

When It Comes to Hiring an Agent, the Best Advice Is 'Trust, but Verify'

On this 100th anniversary of Ronald Reagan's birth (Feb. 6th), I recall his famous quote regarding relations with the Soviet Union — "Trust, but verify."

In this era of Internet fraud and general disrespect for the truth, that is good advice in every aspect of life, not just in real estate.

Nowadays we have a tool, Google, for verifying the claims that someone makes, whether personal or business — except in real estate, as I'll explain below.

We have all heard that it's wise to Google a new boyfriend or girlfriend to find out if they are who they say they are. It's a great tool for uncovering all kinds of untruths.

When you get an unbelievable email and are asked to forward it to all your contacts, don't — at least not without first Googling the subject. An example of this is the still-circulating email claiming that "Obamacare" includes a 3.8% sales

tax on home sales. This is a total distortion, which I debunked in my July 29th column. Simply Googling "real estate sales tax" would have

saved you the embarrassment of learning later that you helped spread a right-wing lie.

I'm a Rotarian, and we have a "Four-Way Test of the things we think, say or do," which we recite at the end of every meeting. The first test is, "Is it the truth?" Spreading untruths, even unintentionally, does not pass the Four-Way Test!

I'm proud to be a Realtor® and I'm proud of our Code of Ethics, but I'm not so naïve as to believe that my colleagues are always ethical. Moreover, many licensees are not Realtors, and I'm really suspicious of them! Since the public is largely unaware of the distinction between Realtor and non-Realtor, despite the best efforts of the National Association of Realtors to educate the pub-

lic, the bad acts of some real estate licensees tarnishes the public image of all licensees, including Realtors.

It is against our Code of Ethics for Realtors to misrepresent their level of success, but exaggeration of our sales statistics is far too common. Sometimes, honest agents lose a client to another agent whose claims of success are not supported by the facts. For example, there's an agent — I won't say whether he's a Realtor® — who advertises that he sells one home every 4 days. Now, there's a claim that cries out for verification! I ran an MLS search and found that this agent had only 55 sold listings in the past 24 months. That's one listing sold roughly every two weeks, not every 4 days. In those same 24 months, he personally sold 19 listings, two of them his own, so his personal sales were less than one per month. Even combining his sold inventory with the listings he himself sold, he can only claim one closing every 10 days.

I wonder how many

people have hired him because he sells one home every four days.

In April 2008, I wrote about an agent who, in his printed materials, claimed to be Lakewood's top agent for the past 10 years, selling over 100 homes a year. In fact, he had averaged only 19 of his listings sold per year over the previous 3 years. And the last time he had sold any listing himself was in early 2006.

Our industry unintentionally facilitates such exaggeration due to the fact that only members of the local MLS can verify sold statistics. You, the consumer, cannot do the kind of search that I did on the two agents mentioned above. Sorry, Google can't uncover these untruths.

This kind of misrepresentation is disheartening to those of us who have to compete with such agents..

Myself, I had 36 sold listings in the last 24 months, and I personally sold 26 listings, 5 of them my own. That happens to be the truth, but how would you know? You could ask me for a print-out to support those totals, and I'll post mine online as an example. You can also ask another agent with MLS access to verify my (or any agent's) claims.

Where Google can help you is verifying the quality of marketing an agent promises. Google an existing listing by address before hiring him or her, then Google your own address after your home is listed.

If you missed Monday's seminar at my office on how to raise your credit score, the presenter's PowerPoint presentation can be viewed online at www.JimSmithColumns.com.

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