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How to find the best real estate agent

Finding the perfect real estate agent could be the first step to finding the perfect home.

If you're a first-time buyer or moving to a new city, you really can use professional help to show you around, explain the process and negotiate the best deal.

These 5 smart moves will help you hire the right agent, at the right price,

with the right contract:

Mortgage Rates	Rate	APR	
30 Year Fixed	4.375%	4.712%	Amerisave
15 Year Fixed	3.875%	4.530%	Amerisave
40 Year Fixed	4.875%	5.182%	Amerisave
20 Year Fixed	4.250%	4.795%	Amerisave
7 Year ARM	3.750%	3.844%	Amerisave
5 Year ARM	3.250%	3.661%	Amerisave
3 Year ARM	3.250%	3.701%	Amerisave
FHA			
	Rate	APR	
30 Year Fixed	4.750%	5.236%	Amerisave
15 Year Fixed	4.250%	4.817%	Amerisave
5 Year ARM	4.000%	3.605%	Amerisave
3 Year ARM	3.750%	3.285%	Amerisave

AmeriSave Direct Mortgage Lender
*\$200K loan, Jumbo \$400K loan, FL, 90% CLTV, Effective 08/28/2009, Terms apply.

Smart move 1. Favor a full-time buyer's agent.

It's easier to trust real estate brokers who don't split their time working for buyers *and* sellers because you're less likely to be victimized by a conflict of interest.

The most obvious problem is when brokers steer you toward homes they're trying to sell for other clients. But more subtle conflicts can and do arise when brokers play both sides of the fence.

"A buyer's agent is legally bound to represent your interest – they work only for you," says Lynnette Khalfani-Cox,

author of "Your First Home: The Smart Way to Get It and Keep It."

Most brokers who work as a full-time buyer's agent are certified as an Accredited Buyer Representative (ABR) by the National Association of Realtors.

Though that doesn't guarantee you've found a great agent, an ABR has additional training on how to negotiate on a buyer's behalf and must have completed at least five transactions serving solely as a buyer's agent.

You should wonder about any agent who claims extensive experience as a buyer's agent but *hasn't* become an ABR.

Smart move 2. Start with lots of recommendations.

The best way to find a great real estate agent is by soliciting the help of friends, family members and co-workers. Tell everyone you need advice and get the buzz going.

Another option is to Google phrases such as "exclusive buyer's agent" and the town where you want to live. Lots of agents eager for your business will pop up.

Smart move 3. Ask the right questions.

Interview several candidates. The best agents are great listeners who can tell what you value in a home by what's important in your life.

If you mention you love to cook, a good agent will show you homes with top-of-the-line kitchens. If gardening is your passion, then you should see lots of sunny backyards and big flower beds.

Look for someone you're comfortable with and who has the right answers to these four, key questions:

How long have you been an agent? You don't want someone brand new to the industry. Three years of experience is good; five years is better.

Is real estate your full-time job? You don't need a part-timer who's trying to juggle your needs and other responsibilities.

How many transactions have you closed in the past six months? "I'd expect at least one closing a

National mortgage rates
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Fixed ARM	Interest Only	
30 Yr Fixed		▲ 5.83%
15 Yr Fixed		▲ 5.50%
30 Yr Fixed Jumbo		▲ 7.01%
15 Yr Fixed Jumbo		▲ 6.69%

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month," says Khalfani-Cox. In some high-demand housing markets, such as New York, expect at least two or three closings a month.

How many of those closings were for homes in my price range? You need an agent with a wealth of knowledge about the neighborhoods you can afford. Don't settle for one who makes most of their sales in more expensive -- or less expensive -- areas.

Smart move 4. Ask the agent to accept a flat fee.

Watch out for buyer's agents who claim their services are free. No one works for free.

What they really mean is that they'll split the standard real estate commission, 6% in most states, with the selling agent. Unfortunately, that "cooperative split" isn't in your best interest, because the more you pay, the more your agent makes.

Suggest a flat fee instead.

A reasonable offer is 2.5% of the price you're hoping to pay -- not the most you can possibly pay, but somewhere toward the middle of your price range. Then add a bonus of another \$100 for every \$1,000 you spend under your target price.

Though that fee still will be paid by the seller -- just as with a traditional commission -- it removes the financial incentive for your agent to repeatedly show you homes outside your price range.

Smart move 5. Sign the right kind of contract.

Most buyer's agents will ask you to sign a contract spelling out how they'll be paid and what they'll do on your behalf. This is good, because it legally obligates them to protect you and your interests -- not those of the seller.

Avoid what's called an "exclusive buyer's agreement" that restricts your ability to work with other brokers for up to a year and requires the agent to be paid even if you find the home on your own.

Insist on an "open buyer agency agreement" that allows you to work with as many brokers as you want and only pay the one who finds the home you ultimately buy.

Even if you fully intend to work with just one agent at a time, this allows you to quickly change representatives if you're not satisfied with the homes you're being shown.

Some agents may require a \$250 to \$500 retainer to begin work. Just make sure your open agreement says it will be refunded if you buy a home that qualifies them for the full, flat fee.

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