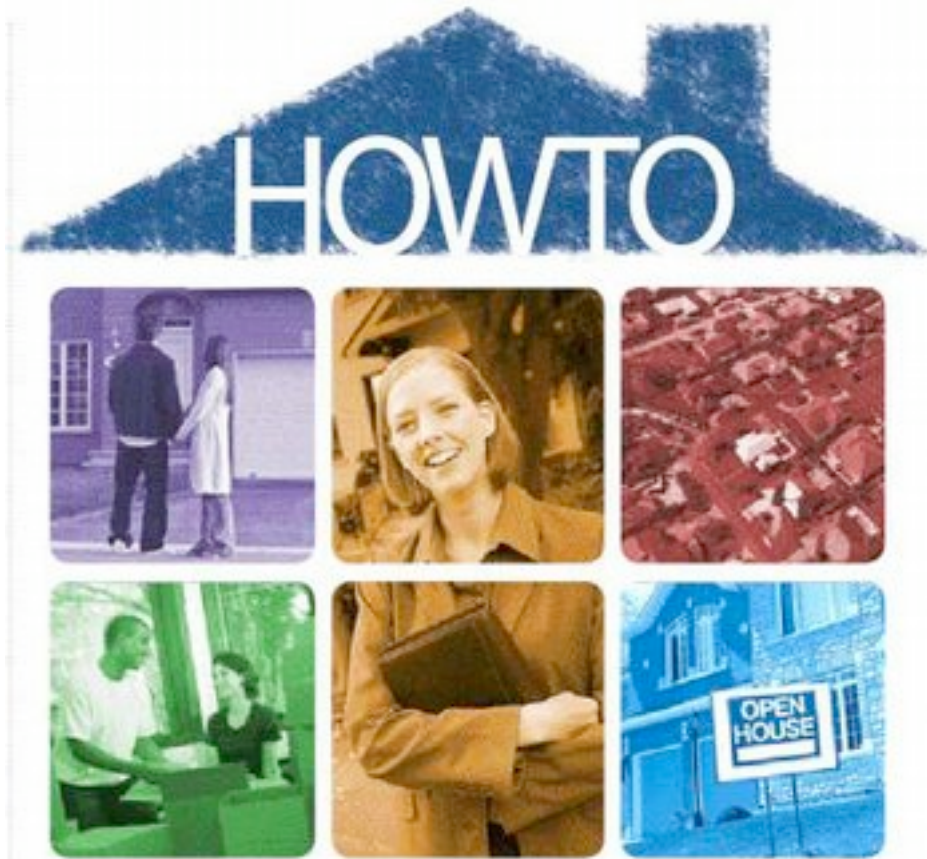


# How to select a real estate agent: Know the questions to ask

By [Roger Showley](#)

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In this do-it-yourself world, buying and selling our first home is not something most of us can do on our own. Even on the second or third home, this complicated task usually is best left to a professional.

So how do you pick a real estate agent? What personal and professional characteristics should you look for? What should put you at ease or on guard?

In today's recession, as during the boom in 2003-6, it's critical to act deliberately, coolly and patiently.

The difference today is that agents are hungry. There are half as many transactions as in 2004 but even more agents sharing a smaller pie.

One clarification: All agents and brokers must have state-issued real estate licenses to practice in California; there are about 44,200 licensees in the county.

But less than half, 17,600, are "Realtors," who are members of the National Association of Realtors and its state and local affiliates. And not all of them work full time or know everything about every city, neighborhood and block where houses, condos and mobile homes are sold.

Still, James Crandall, 52, former career Navy submarine intelligence officer and one-time executive chef in Fiji

(favorite recipe — seafood paella), says he's busier now at Ascent Realty than when he started selling real estate five years ago. He focuses on the area from Mission Valley to National City, east to the College Area, and is a member of the usual professional real estate organizations as well as the National Association of Real Estate Brokers, an African-American business group whose members call themselves "Realists."

The No. 1 question he thinks buyers and sellers should ask prospective agents: "How familiar are you in the area I want to be in?"

## AGENT-SEARCHING TIPS

### Size up the agent

Lou Galuppo, head of residential real estate at the University of San Diego's Burnham-Moores Center for Real Estate, says honesty is the single most important trait.

"All the rest of it you can live with in some manner or other, but you need them to be honest and be able to give you full disclosure," he said.

Other desirable characteristics: timeliness, salesmanship (self-confidence helps), organization, experience, knowledge and ethics.

You can call up the agent you used 10 or 20 years ago, but that person might have lost touch or gone on to something else.

Get fresh recommendations from friends, neighbors, co-workers, your employer (who may retain relocation services), professionals in related fields (law, finance, development), open houses, advertising, for-sale signs and the Internet. Focus on agents who specialize in the area where you're selling or buying.

### Interview

Pick three prospects and sit down with them for a 30- to 60-minute interview, just as you would with a lawyer, accountant and doctor. Some questions to ask:

May I see your résumé? This will show their years of experience and prompt you to ask about any previous careers and why they switched to real estate. Look for professional designations that may indicate additional education and training they received. Many years of experience show they have stuck with it in good times and bad. But if they've only been in real estate a couple of years, their prior experience might offer a well-rounded background — and they might have more energy and enthusiasm to serve you.

How many homes did you list and sell in the last year? This ratio will give you a "success" score card to judge how they've coped in a tough market. Ask to see the agent's production count that is available online to members of Sandicor, San Diego County's multiple listing service. And ask how many listings and buyers they are working with today.

What will be your marketing strategy for selling my home or buying a new one? Judge their online and advertising skills (can they spell?). What about agent caravans and open houses? Agents get clients but few buyers for your property at open houses; caravans expose your property to others.

How well do you know the neighborhood? Test them on landmarks, restaurants, schools and shops and any news of the day.

What consultants and services do you recommend? Ask about favored lenders, escrow companies, building contractors and landscapers. Press for more than one company or individual in each category. Ask if they or their broker gets a kickback if you hire any of these people.

What's your opinion of these other agents I'm considering? You can judge agents' diplomatic and communications skills in how they answer.

May I have the names and numbers of three of your most recent clients? You should expect them to be happy clients.

## Checking AGENT references

Call some of the agent's former buyers and sellers, and ask these questions:

### Your title here...

- How trustworthy and ethical was this agent?
- Tell me about their communications skills in explaining issues and documents. How often did you communicate? Did they answer your questions completely and quickly?
- What adjectives best describe them? Look for words like self-starter, committed, motivated
- How would you judge their negotiating skills?
- Would you use them again?

## Performing a background check

After checking their résumés and Web sites, see if they had any disciplinary action taken against them by the state Department of Real Estate. Suspension of the license may be grounds for blackballing the agent, but there may be extenuating circumstances that will keep him or her in the running.

## Hiring an agent

There are three kinds of agents — those who represent the buyer, the seller or both. You need to know whom the agent's ultimately working for, you or somebody else.

If you are a seller, you typically contract with a listing agent or broker. If you're a buyer, you typically work, without a contract, through a cooperating broker or agent, whose pay comes out of the proceeds to the seller.

Lew Sichelman, the longtime syndicated columnist, says to be "leery" of someone representing both sides of the deal. They are naturally motivated to get the highest price for the seller — and therefore the highest commission for themselves.

"If I was a buyer, I would hook onto a buyer's agent, someone who solely represents buyers and does nothing else," Sichelman said. He said it takes a different mind-set to represent buyers, because it's the lowest price that's in the buyer's best interest, not the highest commission for the agent.

Sichelman, who's covered real estate since 1969, called today's agents better educated and harder working than 40 years ago.

"There are fewer part-timers," he said. "They're just better prepared people."

Buyers may or may not sign a contract with an agent, but sellers must sign a legally binding listing agreement if they want an agent to represent them.

## Key points for negotiation

**Listing price.** All hinges on this number because it can either draw interest because it's so low or repel buyers because it's too high. When they first meet you, agents typically present a "comparable market analysis" of recent sales and current listings to determine what the fair price would be for your home. In the current environment, the lower the price, the more interest you're likely to get. If it's lower than you can stomach, put off the sale until later.

Term of listing. Typically, listings last for three months. For low-priced homes that spark multiple offers and bidding wars, that is more than adequate. For higher-priced, move-up and luxury homes over \$500,000, it may take two or three times longer to get into escrow. Agents are usually most active at the beginning and the end of the listing term.

Commission. Most agents receive a percentage of the sale price and split it with the listing or cooperating agent and with their respective brokers. While the industry standard has historically been around 6 percent, the rate is negotiable and can range from 4 percent to 7 percent, depending on the price and motivation involved. Offer too little and you won't get much action; offer too much and you won't necessarily get any more offers if the property has physical problems to be remedied. Some agents offer rebates on a portion of the commission, and discounters charge a set fee for select services.

Performance. Agents can make many promises, but they're only required in the standard contract to use "due diligence" in getting a sale or purchase concluded.

As added protection, advises attorney and instructor Ed Estes Jr., fill out an addendum to the listing agreement that spells out exactly what they must do. If you believe the agent has failed to perform, you can pull the plug. But sometimes disputes end up in court, especially if agents think they still deserve a cut of the commission.

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