

## Episode 5

**Nadeska Alexis:** [00:00:00] Hey, I'm Nadeska Alexis and you're listening to Beginner to Buyer. Beginner to Buyer is powered by Chase Home Lending. Get more great tools and helpful information to help you buy your first home by visiting [BeginnertoBuyer.com](http://BeginnertoBuyer.com).

On the last episode, we heard a lot about the role of a home lending advisor, and we got to understand why it's so important to connect with one early in your home buying process. But there are a few other people that every first-time homebuyer should have on their team before they start their search, so now we're going to zero in specifically on the role of a real estate agent with one of the best in the business. His name is Ryan Serhant - he's a top New York City broker and TV personality.

Finding the right agent is so important because they're essentially helping you to navigate through the entire buying process. They're going to give you helpful tools, like sharing information on the homes and the neighborhoods you're looking at, and they give you tips on how to make the right offer so you can actually get to the stage of signing a contract. Honestly, in some ways they also end up being kind of an emotional support system for you if things get stressful. So never underestimate how important it is to find the right agent before beginning your search. Let's find out more about the role they'll play in your journey to becoming a homeowner.

**China Wheeler:** [00:01:13] My name is China. I'm located in central Arkansas. Currently, I'm living with my significant other and my two children, I have a boy and a little girl. We're renting, it's a triplex.

**Nadeska Alexis:** [00:01:25] When did you first start thinking about buying your first home?

**China Wheeler:** [00:01:28] I'd probably say I started thinking about it in college, but it wasn't a serious thought. I grew up with a bunch of space to run around and play inside. I definitely want that same childhood experience for my kids, so that's a big motivating factor in purchasing a home and not having to worry about if my landlord's going to sell and I'll have to move or trying to get the perfect rental. When I buy a home, I'll feel at peace with where I'm at in my life. Growing up, no one in my family owned homes, so it's definitely something out of the ordinary for my family and the people that I'm closest to. It would just be a huge accomplishment for me. I also know that it's a huge responsibility.

**Nadeska Alexis:** [00:02:11] Since no one in your family has owned homes before, is this something that you feel comfortable talking with them about, other family members or friends, about your dreams to own a home for your own family? Or is this something that you just only speak to your significant other about, for example?

**China Wheeler:** [00:02:27] It's definitely not something I would discuss in detail with them, and more with my significant other, but I feel like my mom would be proud of me. I feel like maybe others would see it as I'm kind of rubbing in that I was able to accomplish something that they haven't been able to. But in reality, I don't even know if they ever had plans to own a home. I know some people don't want to own their home.

**Nadeska Alexis:** [00:02:47] Well, that's an important point that you bring up there, right? Some people it's never something that they wanted to do or planned for, so it's a completely different situation. How do you feel about the financial decision of buying a home? Is it something that you've already been planning for, that you've been saving for, and you have an idea of what your budget might be able to allow?

**China Wheeler:** [00:03:08] It's definitely something that I've been saving and planning for. I know how much, I think in reality, that I would be able to afford.

**Nadeska Alexis:** [00:03:16] Have you involved anyone else in this process so far? Have you consulted with a home lending advisor to help you with the finances or a realtor just to see what's possible in the area that you're looking?

**China Wheeler:** [00:03:26] I have spoken with a realtor. She's a family friend, so not on a professional level. We just talked about little things and little questions that I've had. Like if I found the house today, how much do you think it would be this time next year? Those kinds of questions, because I'm nervous about the prices rising. I'm not sure if these are the questions for the realtor or if I should be talking to a lender, but I've been told that they will give you a list of steps that you need to do. I just want to make sure that there's nothing that will disqualify me, but I feel like I probably should just ask around a little bit more to see what all options we have available in this area. That's probably my next step, is to contact them, reach out to them and see what they're offering.

**Nadeska Alexis:** [00:04:10] So China, when you do start officially looking for a real estate agent, for a broker to help you in your search, is there anything in particular that you're looking for in this person?

**China Wheeler:** [00:04:21] Someone who's very responsive. I've heard a lot of horror stories about people missing deadlines for offers. I would like someone very experienced and just knows the market in this area. Those are my two, very experienced and very responsible.

**Nadeska Alexis:** [00:04:39] I love how clear China is about what she wants in a real estate agent. Going in with that clear idea of what you need from your agent is a great starting point. She mentioned that she wants someone who's very experienced and also very responsible. Now, when I was searching for a real estate agent to help with my first home, I'm going to admit, I was a little bit confused because I wasn't sure about how much information they were supposed to provide me with during my search or even how involved they'd really be throughout the process. It was all very new and very intimidating to me, but eventually I learned that choosing the right professionals has such a big impact on your buying experience.

So, I got in touch with Ryan Serhant for some advice. He's a very, very successful real estate broker, which means he's a real estate agent with some additional credentials and responsibilities. All of that means that he has a lot of experience working with buyers, so I think he's going to be a great resource for us.

Ryan, buying a home for the very first time can be a really overwhelming experience, and if you don't have someone in your circle who's experienced enough to even just mentally walk

you through that process, you can end up like I did the first time, which is turning to the internet with every question that I have and sometimes leaving even more confused. So, to avoid this, what kind of advisors do you think a homebuyer should surround themselves with so early on in the process?

**Ryan Serhant:** [00:05:57] Oh man, loaded question. Listen, what I tell every buyer is a handful of things. First, if they're first-time homebuyer, you have to sit them down and you have to let them know, are you prepared to spend more money than you've ever spent in your entire life? Because first-time homebuyers are used to either living at home or they are renters, right? I think they don't always understand all of the costs that go into it. It's not just a down payment. There are closing costs, there's taxes, there's upcoming maintenance fees. If you're buying a house that needs work, plan to pay double what you think it might cost, et cetera. So once I've kind of had that reality check with the first-time home purchaser, then I start talking to them about those partnerships and I align myself with different partners because I want my clients to know that they're not just getting me, they're getting my army.

If you're not buying for cash and you need to be pre-approved, here's a great banker. Here's my home lending officer. Do you need to talk to them right away? They're going to get you pre-approved for a loan so that way you know exactly what you can spend. You might be able to actually buy a house far more expensive than you anticipated because you didn't really look at the money you have in the bank and what your income is and how low rates are, and really, what banks are looking for is your ability to cover the monthly payment. So, if you have great income but don't have a lot in the bank, you might actually be able to afford more of a house because rates are so low and you'll be able to afford more of a monthly payment. We can actually go get that house with a two car garage that you didn't think you could get.

From there, I always connect them to an attorney because in New York City, all contracts are done through attorneys, but even in other states, you want an attorney to really help you and guide you through that contract process who's done it a thousand times, just so you can feel like you have someone else in your corner. I also connect them, at least initially, to a good home inspector who can tell them what to look for, what are the issues. And it depends on who's listening to this, but where you live and where you're searching, there are different things you need to be aware of. For example, if you're in south Florida, you need to have not just a regular home inspector, but you need to have a mold inspector and potentially remediator because it's so humid and so wet, mold is a natural occurrence in most houses. You need to be prepared for that so you're not worried, and that you're actually looking for it because it could be very expensive to remediate, especially in a sellers market - if the sellers don't want to do any work because they don't need to, et cetera. Those are the top three partners that we align ourselves with.

**Nadeska Alexis:** [00:08:36] Wow. Alright. So you already covered a lot of ground. Should the buyer expect that throughout this entire process, you're going to be interacting with them as well as the advisors that you've connected them with?

**Ryan Serhant:** [00:08:45] Yes. I mean, it's teamwork makes the dream work, so I'm not there to just open doors, turn lights on and present a number, right? I am your real estate advisor. I am your real estate vice president. Anything you think about real estate about your home, I

am that person. I will connect you to everybody, I will manage that process because that's really what the commissions are for. It's not just you walking into a house, presenting a number, the seller says okay, and then all of a sudden the real estate agent makes all this money. No, the agent is there to really guide the process and help you through absolutely everything. That's where a lot of our work is, as advisors, as consultants, as mediators when things get heated, et cetera.

**Nadeska Alexis:** [00:09:31] It's good to clarify that because I do think a lot of people sit at home and browse Trulia and Zillow, and they feel like they get a good sense of the market, what's available, and they think that maybe sometimes they can do this alone. At what point in the process do you recommend that a buyer actually starts looking for an agent? Should this be when I'm just considering buying a property for the first time? Should it be at the point that I've already been browsing for a few months and I'm finally ready to visit? Or when I finally see one house that I think I really love and I want to put in an offer?

**Ryan Serhant:** [00:09:56] My answer to that question changes every year. Sometimes you can go and see houses on your own and then bring in an agent once you found something you like to help you negotiate. I don't think you should ever go and buy a property completely on your own because you have to remember you're going into battle. The seller has an agent, sometimes two agents, they have attorneys, they are ready to go, and they want to win, and you're coming in by yourself? It's like David and Goliath. So you should always be represented. But now, in the market we're in where inventory is so low, you stand a very low chance of being able to go into a home and bring a competitive bid and actually win it. Not just because of the number, but because of the relationships. The real estate agent community in the United States is one of the strongest agency communities that exists. Stronger than bankers, stronger than any other type of salesman because they live and die for each other and they scratch each other's back. You want that relationship power working for you. You also want access to off-market listings. You also want somebody who does this all day, every day, while you're at work to tell you, "Listen, I know you liked that house and it's beautiful, but here are the problems with that block. Buy it if you want, but here are the problems with that block and here's what's coming". There's things that pop up that you just might not know, that's why they say buyer beware, but if you have a great agent to start with you from the beginning, they can work with you to buy the absolute best property for the absolute best price, make the process as stress-free as possible, although it is always going to be stressful. They'll also help you remember that purchasing a home is not a process of selection, in which case you'll be looking for a home for the rest of your life, it is a process of elimination. That's a really important determination.

**Nadeska Alexis:** [00:11:46] As I'm listening to you, it's become clear to me that some of the agents I've worked with in the past clearly are not the best, because I didn't feel like they offered me all of these tools that you just outlined, so that's very important. Where should someone begin the search to find the right agent? I don't think there's a Tinder for agents just yet.

**Ryan Serhant:** [00:12:01] Ask a friend, right? Ask a friend who just bought a home or just sold a home, "Hey, did you like your realtor? Were they good? Were they? Great, okay, can

you refer me? Can you connect me? That would be great. I want to work with somebody who's done right by one of my friends". Or last, success begets success. Is there a house that you like in an area that has recently sold? Reach out to that agent and say, you're looking for a house you saw that they just sold this house, you're in need of a realtor to help you through the process, you're ready to go, what are the next steps. Work with somebody who's already been successful in the area, because they're going to have those off-markets, they're going to know the exact process. You can do one of the three.

**Nadeska Alexis:** [00:12:38] Okay, Ryan. So, finding an agent is important, right? You're one of the first people that a homebuyer would reach out to in the process. Then in terms of a home lending advisor and a home inspector, for example, when do you feel like it's important for the buyer to start having conversations with those people?

**Ryan Serhant:** [00:12:53] You want to make sure that you're having especially financial conversations before you even see your first house, because the internet is so detailed now. You can do virtual tours, walkthroughs, 3D tours, you can see a lot about a house from your computer, that you don't have to go out, run around, find the house, and then realize you can't afford it - so find out how much you can afford, walk through the loan process, get really comfortable on what the different products are. Maybe you don't need to do a 30 year fixed. There are a lot of other loan products that you can do to allow you to buy the best house you want for the lowest monthly payment.

It's a great time to purchase homes. I mean, our parents were paying 10 to 16% in the 80's. Look at what we get to pay, like you're 3% less. I mean, it's just crazy. And we won't see this forever, right? The history books will be written about how low interest rates were back in the 2010s and the 2020s, and we should just take advantage of it. You should have those conversations as early as possible, and think about it like shopping anywhere. You wouldn't walk into a mall without your wallet, the same way you don't want to go out and actually see homes without your pre-approval, because you won't be able to buy anything and you don't know what you're buying and you want to have that financial clarity. So as early as you possibly can.

**Nadeska Alexis:** [00:14:15] Okay. Now I think sometimes an agent can look really great on paper, a million properties sold in the last couple of years, number one in the tri-state area. But for a lot of people buying their first home is also an emotional experience, right? So how important is it during the process for you to balance finding someone who's very technically qualified and also has the right personality or a temperament that meshes well with yours?

**Ryan Serhant:** [00:14:35] You can interview, you can talk to different agents on the phone. Clients do this to me all the time. On the sell side, they'll interview six agents and they'll pick the one they liked the most and who they think is the best person for the job. On the buy side, they'll also interview a handful of agents and decide which one is going to be the best for them. You might be the greatest agent, but if your personality clashes with your client, you probably don't want to work with them either. There's a lot of personalities, not just one magical buyer, that buyer has a husband or a wife, right? They've got kids, they have mother-in-laws, father-in-laws, their brother is a general contractor who knows everything. So there's a lot of different emotions and personalities that you need to maintain as an

agent. As the buyer, you want to make sure that you're picking the agent who is going to be able to handle your personal set of baggage as best they can.

**Nadeska Alexis:** [00:15:24] Personal set of baggage, well said. What kind of questions do you recommend a first-time buyer should even be asking an agent to make sure they hit all of those qualities, and at the same time, any red flags that you would look out for?

**Ryan Serhant:** [00:15:34] If you're meeting with an agent for the first time and you have general questions, your big question is, how am I going to pay for this? Do you have a great mortgage banker that you can connect me to? Because I want to know what I can be pre-approved for and what I can afford and I also want to understand the closing process. Can you connect me to an attorney who can walk me through the closing costs? Or you can walk through the closing costs as well. What kind of taxes am I looking at? And then what are the costs going to be once I own the house? What can I expect in my first year? I understand I got to pay for my own internet, but in this town, am I paying for water or is that provided by the town? Am I paying for heat? What's the electric going to run me on average? Do you have to pay for extra trash pickup? You know, there's lots of different costs that can add up that really eat into that monthly payment for you.

On top of that, you want to also talk about areas in specific location, location, location. Where's the best location for me to purchase in? Here are my top three wants: I need close access to a park, my son has to go to a good school, and I want to be no more than 30 minutes away from my office, because we all have to go back to the office now. Where should that be? I've got a friend who lives over in this town and a good agent will be able to tell you, "Well, they probably live in that town for this reason, but property values are overheated over there. I do not recommend you purchasing a property over there because I think you're going to regret it". You want to have that type of color. Always look out for limited photos. If I'm a real estate agent and I have a beautiful house, I'm taking photos of everything and putting it out there because it's gonna help me sell it faster for more money. If I'm only showing two photos, that's a red flag that there's something wrong with all of the other rooms. Maybe that's what you're looking for, maybe you want something that needs a full renovation and it just didn't show that well. Okay, you also probably have a little bit more flexibility with price point that way.

But you should be asking about timeline. When is the seller looking to close? Is it as soon as possible? Do they need to stay there for six months? Sometimes, we'll have clients who get so excited, they'll make an offer, and then it comes back to us where the agent says, "Oh, I totally forgot, I'm sorry. My seller can't close for six months. Is that okay?" No, my lease is up, I got to move. That's not okay. Why did we just waste all this time? So always ask about timeline.

Ask about any previous repairs, issues, leans, leaks, you know, your inspector and you, you're going to do that as part of your own due diligence period. Again, so that you don't waste time, it's important to ask that stuff early, because maybe there is something that is not great for you, and you can make that decision early and not even go down the whole offer process.

Those are the two most important ones, because they're going to set you up for success in either getting the house or choosing to pass on the house. That's if you're looking at one particular house.

**Nadeska Alexis:** [00:18:15] Okay. So, say I've done all of my due diligence. I've found an agent that I think I really like, we're a few weeks into the process and I'm especially working in an overheated market. We see a lot of bidding wars at the moment, but what if I'm having buyer's remorse with my agent? I'll just share one mistake I think that I made early on in the process. I ended up being pressured into using the same agent who was selling the property that I was buying. That was clearly a conflict of interest, and, you know, so negotiations were a little bit rough. In what situations should you just start from scratch and find a new agent or when should you try to work things out?

**Ryan Serhant:** [00:18:47] The agent buyer relationship is just like any other relationship, which means that it is based on trust. Can brokers make mistakes? Yeah, of course. If you asked them what the acreage was on the listing and they said one acre, but it's actually half an acre, don't shoot them. They've got a thousand properties in their head and that's information you would've found out anyway. But it's based on trust. If your agent lies to you, time to move on. If your agent sets you up to move forward on a property that you never should have moved forward on because they withheld information from you, it's time to move on to somebody else. If the agent just doesn't know what they're doing, if you can just tell they're just unfamiliar with the area, they're outside their comfort zone, don't worry. You don't have to be nice, right? This is a big, important financial decision for yourself. You can work with them, it's fine, and if they're trying really hard, then they're probably going to try really, really hard and they're still great to work with, but you want to work with the best in the areas that you want to buy in. You want to be as protected as possible. Think about it as like a doctor, right? You break your shoulder. Do you want to go with the guy who's going to be fine and it's going to be okay and hopefully he puts it back together okay? Or do you want to go to the guy who knows what he's doing, he repairs shoulders all day, every day for the last 10 years, and he's going to help you out the best?

**Nadeska Alexis:** [00:20:01] Right.

**Ryan Serhant:** [00:20:02] But it's all based on trust, trust, trust. Trust, trust, trust. I can't say it enough.

**Nadeska Alexis:** [00:20:07] Yeah, it's a very good point. It's just, unfortunately, sometimes when you're already so caught up in the process and you're still so green, you do feel a sort of pressure to stick with that person because you're scared of losing that property, you know?

**Ryan Serhant:** [00:20:17] Yeah. The situation you brought up prior to my answering that question happens all the time where you're working with an agent to buy something and then you feel like you have to use them to sell something. Now we do that a lot, but we give our clients a discount on the sell side. If you buy with me, I'll give you a discounted commission on the sell side, because I like our relationship and I want to do the best for you. And to be honest, a lot of times it's a lot better if I'm controlling both sides of the

transaction, the thing that they're buying and the thing that they're selling, because I can manage any hiccups with timing, any delays. If you've got two agents who are really only focused on one side of the deal, it's like having two magnets, right? There's no point in that. You're going to be spending more money to be able to use a realtor's services, which doesn't make any sense to me. As long as there's a benefit to using the agent on two deals at the same time, then I think there's a lot of reasons why that could be great.

**Nadeska Alexis:** [00:21:13] You know, that's a very good point. And look, in some markets, some agents are more busy than others. I'm sure you have a very hectic schedule, you're managing a lot of different clients. What kind of communication should I be expecting as a first-time homebuyer? I think waiting to hear back when you've seen a house that you really love, or you just made an offer or a counter, it can be excruciating. How often, and how quickly should you be expecting to hear from your agent during the process?

**Ryan Serhant:** [00:21:35] Listen, a real estate agent is incentivized to sell. They want to sell you something because you're not paying them by the hour, you're not giving them health insurance. They only make money when they sell property. So if they don't have a substantial update to give you on the deal, it's not because they don't want to give it to you, because they're ignoring you. It's because they probably just don't have one. When I'm working with active buyers, I touch base with them every day in some way, shape or form, and they know that they can touch base with me whenever they want. Especially first-time homebuyers, sharing properties, talking about the process, "Oh, what happened to that one? Oh, where did that one actually sell? Oh, this is actually coming up next Monday, can you come out today at three o'clock, let's go". You know, your agent should be in constant communication with you. That's really important. You can be in communication in different ways. I have clients, they only want to communicate by DM. Like you sure you don't want to go by text? I've negotiated the biggest deals ever through text.

**Nadeska Alexis:** [00:22:32] Wow. So in that case, you have to bend to your client, right? If that's what I want, but you refuse and you only want to do phone calls, is that grounds for me to say, "Sorry, this relationship is just not going to work out"?

**Ryan Serhant:** [00:22:43] Yeah. I mean, that sounds pretty intense. You gotta also let your agent do their job and you don't want to micromanage them. That's why you're hiring them and that's why you're working with them. If they really like to coordinate through you by email, then coordinate by email and then pick up the phone and give them a call if you need clarification.

**Nadeska Alexis:** [00:23:00] Okay. So Ryan, thank you. I think you've given us a lot of really helpful information. I would love if we could just synthesize this, maybe in the three most important tips, if you could sum this up, for choosing the right real estate agent for you.

**Ryan Serhant:** [00:23:11] Sure. I would say the number one most important tip is to work with somebody who is educated on your market. I see people all the time, they love their agent in their town and they want their agent to go help them in another town. That's okay if you have a really great relationship, but don't be beholden to that agent who now knows nothing about the area going to, because you want to work with someone who really knows

that town, those specifics, those districts, and have all the details because that's what you're using an agent for, right? For information, things you can't find on the internet, at least easily.

Two, you want to work with somebody who has the time for you. A lot of real estate agents are incredibly busy and sometimes the most successful agents, and I fall victim to this all the time, are just too busy for you, so you might want to work with the absolute best agent and that's great. And that agent is going to tell you, "Yes, let's do it" because that's their job, but if they have 50 other buyers right now, all at higher price points than you, then you're going to be the last phone call of the day. You're going to end up feeling rejected and like, they're not paying attention to you, but guess what? They're not paying attention to you, your budget's too small. It is what it is, so go and find a successful agent that might have a couple of years in the business who's going to treat you like the greatest VIP ever, right.

And three, you want to make sure you're working with an agent who has sold something kind of similar to what you're looking for, because they're going to know what to look for. If you're looking for a two family house, because you want to live upstairs and have rental income on the lower level, try to find an agent who's actually sold something like that. It doesn't mean that that's all they sell, but someone who understands your product specifically, what you're looking for, where you're looking for it.

And lastly, fourth, I know you only asked for three, work with someone who's nice. There's a lot of mean people out there and life is too short. Try to work with someone who's nice, who's good, who's fun to be with. Because you're still buying a house, this shouldn't be a stressful, angry process, it should be a fun one. Right, let's go pick out your new closet. This is awesome. It's going to be crazy because everybody wants that closet, but we're going to make it work. Have some fun. It's okay.

**Nadeska Alexis:** [00:25:27] Ryan, thank you so much. Tip number four was actually my favorite. A lot of people look back on that process and they're just upset about the whole thing, so it'd be nice to have some good memories with your agent. We appreciate that.

**Ryan Serhant:** [00:25:36] Yeah, always.

**Nadeska Alexis:** [00:25:38] We got a lot of helpful information from Ryan, and one thing he mentioned that I really want to reiterate is that you should also have some fun during this process. Because at the end of the day, this is a big and exciting new chapter in your life, so a little bit of fun is definitely allowed, and finding a helpful and relatable agent makes a big difference. That's why it's also super important to remember that your agent is there to guide you through the entire process. Find someone you feel comfortable with and someone who knows your area very well, then you can work with them to assemble a great team. On the next episode, we're going to dig deeper into the actual home search. Until then you can learn more on [BeginnertoBuyer.com](http://BeginnertoBuyer.com) and you can leave us a rating or review wherever you listen to podcasts.

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