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# Homebuyers Say the Darndest Things And Nobody's Laughing

By Jack C. Harris



**M**ost people are well aware of how stressful buying a home can be. The process is grueling in the best of circumstances, and the tight, sellers' markets of recent times only increase the stress. To gauge homebuyer anxiety, the Real Estate Center surveyed homebuyers statewide on their buying experiences and what changes they think would make the process more buyer friendly.

The final question of the survey asked, "If you could change anything about the homebuying process, what would that be?" Almost one-third of respondents took the trouble to write an answer, mostly to express dissatisfaction about some phase of the process. As might be expected, several respondents complained about things that cannot be controlled, such as high prices and interest rates and the scarcity of homes on the market. Most comments, however, pertained to the process and offered insights into what bothered buyers most about the experience.

Almost one-third of respondents were buying their first home. Many expressed surprise at the problems they encountered. Others regretted the things they did not know prior to entering the market.



The most frequent complaint (33 responses) was that the agent did not perform well or that some services were not performed. For many buyers, the process is unfamiliar and unsettling, and they want the agent to make an effort to

reassure and comfort them. Some respondents felt the agent did not take sufficient time to help them through the process of finding a home:

"I feel agents should give the buyers a better understanding of the whole process of purchasing a home instead of rushing through a sale."

Since mandatory disclosure of agency relationships was instituted, more people are using buyers' agents. The survey revealed that when a buyer's agent agreement is signed, buyer expectations are raised but not always satisfied. Of those respondents who volunteered complaints about their agents, 70 percent had used a buyer's agent. Many people complained about the seller's agent too:

"(We had problems) communicating with the seller's agent. He was not very responsive."

Sixteen respondents felt that real estate commissions are too high for the services provided, even though buyers do not pay the commission directly. Apparently, these buyers believe sellers inflate home prices to recoup the cost of the commission.

Eleven respondents expressed a desire to have more contact with the seller, feeling that an agreement could be worked out better with more interaction between the parties. A typical comment was:

"(We needed) more contact with seller. (We were) kept apart until closing. Details can be best worked out between buyer and seller."

Not everyone thought along those lines, however. Consider the following confession from one buyer:

"We met the seller during the buying process. That was a **big mistake.**"

One of the most valuable things a sales agent does is prevent or resolve conflicts between buyer and seller, which is no small task considering the naturally adversarial nature of the relationship.

The comments cited testify to the agent's importance in the process and point to things agents can do to leave a positive impression on buyers. A number of respondents praised es-

pecially helpful agents, and it is reasonable to assume that the majority of those who wrote nothing were satisfied with the service they received.

"We had a great experience. The agent made all the difference. She kept us well informed almost daily. This was so important to us!"

"We bought seven acres of raw land . . . Because so much money was needed to put down on raw land, we couldn't afford to go through a lender. The real estate agent called us back and had worked out an owner-finance deal . . . Now, 13 months later, we have a new home built on that land and the previous owners are paid off. Thank goodness owner-finance was an option."

A majority of respondents had no comment regarding agents. However, 85 percent answered positively when asked if they would use or recommend the agent again.



Complaints about the complexity of the homebuying process fell into three categories: too complicated (23 mentions), too time consuming (14), and too costly (8). Many felt the process was entirely too complicated and involved too much paperwork. These respondents undoubtedly were reacting to the numerous, lengthy legal forms they were required to sign. One harried respondent lamented:

"Less hassle! I cried at least six times before it was over!"

The time it takes to find and buy a home, especially the time spent after the buyer finds the "right" home, frustrates many buyers. It of course does not help that buyers spend much of this time mired in uncertainty. Will the seller accept the offer? Will the lender approve the loan? Is anything wrong with the house? As one respondent put it:

"(The process should not be) so tedious. (There is) too much 'waiting to hear something.'"

The long list of closing costs irritates some buyers, who do not know why they need many of these services or why the fees are necessary. One disgruntled respondent stated it this way:

"Do away with the cheesy, sleazy fees/costs for people or services we don't see or use. Your money is stolen right in front of you! How do they keep a straight face?"

Nowadays, consumers are accustomed to buying things instantaneously. Even large purchases like automobiles can be consummated in a matter of hours. Many do not appreciate the legal complexities of taking title to real property and the mortgage obligation. They simply do not understand why it should be so complicated to buy a home.

The industry has made strides in speeding up the process, although an increase in disclosure requirements and legal contingencies have limited that progress. Real estate professionals might do well to pay special attention to helping buyers understand what is going on at each step in the process, why the various expenses incurred at closing are necessary and the potential consequences of cutting corners.



Based on survey responses, the Internet is a growing, though still small, factor in the home-search process. Twenty respondents felt it should be used more extensively to provide information to buyers. Most of these wanted more detail on listed homes to be available online. This may not indicate reluctance to contact listing agents as much as a desire to narrow down the home choices and become more informed before approaching an agent.

"(The) Internet was a great tool. I'd like to see listings get online faster, with all the facts about the house (so that we can) make decisions or at least rule out the house."

In addition to more market information, a few stated they could not find enough neighborhood and tax information on the Internet.

A handful of respondents suggested ways the Internet could be used to save time during the buying process. The appeal of "virtual tours" of home interiors over the Internet was mentioned along with being able to prepare and sign documents on the web. These comments suggest that, despite technological advances already implemented, consumers want even more progress in streamlining the homebuying process through the Internet.



Sales agents are dependent on a number of other professionals to make any homebuying transaction go smoothly. The buyers surveyed seemed to realize that when problems arose, the agent was not always at fault. They did expect the agent to keep them informed about how the process was proceeding.

At least a dozen respondents cited problems caused by mortgage lenders:

"We had no problems with our mortgage broker, but the buyers of our condo had a mortgage broker from HELL. She delayed our closing for over a month, she was rude and kept baiting us all on. Laws for mortgage brokers need to be more strict so that people can't get away with this kind of thing."

A few more fired salvos at inspectors:

"I would have inspected the home carefully myself, instead of relying on an authorized inspector's opinion."

Buying a home can be trying for all the parties involved. Many buyer complaints spring from unavoidable things that

may happen during any complicated transaction. However, some of the sentiments expressed reveal problems that sales agents can remedy by providing information, reassurance and support to their clients during the homebuying process. Referring those who are eager to learn more to homebuyer seminars and published guides might be another effective way of improving the experience. ♣

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**Editor's Note:** In the summer of 2000, the Real Estate Center, in conjunction with Lawyers Title Company, mailed questionnaires to 3,000 recent homebuyers in major Texas markets. Almost 400 responses were received. This is the first in a series of articles describing the results of the survey.



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