



New Orleans Metropolitan Association of REALTORS®

Choose a REALTOR® to Sell Your Home

Once you've decide to sell your home, finding a REALTOR® is the next step in the process. In making this important decision you should understand:

- Who is a REALTOR®
- How to evaluate an agent
- What a REALTOR® will do for you
- Selling on your own

If you're not in a "must sell" situation (job transfer, career opportunity, family upheaval, financial hardship), but rather in an "elective" one, you may want to consider adding on to your current home (if you need more space) or refinancing to lower monthly mortgage costs (if finances are a concern).

Who is a REALTOR®?

The terms agent, broker and REALTOR® are often used interchangeably, but have very different meanings. For example, not all agents (also called salespersons) or brokers are REALTORS®. Learn who is a REALTOR® and the reasons why you should use one. As a prerequisite to selling real estate, a person must be licensed by the state in which they work, either as an agent/salesperson or as a broker. Before a license is issued, minimum standards for education, examinations and experience, which are determined on a state by state basis, must be met.

After receiving a real estate license, most agents go on to join their local board or association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®, the world's largest professional trade association. They can then call themselves REALTORS®. The term "REALTOR®" is a registered collective membership mark that identifies a real estate professional who is a member of the NATIONAL ASSOCIATION OF REALTORS® and subscribes to its strict [Code of Ethics](#) (which in many cases goes beyond state law). In most areas, it is the REALTOR® who shares information on the homes they are marketing, through a Multiple Listing Service (MLS). Working with a REALTOR® who belongs to an MLS will give you access to the greatest number of homes.

How to evaluate an agent

Without any obligation, you can invite local REALTORS® to visit your home and give you a "listing presentation" about why they're the best ones to market it for you. Two to three presentations will probably give you a good opportunity for choice. A listing presentation includes having the REALTOR® review with you the reasons why you should list with that particular individual, and providing you with information that will assist you in making initial decisions about selling your home.

Recent laws in every state have defined the duties of someone specifically retained as a real estate agent. Most states require a real estate agent to explain his or her role at the outset of any conversation. A professional agent will promptly provide this such a disclosure. Look for an agent who:

- Is a member of the local board or association of REALTORS®
- Explains and discloses agency relationships (the role of the agent, i.e., who they are representing--the buyer or the seller) early on in the process, at "serious first contact"
- Advises you on how to prepare your home for the market
- Shows some enthusiasm for your property, listens attentively, instills confidence, operates in a professional manner, and has a complementary personality style to yours
- Has already researched your property in the public records and the MLS
- Brings data on nearby homes that have sold (or failed to sell) recently

The following are important questions to ask a potential agent:

- Are you a REALTOR®?
- Do you have an active real estate license in good standing. To find this information, you can check with your state's governing agency.
- Do you belong to the Multiple Listing Service (MLS) and/or a reliable online home buyer's search service? Multiple Listing Services are cooperative information networks of REALTORS® that provide descriptions of most of the houses for sale in a particular region.
- If there's no nearby MLS, how often do you cooperate with other local brokers on a sale?
- What have you listed or sold in this neighborhood lately?
- Do you cooperate with buyers' brokers?
- What share of the commission will you offer a cooperating broker who finds the buyer?

And in addition to the criteria mentioned above, there are number of very important reasons you will typically prefer to work with a REALTOR®. Among them are the fact that they adhere to the NAR's highest standards of ethical conduct and professional training.

What a REALTOR® will do for you

There are many important reasons to use a REALTOR®. Some of the duties your REALTOR® will perform for you include:

- Walking through the process of selling your home from beginning to end
- Providing comparable information about the prices for which other properties have sold and analyzing data for you to gain a true comparison
- Supplying information regarding local customs and regulations you may want to consider
- Sharing information about your home through the Multiple Listing Service and on the Internet
- Placing advertisements for your home
- Fielding phone calls
- "Qualifying" potential buyers to make sure they would be financially able to buy your property
- Negotiating the sales contract
- Alerting you to potential risks
- Complying with the disclosures required by law
- Providing you with an estimate of the closing costs you will incur
- Helping you prepare for a smooth closing of the transaction.

Selling on your own

"You can get rid of the broker, but you cannot get rid of the broker's work" is an old caution for those who intend to offer their homes "For Sale By Owner" (FSBO). Selling on your own is not an easy undertaking. It requires a significant amount of time to study the process, understand your obligations, and do some of the complicated work that a real estate agent does. In addition, selling on your own requires extra help from outside professionals, such as a REALTORS®, accountants or attorneys for some of the jobs that require specific expertise.

The following are some major pitfalls to avoid:

- As a personal safety measure, only show your house to those individuals with whom you've made a prior appointment that's been confirmed by phone.
- Don't price the house so low that it sells too quickly - pay for a market value appraisal by an experienced appraiser.
- Hold out for a buyer with written pre-qualification from a lending institution.
- Find out your legal obligations.

If you require only limited services, some REALTORS® will agree to help with the transaction for a predetermined fee. You can call real estate companies and ask for the managing broker and see if they're interested in furnishing "unbundled services.