



12 QUESTIONS YOU SHOULD ASK BEFORE YOU HIRE A REAL ESTATE AGENT

Hiring the wrong person to help you with a large financial transaction can cost you thousands of dollars and cause you nothing but stress. Whether you are selling or buying a home, start by asking friends, neighbors, relatives and business associates for recommendations, and then select at least three individuals to interview.

Here are 12 insightful questions you should ask when you have your face-to-face interview:

1. How long have you been practicing real estate, and what services would you provide?

You want to hire an experienced professional (not just a “friend of a friend”), and this is a good conversation starter.

2. Tell me about your company. Most REALTORS® will say their companies are #1 in this or that category. Ask for details on the company’s track record and reputation. For example, ask how many homes the company sells per year compared with other companies and the average sales price compared with other companies.

3. Have you sold any homes in this area? An experienced REALTOR® should be prepared to give you a comparative market analysis, or listing of homes currently for sale or recently sold in your area. You want to hire someone who is a specialist in the specific area where you want to buy or sell a home.

4. Why should I list my home with you? Not all real estate agents are alike! If you’re going to hire this person to sell your home, he or she should be very good at answering this question and selling themselves.

5. How would you market my home? This is key. You are looking for a complete, innovative marketing plan that only starts with listing your home on the Multiple Listing Service. The right REALTOR® should go beyond traditional methods like open houses and use all possible advertising avenues, including the Internet (statistics show it’s used to find a home 88 percent of the time) and social media. Ask to see samples of sales materials this person has used for other clients. One of the advantages of using a REALTOR® is his or her experience and ability to provide exposure – to buyers and to other

REALTORS® who may be working with potential buyers. What particular media does this REALTOR® find most effective in today’s market?

6. How would you keep me informed about buyer activity and feedback (if you’re a seller) and homes on the market (if you’re a buyer)?

Communication is important and you should discuss how much you want to know and how often you want to talk in advance.

7. What percentage of your business comes from referrals? You want to hear a high percentage, indicating that this REALTOR® is competent, well known, and gets a large part of his or her business from satisfied clients.

8. How many sellers (or buyers) are you currently working with? There’s no magic number here, but you want to know that this person has time to devote to your sale. Also, the more buyers a REALTOR® is working with, the better your chances of selling quickly.

9. What is your average length of time from listing to SOLD? A short time isn’t necessarily good (homes could be underpriced). You want a REALTOR® who is good at helping you determine the asking price and selling your home close to that price, in as short a time as possible. Ask them what their typical “days on market” is for a listing in your area.

10. Can you refer me to a reputable mortgage lender, banker, appraiser or real estate lawyer? This question will tell you how well connected the REALTOR® is, which can help you save time if they can introduce you to great service providers.

11. Would you provide a list of references? Of course the REALTOR® will give you good references, but you should still call some of them, including past clients, and ask what it was like to work with this person.

12. Can I cancel my listing contract if I am not satisfied? The REALTOR® should release you from a listing agreement prior to its expiration upon request.