

HOMESELLERS #706



29 *critical* *questions*

To Ask a Realtor® Before You List

Don't Even Think About Selling Your Home Until You Read This



A Special Report Prepared By JACK HAMLIN REAL ESTATE

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a special report from
JACK HAMLIN
REAL ESTATE

29 Critical Questions
TO ASK A REALTOR® BEFORE YOU LIST

Because Finding the Right Real Estate Agent Can Make All the Difference in the Success or Failure of Your Home Sale

Selling a home involves many critical and personal decisions. However, one of the most important decisions is the first decision you need to make—a decision that impacts your entire home sale:

Which real estate agent should you work with?

Unfortunately, many people make this decision based on the idea that all real estate agents are basically the same. They sign with the first agent to come along, only to realize too late that they should have shopped around.

This special report is designed to help you avoid that mistake by equipping you with what to look for in selecting your agent.

Start by asking your friends and family for the names of agents they know. Look around your neighborhood for the signs, ads and marketing materials of active agents in the neighborhood. Once you've compiled a list of several names, use this guide to help you determine which agent is best for you.

HERE ARE THE QUESTIONS YOU SHOULD ASK EACH AGENT:

QUESTION 1

Could you send me some information about yourself?

You can often get a good idea of which agents are most professional and most committed by looking at their personal marketing materials—brochures, direct mail, listing presentation book, etc.

Call each name on your list and ask them to send out any information they can before you actually meet with them for a listing presentation. When you get the personal

brochure or other materials, look them over and determine your initial impression of this person.

Are the materials they presented professional?

If not, you might ask yourself,

“If they don’t have the wherewithal to properly market themselves, how will they market my home?”

Also, keep track of how quickly and efficiently they respond to your request for information. Are they friendly and helpful? Or just pushy and hungry for a listing?

Does this seem like someone you'd be interested in talking with? If they aren't organized and professional enough to respond promptly to your first request to find out more about them, they'll probably handle potential buyers for your home the same way.

If you like the way they respond to you and are impressed with the information they supply, call them and invite them to make a listing presentation to you.

It's always a good practice to meet with more than one potential agent before making a final decision—usually three to five for sellers.

Just make sure that you don't meet with more than one from the same company. This could cause internal strife which would be counterproductive in marketing your home.

QUESTION 2

How do you approach your work?

What you should be looking for, first and foremost, is an honest and knowledgeable individual, who works full-time, represents a solid and reputable real estate agency, and will treat your best interests as paramount. Length of time in the business, track record of success, previous experience, expertise in and knowledge of the local real estate market—all of these are factors to consider.

While the right agent to market your home may not be number one in every aspect, you want to make sure that the person you hire is a well-rounded individual whom you can trust and respect as a professional.

QUESTION 3

How many homes have you listed in the past six months?

Look for an agent who is active in your area and has experience dealing with homes and situations like yours. This is especially critical if your home or transaction has special features or terms that may make it more challenging than the typical home sale.

QUESTION 4

How many homes have you sold in the past six months?

Beware of agents who simply gather listings and let them sit and wait for someone else to sell them.

Your agent should have a good track record getting homes sold, which is, after all, your ultimate goal.

QUESTION 5

What is the average length of time your listings are on the market?

You may automatically assume the shorter time on the market, the better. But take note:

If an average length of time on the market is significantly faster than the average for homes in the area, is it because this agent is more effective or because he or she likes to low-ball the asking price in order to get homes sold more quickly?

Also, take a look at what the original asking prices are for homes the agent lists versus what the homes finally sell for. This “swing” number will tell you how effective the agent is at helping clients determine the right asking price and doing what it takes to help them get it.

QUESTION 6

How long have you been in the business?

Depending on the agent's background and track record, there is no hard and fast rule for what to look for here.

An agent may have been a licensed real estate professional for 15 years, but only selling part-time and never really an active seller—maybe only handling one or two transactions per year.

Whereas another agent may have only just become licensed one or two years ago, but has a background in real estate finance, worked in real estate law for a number of years or has been a private real estate investor and has bought and sold more than 20 homes himself in the last 10 years.

Either way, you need to find someone who has an in-depth knowledge of the legal ins and outs of the business as well as the characteristics of the local market, and has demonstrated competence and professionalism in getting homes sold.

QUESTION 7

What professional organizations do you belong to?

The minimum here should be a fully licensed professional who's a member of the local real estate board and multiple listing service as well as the state and National Association of Realtors.®

Local community groups and business associations may also be pluses in terms of networking and insight into the community.

However, make sure your agent is focused on what's important—selling your home.

QUESTION 8

Do you have a personal assistant or other support staff working for you?"

Some agents employ an assistant or staff. This doesn't necessarily mean better service, but it can be an indicator that the agent treats selling real estate as a business.

By employing someone to handle the small details, he or she can devote more time to serving your needs.

However, be sure you know up front how much involvement you can expect directly from your agent, and how much is usually handled by someone else. It may be fine that most of your interaction after the listing is with an assistant or other staff member as long as you don't feel passed off onto someone else and you are kept informed of exactly what the agent is doing to get your home sold.

QUESTION 9

Do you have any questions for me?

In the interview, look for an agent who asks pointed, specific questions, not someone who's just filling in blanks on a form.

That's the sign of someone who is already thinking about your situation and is creating a plan of action specifically for you rather than just using a cookie-cutter approach for every client.

Make sure you feel comfortable being around this person—you will be relying on his or her expertise.

QUESTION 10

What marketing approach will you use for my home?

Despite having the same basic marketing tools at their disposal—Multiple Listing Service, company tours, Board of Realtors® tours, fliers and brochures, for sale signs, MLS lock boxes, public open houses, advertising, direct mail and personal networking—every real estate professional has a different marketing strategy.

Learn each agent's marketing philosophy, and determine what will work for you.

Make sure the agent you choose doesn't rely on the same marketing tool for every sale. What worked for yesterday's seller may not get the results you want. The key is to find an agent who will use all the tools available to your best advantage.

QUESTION 11

Will you produce a flier or brochure for my home and what will it look like?

Take a careful look at the materials the agent has produced to market their current listings. Do the quality, design and wording of the materials seem to present each home in the best light?

Put yourself in a potential buyer's shoes: Would you be interested in the homes after seeing these materials?

QUESTION 12

How often will you hold open houses? Will they be public, broker-only or 'by appointment only?' How do you feel open houses will work best for my home?

Simply putting a sign on your lawn and holding an open house every Sunday afternoon will not get your home sold.

In addition, a house held open too frequently can begin to look like a loser, making it a prime target for low-ball bidders.

Your agent should have a carefully-planned rationale for each open house and it should be just one facet of a complete marketing plan.

QUESTION 13

What is your advertising plan for my home?

Most people believe that advertising a home in the newspaper is the way a home gets sold. Unfortunately, this is simply not the case. The truth is: Good real estate agents sell homes. And they do this through their own personal advertising, networking, skill, and creative advertising methods like the Internet, toll-free hotlines and fax marketing that give potential buyers 24-hour access to information about your home.

Don't be concerned with traditional methods of advertising houses. Make sure your agent uses innovative, cutting edge methods that make your home stand out from the rest.

QUESTION 14

How else will the property be exposed to other agents?

Exposure is the key to any home sale. In many cases your home will be sold because another agent knows a buyer who is looking for a home like yours.

Beyond simply listing your home in the MLS, your agent should be using a wide variety of techniques to let those other agents know about your home and keep them aware of it until it is sold.

QUESTION 15

Are you going to help me in staging my home?

Preparing a property for sale, or "staging" it, is very important in maximizing the value and minimizing the time on the market.

If a prospective agent does not mention this aspect of the sale on his own during the listing presentation, he probably has no plan to offer this service to you.

Or he may be afraid of bringing it up for fear of offending you by telling you about negative aspects of your home that should be changed—or positives that need to be highlighted—to increase its appeal to potential buyers.

A confident and competent agent will find ways of broaching the subject and let you know of specific

ideas—beyond baking bread and putting out fresh flowers for open houses—to make your home more salable.

QUESTION 16

What will you do to keep me informed?

Do you want weekly, daily or hourly reports from your agent? Are you comfortable with letters, phone calls, or do you want to discuss matters in person?

Determine how much communication you want, then find an agent who will give you the attention and time you deserve.

QUESTION 17

What listing price do you recommend for my home and what is that price based on?

Pricing your home is the most critical step to selling it, and you should choose a Realtor® who has the knowledge to price your home wisely.

Here are some things to keep in mind:

DON'T go with a "yes man" who will promise a high price in order to get your listing—your home may languish on the market.

DON'T let an agent talk you into an artificially low price designed simply to sell as fast as possible.

DO have each agent justify the price through comparable properties and facts about the market.

The selling price should attract prospective buyers to your home, get you top dollar in the current market and reflect the condition of your house.

Be realistic. A good Realtor® will be honest with you about the value of your home and have the cold, hard facts to justify that value—both to you and to prospective buyers.

QUESTION 18

Can you provide me with further resources that I may need?

Most agents work with a team of professionals in many fields, including title, escrow, mortgage, home inspection,

pest control, carpet cleaning, etc. While you are not obligated to work with an agent's team, often you may find it is the optimum way to go.

The best agents have built strong relationships with their “teams,” and can often get expedient service or be able to “cash in a favor” for your transaction should a crunch or problem arise.

QUESTION 19

Can you give me some references from other clients you have worked with?

Don't be afraid to ask for references. This is not confidential information, even though many sellers would never think to ask for it.

Real estate transactions are a matter of public record, and if you want to take the time to go down to the courthouse, you could compile your own list.

However, any agent who provides good service and is proud of his or her work will be happy to provide references.

If possible, contact a few of these references directly. Check to see how well the situations described by these previous clients fit your situation, particularly if you have a complex transaction or special circumstance that requires specific expertise.

QUESTION 20

What does the listing agreement entail?

Have the agent go over every detail of the listing agreement with you before you ever sign it.

This is a legally binding document and your agent should be open and up front with you about exactly what you're signing.

Ask to know exactly what each portion means and be aware of what the contract will legally obligate you and the agent to do.

QUESTION 21

What are the beginning and expiration dates of the listing agreement?

This information should be included on the agreement

itself and, should a dispute arise later, could be crucial in determining commission payments.

Beware of agents who want you to agree to a very long listing period.

Unless they can provide compelling reasons why your sale should take longer, generally three months is a good amount of time for a listing agreement.

Also remember that the listing agreement is designed to protect not just you but the agent as well.

Good agents work hard for their commissions and deserve just as much open communication and straightforward dealings as you do.

QUESTION 22

What are the amount of brokerage fees I will be paying?

The customary fee generally ranges between five and seven percent although brokerage fees are not fixed by law and are negotiable.

However, whether you pay a fee that is higher or lower, you generally get what you pay for.

Especially beware of agents who are willing up front to take a reduction in their commission. It may well mean that they never intend to spend much time, effort or money in selling your home to begin with.

QUESTION 23

What other fees or charges do I need to be aware of?

Title insurance, escrow charges, closing costs and prorated insurance, taxes, rent, home owner's association dues, etc.—the individual circumstances of your transaction and the needs of your buyer will all impact your final financial obligation.

Be sure your agent goes over all the costs that may be incurred so that you'll be prepared.

QUESTION 24

What disclosure laws or special zones apply to me and what do I need to provide?

You and your agent will both need to provide specific

disclosure forms regarding your transaction and your property. Also, if you live in an earthquake-, flood- or other disaster-prone area, special statements— or special study zones reports—may be required.

Your agent should be able to help you locate professional inspectors for the various mandatory home inspections.

Most agents will help you organize a home marketing file—including a property fact sheet, a property transfer disclosure statement, pest control report, applicable C.C. & R.S, applicable special study zones report, available soils or structural engineering report, property profile from the title company, applicable plans for alterations or additions, any home warranty plan offered and applicable special equipment report for pools, spas, sprinkler and alarm systems, etc.

QUESTION 25

What is a home protection plan and should I consider purchasing one to facilitate my sale?

There are many ways to enhance the saleability of your home and sweeten the deal for prospective buyers. You may not need them, but you should know what they are and how they may or may not benefit you.

QUESTION 26

How will you determine the qualification of potential buyers?

Ask what procedures the agent will use to make sure that you don't waste any time dealing with dead-end offers or escrows that can't be closed

QUESTION 27

What happens if my home doesn't sell in the allotted time or if I decide not to sell my home?

Much of the answer to this question should be spelled out in the listing agreement. Make sure your agent goes over every part of it with you.

Be sure to find out whether your contract contains a “liquidated damages” clause.

These are designed to specify a dollar amount you would be liable for should you decide to take your house off

the market before the expiration date of the agreement.

QUESTION 28

What's the best way for me to get in touch with you?

In this age of expanding technology and instant communication, most agents have pagers, voice mail and voice messaging services.

You should know exactly how to get through to your agent, his or her assistant, or a messaging service in case of an emergency 24 hours a day.

Your agent should not only provide you with prompt responses to your calls, but also should have a step-by-step plan regarding how he or she will keep you informed about the status of your home sale, including daily, weekly or monthly written reports on the actions that have been taken to sell your home and the resulting response from prospective buyers and other agents.

QUESTION 29

How would you like for me to give you feedback?

As important as it is for your agent to keep you up to date, you should give regular feedback to your agent as to how satisfied you are with his or her service.

The best agent is one who makes it easy for you to communicate your satisfaction as well as the things you would like to see changed about the way he or she is handling your transaction.

Perhaps all you need is an explanation of why things are going the way they are or why your agent is handling things a certain way, but the more you can get all of these feelings out in the open, the better the two of you can communicate and work to change things if need be.

An organized professional will provide you with service questionnaires both at the beginning of the relationship so you can outline your expectations and at the end of the transaction so you can let him or her know how well those expectations were met, as well as regularly during the course of the sale so you can deal with any positives or negatives that occur along the way.

Now the only question you have to ask yourself is: What are you waiting for? Let's get it SOLD!



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For many years, Jack Hamlin has been serving the needs of Helena's home sellers and buyers. Jack has maintained his status as one of Helena's top homesellers by providing not only the finest service, but also providing the most vital component of any successful real estate transaction — information. Jack's free Special Report is just one of the ways Jack helps arm Helena's homesellers with the information they need to maximize their real estate success.