

Top Mistakes Sellers Make When Choosing a Real Estate Agent

"My friend (or family member) sells real estate."

Friendship alone isn't enough to establish a professional's credentials. Use tough standards when selecting an agent, just as you would when hiring an attorney, a doctor, or other professional. A true friend will understand and appreciate that this is a business decision, will offer their credentials, and expect to compete for the listing.

"You're the only agent who agrees with my selling price."

Some agents tell you what you want to hear. In the real estate profession, this is known as "buying a listing" and is employed by shortsighted agents who are more interested in themselves than they are in you. However well it works as a short-term "sales tactic" to get your listing, it is an extremely poor strategy to list a home at the highest possible price.

"I'll tell my real estate agent what price I'll list at".

Over pricing is the best way to ensure that your home won't sell. If priced properly, many agents will show your house to their buyers. If you price it too high, no one will show the house and it will sit on the market for some time. When you finally drop your price to reflect its real value, your house is "old news" and buyers may think you are growing desperate. Therefore, the prices you are offered come in lower and lower - and you may find yourself accepting a price below what you could have received had you properly priced it in the first place.

"I don't need references. I'm a good judge of character."

A snap judgment isn't good enough. You need to determine if the agent is competent and the best way to do that is to check up on references. Ask for references on recent sales -- check up on references of recent customers. Find out how an agent's customers feel about their selling experience.

"I'm going to list with the agent who has the lowest commission."

You get what you pay for. Paying a cut-rate commission will often get you a sign in the front yard and placement in the Multiple Listing Service, but little additional effort from your agent. Realize that agents and real estate companies put up their own funds to market and advertise your home. Marketing and advertising costs money, so the lower the commission, the less incentive for an agent to put up their own money to market your home.

"All realtors passed the same test so they must know the same things."

The real estate profession is constantly changing and, as mentioned above, the best real estate professionals stay abreast of those changes by continuing their education. Some go beyond the required minimum requirements. Agents who work full-time in the business and have many years of experience are able to serve their clients more knowledgeably and effectively.

"This agent will hold an open house every week."

Open houses can and do sell homes, but usually not your home. Only a small fraction of the homes held open are sold as a direct result of the open house. More often, "open houses" are

a way that real estate agents "prospect" for potential clients. Good agents know better than to pin all their selling efforts on an open house. They use their time in more effective marketing methods. The most effective marketing is not directly to the public, but to other agents. By getting other agents interested in your home, your listing agent multiplies your sales force beyond just one individual.

"I want an agent who lives in my neighborhood."

Knowledge of the local market isn't only acquired by living in the immediate neighborhood. Your agent *should* have intimate knowledge of recent sales, models, schools, businesses, and so on in your area, but that is easily achieved through extensive research. Convenience shouldn't be the primary reason for choosing an agent. A *knowledgeable* Realtor is who you should seek out.

"This agent sold more homes last year than anyone else."

That should only be the beginning. What is more valuable - an agent who listed 32 homes and sold 25 or an agent who listed twelve homes and sold all twelve? You need to ask further questions - such as; how many of their listings did not sell? How many were reduced over and over before they sold? How long were the houses on the market? Quantity is important, but only if all of the quality questions have been answered satisfactorily.

Conclusion:

The best agent works full-time in Real Estate, will do the most effective job of marketing the property, will negotiate the most favorable terms and conditions, and will communicate with the seller to make the process as smooth as possible with the least inconvenience.

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