

---

---

# WHY USE A REALTOR®

---

---

## Can a real estate agent really help me in buying or selling property?

### The answer is YES!

When you're ready to think about buying or selling your property, you need to ask yourself the following questions: Do you have the time, energy, sources of information, and contacts to do the job yourself? If you were one of the do-it-yourself people, would the results be as good as or better than they would be if you had professional assistance? Would it have gone smoother? Would it have given you more personal time? Would you have purchased for less, or sold for more, if a real estate agent was involved? Read the following information and learn how a real estate agent can help you understand everything you need to know about a real estate transaction.

#### The Buying Process

The process of buying a home or investment generally starts with determining your buying power; that is, your financial reserves plus your borrowing capacity. If you give a real estate agent some basic information about your available savings, income and current debt, they can refer you to lenders best qualified to help you. Most lenders -- banks and mortgage companies -- offer limited choices.

## INSIDE THIS ISSUE

- 1 Can a real estate agent really help?
- 2 Selling Real Estate
- 2 Using a REALTOR®



#### Finding

Once you know how much you can and want to invest, the next step is to find the properties that most nearly fit your needs. This is the time to choose a real estate licensee. When picking a real estate agent look for one who is also a REALTOR®. A REALTOR® is a member of the NATIONAL ASSOCIATION OF REALTORS®, a real estate trade association, and all members agree to abide by a 17 article Code of Ethics. A REALTOR® has many resources to assist you in that search. Sometimes the property you are seeking is available but not actively advertised in the market, and it will take some investigation by your agent to find all available properties.

#### Selecting

Your job is to make the final selection of the right property for you. This is when excitement and emotion run high. Your real estate agent can assist you in the selection process by providing objective information about each property. Agents who are REALTORS® have access to a variety of informational resources. REALTORS® can provide local community information on utilities, zoning, schools etc. There are two things you'll want to know. First, will the property provide the environment I want for a home or investment? Second, will the property have resale value when I am ready to sell?

#### Negotiating

There is a myriad of negotiating factors, including, but not limited to price, financing, terms, date of possession, and often the inclusion or exclusion of repairs and furnishings or equipment. The purchase agreement should also provide a period of time for you to complete appropriate inspections and investigations of the property before you are bound to complete the purchase. Your agent can advise you as to which investigations and inspections are recommended or required.

#### Due Diligence

With a negotiated agreement in hand, it is time to complete the evaluation of the property. Depending on the area and property, this could include inspections for termites, dry rot, asbestos, faulty structure, roof condition, septic tank and well tests, just to name a few. Your agent can assist you in finding qualified responsible professionals to do most of these investigations and provide you with written reports. You will also want to see a preliminary report on the title of the property. Title indicates ownership of property and can be mired in confusing status of past owners or rights of access. The title to most properties will have some limitations; for example, easements (access rights) for utilities. Your agent, title company or attorney can help you resolve issues that might cause problems at a later date.

#### Financing

As soon as you are reasonably sure the property is right for you, the process of obtaining financing begins.

*Continued on page 2*

Continued from page 1

Your agent can help you in understanding different financing options and in identifying qualified lenders.

### Closing or Settlement

Finally, there is the closing, or settlement, as it is known in different parts of the country. Every area has its own unique customs. In some areas, the title or Escrow Company will handle this process. In other parts of the country, an attorney does it all. Again, your real estate agent can guide you through this process and make sure everything flows together smoothly.

## Selling Real Estate

### Pricing

This process generally begins with a determination of a reasonable asking price. Your real estate agent can give you up-to-date information on what is happening in the marketplace and the price, financing, terms, and condition of competing properties. These are key factors in getting your property sold at the best price, quickly and with minimum hassle.

### Marketing

The next step is a marketing plan. Often, your agent can recommend repairs or cosmetic work that will significantly enhance the salability of the property. Marketing includes the exposure of your property to other real estate agents and the public. In many markets across the country, over 50% of real estate sales are cooperative sales; that is, a real estate agent other than yours brings in the buyer. Your agent acts as the marketing coordinator, disbursing information about your property to other real estate agents through a Multiple Listing Service or other cooperative marketing network, open houses for agents, etc. The REALTOR® Code of Ethics requires REALTORS® to utilize these cooperative relationships when they benefit their clients.

Advertising is part of marketing. The choice of media and frequency of advertising depend a lot on the property and specific market. For example, in some areas, newspaper advertising generates phone calls to the real estate office but statistically has minimum effectiveness in selling a specific property. Overexposure of a property in any media may give a buyer the impression the property is distressed or the seller is desperate. Your real estate agent will know when, where and how to advertise your property.

There is a misconception that advertising sells real estate. The National Association of REALTORS® studies shows that 82% of real estate sales are the result of agent contacts through previous clients, referrals, friends and family, and personal contacts.

### Security

When the property is marketed with the agent help, you do not have to allow strangers into your home. Agents will generally pre-screen and accompany qualified prospects through your property.



Questions or comments? Please contact:  
Steve Bednarowski at H. Stroll Realty, Inc.  
Office (920) 810-4616 Fax (920) 731-9232 Toll Free (877) 296-5122  
Email [steve@foxcitiesre.com](mailto:steve@foxcitiesre.com) Web site! [www.FoxCitiesRE.com](http://www.FoxCitiesRE.com)

### Negotiating

The negotiation process deals with much the same issues for both buyers and sellers, as noted above under the buying process. Your agent can help you objectively evaluate every buyer's proposal without compromising your marketing position. This initial agreement is only the beginning of a process of appraisals, inspections, and financing -- a lot of possible pitfalls. Your agent can help you write a legally binding, win-win agreement that will be more likely to make it through the process.

### Monitoring, Renegotiating and Closing

Between the initial sales agreement and closing (or settlement), questions may arise. For example, unexpected repairs are required to obtain financing or a cloud in the title is discovered. The required paperwork alone is overwhelming for most sellers. Your agent is the best person to objectively help you resolve these issues and move the transaction to closing (or settlement).

### How Do Real Estate Agents Get Paid?

Real estate agents or brokers are generally paid through the sales commission paid by the seller when a transaction closes. Agents have expenses and financial obligations just like you, so it will be to your mutual benefit if you choose a real estate agent and stick with that person. The agent will respect your loyalty and respond with a sincere commitment to you.

### Why A REALTOR®

All real estate licensees are not the same. Only real estate licensees who are members of the National Association of REALTORS® are properly called REALTORS®. They proudly display the REALTOR® logo on the business card or other marketing and sales literature. REALTORS® are committed to treat all parties to a transaction honestly. REALTORS® subscribe to a strict code of ethics and are expected to maintain a higher level of knowledge of the process of buying and selling real estate. An independent survey reports that 84% of homebuyers would use the same REALTOR® again.

## Using a REALTOR®

### You Be the Judge!

Real Estate transactions involve one of the biggest financial investments most people experience in their lifetime. Transactions today usually exceed \$100,000. If you had a \$100,000 income tax problem, would you attempt to deal with it without the help of a CPA? If you had a \$100,000 legal question, would you deal with it without the help of an attorney? Considering the small upside cost and the large downside risk, it would be foolish to consider a deal in real estate without the professional assistance of a REALTOR®!



Steven J. Bednarowski  
CRS, GRI, ABR  
Broker/Owner