

20 Questions You Absolutely Must Ask Your Next Real Estate Agent Before You Sign On The Dotted Line (And Make The Same Mistake Twice)

You recently decided that the time has come to sell your home. You probably met with several Realtors, asked each a few questions, and then selected a listing agent. Or maybe you already knew someone who sells real estate, so your decision was pretty simple.

The fact that your listing agreement recently expired and your home is still on the market leads me to believe that things didn't work out as you hoped they would.

Anyone who ever sold a home knows how frustrating and unnerving it is to have your listing expire without a sale. You're probably thinking that you've wasted precious time without accomplishing your goal. The idea of going through the process all over again is an upsetting one—and yet, you still need to sell your home.

There are several possible reasons your home didn't sell—your home's condition, the price, etc.—but my experience has been that when a home fails to sell, there's usually some kind of communication problem between the Realtor and the seller.

Now more than ever, choosing the right Realtor will make all the difference in the world. But how do you make the right choice? How do you make sure you don't end up in the same situation again?

If you didn't know what to expect from your last agent before you signed the listing agreement, then it's possible you didn't ask the right questions. I've drawn on my years of sales experience to develop this guide, which is designed to elicit the information you'll need to make the right decision in choosing your next agent. By asking the following questions, you can dramatically improve your odds of having a successful home-selling experience.

1. “How long have you been an active, full-time Realtor? How long in my area?”

I recommend looking for an agent who has been actively working on a full-time basis for at least the last three to five years. You should also find out how long they've worked in your specific geographic area. There are several reasons for selecting a well-established agent:

- A. you want someone who has a track record you can confirm.
- B. an established Realtor has a roster of contacts you will need: home inspectors, mortgage companies, lawyers, etc.
- C. an experienced agent will have creative, time-tested ideas for marketing your home.

2. “How many homes have you listed in the past six months? The past year?”

While an agent's length of time in the field is important, the quality of that time is even more important. You need to gauge just how active—and successful—the Realtor is. A large number of listings is often the sign of a successful agent. However, no matter how many listings an agent has, make sure that he has the resources and systems to market each of them effectively. Getting a listing is only half the job.

3. “How many homes have you sold in the past six months? The past year?”

Here's where we separate the lister from the doers. Just because an agent has a knack for signing up sellers doesn't mean he's good at finding, negotiating and closing deals—and that's what you want.

4. “What’s the average amount of time one of your listings is on the market before it sells?”

You may think that a quick turnaround is a good sign. It could be. However, a faster-than-average selling record could indicate that an agent is quick to sacrifice a seller’s profits in negotiations—which is why the next question is so important.

5. “How does your average sale price compare to the original price?”

There’s a difference between a Realtor who gets you a good deal and one who gives away too much in order to sell your home. That’s why it’s important to compare the original list price to what a home actually sold for.

6. “How many homes are you currently marketing?”

Again, this goes to the question of effectiveness. Make sure your agent has the systems in place to handle them all. A successful top-producing agent may be more effective at managing many listings than a less experienced agent is with a handful.

7. “What can you tell me about your share of the market place compared to other Realtors in the area?”

Again, you’re looking for indications of success. A Realtor with a competitive piece of the market usually has better connections in the community and greater resources at his disposal.

8. “Do you have a personal staff?”

While it doesn’t necessarily indicate better service, a Realtor who has a support staff to handle office chores and routine details can usually devote more time to the business of serving a client’s highest priority need.

9. “How will you market my home?”

Most Realtors have at their disposal the same tools for selling your home: the Multiple Listing Service, company tours and Realtor caravans, open houses, marketing flyers and brochures, direct mail, advertising, personal networking and web sites and the internet—the list is long. What differentiates the best agents from the rest is their marketing philosophy and the strategies they’ve developed to achieve their goals. You’re looking for a Realtor who tailors his approach to your specific circumstances and then puts the tools at his disposal to your best advantage. Carefully review the quality of the materials the agent shows you. Poorly-done materials reflect badly on your home and say something about the quality of the agent’s marketing efforts in general. What you want is someone who does more than provide a physical description of your home and area to prospects. Your Realtor should be enthusiastically selling your home’s benefits. You’re spending a good deal of money with an agent and you should expect a detailed marketing plan before you sign a listing contract.

10. “Will you conduct Open Houses every weekend?”

Be wary if the agent sings the praises of open houses. As a rule, they’re good for your Realtor’s prospecting efforts but not very effective in selling your property. And a home held open too frequently can begin to look like a loser, making it a prime target for lowball bids.

11. “Will you help me stage my home?”

Three things go into selling a home: price, condition and agent effort. If you choose a hard-working agent who helps you set a competitive price, make sure that he also will advise you on how best to present your home to prospective buyers. Some agents are reluctant to say anything in this area because they don’t want to offend their client. Ask the agent what kind of information he will provide to help you stage your home—the more detailed and honest, the better.

12. “How will you keep me informed?”

One of the biggest complaints sellers have about their agent is that they didn't receive enough feedback. I've found that the best communication occurs when clients let me know up front what they consider to be “enough” feedback.

13. “What listing price would you recommend for my home? How did you arrive at it?”

Ask about the current market and how it affects your price and selling strategy. A good agent will be able to back up his assertions with solid proof. By running a comparative market analysis, he should be able to give you a sound argument and documentation on how he arrived at your home's proposed market value and price range.

14. “What's your pricing/marketing philosophy 30/60/90 days down the road?”

If your home isn't seeing any interest after two or three months on the market, what is the agent going to do to generate activity? You shouldn't have to go to your agent and suggest things to try, such as lowering the price. You want a proactive representative, not someone who simply reacts to whatever happens.

15. “What's your commission on a sale?”

A Realtor's commission isn't set by law; it can vary from agent to agent. Make sure you know up front what you're paying. While you are legally entitled to negotiate a lower commission, some agents may be less willing to list your home as a result. In a soft market, an agent has even less incentive to push your home when there are others on the market whose sale will result in a higher commission. And an agent who's too quick to give up his money may be quick to give up your money during the negotiation process.

16. “Can you provide me with references?”

A Realtor's reputation is one of his most valuable assets; most will work hard to protect it. Surprisingly, most sellers don't bother to check references—you should. This is one of the easiest and most important steps you can take. And yet I've seen more people make the mistake of not checking references. Talking to past clients is an excellent way of learning how an agent operated beyond what he says he's going to do. You can get a good idea of whether a Realtor is a good match for you by finding out how he handled other clients.

17. “What professional organizations do you belong to?”

At a minimum, your agent should be a fully licensed professional who is a member of the local real estate board and Multiple Listing Service. Professional organizations and community groups reflect good networking and better insight into the community.

18. “Do you have any personal marketing materials I can review?”

The quality of a Realtor's own marketing pieces—brochures, direct mail, listing presentation book, etc.—is a good indicator of how well he'll represent you and your property.

19. “Do you have any questions for me?”

The sharp agent is considering your situation and plotting a marketing strategy as you speak, so of course there should be questions.

20. “Am I comfortable with this person?”

This question isn't for the agent—it's for you. Ask yourself if you feel good about the agent, his personality and how he conducts business. After all, this is a person who will be representing you in the sale of your most

precious asset. You want an agent who you can trust, who is honest with you and who relates well to you. I firmly believe that this is often the single most important element in a successful home sale. Uneasiness or discomfort in the agent-seller relationship leads to unhappiness on both sides and usually poor results. Both of you need to be completely comfortable in sharing expectations, thoughts and concerns regarding all aspects of the sale. I hope this report has given you a better understanding of just how important choosing the right Realtor is for a successful home sale. Asking these questions before you sign with another agent will enable you to avoid the agony of another failed listing and, ultimately, choose the professional who is best able to deliver the results you deserve.

As a general rule of thumb, you're looking for an agent who:

- Has the experience, qualifications and abilities to sell your home
- Has in-depth knowledge of your area and the market in general
- Will work hard on your behalf
- Has resources to support the sales effort
- Will keep you well-informed during the process
- Has a personality you are comfortable with

Please feel free to contact me if you would like further explanation on any of these topics or if you have any real estate questions at all. I simply see my mission striving to be as helpful as I possibly can to area homeowners. I hope this special report provides the information you need to be an informed home seller.