

Brokers Can Offer Valuable Insights When Buyers Search For Homes

By: Jill Urban

The NY1 Real Estate report recently offered tips on what sellers need to know when hiring a broker. But buyers looking for a broker need a whole other set of things to keep in mind.

First, many people do not realize that when they hire a buyer's broker, that person works for the buyer but the buyer does not pay the commission.

"Many people don't realize that the commission is actually coming from the seller's part. So using a buyers broker, A, you don't have to pay the commission and B, you have someone representing your best interest," says Wei Min Tan of Rutenberg Realty.

Because there is no legal agreement to sign, some buyers think it is okay to work with multiple brokers when buying a home. While it is considered a faux pas to use more than one broker, Tan says it could also slow down the process.

"Good brokers will have the expectation that you will only be using one broker, because it's going to save the buyer time by not running into duplicate properties and it's going to give the buyer a better quality experience," says Tan. "The reason is if a buyer is using multiple brokers and the brokers know it, they will try to show the buyer as many properties as possible, so they can register you first and be credited for the commission. So it becomes a 'quantity' as opposed to a 'quality' experience."

When interviewing brokers, make sure the person knows the ins and outs of the neighborhoods of interest. Also find out if they work more in condos, co-ops or townhouses.

See if they can offer insight based on personal experience, like do they own property as well or do they rent?

Lisa Reinschmidt, a buyer, says hiring a broker was more than just finding someone to narrow her search and show listings. It was also having a partner who could get put her board package together and be the coordinator for all the players involved in the process.

"I don't know enough about the process on my own, so having someone to do the whole process for me, take me to places, help find the right place and bring me all the way to closing is absolutely necessary for me," says Reinschmidt.

It is key for those who choose to use a broker to find someone who can be trusted and is enjoyable to working with. Buying a home is certainly an overwhelming process, so make sure to choose someone who will have your back and will help open all the right doors.