

ALTERNATIVE BROKER QUESTIONNAIRE

[SUMMARY OF DATA FROM MAY 13, 1980 PRINT-OUT]

(149 valid cases)

Your Name \_\_\_\_\_  
Name of Firm \_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_  
Position with Firm \_\_\_\_\_

Please check the block which best describes your operation.

(Number responding are in parentheses.)

(Missing are in brackets.)

- |    |           |  |     |
|----|-----------|--|-----|
| 1. | 56% (83)  | independent broker   | [0] |
| 2. | 40% (59)  | franchise broker   |     |
| 3. | 9.4% (14) | franchisor who also functions as a broker  |     |
| 4. | 3.4% (5)  | franchisor who does not function as a broker   |     |
| 5. | 2.7% (4)  | real estate consultant: this category is restricted to operations which do not require a real estate license (e.g., providing sale-by-owner information, assisting in placing advertisements). |     |

If you checked block 2, please provide the name and address of franchisor.

Franchisor's name \_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I. BACKGROUND INFORMATION

1. What real estate license(s) do you currently hold?

<u>Type</u>	<u>Date Obtained</u>	<u>State</u>
( ) broker (127)	Approx. Quartiles 68/74/77 (More than 50% 1974-1979)	32 states (123 responses)
( ) salespersons (20)	More than 50% 1976-1979	14 states (21 responses)
( ) none		



2. Prior to your present operation what was your real estate background?

		<u>Years</u>		
		<u>Mean/Mode</u>	<u>Approx. Quartiles</u>	
46 %	(69)	broker (traditional)	10/1	3/7/13 yrs
11 %	(17)	broker (alternative)	5/1	1/3/7 yrs
56 %	(84)	salesperson (traditional)	5/3	2/3/5 yrs
6.7%	(10)	salesperson (alternative)	4/2	1/2/5 yrs
5.4%	( 8)	appraiser	11/6	
.7%	( 1)	mortgage banker		
15 %	(22)	other, please state:		

3. Why did you decide to become an alternative broker? Check one or more boxes, appropriate.

- 49% (73) concentrate on that share of the market consisting of consumers interested in less than a full service package for a reduced commission rate
- 42% (62) potential for greater profitability
- 29% (43) greater efficiency per licensee
- 50% (75) cut expenses through elimination of costly and time consuming sales techniques, e.g., showing client's home
- 46% (69) other: \_\_\_\_\_

## II. COMPANY BUSINESS INFORMATION

(NOTE: This section is not applicable to franchisors who do not function as brokers or to real estate consultants)

1. Is your business a corporation - (84) 59%, partnership - (15) 11%, sole proprietorship. - (44) 31%
2. What year did your business commence operations as an alternative brokerage?

1977-14%	Mean	1977	[12 missing]
1978-30%	Mode	1979	
1979-34%			

3. List the total number of personnel employed by your firm in the following categories:

licensees  
brokers (122 responses)

Mean 1.9  
Mode 1  
Median 1.3

non-licensee specialists  
(140 responses)

Mean .136  
Mode 0  
Median .043

clerical  
(140 responses)

Mean .76  
Mode 0  
Median .42

salespersons (117 responses)

Mean 6.1  
Mode 1  
Median 3.4

How many licensees are full time? (128 responses)

Mean 5  
Mode 2  
Median 2.8

How many full time equivalents (FTE) are represented by your part time licensees? (114 responses)

Mean 6.5  
Mode 0  
Median .63

4. Licensees are paid:

7.9%	(10)	a salary
70%	(89)	on a commission basis
17%	(22)	combination salary and commission
4.7%	(6)	other; please explain:

---

---

---

---

Describe your firm's policy regarding in-house commission splits.  
(114 comments)

5. In your office: (check one)

- 79% (101) all licensees perform all office functions with little specialization
- 21% (27) all licensees are assigned specialized functions (e.g., licensee obtains listings; another procures buyers, etc)

If lower block is checked, please explain how such specialization operates why you have adopted this format.

---

---

---

---

6. How many offices does your business have? (139 responses)

Mean 1.3  
Mode 1  
Median 1.1  
Max. 7

7. Indicate the geographical area in which your business operates:

Area served  
state:  
county:  
metropolitan area:  
city:  
sub-city locality or  
neighborhood:

---

---

---

---

---

What is the approximate population of the metropolitan area?

- 17% (24) Under 100,000  
26% (36) 100,000-250,000  
15% (21) 250,001-500,000  
17% (24) 500,001-1,000,000  
26% (36) Over 1,000,000

8. Please list all Boards of Realtors of which you or your business are member (73, 49% relative frequency, indicated Board membership.)
9. Please list all multiple listing services of which you or your business are member. If Board membership is a prerequisite to membership in any of these please indicate. (64, 43% indicated MLS memberships; 56 indicated Board membership prerequisite.)
10. What real estate trade associations or professional organizations are you or business a member of (e.g., NAR, NARESA)? NAR - (61) 41%; NARESA - (12) 8%

III. MARKET AREA INFORMATION - 1978

(Note: This section is not applicable to franchisors who do not function as brokers or to real estate consultants)

This section concerns general information about the market in which your business operates. Responses you provide should be based on reliable statistical data when available; if unavailable, make estimates based on work experience.

1. Estimate the average price of all resale homes in your geographical area in 1978.

Mean	\$61,729	
Median	\$58,125	
Range	\$30,000 to \$150,000	[20 missing]

2. During the past 3 years the average sales price of homes (resale) in your market area has increased each year by about \_\_\_\_\_ %

Mean	14%	
Median	13%	[22]

3. How would you describe the current home sales (resale) market in your geographical area?

<u>buyer's market</u>	<u>seller's market</u>	<u>neither</u>
(88)	(19)	(33)
63%	14%	24%
		[adjusted frequency]

Answer questions 4-10 for the market for resale homes in your geographical area for 1978:

4. Estimate the percentage of homes sold by the following methods:

_____ %	sold with broker
	Mean 85%
	Mode 90%
	Min. 50%
	Median 88%
	[37 missing]

\_\_\_\_\_ % sold by owner (unassisted by broker)

5. Estimate the percentage of broker listings and sales involving the MLS, as indicated below:

\_\_\_\_\_ % of total broker listings were placed on the MLS

Mean	89%	
Median	91%	[67]

\_\_\_\_% of total MLS listings were sold during the listing period by listing  
ker or a cooperating broker (count only the listings during which the prop  
was sold)

Mean 66%  
Median 62% [71]

\_\_\_\_% of total MLS sales involved more than one broker (i.e., cooperating  
ker)

Mean 60%  
Median 60% [70]

6. Was there a typical commission rate?

<u>Yes</u>	<u>No</u>
(114)	(13)
90%	10%

If yes, the typical rate was \_\_\_\_%.

<u>C. R.</u>	<u>Responses</u>	<u>Adjusted Frequency</u>
5%	( 1)	1%
6%	(62)	55%
6.5%	( 7)	6%
7%	(42)	37%

Mean 6.4%

Estimate the percentage of all homes sold at this rate: \_\_\_\_%

Mean 89%

7. What was the average time of the listing agreements used? \_\_\_\_ days.

Mean 102 days  
Mode 90 days  
Min. 31 days  
Max. 186 days  
Median 90 days [33 missing]

8. What was the average time from listing to sale (count only the listing duri  
which the property was sold)? \_\_\_\_ days.

Mean 58 days  
Mode 45 days  
Min. 17 days  
Max. 180 days  
Median 56 days [45]

9. What was the average sale price of a home as a percentage of its listing pr  
ce? \_\_\_\_%.

Mean 94%  
 Mode 95%  
 Median 95% [51]

10. What was the approximate average number of sales per licensee in 1978? \_\_\_\_\_

Mean 8.4  
 Mode 3  
 Median 5.7 [95]

IV. COMPANY MARKETING OPERATIONS AND STATISTICS

(Note: This section is not applicable to franchisors who do not function as brokers or to real estate consultants)

All questions are with regard to 1978 residential resales. Answers should be based on reliable statistical data, when available. If unavailable, answers should be based on work experience.

This part of the questionnaire has been designed so that more than one marketing plan can be described if your firm offers more than one plan to consumers.

If you offer just one plan, fill in subsection A (Marketing Plan A) and skip to subsection C. Ignore the column for Marketing Plan B in subsection D.

If you have two marketing plans available to consumers, fill in subsections A and B, describing one plan in each subsection.

If you have more than two marketing plans available to consumers, please describe those plans on additional pieces of paper. Further columns can be added to subsection D.

Listing Plans Available to Sellers From Your Company

A. Marketing Plan A

1. Fee to seller \_\_\_\_\_ % or \$ \_\_\_\_\_.

<u>Percentage</u>		<u>Amount</u>	
Mean	3.5%	Mean	\$ 961
Mode	3%	Mode	\$ 500
Min.	1%	Min.	\$ 400
Max.	6%	Max.	\$2500
Median	3.5%	Median	\$ 850
	(53 responses)		(88 responses)

2. a. Is listing placed on MLS? (circle one)

<u>Yes</u>	<u>No</u>
(36)	(101)
26%	74%



b. If MLS is used, what split is offered to cooperating brokers? \_\_\_\_\_ %  
 \$\_\_\_\_\_.

<u>Percentage</u>	<u>Amount</u>
Mean 53%	Mean \$700
Mode 50%	Mode \$500
Median 50%	Median \$600
(37 cases)	(7 cases)
(22, 60%, were at 50% mode.)	

c. Does the total fee to the seller decrease if no cooperating broker is  
 ved?

<u>Yes</u>	<u>No</u>
(10)	(104)
9%	91%

Explain terms.

---



---



---



---



---



---

3. Indicate whether your marketing plan includes the following terms. (Circle  
 applicable)

	<u>Yes</u>	<u>No</u>
a. Seller shows own home.	76% (104)	24% (33)
b. Seller pays for all ads.	11% ( 15)	89% (121)
c. Advance fee required.	40% (54)	60% (80)
d. Exclusive right to sell listing agreement used.	89% (124)	11% (15)

e. Other terms which may differ from traditional brokerage firms.

(64 comments)

---



---



---



---



---

B. Marketing Plan B

1. Fee to seller \_\_\_\_\_ % or \$ \_\_\_\_\_ .

<u>Percentage</u>	<u>Amount</u>
Mean 4.1%	Mean \$1059
Mode 3%	Mode \$ 800
Min. 2%	Min. \$ 300
Max. 6%	Max. \$2700
Median 4% (31 cases)	Median \$9500 (34 cases)

2. a. Is listing placed on MLS?

<u>Yes</u>	<u>No</u>
36% (24)	64% (42)

b. If MLS is used, what split is offered to cooperating brokers? \_\_\_\_\_ % or \$\_\_\_\_\_.

<u>Percentage</u>	<u>Amount</u>
Mean 54%	Mean \$900
Mode 50% (26 cases)	(44 cases)
(14, 54%, were at 50% mode.)	[Coding error probable]

c. Does the total fee to the seller decrease if no cooperating broker is involved?

<u>Yes</u>	<u>No</u>
23% (12)	77% (41)

Explain terms. (26 comments)

---



---



---



---



---



---

3. Indicate whether your marketing plan includes the following terms. (Circle as applicable)

	<u>Yes</u>	<u>No</u>
a. Seller shows own home	64% (45)	36% (25)

	<u>Yes</u>	<u>No</u>
b. Sellers pays for all ads	12% (8)	88% (60)
c. Advance fee required	42% (28)	58% (39)
d. Exclusive right to sell listing agreement used	87% (60)	13% (9)
e. Other terms which may differ from traditional brokerage firms. (23 comments)		

---



---



---



---



---



---

C. Selling of Other Brokers' MLS Listings

1. If you sell other broker's listings, do you keep the full split offered by

<u>Yes</u>	<u>No</u>
70% (64)	30% (27)

2. If you offer a buyer's plan (example: a rebate to buyers), please indicate terms of such plan.

a. Amount of split kept by your firm: \$ \_\_\_ or \_\_\_ % of selling price or of full commission

<u>Dollar Amount</u>	<u>Percentage of Selling Price</u>	<u>Percentage of Full Commission</u>
Mean \$ 811	Mean 2.2%	Mean 42%
Mode \$ 1000 (4)	Mode 2% (3)	Mode 50%
Min. \$ 400	Min. 1%	Min. 15%
Max \$ 1100 (9 cases)	Max. 5% (11 cases)	Max. 50% (6) (12 cases)

b. Amount of split rebated to buyer (explain):  
(23 cases)

---



---



---



---



---



---

3. a. As part of its normal activities does your firm actively attempt to sell homes listed by other brokers?

<u>Yes</u>	<u>No</u>
41%	59%
(51)	(74)

- b. Reasons (explain):

---



---



---



---



---



---

[Many firms began after 1978. The periods covered by the respondents therefore varied for the questions below.]

<u>Period</u>	<u>Responses</u>	<u>Adj. Freq.</u>
All 1978	(53)	47%
Partial 1978	(24)	21%
78 & 79	( 4)	3.5%
All 1979	(33)	29%

4. How many sales by your company in 1978 involved other brokers' listings? \_\_\_\_\_ #

Mean	11
Max.	166
Mode	0 (38)

(79 cases)

#### D. Listing/Sales Statistics

1. Total number of listings in 1978:

##### Marketing Plan A

##### Number

Mean 125  
Mode 40  
Min. 0  
Max. 680  
Median 6  
(78 Cases)

##### Marketing Plan B

##### Number

Mean 24  
Mode 0  
Max. 200  
Median 12  
(24 cases)

2. Number/percentage of your listings sold in 1978:

<u>Marketing Plan A</u>		<u>Marketing Plan B</u>	
<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>
Mean 58	Mean 57%	Mean 10	Mean 36%
Mode 0	Mode 0%	Mode 0	Mode 0%
Max. 370	Max. 99%	Max. 43	Max. 93%
Median 25 (67 cases)	Median 63% (66 cases)	Median 5.3 (17 cases)	Median 35% (16 cases)

3. Number/percentage of the sales of your listings which were sold by other (cooperating) brokers:

<u>Marketing Plan A</u>		<u>Marketing Plan B</u>	
<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>
Mean 8.6	Mean 21%	Mean 4.7	Mean 21%
Mode 0	Mode 0%	Mode 0	Mode 0%
Max. 166		Max. 32	Max. 75%
Median 2 (64 cases)	Median 8.5% (54 cases)	Median .67 (15 cases)	Median 1.9% (14 cases)

4. Average commission charged on your listings:

<u>Marketing Plan A</u>		<u>Marketing Plan B</u>	
<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Mean \$1039	Mean 3.4%	Mean \$1164	Mean 3.9%
Mode \$1000	Mode 3%	Mode \$900	Mode 3%
Min. \$300		Min. \$300	
Max. \$4000		Max. \$3000	
Median \$930 (52 cases)	Median 3.2% (40 cases)	Median \$925 (11 cases)	Median 4.0% (14 cases)

5. Average sales price of your listings:

<u>Marketing Plan A</u>	<u>Marketing Plan B</u>
Mean \$59,707	Mean \$53,900
Mode \$50,000	Mode \$50,000
Min. \$30,000	Min. \$25,000
Max. \$150,000	Max. \$95,000
Median \$52,167 (82 cases)	Median \$50,500 (20 cases)

6. Average term of listing contract:

Marketing  
Plan A

Mean 94 days  
Mode 90  
Min. 30  
Max. 360  
Median 90  
(84 cases)

Marketing  
Plan B

Mean 97 days  
Mode 90  
Min. 60  
Max. 180  
Median 92  
(20 cases)

7. Average time to sell for your listings:

Marketing  
Plan A

Mean 47 days  
Mode 45  
Min. 11  
Max. 180  
Median 45  
(82 cases)

Marketing  
Plan B

Mean 47 days  
Mode 45  
Min. 13  
Max. 90  
Median 45  
(18 cases)

8. Average ratio of sale price to listing price for your listings which were sold:

Marketing  
Plan A

Mean 94%  
Mode 95%  
Median 96%  
Max. 99%  
(84 cases)

Marketing  
Plan B

Mean 96%  
Mode 95%  
Median 95%  
Max. 99%  
(17 cases)

9. Please estimate the percentage of your listings which were obtained from the following sources:

a. Newspaper advertising: Mean 35%  
Mode 10%  
Min. 0%  
Max. 99%  
Median 25%  
(103 cases)

b. Radio/T.V. advertising: Mean 9.7%  
Mode 0%  
Max. 75%  
Median .37%  
(103 cases)

- c. Past customers returning: Mean 10%  
Mode 0%  
Max. 90%  
Median 4.6%  
(103 cases)
- d. Referrals: Mean 19%  
Mode 0%  
Max. 99%  
Median 10%  
(103 cases)
- e. For sale signs: Mean 9.4%  
Mode 0%  
Max. 50%  
Median 5.3%  
(102 cases)
- f. Solicitation by agents: Mean 9.6%  
Mode 0%  
Max. 96%  
Median .4%  
(103 cases)
- g. (other):  
  

	%
	%
	%

10. Please estimate the percentage of your buyers which were obtained from the following sources:

- a. Newspaper advertising: Mean 37%  
Mode 50%  
Min. 0%  
Max. 99%  
Median 33%  
(101 cases)
- b. Radio/T.V. advertising: Mean 2.9%  
Mode 0%  
Max. 50%  
Median .33%  
(101 cases)
- c. Past customers returning: Mean 6.6%  
Mode 0%  
Max. 90%  
Median .47%  
(101 cases)

d. Referrals: Mean 8.1%  
 Mode 0%  
 Max. 60%  
 Median 4.7%  
 (99 cases)

e. For sale signs: Mean 30%  
 Mode 20%  
 Min. 0%  
 Max. 90%  
 Median 26%  
 (100 cases)

f. MLS: Mean 7.9%  
 Mode 0%  
 Max. 70%  
 Median .19%  
 (100 cases)

g. (other):  
 (15 cases) \_\_\_\_\_ %  
 \_\_\_\_\_ %  
 \_\_\_\_\_ %  
 \_\_\_\_\_ %

E. Firm Performance

1. How would you rate the profitability of your firm?

52% (64) Marginal  
 40% (49) Average profitability  
 9% (11) Very profitable

2. If you have had experience with traditional brokerage firms, how would you compare your profitability to the average traditional firm?

41% (47) Less profitable  
 22% (25) The same  
 23% (27) More profitable  
 15% (17) No experience with traditional firm

3. Please estimate the percentage of work time spent by people in your firm in the following functions:

a. Obtaining listings:

Mean 48%  
 Mode 50%  
 Min. 3%  
 Max. 99%  
 Median 49%  
 (120 cases)



b. Selling (including showing):

Mean 30%  
Mode 20%  
Min. 3%  
Max. 80%  
Median 25%  
(99 cases)

c. Closing (all time after buyer and seller agree to terms):

Mean 28%  
Mode 10%  
Min. 1%  
Max. 90%  
Median 20%  
(108 cases)

4. If you have had experience with traditional brokerage firms, please estimate time spent by the average traditional firm in the same functions:

a. Obtaining Listings:

Mean 37%  
Mode 30%  
Min. 6%  
Max. 90%  
Median 31%  
(91 cases)

b. Selling (including showing):

Mean 46%  
Mode 40%  
Min. 8%  
Max. 80%  
Median 41%  
(90 cases)

c. Closing:

Mean 18%  
Mode 10%  
Min. 2%  
Max. 70%  
Median 15%  
(85 cases)

5. a. If you place your listings on the MLS, is your ratio of cooperative sales total sales less than the average for the MLS?

Yes

No

52%  
(23)

48%  
(21)

(44 cases)

b. Please explain the reasons:  
(43 comments)

---

---

---

---

6. If you do not place your listings on the MLS, please explain the major reason(s).  
(91 comments)

---

---

---

---

7. Indicate the principal areas in which you have lowered your costs relative to the traditional brokerage firms. (Check one or more)

- (99) client shows own home
- (17) client pays for advertising
- (62) greater efficiency in use of licensees
- (61) other - explain:

---

---

---

---

F. Trends

1. a. Is your firm experiencing yearly growth in numbers of listings?

Yes

No

77%  
(79)

23%  
(24)

b. Average yearly growth last 3 years or since you have been an alternative broker: \_\_\_\_\_%.

Mean 14%  
 Mode 0%  
 Max. 80%  
 Median .43%  
 (89 cases)

c. Is this more than or less than the area average?

<u>more</u>	<u>less</u>
65%	35%
(24)	(13)

d. Please explain any unusual patterns of growth that you have experienced (61 comments)

---

---

---

---

2. Please indicate the impact of a "buyers'" versus "sellers'" market on your business:

a. If you place listings on the MLS, did your percentage of cooperative sales total sales change during the last "buyers' market (1974 or other \_\_\_\_\_)

<u>Yes</u>	<u>No</u>
68%	32%
(17)	(8)

b. Direction of change: (check one)

More cooperative sales 60% (15)  
Fewer cooperative sales 40% (10)

c. Reasons for change if known:

(26 comments)

---

---

---

---

---

3. a. If you have experience with traditional brokerage firms, evaluate the relative impact of the last "buyers'" market on the profitability of your firm versus the profitability of the average traditional firm during such market: (check one)

(23) Profitability relatively better than traditional firm  
(16) The same  
(11) Relatively worse  
(12) No experience with traditional firm

b. Reasons for differences if known:  
(34 comments)

---

---

---

---

V. PROBLEMS

(NOTE: This section is not applicable to franchisors who do not function as brokers).

This section concerns problems your business may have experienced because of your alternative brokerage practices. Indicate only those problems you believe occur because you are an alternative broker (not problems which all brokers in your area are likely to experience).

For each problem, place checkmarks in the two "Frequency" columns: "First Year" (of operations) and "Present". If you are in your first year of operations, write "NA" in the "Present" column.

If you wish, you may include brief written descriptions of any special or particularly serious problems you have (attach sheet(s), and any documents or exhibits you believe important to this questionnaire).

LARO:PRR:msk:efg#37:7/9/81

Problem	Frequency (First Year)			Frequency (Present)		
	Frequent	Occasional	Never	Frequent	Occasional	Never
1. Angry criticism or personal threats	41.7% (50)	45% (54)	13.3% (16)	29.5% (26)	42% (37)	28.4% (25)
2. Vandalism (example: destruction of signs)	18.3% (21)	69.9% (90)	29.9% (24)	11.8% (10)	57.6% (49)	30.6% (26)
3. Unfair grievance proceedings or legal action (threatened or actual)	9.6% (11)	32.5% (37)	57.9% (66)	6.0% (5)	32.5% (27)	61.4% (51)
4. Disparagement of your business (to clients or prospective clients)	73.6% (89)	19.8% (24)	6.6% (8)	58.4% (52)	30.3% (27)	11.2% (10)
5. Lost or cancelled listings resulting from disparagement in #4	42.2% (49)	40.5% (47)	17.2% (20)	38.4% (33)	40.7% (35)	20.9% (18)
6. Lost listings resulting from other licensees soliciting your clients ("pirating")	40% (46)	40.9% (47)	19.1% (22)	40% (34)	38.8% (33)	21.2% (18)
7. Refusals by other brokers to show homes listed by your business	53.4% (55)	31.1% (32)	15.5% (16)	48.6% (35)	34.7% (25)	16.7% (12)
8. Alteration by other brokers of your terms of cooperation (example: a broker writes an offer calling for him to receive a 3% commission, when you offered him only 1%)	19.4% (21)	31.5% (34)	49.1% (53)	18.2% (14)	29.9% (23)	51.9% (40)

	Frequency (First Year)			Frequency (Present)		
	Frequent	Occasional	Never	Frequent	Occasional	Never
9. "Discriminatory" splits from other brokers (example: a broker who normally splits 50/50 with cooperating brokers offers you only 10/90 splits because you charge reduced rates)	24.7% (24)	19.6% (19)	55.7% (54)	19.7% (14)	26.8% (19)	53.5% (38)
10. Refusals by Board of Realtors to enforce ethical standards	18.6% (18)	17.5% (17)	63.9% (62)	22.2% (16)	19.4% (14)	58.3% (42)
11. Refusals by state agencies to enforce law standards to protect you	18.3% (18)	7.3% (8)	74.3% (81)	23.4% (18)	5.2% (4)	71.4% (55)
12. Discriminatory law enforcement by state agencies against you (including, if applicable, threats of or actual removal of your license)	10.6% (12)	8.0% (9)	81.4% (92)	12.3% (10)	6.2% (5)	81.5% (66)
13. Consumer belief that commission rates are fixed by law or are otherwise non-negotiable	62.2% (74)	30.3% (36)	7.6% (9)	51.2% (42)	41.5% (34)	7.3% (6)

14. Denied approval by government agencies for your advertising (or requirement that you change your ads substantially) (Circle one) Yes 20.2% No 79.8%  
(26) (103)

15. Refusals by media (news-papers, radio, etc.) to run your ads (or requirement that you change your ads substantially) (Circle one)

Yes 34.1% (47)      No 65.9% (91)

16. Denial of membership in an MLS (Circle one)

Yes 12% (15)      No 88% (110)

17. Describe any other problems briefly, including a discussion of their frequency, if appropriate (attach sheet(s) if needed)

(83 Comments)

---

---

---

---

---

---

---

---

---

---

18. a. Are any of the above problems the result of group action (that is, two or more brokers or others acting together)? (circle one): Yes 46.6% (48)      No 53.4% (55)

b. If yes, indicate which problems by writing the numbers from the above problems list next to the kind of group action that applies.

Formal action by Board of Realtors

Action by groups of Board members meeting together in Board facilities (such as Board offices)

Action by groups of Board members brought together because of common Board activities (such as MLS meetings, Board meetings, etc.)

Action by groups not affiliated with Boards of Realtors

Action by groups of brokers affiliated with a single firm or franchise organization (including different offices of the same firm)

Other group action or other sources of problems not covered above (describe below):

Multiple horizontal lines for handwritten input.

19. List the three most important problems, with the most important first (use numbers from above problems list) (1) (2) (3)



Answer to Question 19

(1)	<u>Prob. No.</u>	<u>Responses</u>
	4	(25)
	6	(11)
	1	(5)
	3	(4)
	5	(4)
	7	(4)
		(67 Total Responses)
(2)	5	(17)
	4	(14)
	7	(7)
	6	(5)
	2	(4)
	13	(3)
		(60 Total Responses)
(3)	6	(14)
	4	(9)
	7	(9)
	5	(8)
	1	(3)
	9	(3)
	13	(3)
		(58 Total Responses)

# A Staff Report to the Federal Trade Commission

---

## Consumers' Experiences with Real Estate Brokers: A Report on the Consumer Survey of the Federal Trade Commission's Residential Real Estate Brokerage Investigation

by  
Gerard R. Butters\*  
Bureau of Economics  
Federal Trade Commission

November, 1983

The Consumer Survey was designed by Paul Roark and Thomas Papageorge of the Los Angeles Regional Office of the Federal Trade Commission, with assistance from Gary Ford, a consultant to the Bureau of Economics. The survey was conducted by National Family Opinion, Inc. Preliminary data analysis was done by National Family Opinion and by Gary Ford. The author's contribution was restricted to finishing the data analysis and writing the report.

\* The Commission has not adopted the report in whole or in part. Hence, all statements and conclusions contained herein are solely those of the author.