

Consumer Research Panel

Helping shape the future of real estate in Houston



**Transaction
Closing Survey**

October 2014





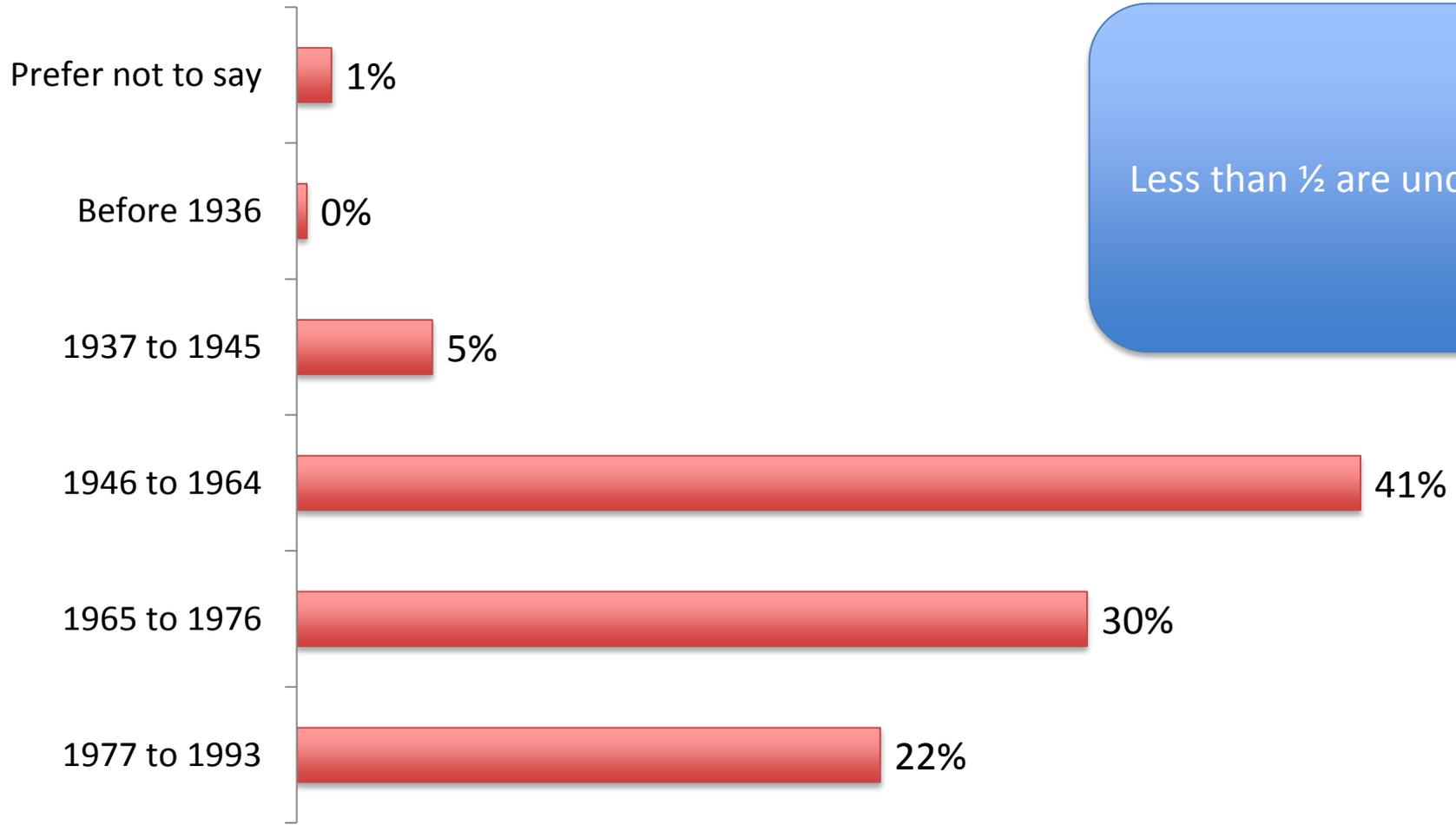
Response Profile

Panel Size:	7324
Responses Received:	1090
Response Rate:	14.9%

Key Observations

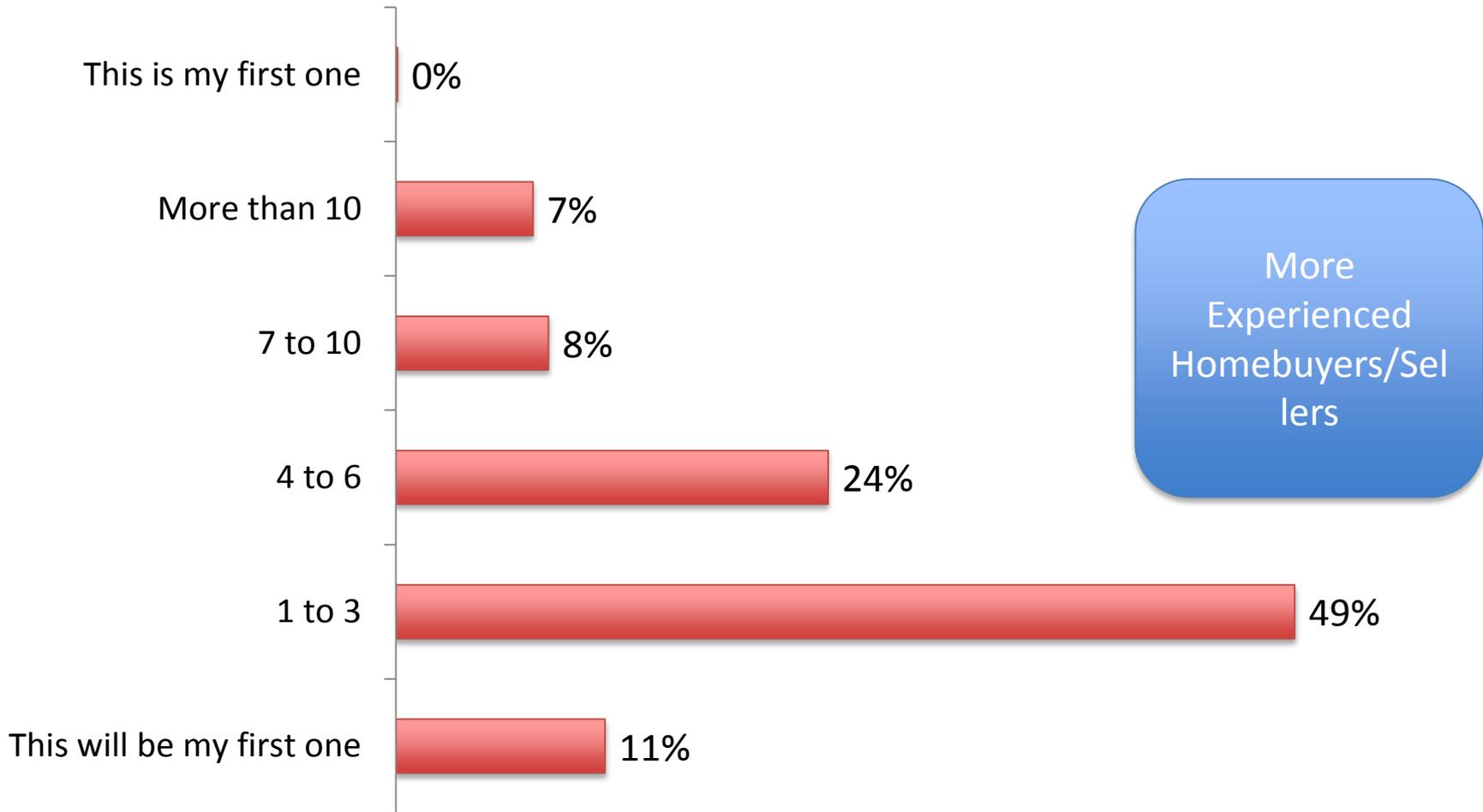
- Consumers are VERY interested in access to transaction progress online and notifications of progress
- Consumers want access to Electronic Signatures even AT the closing table
- Overall satisfaction with closing process is solid, but could be stronger; Likelihood to work again with their agent not as high as desired
- Many concerns about accuracy of data and role of mortgage and title company in process
- Thought of as a somewhat stressful business transaction, not a joyful milestone

In what year were you born?

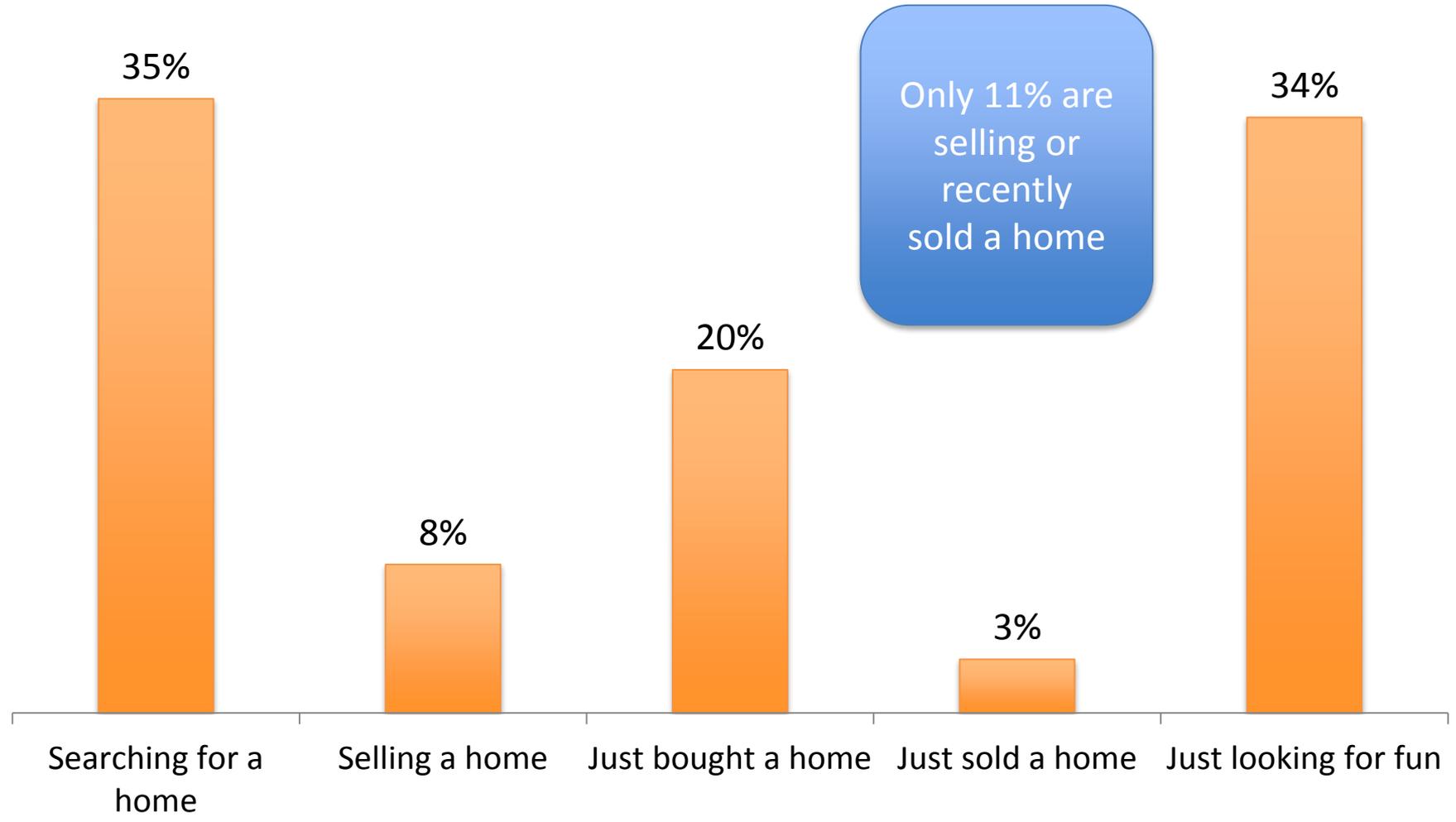


Less than 1/2 are under 40

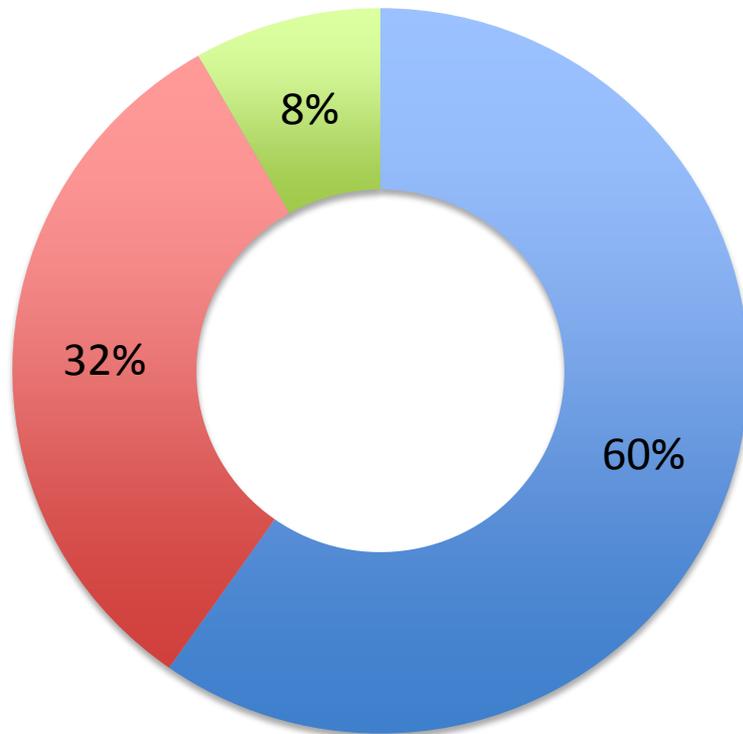
How many homes have you bought/sold?



What best describes your current recent real estate interest?



How well did your real estate agent educate you about each step of the closing process when you started working with them?

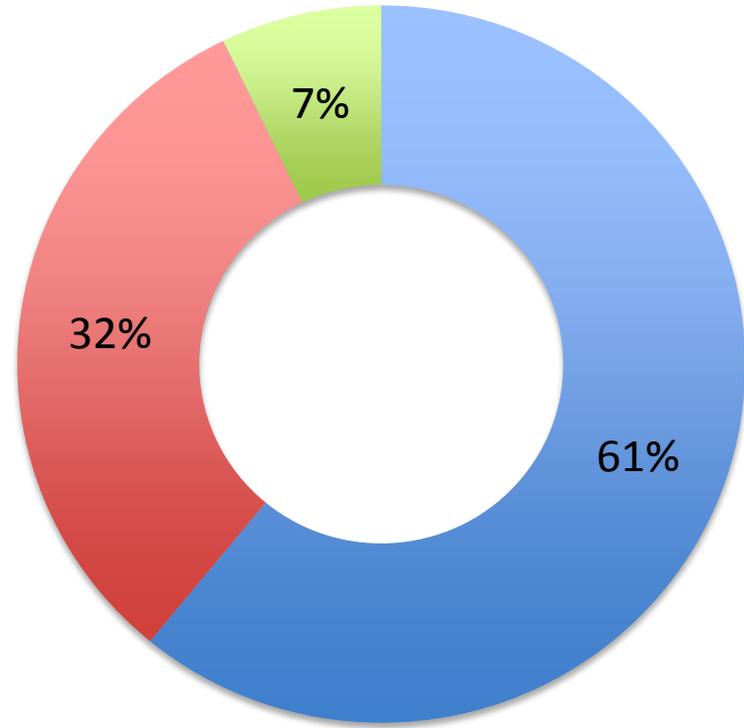


4 out of 10 did not feel well educated about the closing process

- Very well
- Somewhat
- Not very well

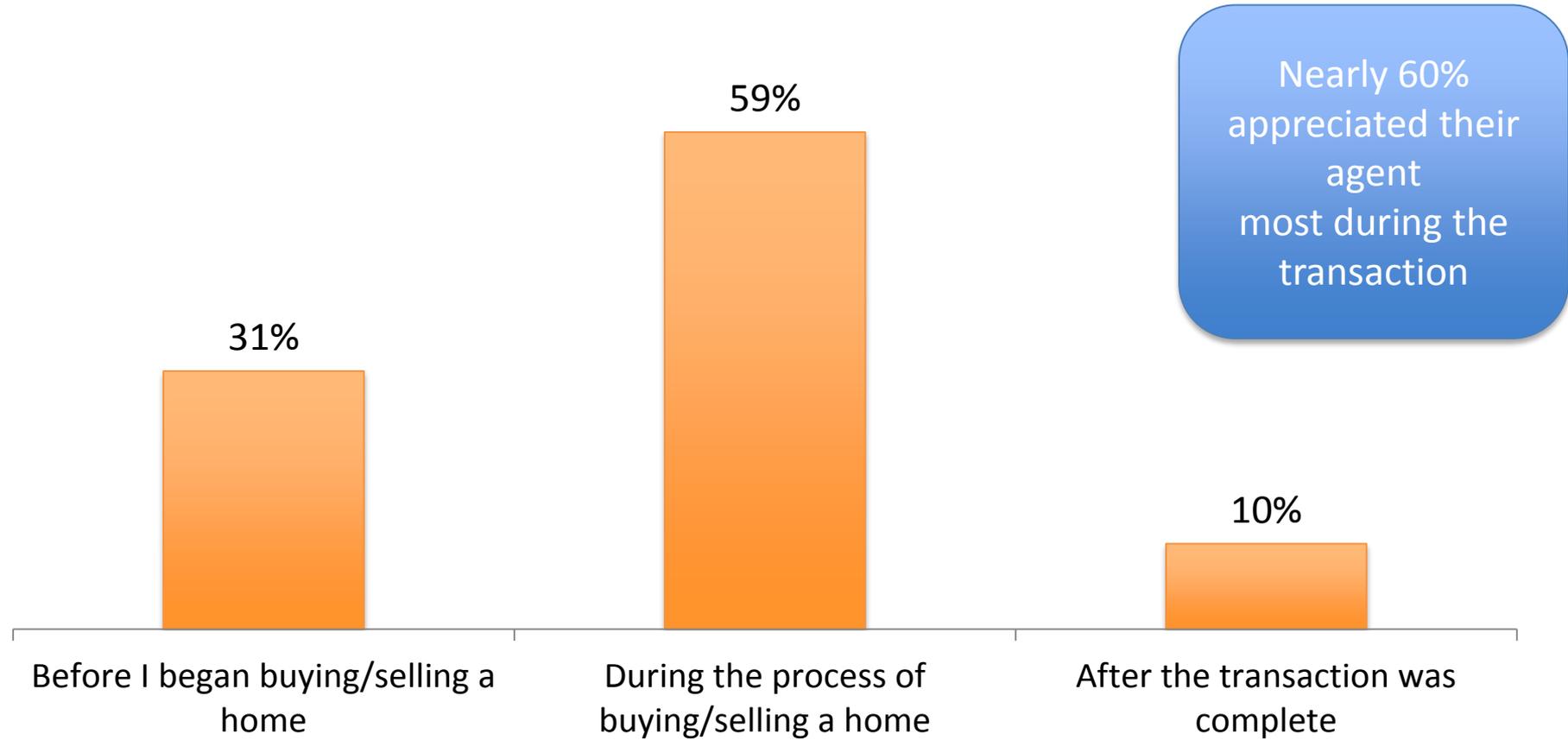
How much would you have appreciated your agent educating you about each step of the closing process when you started working with them?(For those that did not feel well educated)

About 2/3 of those that did NOT feel well-educated would like to know about the closing process before hand



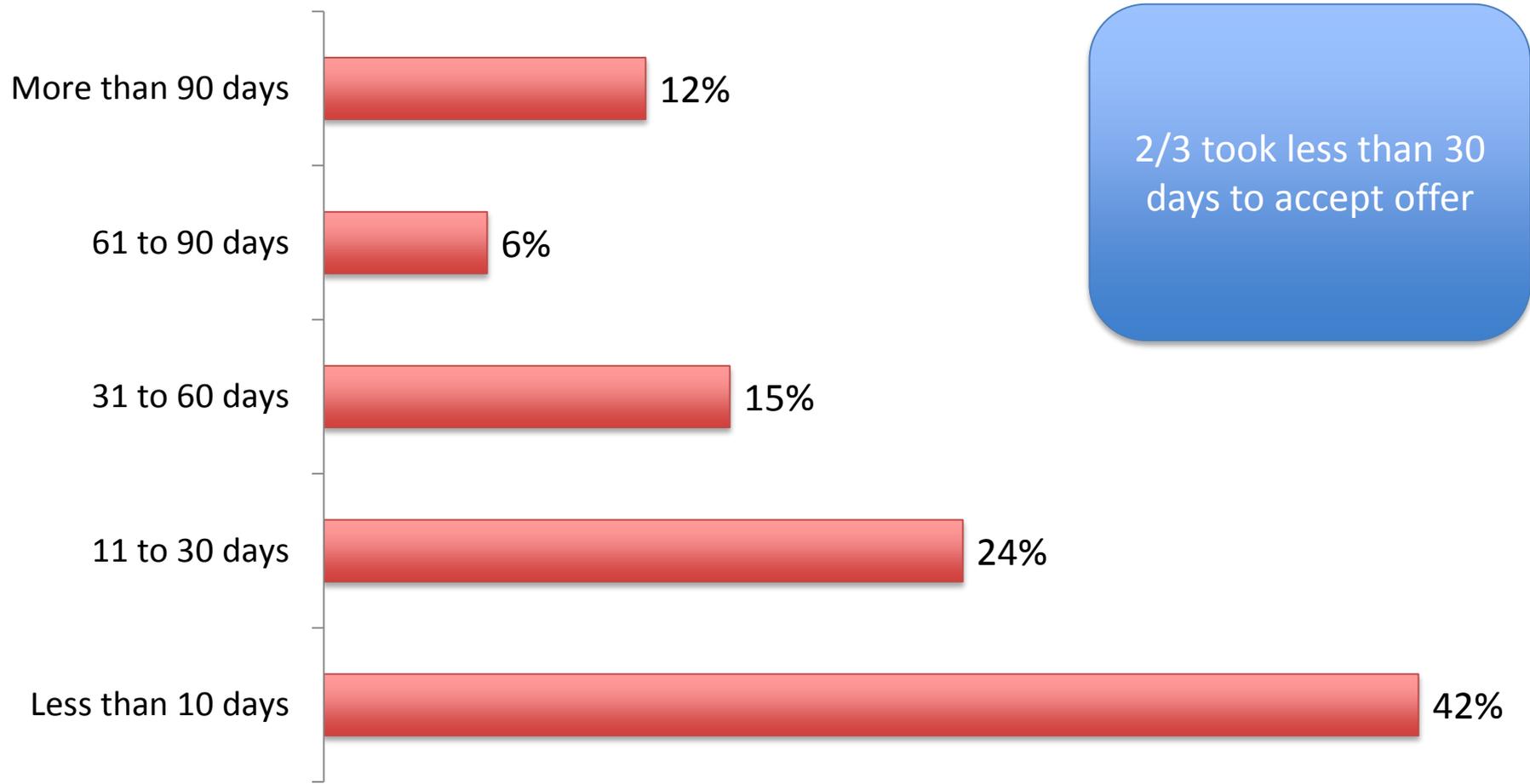
- Very much
- Somewhat
- Not Much

When did you appreciate/understand your agent's level of expertise, experience, competence and professionalism most; Before, during or after your transaction was completed?

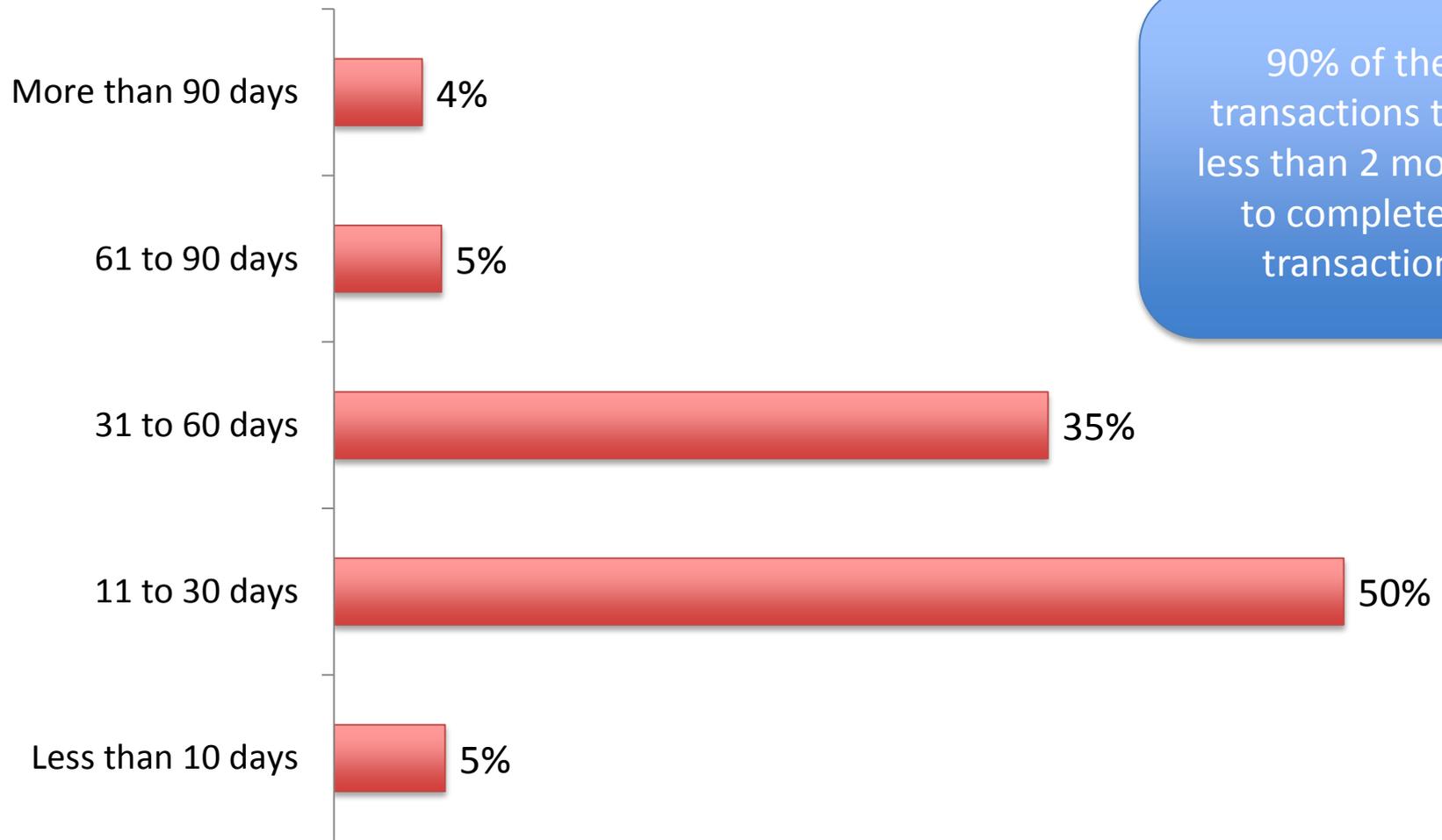


Nearly 60% appreciated their agent most during the transaction

How long did it take from the beginning of the process until the date of an ACCEPTED offer?

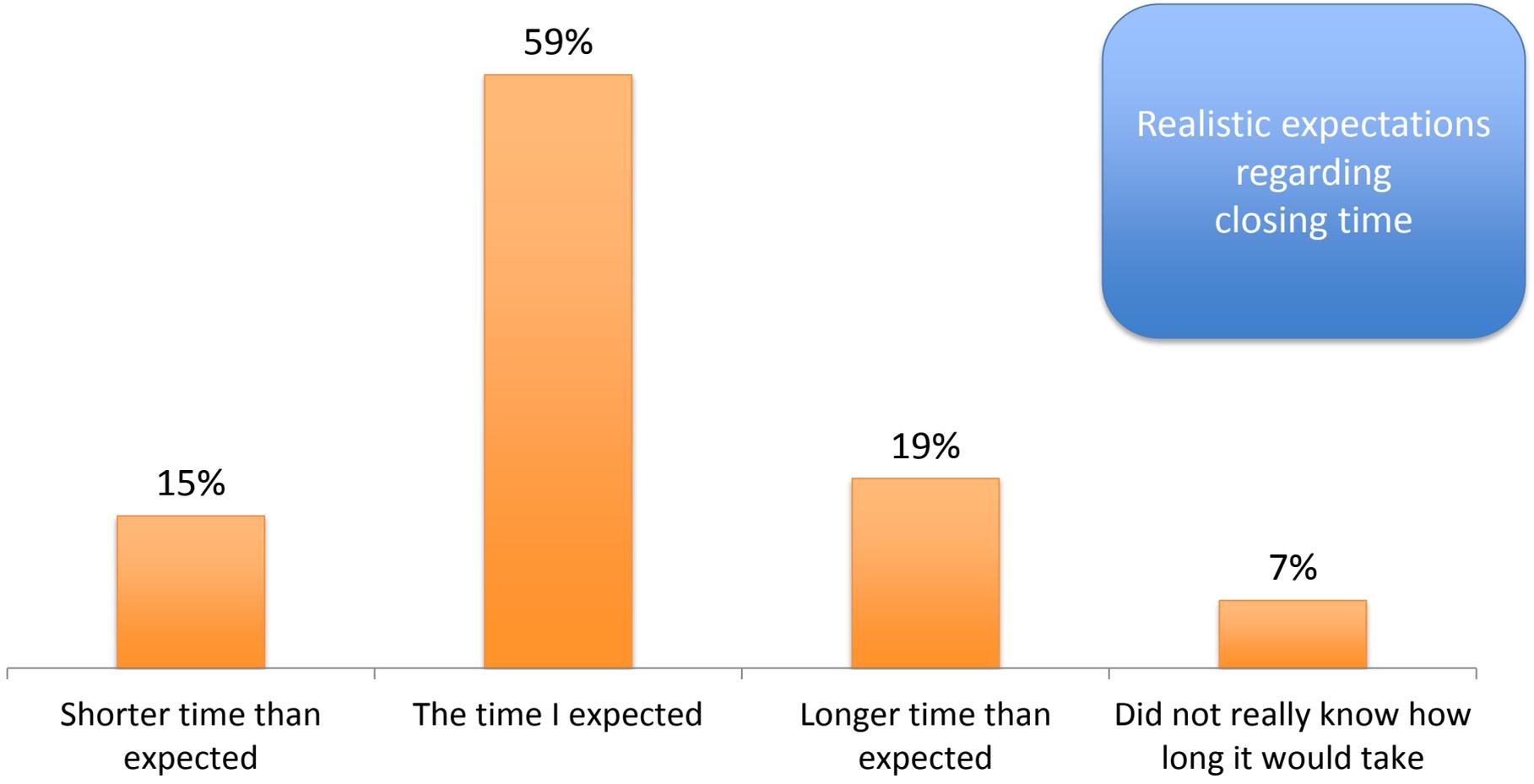


How long did it take to close/complete your transaction AFTER the accepted offer?



90% of the transactions took less than 2 months to complete a transaction

How would you describe the time span from an accepted offer until the time of the final closing event?



In your opinion, why did your closing take longer than you expected? (Please choose all that apply) (For those who said closing took longer)

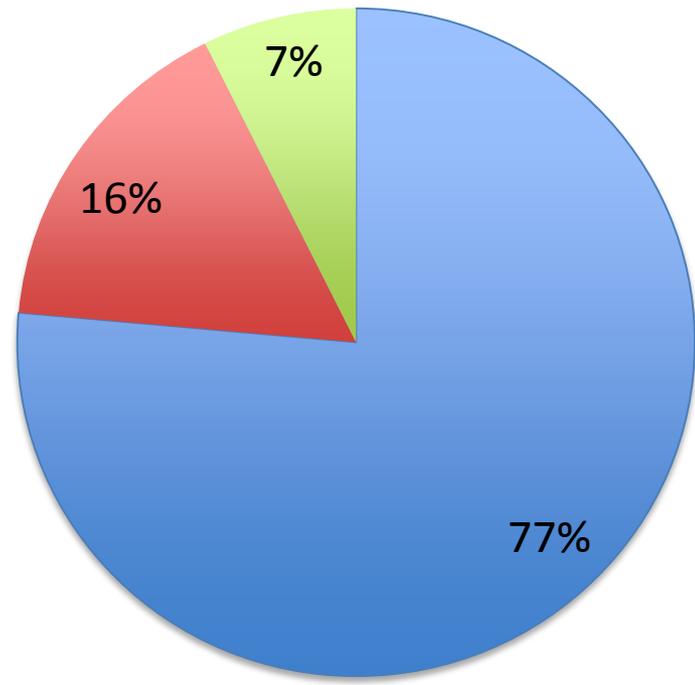


Financing is a key component of delays; More likely to blame the other agent than their own

Others:
Builder delays
Sellers needed more time
Buyers needed more time

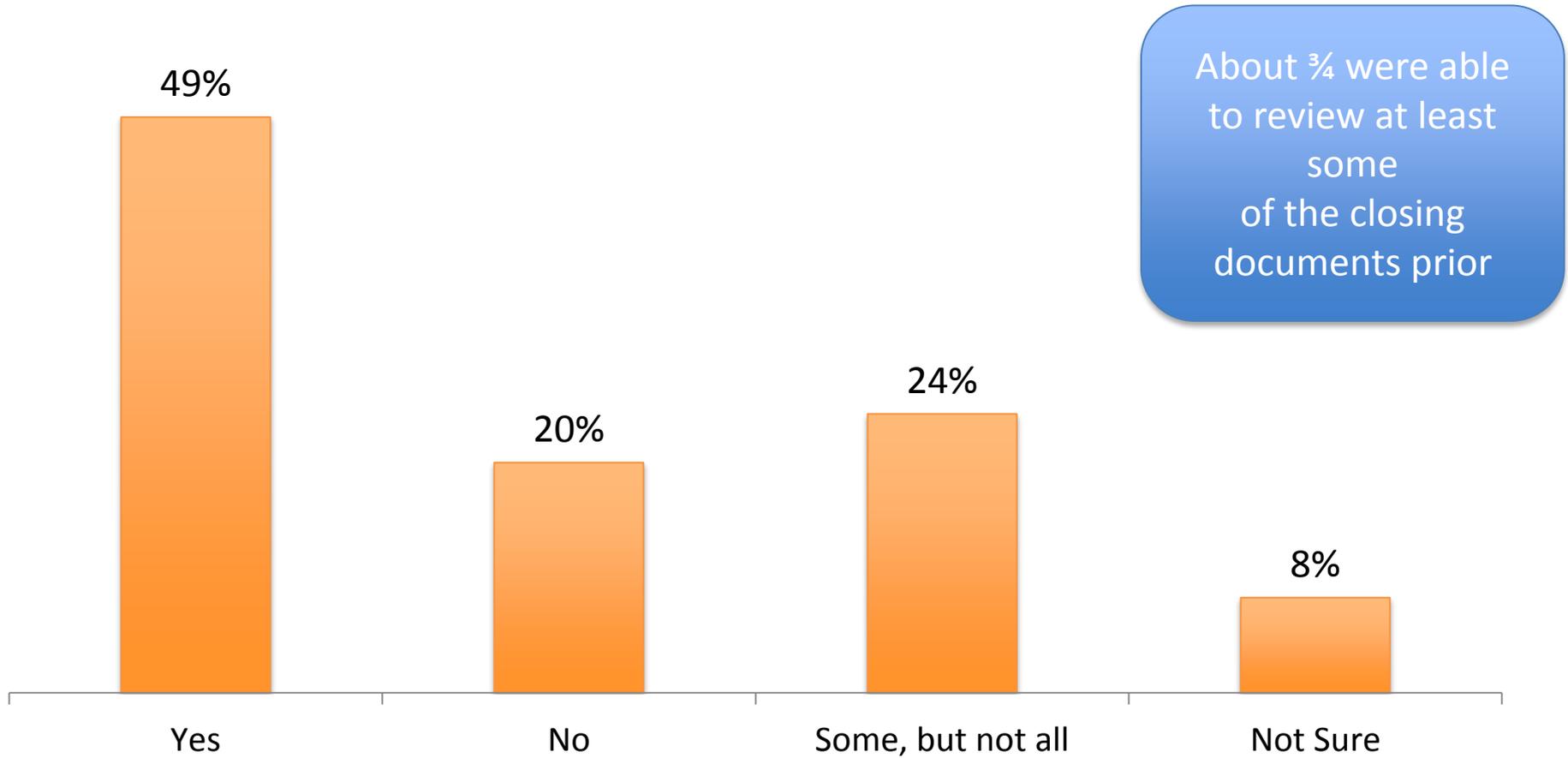
How interested would you have been in electronically executing/signing in advance the closing documents that don't require a witness?

93% interested in electronic/signing in advance



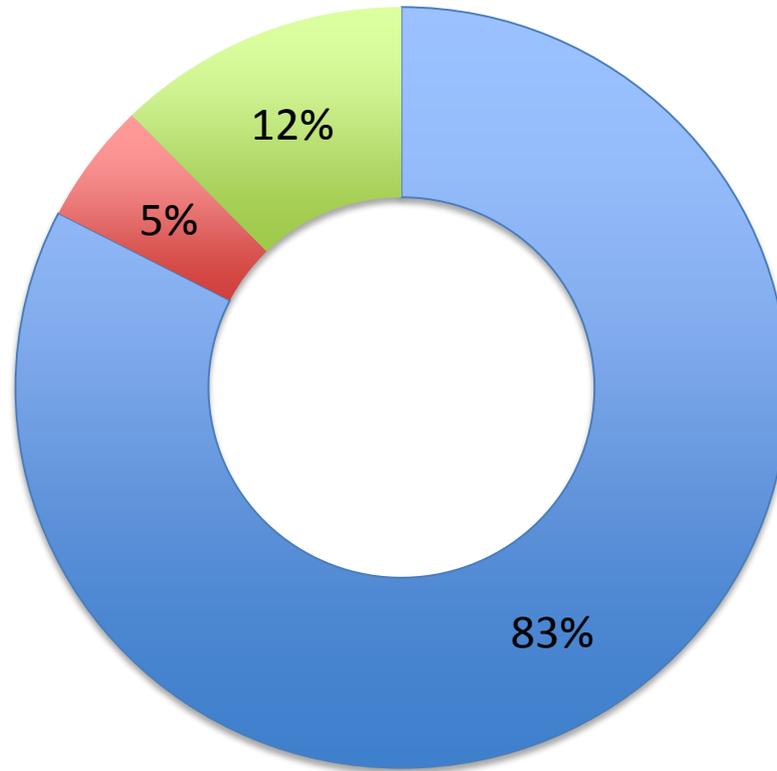
- Very interested
- Somewhat interested
- Not interested

Did you have the opportunity to review the lender/mortgage documents prior to the closing appointment?



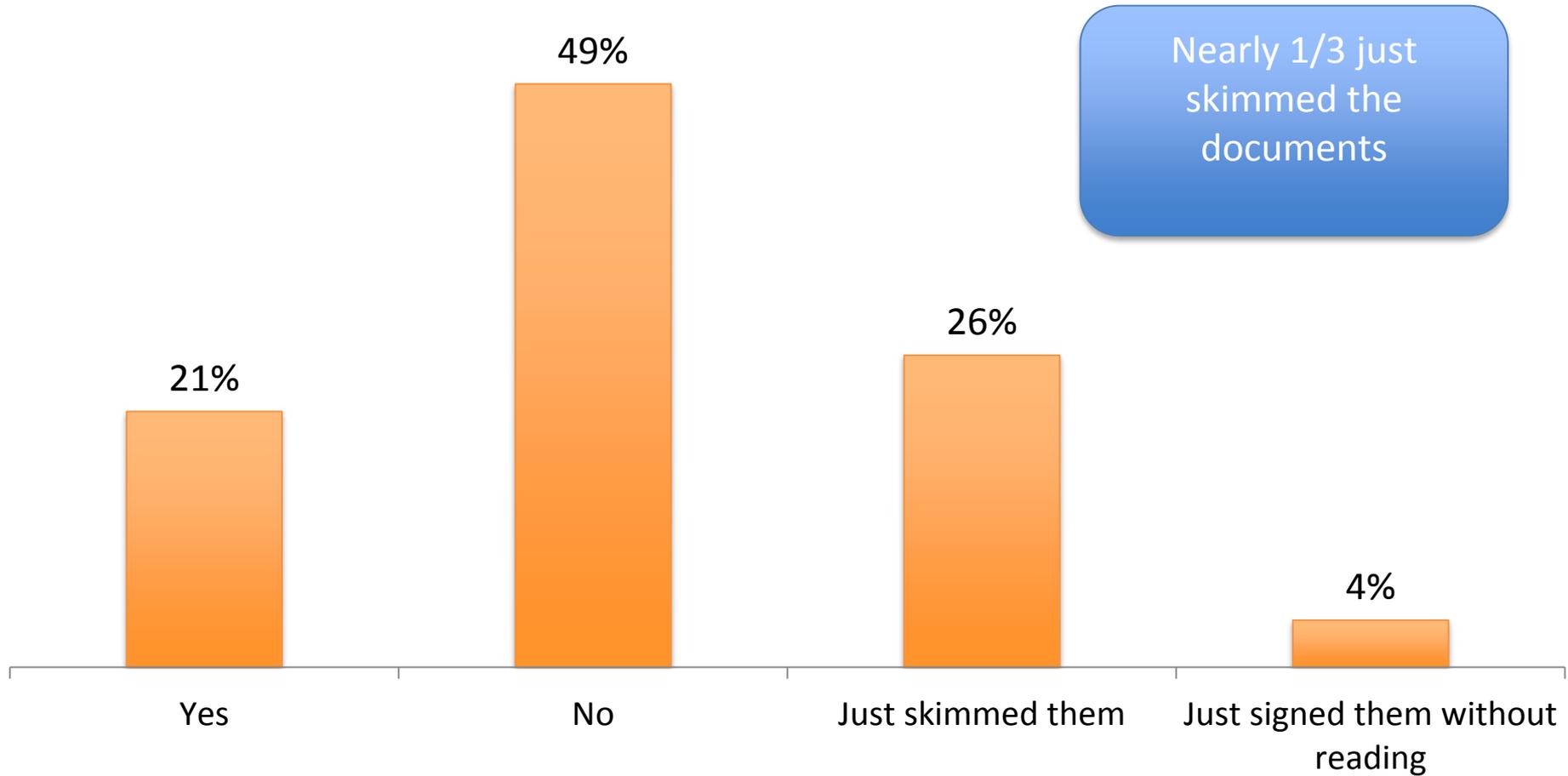
Would you have preferred the opportunity to review the lender documents in advance of closing?

Strong preference to review documents in advance

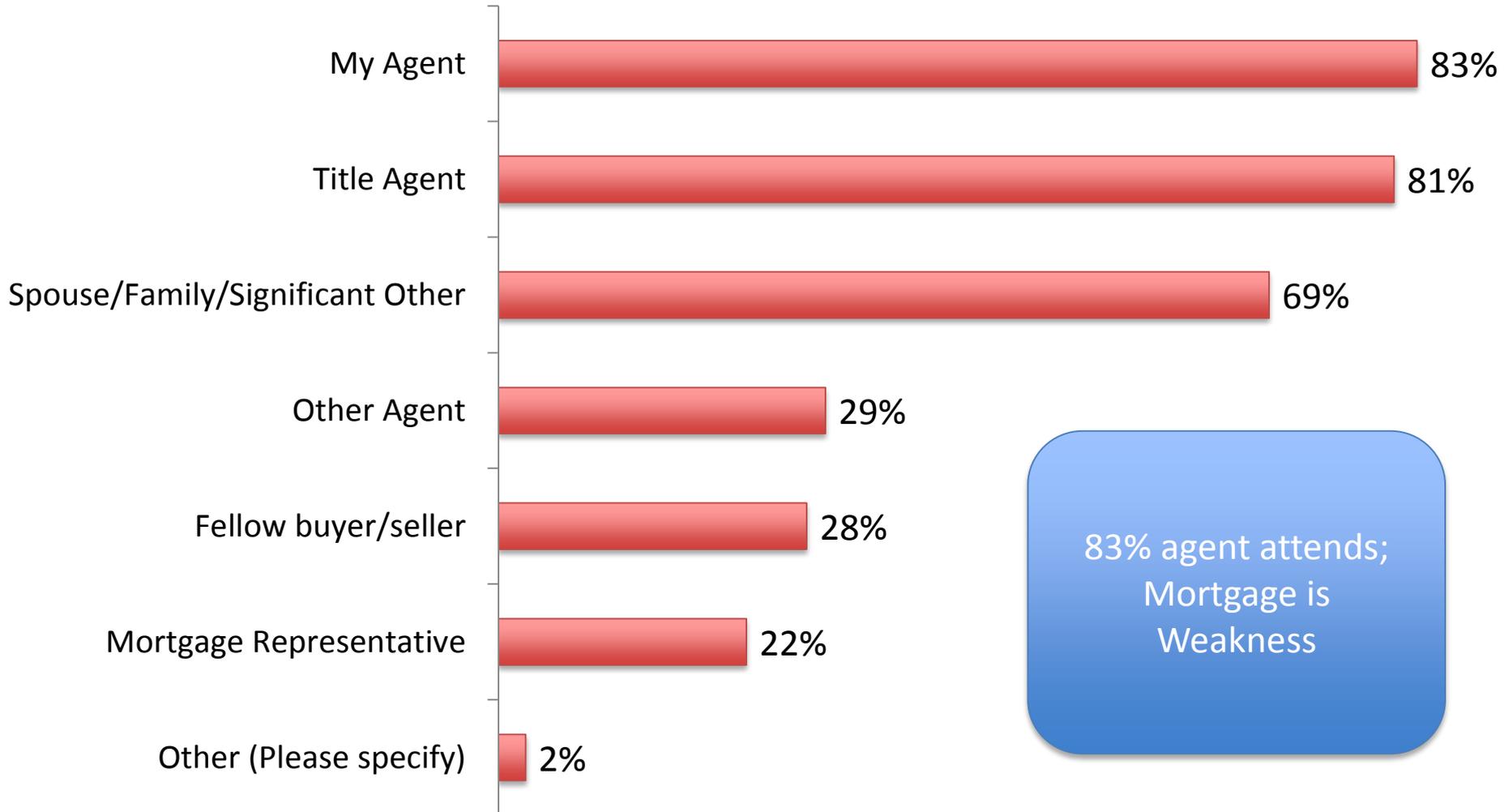


- Yes
- No
- Not Sure

Did you find the closing documents difficult to understand?

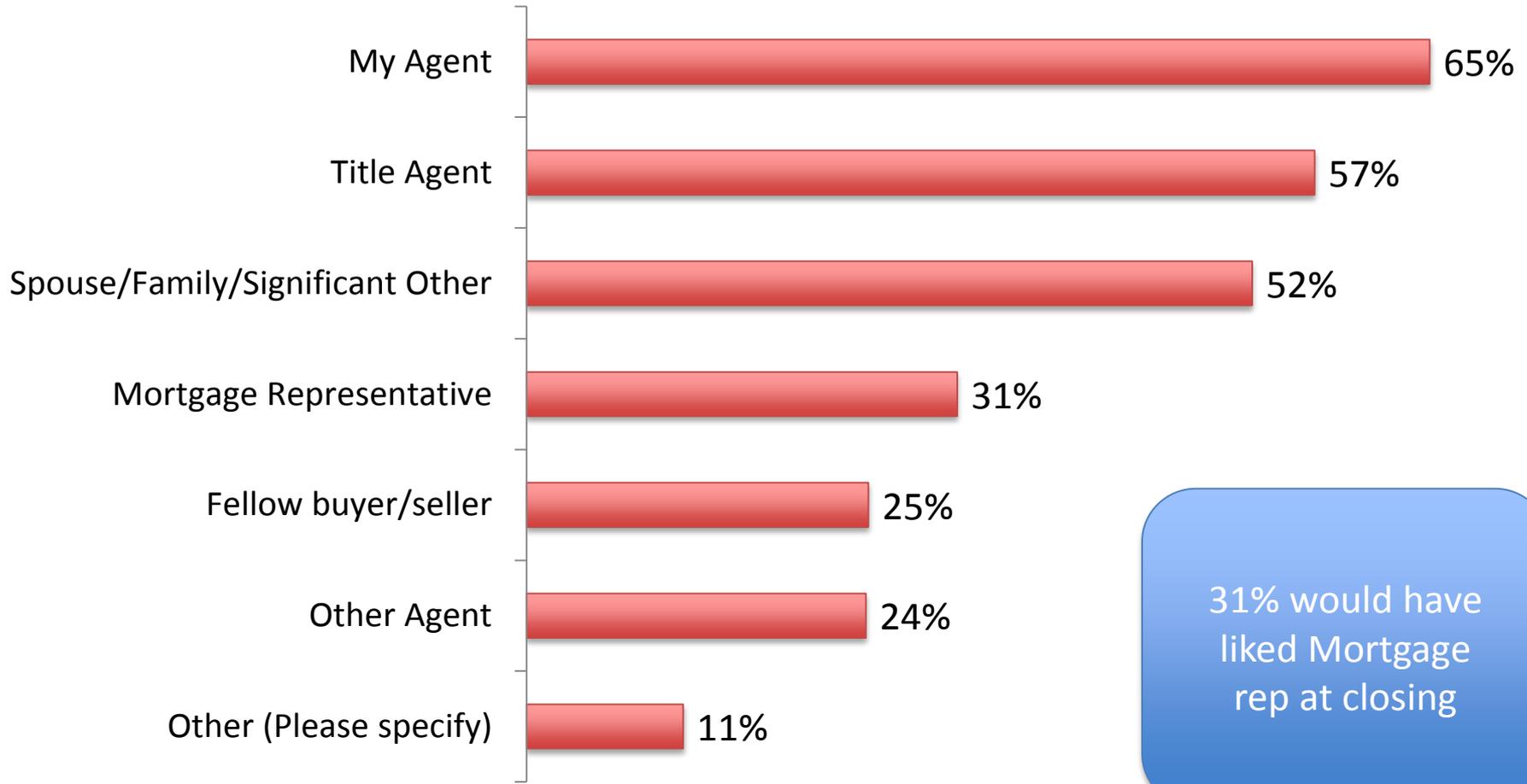


Who was present at the closing? (Choose all that apply)



83% agent attends;
Mortgage is
Weakness

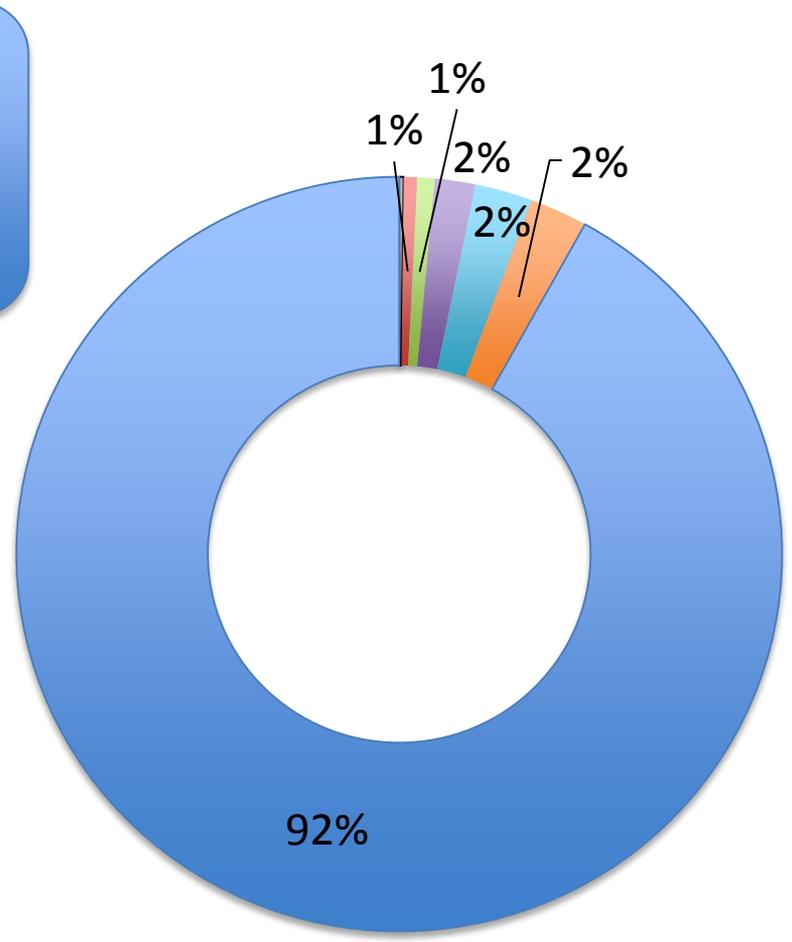
Who would you have LIKED to have been present at the closing? (Choose all that apply)



31% would have liked Mortgage rep at closing

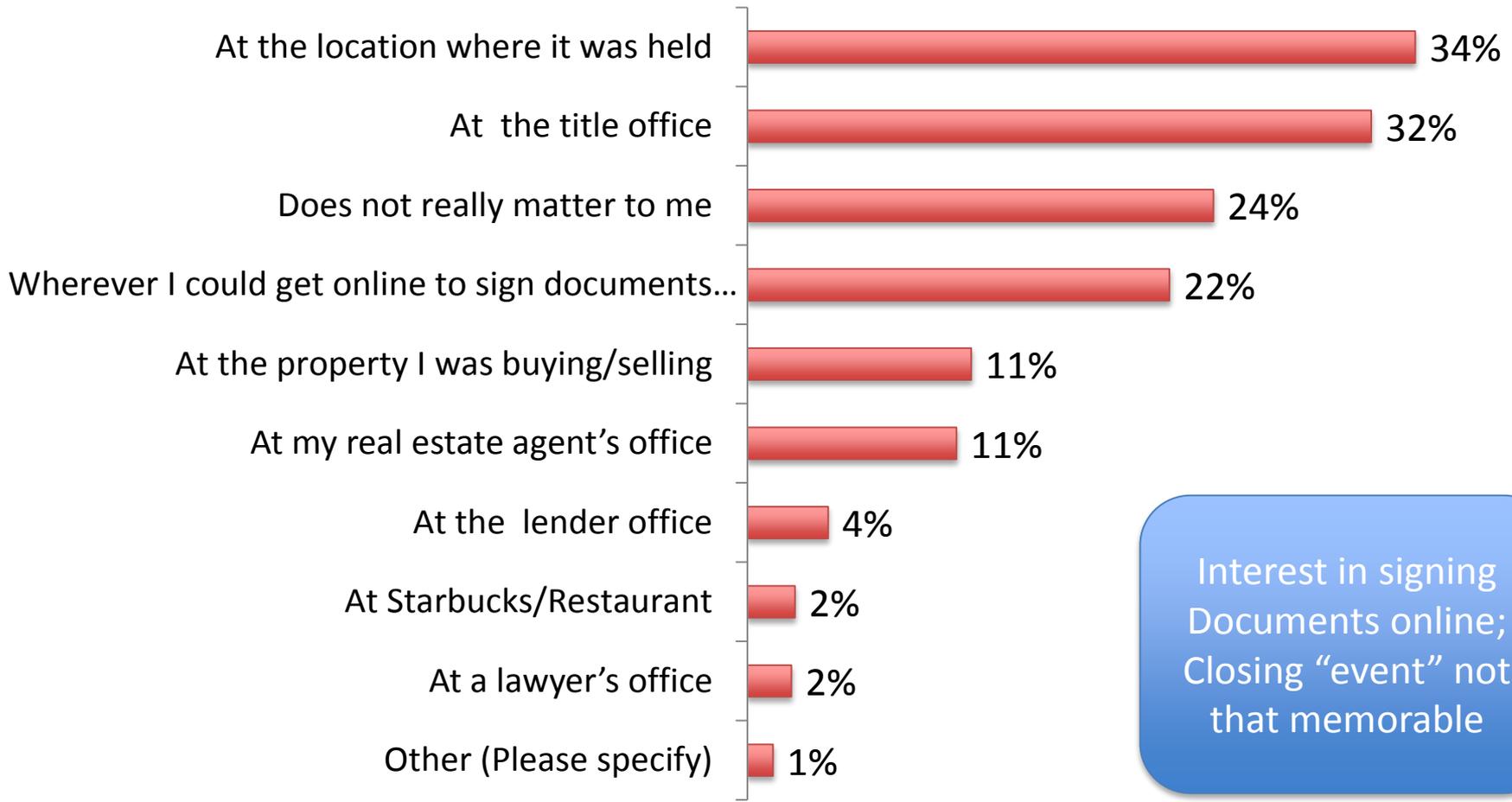
Where did the closing event take place?

92% took place at title office



- At Starbucks/Restaurant
- At the property I was buying/selling
- At a lawyers office
- At my real estate agent's office
- At the lender office
- Other (Please specify)
- At the title office

Where would you have preferred to hold the closing event? (Choose all that apply)



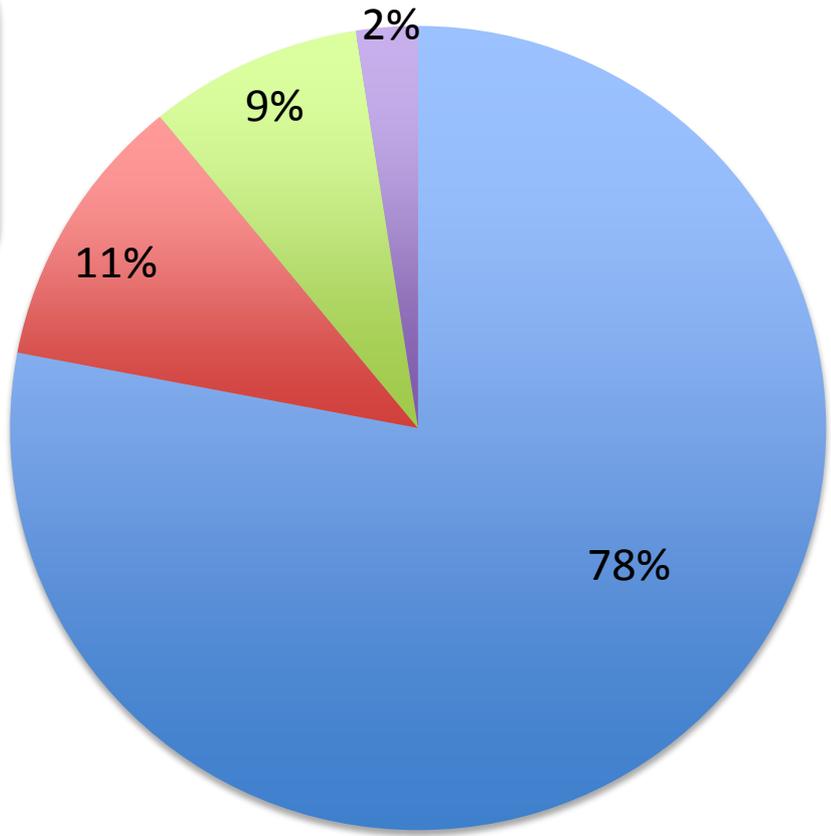
Interest in signing Documents online; Closing "event" not that memorable

What words best describe your closing appointment?

1. **Organized**
2. **Professional**
3. **Exciting**
4. Uneventful
5. Routine
6. Tedious
7. Stressful
8. Memorable
9. Overwhelming
10. A celebration
11. Joyful
12. Confusing
13. Frustrating
14. Not memorable
15. Fun
16. Scary
17. Disorganized
18. Best closing ever!
19. Life changing
20. Exhilarating
21. Disappointing
22. Worst closing ever!

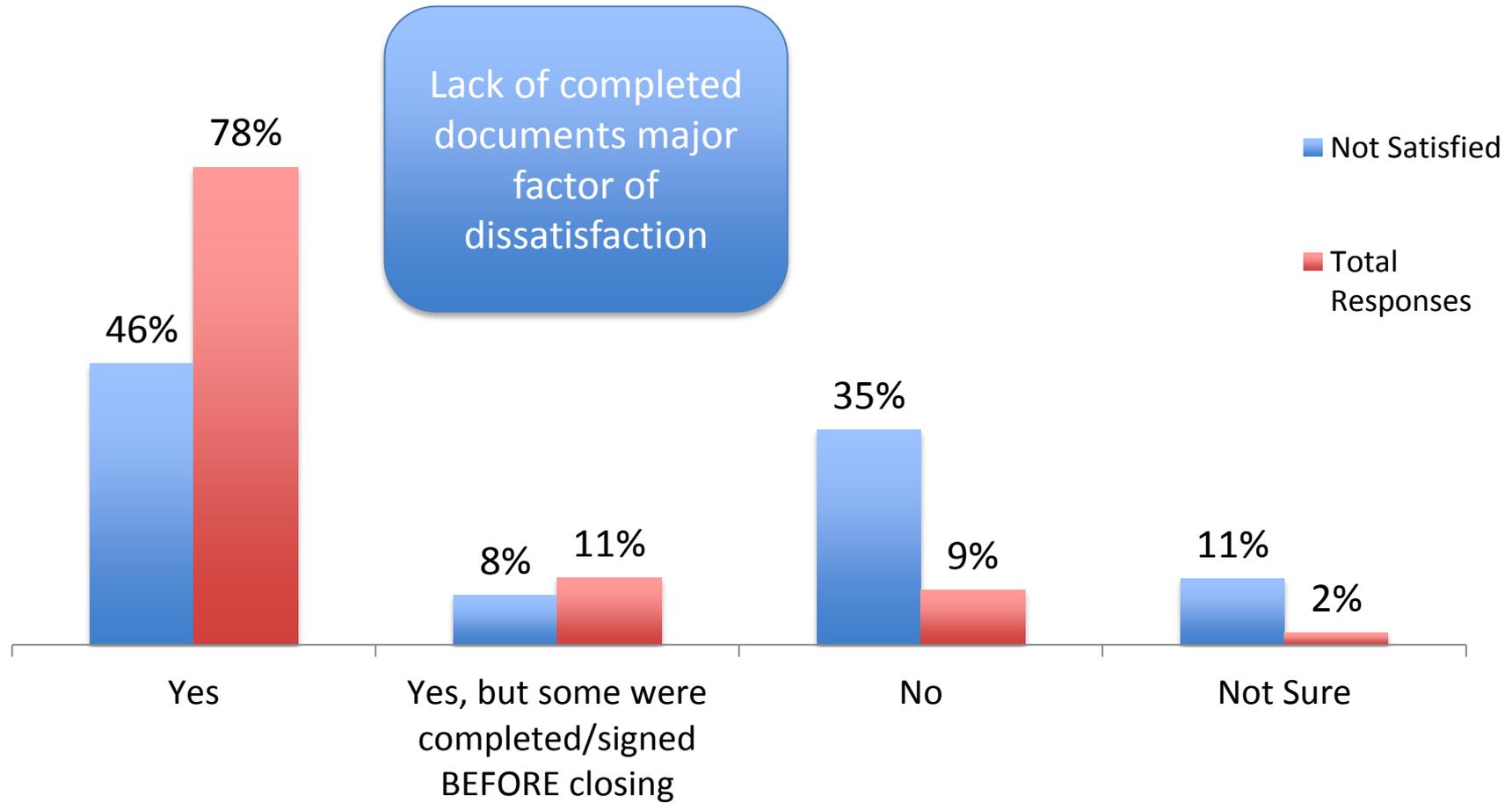
Were all the documents needed for closing available at the appointed time of your closing?

89% documents were ready at closing



- Yes
- Yes, but some were completed/signed BEFORE closing
- No
- Not Sure

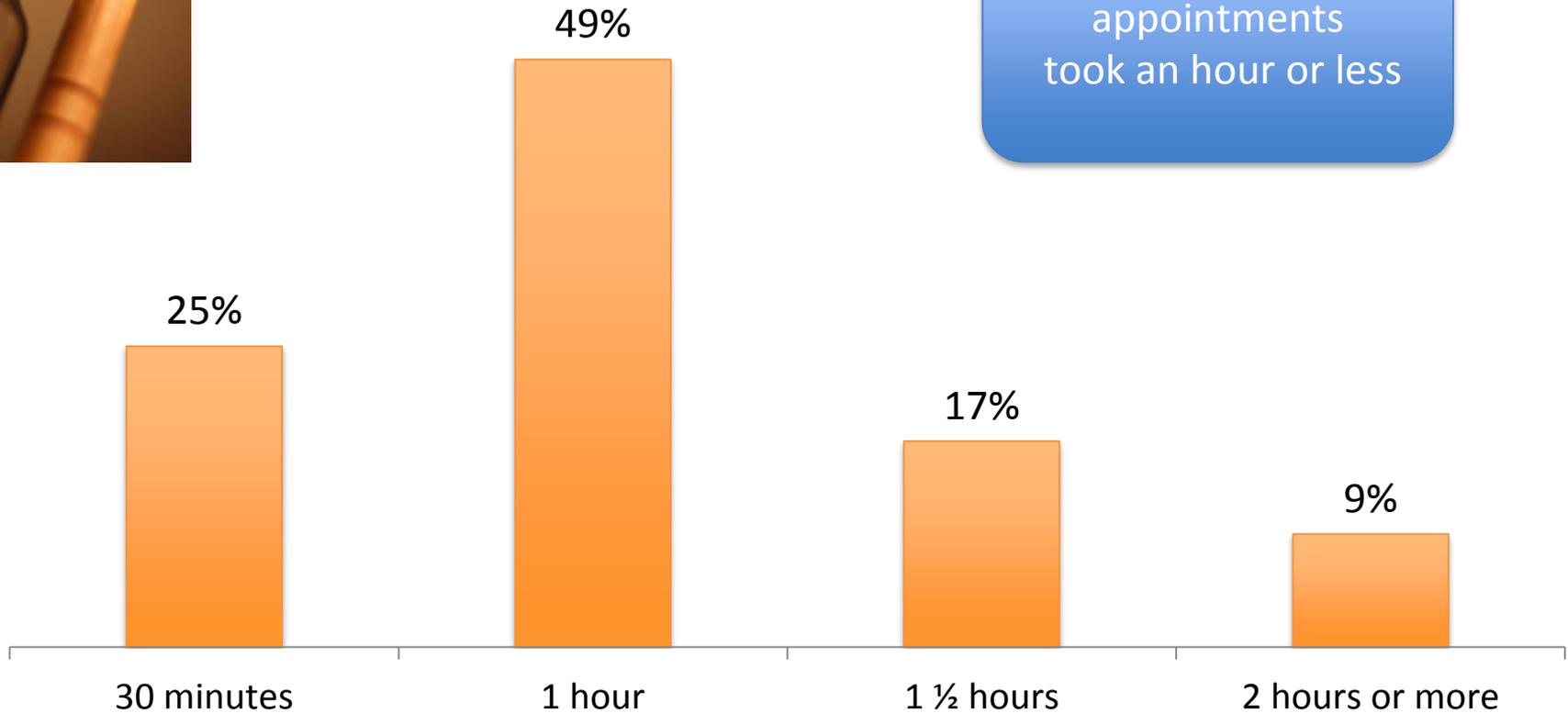
Were all the documents needed for closing available at the appointed time of your closing? (Overall dissatisfied vs Total sample)





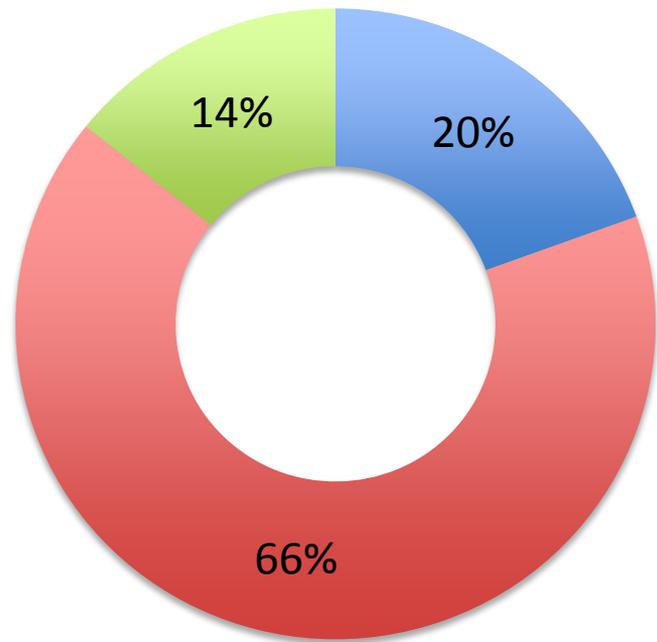
Approximately how long did your closing appointment take?

About ¾ of Closing appointments took an hour or less



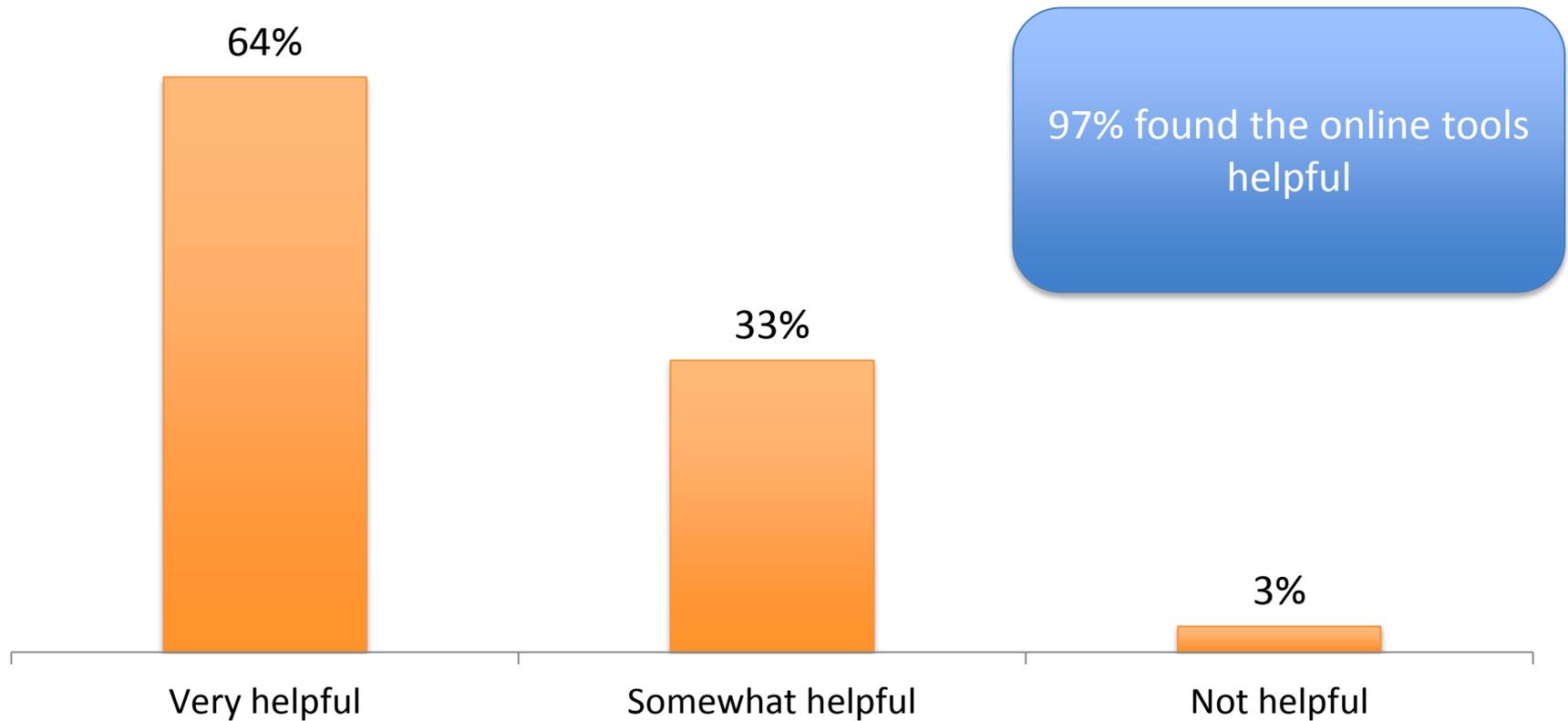
Did your real estate agent provide you with the opportunity to track your transaction online so that you could view the status, progress and documents throughout the closing process?

80% did not provide closing online



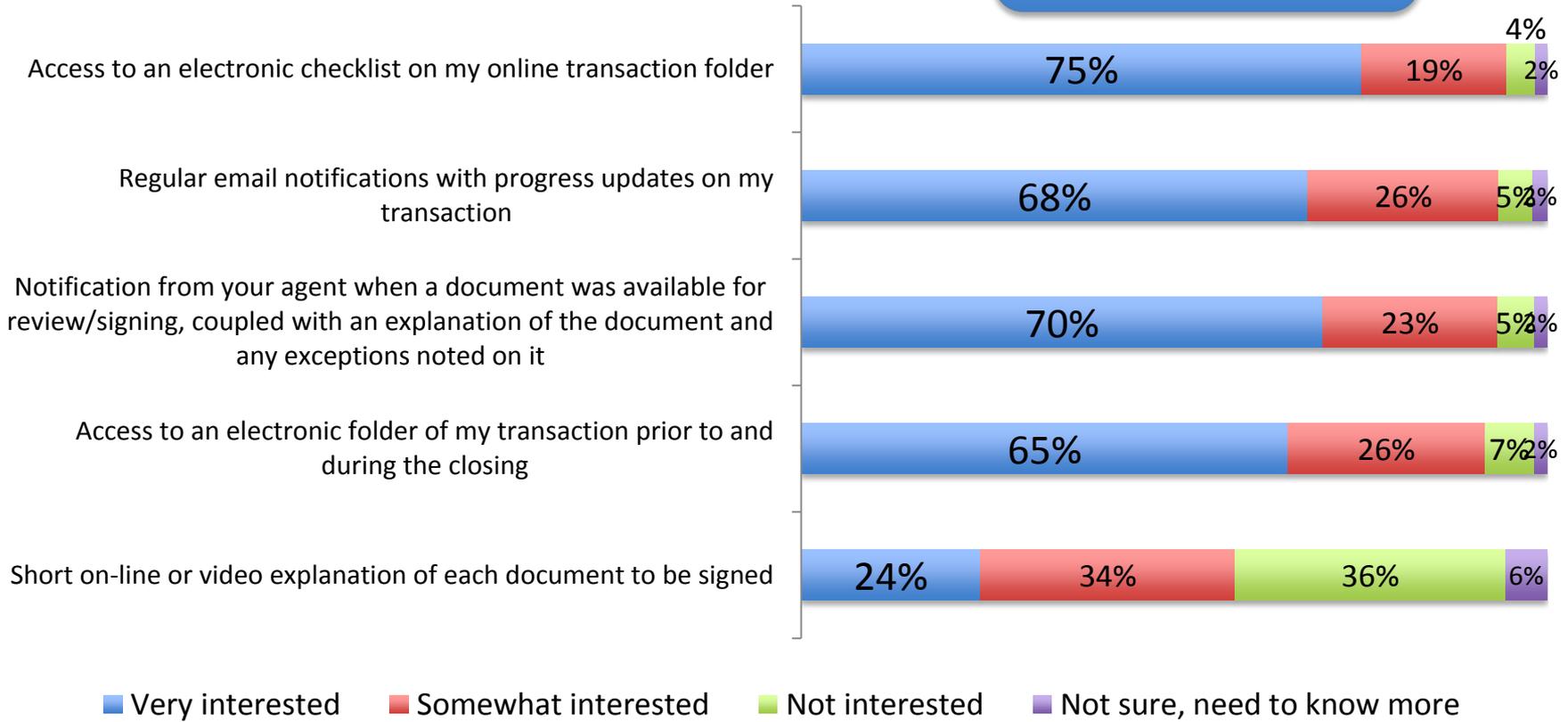
- Yes
- No
- Not Sure

How helpful were these online closing tools to you? – For those that did have access to tools



How interested would you have been with each of the following during the closing process?

Strong interest in electronic checklist and notifications

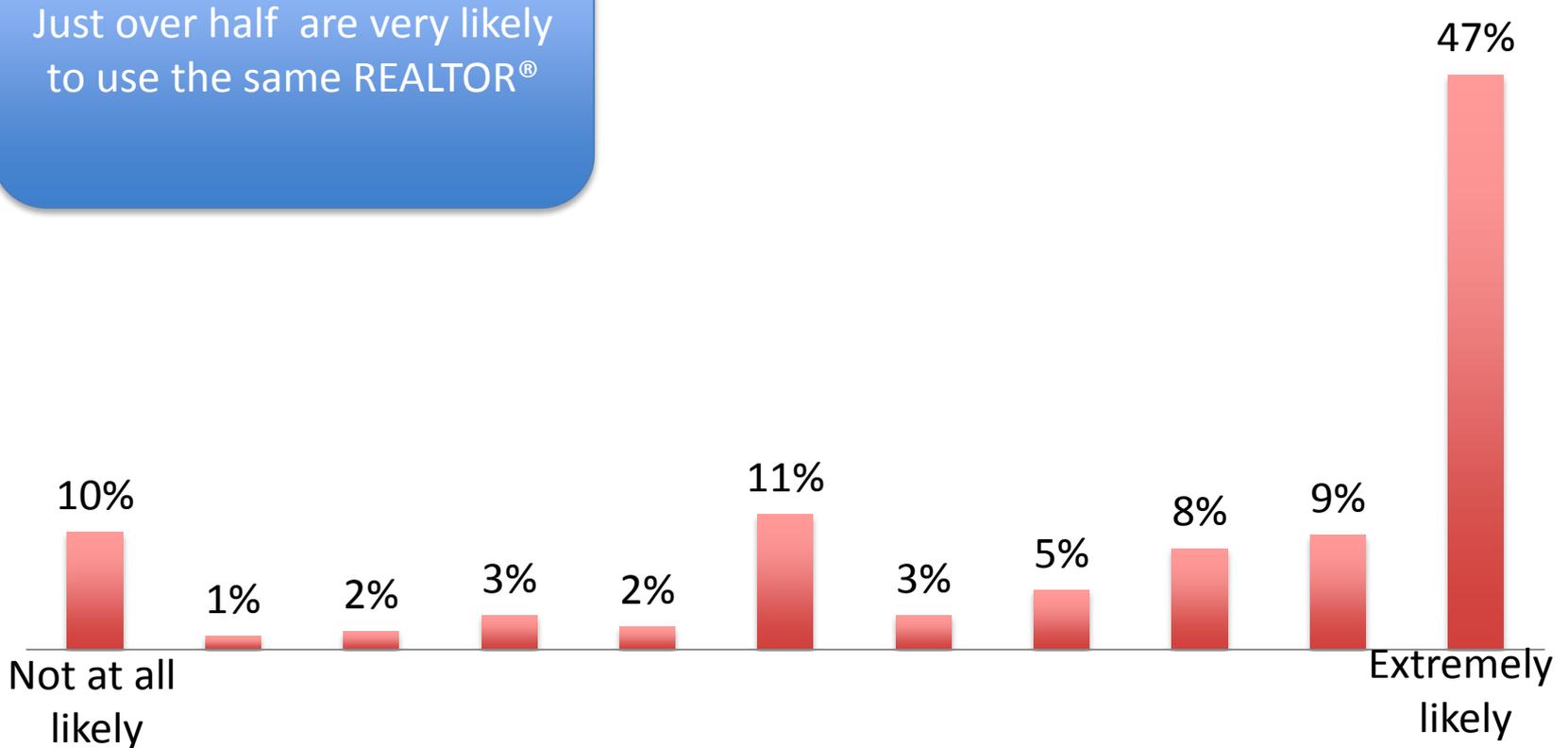


In your opinion, what was the hardest part of your transaction closing experience?

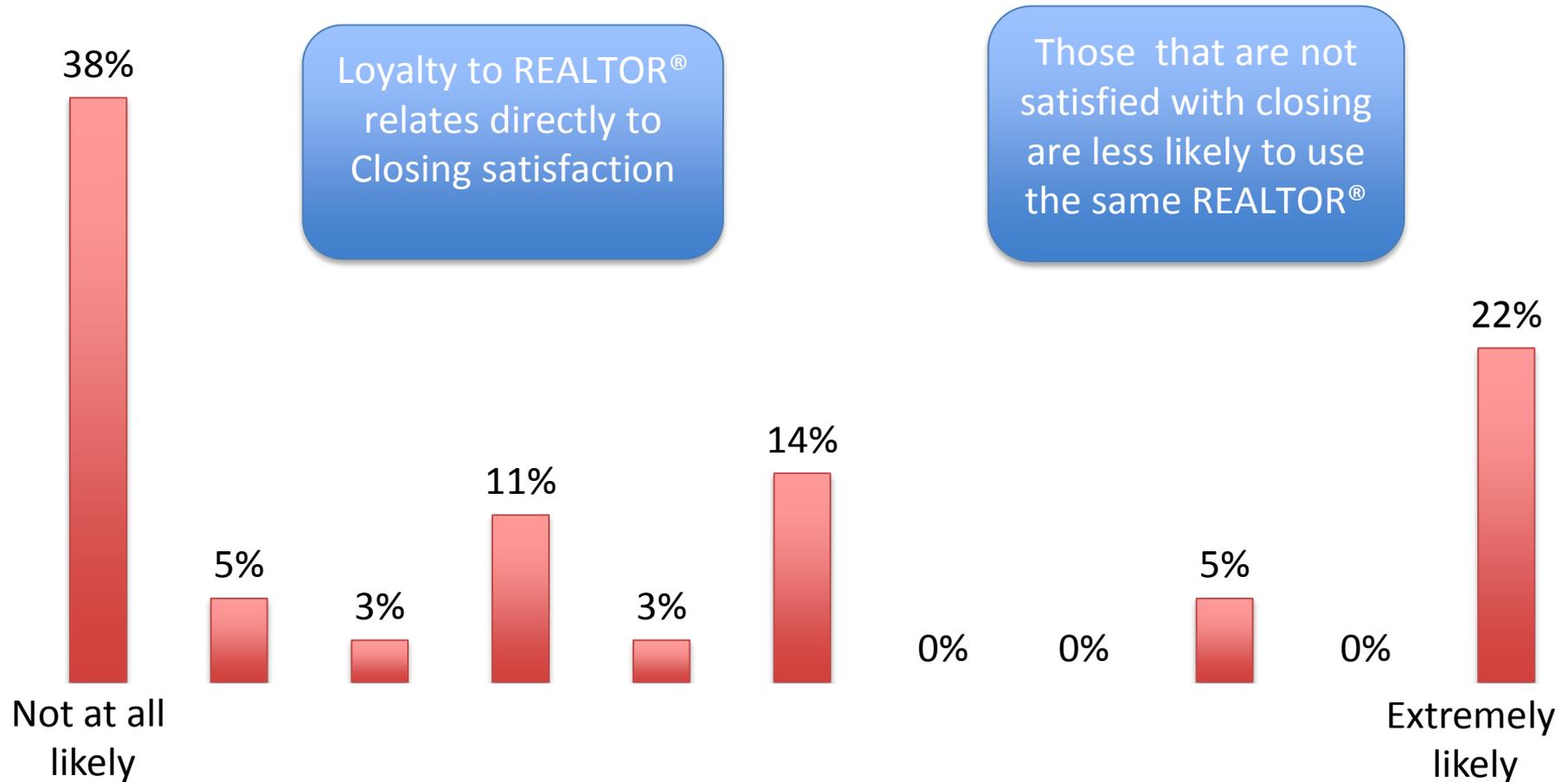
1. Not being able to review documents in advance
2. Disorganized title agent or meeting
3. Waiting through the closing process
4. Inconvenience of time, location and length of signing meeting
5. Difficult seller or seller agent
6. Understanding the fees and documents
7. Inaccuracy in the documents on behalf of the title or mortgage company

How likely are you to use the same REALTOR the next time you buy/sell a home?

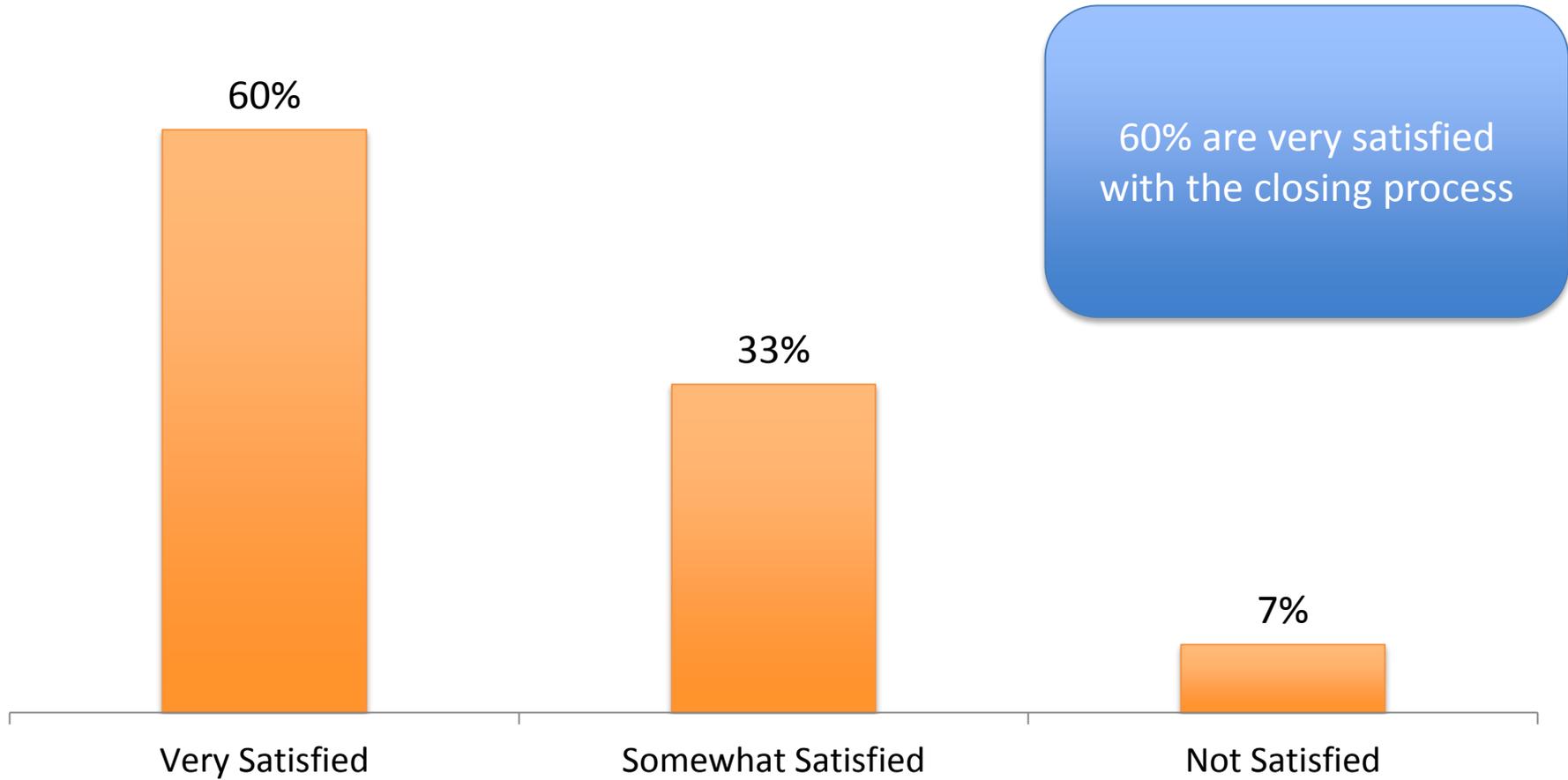
Just over half are very likely to use the same REALTOR®



How likely are you to use the same REALTOR® the next time you buy/sell a home? (Only Those Not Satisfied with Closing)

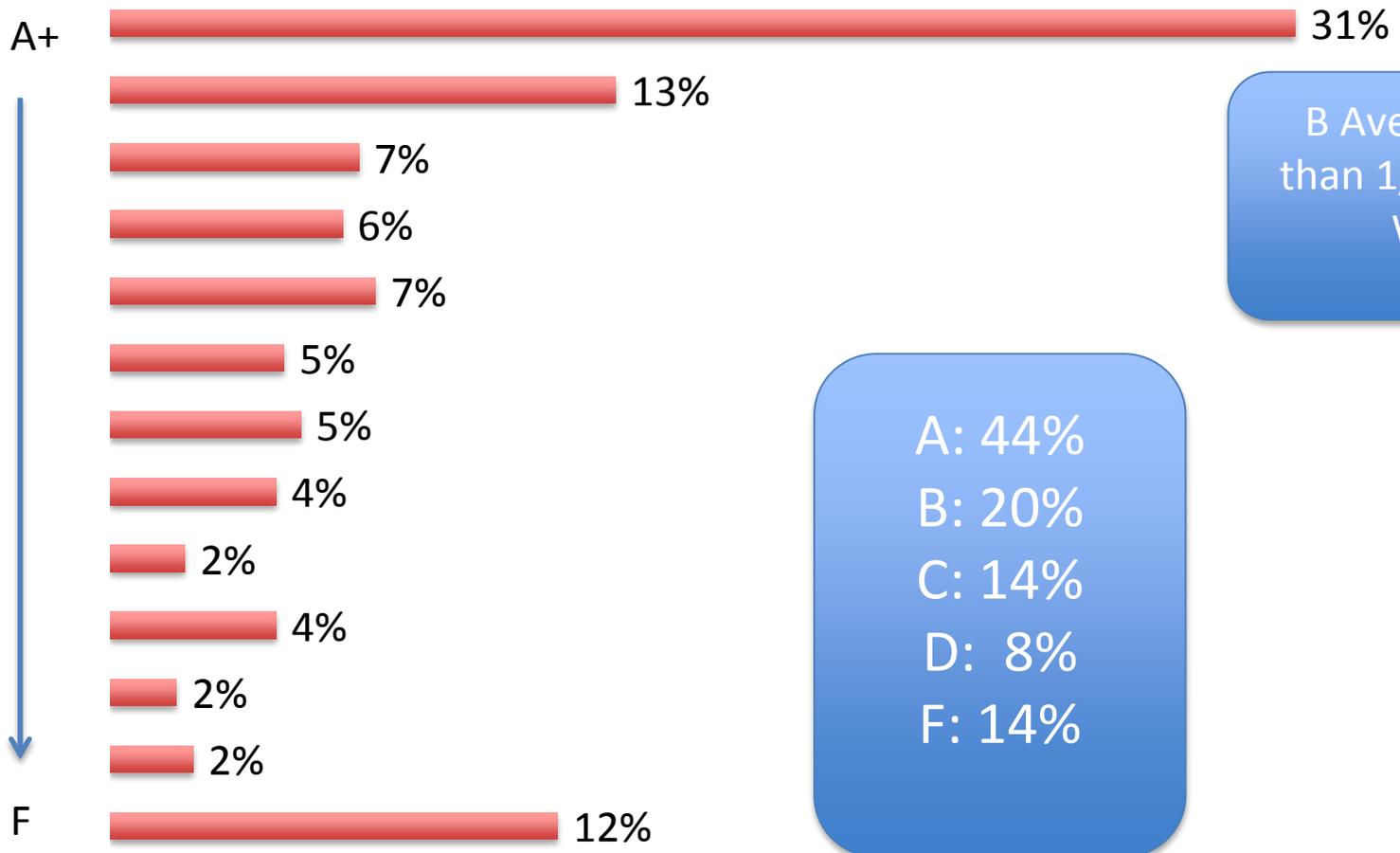


How satisfied were you with the overall transaction closing process?





Overall what grade would you give your REALTOR® for your overall closing experience?



B Average; More than 1/3 C grade or WORSE

A: 44%
B: 20%
C: 14%
D: 8%
F: 14%



What suggestions do you have to improve the closing experience?

1. Documents available electronically, with the ability to sign some in advance
2. More prepared, educated and efficient mortgage and title companies
3. Clear communication and updates on the process
4. Explanation on advance of process, documents and fees
5. Complete and accurate documents
6. More follow up and involvement from title agent

Recommendations

- Office by office evangelism for transaction management tools; rewards and celebrations of usage;
- Create CE course on how to create a stress-free transaction for consumers
- Train on ways to make the closing a joyous celebration, not drudgery
- Incorporate usage into Client Experience Rating
- Work with title companies to promote notification and tracking tools like MyFirstAm.com.
- Offer Electronic Signatures even at the closing table