

10 Questions to Ask Your Realtor about Buying a House

1. Are you a full-time professional Realtor®? How long have you worked full time in real estate? How long have you been representing buyers? What professional designations do you have?

Knowing whether or not your agent practices full time can help you determine potential scheduling conflicts and his or her commitment to your transaction. As with any profession, the number of years a person has been in the business does not necessarily reflect the level of service you can expect, but it is a good starting point for your discussion. The same issue can apply to professional designations.

2. Do you have a personal assistant, team or staff to handle different parts of the purchase? What are their names and how will each of them help me in my transaction? How do I communicate with them?

It is not uncommon for agents who sell a lot of houses to hire people to work with them. They typically work on a referral basis, and, as their businesses grow, they must be able to deliver the same or higher quality service to more people.

You may want to know who on the team will take part in your transaction, and what role each person will play. You may even want to meet the other team members before you decide to work with the team. If you have a question about fees on your closing statement, who would handle that? Who will show up to your closing?

3. Do you have a Website that will provide me with useful information? Can I have your URL address? Who responds to emails and how quickly? What's your email address?

Many homebuyers prefer to search online for homes because it's available 24 hours a day and you can do it in the privacy of your own home. By searching your real estate agent's Website you will get a clear picture of how much work you would be able to accomplish online.

4. Will you show me properties from other companies' listings?

Some real estate companies do offer their buyers' agents a higher commission if they are able to sell "in-house" listings. In such circumstances, there can be added incentive to limit the range of homes you are shown. This may impact your home search and how much your buyer agent's fee will be.

5. Will you represent me or will you represent the seller? May I have that in writing? How will you represent me, and what is the direct benefit of having you represent me?

The goal here is to ascertain to whom the real estate agent has legal fiduciary obligation, which may vary from state to state or even locale to locale. In the past, agents always worked for sellers. Then the listing broker was responsible for paying the agent or sub-agent that brought a suitable buyer for the home. And even though the buyer worked 'with' an agent, the agent still represented and owed their fiduciary duty to the seller.

Dual agency is where the buyer decides to have the listing agent prepare the offer for him. If you are a knowledgeable buyer, you may choose to do this, but only with full disclosure to all parties. In some states it also affects the broker's/agent's fiduciary responsibilities to the seller.

Although seller agencies still exists in certain areas, agents today almost always have a sense of moral obligation to buyers. Find out what is common in your area and understand what kind of agent you have before you begin to work with them.

6. How will you get paid? How are your fees structured? May I have that in writing?

In many areas, the seller pays all agent commissions. Sometimes, agents will have other small fees, such as administrative or special service fees, that are charged to clients, regardless of whether they are buying or selling. Be aware of the big picture before you sign any agreements. Ask for an estimate of buyer costs from any agent you contemplate employing.

7. What distinguishes you from other real estate agents? What is your negotiating style and how does it differ from others? What geographic areas do you specialize in?

Each agent has unique methods of overcoming obstacles and negotiating deals. The most important thing is to make sure your agent is an effective advocate for you.

8. Will you give me names of past clients?

Interviewing an agent can be similar to interviewing someone to work in your office. Contacting references can be a reliable way for you to understand how he or she works, and whether or not this style is compatible with your own.

9. Do you have a performance guarantee? If I am not satisfied with your performance, can I terminate our Buyer Agency Agreement?

In the heavily regulated world of real estate, it can be difficult for an agent to offer a performance guarantee. If your agent does not have a guarantee, it does not mean they are not committed to high standards. Typically, he or she will verbally outline what you can expect from their performance. Keller Williams® Realty understands the importance of win-win business relationships: the agent does not benefit if the client does not also benefit.

10. How will you keep in contact with me during the buying process?

Some agents may email, fax or call you daily to tell you about properties that meet your criteria, while others will keep in touch weekly. Asking this question can help you to reconcile your needs with your agent's systems.

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