

Selecting Your Real Estate Agent Seller Checklist

Selecting a qualified real estate agent is the first, and most important, step in helping you sell your home for the most money...in the least time...and with the least inconvenience. This checklist and accompanying video were designed to provide you with a comprehensive understanding of how to assess a real estate agent's ability to help you achieve these objectives. Use the checklist as a guide when interviewing and selecting your real estate agent.

1. Introduction

- Services vs. Results
 - ♦ Services = What the Agent Does
 - ♦ Results = What you, the Seller, Receives
 - ♦ Services are only meaningful if they produce a closed sale in a reasonable time
 - ♦ Agents aren't paid for their time; they're paid for the RESULTS they create in that time
- Eight Major Events in a Real Estate Transaction
 - 1- Marketing Management
 - 2- Exposure to Agents
 - 3- Exposure to Public
 - 4- Secure Prospects
 - 5- Demonstrate Your Home
 - 6- Secure an Agreement to Purchase
 - 7- Close the Transaction
 - 8- Receipt of Final Equity Payment
 - ♦ First seven must be performed properly, and timely, for eighth event to occur
- Don't Select on Asking Price
 - ♦ Agent's don't control the market
 - ♦ Select an agent based on his/her ability to perform the above events and ultimately achieve market value
 - ♦ Watch related Bonus feature on the *Selecting Your Real Estate Agent* video

2. Marketing Management

- Experience in Marketing
 - ♦ Ask about agent's and their company's history
 - ♦ National, state or local affiliations to which they belong
 - ♦ Designations they carries? Are they a REALTOR®
- Production
 - ♦ Market Specialization: what areas and price ranges
 - ♦ Market Share: agent's and/or company's control over market; ability to attract buyers
 - ♦ Units Sold: number of homes sold
 - ♦ Sales Volume: home sales by dollar volume
- Performance Statistics – Watch related Bonus feature on the *Selecting...Agent* video
 - ♦ Days on Market: how quickly their homes sell
 - ♦ Expiration Ratio: how many of their listings result in a closed sale
 - ♦ Sale-to-List Ratio: ability to secure the highest price [based on original asking price]

Seller Checklist [cont.]

- Satisfied Clients
 - ◆ Request and examine the agent's references
 - ◆ Ask for letters from most recent clients
 - ◆ Examine lists of sales by the agent's company
- Support
 - ◆ Ask about help agent has through team and office staff
 - ◆ Understand roles of each throughout your transaction
 - ◆ Ask about ancillary services such as mortgage lenders, title and escrow
- Availability
 - ◆ Discuss hours of availability and methods of staying in touch
 - ◆ Learn about expected response times to inquiries
- Communication
 - ◆ How and when will they provide feedback on what prospective buyers are saying about your home
 - ◆ Discuss preferred communication methods for various situations

3. *Exposure to Agents*

- Multiple Listing Service (MLS)
 - ◆ Examine quality of sales copy, photos and data the agent provides for their listings
 - ◆ Ask about distribution to other agents via the MLS
- Office Tours
- Agent Open Houses
- Agent Networking
 - ◆ Flyers
 - ◆ Emails
 - ◆ Promotions
- Commission payout is given to the selling company

4. *Exposure to Public*

- Mass Market
 - ◆ Use of Internet: variety of websites, descriptions, photos, virtual tours
 - ◆ How does an interested prospect connect to agent/company from the Internet
- Local Level
 - ◆ Classified advertising
 - ◆ Electronic marketing
 - ◆ Home guides, magazines, brochures, television showcase, direct mail
 - ◆ Open Houses
- Neighborhood
 - ◆ For Sale sign
 - ◆ Sign rider
 - ◆ Brochure box
 - ◆ Custom feature sheets

Seller Checklist [cont.]

5. *Secure Prospects*

- Ask how they responds to prospect inquiries and converts them to showings
- How long does it take for them to respond
- What systems are in place to capture prospects and respond to inquiries

6. *Demonstrate Your Home*

- What guidance does the agent provide in preparing your home to appeal to buyers
- Ask about home warranties
- How will the agent arrange showings and provide notice to you
- Have them describe their key box, access and security
- Discuss in-home marketing
 - ◆ Home Book
 - ◆ In-home placards highlighting key features

7. *Secure an Agreement to Purchase*

- Discover their selling skills
- Negotiating skills
- How they explain the buying process to buyers
- Ability to obtain a signed, binding contract
- Experience and skills in handling multiple-offer situations

8. *Close the Transaction*

- Examine how the agent manages the closing process
 - ◆ Responding to problems throughout
 - ◆ Ensuring that buyer(s) are completing their steps on time
 - ◆ Guiding you, the Seller, to ensure all your information is in order
 - ◆ Keeping you apprised with regular (i.e. weekly) updates
- All this, to ensure you reach the final step...

9. *Receipt of Your Final Equity Payment!*

Seller Checklist [cont.]

10. Fees vs. Value: Real Estate Agent Compensation

- ❑ Brokerage fee/Sales commission
 - ◆ Negotiated between seller and agent
 - ◆ Companies may price services at any level commensurate with their value
- ❑ Cost-Benefit Equation – what makes one agent/company worth more than another?
 - ◆ Ask yourself: “If their fees weren’t different, whom would you hire, and why?”
- ❑ Assess agent’s ability to produce maximum NET equity
 - ◆ Home must SELL,
 - ◆ Sell in a reasonable time,
 - ◆ ...and sell for market value
 - ◆ Lower commission doesn’t necessarily achieve this
- ❑ Why should fees for expensive homes be higher
 - ◆ Fewer buyers can afford
 - ◆ Reaching limited group requires longer marketing times, more expensive advertising, professional photography and expensive flyers
- ❑ How a fee is allocated
 - ◆ First Split: Total fee is split between the Listing Company (Your Agent) and Selling Company (Buyer Agent). Ensures exposure of your home to other agents via the MLS...resulting in bringing more buyers to you
 - ◆ Second Split: Listing Company portion is split between the company and the agent
 - Company portion pays for occupancy, support staff, advertising, marketing programs, websites, technology and communications. All the services that help sell your home
 - Agent portion pays for additional marketing and business expenses, continuing education, professional dues and insurance
 - ◆ NOTE: in some cases the company and agent are one in the same. This occurs when an agent operates as an independent broker.



Chart used for illustrative purposes only. Portions do not represent actual percentage splits.

- ❑ Consider all of the above when determining the tradeoffs between results and the overall fee.