



FIVE STAR

P R O F E S S I O N A L

Program Summary and Research Methodology

(Revised August 2019)

FIVE STAR MORTGAGE PROFESSIONAL AWARD

Program Summary and Research Methodology

PROGRAM SUMMARY

Five Star Professional conducts market-specific research throughout the U.S. and Canada to identify service professionals who provide quality services to their clients. Now entering its fifteenth year, the Five Star Mortgage Professional program is the largest and most widely published mortgage award program in North America, covering more than 40 major markets. Five Star Mortgage Professions for each market are listed at no cost on fivestarprofessional.com

Five Star award winners do not pay a fee to be included in the research or the final list of award recipients. The chart in Appendix A provides a summary of the Five Star Mortgage Professionals award program.

RESEARCH OBJECTIVE

The research objective is to develop a list of mortgage professionals in a given market who satisfy objective criteria that are associated with providing quality services to clients.

To receive the Five Star Mortgage Professions award, a mortgage professional must satisfy five objective eligibility and evaluation criteria that are associated with mortgage professionals who provide quality services to their clients. The award process is conducted annually in each market. The final list of award recipients is not intended to be exhaustive.

RESEARCH METHODOLOGY

The following steps define the process used to ensure that the research objective is met:

• Award Candidate Identification Process

The nomination and candidate selection process is designed to identify the broadest possible population of high-quality award candidates in order to ensure that eventual award winners have been drawn from a large and diverse pool. Award candidates are identified by one of three sources; consumer nominations, peer nominations, and a review of online consumer evaluations. Self-nominations are not accepted.

1. Define Research Geography and Relevant Population of Recent Homebuyers

We define the geographic bounds of each market, with some research areas limited to cities and others covering larger regions that stretch beyond any one metro area. This is typically a list of counties, but may also include a list of zip codes. Within this geography, Five Star Professional defines the population of recent homebuyers and sellers to be surveyed as all area residents who purchased a home within 5 year time period depending on market size and sample size requirements.

2. Acquire Recent Homebuyer Lists

Once the geography and the population of recent homebuyers have been determined, the data is acquired. The list of recent homebuyers and sellers is provided by an outside data provider.

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3. Solicit Recent Homebuyer Evaluations

Five Star Professional administers a survey. Clients of mortgage professionals may also submit evaluations online. Each respondent is asked to evaluate only mortgage professionals with whom they have worked and evaluate them based upon five criteria: customer service, integrity, communication, product and service options, and overall satisfaction. Additionally, respondents are asked whether they would recommend the professional to a friend. This information is incorporated into a client scoring algorithm as a cross check against their average rating.

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4. Solicit Industry Peer Evaluations

Five Star Professional administers a survey by email to industry peers and professionals (mortgage professionals, insurance professionals and real estate professionals). Each respondent is asked to evaluate mortgage professionals with whom they have worked or have close, intimate knowledge of their business practice. Respondents are asked to evaluate them based upon four criteria:

Customer service skills, integrity, communication skills, preparation to detail and attention to detail. Additionally, respondents are asked whether they would recommend the agent to a friend if they were unable to provide mortgage services.

5. Collect Evaluations and Verify Validity

Five Star Professional collects evaluations submitted via mail, phone and through Five Star Professional's web-based evaluation system. Five Star Professional's research staff reviews evaluations for completeness of required information and to guard against self-nomination.

6. Verify Award Candidate License and Contact Information

Each award candidate is matched to a regional or national license number. Once found on the applicable license/registration site, each mortgage professional's license status (active or non-active) and disciplinary history are noted. In order to be named a Five Star Mortgage Professional, an individual must hold a current mortgage license and be in good standing.

Five Star Professional employees identify contact information, using company and other directories.

7. Assign Evaluation Score

After the consumer and peer evaluation surveys and prequalified candidates are identified, all candidates are reviewed by a panel of industry peers – the Blue Ribbon Panel review. Each Blue Ribbon Panel review member is given a portion of the candidate list to review. Each candidate is reviewed based on their commitment to professional excellence in the industry and demonstration of superior client service. Blue Ribbon Panel review members are asked to remove candidates they feel are not worthy of award consideration. Safeguards are in place to ensure a single panel member is unable to remove a candidate from consideration. Once all evaluations and panel reviews are complete, the mortgage professionals license, regulatory history, and contact information are determined; each mortgage professional is given an Evaluation Score. Both favorable and unfavorable evaluations are incorporated. Safeguards are in place to eliminate any bias including; self-nominating, “back-scratching,” and “stuffing the ballot.”

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• Selection Process

1. Collect Award Candidate Data

Five Star Professional provides each award candidate with instructions to submit information about themselves and their practice, including specific data related to eligibility and selection criteria.* They are required to certify the information they provide is accurate. Award candidates who satisfy the following five objective eligibility and evaluation criteria associated with providing quality services to their clients receive the Five Star Mortgage Professional award.

Evaluation Criteria

1. Qualifying client satisfaction rating

Evaluation Criteria

2. Actively licensed as a mortgage professional
3. Actively employed as a licensed mortgage professional for a minimum of three years
4. Favorable regulatory and complaint history review
5. Satisfies minimum production on a one year and three year basis (# of transactions)

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2. Evaluate Award Candidates

Once the award candidate data forms are collected, award candidates are evaluated based on the 5 eligibility and evaluation criteria. Five Star Professional finalizes the preliminary list of Five Star Mortgage Professionals to be no more than 7% of the mortgage professionals in the area.

3. Award Winner Notification

Five Star Mortgage Professional award winners are notified of their inclusion on the final list of award winners. Those candidates who do not qualify are also notified accordingly.

AWARD LIST PUBLICATION

The contracting magazine publishes a special section, prepared by Five Star Professional, which describes the evaluation process and determination of award winners. Five Star Five Star Mortgage Professionals are listed at fivestarprofessional.com.

Mortgage professionals do not pay a fee to be included in the research process or to be named a Five Star Mortgage Professional. In connection with publication of the article, mortgage professionals may elect to pay a fee to include certain profile information in the special section. For additional fees, Five Star Professional will provide mortgage professionals with other tools to further publicize being named a Five Star Mortgage Professional. A mortgage professionals purchase of a profile or other services does not influence Five Star Professional's determination whether to include or exclude a particular mortgage professional from any list of Five Star Mortgage Professionals.

Appendix A – FIVE STAR MORTGAGE PROFESSIONAL Program Summary Chart

Research Objective

The research objective is to develop a list of mortgage professionals in a given market who satisfy objective evaluation and eligibility criteria that are associated with providing quality services to clients.

Award Requirements

To receive the Five Star Mortgage Professional award, a mortgage professional must satisfy 5 objective evaluation and eligibility criteria that are associated with mortgage professionals who provide quality services to their clients.

Sources of Award Candidates

Clients

Clients are defined as anyone who has purchased a home or sold within the past 5 years. Clients are then provided an opportunity to submit an evaluation form.

Real Estate Agents

In addition to consumer surveys, real estate agents are asked their evaluation of how well mortgage professionals serve their clients.

Regulatory Review

Regulatory reviews of reported complaints and disciplinary actions are conducted for each award candidate through the applicable state regulating agency.

Award Evaluation and Eligibility Criteria

Once the award candidate data forms are collected, award candidates are evaluated based on the 5 eligibility and evaluation criteria. Five Star Professional finalizes the preliminary list of Five Star Mortgage Professionals to be no more than 7% of the mortgage professionals in the area.

Eligibility Criteria

1. Qualifying client satisfaction rating. *

Evaluation Criteria

2. Actively employed as a mortgage professional for a minimum of three years.
3. Satisfies minimum production on a yearly and three year basis (# of transactions and dollar value).
4. Satisfies the applicable state licensing requirements.
5. Favorable regulatory and complaint history review.

The specific numeric values for some of the objective criteria are determined after the mortgage professionals have submitted their mortgage professional-provided data forms. For example, Five Star Professional will determine the minimum requirement for production after the data forms have been received. This helps assure a final list that is appropriately sized for the market, and it also allows Five Star Professional to accommodate variations within different regions of the country.

*Five Star Professional administers a survey, by mail, phone and through an unsolicited online form, to recent homebuyers (all area residents who purchased a home over \$100,000-\$200,000 within a 8-36 month period depending on market size). In addition real estate agents, escrow and title professionals are also asked to submit an evaluation. All participants are then asked to evaluate a mortgage professional they have worked with on two criteria: overall satisfaction and whether they would recommend the mortgage professional to a friend. This information is incorporated into a scoring algorithm client satisfaction rating.

Award List Publication

Less than 7% of the mortgage professionals in a market receive the Five Star Mortgage Professional award. The list of Five Star Mortgage Professionals for each market are listed at no cost on fivestarprofessional.com. Five Star award winners do not pay a fee to be included in the research or the final list of award recipients