

Results
of the
2016 StepStone Agent/Investor Survey



STEPSTONE REALTY

What is your overall impression of your time with StepStone?

Overall, our agents have a good overall impression of StepStone with 95.8% answering Excellent or Good. No one had a poor impression.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Excellent	47	65.3	66.2	66.2
	Good	21	29.2	29.6	95.8
	Fair	3	4.2	4.2	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

Other Notes about this questions:

- Agents who have been with StepStone over a year are more likely to answer “Excellent” – 80.8%
- Women are more likely to answer “Excellent” than men (71.1% to 60.6%).
- Baby-boomers were less likely to answer “excellent” (55.6%) than either their GenX (70.6%) or Millennial (68.4%) counterparts.

How was the transition into StepStone?

The transition into StepStone also seems to go generally well, although with some room for improvement. 95.8% of our agents answered Excellent or Good with none answering “poor”.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Excellent	44	61.1	62.0	62.0
	Good	24	33.3	33.8	95.8
	Fair	3	4.2	4.2	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

Other Notes about this questions:

- Women are more likely to answer “Excellent” than men (65.8% to 57.6%).
- Baby-boomers were less impressed with their transition into StepStone. 44.4% said Excellent and 55.6% said good, whereas the Excellent to Good ratio among Gen X was 70.6% to 23.5% and among Millennials was 63.2% to 31.6%.

When you have questions or need help, how responsive is the StepStone team?

We scored really well with all but one agent (who did not answer at all) answering that we are Very or Somewhat Responsive; 86.7% answered Very Responsive.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Responsive	63	87.5	88.7	88.7
	Somewhat Responsive	7	9.7	9.9	98.6
	NA	1	1.4	1.4	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

Finish the following sentence with the word that best describes your opinion of the MasterMind: I find the Masterminds to be _____.

Most find the MasterMinds to be helpful (67.6%) with the other third almost all made up by those who have never attended. There is definite room for improvement here to make them more helpful, but those who have attended generally have a good view of them.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely Helpful	27	37.5	38.0	38.0
	Somewhat Helpful	21	29.2	29.6	67.6
	Not at all Helpful but good for other reasons (networking, etc)	1	1.4	1.4	69.0
	I have not attended a Mastermind	22	30.6	31.0	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

Other Notes about this questions:

- Agents who have been with StepStone less than 3 months are more likely to have *not* attended a mastermind at 55.6%.
- Women are more likely than me to find the MasterMinds Extremely or Somewhat Helpful (78.9% to 54.5%) and Men are much more likely to not have attended a MasterMind (42.4% to 21.1%)
- Full-time agent/investors find the Masterminds Extremely Helpful significantly more than part-time agent/investors (54.8% - 25%) and not surprisingly, part-time agent/investors are more likely to not have attended a mastermind (42.5% - 16.1%).
- Baby-boomers were the most likely to find the MasterMinds Extremely Helpful with 50% selecting this answer whereas GenX only selected that answer 38.2% of the time and Millennials 26.3% of the time.

Please provide any other feedback, explanation of your answer above, or any other comments/suggestions that might help us improve the mastermind breakfasts:

Many suggested some more structure of various types. Because of this feedback, we are working to provide a market report and a deal anatomy each month.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Want Structure or Topic	5	7.0	7.0	7.0
	Vary the Location	1	1.4	1.4	8.4
	Bad Time	3	4.2	4.2	12.6
	Start Earlier	2	2.8	2.8	15.4
	Haven't Attended Enough	7	9.7	9.9	25.3
	Other -- Positive	19	26.4	26.8	52.1
	NA	34	47.2	47.9	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

Finish the following sentence with the word that best described your opinion of the Monthly Sheepinars: I find the Sheepinars, overall, to be _____.

Those who watch tend to find them helpful, but there is much room for improvement, with 62% answering that they find them Extremely or Somewhat Helpful. Most not in these categories have not watched or attended a Sheepinar.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely Helpful	26	36.1	36.6	36.6
	Somewhat Helpful	18	25.0	25.4	62.0
	Not at all Helpful	1	1.4	1.4	63.4
	I have not watched or attended any of the Sheepinars	26	36.1	36.6	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

Other Notes about this questions:

- Agents who have been with StepStone less than 3 months are more likely to have *not* attended or watched a Sheepinar at 55.6%.
- GenXers were the most likely to skip the Sheepinars with 52.9% saying that have not watched or attended any. Baby-boomers only answered that way 27.8% of the time, and Millennials 15.8% of the time.

Please provide any other feedback, explanation of your answer above, or any other comments/suggestions that might help us improve the SheePinars:

We didn't get any one single answer that stands out, but a few suggestions we will take into consideration:

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Depends on Subject	2	2.8	2.8	2.8
	Haven't attend enough to answer	10	13.9	14.1	16.9
	General Positive answers	13	18.1	18.3	35.2
	Not always applicable to me	1	1.4	1.4	36.6
	Better Organization to find past ones	1	1.4	1.4	38.0
	Need more agent involvement	1	1.4	1.4	39.4
	Misc. Negative	3	4.2	4.2	43.7
	Technical Difficulties	1	1.4	1.4	45.1
	NA	39	54.2	54.9	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

Thinking back to your decision to join StepStone, what was the most compelling reason, in your mind, that you chose StepStone over other options? Note: this may be different than what you like most about StepStone today.

Being investor-centric and the promise of support in their investing were the best points we made at time of recruitment. The Fee Structure and Community followed with Freedom coming nearly last. This is interesting because Freedom comes up as a much bigger deal to people after they have been with StepStone (as you will see later). We need to do more to sell Freedom, but also highlight our support and tools for investors.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Support/Knowledgeable/Thought it would make me more successful	14	19.4	19.7	19.7
	Investor-Centered/Friendly	30	41.7	42.3	62.0
	Fee Structure	7	9.7	9.9	71.8
	Freedom/No Quotas	6	8.3	8.5	80.3
	Community	7	9.7	9.9	90.1
	Access to Deals	1	1.4	1.4	91.5
	NA	6	8.3	8.5	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

Other Notes about this questions:

- Agents who have been with StepStone less than 3 months are more likely to list Community as a reason for joining at 16.7%

Now that you are a StepStone agent, what is your favorite aspect of being a StepStone Agent?

When asked open-ended, our agents mentioned our support and knowledge as the top two things they like about StepStone with Freedom as the third most important aspect.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Support/Knowledge/Makes me more successful	9	12.5	12.7	12.7
	Investor-Centered/Friendly	3	4.2	4.2	16.9
	Fee Structure	1	1.4	1.4	18.3
	Freedom/No Quotas	7	9.7	9.9	28.2
	Community	28	38.9	39.4	67.6
	Not Enough time with SS to know	4	5.6	5.6	73.2
	Responsiveness	5	6.9	7.0	80.3
	NA	13	18.1	18.3	98.6
	Access to MLS	1	1.4	1.4	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

Rank these features of StepStone in the order of your favorite to least favorite.

When given a list of features and asked to rank, Freedom became the number 1 favorite feature with 52.8% of the agents listing it as #1 and 85.3% putting it in the top 3. Support ranked second with 69.6% of the agents ranking it in the top 3 followed by Community which had 65.2% in the top three. Fee Structure and Education consistently fell toward the bottom with only 55.7 and 37.1 percent of agents ranking those in the top three respectively.

Note: Charts are not easily shown here so they are left off.

Is there anything with StepStone that you don't like or would like to see changes? If so, please provide details below

The largest single suggestion was more retail training. We are working to address that as well as taking all other suggestions into consideration.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Better Fees	2	2.8	2.8	2.8
	Still too new to answer	3	4.2	4.2	7.0
	Concern about Angie's Time	1	1.4	1.4	8.5
	More Accomodating to part-time agents	2	2.8	2.8	11.3
	Slicker-signs	1	1.4	1.4	12.7
	Website Improvements	1	1.4	1.4	14.1
	A way to Voice Concerns Annonymously	1	1.4	1.4	15.5
	Retail Training	6	8.3	8.5	23.9
	NA	50	69.4	70.4	94.4
	Coaching	1	1.4	1.4	95.8
	Mojo Improvements	2	2.8	2.8	98.6
	Neg. Advertising about Competing Companies	1	1.4	1.4	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

Please describe any ideas, additional support, additional features, etc. you would like to see from StepStone

Training, again comes up so we are working to bolster ways to provide more and better training.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	More Live Training	1	1.4	1.4	1.4
	Vendor Discounts	1	1.4	1.4	2.8
	Mentor Program	1	1.4	1.4	4.2
	Mojo Improvements	1	1.4	1.4	5.6
	More Training General	3	4.2	4.2	9.9
	More for those with full-time jobs	1	1.4	1.4	11.3
	Facilitate partnering/learning from each other	1	1.4	1.4	12.7
	Marketing Help	2	2.8	2.8	15.5
	NA	60	83.3	84.5	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

Please rank the topics in the order you think you would benefit the most from more education:

Looking at the answers that fell in the top 3, agents overall ranked Sales Techniques and Converting Leads #1 with 65.7% putting it in the top 3. This was followed by Owner-Finance Strategies (59.4%), Obtaining Private Funds (55.2%), Wholesaling Techniques (47.1%), Buy and Hold Strategies (40.6%) and finally Flipping last (36.8%).

Please rank from the best (1) to the worst (4) the method to best give you educational material:

Because of fewer options, we ranked the answers that most likely landed in the top 2. Videos was the #1 way that agents wanted to get more educational material with 58% of the agents placing it in the top 2. This was followed by Webinars (57.1%), Live Workshops (54.3%) and followed by written form last (31.4%).

If an annual StepStone Conference were held in one of our four major markets (DFW, Austin, San Antonio, Houston) that included guest speakers, workshops to improve various skills, industry news, etc., how likely are you to attend?

We were definitely pleasantly surprised at the positive response to the question. 85.9% of the agents said they were Extremely or Somewhat Likely to attend an annual conference. We are currently exploring holding a conference.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely Likely	42	58.3	59.2	59.2
	Somewhat Likely	19	26.4	26.8	85.9
	Somewhat Unlikely	2	2.8	2.8	88.7
	Very Unlikely	1	1.4	1.4	90.1
	I would attend, but only if held in the city I live in	7	9.7	9.9	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

Other Notes about this questions:

- While full-time and part-time agent/investors do not significantly differ in being either extremely or somewhat likely to attend (90.4% full-time to 82.5% part-time), full-time were much more likely to answer that they were extremely likely to attend (71% to 50%).

Please rank the reasons you don't do more investing (1 being the biggest reason for not doing more investing):

The top reason for not doing more investing was lack of leads which was ranked #1 or #2 by 78.6% of the agents. That far exceeded The #2 Reason, Lack of funds (49.3%) which was followed by lack of time (37.1%) and Lack of Knowledge (36.2%).

If you had \$500,000 to invest in real estate today (either in cash or attractive financing options) how would you most likely use it (check all that apply)?

In this question, the agent was given the opportunity to check all that applied so percentages are the percentage of agents who checked each box. The most checked box was Buy and Hold with 83.3% of agents selecting they would use funds to buy and hold. Next was Fix and Flip (57.7%) followed by Lending the money (40.3%), Buying Lots/Land (25%) and Spec Building (20.8%).

If you had access to long-term (over 1 year term) private funds, what do you consider a good rate for both you and the private money lender? Keep in mind, it must be attractive to the private lender and you both.

The agents, as a whole, were realistic as to what a good interest rate would be for both lender and borrower on a property they held for more than a year. 72.2% put that interest rate between 8 and 10%, although a significant number of agents thought that 6% was more fair.

		Frequency	Percent	Valid Percent
Valid	4%	1	1.4	1.5
	6%	14	19.4	20.6
	8%	29	40.3	42.6
	10%	23	31.9	33.8
	12%	1	1.4	1.5
	Total	68	94.4	100.0
Missing	System	4	5.6	
Total		72	100.0	

Have you spoken to family/friends/acquaintances about borrowing private funds from them?

The number of agents that have talked to family/friends/acquaintances about private funds versus those who haven't was almost evenly split.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	35	48.6	49.3	49.3
	No	36	50.0	50.7	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

You haven't spoken to anyone about being a private money lender for you. What is your reason(s) for that (check all that apply)?

The agent was given the option to check all answers that apply. If they have not asked for private funds, the most common reason was lack of deals with 52.9% of those that haven't asked giving that as a reason. That was followed by a lack of experience (38.2%), Not knowing anyone with funds (23.5%) and finally, not knowing how private money works (11.8%).

You answered that you have spoken to people about private lending. What is the reason(s) you think some did not give you funds (check all that apply):

The top reason for not receiving funds when the agent asked people was that the person they asked did not have enough funds (54.3%). This was followed by not educating them well enough (48.6%) and no track record or experience to show (42.9%). A small number of agents listed that the interest rate was too low (5.7%) and that the interest rate sounded too good to be true (2.9%).

If you believe real estate investing is THE way to grow rich and retire early, list in order the way you think is the best path to get there (1 being the best path):

Agents overwhelmingly listed Buy and Hold in the top two rankings with 81.2% believing that buy and hold is the best path to riches. This was followed by Wrapping Sub2 Notes (49.2%), Flipping (28.8%), Becoming a private money lender (27.3%) and finally Wholesaling (20.0%).

Demographics

What is your Gender?

Females out-numbered males in the survey, but not by much.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	33	45.8	46.5	46.5
	Female	38	52.8	53.5	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

Other Notes about this questions:

- Agents who have been with StepStone less than 3 months are more likely to have *not* attended a mastermind at 55.6%.

I am a real estate agent/investor _____

Part-time agent/investors outnumbered full-time agent/investors, but again, not by a large margin:

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Full-time	31	43.1	43.7	43.7
	Part-time	40	55.6	56.3	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

Other Notes about this questions:

- Agent/Investors who have been with StepStone less than 3 months are more likely to be part-time (77.8%).
- Baby-boomers are more likely to be full-time than part-time at a 61.1-38.9% ratio. Whereas GenX has a 38.2-61.8% ratio and Millennials have a 36.8-63.2% ratio.

Rank in order of most time spent (1) to least time spent (5):

Real estate investing was the #1 way agents spent their time as it made the top 2 75.8% of the time. This was followed by the day job at 47.6%, then traditional real estate activities (47.0%), and other real estate activities/jobs (31.7%). Coming in last by far was lending that only got ranked in the top 2 8.6% of the time.

I have been with StepStone _____

The agents who answered the survey showed our accelerating growth pattern as those with us less than a year outnumber those over a year:

I have been with StepStone ^

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 3 months	18	25.0	25.4	25.4
	3 months to a year	27	37.5	38.0	63.4
	Over a year	26	36.1	36.6	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

Generations:

Gen X was almost half of the agent’s surveyed with the other half being pretty evenly split among Baby Boomers and Millennials.

I was born

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Before 1965	18	25.0	25.4	25.4
	1965-1980	34	47.2	47.9	73.2
	After 1980	19	26.4	26.8	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		

Other Notes about this questions:

- Agents who have been with StepStone less than 3 months are more likely to be in the Millennial Generation (38.9%) and much less likely to be baby-boomers (11.1%).
- Women are more likely than men to be baby-boomers (31.6 – 18.2%) or GenX (55.3 – 39.4%) whereas men are more likely to be Millennials (42.4 – 13.2%)

What best describes you and your situation?

The plurality of agents have some money to work with , with a majority having some or plenty of funds. But 41.4% are working on a shoe-string budget.

What best describes you and your situation?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Im working on a shoestring budget	29	40.3	41.4	41.4
	I have some money to work with	35	48.6	50.0	91.4
	I have plenty of funds, I just need more deals	6	8.3	8.6	100.0
	Total	70	97.2	100.0	
Missing	System	2	2.8		
Total		72	100.0		

Do you speak Spanish?

Most of our agents (over 70%) do not speak any Spanish, but another ~30% do!

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	50	69.4	70.4	70.4
	Some, I can muddle through	11	15.3	15.5	85.9
	Yes, I speak fluent Spanish	10	13.9	14.1	100.0
	Total	71	98.6	100.0	
Missing	System	1	1.4		
Total		72	100.0		