

Sherie Clipson
Real Estate Market Place
104 S. Washington Ave. Ste B
Newport, WA 99156
(208) 660-9221

Sherie Clipson's

12 Questions You Should Ask Before Hiring Any Real Estate Agent

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*Here Are 12 Powerful And Insightful
Questions You Should Ask A Real Estate
Agent Before You Sign Anything...*

Here Are 12 Powerful and Insightful Questions You Should Ask A Real Estate Agent *BEFORE* You Sign Anything!

Dear Consumer,

If you're in the market to sell your home, OR purchase a home, there's something you should know.

Real Estate Agents Are NOT All The Same!

Your decision to place your home for sale involves more than simply running an ad, holding a few open houses, and waiting for the sales proceeds check. And your decision to buy a home clearly involves more than looking at two or three homes, making an offer, and moving in.

Hiring the wrong agent can mean the difference between making or losing money, selling or buying quickly...or taking a long time, a trouble-free transaction, or a living nightmare.

Unless you have experience interviewing people (and real estate agents in particular), you won't always know what questions to ask. Further, you won't always know what answer will best suit your needs for buying or selling. So here's a list of 12 important and insightful questions you should ask ANY Real estate agent BEFORE you sign anything.

Question #1: How Long Have You Been Practicing Real Estate?

This question will reveal more than just years practicing. You want to delve down into the number of transactions, average price range, specialized areas and types of homes they've purchased or sold. You also want to know how productive they've been in each year in practice.

Some agents in business less than five years may have more experience than other agents in business 10 years or more! You want to know how many brokers they've worked for, and what kind of experience they have that will apply directly to your real estate situation.

Question #2: What Qualifications Do You Have To Sell Real Estate?

This question looks for their overall commitment and dedication to building his/her personal skills. If they're not willing to commit to improving themselves, they may not commit to your needs and satisfaction either.

First, look at their overall education. Did they go to college? Do they have any Realtor or professional designations? How often do they invest in improving their skills and keeping up with technology and other industry trends?

Experience should also carry over to negotiating and financial skills. And don't forget the ancillary experience required for real estate.

Question #3: Tell Me About Your Personal Real Estate Operation?

This is an open-ended question designed to get your Real estate agent talking about his or her business. You want to know how much they've invested into their business as it relates to giving you competent and quality service. For example, do they have an assistant to take home inquiries when they're not in the office? Do they have a pager, cellular phone, email, and other methods for reaching them? Do they have a private office either with the broker or are they on their own? (This is a telltale sign of a top producing agent.)

Here's what you're looking for: The more an agent invests into his or her own success, office, and systems, the more he/she will be able to commit to you.

Question #4: Can You Give Me A List Of Client References To Call?

An agent who doesn't accumulate a list of satisfied references either doesn't do much business, or isn't providing the kind of service or follow-through you need. References don't always need to be past clients. Get professional references as well: bankers, mortgage lenders, appraisers, attorneys, etc.

Question #5: Do You Have A Formal And Written Marketing Plan For Selling Homes?

This question applies more to sellers than buyers. Your agent's marketing plan needs to be extensive – not just holding open houses, entering your home on MLS, or running classified ads.

The key to selling a home is CONSISTENCY. Your home must be consistently marketed to those people capable of buying. This cannot be accomplished if an agent doesn't have a diversified arsenal of marketing strategies. Look for special ideas, consistency, and persistence in his or her marketing plan.

Question #6: What Systems Do You Have For Tracking The Home Market (Buyers)/ or Tracking My Home Listing (Sellers) On A Regular Basis?

This is a very important question. If you're a buyer, you want to know his or her competence in understanding values of certain areas. They also need systems to keep you continually up-to-date with opportunities in the market. You want them to have

more than “*access to Multiple Listing Service.*” How often do they actually preview homes in your price range or desired area? How often do they talk to neighbors or participate with other activities in those areas?

If you’re a seller, you want to price your home correctly, and be regularly updated with important buyer activity. How many calls did you get on your home this week? What marketing strategies did you use? How many home visits from other agents did you have (and what were their comments)? How many people visited your open house?

If an agent does not have specific systems for measuring and reporting these items, perhaps you should consider someone else.

Question #7: Do You Guarantee Your Performance?

Some agents will give you a blank stare at this question. If they do, you might want to consider taking your business elsewhere. Why? Because you need to know if your interests are aligned. Is your agent willing to stake his or her successful outcome with yours?

Why shouldn’t your agent also guarantee his/her performance?

Smart agents guarantee their services for two reasons: 1) They’re confident they can perform for you because of their experience, commitment, and work ethic; and 2) It’s smart marketing for an agent to guarantee his/her services. If you buy a television, it’s guaranteed. If you buy a car, it’s guaranteed. These days, nearly everyone must offer a guarantee to help stimulate a sale. Agents on the cutting edge of marketing guarantee their services.

Question #8: Can You Refer Me To A Reputable Mortgage Lender, Banker, Appraiser, or Real Estate Lawyer?

This question reveals how active the agent is, and how well connected they are professionally. At some point in the buying or selling process, you will need the services of a reputable, competent lender, appraiser, title company, etc. If your agent is active, committed, and diligent with their practice, he or she will be able to give you a few names of each right on the spot.

Question #9: What Percentage Of Your Business Comes By Referral?

Here’s the “*\$64,000 question!*” Competent, well-known agents get a large part of their business from satisfied past clients and members of their sphere of influence.

If an agent gets less than 25% of new business through referrals, it may be because: 1) The quality of service they offer is not up to standard (hence, people don’t feel compelled to refer to them after a transaction); 2) They lack the marketing experience or skills required to market for referrals (which means they may not bring strong skills to your transaction); or 3) They don’t cultivate contacts in their business (which means they won’t have many people to speak with about your home).

Clearly, the best way past clients show their gratitude for outstanding service is by referring their family, friends, and associates.

Question #10: How Many People Do You Speak With Each Day About Real Estate?

This question will tell you how connected an agent is, and how active they'll "talk-up" your home to buyers, or find a home for you by talking to other agents. Hopefully, your agent talks to at least 40 people a day about real estate. If not, they may not be very active.

Question #11: Do You Personally Spend Money Advertising Your Services Or Homes For Sale?

This question pertains more to listings, but it's also a question a buyer should ask to determine an agent's commitment to invest in the successful outcome of their client. There are two situations to identify here:

1) Agents who are very busy and who produce a lot of income for their broker will frequently receive advertising allowances from their broker. If your agent receives allowances, that's generally a good sign.

2) However, if an agent is not as busy, OR if their broker does not have an ad allowance for top producers, you want to learn their commitment to "*put their money where their mouth is*" when it comes to marketing your home.

You should also ask to see samples of ads they write for homes they list, and for their own services. Do the ads appeal to you? Would they make you act? If not, don't expect their marketing of your home to be any better.

Question #12: Will You Personally Handle Contract Negotiations For Use?

Surprisingly, many agents simply submit or receive offers, and act as a conduit between you and the buyer (or seller). That's not good enough. You want an agent who has reasonable negotiation skills. You want an agent who's committed to your interests.

They'll need to represent you to other agents and buyers/sellers. It's a good idea to follow-up the above question by investigating specifically HOW their negotiation skills saved other clients money, hassles, or help a deal come together.