- 20% of home buyers has lived in the Houston area 10 years or less.
- 22% of buyers were under 40, and 54% were 50 years of age or older.
- 65% of buyers had at least a college education.
- The median ages of buyers is 52.
- 49% of home buyers has lived in the Houston area more than 30 years.

HOME BUYERS & THEIR BUYING EXPERIENCE

- 53% of home buyers were first-time purchasers.
- 76% of buyers said the “quality of the neighborhood” was very important in deciding where to buy, followed by convenience to their job (60%), quality of schools (59%) and convenience to family and friends (49%).

HOME BUYERS & THEIR REALTOR®

- 63% of home buyers used a REALTOR®, 14% bought directly from a builder and 15% bought directly from an owner.
- 51% of buyers found their REALTOR® via referral from friends, neighbors or coworkers.
- The most important factors in choosing a REALTOR® were their reputation, honesty and trustworthiness (43%), referral from a friend/neighbor/coworker (19%) and their knowledge of the market area (15%).
- The single thing buyers most wanted from their REALTOR® was help in finding the right home to purchase (26%), help with paperwork, inspections and closing (25%) and help in negotiating price and terms (11%).
- 39% of buyers never visited their REALTOR®’s office. 22% of buyers visited their REALTOR®’s office more than twice.
- 75% of buyers said they would find it beneficial or very beneficial to access ratings from REALTOR®’s previous clients.
- 84% of buyers said who used a REALTOR® were “very satisfied” with them, and 13% said they were “somewhat satisfied.”
- 86% of buyers would use a REALTOR® again and 82% of those would use the same REALTOR®.

HOME BUYERS & THE INTERNET

- 66% of Internet users visited the HAR.com site as part of the home buying process and 56% rated it as the most valuable in buying their home.
- 75% of Internet users searched online to learn about home prices, 71% for photos of homes and 68% for detailed property information.
- 69% of buyers described themselves as likely or very likely to use the Internet the next time they purchase a home.
- 73% of buyers thought the pricing information they found on the Internet was as good or better than the pricing information provided by their REALTOR®.

SURVEY METHODOLOGY

The HOUSTON ASSOCIATION OF REALTORS® (HAR) commissioned the UNIVERSITY OF HOUSTON'S CENTER FOR PUBLIC POLICY (CPP) to survey recent home sellers and buyers in the Houston metropolitan area on a number of subjects. Two survey instruments, one for home buyers and one for home sellers, were developed based on input from HAR, as well as similar questionnaires recently used by the NATIONAL ASSOCIATION OF REALTORS® and the CALIFORNIA ASSOCIATION OF REALTORS®.

Despite a sharp decline in many national real estate markets in 2007, the Houston area remained relatively stable, with modest appreciation of home-resale values and good sales levels over the year. This comparative favorable local market is reflected in continuing high levels of client satisfaction among both home sellers and buyers in our 2008 HAR survey. As was the case in our 2007 HAR survey, that satisfaction extended to the real estate professionals who assisted both sellers and buyers in completing their housing transactions.

HAR provided the CPP a list of more than 60,000 individuals who had recorded residential property transactions at local courthouses in 2007. The CPP drew a random sample from this list, and did telephone matches with the names and addresses selected. The CPP then pre-tested the survey instruments, and made final modifications before going into the field June 24th, 2008 and completing interviews on July 2nd.

A total of 601 telephone interviews were completed with persons who said they had bought or sold a home in the Houston area in the same time period, and had participated in the home selling or buying decision-making. The CPP conducted interviews with 301 persons who had purchased homes. Another 300 persons were interviewed who said they had sold a home. These interviews were done by the Survey Research Center at the CPP, under the direction of Dr. Richard Murray. For samples of this size the standard error is approximately +/- 5.7 percent.

This report contains eight chapters that focus on different aspects of the home selling and buying process.

Chapter 1:	Characteristics of Home Sellers
Chapter 2:	Home Sellers and the Selling Experience
Chapter 3:	Home Sellers and the REALTOR®
Chapter 4:	Home Sellers and the Internet
Chapter 5:	Characteristics of Home Buyers
Chapter 6:	Home Buyers and the Buying Experience
Chapter 7:	Home Buyers and the REALTOR®
Chapter 8:	Home Buyers and the Internet