



Everything You Ever Wanted to Know About Your Real Estate Agent...And More!

WHEN TO HIRE A REAL ESTATE AGENT

If you are buying, instead of selling a house, you really don't need a real estate agent. For buyers, the only purpose real estate agents serve is to help get past the guard-gated communities, or to unlock keys at the empty homes of sellers. Although a real estate agent can also handle the closing and escrow, it is preferable it be handled by a real estate attorney. Even if you can rave about your real estate agent, and how tenaciously he or she hunts down houses that match your criteria, you still need a good property attorney. Remember to select an attorney on your own. Do not let your real estate agent choose your real estate attorney.

When you are selling your home, a Real Estate Agent can be very helpful. To choose a successful agent, research those who have success selling homes in your neighborhood. Often you'll find the same two or three agents closing deals. The most successful agents have full-page ads in the local classified magazines listing houses grouped by neighborhoods or areas. Successful agents have many listings. Part-timers and unsuccessful agents may have few, if any, homes listed. To get the attention you deserve, it is best to choose a successful agent who is a full-time partner in selling your home.

WHERE TO FIND REAL ESTATE AGENTS

Probably the best source for a good full-time agent is through word-of-mouth. Friends and colleagues will tell you if and why they liked or didn't like their real estate agent. You want a real estate agent who is professional, aggressive, and wins the monthly sales awards in their office. Large, well-funded real estate companies have minimum standards for business practices, ethics, and customer satisfaction. Even though you may find bad apples at larger firms, there may not be as many as you would in small, unaffiliated brokerage offices with no published standards or ethics practices. Ask the real estate agent to show you the state-required disclosure forms so you know all your rights ahead of time. Use online sites such as HomeGain.com or AgentConnect.com to help you locate a real estate agent based on background, experience, local sales, commission rates, and more.

THINGS TO NEVER TELL A REAL ESTATE AGENT

Remember that you cannot guarantee impartiality. If the commission of your real estate agent is based on the selling price of a house you are about to buy, you cannot guarantee that the agent has your best interests at heart. The only way to guarantee that is to actually pay a large fee to a buyer's agent who does not get a percentage of the selling price. But the fee almost removes the benefit of bypassing the commissioned real estate agent in the first place.

The first trick the agent may do is to ask you how high you are willing to pay for the house. To play it safe, never tell anyone how high you are willing to go. By law, the seller's real estate agent has a fiduciary responsibility to the seller, and he must relay everything you disclose to the seller.

FACT: REAL ESTATE AGENT = SALESPERSON

A real estate agent is nothing other than a "Salesperson." Period. It is important to remember that the agent's mission in life is to sell and make commissions. With that in mind, make sure you never say:

- * You are in a desperate situation, and need to sell the house fast!
- * You are being transferred and need to buy this house now!

Never, ever reveal that you are in a rush to buy or sell a house. Give the agent the price you are willing to pay, that's it. If the seller does not agree, take your money elsewhere. If you are a homebuyer, your real estate agent is not "going to battle on your behalf" with the seller's agent. A similar scenario takes place when your car salesman "gets his manager's approval" on your offer for a new car. It is a scam that all salespeople use.

It may be good advice, before hiring a real estate attorney, to watch the film "Glengarry Glen Ross," starring Al Pacino, Jack Lemmon, Alec Baldwin, Kevin Spacey, Alan Arkin, and Ed Harris. It is a well-acted, Pulitzer Prize-winning play adapted to the screen, focusing on a fiercely competitive office of real estate salesmen whose sales have dropped. Corporate Executive Motivator Alec Baldwin is hired to increase motivation. He does so by commanding a sales contest among the agents, where the winner receives a Cadillac, second place earns a set of steak knives, third place earns his right to stay employed, and the remaining agents are fired.

The film really drives home the fact that a real estate agent is really another name for a commissioned salesperson. And although an agent can certainly be invaluable in the selling of your home, it is important to always do your research and practice care in all legal transactions.