

AGENT SELECTION GUIDE

# THE BIGGEST MISTAKE A HOMEOWNER CAN MAKE WHEN INTERVIEWING AGENTS

There's a lot of questionable advice out there, from "personal finance experts" on TV or from friends, family. They tell you: interview 3 or 4 or 5 agents, then pick one. When somebody tells me that's what they're going to do, I ask:

## "What criteria are you going to use, to compare them, judge them, and pick one?"

Many admit: they don't know.

They are going to spend 3, 4, 5 evenings interviewing different real estate agents with no pre-determined way to pick the one they will ultimately trust to handle one of the biggest and most important financial events of their life!

Let me give you a comparison, you may or may not know. When a company decides to hire somebody for an important job, let's say one that costs the company \$100,000.00 or \$200,000.00 a year, they have a pre-determined set of questions - a set criteria - they will use to judge the people they interview. They know in advance what they are looking for. **To do otherwise is to play 'Blind Archery', and that's dangerous!** 

They NEVER interview a bunch of people and go with the one they "like". Or rely on "He or she seemed nice?". No. **They use reason and logic**.

Well, you are hiring somebody to do a very important job for you.

#### You should NOT play 'Blind Archery'.

You need to know in advance the kind of agent you want. The things that are most important to you. **The smart questions to ask**.

For example, is the agent's track record at getting top dollar more or less important to you than the commission s/he quotes you? Is the fact that s/he is a lone wolf and may be constantly and immediately accessible to you more important than his/her 'success percentage', that is, the percentage of homes s/he lists s/he ever sells? And on and on.

On the following pages, you will find a list of 9 different "Selection Factors" to consider and weigh against each other. From this list, you can make your own "Short List" in the space provided of the five most important things you are looking for, from the agent you will hire. You will also find my Facts and Answers to all of these Selection Factors, in abbreviated form, of course.

You will also find a list of the Top 4 Mistakes Most Commonly Made, in choosing an agent. The most frequent results of these mistakes are: the home never sells, is tied up for months, and eventually the agent is fired. The home is sold for much less than it should have sold for, because the owner is stuck with an under-performing agent, is worn out, and just wants to get it over with.

### **REAL ESTATE AGENT SELECTION FACTORS**

#### Rank each item, 1-8 (1 = Not Important To You; 8 = Very Important to You)

**WARNING**: Not all of these criteria will leave you with the most money in your pocket. Some of them are, quite frankly, common Seller traps. Read on for more information.

12345678	Must have strong marketing systems that will help my home to stand out vs other homes on the market
12345678	Must have a well-thought out list price for my home which reflects current market conditions and the prices of comparable homes in my area
12345678	Must have a proven track record of selling homes in my area
12345678	Must have a proven system for attracting buyers
12345678	Must be able to demonstrate to me how I will NET the most amount of money possible on my home sale (i.e. how I will end up with the most money in my pocket)
12345678	Must demonstrate that my listing is important and explain the systems s/he will employ to ensure that I receive regular feedback and updates
12345678	Must quote me the highest list price
12345678	Must quote me the lowest commission
12345678	Must be likable and friendly; I must "feel" good about him/her

### YOUR PERSONAL SHORT LIST

From the Selection Factors on the previous page, write in the five that are most Important to you, starting with the most important.

1.			
2.			
3.			
4.			
5.			

## **13 KEY QUESTIONS TO ASK AGENTS**

- 1. How long have you been an active, full-time real estate agent
- 2. How many homes have you listed in the last 6 months? The past year?
- 3. How many homes have you sold in the last 6 months? The past year?
- 4. How many homes have you successfully sold in my area in the last 6 months? The past year?
- 5. What's the average amount of time one of your listings is on the market before it sells?
- 6. How does your average sale price compare to the original list price?
- 7. How will you market my property?
- 8.How many homes are you currently marketing? (Note: A successful top producing agent may be more effective at managing many listings than a less experienced agent with a handful.)
- 9. What can you tell me about your share of the marketplace compared to other agents in the area?
- 10.Do you have a Team? How many are licensed? (Note: An agent who has a support Team to handle office chores and routine details can usually devote more time to the business of serving a client's highest priority needs and getting the home sold successfully.)
- 11. How will you attract buyers to my property?
- 12. How many buyers are you currently working with?
- 13. How will you make sure my needs are attended to?

### **TOP FOUR (4) MISTAKES TO AVOID**

- 1.Going with the agent who promises you the highest sale price, the most amount of money (even if the price seems unrealistic)
- 2.Choosing the agent who promises to save you money by discounting the commission rate
- 3.Choosing the "nicest" agent
- 4.Choosing an agent who works all by themselves, because you think they'll work a lot harder and give you more personal attention

### **The Most Frequent Results of These Mistakes**

- 1.The inflated list price you were quoted (in order to get your listing) results in few buyers coming to view your home (because they can get a comparable, properly priced house, for less money) and you end up having to endure a series of price reductions, which result in your home finally selling for BELOW its true market value.
- 2.A lower commission does not guarantee you will net more on your home sale. According to Real Estate consultant Bernice Ross, there is a "Big Lie" in real estate. It's the lie that reducing the commission always results in more money for the seller. Nothing could be further from the truth. Virtually all sellers want to obtain the highest price possible for their property. No matter what you are selling, maximum exposure to the marketplace is a critical factor in achieving the highest price possible. Companies who cut services in exchange for taking a lower commission often cost clients much more than the extra one to three percent they save in commission. Depending on price, the cost can be tens of thousands of dollars.
- 3. Your agent may be nice, but this doesn't necessarily qualify them to do the best job of selling your home. Your agent's personality will mean very little to you if you ultimately discover that they don't have the marketing expertise to market your home properly so it sits on the market and either doesn't sell, or sells for lower than market value. (The YHSGR members are all great to work with AND we have a proven system to get your home sold Fast and for Top Dollar.)
- 4. Your agent ends up neglecting some important steps because s/he is so over-busy trying to do everything all by themselves (and you end up with an inferior result).

### **FACTS & ANSWERS TO SELECTION CRITERIA**

After successfully selling homes in the area, I can tell you with confidence what works and what doesn't to get your home sold for the best result.

FACT: There is no substitute for proven, aggressive and effective marketing on your home. Effective marketing calls out to the buyers most qualified to buy your home. The right marketing on your home will say the right things, be in the right place at the right time, and compel qualified buyers to pick up the phone to find out more. The process of attracting buyers to your home cannot be left to chance. The exact words used to promote your home are critical. Our advertising is so effective that, at any one time, we are working with a database of over 300 qualified buyers.

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FACT: There's a big difference between just selling your home, and getting your home sold 'right'. There are many things to do to get your home sold for the best possible result. An agent

who operates all by themselves really has to hustle to make it all happen the way it should, and it's tough for a 'lone wolf' when s/he's juggling more

than one listing. Important details sometimes fall through the cracks. I know this from experience because I used to operate on my own. But just as doctors, lawyers and other professionals hire assistants to handle the small but important details that do not require their expertise, ten years ago I pioneered this same process in the Real Estate industry and thus have an excellent Team to ensure that you are always our top priority, and that we are never too busy to address your needs.

**FACT**: Listing a home for an unrealistically high price almost always results in an unrealistically low selling price. The price a home sells for is subject to the law of supply and demand. When a home is priced too high vs comparable homes in

the area, prospective buyers won't bother to view it. Why? Because they are able to view homes with similar features that are listed for a lower price. As

a result, the home that is listed too high sits on the market for a long time causing prospective buyers to assume there is something wrong with it. In order to get things moving, a price reduction is often required, and in the end, the home can end up selling for much less than it would have if it had been priced correctly in the first place.