

How to Interview a Real Estate Agent

Things You Should Know Before You Sign an Agreement

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Smart consumers interview potential real estate agents before they decide which agent they want to hire. Just as you're sizing up the potential for a good fit, the real estate agent will likely be interviewing you, too. Be wary of agents who don't ask you questions and probe for your motivation. You wouldn't work with just any agent off the street, and good agents are selective about their clients, too.

Either interview the agent over the phone or get together at the agent's office for the first meeting. Don't expect a top producing agent to meet at your home before you've made a selection.

Not all real estate agents welcome an opportunity to be interviewed and top agents likely don't want to fill out a survey, so try to limit your questions to only the most important for you and your needs. A word of warning: Don't interview agents from the [same company](#).

Here are 10 good questions to ask about a prospective real estate agent.

01

How Long Have You Been in the Business?

Eric Audras/Getty Images

The standard joke is there's nothing wrong with a new agent that a little experience won't fix, but that's not to say that freshly licensed agents can't be good ones. Much depends on the level of their training and whether they have access to competent mentors.

Newer agents tend to have more time to concentrate on you, but he might not have enough time if he's holding down another job because he's just starting out. You can ask about this as well.

There's no bar exam for real estate agents and no school offers a degree in how to handle problems in a transaction. They learn on the job. The more sales an agent has completed, the more she knows. It's even possible that she's taken courses and attended seminars, and it's OK to ask about this, too.

02

What Is Your Average List-Price-To-Sales-Price Ratio?



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An agent's average ratio depends on the market. Excluding sizzling seller's markets, a good buyer's agent should be able to negotiate a sales price that's lower than list price. A competent listing agent should have a track record for negotiating sales prices that are very close to list prices.

Listing agents should have higher ratios that are closer to 100 percent. Buyer's agent ratios should fall below 99 percent. Sometimes market value has no bearing on the asking price and ratios are meaningless in that case so don't put too much emphasis on them.

You might also want to find out just where most of these homes were located. Is the agent familiar with the area in which you want to buy or where your property is located? This can be an important consideration.

03

What Is Your Best Marketing Plan or Strategy for My Needs?



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As a buyer, you'll need to know how the agent will search for your new home and how many homes he thinks you're likely to see before you find one that you want to buy. Will you be competing against other buyers? How does the agent handle multiple offers?

As a seller, you'll want to know exactly how the agent will sell your home. Is a direct mail campaign appropriate? Why or why not? Where and how often does she advertise? What kind of photography does she offer? Does she [market](#) online? What steps will she take to prepare your home for sale?

Most important, ask if there's anything about your home that she thinks might detract from its potential for sale. You could possibly remedy and avert the problem.

04

Will You Please Provide References?



Martin Barraud/Getty Images

Everybody has references. Even new agents have references from previous employers. Ask to see them and whether any of the individuals providing references are related to the agent. Ask if you can call the references with any additional questions.

You might not need references if the agent has tons of reviews online. Experienced agents might feel insulted if you ask for references, but a new agent most likely will not.

05

What Are the Top Three Things That Separate You From Your Competition?

MiltonBrown/Getty Images

A good agent won't hesitate to answer this question and should be ready to fire off several reasons why he's best suited for the job. Everyone has their own standards, but most consumers say they're [looking for agents](#) who say they're honest, trustworthy, assertive, and excellent negotiators.

He might tell you that he's always available by phone or e-mail or that he's a good communicator. He might indicate that he's friendly and able to maintain his sense of humor under trying circumstances—and there will be some.

It all comes down to the characteristics and qualifications that you value most.

06

Can I Review Documents Ahead of Time That I Will Be Asked to Sign?

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A [good real estate agent](#) will make forms available to you for preview before you're required to sign them. Ask for these documents upfront if at all possible.

As a buyer, ask for copies of the [buyer's broker agreement](#). Is it exclusive or non-exclusive? Ask for copies of agency disclosures, any purchase agreements, and buyer disclosures.

You'll also want to see the agency disclosure if you're the seller. Ask for a copy of the listing agreement as well and of your seller disclosure.

07

How Will You Help Me Find Other Professionals?

Pamela Moore/Getty Images

Your agent should be able to supply you with a written list of referring vendors such as [mortgage brokers](#), home inspectors, and [title companies](#). Let her explain who she works with and why she chooses these particular professionals.

Ask for an explanation if you see the term "affiliated" anywhere because this could mean that the agent and her broker are receiving compensation from one or all of these vendors. You could be paying a premium for the service.

08

How Much Do You Charge?



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Don't ask if the fee is negotiable because all [real estate fees](#) are negotiable. Agents typically charge from 1 percent to 4 percent to represent one side of a transaction, either the seller or the buyer. A listing agent might charge 3.5 percent for herself and another 3.5 percent for the buyer's agent for a total of 7 percent.

The adage that you get what you pay for holds true in real estate. Top agents tend to charge more.

09

What Kind of Guarantee Do You Offer?



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Will the agent let you cancel the listing or buying agreement if you sign then later realize that you're unhappy with the arrangement? Will the agent stand behind his service to you? What's his company's policy about canceled agreements? Has anybody ever [canceled an agreement](#) with him before?

10

What Haven't I Asked You That I Need to Know?



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Pay close attention to how the real estate agent answers this question because there's often something else you might need to know.

You want an agent who will take her time with you to make sure you feel comfortable and secure with her knowledge and experience. She should know how to listen, how to counsel you, and how to ask the right questions to find out what she needs to know to better serve you.