

# Five Star Real Estate Agent Award



## Program Summary and Research Methodology

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Five Star Professional ♦ 2900 Lone Oak Parkway ♦ Eagan, MN 55121 ♦ 1-888-438-5782

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## **Program Summary & Research Methodology**

### **Program Summary**

Five Star Professional conducts market-specific research throughout the U.S. and Canada to identify service professionals who provide quality services to their clients.

Now entering its twelfth year, the Five Star Real Estate Agent program is the largest and most widely published real estate award program in North America, covering more than 40 major markets. Five Star Real Estate Agents for each market are listed at no cost in the leading city and regional magazine (city/metro markets only) and on [fivestarprofessional.com](http://fivestarprofessional.com)

Five Star award winners do not pay a fee to be included in the research or the final list of award recipients.

The chart in Appendix A provides a summary of the Five Star Real Estate Agent award program.

### **Research Objective**

The research objective is to develop a list of real estate agents in a given market who satisfy objective criteria that are associated with providing quality services to clients.

To receive the Five Star Real Estate Agent award, a real estate agent must satisfy five objective eligibility and evaluation criteria that are associated with real estate agents who provide quality services to their clients. The award process is conducted annually in each market. The final list of award recipients is not intended to be exhaustive.

### **Research Methodology**

The following steps define the process used to ensure that the research objective is met:

#### **A. Award Candidate Identification Process**

Award candidates are identified through nominations received by consumers and peers in the industry. Self-nominations are not accepted.

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1. Define Research Geography and Relevant Population of Recent Homebuyers

For city/metro markets, the partnering magazine publication defines the geographical area in which the magazine is distributed. For regional/national markets, we define the geographic bounds of each market, with some research areas limited to cities and others covering larger regions that stretch beyond any one metro area. This is typically a list of counties, but may also include a list of zip codes.

Within this geography, Five Star Professional defines the population of recent homebuyers to be surveyed as all area residents who purchased a home over a pre-defined minimum (\$100,000-\$200,000) within an eight to 36-month period depending on market size and sample size requirements.

Five Star Professional will survey industry peers (mortgage, insurance and real estate) with available email contact information.

2. Acquire Recent Homebuyer Lists

Once the geography and the population of recent homebuyers have been determined, the mail and phone data is acquired. The list of recent homebuyers is provided by an outside list provider.

3. Solicit Recent Homebuyer Evaluations

Five Star Professional administers a survey, by mail and/or phone, to recent homebuyers. Clients of real estate agents may also submit evaluations online. Each respondent is asked to evaluate only real estate agents with whom they have worked and evaluate them based upon ten criteria: customer service, integrity, market knowledge, communication, negotiation, closing preparation, post-sale service, finds the right home, marketing of home, and overall satisfaction. Additionally, respondents are asked whether they would recommend the agent to a friend. This information is incorporated into a client scoring algorithm as a cross check against their average rating. Recent homebuyers may evaluate up to two real estate agents in order to measure the experience associated with the purchase and sale side of a move.

4. Solicit Industry Peer Evaluations

Five Star Professional administers a survey by email to industry peers and professionals (mortgage professionals, insurance professionals and real estate professionals). Each respondent is asked to evaluate real estate agents with whom they have worked or have close, intimate knowledge of their business practice. Respondents are asked to evaluate them based upon four criteria:

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industry expertise, customer service skills, market knowledge, and negotiation skills. Additionally, respondents are asked whether they would recommend the agent to a friend if they were unable to provide real estate services. Each industry peer may evaluate up to five real estate agents.

5. Collect Evaluations and Verify Validity

Five Star Professional collects evaluations submitted via mail, phone and through Five Star Professional's web-based evaluation system. Five Star Professional's research staff reviews evaluations for completeness of required information and to guard against self-nomination.

6. Verify Award Candidate License and Contact Information

Each award candidate is matched to a real estate license number. Once found on the state license/registration site, each real estate agent's license status (active or non-active) and disciplinary history are noted. In order to be named a Five Star Real Estate Agent, an individual must hold a current real estate license and be in good standing.

Five Star Professional employees identify contact information, using company and other directories.

7. Assign Evaluation Score

After the consumer and peer evaluation surveys are received and the real estate agent's license, regulatory history, and contact information are determined, each real estate agent is given an Evaluation Score. Both favorable and unfavorable evaluations are incorporated. Safeguards are in place to eliminate any bias including; self-nominating, "back-scratching," and "stuffing the ballot."

**B. Selection Process**

1. Collect Award Candidate Data

Five Star Professional provides each award candidate with instructions to submit information about themselves and their practice, including specific data related to eligibility and selection criteria.\* They are required to certify the information they provide is accurate. Award candidates who satisfy the following five objective eligibility and evaluation criteria associated with providing quality services to their clients receive the Five Star Real Estate Agent award.

*Evaluation Criteria*

1. Qualifying evaluation rating

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### *Eligibility Criteria*

2. Actively licensed as a Real Estate salesperson
3. Actively employed as a licensed Real Estate salesperson for a minimum of three years
4. Favorable regulatory and complaint history review
5. Satisfies minimum production on a one year and three year basis (# of transactions and/or \$ value are considered)

\*Please note that previous year award recipients may not be required to update their candidate form information each year they are identified as a candidate. Updated information requests will be sent only to candidates with outdated or insufficient information on file.

### 2. Evaluate Award Candidates

Once the award candidate data forms are collected, award candidates are evaluated based on the 5 eligibility and evaluation criteria. Five Star Professional finalizes the preliminary list of Five Star Real Estate Agents to be no more than 7% of the real estate agents in the area.

### 3. Award Winner Notification

Five Star Real Estate Agent award winners are notified of their inclusion on the final list of award winners. Those candidates who do not qualify are also notified accordingly.

### **Award List Publication**

The contracting magazine publishes a special section, prepared by Five Star Professional, which describes the evaluation process and determination of award winners. For city/metro markets, the special section also presents the resulting list of Five Star Real Estate Agents. Five Star Real Estate Agents are also listed on [fivestarprofessional.com](http://fivestarprofessional.com).

Real Estate Agents do not pay a fee to be included in the research process or to be named a Five Star Real Estate Agent. In connection with publication of the article, real estate agents may elect to pay a fee to include certain profile information in the special section. For additional fees, Five Star Professional will provide real estate agents with other tools to further publicize being named a Five Star Real Estate Agent. A real estate agent's purchase of a profile or other services does not influence Five Star Professional's determination whether to include or exclude a particular real estate agent from any list of Five Star Real Estate Agents.

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## Appendix A –Five Star Real Estate Program Summary Chart

<b>Research Objective</b>		The research objective is to develop a list of real estate agents in a given market who satisfy objective evaluation and eligibility criteria that are associated with providing quality services to clients.
<b>Award Requirements</b>		To receive the Five Star Real Estate Agent award, a real estate agent must satisfy 5 objective evaluation eligibility criteria that are associated with real estate agents who provide quality services to their clients.
<b>Sources of Award Candidates</b>	<b>Clients</b>	Clients are defined as anyone who has purchased a home within the past 36 months. Clients are then provided an opportunity, through mail, phone and through an unsolicited online form to submit an evaluation
<b>Regulatory Review</b>		Regulatory reviews of reported complaints and disciplinary actions are conducted for each award candidate through the applicable state regulating agency.
<b>Award Evaluation &amp; Eligibility Criteria</b>		<p>Award candidates who move on in the process are asked to submit information related to 5 objective evaluation and eligibility criteria associated with providing quality services to clients. The following 5 criteria are used in determining the Five Star Real Estate Agent award winners:</p> <p><i>Evaluation Criteria:</i></p> <ol style="list-style-type: none"> <li>1) Qualifying client satisfaction rating. *</li> </ol> <p><i>Eligibility Criteria</i></p> <ol style="list-style-type: none"> <li>2) Actively employed as a licensed real estate agent for a minimum of three years.</li> <li>3) Satisfies minimum production on a yearly and three year basis (# of transactions and dollar value).</li> <li>4) Licensed as a Real Estate salesperson.</li> <li>5) Favorable regulatory and complaint history review.</li> </ol> <p>The specific numeric values for some of the objective criteria are determined after the real estate agents have submitted their real estate agent-provided data forms. For example, Five Star Professional will determine the minimum requirement for production after the data forms have been received. This helps assure a final list that is appropriately sized for the market, and it also allows Five Star Professional to accommodate the variations within different regions of the country.</p> <p>*Five Star Professional administers a survey, by mail, phone and through an unsolicited online form, to recent homebuyers (all area residents who purchased a home over \$100,000-\$200,000 within a 8-36 month period depending on market size). Recent homebuyers are then asked to evaluate a real estate agent they have worked with on ten criteria: customer service, integrity, market knowledge, communication, negotiation, closing preparation, finds the right home, marketing of home, post sale service and overall satisfaction. Additionally, respondents are asked whether they would recommend the agent to a friend. This information is incorporated into a scoring algorithm client satisfaction rating. Recent homebuyers may evaluate up to two real estate agents (buy and sell side).</p>
<b>Award List Publication</b>		Five Star Real Estate Agents for each market are listed at no cost in the leading city and regional magazine (city/metro market only) and on <a href="http://fivestarpromotional.com">fivestarpromotional.com</a> . Five Star award winners do not pay a fee to be included in the research or the final list of award recipients.

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