

How to Choose a Real Estate Broker

Finding the right one doesn't have to be hit or miss.



Hanna Barczyk

A while back, **Gloria Sokolin**, an associate broker at **Fox Residential Group**, got a call from a woman who was preparing to sell her \$2 million apartment on the Upper East Side.

“She had been thinking of hiring the mistress of her husband’s business partner, who’d just gotten her real estate license,” recalled **Ms. Sokolin**. “And the friend who’d given me the referral said to her: ‘This is your most valuable asset. Are you crazy?’”

Ms. Sokolin ended up selling the apartment. “At some point I asked the woman why she had considered using a novice. And she said: ‘I don’t know. A broker is a broker.’”

This seems to be a widely held belief, to the great chagrin of those in the business. (And don’t get them going on the buyers and sellers who, in this age of StreetEasy and readily accessible data, don’t think they need a broker at all.)

“Most people spend more time picking a restaurant than they do picking a real estate agent,” said Kathy Braddock, a managing director at the residential brokerage firm William Raveis NYC.

“Because the entry bar to the profession isn’t high, and because it’s not immediately apparent who’s a great agent or a bad agent, people fall back on choosing Aunt Susie’s daughter because she just got into the business, and Aunt Susie is really applying the pressure,” Ms. Braddock continued.

“If you’re looking for a heart surgeon, no one says: ‘Oh, Dr. Smith is so nice. Go to him. He just got into the business.’ But you hear that a lot in real estate,” she said. This makes no sense, she added, because “whatever level you’re buying or selling at, it’s a significant level, so who you choose as your agent matters.”

Here are a few tips on how to find a good broker:

Sellers

If you’re selling a property, you should be looking for someone who knows how to price a property (admittedly an inexact science); how to market it; and how to negotiate effectively.

Start the search by getting recommendations from friends or colleagues. Ask your superintendent or resident manager for the names of brokers who have recently — and successfully — represented other sellers in your building. Check out StreetEasy for the names of agents who work in your neighborhood.

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Interview at least three brokers. “You’re the CEO of this transaction, so own it,” said Ms. Braddock, who suggested questions like: Have you sold in my neighborhood? Have you sold in my building? And, in the case of a co-op: Do you know anyone on the board?

Ask what deals they’ve recently made. Ask how long they’ve been in the business — although if someone is a relative newbie, that isn’t necessarily a negative. “Experience is important, but it isn’t the only thing,” said Gary Malin, the president of the residential real estate company CitiHabitats. “If you just focus on a résumé, you may miss out on someone who is really good.” After all, a younger person may be hungrier and more energetic than an elder statesman.

By all means, get references and check them.

Ask for a listing presentation — a pitch that includes data on comparable sales and the specific plan the broker has for marketing your apartment. While you’re at it, ask your top candidates to show you some other properties they’re representing, said Stuart Moss, an associate broker at the Corcoran Group. “And not just the property itself but the whole building,” he said. It will give you a sense of how the brokers will comport themselves when potential buyers come to look at your apartment.

Give a wide berth to the broker who seems to be telling you only what you want to hear, the one who says your apartment is worth far more than the valuation others have placed on it. “I frequently say, ‘Don’t choose somebody to sell your home based on the number he puts in front of you,’” Mr. Moss said. “The market determines that, not the broker.”

Similarly, beware the broker who says your property is just perfect as it is. “Because they want the listing and don’t want to offend potential clients, some brokers are afraid to say what work an apartment needs to get it ready for the market,” Ms. Braddock said. “My contention: It’s just the reverse. This is a job interview, and brokers should treat it as such. They should be direct and honest.”

And, said Allison Chiamonte, a sales agent at Warburg Realty, they should be at least reasonably likable. “Sellers sometimes focus on brokers they perceive to be tough or forceful negotiators,” she said. “But it can turn off the buyers and their representatives if a particular broker has a reputation for being difficult or unreasonable. You’re better off with a team player who gets deals done.”

Buyers

If you’re buying, look for a broker who asks the right questions, among them: What’s your timing? What’s your financial picture? Are you prequalified for a mortgage?

“You really want someone who’s familiar with the area you want to live in,” said Amanda Hudson, a saleswoman at Dallien Realty who specializes in new development. “We sometimes see people who are trying to find a place in SoHo, and their broker lives on the Upper East Side and only comes downtown to shop. If they don’t do a lot of transactions in a particular neighborhood, brokers may not know about new zoning and its effects.”

Ms. Hudson also suggests that buyers seek out brokers who not only know a particular neighborhood but can also get into the weeds on the specific housing stock that is a client’s focus, be it prewar co-op or new construction condo.

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She offered the example of legal fees. In a co-op deal on the Upper East Side, buyers and sellers typically pay for their own lawyers. “But in a new development condo, the buyer is responsible for covering the attorneys’ fees on both sides of the deal,” Ms. Hudson said. “Because this is an area I work in, I can tell buyers that here is something they can push back on.”

Ms. Braddock cites good listening skills and strong powers of intuition as highly desirable traits on the buying side. “You want someone who understands what you want in an apartment, but who also senses what might be right, even if it wouldn’t have seemed so on paper,” Ms. Braddock said. “You want a broker who is strong enough to say: ‘I know it isn’t on your list, but just come and see this place. I really think it will work for you.’”

What’s in a Team?

Medicine has its group practices and solo practitioners. So does real estate. One agent or broker on the team might have a subspecialty in marketing, another in staging; another might be the rainmaker-in-chief. The team’s chief selling point is the promise there will always be someone available to handle a showing or a crisis.

“On the buy side I don’t think a team does much for you,” said Ms. Chiamonte, of Warburg. “If you end up with a different agent every time you go out to look at apartments, there’s no one single person learning what works for you. Much as great teams share information, things may get lost in translation.”

On the selling side, she said, there might be some advantage to having several people with the ability to show a property — thus guaranteeing coverage on evenings and summer weekends. “But it really has to be made clear to the client who on the team is doing what,” Ms. Chiamonte said. “The seller may think the lead broker is going to be the point of contact, and that turns out not to be the case. Or it turns out that the assistant will be doing the showings, when the seller thought it was the No. 2 person on the team.”

Breaking Up

Don’t be afraid to break up with your broker if the fit isn’t right. There’s no document binding a buyer to a broker, said Mr. Moss, of Corcoran. But a seller has a listing agreement with an agent, typically for a six-month period. Even so, “if a seller is unhappy, it’s easy to end the relationship,” Mr. Moss said. “He can simply say, ‘I won’t accept any offer you bring to me,’ and the agent is likely to say, ‘Let’s sever.’”

In such instances, sellers must take care to protect their interests, according to Steven R. Wagner, a real estate lawyer. “Make sure the broker provides you with a list of all the people who contacted him or her,” he said. “That way, if you do terminate the relationship and then a buyer not on the list materializes and makes an accepted offer, the broker can’t claim credit for the sale.”

The contract should also include a period, typically three to six months, after which the broker can’t claim credit for someone who actually is on the list, Mr. Wagner said.

“Make sure this is all spelled out in the agreement, so you don’t have to start negotiating when the broker equivalent of Dr. Jekyll turns into Mr. Hyde.”