DANGER A1 — MASSES OF MARGINAL AGENTS DESTROY REPUTATION

The real estate industry is saddled with a large number of part-time, untrained, unethical, and/or incompetent agents. This knowledge gap threatens the credibility of the industry.

IN CONTEXT

The knowledge and competency gap from the most to the least is very large, due to the low barriers to entry, low continuing education requirements, and the lure of quickly making big dollars. For decades the industry has held the opinion that it's a profession, however the reality is that those outside the industry don't hold the same opinion. Most professions (doctors, lawyers, accountants, and engineers) require thousands of hours of study, beginning with a bachelor's degree. Even becoming an earth driller requires an average of 704 hours of instruction, and becoming a cosmetologist requires an average of a 372 hours. But to become a licensed real estate agent requires an average of only 70 hours with the lowest state requirement being 13 hours.

The delta between great real estate service and poor real estate service has simply become too large, due to the unacceptably low entry requirements to become a real estate agent. Professional, hardworking agents increasingly understand that the "not so good" agents are bringing the entire industry down.

> *" I don't like lawyers, but I rarely work with an incompetent one.*
> *I like real estate agents more, but there are a large number of incompetent ones. "*

AUTHOR'S PERSPECTIVE

There are too many real estate agents that are simply not qualified to the level they should be. Furthermore, there are no meaningful educational initiatives on the table to raise the national bar for real estate agents across the board. And while this lack of agent knowledge is a significant danger in itself, when combined with a lack of basic competency it could be destructive and harmful to both the industry and the consumer.

Danger Index

100.0

Probability

5.0

Timing

4.0

Impact

5.0

INDEX
Danger evaluated in terms of PTI to provide comparison between the dangers/ sections of the report. Danger Index, represents a composite, overall score.