

The Psychology
of Real Estate

MAQUELI GEWEHR

About this edition

The Psychology of Real Estate.
How people decide to buy, sell and rent — and what the agent does with that.
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Important notice

This book is **educational and professional training material**. It is not investment advice, not a legal opinion and not tax guidance. It does not replace an attorney, an accountant (*CPA*), a *lender*, or reading the rules of the body that licenses the agent — the FREC in Florida, the CRECI in Brazil.

The studies and surveys cited were checked in **September 2026**; the section **Where the numbers come from**, at the end of the book, gives the source of each data point. Where the evidence is contested or comes from market research rather than academic research, the text says so. Where there is no evidence, the text calls it folklore.

No technique described here permits deceiving, pressuring or omitting. Chapter 9 explains where persuasion ends and violation begins — under the Fair Housing Act and Florida law, and under the Código de Defesa do Consumidor (Brazil's consumer protection code) and the agent's Code of Ethics in Brazil.

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A letter to those who *sell homes*

I spent the first years of my career thinking I sold real estate. Square footage, location, finishes, price per square foot. It took me a while to understand that none of that was on the table. What was on the table was a decision — and the human mind makes decisions very differently from what the spreadsheet suggests.

The seller who won't sell for less than he paid, even when the market has already decided for him. The couple who walk into a house, head for the kitchen and say "this is the one," then spend three weeks looking for a rational reason for what they have already decided. The client who is "going to wait for rates to fall" and waits two years. The renter who knows the numbers by heart and doesn't buy. The experienced agent — me included — who looks at the asking price before doing the valuation and leaves the showing with a contaminated number without noticing.

None of this is a character flaw. It is how the mind works, and it has been measured. Economists and psychologists spent forty years watching people buy and sell homes: in Boston, in Denmark, in Tucson, in Los Angeles, in England, in São Paulo. They measured how much more a loss hurts than a gain, how far an anchor moves a professional's valuation, how much friends' experience changes the price someone is willing to pay, how much one more day on the market costs. This book gathers those measurements and sets them beside what I saw in fifteen years on the street, in Brazil and in Florida.

I wrote it for the agent, and for anyone who simply wants to understand why they bought the house they bought. The psychology

is the same on both sides of the table; the agent is the one obliged to know it — and knowing is not manipulating, as Chapter 9 explains. The goal is to sell more and sell better. More, because whoever prices right, prepares the house for the eye that decides and answers within minutes closes more. Better, because the client who has no regrets comes back and refers others.

Maqueli Gewehr

ORLANDO, FLORIDA · SEPTEMBER 2026

How to use this book

There are **eleven chapters** in three parts — the mind of the decider (1 to 5), the client and the property (6 to 8) and the sale (9 to 11) — all with the same structure: the text, with the studies cited by name and year; the section **What the agent does with this**, where the analysis becomes procedure; a one-page **infographic**; and the twelve-point summary. The end of the book gathers the twelve procedures into a single **protocol**, in the order of a sale, along with the list of where each number comes from. One request for honesty: no technique here is meant to convince anyone to do what they shouldn't. Whoever understands the client's psychology uses it to help the client decide well — and that is why the client comes back.

CHAPTER ONE 01

The decision *at two speeds*

The buyer decides with emotion in minutes and justifies with reason over weeks. The agent has to serve both.

I've shown homes to people who walked in, went to the kitchen, looked out the back window and said "this is the one." And I've shown homes to people who toured eighteen properties, built a spreadsheet with fourteen columns and, three months later, bought the second house they had seen. For years I thought they were two kinds of client. They aren't. They are the two speeds of the same mind — and the research has names for them.

Daniel Kahneman, who won the Nobel Prize in Economics for studying how people decide, called the fast, automatic, emotional part System 1 and the slow, deliberate, numerical part System 2. The foundation is Kahneman and Tversky's *prospect theory* (1979): we judge gains and losses from a reference point, not in absolute terms — almost everything in this book derives from that. When buying a home, System 1 decides at the first photo and the light in the living room; System 2 arrives later, with the calculator, to justify what has already been chosen — or, more rarely, to veto it.

Where the eye goes first

Seiler, Madhavan and Liechty, in 2012, put buyers in front of online listings with an eye-tracking device. The order of the gaze was the same in nearly everyone: first the photo, then the numbers — price, square footage, bedrooms — and only last, "from a distance," the

agent's text. The time the eye stayed on each part predicted the opinion the person formed about the house and its value.

The first photo decides whether the rest exists. And the 2025 buyer, according to the National Association of Realtors (NAR), starts the search online in 46% of cases and finds the property they end up buying online in 52% — but closes with an agent in 88%. System 1 chooses on the screen; System 2 needs someone to guide the rest.

How long it takes

There is a line going around the market that "the buyer decides in eight seconds." I looked for the source: there isn't one. It's a conference statistic that became truth through repetition. What does exist is more nuanced, and more useful.

In the United Kingdom, a 2021 Purplebricks survey found that 26% of buyers say they judge the house "in seconds" on walking in. In 2024, Zoopla put eye-tracking glasses on buyers during real viewings: one in five makes an offer after less than twenty minutes inside the house; 54% of attention goes to finishes and furniture, against 38% for structure, floors and ceilings; only 17% looked at the basement, and half didn't even check the boiler. The minority who decide fast decide based on what matters least, technically.

On the other side, the NAR measures the entire search: a median of ten weeks of searching in 2025, four weeks of exposure for the property sold. Asked why they bought at that moment, 45% answer that "it was simply the right time" and 20% that they "needed to buy." The two measures don't contradict each other: emotion closes in minutes and the decision takes weeks, because System 2 needs time to assemble the down payment, pre-approval, inspection and courage. The agent who works for only one of the speeds loses on the other.

The house is part of who buys it

There is a reason the decision is so emotional, and it isn't weakness. Russell Belk, in 1988, described possessions as part of the "extended self": the things we own are part of who we are, and the home is the most central of them. When a client walks into a property, they are not appraising an asset: they are trying on a possible version of themselves.

Pierce and colleagues described three paths by which someone comes to feel that something is theirs before it is: control over the object, intimate knowledge of it and investment of the self. That's what happens at the second showing, when the couple measures the sofa and pictures Christmas. Psychological ownership is born before the deed. And in a 2025 Opendoor survey, 81% of buyers believed, when buying, that they would stay in the house "forever"; among those who have already sold their first, 68% think that isn't realistic. Every buyer buys a forever; every seller breaks one.

Regret measures the rush

If the decision is emotional and fast, regret should be common. And it is — but not the way you'd imagine. In the 2025 Clever survey, 65% of American buyers have some regret; in 2026, the same firm measured 80% with "some regret" and, in the same survey, 91% who do not regret having bought. The regret isn't about the house: it's about the process. In January 2026, 42% said they had moved faster than they would have liked; 36% made offers on properties they weren't sure about, for fear of losing out; 40% pushed ahead to end the stress. In 2025, 44% discovered problems after moving in that no one had shown them, and 13% waived the inspection. The buyer looks at the finishes, buys, and six months later discovers the roof.

In Brazil the journey is longer — a median of four months, according to DataZAP, with 74% visiting in person — but the number one trust criterion on the listing sites is the same as in the American gaze: real photos and a complete description. System 1 is universal.

SYSTEM 1	SYSTEM 2
Decides at the first photo and in the first minute	Decides over ten weeks, with pre-approval
Looks at finishes, light, order and smell	Looks at payment, tax, insurance and comparables
Buys a forever and a version of the self	Buys square footage, location and liquidity
Feels ownership at the second showing	Signs after the inspection
Produces the offer out of fear of losing	Produces the regret of not having looked

What the agent does with this

Serving both speeds is not choosing between emotion and reason. It is preparing both before the client arrives.

1. Prepare the showing for System 1 and the spreadsheet for System 2. The clean, bright house generates the offer; the total-cost spreadsheet (payment, tax, insurance, condo fees, maintenance) prevents the regret. Bring both.

2. Ask before you show: "what changed in your life that made you start looking now?" It's the life event behind "it was the right time," and it's what the house has to solve.

3. Make the second showing a rule, with the floor plan in hand. That's where psychological ownership forms and where the buyer looks at what they didn't look at before. Whoever doesn't come back wasn't decided.

4. Say out loud what the client doesn't look at: roof, air conditioning, water, electrical, insurance. The agent who points out the defect before the inspection is the one the client refers.

5. Slow down whoever wants to "get it over with." No offer on a property you aren't sure about without a 24-hour gap. It costs you a deal now and then; it prevents a detractor.

Quick to feel, slow to sign

The impression forms in the first minute and on what matters least, technically; the decision takes weeks. The agent works for both speeds.

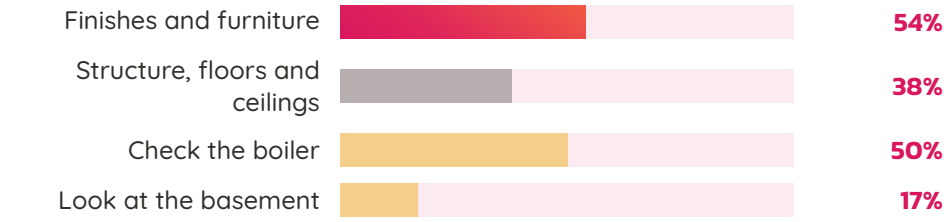
26%
of buyers say they judge the house in seconds on walking in (Purplebricks, 2021)

1 in 5
makes an offer after less than twenty minutes inside the house (Zoopla, 2024)

10 weeks
of median search until purchase (NAR, 2025)

4 weeks
of median exposure for the property sold (NAR, 2025)

Where attention goes during the viewing, and what almost no one checks



Why they bought at that moment: **45% because "it was the right time"**, 20% because they needed to. And **42%** say they moved faster than they would have liked.

PURPLEBRICKS, 2021 · ZOOPLA, EYE TRACKING IN REAL VIEWINGS, 2024 · NAR, PROFILE OF HOME BUYERS AND SELLERS 2025 · CLEVER/BEST INTEREST, 2026

In *summary*

01 The decision has **two speeds**: System 1, fast and emotional; System 2, slow and numerical.

02 The eye goes **to the photo first**, then to the numbers and last to the agent's text.

03 The search starts online for 46% and the house is found online by 52%, but **88% close with an agent**.

04 "Eight seconds" **has no study behind it**: 26% judge in seconds, one in five offers in under twenty minutes.

05 At the viewing, **54% of attention** goes to finishes and furniture; half don't check the boiler.

06 The search takes **ten weeks**; 45% bought because "it was the right time," 20% because they needed to.

07 The home is part of the **extended self**; psychological ownership is born of control, knowledge and investment of the self.

08 81% buy believing in **forever**; 68% of those who have already sold know it doesn't work that way.

09 Regret is **about the process, not the house**: 91% do not regret having bought.

10 Rushing is the cause: 42% moved too fast, 40% to end the stress, **44% found problems afterward**.

11 Procedure: a house ready for System 1, a **total-cost spreadsheet** for System 2, a second showing with the floor plan.

12 Procedure: ask what changed in the client's life and **say out loud what they don't look at**.

> *Emotion picks the house in minutes and reason signs in weeks. The agent prepares both before the client arrives.*

CHAPTER TWO 02

The price you paid *no longer exists*

Loss aversion: why the seller asks too much, takes longer and sometimes doesn't sell at all

"I'm not selling for less than I paid." I heard that sentence in Brazil, from an apartment owner, and I still hear it in Florida, from people who bought at the 2022 peak. The market changed; the number in their head didn't. They aren't stubborn: they are using the purchase price as a ruler to measure everything that came after — and that ruler is the best-documented one in the psychology of real estate.

Chapter 1 introduced the central idea of *prospect theory*: we judge gains and losses from a reference point, and a loss weighs more than a gain. In the sale of a house, the reference point is almost always the price paid. Selling below it feels like a loss, even when the real math — inflation, interest rates, the years of living there — says otherwise. The result has been measured: the seller at a loss asks for more, sells for a little more and sells much more slowly. Sometimes doesn't sell at all.

Boston, the 1990s

Genesove and Mayer (2001) followed downtown Boston condos through an entire cycle of decline and recovery. For each listing, they estimated the expected sale value and compared it with the price the owner had paid. Those at a nominal loss — expected value

below the purchase price — set a higher asking price, by 25% to 35% of the difference.

And the market paid part of it: sellers at a loss obtained higher final prices by 3% to 18% of the difference. But the probability of selling in each period was much lower. They took far longer to sell — or didn't sell. The effect showed up in investors and in residents, but it was notably stronger in those who lived in the property.

A loss weighs 2.5 times

Andersen, Badarinza, Liu, Marx and Ramadorai (2022) asked the question again using administrative records from Denmark: 191,507 households that listed a property between 2009 and 2016. The pattern repeated — the premium in the asking price rises sharply as the potential loss grows and is flat in the domain of gains — and something new appeared: a clustering of sales exactly at the purchase price. Breaking even is a real target. Those at a loss also list less often.

The model put a number on the pain: a loss hurts about 2.5 times more than an equal gain pleases. In Helsinki, Einiö, Kaustia and Puttonen (2008) had already seen the same excess of sales at the original price in about 80,000 transactions, weaker in expensive properties, among experienced sellers and in investment purchases. One honest caveat: Ross and Zhou (2021) showed that estimates of the effect on the final price drop by as much as 73% with finer controls. The phenomenon exists; its mark on the closing price is smaller than on the asking price and on time to sell.

THE BREAK-EVEN MATH, IN AN EXAMPLE

A client bought for US$ 450 thousand in 2022. Today's comparable closed sales point to US$ 420 thousand: a nominal loss of US$ 30 thousand. By the Boston pattern, she will want to list between US$ 7.5 thousand and US$ 10.5 thousand above what the market supports — and may recover, in the final price, between US$ 900 and US$ 5.4 thousand. The rest she pays in months of exposure, mortgage payments, taxes, insurance and condo fees. An example of the math, not a quote.

"At least I didn't lose money"

The sentence is the title of a study by Stephens and Tyran (2012) with the adult population of Denmark. They presented the same real loss sometimes as a nominal loss, sometimes as a nominal gain. In about 60% of people, the evaluation changed with the packaging. System 1 reads the nominal value; System 2, the real one — and System 1 gets there first. That is why "selling above what you paid," when true, unlocks more sellers than any argument about real return.

The owner also adds to the price everything they spent. It doesn't count. Zonda's 2025 *Cost vs. Value* report, covering 28 remodeling projects in 115 American markets (professionals' estimates, not actual sales), shows that only cheap curb-appeal projects recover more than they cost: replacing the garage door (US$ 4,672) returns US$ 12,507 at resale, 267.7%; a minor kitchen remodel, 112.9%. Big projects recover far less. Renovation is a sunk cost, and the owner's estimate starts out high: 6% above the later sale price in Goodman and Ittner (1992); 5% to 10% in Benítez-Silva and colleagues (2015), almost all of the error coming from an imagined capital gain.

In Brazil the pattern is the same. QuintoAndar cross-checked more than 150,000 contracts between 2023 and 2024: 54% of properties for sale were listed above the recommended price, only 3 in 10 of them closed at the asking price, and the discounts came out five times larger. In the United States, Redfin measured in February 2026 who cuts prices most: 37.4% of sellers with up to two years of ownership, against 31.8% of those who have owned the home for more than seven. Whoever bought at the peak anchors on what they paid, gets the exit price wrong and cuts later.

What the agent does with this

The price paid is a fact in the seller's life, not a data point in the market. The job is to respect the first and sell with the second.

1. Ask how much they paid and when, before talking about price. The answer tells you whether the seller is in gain or in loss; the year of purchase predicts the behavior.

2. Separate the emotion from the math. Attachment to the price paid takes reframing; the next down payment takes planning. Mixed, they become "I'm not selling for less."

3. Show closed comparable sales, never listings. The owner's error is an imagined capital gain; the only answer is what the market actually paid, in writing.

4. Use break-even as an anchor when the market allows. When it doesn't, show that carrying costs have already eaten the break-even: every month of waiting brings a payment, taxes, insurance and condo fees.

5. Treat renovation as a sunk cost, and give those who bought in 2022 a script of their own. The US$ 80 thousand kitchen isn't in the price; whoever bought at the peak needs to hear the Boston curve before setting the exit price.

The pain of loss

At a loss, the seller asks more, recovers little and takes a long time. In Brazil, more than half list above the recommended price.

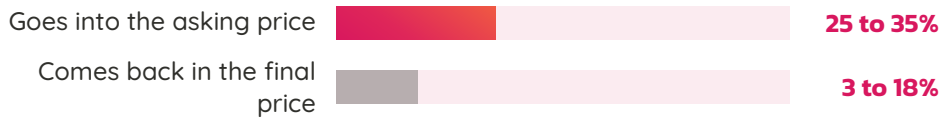
2.5 times

is how much more a loss hurts than an equal gain pleases (Andersen and colleagues, 2022)

60%

judge the same real loss differently if it becomes a nominal gain (Stephens and Tyran, 2012)

Boston: share of the loss that goes into the asking price and share that comes back in the final price



54%

of properties for sale in Brazil listed above the recommended price (QuintoAndar)

3 in 10

of those closed at the asking price; the discounts came out five times larger

Those who bought less than two years ago cut their price more in 2026: **37.4%**, against 31.8% of those who have owned the home for more than seven years (Redfin).

GENESOVE AND MAYER, 2001 · ANDERSEN AND COLLEAGUES, 2022 · STEPHENS AND TYRAN, 2012 · QUINTOANDAR, 2023 TO 2024 · REDFIN, 2026

In *summary*

01	The price paid becomes the **reference point**: selling below it feels like a loss, whatever the real math says.
02	In Boston, the seller at a loss put **25% to 35% of the loss** into the asking price and recovered only 3% to 18% of it.
03	The market charges in time: the seller at a loss **takes far longer** to sell, or doesn't sell.
04	In Denmark, a loss hurts **2.5 times** more; sales cluster exactly at the purchase price.
05	The effect is **stronger in those who live** in the property; weaker in investors and experienced sellers.
06	Caveat: with better controls, the mark on the **final price is smaller**; the one on asking price and time is not.
07	**"At least I didn't lose money"**: 60% judge the same real loss differently if it becomes a nominal gain.
08	Renovation is a **sunk cost**: only cheap curb-appeal projects recover more than they cost.
09	The owner overestimates the house by **5% to 10%**, almost all of the error coming from an imagined capital gain.
10	In Brazil, **54% list above** the recommended price: 3 in 10 close at the asking price, discounts five times larger.
11	Procedure: ask **how much they paid and when** before talking price; separate the emotion from the math.
12	Procedure: closed comparables in writing and **break-even as an anchor** when the market allows.

> *The price paid is a fact in the seller's life, not a data point in the market.*

CHAPTER THREE 03

The anchor that *pulls everyone in*

Even the experienced agent misjudges the value when they see the asking price before running the numbers

When I arrive at a listing appointment, the owner tells me a number before I open my folder. “The neighbor is asking 620.” Or: “the portal says 585.” I haven’t run the numbers yet, but the number is already in. It took me years to admit that it moved my valuation. A 1987 experiment shows that no one is an exception.

Tversky and Kahneman called the mechanism anchoring and adjustment: faced with an estimate, the mind starts from the first number available and adjusts from there — a little. In the real estate market the anchor has a name: it’s the asking price. It works on two levels. In forming value, it pulls everyone’s valuation, professionals included. In search, it decides who comes to view the property.

Tucson, 1987

Northcraft and Neale (1987) took agents and students through two real houses for sale in Tucson. Everyone toured the property and got ten pages of information: the MLS sheet (the agents’ cooperative listing database), comparables and the previous six months’ sales. Only the listing price changed. On the second house, appraised at US$ 135,000 and listed at US$ 134,900, the researchers planted four anchors: US$ 119,900, 129,900, 139,900 and 149,900 — about 11% below, 4% below, 4% above and 11% above.

The 47 agents averaged 8.9 years in the business and 16.2 transactions a year. Those who saw the low anchor valued the house at US$ 114,204; those who saw the high one, at US$ 128,754. A swing of US$ 14,550, about 12.7%, caused by a number printed on a sheet of paper. The "lowest acceptable offer" followed: US$ 111,136 against US$ 123,818. The 54 students swung more, but experience did not protect the professionals: years in the business and sales volume did not reduce the anchoring.

The detail that bothers me most: only 19% of agents cited the listing price among their factors, and just 8% put it in the top three. The expert was as anchorable as the amateur and didn't even notice. It's the best argument I know against valuing a house "by eye."

What the high listing really yields

If the anchor moves the valuation, listing higher should pay more. It pays almost nothing. Bucchianeri and Minson (2013) analyzed more than 14,000 home listings in Delaware, New Jersey and Pennsylvania. Listing 10% to 20% above the neighborhood comparables raised the sale price by 0.05% to 0.07% — between US$ 117 and US$ 163 on the average house. And nothing showed that underpricing to provoke a bidding war works, "even in hot markets."

What the asking price does is steer the search. Han and Strange (2016) showed that it is neither ceiling nor floor: in the mid-1990s, only about 4% of American sales closed above the asking price; in the bubble of the 2000s, the national share reached about 15%, with more than 30% in some markets. Miss high and the showings vanish; miss low and the bidding may not come.

On the ending of the number, the evidence is thinner than the folklore. Repetto and Solís (2020) saw Swedish apartments listed

"just below" a round number go in bidding for 3% to 5% more: the left-hand digit changes the mental shelf. Beracha and Seiler (2014), with more than 370,000 Virginia listings, found that the "just below" price takes the biggest discount in negotiation but starts so much higher that it yields more in dollars. For Thomas, Simon and Kadiyali (2010), a precise price (US$ 364,578) looks smaller than a round one and the buyer pays closer to the asking price. Palmon, Smith and Sopranzetti (2004) found the opposite: an ending in 000 sold faster and for more. And no one has measured what it costs, in showings, to fall outside the portal's search band — the "multiples of ten thousand" argument is agent reasoning, not research. The price is a position in the filter and a digit on the left; the rest is testing.

The anchor on the table

In negotiation, the first offer anchors — it's the most robust finding in the field. Galinsky and Mussweiler (2001) also showed the antidote: the advantage disappears when the other side focuses on its own target and alternatives before seeing the number. And there is a limit: Schweinsberg and colleagues (2012) saw that aggressive anchors, especially against those with power, raise the chance of an impasse. Anchoring with a number that can't be supported wins the battle and loses the deal.

In Brazil, the anchor is an invitation: in the journey measured by DataZAP in 2021, 77% of buyers negotiated the price, 57% the payment terms and 21% the agent's commission. Haggling is the norm. As Chapter 2 showed, the owner already arrives overestimating the house; if the agent anchors on that instead of the comparables, both become hostages of one number.

WHAT ETHICS WON'T LET YOU ANCHOR

Standard of Practice 1-3 of the NAR Code of Ethics prohibits misleading the owner about market value. Listing above what the comparables support is anchoring against your own client: it yields hundredths of a percent and costs weeks of exposure.

What the agent does with this

The anchor can't be switched off; the defense is the order in which numbers enter your mind and the client's.

1. Do the CMA before seeing the asking price. The comparative market analysis (CMA), with closed sales, comes before the owner's number, the portal's and the competitor's. Once seen, it has already pulled.

2. Be the first number at the listing appointment, with comparables on the table. Whoever presents the first number anchors; if it's the owner, you negotiate against their anchor for the rest of the contract.

3. Teach the buyer to set a target and an alternative before seeing the asking price. It's the Galinsky and Mussweiler defense: whoever knows what the home is worth to them, and their fallback, isn't pulled by the listing.

4. Choose the price by the portal's search band and the left-hand digit. Test, measure showings and don't promise results: the evidence on the ending in 900 is contradictory.

5. Never anchor with a number that can't be supported. Not in the listing, not in the offer: an insulting anchor produces an impasse, and an inflated listing pays for itself in weeks of exposure.

The Tucson experiment

The same house, appraised at $135,000, the same ten-page package and a single line changed: the listing price.

LOW ANCHOR: $119,900	HIGH ANCHOR: $149,900
47 AGENTS Valuation: $114,204	**47 AGENTS** Valuation: $128,754
LOWEST ACCEPTABLE OFFER $111,136	**LOWEST ACCEPTABLE OFFER** $123,818
54 STUDENTS $116,833	**54 STUDENTS** $144,454

12.7%
swing in the agents' valuation between the two anchors; 8.9 years in the business on average

19%
of agents cited the listing price as a factor; only 8% among the top three

Listing 10 to 20% above the comparables yields **0.05 to 0.07%** more (Bucchianeri and Minson, 2013). In Brazil, **77%** negotiate the price (DataZAP, 2021).

NORTHCRAFT AND NEALE, 1987 · BUCCHIANERI AND MINSON, 2013 · DATAZAP, 2021

In *summary*

01 **Anchoring and adjustment**: the mind starts from the first number and adjusts little; in real estate, the anchor is the asking price.

02 In Tucson, anchors 11% to each side moved the agents' valuation by **12.7%**.

03 Experience **did not protect**: years in the business and sales volume did not reduce the anchoring.

04 Only **19% admitted** looking at the listing price; 8% put it among the top three factors.

05 Listing 10% to 20% above the comparables yields **0.05% to 0.07%**; listing low to spark a bidding war has no backing.

06 The asking price **steers the search**; it is neither ceiling nor floor: 4% sold above it in the 1990s, 15% in the bubble.

07 "Just below" yielded **3% to 5%** in Swedish auctions; the left-hand digit changes the mental shelf.

08 Ending in 900, precise or round: **contradictory** evidence; no one has measured the portal's search band.

09 In negotiation, the **first offer anchors**; the defense is to set a target and an alternative before seeing the number.

10 **An extreme anchor produces an impasse**; in Brazil, 77% negotiate the price and 21% the commission: haggling is the norm.

11 Procedure: **CMA first**, before seeing the owner's, the portal's or the competitor's price; be the first number at the listing appointment.

12 Procedure: price by the search band and the left-hand digit; **never anchor** with a number that can't be supported.

> *The anchor can't be switched off. The defense is the order in which numbers enter your mind and the client's.*

CHAPTER FOUR 04

The herd and *the bubble*

Expectations are born of what friends experienced, not of spreadsheets — and they move real prices

In 2021 I worked with an Orlando couple who wanted to buy "before it goes up more." Their reference wasn't any report: it was a cousin in Miami who had bought the year before and "had already appreciated." The house they chose was bigger than they needed and pricier than I advised. They weren't wrong about the cousin. They were wrong about what the cousin said about the future.

Where does a buyer's expectation of appreciation come from? The answer, measured in four American cities over ten-plus years and across a whole social network, is uncomfortable: recent experiences, their own and their friends', extrapolated forward. These beliefs don't stay in the head. They change whether a person buys, the size of the house and the price paid. Added up, they move the market.

Los Angeles, 2004

Case and Shiller sent questionnaires to recent buyers in 1988 and, with Anne Thompson, every year from 2003 to 2014 in four counties: Alameda (San Francisco), Middlesex (Boston), Milwaukee and Orange (Los Angeles). In 2004, at the height of the boom, they asked how much prices would rise per year, on average, over the next ten years. The answers: 14.1% in Alameda, 10.6% in Middlesex, 10.4% in Milwaukee and 17.4% in Orange County. Only 3% expected flat or falling prices in the following year.

The gap between the ten-year expectation and the thirty-year mortgage rate was about 6 percentage points. With ten-to-one leverage, that was an enormous expected profit — which, the authors say, helps explain the enthusiasm. What came next is well known: the Case-Shiller home price index fell 27.4% between July 2006 and February 2012; in Florida, by the FHFA index, the federal agency that regulates housing finance, 44.7% from late 2006 to mid-2012. In June 2012, the experts surveyed by Pulsenomics expected 1.94% a year; buyers, about double. The study's central finding is the thesis of this chapter: one-year expectations even underreacted to prices; the bubble lived in the ten-year expectations. Already in 1988, Case and Shiller had concluded that booms have a "social, not rational or economic" basis: they are fed by repeated clichés, not by news.

Friends move the price

Bailey, Cao, Kuchler and Stroebel (2018) made the most direct measurement of contagion there is. They cross-referenced Facebook's anonymized friendship network with real estate transactions in Los Angeles and looked at prices in the distant cities where each person has friends. Those with friends in counties where prices rose 5 percentage points more between 2008 and 2010 were 3 percentage points more likely to go from renter to owner in the following two years, on a base of 17.8%. Among those who bought, the same 5 points produced a 1.6% larger house and a 2.3% higher price for the same property. The channel is belief: people with friends who had good experiences think local property is a better investment.

Kuchler and Zafar (2019) found the same pattern in the New York Fed's expectations survey: each additional percentage point of price increase in the ZIP code where a person lives raises their expectation for the whole country by 0.1 point, with recent experiences weighing far more than old ones. Glaeser and Nathanson (2017) showed that it's enough to assume buyers who forecast the future from past prices to reproduce what rational models can't generate: the one-year momentum and the five-year reversal. Whoever extrapolates expects more rises after a rise and misses the fall.

The good news comes from Armona, Fuster and Zafar (2019): in an experiment, showing people the real five-year price series — with the decline in it — changed their expectations and investment intentions. Extrapolation isn't destiny; it's a missing chart.

The hangover

What the herd leaves behind is in the surveys. In Zillow's 2022 survey of people who bought in the previous two years, 75% had at least one regret, 59% had paused their search from burnout and 38% wished they had spent more time looking. In 2025, Bankrate surveyed owners in general: 70% would buy the same house. The two readings fit: the house is usually good; the rush is what cost. Seiler and colleagues (2008) measured another pain: those who failed to sell at the peak regret it more than those who didn't know about the possible gain — and the peak that has passed becomes the seller's false reference point.

In Brazil, purchase intent hit the Brain series record in the fourth quarter of 2025: 50%, with 56% among Gen Z. It's real demand, with the down payment as the barrier. I think it's also a herd in formation:

a 25-year-old listens to the friend who bought earlier before reading the Selic (Brazil's benchmark interest rate).

> **"IT WENT UP 20% LAST YEAR"**
>
> It's the most dangerous sales argument there is: it's the mechanism of buying at the top. Whoever hears it extrapolates, buys bigger, pays more and, when the price stalls, becomes a detractor. Use a number from a reputable institution: Fannie Mae, in September 2026, projects prices 2.3% higher in 2026 and 1.0% in 2027.

What the agent does with this

You can't switch off the client's herd. You can, however, change their reference — from friends to the long series — before it becomes an offer.

1. Ask: "how much do you think this will be worth ten years from now?" The answer tells you whether the person is buying a home or betting on appreciation; compare it with the mortgage rate.

2. Show the long series, with the decline in it. Not the last year: the last twenty, including 2006 to 2012. Armona and colleagues showed that this changes the expectation.

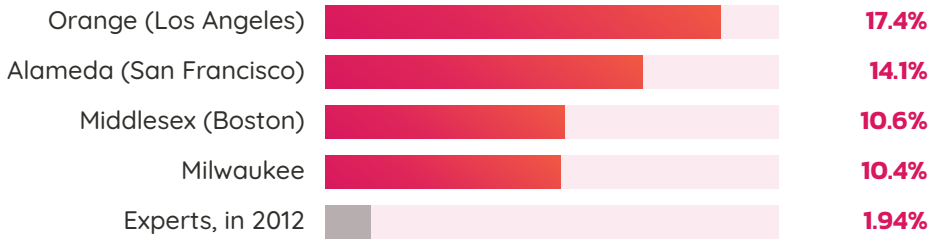
3. Map where the client's reference comes from. A cousin in Miami, a friend in São Paulo, a group chat: their experience outweighs any report.

4. Never use "it went up 20% last year" as an argument. Talk about expectations with a number from a reputable institution and name the source.

5. Slow down in a hot market. It's where 75% regret and 59% stop from burnout; the agent who brakes loses a deal now and then and gains a client for ten years.

What they expected and what came

In 2004, buyers in four counties said how much prices would rise per year over the next ten years. Then came 2006.



27.4%
drop in the national price index between July 2006 and February 2012

44.7%
drop in Florida, by the FHFA index, from late 2006 to mid-2012

Friends in cities that rose **5 points more** = a **3-point higher** chance of buying, a 1.6% bigger house, 2.3% more paid (Bailey and colleagues, 2018).

CASE, SHILLER AND THOMPSON, 2012 · CASE-SHILLER AND FHFA (FRED) · BAILEY AND COLLEAGUES, 2018

In *summary*

01 In 2004, buyers expected **10% to 17% a year** for ten years; only 3% foresaw a decline or flat prices.

02 The bubble lived in the **ten-year expectations**: 6 points above the mortgage rate, with ten-to-one leverage.

03 What came: a **27.4% drop** in the national index and 44.7% in Florida between 2006 and 2012.

04 Booms have a **social** basis, not a rational one: repeated clichés, not news.

05 Friends who lived through a 5-point-bigger rise = a **3-point higher** chance of buying, a 1.6% bigger house, 2.3% more paid.

06 The channel is **belief**: friends with good experiences make local property look like a better investment.

07 Each point of price rise in the ZIP code where a person lives becomes **0.1 point** of expectation for the whole country.

08 Whoever extrapolates **doesn't see the fall coming**; showing the five-year series, with the decline, changes the expectation.

09 The 2022 hangover: **75% with regrets**, 59% paused from burnout; still, 70% would buy the same house.

10 In Brazil, record purchase intent of **50%** (56% among Gen Z): real demand, and a herd in formation.

11 Procedure: ask **what it will be worth in ten years**, show the long series with the decline, map the reference.

12 Procedure: never "it went up 20% last year"; expectation with a **number from a reputable institution**, source named.

> *Expectation is born of recent experience, one's own and friends', and becomes an offer.*

CHAPTER FIVE 05

Staying put *is also deciding*

Inertia, the status quo and the rate lock: why the owner doesn't sell and the renter doesn't buy

A Winter Garden couple called me in 2024 to sell their house and buy a bigger one: the second child had arrived. We ran the numbers together. Their mortgage was from 2021, under 3%; the new one would be at 7%. The payment on the bigger house didn't fit. They stayed — and made the right choice for their numbers. I lost a sale to the strongest competitor there is: doing nothing.

Samuelson and Zeckhauser named this in 1988: status quo bias. In experiments and in real choices of health plans and retirement plans, people keep the current option with a "substantial" frequency, especially in important decisions. Chapter 2 showed the price paid becoming a reference point; here it is the old rate that becomes the reference, and giving it up feels like a loss. Since 2022, inertia has gained an economic engine: the lock-in of cheap mortgages: whoever pays 3% doesn't swap for 7%. And the renter has a lock of their own, which isn't the interest rate.

The rate that became the reference

The Philadelphia Fed summed up the story in four numbers: the average thirty-year mortgage rate was 12.7% in the 1980s, 8.1% in the 1990s, 6.2% in the 2000s and 4.0% in the 2010s, staying below 3% for much of 2020 and 2021. In 2023, more than 80% of outstanding mortgages were locked in at least 1 percentage point below the

market. Today's benchmark rate, the weekly average of the thirty-year mortgage measured by Freddie Mac, is 7.03% for the week of September 24, 2026.

The distribution of what owners pay explains the frozen inventory. According to Redfin, using a sample from the FHFA's national mortgage database, the federal agency that regulates housing finance, in the third quarter of 2025, 20.0% of outstanding mortgages paid less than 3%; 31.5%, between 3% and 3.99%; 17.1%, between 4% and 4.99%; 10.2%, between 5% and 5.99%; and 21.1%, 6% or more — the largest share since 2015, because those who bought after 2022 keep entering the count. Adding up: 51.5% pay less than 4% and 78.8% less than 6%. To move, half of American owners would have to swap a rate a little over 3% for one around 7%.

One percentage point, 18% less

The FHFA measured the effect on 50 million mortgages (Batzer, Coste, Doerner and Seiler, 2024): for each percentage point by which the market rate exceeds the contract rate, the probability that the owner sells falls 18.1%. In the last quarter of 2023 that meant 57% fewer sales of homes with fixed-rate mortgages; between mid-2022 and the end of 2023, 1.33 million sales did not happen. The smaller supply raised prices by 5.7% — more than the direct effect of interest rates on demand, which pushed them down 3.3%. In the updated 2025 version, 1.72 million transactions prevented and prices 7.0% higher.

Fonseca and Liu (2024) measured mobility: each point of difference reduces the probability of a move by 9% overall and by 16% between 2022 and 2024. The relationship is asymmetric — only the higher rate locks; the lower one doesn't speed things up — and

goes beyond the house: it even reduces the response to job offers that require moving to another city. The result shows in the 2025 seller profile from the National Association of Realtors (NAR): 11 years of tenure, a record for the series, and age 64.

None of this is irrationality. For the Winter Garden couple, the math closed in favor of staying. The bias enters somewhere else: when the old rate becomes a loss to avoid even when the life reason — the child, the job, the distance from the parents — is worth more than the interest difference. The agent's job is not to beat inertia with pressure; it's to put the math on the table, in dollars per month, next to the reason.

The renter's lock

The American renter isn't waiting for rates to fall. In the Fed's 2024 annual survey of household well-being, 68% of renters say they can't afford the down payment; 49% couldn't afford the monthly payment; 42% don't qualify for a mortgage. Redfin surveyed renters in 2024: 38% believe they will never own a home, against 27% a year earlier. Zumper, in 2025: 30% don't plan to ever buy.

Those who paused paid for it. In the 2026 Neighbors Bank survey, 72% of prospective buyers paused their search waiting for lower rates; 41% of them already regret it; only 35% know what range the thirty-year rate is in and 45% overestimate it. Waiting is a decision with a cost, made with the wrong information. In Brazil, the lock has the same name: in the QuintoAndar survey with Ipsos-Ipec, from August 2025, 41% cite lack of money for the down payment as an obstacle and 37% say expenses consume all or almost all of their income. But 41% intend to buy — the consumer, in QuintoAndar's own reading, "reprograms the timing of the decision"; it's planning, not abandonment.

What the agent does with this

The “do nothing” option isn’t beaten with manufactured urgency. It’s beaten with a calculation and a reason.

1. Prospect by life event, not by rate. Child, divorce, inheritance, retirement, relocation: only a reason bigger than the interest difference pulls the owner out of a 3% house. Map the reasons; the rate maps itself.

2. Bring the swap math ready, in dollars per month. New payment minus current payment, with tax and insurance. If the math favors staying, say so; the client who heard the truth comes back when the reason grows.

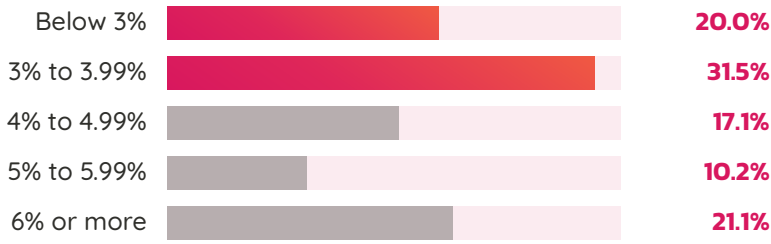
3. With the renter, ask “what is your down payment today and what do you qualify for?” It’s what 51% of young renters say they want to know (Experian, 2025); the rate, 45% of prospective buyers overestimate.

4. Light cadence for those who paused. One contact every few months, with new data — inventory, price, rate — and no pressure: 72% pause and 41% come back regretting it.

5. Give a concrete, dated reason to leave inertia. End of the lease, school enrollment, relocation date: a real milestone. Never an invented deadline.

Half of owners pay less than 4%

The rates on outstanding mortgages explain the frozen inventory in the United States; the lock loosens slowly.



Each percentage point between the market rate and the contract rate = **18.1% lower chance of selling**; 1.33 million fewer sales through the end of 2023 (FHFA).

68%

of American renters say they can't afford the down payment (Fed, 2024)

41%

of those who paused their search waiting for lower rates already regret it (Neighbors Bank, 2026)

REDFIN AND FHFA NATIONAL MORTGAGE DATABASE, Q3 2025 · FHFA, 2024 · FED, SHED 2024 · NEIGHBORS BANK, 2026

In *summary*

01 **Status quo**: people keep the current option; "doing nothing" is the strongest competitor.

02 The old rate became a **reference point**: swapping 3% for 7% feels like a loss, like the price paid in Chapter 2.

03 Average rate by decade: **12.7%, 8.1%, 6.2% and 4.0%**; below 3% in 2020 and 2021; 7.03% in September 2026.

04 **51.5% pay less than 4%** and 78.8% less than 6%; the 6%-or-more slice is already 21.1%, the largest since 2015.

05 Each percentage point of difference = **18.1% lower chance of selling**; 1.33 million fewer sales through the end of 2023.

06 The locked supply raised prices by **5.7%**, more than interest rates pushed demand down (3.3%).

07 Mobility: **9% lower** per point, 16% in 2022 to 2024; only the higher rate locks. NAR seller: 11 years of tenure.

08 Often staying is **rational**; the bias enters when the rate comes to matter more than the life reason.

09 The renter's lock is the **down payment**: 68% can't afford it; 38% think they will never own a home.

10 **72% paused** waiting for lower rates; 41% regret it; only 35% know the rate. In Brazil, 41% cite the down payment.

11 Procedure: prospect by **life event** and bring the swap math in dollars per month.

12 Procedure: ask about the renter's down payment and qualification, **light cadence** for those who paused, a dated and real reason.

> *"Doing nothing" isn't beaten with manufactured urgency. It's beaten with a calculation and a reason.*

CHAPTER SIX 06

Who *the client* is

Age, life stage, family and the couple: the numbers on who buys and sells in 2026

In the same week I worked with a 31-year-old couple buying their first home with help from their parents and a 68-year-old widow selling the house where she raised her children so she could live near her granddaughter. He wanted to understand what a pre-approval is; she wanted to know whether she could sell and buy on the same day. When people ask me "what is the client like these days?", I answer that there isn't one. There are two buyers, one seller and one couple — and there is a number for each.

Two buyers

The National Association of Realtors (NAR) *Profile of Home Buyers and Sellers* for 2025 shows a divided market. First-time buyers are 21% of the total, the lowest since 1981, with a median age of 40. Repeat buyers are 62. One in four purchases, 26%, was all cash. *Baby boomers*, ages 61 to 79, are 42% of buyers and 55% of sellers.

On the young side, the motive is identity. Between 27 and 35, 50% buy because they want to "own a home of their own"; 60% are first-time buyers; 3% pay cash. The median down payment for a first-time buyer is 10%. In this group, understanding the process was a difficult step for 32% and saving for the down payment for 30% — double and almost triple the average.

On the veteran side, the motive is attachment. Between 71 and 79, "owning a home of their own" drops to 5%; "staying near family and friends" rises to 31% and "a smaller home" to 16%. Almost half, 46%, pay cash, and more than half of boomers used the proceeds of the previous sale as the down payment.

The two meet at the neighborhood (neighborhood quality: 59%; job: 31%), and only 24% of buyers have a child under 18 at home. The "school and commute" script speaks to one slice. Ask; don't assume.

The seller sells because of life

The 2025 seller is 64 years old and stayed 11 years in the home, both records. The number one reason is being near family and friends (26%); then the home that became too small or too large (10% each), a change in the family (8%) and retirement (7%). Zillow, in a 2024 survey, added it up: 78% of sellers were pushed by a life event — family (51%), job (37%), marriage, divorce or separation (32%).

Someone who sells because of a life event is in a hurry. At Zillow, 59% of sellers hire the first agent they talk to; at NAR, 80% talk to only one. They choose on reputation (35%) and honesty (22%); commission decides for 4%. The listing presentation is rarely a contest. It is only a confirmation — or you had already lost before you even arrived.

The couple decides together and fights along the way

In a Zillow survey with the Harris Poll in 2020, 77% of couples said they argued during the purchase and 71% during the sale. When buying, they fight over size or style (54%), over the non-negotiables

(47%) and over whether to renovate (29%). When selling, 69% fight over money: price, price cuts, whether to accept the offer.

Who decides? The most recent data is from Pew Research, in 2008: on major household purchases, the woman decides alone in 30% of couples, the man in 19% and the two together in 46%. And there is a third person at the table: in 22% of first purchases the down payment came partly from family or friends, and 14% of purchases were multigenerational, 41% of them to care for parents. Whoever pays part of the down payment has an opinion.

Brazilians, there and here

In Brazil, the buyer on the portals (DataZAP, late 2025, small sample) is a man of about 47, middle class (class B), who prefers a resale home (60%) and a house (57%). The reason, in Brain's survey for ABRAINC, is not paying rent (33%), a bigger home (21%) and independence (11%); the barrier is the down payment, for 41% (QuintoAndar, 2025).

In Florida, the Brazilian is a different client. In 2025 Brazilians were the third-largest foreign buyer in the state (US$ 762 million, according to Florida Realtors), with 44% of purchases in the Miami area and 29% in Orlando.

BRAZILIAN IN BRAZIL	BRAZILIAN IN FLORIDA
Buys to live in: 78%	Buys to live in: 15%
Reason: not paying rent (33%)	Reason: vacation, rental or both (74%)
Barrier: the down payment (41%)	The foreigner backs out over price (42%), condo fees (33%), insurance (29%)
Wants to finance; prefers resale (60%)	Pays cash in 42%; finances in the U.S. in 52%

What the agent does with this

A script for each of them.

1. Have two buying scripts. Under 36: belonging and clarity about the process, with steps, pre-approval and the down payment math in writing. Over 60: proximity, practicality and the handoff from the old home to the new one.

2. Classify each lead by life event, not by budget. Ask "what changed?" before talking about price: in 78% of sales the answer is the real reason, and it sets the timeline and the urgency.

3. Ask the couple for two lists of non-negotiables, written separately, before the first showing. They fight over size, style, debt and renovation. Someone who disagrees inside the property doesn't make an offer.

4. Map who pays and who has an opinion. In one of every five first purchases the parents contribute part of the down payment; with the client's permission, bring them in before the offer.

5. With Brazilians in Florida, start with the total cost and the purchase structure. Condo fees, insurance and property tax without the primary-residence exemption (*homestead*) sink the deal at the end; the American mortgage is an argument, not an obstacle.

Two buyers

The young buyer buys identity and obligation, with little slack; the veteran buys attachment and comfort, with their own money.

AGES 27 TO 35	AGES 71 TO 79
WHY THEY BUY Owning a home of their own: 50%	**WHY THEY BUY** Staying near family: 31%. Smaller home: 16%
FIRST-TIME BUYERS 60% of buyers in the group	**FIRST-TIME BUYERS** 4% of buyers in the group
PAY CASH 3%	**PAY CASH** 46%
WHY THEY SELL The home got too small: 34%	**WHY THEY SELL** Staying near family: 41%
TENURE WHEN SELLING 5 years	**TENURE WHEN SELLING** 15 years

What weighs on the young buyer: understanding the process (32%) and saving for the down payment (30%). And the seller, at **64 years old**, sells in **78% of cases** because of a life event.

NAR, PROFILE OF HOME BUYERS AND SELLERS 2025 AND GENERATIONAL TRENDS 2026 · ZILLOW, CONSUMER HOUSING TRENDS 2024

In *summary*

01	First-time buyers are **21% of the total**, the lowest since 1981, with a median age of 40; repeat buyers are 62.
02	*Boomers* are **42% of buyers** and 55% of sellers; 26% buy with cash.
03	The young buyer buys **identity**: 50% want to "own a home of their own"; they fear the process (32%) and the down payment (30%).
04	The veteran buys **attachment**: near family (31%), smaller home (16%); 46% pay cash.
05	The neighborhood unites the two: **59% for neighborhood quality**, 31% for work; 24% have a child under 18 at home.
06	The seller is **64 years old with 11 years of tenure**; in 78% of cases sells because of a life event.
07	Hires the **first agent** they talk to (59%), on reputation (35%); commission decides for 4%.
08	**77% of couples fight** when buying and 71% when selling: size, style, non-negotiables and money.
09	The woman decides alone in 30%, the man in 19%, **the two together in 46%**; parents step in on 22% of first purchases.
10	Brazilians in Florida buy **vacation and income (74%)**, pay cash in 42% and back out over recurring costs.
11	Procedure: **two scripts** (process for under 36, handoff for over 60); lead by event.
12	Procedure: **separate lists** for the couple, parents mapped before the offer and, with Brazilians, total cost first.

> *There is no such thing as "the client": there are two buyers, one seller moved by life and one couple that decides together. Each calls for a different script.*

CHAPTER SEVEN 07

The home introduces itself *before the agent does*

Photos, floor plan, text, curb, smell and color: what the evidence says pays off and what is folklore

Before I open the door, the home has already introduced itself three times: in the first photo on the portal, in the floor plan the couple zoomed in on on their phone and in the facade they saw from the car. What I say at the showing arrives fourth. This chapter is about what to do before the showing — and about separating evidence from folklore.

What decides the showing

In 2013, Redfin compared homes from US$ 200 thousand to US$ 1 million in 22 markets: those shot with a professional camera sold for US$ 3,400 to US$ 11,200 more relative to the asking price and, in the US$ 400 thousand range, about three weeks faster. Above US$ 1 million there was no difference: there, everyone already hires a photographer.

In the 2025 National Association of Realtors (NAR) *Profile of Home Buyers and Sellers*, photos were "very useful" for 81% and the floor plan for 57%; at Zillow, in 2024, 86% of buyers say they are more likely to visit a property whose listing includes a floor plan they like. Zillow's 3D tour sold 14% faster in 2021 — internal data, no control: association, not cause. And the line "twilight photos get 60% more views, says NAR" has no source at NAR: it is a vendor's number.

Words that are worth money

Zillow analyzed more than 2 million 2024 listings and 359 keywords: "remodeled" was associated with a 3.7% premium; "fixer-upper" with −7.3%; "needs work" and "TLC" (tender loving care) with −8%. An earlier analysis, of 24 thousand homes, found "luxurious" at +8.2% and, on the other side, "fixer" at −11.1% and "potential" at −4.3%.

All of this is correlation: the word describes the home, it doesn't add value to it. Premium words are specific and verifiable (material, renovation, finish); discount words are generic and signal work for the buyer.

Curb, color, smell and clutter

Johnson, Tidwell and Villupuram (2020) classified street-level photos of thousands of homes and measured, with statistical controls, *curb appeal*, the attraction seen from the sidewalk: the home's own facade plus that of the house across the street accounts for up to 7% of the sale price. It is the largest presentation effect with evidence behind it, and the cheapest per dollar.

Color has a measure, with a caveat. Zillow showed the same house in ten colors to more than 4,200 buyers: in 2025, yellow living room, −US$ 3,891; dark gray living room, +US$ 2,593; in 2026, red bathroom, −US$ 7,971. These are experiments with photos, not sales, and the "right" color changes with each edition. The stable signal is the negative one: yellow and saturated red cost more than any right color earns.

Smell is where folklore lives. The only experiment on scent and sales is from retail: Herrmann and colleagues (2013), in a home decor store in Switzerland, saw a simple orange scent make customers

spend about 20% more; the complex scent, of orange, basil and green tea, did nothing. Cookies in the oven have no study — and that is a complex scent. Clutter has a physiological cost: Saxbe and Repetti (2010) found flatter cortisol in people who described their own home as cluttered.

Staging and open house

In 2025, 83% of buyer's agents told NAR that *home staging*, the home arranged and furnished to sell, helps the client picture themselves living there; 29% of seller's agents report offers 1% to 10% higher. That is opinion. The experiment is by Lane, Seiler and Seiler (2015): 820 buyers viewed virtual tours of the same house in six versions of color and furniture. Neutral color and good furniture improved the impression and changed nothing in how much the buyer said they would pay. Staging changes the experience and the speed, not the value — "staging adds 10 to 20%" is opinion: sell it to the owner as insurance against time on market.

The *open house*, the weekend open showing, is exposure and listing acquisition, not direct sales: agents do it for 59% of sellers and 48% of buyers attend one, but only 5% found the home they bought there and only 5% met their agent there. In 2019, Redfin measured US$ 9,046 more and seven days less with an open house in the first week — and Redfin's own economist warned that it is correlation: that home is photographed, clean and priced right.

In Brazil the open house is rare and restricted to luxury, because it presupposes an exclusive agent. The Brazilian instrument is the decorado (the furnished model unit): in July 2026, 80% of the new units available in São Paulo were up to 45 m², and developers were betting on "express decorating." Brazilians arrive in Florida expecting

the finished product; Americans buy the home empty or staged knowing the furniture doesn't stay. Virtual staging is allowed with disclosure: Stellar MLS, the cooperative listing database for central Florida, requires the "Virtually staged" label on the photo and an opening sentence in the description, and prohibits altering the facade, erasing defects or distorting measurements.

What the agent does with this

The launch order follows the evidence per dollar, not the owner's taste.

1. Prepare in the right sequence. Facade and yard, decluttering and cleaning, repainting yellow, red or pink walls — and only then the professional photographer, floor plan and 3D tour.

2. Write the listing like an inventory. Materials, renovations with the year, concrete features. Cut "potential," "opportunity," "TLC," "investor." If it needs work, say which work and how much it costs.

3. Simple sensory setting or none. Open windows, a discreet citrus, soft music. No cookies, no candles: complex stimuli compete with the evaluation of the home.

4. Open house in the first week, with a target. Ten qualified contacts and a price read for the seller.

5. Disclose virtual staging and translate the decorado. Label and required sentence at Stellar MLS; for the Brazilian, a written list of what stays and what goes.

What pays off and what costs you in the listing

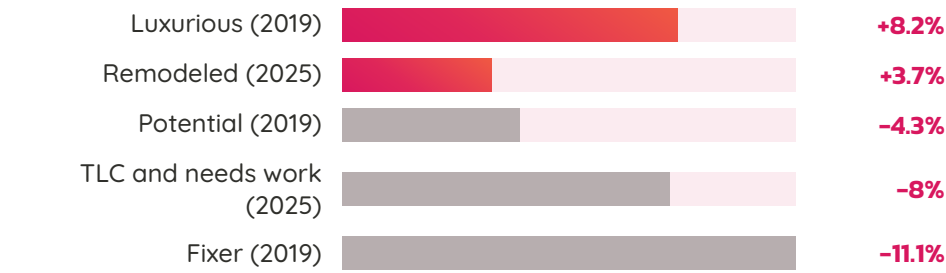
Words, photos, curb and color have a measure; cookies and twilight, no. And it is all association, not cause.

$3,400 to $11,200
more with professional-camera photos (Redfin, 2013)

up to 7%
of the price comes from the home's facade and the neighbor's (Johnson et al., 2020)

– $3,891
yellow living room, Zillow color survey (2025)

– $7,971
red bathroom, 2026 edition



Cookies in the oven: **no study**. The scent experiment rewarded the simple orange smell by about **20%**; the complex one, by nothing.

ZILLOW, 2025 AND 2019 · REDFIN, 2013 · JOHNSON, TIDWELL AND VILLUPURAM, 2020 · ZILLOW, COLORS, 2025 AND 2026 · HERRMANN ET AL., 2013

In *summary*

01	Professional photos: **US$ 3,400 to 11,200** more and three weeks less (Redfin, 2013).
02	Photos are very useful for 81% and the **floor plan for 57%**; 86% visit more with a good floor plan.
03	3D tour 14% faster: **internal data**, association.
04	Words: “remodeled” **+3.7%**, “fixer” −11.1%, “TLC” −8%. The word describes; it doesn’t add value.
05	The **facade is worth up to 7%** of the price: the cheapest presentation effect per dollar.
06	Color: yellow and saturated red **cost more** than any right color earns.
07	Smell: simple orange sold 20% more; the complex one, nothing. **Cookies have no study.**
08	Staging changes impression and speed, **not value**: no effect on willingness to pay.
09	Open house is **exposure and listing acquisition**: only 5% found the home there; Redfin’s premium is correlation.
10	Brazil: the decorado trains the buyer; **80% of new units** in São Paulo are up to 45 m².
11	Procedure: **facade, decluttering, paint, photo, floor plan**, in this order; listing as inventory.
12	Procedure: open house in the first week **with a target**; virtual staging disclosed; list of what stays.

> *The home introduces itself in the photo, the floor plan and the facade before you say a word. Prepare what has a measure and ignore the folklore.*

CHAPTER EIGHT 08

The first *fourteen days*

Time on market, stigma and the right asking price

"Let's start higher so we have some room. If it doesn't sell, we'll come down." I have heard that sentence at nearly every listing appointment in the last fifteen years. It sounds prudent and it is the seller's most expensive decision, because the initial price is the only variable in the listing with no second chance. The cut comes later, the buyer sees the history, and the home that sat becomes a home with something wrong with it — even when nothing is.

The discount curve

In 2016, Zillow tracked every home listed in a single year: those that sold fast closed about 1% below the asking price; those that took two months, 5% below; the slowest, averaging eleven months, 12% below. Zillow itself warns: an empirical relationship, with no test of cause.

The National Association of Realtors (NAR) gives the 2025 yardstick: median final price at 99% of the last listing price, in four weeks; 43% of homes sold within fourteen days. Only 21% closed above asking.

The "first fourteen days" are a mechanism, not a measured premium: the asking price steers the search and defines who visits (Han and Strange, 2016), portal alerts fire at entry, and almost half of homes sell within two weeks. No study has isolated, with controls, a "first-week premium"; what exists is Zillow's curve and the math of the cut.

THE MATH OF THE CUT

Gordon and Winkler (2017), with 13,461 sales, found that the homes that cut their price had started 18% above those that didn't — and that each dollar cut from the listing is associated with two to three dollars less in the net price. On a home worth US$ 450 thousand: the owner insists on US$ 495 thousand, cuts US$ 30 thousand and tends to close between US$ 405 thousand and US$ 435 thousand, below what the home was worth. It is association with selection bias, not law — and the best evidence there is.

Stigma has a price

The only natural experiment is by Tucker, Zhang and Zhu (2013). In April 2006, the Massachusetts MLS — the cooperative database of agents' listings — prohibited resetting days on market (DOM) with a new listing. Compared with Rhode Island, where nothing changed, homes for sale when the rule changed lost US$ 16 thousand on average; those exposed as slow, from US$ 20 thousand to US$ 32 thousand.

In 2026, stigma is the rule. According to Redfin, 52.2% of active listings in February were 60 days old or more; in Miami, 62.6%. In the same month, 34.2% of sellers cut their price, a record for February since 2012, with an average cut of US$ 40,915.

RESETTING THE COUNTER

At Stellar MLS, the central Florida MLS, a new listing requires a contract with another brokerage, or with the same one 30 days after the previous one ended; cumulative days on market (CDOM) only reset after 60 days off the market; the maneuver earns a fine. Reposition with a real change instead of trying to be reborn.

In Brazil the portals rarely show the counter, but the buyer watches the listing age. QuintoAndar, with more than 150 thousand contracts from 2023 and 2024, measured the curve: scheduled showings fall from 4.7 in the first month to half that after four months, and from the eighth week on the average discount passes 10%.

Bait pricing and auctions

If asking high costs you, does asking low earn you an auction? Only where buyers are plentiful. Han and Strange (2014) measured that bidding wars were 3% to 4% of transactions in the 1990s and passed 30% in some markets; in 2016 they showed that a lower asking price attracts more bidders. Pilat and Leishman (2025), with about 55 thousand Adelaide sales, saw extreme underpricing sell in about 88 days versus 125 — in a market where more than 60% of homes sold above the initial price.

Bucchianeri and Minson (2013), as Chapter 3 showed, found no evidence that underpricing generates an auction, "not even in hot markets." In a market where a third of sellers cut their price, the bait becomes the final price.

The 900 ending and the search band

Chapter 3 showed the evidence on price endings — US$ 499,900 instead of US$ 500,000 — is contested. For time on market, search weighs more: the 900 ending pushes the listing to the bottom of price-sorted lists (Seiler and colleagues, 2012), and portals filter by round bands — US$ 499,900 appears under "up to 500 thousand" and disappears from the next band. No one has measured that cost in showings. Test it in your segment; promise nothing.

What the agent does with this

The asking price is the seller's decision; the evidence the seller gets before deciding is yours.

1. Bring three prices to the listing appointment. The likely appraisal, with the comparative market analysis (CMA) built on comparable closed sales and before hearing the owner's number; the list price; and the net, with the math of the cut next to it.

2. Agree in writing on the fourteen-day trigger. Showings, saves and offers expected in the first two weeks; if they don't come, the problem is price, not marketing.

3. Never "test the market." The test costs stigma and two to three dollars per dollar cut. Room is won in negotiation, not in the listing.

4. Relist only with a real change. Price, photos, text, condition — and Stellar MLS's 30- and 60-day rule explained before the owner asks to reset.

5. Underprice only with proof of pent-up demand. Showings booked before the listing goes live and comparables sold above asking in the last eight weeks. 900 ending or round: test, without promising.

The discount curve

The longer the home stays listed, the further from the asking price it closes. The buyer reads the counter and discounts.

Sold fast
1% below the listing price

Two months
5% below

Eleven months
12% below

43%
of homes sold in 2025 went within two weeks (NAR)

34.2%
of sellers cut their price in February 2026, a record for the month (Redfin)

$16,000
less, on average, when the Massachusetts MLS began showing actual days on market

52.2%
of U.S. listings were 60 days old or more in February 2026; in Miami, 62.6%

Only **21%** of 2025 sales closed above asking; 28% closed exactly at the price. The median is **99%** of the last listing.

ZILLOW RESEARCH, 2016 · NAR, PROFILE OF HOME BUYERS AND SELLERS 2025 · REDFIN, FEBRUARY 2026 · TUCKER, ZHANG AND ZHU, 2013

In *summary*

01 Zillow's curve: sold fast, **1% below**; two months, 5%; eleven months, 12% below asking.

02 NAR 2025: final price at **99% of the last listing**; 43% sold within two weeks; only 21% above asking.

03 The fourteen days are a **mechanism, not a measured premium**: the asking price steers the search.

04 Gordon and Winkler: each dollar of cut costs **two to three dollars** in net; those who cut started 18% above.

05 Tucker, Zhang and Zhu: showing actual days cost **US$ 16 thousand** per home; up to US$ 32 thousand on the slow ones.

06 February 2026: **52.2% of listings** at 60 days or more (Miami, 62.6%); 34.2% of sellers cut their price.

07 At Stellar MLS, CDOM only resets **after 60 days off**; relisting before 30 days earns a fine.

08 Brazil: showings fall from 4.7 in the first month **to half** in four months; from the eighth week, discount above 10%.

09 Underpricing only earns an auction **where buyers are plentiful**; Bucchianeri and Minson found no effect even in a hot market.

10 The 900 ending is **contested** (Chapter 3); for time on market, position in the list and the portal's search band weigh.

11 Procedure: **three prices** at the listing appointment (appraisal, list price, net) and a fourteen-day trigger in writing.

12 Procedure: never "test the market"; **relist only with a real change**; bait only with proof of pent-up demand.

> *The initial price is the only variable with no second chance: time on market becomes stigma and the cut doesn't recover the overpricing.*

CHAPTER NINE 09

Persuading *without manipulating*

The seven principles of influence, the illegal mirror of each one and where the law draws the line in Florida and Brazil

A colleague called me in the middle of a negotiation: "Should I say another offer is coming in?" There wasn't one. I told him the line would work — and that for that very reason he couldn't say it. Persuasion and manipulation work the same gears. What separates them is not the technique: it is whether what you say is true, whether it points the client's attention to what they need to see, and whether the emotion it provokes is proportional to the facts.

Robert Cialdini organized the gears into seven principles: reciprocity, commitment and consistency, social proof, authority, liking, scarcity and, since the 2021 edition of *Influence*, unity. Each has an experiment behind it and a mirror in real estate.

Seven experiments that still hold

Freedman and Fraser (1966) asked residents to display a small sticker; 76% of them later agreed to an ugly billboard on their lawn, versus 17% of those who had not received the small request. That is commitment. Cialdini (1975) asked for an enormous favor, heard no and then asked for a small one: 50% agreed, versus 17% of those who received only the small request. That is reciprocal concession.

Worchel (1975) showed that identical cookies seemed better in a jar with two than in one with ten, and better still when the jar went from ten to two. That is scarcity.

There is no measurement of the seven in real estate transactions: no meta-analysis compares their effect sizes, and any "X% more conversion" attributed to Cialdini in real estate is folklore. What exists is the direction: each principle moves people, even in the wrong direction.

The mirror of each one

Legitimate scarcity is reporting the months of inventory and, with the seller's authorization, the existence of other offers — Standard of Practice 1-15 of the Code of Ethics of the National Association of Realtors (NAR) requires disclosing offers when the seller approves. The phantom offer and "I have another client coming today" are "false pretenses" and "dishonest dealing" under Florida's licensing law (Fla. Stat. §475.25(1)(b)).

Legitimate social proof is your real sales and reviews; the "sold" sign on a property you did not sell violates NAR Article 12 and Florida's advertising rule 61J2-10.025. Legitimate authority is showing your reasoning — comparables, absorption, rate; the manufactured kind is the "expert" who uses the client's ignorance to rush them. Legitimate consistency is asking for verifiable commitments: pre-approval, criteria in writing. An unrealistic price at the listing appointment to work on the owner later violates Standard of Practice 1-3.

Unity, belonging to the same community, has the most dangerous mirror: "Brazilians live in that neighborhood" is steering a client by national origin, which the federal fair housing law (Fair Housing Act,

§3604) and Florida law (§760.23) prohibit. HUD's April 24, 2026 letter allowed objective crime and school data, the same for everyone; "safe" and "good for families" remain proof of intent. The Florida agent is presumed a *transaction broker*, with no exclusive loyalty to either party (§475.278): deals honestly, discloses facts that affect value, presents all offers. Informs and facilitates; does not advocate with a lie.

The line in Brazil

In Brazil the line is more explicit. The Código de Defesa do Consumidor (Brazil's consumer protection code), art. 37, prohibits misleading advertising — false or capable of inducing error "even by omission" — and abusive advertising, which "exploits fear." The COFECI Code of Ethics (Resolução 326/92) requires presenting "strictly accurate data, never omitting details that depreciate it" (art. 4º, II), prohibits advertising "deceptively" (art. 6º, XVII) and prohibits *over-price* (art. 6º, III), profiting from the price difference that many agents call skill. The Código Civil (art. 723) obliges the agent to inform "spontaneously" and to clarify "the safety or risk of the deal," under penalty of damages; the STJ (Brazil's Superior Court of Justice) requires a search of the matrícula (the property's registry record), liens and lawsuits (REsp 1.266.937, 2011, and 1.364.574, 2017).

It is the best trust technique I know. In a small DataZAP survey (2025), 91% of buyers said they avoid flood-prone areas: the agent who arrives with the matrícula and the flood map before being asked builds the only authority that can't be manufactured.

THE FOUR-QUESTION TEST

Truth — is what I am about to say verifiable and complete, including what lowers the property's value?
Attention — am I pointing to what matters for the decision, or away from what the client should be looking at?
Emotion — does the urgency I am about to provoke come from a fact (inventory, a real deadline) or is it manufactured?
Publicity — if the client knew what I did and why, would they thank me or feel used?
Four yeses: persuasion. One no: manipulation.

What the agent does with this

The technique is the one in the manuals; what changes is the filter it passes through before it leaves your mouth.

1. Run every argument through the four-question test. It comes from the philosopher Robert Noggle: to manipulate is to leave another person's belief, attention or emotion short of the ideal, or to hide what you are doing.

2. Scarcity only with a number. Months of inventory, days on market, existing offers with the seller's authorization. Never an invented deadline.

3. Social proof only if verifiable. Your sales, with address and date; reviews from real clients; never "most people buy in X" without data.

4. Authority is showing the math. Closed comparables, the path to the number, your incentive and the term of the contract.

5. Strike from your mouth: "free for the buyer" (Standard of Practice 12-1), "safe neighborhood," "good for families," "where Brazilians live" and "I have another offer" without having one.

Seven principles, seven mirrors

One use that informs, one mirror that deceives; four questions separate the two.

LEGITIMATE USE	ILLEGAL MIRROR
SCARCITY Real inventory; offer with approval	**SCARCITY** Phantom offer
SOCIAL PROOF Your sales, with address	**SOCIAL PROOF** “Sold” when you didn’t sell it
AUTHORITY Comparables and the math in plain view	**AUTHORITY** “Expert” who only rushes
CONSISTENCY Verifiable commitment	**CONSISTENCY** Unrealistic price to win the listing
RECIPROCITY Market analysis with no strings	**RECIPROCITY** Favor collected as an exclusive
LIKING Listening and repeating what you heard	**LIKING** Feigned intimacy
UNITY Belonging to the community	**UNITY** “Brazilians live there”

Before every sentence: **is it true? does it point to what matters? does the urgency come from a fact? would I tell the client?**

CIALDINI, 2021 · FLA. STAT. §475.25 · NAR, 2026 · CDC ART. 37 · COFECI 326/92

In *summary*

01 Persuasion and manipulation use **the same gears**; truth, attention and proportion separate the two.

02 Cialdini organized **seven principles**: reciprocity, consistency, social proof, authority, liking, scarcity and unity.

03 Classic experiments: **76% versus 17%** in Freedman and Fraser's sticker; 50% versus 17% in reciprocal concession.

04 There is no measurement of the seven in real estate: **"X% more conversion"** attributed to Cialdini is folklore.

05 Legitimate scarcity is inventory and a real offer with the seller's approval; **a phantom offer** violates §475.25(1)(b).

06 Social proof is your own sale and a real review; someone else's "sold" violates **Article 12** and rule 61J2-10.025.

07 Authority is **showing the reasoning**; consistency is a verifiable commitment, never an unrealistic price to win the listing.

08 Unity becomes **steering** when it directs by national origin: Fair Housing Act and §760.23.

09 **CDC art. 37** punishes misleading advertising even by omission; COFECI prohibits deceptive advertising and over-price.

10 **CC art. 723** obliges the agent to inform spontaneously about risk; the STJ requires the matrícula, liens and lawsuits.

11 Procedure: the **four-question test** (truth, attention, emotion, publicity) before every argument.

12 Procedure: scarcity only with a number, proof only if verifiable, authority is the math and the **list of what to never say**.

> *The technique is the same; persuasion and manipulation part ways on truth, attention and the proportion of the emotion.*

CHAPTER TEN 10

Ask, listen, *negotiate*

What the research on sales and negotiation supports — and how to answer the six objections

At my first listing presentation I had a memorized twenty-minute script: who I was, how many homes I had sold, the marketing plan. The owner listened, thanked me and signed with the agent who had come by before me. It took me years to understand the mistake: I talked the entire time.

Sales research has been saying so for forty years: whoever asks and listens sells more than whoever presents. Negotiation science adds that the first offer anchors, the extreme anchor jams the talks, and what wins a multiple-offer contest is money and terms, not tricks. Every objection has an answer backed by data.

Whoever asks, sells

The largest observational study of sales is Neil Rackham's: 35 thousand sales calls observed in more than 20 countries over 12 years. The central finding (*SPIN Selling*, 1988) is that in large sales, success is predicted by implication questions ("what happens if this keeps up?") and need-payoff questions ("how much is it worth to solve this?"), not by closing technique — closing, in his words, was irrelevant or harmful in complex sales. The first thousand trained sold 17% more than the control group: thanks to the whole follow-up, he stresses, not the "four little questions."

The most recent data comes from Gong, which analyzed more than 326 thousand business-to-business sales calls: the best-converting salespeople talk about 43% of the time and listen 57%; the average talks 60%; above 65%, conversion drops. This is vendor data, from phone sales; the exact number doesn't transfer, but the direction matches Rackham: the client talks more than half the time. Challenger is proprietary data and Sandler has no public evidence: hypotheses, not findings.

The first offer and the anchor that jams

Galinsky and Mussweiler (2001) showed that the first offer anchors the outcome, and that the advantage disappears when the other side focuses on its own target and its own alternative — the BATNA, the best alternative to a negotiated agreement. Schweinsberg and colleagues (2012) measured the other side: aggressive anchors, especially against someone with power, increase the chance of impasse; the person on the receiving end of the anchor leaves less willing to negotiate again. Moore (2004) found gains in revealing the real deadline, against the dogma of hiding your hurry; inventing a deadline is a false statement.

Chris Voss's techniques — mirroring the other person's last words, labeling the emotion ("it sounds like the house is worth more to you than to the market") — have a plausible mechanism: van Baaren (2003) measured bigger tips for the waitress who repeated the order back, and Lieberman (2007) showed that naming the emotion reduces the amygdala's response. But there is no controlled test in sales: the effectiveness is asserted by the author. Labeling to understand is listening; labeling to disarm and pressure is manipulation.

The limited confidentiality of the *transaction broker*, the relationship presumed in Florida, with no exclusive loyalty to either party (§475.278), prohibits revealing that the seller will accept less, that the buyer would pay more, and each side's motivation — the legal protection of the client's alternative. In Brazil, the agent is paid by only one party (COFECI, the agents' federal council, art. 4º, X) and owes information to both (CC, Brazil's Civil Code, art. 723). Negotiating there is the norm: in DataZAP's 2021 survey, 77% of buyers negotiated the price, 57% the payment terms and 21% the commission.

What decides a multiple-offer contest

Redfin analyzed its agents' offers from July 2020 to February 2021: paying cash raised the odds of winning by 290%; waiving the financing contingency, by 66%; an escalation clause, waiving the inspection and a pre-inspection made no significant difference. In Florida, the licensee presents all offers, except under prior written instruction from the seller (§475.278), and calls the final round (*highest and best*) only with the seller's approval and more than one real offer.

OBJECTION	ANSWER WITH DATA
"It's too expensive"	Closed comparables, not listings; days on market
"The neighbor sold for more"	When, in what condition and for how much it actually closed
"I'll think about it"	Pause; isolate the doubt; next step with a date
"I'll wait for rates"	The math on price, rate and term; admit the uncertainty
"I'll sell it myself"	Only 5% sold on their own in 2025; the median gap is correlation
"Your commission is high"	The real number, negotiable and in writing; never "the standard is 3%"

The numbers at the table: selling on your own was 5% of sales in 2025, and the median of US$ 360 thousand versus 425 thousand is correlation, not loss (60% already knew the buyer); the commission in Florida is 5.29% in total (Clever, 2026), negotiable and in writing.

O'Keefe and Jensen (2009), in 53 studies with 9,145 people, found loss-framed messages only slightly more persuasive, and only for detection; for prevention, the gain frame has a slight edge. "Fear of loss always sells more" doesn't hold up.

What the agent does with this

Diagnose before presenting, anchor with a justification, answer with data.

1. Consult the buyer in four questions before opening the portal: situation, problem, implication ("what changes for the kids if you stay another year?") and payoff ("how much is it worth to solve this

before the school year?"). An inflated implication — "if you don't buy now, never" — is exploiting fear (CDC, Brazil's consumer code, art. 37, §2º).

2. Present the listing in the order the seller wants to hear: marketing (23%), competitive price (19%) and timing (19%), according to the National Association of Realtors (NAR), in 2025.

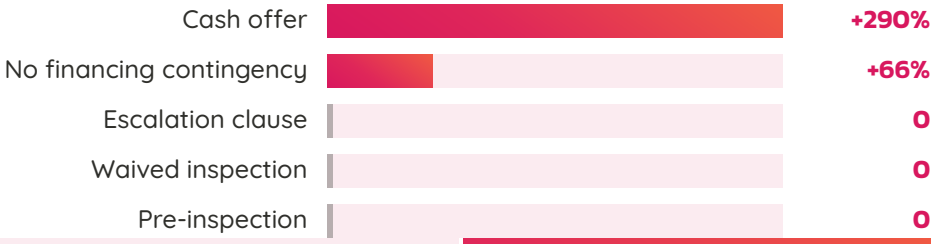
3. Objection protocol: pause, label, isolate, data, dated next step. The "I'll think about it" is an undiscovered objection.

4. First offer with comparables and no insult. Teach the client to set a target and an alternative before seeing the asking price.

5. In multiple offers, weigh what decides: cash, financing contingency, closing date. Escalation exposes the buyer's ceiling and doesn't improve the odds.

What wins a multiple-offer contest

In the offers Redfin analyzed, money and terms decided; the comfort tricks changed nothing. And whoever asks and listens sells more.



43%

of the time: how much the top-converting salespeople talk; they listen 57% (Gong)

+173%

in the sales cycle when the client says “I’ll think about it” (Gong)

In 35 thousand sales calls, what predicted success was the **implication question**, not closing technique (Rackham).

REDFIN, OFFERS FROM JULY 2020 TO FEBRUARY 2021 · GONG, 326 THOUSAND CALLS · RACKHAM, SPIN SELLING, 1988

In *summary*

01 Rackham, in **35 thousand sales calls**, found that the implication question predicts success; closing doesn't.

02 At Gong, the best **talk 43% and listen 57%**; above 65%, conversion drops. Vendor data.

03 Challenger and Sandler are **hypotheses**: proprietary data or none.

04 The **first offer anchors**; the advantage disappears when the other side sets a target and an alternative first (Galinsky and Mussweiler).

05 **The extreme anchor jams**: more impasse and less willingness to negotiate again (Schweinsberg); revealing the real deadline helps (Moore).

06 Voss's mirroring and labeling have a plausible mechanism and **no test in sales**; use them as listening.

07 The transaction broker protects the **client's alternative**; in Brazil, 77% negotiate the price and 21% the commission.

08 In a contest, money wins: **cash, +290%**; no financing contingency, +66%; escalation and waived inspection, zero.

09 Selling on your own was 5%; the median gap is **correlation, not loss** (60% already knew the buyer).

10 Loss framing persuades **only a little** (O'Keefe and Jensen); manufactured fear is abusive.

11 Procedure: **four questions** for the buyer; listing presentation in the order marketing, price, timing.

12 Procedure: objection with **pause, label, data and date**; offer with comparables; in a contest, money and terms.

> *Diagnose before presenting, anchor with a justification and answer with data: that is what the research supports.*

CHAPTER ELEVEN 11

After the *yes*

Response speed, trust, regret and the referral that sustains a career

A lead, a prospect's contact, came in at nine on Friday night, through the website. I saw it Saturday morning and called. The woman was polite: she already had two showings booked that afternoon with another agent — the one who answered in five minutes. She didn't choose the best agent; she chose the first. And, by what the National Association of Realtors (NAR) measures, she is the rule.

This chapter is about what comes before and after the yes: the minutes that decide who keeps the client, the trust that comes from showing your own incentive, avoidable regret and the referral that sustains a career.

Minutes, not days

The most-cited study on response speed is from MIT with InsideSales (2007): more than 15 thousand leads from six companies. Calling within five minutes instead of thirty multiplied the odds of making contact by 100 and of qualifying the lead by 21. In 2011, Oldroyd, McElheran and Elkington audited 2,241 American companies with test leads (*Harvard Business Review*): 37% responded within an hour, 23% never responded; those who responded in the first hour were about seven times more likely to qualify the lead than those who waited an hour more.

In real estate, the figure that matters is NAR's (2025): 67% of first-time buyers and 76% of repeat buyers hire the first agent they talk to; 80% of sellers talk to only one; the median number of attempts until getting an answer is one. The client doesn't compare: she interviews one and stays. The first contact is worth more than any closing.

What the evidence does not support is the heroic cadence. "80% of sales happen after the fifth contact" comes from a 1942 poll by a regional salespeople's association, with fewer than 40 participants and no methodology; the cascade "44% give up after the first contact" has no primary source. Respond in minutes; don't call twelve times. Pushing beyond consent is, in Brazil, a "coercive commercial method" (CDC, Brazil's consumer code, art. 6º, IV).

The incentive on the table

Levitt and Syverson (2008) compared clients' homes with agents' own homes: the agents' own sold for 3.7% more and stayed 9.5 more days on the market. The agent, who receives a fraction of the marginal gain, has an incentive to persuade the client to close fast and a little cheap — and the distortion grows with the information gap. Hendel, Nevo and Ortalo-Magné (2009), in Madison, measured the reverse: selling without an agent did not bring a lower price before commission, but it sold less often and more slowly. The agent's measured value is liquidity and network, not "a higher price."

Hence a counterintuitive argument: "my incentive is to close fast; that is why I'm going to show you the comparables and let you decide the price." Disclosing the conflict builds trust — and the 2025 seller chooses an agent on reputation (35%) and honesty (22%), not commission (4%). Since August 17, 2024, the NAR settlement requires

a written agreement with the buyer before the first showing, with compensation spelled out; Standard of Practice 12-1 prohibits calling the service "free." In Brazil, the Código Civil (art. 723) already requires informing spontaneously — and 87% of Brazilian buyers have contact with an agent (DataZAP, 2021).

The regret the agent prevents

In Clever's 2025 survey, 44% of buyers discovered problems after moving in, 30% think the seller was not transparent and 13% waived the inspection. In 2026, 91% do not regret having bought. The regret is about the process, not the home — and the client who regrets the process doesn't refer. A total-cost spreadsheet, an inspection every time and a second showing are the referral insurance.

The loyalty gap

In NAR 2025, 91% of buyers say they would use the agent again or recommend them; only 15% used their previous agent (29% among sellers). It isn't dissatisfaction, it is distance: the typical seller stayed 11 years in the home, and no one keeps a name for 11 years without help. And 43% of buyers and 37% of sellers found their agent through a referral.

NAR's annual member survey (*Member Profile*, 2026) shows what that is worth: the median agent earns US$ 59,200 and closes nine sides a year; among the most experienced, 49% of deals come from returning clients and 32% from referrals by past clients; among newcomers, zero and zero. The variable that most separates income is a maintained book of clients, not technique. The viral "71% of agents closed nothing" is not from NAR: it came from a conference

talk, never published; the official figure is 5% with zero sides in 2024.

Reputation is written: in BrightLocal 2026, 97% read reviews before choosing, 68% require four stars, 47% rule out anyone with fewer than twenty reviews and 74% prioritize those from the last three months. Ask for a review at every closing; buying reviews is deceptive advertising. In Florida, 65% of foreign-buyer leads come from personal contact and past clients (Florida Realtors, 2025).

What the agent does with this

A career is the sum of relationships maintained for ten years; the funnel starts in minutes.

1. A written response rule: who answers, in how many minutes, through which channel.

2. Treat the first contact as the only interview. The client won't compare: bring process, next steps and the question "what changed in your lives?"

3. Show the incentive. Commission in writing, the Levitt and Syverson conflict explained, and the pricing decision in the client's hands. Never "free."

4. Prevent regret: total-cost spreadsheet, inspection with no exceptions, second showing.

5. A ten-year cadence: review requested at closing, purchase anniversary, annual value report, and the explicit request for a referral.

The loyalty gap

Almost every client promises to come back and almost none comes back on their own; the agent is chosen in minutes.

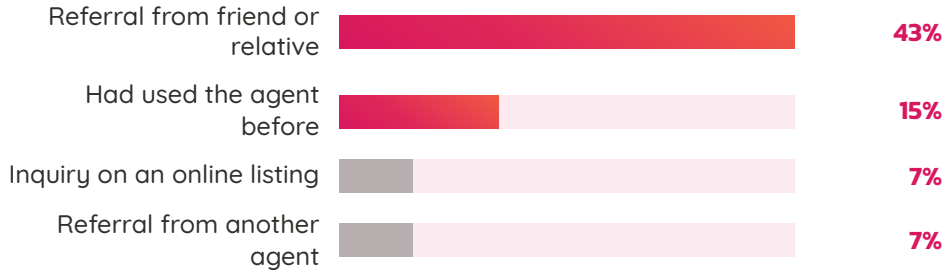
91%
would use the agent again or recommend them (NAR, 2025)

15%
actually used their previous agent (NAR, 2025)

21 times
more likely to qualify the lead by calling in 5 minutes, not 30 (MIT, 2007)

49% + 32%
of veterans' deals: repeat business and referrals; newcomers, zero (NAR, 2026)

How the buyer found the agent (NAR, 2025)



"80% of sales after the fifth contact" is **a 1942 poll of fewer than 40 people**; the evidence says respond in minutes.

NAR, PROFILE OF HOME BUYERS AND SELLERS 2025 · NAR, MEMBER PROFILE 2026 · MIT AND INSIDESALES, 2007

In *summary*

01 Calling in **5 minutes, not 30**, multiplies contact by 100 and qualification by 21 (MIT, 2007).

02 Across 2,241 companies, **37% responded within an hour** and 23% never did; the first hour is worth seven times (HBR, 2011).

03 **67% to 76% of buyers** hire the first agent they talk to; 80% of sellers talk to only one.

04 "80% after the fifth contact" is a **1942 poll** of fewer than 40 people; respond in minutes, don't call twelve times.

05 The agent sells their own home for **3.7% more and 9.5 days later** (Levitt and Syverson): the incentive is to close fast.

06 **Showing the incentive** builds trust; the seller chooses on reputation (35%) and honesty (22%), not commission (4%).

07 Since August 2024, a **written agreement with the buyer** before the showing; never "free." In Brazil, 87% use an agent.

08 Regret is about the process: **44% found problems afterward**; 91% don't regret having bought.

09 **91% would use again, 15% did**: the bottleneck is distance, not satisfaction; 43% arrive by referral.

10 Veterans get **49% repeat business and 32% referrals**; newcomers, zero. The "71% closed zero" is not from NAR.

11 Procedure: a **written response rule** in minutes; first contact as the only interview; incentive on the table.

12 Procedure: a **ten-year cadence**: review at closing, anniversary, annual report and the referral request.

> *The client hires the first to respond, promises to come back and doesn't come back on their own; a career is the sum of the bonds maintained.*

The protocol: *twelve procedures*

Eleven chapters, eleven lists of "what the agent does with this." Here they become one, in the order a sale happens: from the listing appointment to the referral request. No item is a trick. Each is the practical consequence of something that was measured — and each says which chapter holds the measurement.

Winning the listing and pricing it

1. At the listing appointment, ask three things before talking price: how much they paid, when they bought and what changed in their life. The first reveals the loss anchor, the second tells you whether the client bought at the peak, the third reveals the real reason in 78% of cases (Chapters 2 and 6).

2. Do the valuation before hearing the owner's number — and before looking at the competitor's listing. Experienced agents were moved 13% by an 11% anchor and didn't notice. Be the first number in the conversation, with closed comparables (Chapter 3).

3. Bring three prices and a trigger. Likely appraisal, list price and net price; and a written agreement to review at fourteen days, based on showings, saves and offers. Never "test the market": the discount grows from 1% to 5% and 12% over time, and the stigma of days on market costs money (Chapter 8).

4. Launch the home in the order of evidence per dollar: facade and yard, decluttering and cleaning, repainting whatever is yellow, red or pink, professional photos, floor plan, text written as an inventory. Virtual staging only with the label the MLS requires (Chapter 7).

Serving the buyer

5. Respond in minutes, with a written rule. Seven in ten clients hire the first agent they talk to, and the odds of qualifying a contact within five minutes are 21 times those of doing so in half an hour. The first contact is the highest-leverage technique in the funnel (Chapter 11).

6. In the buyer consultation, ask more than you present. Situation, problem, implication, payoff — in that order — and the client talking more than half the time. Implication questions are what most separate those who sell from those who don't (Chapter 10).

7. Map the client's reference points. Where the expectation comes from: the friend who bought in 2021, the neighbor who sold high, the 2022 peak. Show the long series, with the drop, and never use "it rose 20% last year" as an argument (Chapter 4).

8. Prepare the showing for the emotion and the spreadsheet for the reason. A home ready for the first minute; total cost of ownership for the weeks that follow; a mandatory second showing with the floor plan; and the list, said out loud, of what the buyer doesn't look at — roof, A/C, water, insurance (Chapter 1).

Negotiating and staying in touch

9. Against inertia, use a life reason and a calculation, never an invented deadline. Half of owners pay less than 4% interest and each point of difference reduces the chance of selling by 18%; the renter gets stuck on the down payment. Bring the monthly marginal cost of moving and the question "what do you qualify for today?" (Chapter 5).

10. Run every argument through the four-question test. Is it true and complete, including what lowers the property's value? Does it direct attention to what matters for the client's decision? Is the

emotion proportional to the facts? If the client knew what you did and why, would they thank you? Scarcity only if real, social proof only if verifiable, authority is showing the reasoning (Chapter 9).

11. Facing an objection, pause, label, isolate, show the data and set the next step. "It's too expensive" is answered with closed comparables; "I'll think about it," with a question that isolates the doubt; "I'll wait for rates," with the math and the uncertainty admitted. In a multiple-offer contest, cash and terms win, not an escalation clause (Chapter 10).

12. After the yes, start the next sale. Be transparent about your incentive, prevent regret (inspection, spreadsheet, second showing), and keep a ten-year cadence: purchase anniversary, annual value report, a request for a review and for a referral. Ninety-one percent promise to come back; fifteen percent come back on their own. The career lives in that difference (Chapter 11).

A last word, without rhetoric

This book spent eleven chapters showing that the client decides with the mind they have, not the one the spreadsheet would like. It is only fair to end by saying what that does not authorize.

It does not authorize pushing. Every mechanism described here — the anchor, the loss, scarcity, social proof — works in both directions, and the agent who uses it to lead someone into a bad decision is committing, in Florida and in Brazil, a violation with a name and an article number. But there is a reason more practical than the law: the client who regrets doesn't come back and doesn't refer, and an agent's career is made of the ones who came back.

Knowing the client's psychology is for helping them decide well, faster and with less fear. That is what sells more. And that is what makes them sell again.

Psychology can be learned.
So can selling.

This book showed what has been measured about the minds of those who buy and sell. The Institute exists to explain the American market to Brazilians, in English and with no easy promises — for agents and for anyone who just wants to decide well.

The Economics of Real Estate This book's pair: where price, interest rates, the cycle and the investor's math come from	**Agent in Brazil, Agent in Florida** The profession, the license, the MLS, the contract and the commission, side by side
Renting: The Biggest Trap of Your Life The math almost no one does, for those who have been paying rent for years	**How to Invest in Florida Real Estate** For those who buy to live in or to invest, with a foreword by Ciro Gomes
HousInvest Academy Training for Brazilian agents in the American market — not a state license	**Educational material** Not investment advice, a legal opinion or tax guidance

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Where *the numbers* come from

Below, chapter by chapter, the author and year of each study, survey and report used in this book; the full name of each appears in the chapter itself, where the number is cited. Market surveys change every year and the 2026 numbers will age: the sources at the bottom of the page say where to check the new version.

Chapter 1 · The decision at two speeds. Kahneman and Tversky (1979) · Seiler and colleagues (2012) · NAR (2025) · NAR (2026) · Purplebricks (2021) · Zoopla (2024) · Belk (1988) · Pierce and colleagues (2001) · Opendoor (2025) · Clever Real Estate (2025) · Clever Real Estate (2026) · Clever Real Estate and Best Interest (2026) · DataZAP (2021).

Chapter 2 · The price you paid no longer exists. Genesove and Mayer (2001) · Andersen and colleagues (2022) · Einiö and colleagues (2008) · Ross and Zhou (2021) · Stephens and Tyran (2012) · Kahneman and Tversky (1979) · Zonda / Remodeling (2025) · Goodman and Ittner (1992) · Benítez-Silva and colleagues (2015) · QuintoAndar (2024) · Redfin (2026).

Chapter 3 · The anchor that pulls everyone in. Northcraft and Neale (1987) · Tversky and Kahneman (1974) · Bucchianeri and Minson (2013) · Han and Strange (2016) · Repetto and Solís (2020) · Beracha and Seiler (2014) · Thomas and colleagues (2010) · Palmon and colleagues (2004) · Ross (2019) · Galinsky and Mussweiler (2001) · Schweinsberg and colleagues (2012) · Florida Realtors (2024) · DataZAP (2021).

Chapter 4 · The herd and the bubble. Case and Shiller (1988) · Case and colleagues (2012) · S&P Dow Jones Indices (2012) · FHFA (2012) · Bailey and colleagues (2018) · Kuchler and Zafar (2019) · Glaeser and Nathanson (2017) · Armona and colleagues (2019) · Zillow (2022) · Bankrate (2025) · Seiler and colleagues (2008) · Brain Inteligência Estratégica (2026) · Fannie Mae (2026).

Chapter 5 · Staying put is also deciding. Samuelson and Zeckhauser (1988) · Mangum (2025) · Freddie Mac (2026) · Redfin (2026) · Batzer and colleagues (2024) · Batzer and colleagues (2025) · Fonseca and Liu (2024) · NAR (2025) · Federal Reserve (2025) · Redfin (2024) · Zumper (2025) · Neighbors Bank (2026) ·

Experian (2025) · QuintoAndar / Ipsos-Ipec (2025) · QuintoAndar (2025).

Chapter 6 · Who the client is. NAR (2025) · NAR (2026) · Virginia REALTORS (2026) · Florida Realtors (2026) · Zillow (2025) · Zillow and The Harris Poll (2020) · Pew Research Center (2008) · DataZAP / Grupo OLX (2025) · DataZAP (2021) · ABRAINC / Brain Inteligência Estratégica (2025) · Brain Inteligência Estratégica (2026) · QuintoAndar / Ipsos-Ipec (2025) · Florida Realtors (2025).

Chapter 7 · The home introduces itself before the agent does. Redfin (2013) · NAR (2025) · NAR (2026) · Zillow (2025) · Zillow (2021) · Zillow (2019) · Johnson and colleagues (2020) · Zillow (2026) · Herrmann and colleagues (2013) · Washington State University (2012) · Saxbe and Repetti (2010) · Lane and colleagues (2015) · Redfin (2019) · Purplebricks (2021) · HomeJab (n.d.) · Stellar MLS (2025) · Valor Econômico (2026) · Amanhã (2022).

Chapter 8 · The first fourteen days. Zillow Research (2016) · NAR (2025) · Han and Strange (2016) · Han and Strange (2014) · Gordon and Winkler (2017) · Tucker and colleagues (2013) · Redfin (2026) · Stellar MLS (2025) · QuintoAndar (2024) · Pilat and Leishman (2025) · Bucchianeri and Minson (2013) · Beracha and Seiler (2014) · Beracha and Seiler (2016) · Allen and Dare (2004) · Palmon and colleagues (2004) · Thomas and colleagues (2010) · Seiler and colleagues (2012).

Chapter 9 · Persuading without manipulating. Cialdini (2021) · Freedman and Fraser (1966) · Cialdini and colleagues (1975) · Worchel and colleagues (1975) · NAR (2026) · Florida Statutes §475.25 (2025) · Florida Statutes §475.278 (2025) · Florida Administrative Code (n.d.) · Fair Housing Act (1968) · Florida Statutes §760.23 (2025) · U.S. Department of Housing and Urban Development (2026) · NAR (n.d.) · Código de Defesa do Consumidor (1990) · COFECI (1992) · Código Civil (2002) · Gomide (2018) · DataZAP (2025) · Noggle (2026).

Chapter 10 · Ask, listen, negotiate. Rackham (1988) · SkipCall (1988) · Gong (n.d.) · Corporate Executive Board (2011) · Galinsky and Mussweiler (2001) · Schweinsberg and colleagues (2012) · Judgment and Decision Making (n.d.) · Fisher and Ury (1981) · Moore (2004) · Voss · van Baaren and colleagues (2003) · Lieberman and colleagues (2007) · Florida Statutes §475.278 (2025) · Florida Realtors (2024) · NAR (2026) · Redfin (2021) · COFECI (1992) · Código Civil (2002) · Código de Defesa do Consumidor (1990) · DataZAP (2021) · NAR (2025) · Clever (2026) · O'Keefe and Jensen (2009) · O'Keefe and Jensen (2007).

Chapter 11 · After the yes. Oldroyd (2007) · Oldroyd and colleagues (2011) · AInora (2026) · Conciergr (1942) · VentureBeat (n.d.) · NAR (2025) · NAR (2026) ·

Virginia REALTORS (2025) · BAM (2025) · Levitt and Syverson (2008) · Hendel and colleagues (2009) · NAR (2024) · Código Civil (2002) · Código de Defesa do Consumidor (1990) · DataZAP (2021) · Clever (2025) · Clever (2026) · BrightLocal (2026) · Florida Realtors (2025).

Where to check and update

NAR
profiles of buyers, sellers and agents; foreign-buyer purchases — nar.realtor

Zillow and Redfin
prices, price cuts, rent, commissions — zillow.com/research · redfin.com/news

FRED, from the St. Louis Fed
interest rates, price indexes and exchange rates — fred.stlouisfed.org

Florida Realtors, ORRA and Miami Realtors
monthly statistics by county — floridarealtors.org

NBER and SSRN
the studies cited, almost all with open abstracts — nber.org · ssrn.com

Banco Central, Fipe, Abrainc and ABECIP
Selic, Focus, FipeZap and credit — bcb.gov.br · fipe.org.br

Who wrote it, *and why*



Maqueli Gewehr was born into a humble family in the interior of Rio Grande do Sul. She has been in the real estate market for fifteen years. She moved to the United States on an EB-1 visa, granted to professionals of extraordinary ability, and today is a **licensed agent in Florida** and one of the few professionals **certified by Harvard University** in real estate investment strategy.

She is the author of *How to Invest in Florida Real Estate* (with Bruno Miguel and a foreword by Ciro Gomes) and of *Agent in Brazil*, *Agent in Florida*, and the creator of the HousInvest Institute. This is the Institute's fourth book; *The Economics of Real Estate*, the fifth, was written to be read alongside this one — one deals with the mind of the person deciding, the other with the math.

In plain words. This book is educational material. It is not investment advice, it is not a legal opinion and it is not tax guidance. The author is a licensed agent in Florida — not an attorney, a clinical psychologist or a registered financial advisor. The studies cited belong to their authors; the book's reading of them is the author's.

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