



## FIVE STAR Real Estate Agent<sup>SM</sup> Award Program

### Summary: Evaluation/Selection Methodology

#### Crescendo Business Services

Crescendo Business Services LLC. (Crescendo), a Minneapolis, MN based company, working with city and regional magazines, presents the FIVE STAR Award to professionals in many industries, and in many markets. This award is given to just 7 percent of all professionals within a specific industry and market area. As an independent third party, Crescendo gives the FIVE STAR Award in order to assist consumers in selecting a service professional other consumers have indicated provide exceptional overall satisfaction.

Crescendo assists FIVE STAR Professionals in effectively marketing themselves, and their award, to enhance their business results. Because the award is based on sound research methodology, and comes from an independent third party, it can be the cornerstone of an effective marketing program that positively differentiates the professional from their competition.

#### Research – evaluation/selection methodology summary

- We asked recent homebuyers (all area residents who purchased a home over \$100,000 - \$200,000 within a 12-36 month period depending on market size) and readers of the area magazine, as well as 200 Mortgage and Title Companies to evaluate real estate agents with whom they have had direct / personal experience. Recent homebuyers and subscribers can evaluate up to 2 agents (because they may have had experience with an agent on both the buy and sell side). Mortgage and Title companies can evaluate up to three agents.
- After the evaluations are received the research company (Quantitative Market Intelligence – an Affiliate Company of Crescendo) validates that each agent holds a current real estate license and has no known history of disciplinary action.
- Then each agent receives a preliminary score based on the agent's evaluations. The scoring algorithm takes into account the quality of each evaluation. The evaluation form asks the respondent to evaluate the agent across nine different attributes (customer service, integrity, market knowledge, communication, negotiation, closing preparation, finds the right home, marketing of home, and overall satisfaction), whether they would recommend the agent to a friend (strongly agree, agree, somewhat agree), the number of transactions completed with the agent, how many years ago they worked with the agent, etc. All of these factors are incorporated into a scoring algorithm.

- We then compile a list of the top scoring agents – representing less than 7% of the agents in the market who hold a current license – which we forward on to the Blue Ribbon Panel for review. Each Blue Ribbon Panelist reviews a partial list of agents and is asked to indicate which agents they believe are undeserving of the FIVE STAR Award and to add agents they believe are deserving, but are not on their partial list. Checks and balances are in place to avoid conflicts of interest; specifically, panelists remain anonymous, only receive a portion of the selected agent list, and cannot add or remove an agent by themselves.
- After Blue Ribbon Panel review, the list is finalized. Please remember the final list identifies precisely what the call for evaluations is designed to do ... it identifies many of the “FIVE STAR Agents” in the market. The list is not intended to be exhaustive – in fact the verbiage we use in the editorial is as follows:

Although this list will certainly be a useful tool for anyone buying or selling a home, it should not be considered exhaustive. Undoubtedly, there are many other excellent real estate agents who, for one reason or another, are not on this year’s list.

The following research declarations are included in the section editorial:

As with any research or recognition program, it is important that we provide you the following declarations:

- The 2010 FIVE STAR Real Estate Agents do not pay a fee to be included in the research or the final list of FIVE STAR Real Estate Agents.
- The overall evaluation score of a real estate agent reflects an average of all respondents and may not be representative of any one evaluation.
- The FIVE STAR Award is not indicative of the real estate agent’s future performance.
- The inclusion of a real estate agent on the FIVE STAR Real Estate Agent list should not be construed as an endorsement of the real estate agent by Crescendo Business Services or the magazine.
- Working with a FIVE STAR Real Estate Agent or any real estate agent is no guarantee as to future investment success nor is there any guarantee that the selected real estate agent will be awarded this accomplishment by Crescendo in the future.
- The research process for the FIVE STAR Real Estate Agent Program, managed by QMI Research, incorporates a statistically valid sample in order to identify the real estate agents in the local market that score highest in overall satisfaction.
- For more information on the FIVE STAR Award and the research/selection methodology, go to: [fivestarprofessional.com/reresearch](http://fivestarprofessional.com/reresearch).

Please remember that through this evaluation/selection methodology, it is possible:

- Some top producers may not make the list. It all depends on whether the respondents (their clients, readers, M&T companies or the BRP) selected them and scored them highly. It is about client satisfaction, not \$ of sales.
- Some agents who have had relatively few transactions in the last year may make the list. It all depends on whether the respondents (their clients, readers, M&T companies or the BRP) selected them and scored them highly. It is about client satisfaction, not # of sales.
- Some assistants of Real Estate Teams may make the list even though they did not officially sign the closing documents. Many times the homebuyer sees the assistant as their agent. The assistant must hold a current real estate license to have made the list.
- Some agents who have not had any recent transactions could make the list. The respondents may have dealt with the agent over a year ago.
- There are agents who make the list that some fellow agents don't believe should have made the list. Our methodology is very rigorous, but there are always a few agents who make the list that are questioned. Generally, we find that less than ¼ of 1% of the names on the list are questioned.