

# How to Find a Real Estate Agent

invest, simply!



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# How to Find a Real Estate Agent

## Introduction

One mistake that many new real estate investors make in their search to buy income property is to overlook how critical the real estate agent's role is in the success and satisfaction of a purchase. In fact, new investors often work with the first agent they meet, rather than shop around for the right fit. This booklet was written with those investors in mind as well as for any investor, experienced or not, who wants to know how to find the right real estate agent. Here we will explain why finding the right agent is crucial, what to look for in an agent, how to find the right agent, how to hire one, and mistakes to avoid in your search for an agent. We hope you find this booklet helpful and wish you success in all your investment endeavors!



## Chapter 1: Why a Real Estate Agent is Important

While it's certainly not unreasonable to want to save money by purchasing real estate without the services of a real estate agent, it's often not advisable. Unlike most investors, real estate agents have a wealth of experience and resources at their fingertips that they use to significantly simplify and expedite the search for, purchase, and closing of a real estate deal.

To begin with, agents have easy access to properties listed by other agents and they know how to work with other agents to get a deal going. For example, an agent can search for and identify the properties that best meet your criteria and then arrange appointments for you to see the property. If you choose not to use an agent, you will have to do all this time-consuming, repetitive footwork on your own; a task made even more difficult with homes sold by sellers who are also not using an agent.

Second, in most states in the US, real estate agents are bound by common law to a fiduciary relationship. This means that they must act in their clients' best interests rather than their own. Agents are also keenly aware that, if they lie to clients or misrepresent a deal for their own benefit, their reputation will be severely damaged; and in the world of real estate agents, reputation is everything. A solid reputation is what allows the agent to build and establish the clientele base needed to survive in the industry. Finally, there is greater legal recourse if you do find that your agent has lied to you. Thus, the client's best interests become just as important to the agent as the actual sale of the property. For all of these reasons, you can feel pretty secure that your agent is not lying to you or misrepresenting an opportunity.

One of the greatest benefits, however, of using a real estate agent is that agents have a great deal more information about the property than the average person. Objective information such as zoning laws, crime rates, utility rates, cultural attractions, local schools and amenities, demographics etc. can be extremely useful when you are trying to decide which property to buy. This is the information that will help you determine if the environment is right for purchasing a home or real estate investment and whether you can expect a decent resale value if you decide to sell in the future.

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Of course, real estate agents can also assist you in the negotiation process. They can be invaluable in helping both parties agree to a price, in establishing financing terms, a date of possession, and the inclusion of repairs that need to be made before the deal closes.

Agents can also be invaluable during the evaluation phase of the property. Agents can help with finding qualified professionals for inspecting for asbestos, dry rot, faulty structure, roofing problems, termites, etc. They can also help you understand title documents, which can often be confusing and might have issues that you need to resolve before you make your purchase.

Lastly, a good real estate agent can even assist you in understanding the myriad financing options available and help you determine which option is best for your financial circumstances.



## Chapter 2: What to Look for in a Real Estate Agent

So now that you understand why agents can be such an integral part of a successful real estate purchase, it's time to talk about the qualities you should look for in a real estate agent. After all, not all agents are created equal. Like any profession, some are better than others. To help you understand what skills and qualities a good real estate agent should possess, this chapter is devoted to how to identify a qualified agent.

The first thing to look for is experience. Make sure the agent has been working for at least a few years and has closed many properties. The agent's experience should be broad and include not only knowing how to locate properties, but also skills in negotiation, in finding the right lenders, in understanding contracts, in facilitating agreements etc.

Another indicator of qualified real estate agents is how busy they are. When agents are busy, it means they are in demand, which is also a sign that they are good at what they do. However, you also don't want an agent that is too busy. Agents can only effectively manage so many buyers and sellers at once, so don't sign up with an agent that might end up passing you off to an assistant. Related to this issue is whether your agent is a full-time agent or only a part-time agent. Since real estate purchases are some of the most important investments you will ever make, it's always preferable to work with a full-time agent. Full-time agents are typically more committed and more experienced than part-time agents.

If you can, you should also find out an agent's reputation with other agents, as you want an agent that can facilitate the buying and selling process. This will happen best with agents that are cooperative and friendly with other agents and that know how to network with them. Good working relationships make for smoother business transactions.

Lastly, look for an agent that communicates frequently and clearly. This quality is just as important as every other quality mentioned thus far. It's vital that your agent respond promptly to your emails and phone calls and regularly updates you with new developments. One of the main complaints that buyers and investors make about real estate agents is their lack of communication. Good real estate agents will understand

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that the buyer might be nervous or confused, or just need some handholding, and will make their selves available accordingly. And agents should be willing to communicate and respond in ways that suit the buyer whether it's by texting, emails, or phone calls.



## Chapter 3: How to Find an Agent

So now that you know why real estate agents truly do provide a valuable service as well as what qualities to look for in an agent, let's consider what are the best ways to go about meeting a qualified agent.

Rather than in their offices, one of the best places to look for agents is out in their working environment, such as open houses or even real estate conferences. The best agents spend more time out in the field than in their offices. Referrals or recommendations from trusted sources are another great way to find agents. Not only can you rely on a recommendation from someone that you know, but agents will also be more inclined to provide quality services if they know their reputation with your contact is at stake. As noted above, in the real estate world, reputation is critical to an agent's success.

Obviously, and unfortunately, we don't always have someone to ask that can give us a recommendation for an agent. When this is the case, you can use other methods such as scanning newspaper ads for agents, driving in neighborhoods to find 'for sale' signs and writing down the names of the agents in charge of the sales, and sometimes even searching the Internet. Social media sites in particular can yield good results during your search.

Whichever method you use, try to follow the suggestions provided in Chapter 2 for what to look for in a real estate agent.



## Chapter 4: How to Hire an Agent

In the process of finding your agent, you should always interview several agents. This will not only give you a broader pool to choose from, but it will also help you understand the perspective of the agent. Remember that agents, while they are bound by common law to a fiduciary relationship, are still sales people, so when they find someone shopping around for an agent, they typically tell that person what s/he wants to hear. Don't be fooled by promises of a dream partnership. Be realistic and make sure the agent you want to hire is realistic. And don't sign any buyer's agreements before spending time looking for property with the agent. You should have a chance to establish a relationship and trust with your agent before signing any agreements.

Also, remember that if you are a buyer, you should work with a buyer's agent and conversely, if you are a seller, you should work with a seller's agent. Buyer's agents will better protect the rights of the buyer and seller's agents will do the best job in securing a qualified buyer that offers the best net profit for the seller.

It's also good practice to ask agents for a list of the properties they've listed and sold in the last year. Even better if you can get contact information with the list so you can call the people who the agent worked with and get their feedback.

Equally important to the process of hiring an agent is looking up the licensing of the agent. Most states have licensing boards for real estate agents and any disciplinary actions taken against an agent will be listed there. It's a good idea to check with your state's regulatory body to see if there have been any complaints leveled against an agent or any disciplinary actions taken. Note: Some states will even make this information available online.

Finally, know your credentials. Or, rather, know your agent's credentials and what they mean. Much like doctors, agents can specialize and some have special training. Listed below are a few of the possible credentials an agent might hold and their meaning:

- Accredited Buyer's Representative (ABR) – An agent with this credential has completed additional training and education on how to represent a buyer in a transaction.



- Certified Residential Specialist (CRS) – This credential means that the agent has completed additional training for handling residential real estate.
- Seniors Real Estate Specialist (SRES) – Agents with the SRES credential have completed training that is geared to helping real estate buyers and sellers that are aged 50 and over.

Additionally, you should know that when you hire an agent that calls himself a Realtor with a capital "R", it means he is a member of the National Association of Realtors. This is a good thing, as Realtors are more likely to formally commit to a realtor's code of ethics.



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## Chapter 5: Things to Avoid in your Search for an Agent

In addition to knowing how and what to look for in an agent, you should also be aware of mistakes to avoid and what warning signs to look out for. For example, it would be a mistake to hire the first agent you contact. While you might end up using that first agent, you can't know s/he is the best fit for you until you've shopped around a bit. After all, property investments are some of the biggest and most important purchases you will make, so you want someone who is not only an expert, but also someone with whom you feel comfortable and can trust. Your agent will get to know you personally and financially and will be the person guiding you through the ups and downs of purchasing property. Consequently, you should also get to know your agent personally; take the time you need to determine if there is compatibility between you and the agent. At the same time, make it clear to your agent what your expectations and concerns are from the start. This will help promote more open and honest communication.

Avoid agents that are pressuring you to sign or list with them. That's an indication of an agent that is impatient and unwilling to devote time to your best interests. Along the same lines, always avoid agents that are critical or make negative comments. There is no room for that type of behavior!

Of course, most real estate agents are perfectly legitimately and ethical, but like any profession, you must be aware of and steer clear of agents that seem unethical or manipulative. A tell-tale sign of a bad agent is one that tries to pressure or manipulate you into a shady agreement.

Finally, avoid overly pushy agents. While the nature of this type of job does require some bold and assertive behavior, overly pushy agents will ultimately alienate other agents and the very people you might need to work with.



## Chapter 6: A Word to the Wise

Even though the topic of this booklet is about how to find a real estate agent, I feel I would be remiss if I didn't write just a few lines on the difference between an investment broker and other brokers. The distinction is important because real estate investment requires a particular knowledge and experience of the industry and brokers who are not real estate investment brokers, e.g., insurance or finance brokers, while no doubt skilled at what they do, typically do not have the necessary expertise in real estate necessary to pull off successful investment transactions.

Generally speaking, brokers are intermediaries who facilitate commercial transactions or negotiations. Investment brokers, however bring buyers and sellers of *investments* together. Often they focus on niche markets, create pools of investors for large investment opportunities, negotiate and put together packages for doing business, provide profit and loss statements, ROI estimates, plans for projects, information about 'off-market' listings, and even create markets for investment. It is this valuable expertise that the investment broker, unlike other brokers, brings to the table.



## Chapter 7: Conclusion

The Estateya Staff would like to thank you for downloading this booklet. We hope you found it helpful. As we're sure you've seen by your own experience and by the brief introduction in this book, the process of selecting an agent is a critical part of successfully finding and purchasing real estate. This means that you want to know your agent's experience, personality, communication style, and work ethic. We've suggested a few ways to do this, but also want to remind you that Estateya is another great resource for your investment needs. We are not only a site for locating real estate investment opportunities, we are also a great place for learning, sharing, educating, and communicating with others in the real estate world. Estateya is a real estate and social network site dedicated to helping you learn how to 'invest, simply'. We look forward to serving you!"

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Your feedback regarding this booklet or anything else about Estateya would be greatly appreciated. Your opinion matters! Please feel free to [contact us](#) anytime.



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