

## The Savvy Home Seller

By John Stemlar and Jeff Mueller  
Sage Real Estate Advisors

January 22, 2008

As a seller, your objective is to sell your house in the shortest time, at the highest price and with the lowest transaction costs. The right listing agent will not only help you accomplish this, but will promote and protect your interests through the entire marketing and sale process. The more you understand about how the real estate marketplace works and how real estate agents operate, the better decision you will make in selecting a listing agent. Before making a listing decision, consider the tips below.

**Interview Agents** – Selling your home is a business venture with serious financial, legal and lifestyle consequences. Accordingly, choosing a listing agent should be a business decision based on professional competency and value rather than on emotion, agent name recognition or social relationship. It's wise to interview several agents for the job of listing your house. The key to making the right listing choice is in knowing what to look for in an agent. [Learn More](#)

**Recognize the Self-Promoter** – Residential real estate has become a business of agent *branding* and *self-promotion*. Many agents are *in business to get business*, focusing more on selling themselves than on selling their listings. The best self-promoters are typically not the strongest real estate professionals.

**Understand the Buyer's Process** – Successfully selling a house is the result of doing the right things to market the property and doing them competently, diligently and with attention to detail. It all starts with understanding how buyers find homes, narrow their list and select a home to purchase. [Learn More](#)

**Embrace the Electronic Marketplace** – The *Multiple Listing Service* (MLS) is THE residential real estate marketplace. Agents find homes for their buyers almost exclusively on the MLS, while buyers find homes on the hundreds of web sites that pull MLS data. Homes are found by electronically matching buyer search criteria with listing data. In addition to matching buyers and sellers, the MLS listing is typically the only opportunity to entice a prospective buyer into touring your home. As the foundation of the marketing effort, it is critical that your MLS listing be complete, accurate and compelling.

**Understand that Listing Agents Don't Find Buyers** – Nearly all serious homebuyers work in an exclusive relationship with their own real estate agent. Through the MLS, every agent has the same access to the entire market and can readily find each listing meeting their buyer's criteria. The *lockbox* system enables any agent to show a buyer any home. If your house is listed with a *full-service* brokerage, correctly priced and well-presented in the MLS, agents will find it and show it to their qualified buyers. Don't be sold on listing agents claiming to have unique access to buyers for your house – it simply doesn't work that way.

**Question Statistics** – Agents often advertise or otherwise present statistics touting their (or their company's) performance. Such statistics are often presented in a context that makes them misleading. Question the relevance of these statistics to your situation and don't take them at face value. Question the integrity of an agent who would mislead you with statistics.

**Think Information Pull not Property Push** – The MLS and the public-access web sites that pull MLS data are where agents and serious buyers find homes. The thoroughness, accuracy and efficiency of electronic *information pull* makes open houses, print ads, e-mail blasts and other *push marketing* tactics obsolete as meaningful strategies for marketing a home. Listing agents, however, continue to utilize *push marketing* for the following reasons:

- **To Appease Clients** – Impressing clients with how much work they do to sell a house helps agents get listings, keep listings and enables them to justify an inflated commission.
- **To Self-Promote** – Agent use listings as platforms to promote and brand themselves, which helps them get more listings.
- **To Prospect for Clients** – Agent-less buyers attend open houses and call from print ads, creating an opportunity for the listing agent to meet prospective buyer-clients.

Question the extent to which *push marketing* is reflected in the agent's listing commission. Are you being asked to pay for selling the agent?

**Consider the True Cost of a Limited Service Listing** – A *limited service* listing can be the right choice for an experienced seller of the right property in the right market. Most consumers, however, don't realize what they don't know about the real estate marketplace, how agents operate, contract negotiations and managing a transaction. A *limited service* listing can be a risky proposition and cost you much more than the potential commission savings. In choosing between *full-service* and *limited-service* listing options, consider *value* rather than simply *cost*.

**Resist the Temptation to Overprice** – Agents and buyers search for homes electronically by price range. In terms of how the *electronic marketplace* works, overpricing a house is similar to listing it with the wrong school district, county, subdivision or zip code information. If your house is overpriced, buyers searching in the price range in which it belongs simply won't find it. Those seeing your house in a higher price range than it belongs will disregard it as being inferior to the other homes that come up in their search. In pricing your house, be objective and think like a buyer. Beware of agents who would overprice your house in an attempt to get your listing – a common practice known as *buying the listing*.

**Be Clear on Representation** – Virtually all Atlanta real estate brokerages (other than Sage) adopt the standard of client representation prescribed by Georgia's *Brokerage Relationships in Real Estate Transactions Act* (BRRETA). BRRETA rejects the traditional *fiduciary* standard of agency in favor of a lower standard of responsibility. It also permits a listing agent to engage in self-serving practices that conflict with your interests, including *dual agency* and *designated agency*. [Learn More](#)

**Value Transaction Skills** – Most sellers focus solely on the marketing aspect of selling their house, overlooking the importance of the negotiation and transaction. Marketing competency does not imply transaction competency; they are distinct agent skills. Exceptional contract negotiation and transaction management on your behalf reduces your risk, lowers your stress and can keep thousands of dollars in your pocket. Keep this in mind in interviewing listing agents.

*Knowledge empowers you to make the best decisions in engaging real estate services*