

TEXAS REALTOR®

Succeed in Texas Real Estate

May 2019 \$3.50



DON'T GET STUCK

5 brokers share business lessons p.18

- Why nearly 3,000 REALTORS® went to the Texas Capitol p. 22
- SECRETS TO SUCCESSFUL MARKETING p. 24



My Why?

I want it all. A network and brokerage that's on my level.
High standards, high tech and high performance — a place
that inspires my growth. For the first time, with RE/MAX®,
I can safely say I don't just like my job, I love my career
and the life it allows me to live.

Why RE/MAX?
The culture is why.



Find your why.
[joinremax.com](https://www.joinremax.com)



**CHAMPIONS SCHOOL
OF REAL ESTATE® PRESENTS**

SUCCESSFUL TENDENCIES OF REAL ESTATE CHAMPIONS

INTERVIEWS WITH REAL ESTATE
INDUSTRY TOP PRODUCERS

VOLUME I
ON SALE
NOW

\$14.95

Rogers Healy

- Guest Analyst Fox News
- Dallas Business Journal named Rogers Healy Top 40 Under 40
- Fastest Growing Company in DFW per SMU Cox School of Business

Nimesh Patel

- Broker/Owner of the Year 2011 & 2014
- Broker/Owner of the Largest Single RE/MAX in the Nation Four Years in a Row

Jennifer Hansen

- KW International Double Gold Sales Award 2016
- KW International Gold Sales Award 2017-2018

Nancy & Ruben Villarreal

- ReMax Circle of Legends
- Broker and Owners of REMAX Integrity with Over 20 Years in Real Estate
- Top 25 Teams in Houston by the Houston Business Journal

Ryan & Royale Jockers

- Better Homes and Gardens 2017 Rookie of the Year
- Better Homes and Gardens Two-Time Top Producing Team Gold Award Winners

Jeff Everett

- 2017 Chairman's Circle Gold
- Top 2% Producing Agents in Berkshire Hathaway

Lynn Breedlove

- Three Premier Service Awards from Three Different Relocation Management Companies
- Marketing Assistance Award

Rosemary Bickford

- 25-Year Real Estate Veteran
- Owner of Brickland Custom Homes
- Accredited Luxury Home Marketing Specialist & Certified Home Marketing Specialist Instructor

Mark Terpstra

- 24-years of Commercial Real Estate Experience
- Vice President, Land Division of Caldwell Companies

Brenda Pennington

- CEO of B. Pennington Commercial Real Estate, Inc
- Past President of the Association of Commercial Real Estate "ACRE" and Broker of the Year Award Recipient

Kimberly Dydalewicz

- President of Champions School of Real Estate
- Author of Success Through Business Etiquette
- 20-year Real Estate Education Industry Veteran

Rita D. Santamaria

Interviews with CEO and Founder of Champions School of Real Estate

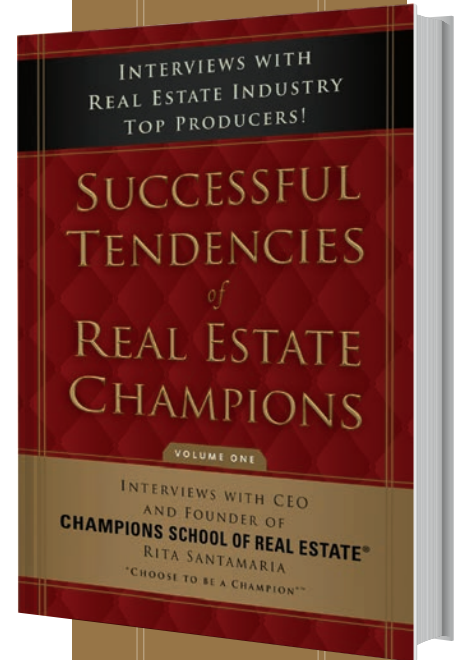
RS



Guests in order of appearance: left to right, top to bottom

“When it comes to real estate I know what works! The Top Producers in this book share their secret sauce to success. “Successful Tendencies of Real Estate Champions” by Rita Santamaria is a must read for anyone who wants to be in the know about real estate and increase their overall sales.”

- Barbara Corcoran,
Real Estate Mogul, Author,
Shark Tank Investor



**CHAMPIONS SCHOOL
OF REAL ESTATE®**

**Purchase Your Copy at
www.ChampionsSchool.com/Success**

Experience the
Champions Advantage
at a Campus Near You

AUSTIN & ONLINE CAMPUS
512-244-3545 | 512-246-2773

DALLAS CAMPUS
972-867-4100 | 866-713-0055

FORT WORTH CAMPUS
214-687-0000

HOUSTON GALLERIA CAMPUS
713-629-4543 | 866-802-4267

HOUSTON NORTH CAMPUS
281-893-4484 | 800-284-1525

HOUSTON WEST CAMPUS
281-496-7386

SAN ANTONIO CAMPUS
210-349-7600 | 866-428-9900

CHAMPIONSLIVE BROADCAST
713-580-4946 | 866-272-5962

Choose to be a Champion!™

Open to the Public

www.ChampionsSchool.com

TREC #0005

THE TEXAS LEGISLATURE IS IN SESSION.

Your business is always on the menu when lawmakers are at the Capitol.



STILL THINK YOU CAN'T AFFORD TO INVEST IN TREPAC?

Don't wait until it's too late. Visit TREPAC.com to invest today



CONTRIBUTIONS ARE NOT DEDUCTIBLE FOR FEDERAL INCOME TAX PURPOSES. CONTRIBUTIONS TO THE TEXAS ASSOCIATION OF REALTORS® POLITICAL ACTION COMMITTEE (TREPAC) AND THE TEXAS ASSOCIATION OF REALTORS® FEDERAL POLITICAL ACTION COMMITTEE (TAR FEDPAC)—WHICH MAKES CONTRIBUTIONS TO THE REALTORS® POLITICAL ACTION COMMITTEE (RPAC)—ARE VOLUNTARY AND MAY BE USED FOR POLITICAL PURPOSES. THE AMOUNT INDICATED IS MERELY A GUIDELINE, AND YOU MAY CONTRIBUTE MORE OR LESS THAN THE SUGGESTED AMOUNT. YOU MAY REFUSE TO CONTRIBUTE WITHOUT REPRISAL, AND THE NATIONAL ASSOCIATION OF REALTORS®, TEXAS REALTORS®, AND ITS LOCAL ASSOCIATIONS WILL NOT FAVOR OR DISADVANTAGE ANYONE BECAUSE OF THE AMOUNT CONTRIBUTED. UNTIL THE RPAC ANNUAL GOAL IS MET, 70% OF AN INDIVIDUAL'S CONTRIBUTION GOES TO TREPAC AND MAY BE USED TO SUPPORT STATE AND LOCAL CANDIDATES; THE REMAINING 30% IS SENT TO TAR FEDPAC TO SUPPORT FEDERAL CANDIDATES AND IS CHARGED AGAINST YOUR LIMITS UNDER 52 U.S.C. 30116. (EXCEPTION: 100% OF AN INDIVIDUAL'S CONTRIBUTION GOES TO TREPAC IF THE INDIVIDUAL IS AN EMPLOYEE OF AN AFFILIATE MEMBER OF TEXAS REALTORS®.) AFTER THE RPAC ANNUAL GOAL IS MET, 100% OF AN INDIVIDUAL'S CONTRIBUTION GOES TO TREPAC AND MAY BE USED TO SUPPORT STATE AND LOCAL CANDIDATES. YOU MAY CONTACT THE TEXAS REALTORS® POLITICAL COMMITTEE ADMINISTRATOR AT 800-873-9155 TO OBTAIN INFORMATION ABOUT YOUR CONTRIBUTIONS.

TEXAS REALTOR®

May 2019-Volume 72-Number 04

TRAY BATES Chairman of the Board
CINDI BULLA Chairman-Elect
MARVIN JOLLY Secretary/Treasurer
KAKI LYBBERT Immediate Past Chairman
TRAVIS KESSLER CEO
ANGELA BRUTSCHÉ VP of Comm. & Mktg.
MARTY KRAMER Editor-in-Chief
WARD LOWE Assoc. Dir. of Communications
SUMMER MANDELL Managing Editor
MICHAEL SCHRANTZ Social Media Editor
JOEL MATHEWS Art Director
JOSHUA BANKS Senior Graphic Designer
CHRIS NELSON Graphic Designer

CHANGE OF ADDRESS OR EMAIL
Members should always send postal address or email changes to their local association.

CONTACT THE EDITORS
editor@texasrealtors.com
512-480-8200
P.O. Box 2246
Austin, TX 78768-2246

ADVERTISING SALES
Mohanna Sales Representatives
214-291-3648
texasrealtorsinfo@mohanna.com

Texas REALTOR® (ISSN 1068-1248) is published monthly except combined issues in January/February and September/October by Texas REALTORS®.

POSTMASTER
Send address changes to:
Texas REALTOR® magazine
Attention: Membership
P.O. Box 2246
Austin, TX 78768-2246

Periodicals Postage Paid at Austin, TX, and at additional mailing office. Annual dues of members of the association include \$5 for a one-year subscription to Texas REALTOR®. Annual subscription rate to others: \$25. Single copy rate to others: \$3.50. Office of publication: 1115 San Jacinto Blvd., #200, Austin, TX 78701-1906; mailing address: P.O. Box 2246, Austin, TX 78768-2246; phone: 512-480-8200; fax: 512-370-2390.

All articles and paid advertising represent the opinions of the authors and advertisers, and do not necessarily represent the opinions of the editors of Texas REALTOR® or the association and should not be construed as a recommendation for any course of action regarding financial, legal, or accounting matters by the association or Texas REALTOR® and its authors.

Contributions are not deductible for federal income tax purposes. Contributions to the Texas Association of REALTORS® Political Action Committee (TREPAC) and the Texas Association of REALTORS® Federal Political Action Committee (TAR FedPAC)—which makes contributions to the REALTORS® Political Action Committee (RPAC)—are voluntary and may be used for political purposes. The amount indicated is merely a guideline, and you may contribute more or less than the suggested amount. You may refuse to contribute without reprisal, and the National Association of REALTORS®, Texas REALTORS®, and its local associations will not favor or disadvantage anyone because of the amount contributed. Until the RPAC annual goal is met, 70% of an individual's contribution goes to TREPAC and may be used to support state and local candidates; the remaining 30% is sent to TAR FedPAC to support federal candidates and is charged against your limits under 52 U.S.C. 30116. (Exception: 100% of an individual's contribution goes to TREPAC if the individual is an employee of an affiliate member of Texas REALTORS®.) After the RPAC annual goal is met, 100% of an individual's contribution goes to TREPAC and may be used to support state and local candidates. You may contact the Texas REALTORS® political committee administrator at 800-873-9155 to obtain information about your contributions.

Federal law prohibits TREPAC and FedPAC from soliciting contributions from persons not included in the following groups: Members of the association, executive and administrative personnel of the association, and the families of both groups. Contributions received in relation to this publication from a person outside of these groups will be returned.

©2019
Texas REALTOR®
All rights reserved.





From discounts on roadside assistance with AAA to unlimited e-signatures with zipLogix Digital Ink, Texas REALTORS® has you covered. Find a categorized list of discounts and services available to you in the Member Benefits section of texasrealestate.com.

How do you get your savings? Go to texasrealestate.com/benefits for complete instructions on how to take advantage of your discounts that require specific promotional codes.

Only two programs require the use of a discount card: Office Depot/Office Max and the prescription discount. If you don't have a copy of these cards, you can always access one from your mobile device at texasrealestate.com/card.

Having trouble? We're here to help. 800-873-9155 ext. 169 or benefits@texasrealtors.com



SAVE WITH THESE DISCOUNTS

Available only to Texas REALTORS® members and affiliates...



TaxBot

Track expenses and mileage to maximize deductions with this easy-to-use app. Plus, get great tax tips in a free e-book and quarterly webinars.



TransUnion Smart Move

Screen tenants with this safe online system that provides a credit report, background check, and eviction records. No subscription required. Use code TXREALTORS2019 to save \$10.



Office Depot/Office Max

Use your discount card to save up to 60% on office supplies, furniture, and print services. To shop online, set up an account at texasrealestate.com/officedepot.



Travel and Hotel Discounts

Save up to 70% on hotels and resorts all over the country (and abroad). Plus, save on car rentals, theme park tickets, and more.



Rx Discounts

Save up to 80% on your prescriptions. Visit texasrealestate.com/rx to find the best pricing available at local participating pharmacies.



Lowen Signs

Save up to 12% on real estate signs with a production turnaround on most options of just three business days.

CONTENTS

18 **FEATURE** **DON'T GET STUCK**

by *Bridget McCrea*

Texas brokers reflect on their rookie mistakes, where they went right, and how to create your own path to success.

INSIGHTS

6 From the chairman

Decide the future priorities of Texas REALTORS®

7 Texas REALTOR® recognized as a rising star in the industry

8 REALTORS® tout the Texas advantage to international investors

BUSINESS

10 The basics of 360-degree virtual reality video

TREC website shows education needed for your license renewal

11 Protect your privacy and clean your social history with this tool

These Texas counties are among the most affordable in the nation

Trends among generational homebuyers

12 Tips for second-home and resort buyers from a RSPS designee

How RPR can help new agents with marketing

LEGAL & ETHICS

14 The fallout of giving bad advice

A form to keep your listing's schedule on track

15 Legal Q&A: Who owns the listing photos?

15 Ethics: How to avoid a violation when advertising recently sold listings

Who gets the security deposit?

16 Are wind turbines considered a nuisance?

17 From the Legal Hotline: When time of day isn't specified in a contract deadline

SHARE THIS

27 Help consumers understand seller's disclosure

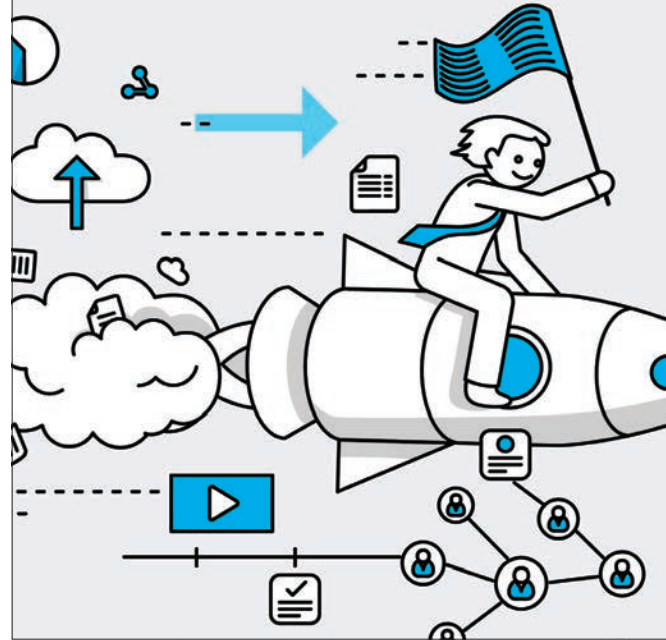
TAKE 5

28 Get more from your designations

24 **FEATURE** **SECRETS TO SUCCESSFUL MARKETING**

by *Summer Mandell*

Four Texas REALTORS® instructors share their tips for launching and measuring your business's marketing campaign.



22 **FEATURE** **REALTOR® DAY AT THE TEXAS CAPITOL**

See photos and read highlights from this grassroots event.



COVER: © tiero - stock.adobe.com

We do all the work up-front

With a Quicken Loans® Verified ApprovalSM, we underwrite your clients' income, assets and credit¹ in less than 24 hours,² giving your clients the strength and confidence of a cash buyer. That means their offer is more attractive to sellers, and you can be confident their loan will close.

Power Buying ProcessSM only from Quicken Loans



Prequalified



Verified ApprovalSM



RateShieldSM
Approval

We're so confident your client's loan will close, we'll put money behind it – meaning if it doesn't close, **we'll pay your client \$1,000.**¹ It's all part of the Power Buying ProcessSM only from Quicken Loans.

Quicken Loans[®]

RealEstate.QuickenLoans.com

¹Your client's participation in the Verified Approval program is based on an underwriter's comprehensive analysis of credit, income, employment status, debt, property, insurance, appraisal and a satisfactory title report/search. If new information materially changes the underwriting decision resulting in a denial of the credit request, if the loan fails to close for a reason outside of Quicken Loans' control, or if the client no longer wants to proceed with the loan, participation in the program will be discontinued. If the client's eligibility in the program does not change and the mortgage loan does not close, the client will receive \$1,000. This offer does not apply to new purchase loans submitted to Quicken Loans through a mortgage broker. Quicken Loans reserves the right to cancel this offer at any time. Acceptance of this offer constitutes the acceptance of these terms and conditions, which are subject to change at the sole discretion of Quicken Loans. This is not a commitment to lend. Additional conditions or exclusions may apply.

²Verified Approval within 24 hours of receipt of all requested documentation.

Quicken Loans Inc.; NMLS #3030; www.NMLSConsumerAccess.org. Equal Housing Lender. Licensed in 50 states. AR, TX: 1050 Woodward Ave., Detroit, MI 48226-1906, (888) 474-0404; AZ: 1 N. Central Ave., Ste. 2000, Phoenix, AZ 85004, Mortgage Banker License #BK-0902939; CA: Licensed by Dept. of Business Oversight, under the CA Residential Mortgage Lending Act and Finance Lenders Law; CO: Regulated by the Division of Real Estate; GA: Residential Mortgage Licensee #11704; IL: Residential Mortgage Licensee #4127 – Dept. of Financial and Professional Regulation; KS: Licensed Mortgage Company MC.0025309; MA: Mortgage Lender License #ML 3030; ME: Supervised Lender License; MN: Not an offer for a rate lock agreement; MS: Licensed by the MS Dept. of Banking and Consumer Finance; NH: Licensed by the NH Banking Dept., #6743MB; NV: License #626; NJ: New Jersey – Quicken Loans Inc., 1050 Woodward Ave., Detroit, MI 48226, (888) 474-0404, Licensed by the N.J. Department of Banking and Insurance.; NY: Licensed Mortgage Banker – NYS Banking Dept.; OH: MB 850076; OR: License #ML-1387; PA: Licensed by the Dept. of Banking – License #21430; RI: Licensed Lender; WA: Consumer Loan Company License CL-3030. Conditions may apply.

Quicken Loans, 1050 Woodward Ave., Detroit, MI 48226-1906

INSIGHTS



Chairman

“ We’re nearing the end of the legislative session, and the Texas Capitol is a flurry of activity as thousands of bills make their way through the process to become law.

But there are still a few weeks until the regular session of the 86th Texas Legislature ends on May 27, so we can’t stop fighting.

This session, Texas REALTORS® has provided public testimony in support of several issues to protect the Texas real estate industry, including property tax and school finance reform, ending forced municipal annexation, and supporting disaster relief and response.

We’ve also provided written testimony with research and data about the Texas real estate industry. And we’ve even opposed legislation that would harm private property rights.

Occasionally, fellow REALTORS® ask me who sets our association’s legislative agenda.

I tell them it’s you.

Dozens of dedicated Texas

GET IN THE DRIVER’S SEAT FOR YOUR ASSOCIATION— VOLUNTEER TO SERVE ON A COMMITTEE BY JUNE 21 AT TEXASREALESTATE.COM/COMMITTEES.

REALTORS® members serve on the committees that determine which issues we’ll support or oppose on behalf of Texas property owners.

The association’s four Public Policy Issues Committees and the Public Policy Oversight Committee are tasked with researching and analyzing policy proposals to determine their potential impact on real estate and property buyers, sellers, and renters.

During interim years between legislative sessions, these hardworking volunteers put in hundreds of hours to make recommendations to the Public Policy Oversight Committee, which recommends a slate of policy positions to the Executive Board for ultimate approval before a legislative session begins.

If you’re interested in contributing to the association’s public policy agenda, now is the time to step up and volunteer to serve on a Texas REALTORS® committee for 2020.

These committees are your chance to lead your association’s future, and there’s one for just about every interest.

Sign up is open now, but you have until June 21 to apply.

Visit texasrealestate.com/committees to see the list of more than 20 committees and submit your application.

Ours is a member-driven organization, and we only move forward because of members like you who are willing to volunteer your time and expertise.

 **Tray Bates**

DECIDE THE FUTURE PRIORITIES OF TEXAS REALTORS®

Have you ever wondered who sets the association’s legislative priorities, works on the budget, reviews legal developments, or determines which local initiatives get support?

It’s you!

Contribute to the future and vision of the REALTOR® organization at the state level and volunteer to serve on a 2020 Texas REALTORS® committee.

Visit texasrealestate.com/committees by June 21 to access and submit the online volunteer form.



TEXAS
REALTOR®
AMONG
INDUSTRY'S
RISING
STARS



Photo: Casey Walker with Southern Gypsy Photography

Jessica Holmes, broker/owner of East Texas Preferred Properties in Kilgore, was named to the 2019 class of *REALTOR® Magazine's* 30 Under 30, which recognizes rising stars in the real estate industry.

Holmes spoke with *Texas REALTOR®* about the honor.

TEXAS REALTOR®: What do you think set you apart?

JESSICA HOLMES: I always work incredibly hard in every facet of my business to provide for my family. As the broker and owner of my company—where my husband also works—my livelihood depends on my performance and ability to effectively market and sell property. I think my tenacity coupled with my experience at such a young age definitely helped me stand out among my fellow professionals.

What does the honor mean for you and your business?

This honor is paramount for me and my business. With our market saturated with other qualified REALTORS®, it's always great to be able to market myself and our company in a different capacity. Being recognized at the national level for my efforts is still surreal. Living in the small town I was born and raised in, state or national recognition is huge. My heart is still exploding just thinking about the future benefits this has for my family and company!

What's the best advice you've received that's helped you as a young REALTOR®?

Get plugged in. From the very first year I was licensed, I was involved in local REALTOR® association committees and events and community events. It helped tremendously to network with other REALTORS® as well as let my community know what I was doing. Also, find a mentor. I'm thankful that I've been blessed with several experienced REALTORS® who I look up to and am able to bounce ideas or questions off. I think I've been so successful because I have those people in my life. If you can find a REALTOR® who is willing to take you under her wing and impart her knowledge, be thankful and take it.

LOOK FOR MORE ABOUT THE 30 UNDER 30

CLASS OF 2019 IN THE MAY/JUNE ISSUE OF

REALTOR® MAGAZINE.

WANT TO BE
PART OF
TEXAS
REALTOR®
?

HERE'S HOW

Share your article ideas, be a source, or write for us. Learn more about contributing to the magazine at texasrealestate.com/writeforus.



Help more clients purchase a home with down payment assistance from TSAHC. Several DPA options available.

www.ReadyToBuyATexasHome.com



REALTORS® TOUT THE TEXAS ADVANTAGE TO INTERNATIONAL INVESTORS

by Summer Mandell



Representatives of Texas REALTORS® and other REALTOR® associations in Texas showcased the Lone Star State’s real estate investment opportunities to more than 28,000 attendees from more than 100 countries during *Le marché international des professionnels de l’immobilier* (MIPIM), the world’s leading global real estate business development and networking event in Cannes, France. This year is the first time Texas REALTORS® represented Texas on this international stage.

Dallas-based REALTOR® and 2019 Texas REALTORS® Global Committee Chairman Hanne Sagalowsky is a longtime MIPIM attendee and is proud that Texas REALTORS® was represented at this year’s event. “I’ve seen North Carolina, individual cities ... Georgia, New Jersey ... and I always thought, ‘Where is Texas?’ I saw a real need for Texas REALTORS® to be at MIPIM alongside the others promoting economic development in their states. As a REALTOR®, economic development is something we should all be aware of and interested in.”

But how exactly does an event that took place more than 5,000 miles away from Texas affect you?

Foreign investment increases local business opportunities

“There are people coming to MIPIM from all over the world,” says Sagalowsky. “We were there not promoting individual people, but to promote Texas.”

Socar Chatmon-Thomas, a broker in Austin and MIPIM attendee, says the goal of attending MIPIM is getting foreign investors to choose Texas. “Having investors, project managers, and developers consider Texas for their housing projects and investment dollars is crucial to our economy,” she says.

Holly Hightower, a broker associate in Tyler, feels similarly about MIPIM. “We attended because Texas has a lot to offer. We have land, tax benefits, infrastructure, and connectivity. Commercial business inspires residential business. This is fantastic for all of Texas real estate. It’s residual and expansive.”

REALTOR® expertise attracts investors’ interest

While many visitors who met with the Texas delegation were excited to get a special souvenir—a Texas-shaped lapel pin—it wasn’t pins that left a positive impression on attendees. Kimberly Bragman, a broker associate from San Antonio, says the Texas REALTORS® presence at MIPIM showed attendees the benefits of working with members of the REALTOR® association. “Because Texas REALTORS® has access to statewide data, members can provide state, citywide, or community information tailored to the specific investors we meet with,” says Bragman. “Each Texas community has different strengths and opportunities.”

TOP PHOTO: The Texas delegation scheduled several meetings prior to arriving at MIPIM. Jim Gaines, chief economist of the Real Estate Center at Texas A&M University, pictured far left, provided valuable insights into the strength of the Texas economy. Also pictured, from left, 2019 Texas REALTORS® Chairman Tray Bates, Annelise Gonzalez, director of business development and community relations for the San Antonio Board of REALTORS®, Kimberly Bragman, 2019 chair-elect of the San Antonio Board of REALTORS®, and an investor from Hong Kong.

BOTTOM PHOTO: In addition to previously scheduled meetings, delegates from Texas spent time daily networking and scheduling additional meetings with potential new investors. Here, 2019 Texas REALTORS® Global Committee Chairman Hanne Sagalowsky and MetroTex Global Business Council Manager Steve Trine meet with international delegates from Spain and Italy.

Sagalowsky says foreign investors and buyers coming to the U.S. had previously focused on the East and West Coasts, but she's seen a growing interest in Texas. "We've become much more attractive to investors and to buyers. One reason is because we are still somewhat more affordable, especially compared to San Francisco, Los Angeles, and the Northeast."

What happens after MIPIM?

The connections REALTORS® from Texas made during MIPIM are already starting to spark interest from foreign investors.

"Since the event, I have made contact with several project managers," says Chatmon-Thomas. These contacts have asked for her help marketing properties located in their country to the U.S. market.

Hightower also says she's been in touch with people she met at MIPIM. "We are forging relationships and communicating regarding possibilities for collaboration and investment."

Bragman says networking that stems from attending MIPIM is a relationship-building process, but she's already seen positive effects. "The most positive immediate outcome has been the interaction with my city's economic development foundation and the local chambers of commerce," she says. "They realize the opportunities from foreign investors and were anxious to hear our results and feedback. We feel that our participation continues to increase our stature as the voice of real estate to our community leaders and business organizations."


SUMMER MANDELL is managing editor of Texas REALTOR®.

MIPIM stats


- **28,389** attendees
- More than **100** countries represented
- Of all attendees, **8,738** identified themselves as investors.
- **\$250 million to \$500 million:**

The average investment range among investors who met with Texas REALTORS® delegates

- Companies Texas REALTORS® delegates met with include L'Oréal, Lennar International, and Hyatt Hotels.



NORMAN SPENCER



REAL ESTATE E&O

Comprehensive Errors & Omissions Coverage for Real Estate Professionals

readvisors.com
800.362.9952
sales@readvisors.com



BFS Home Warranty

"Our Trucks, Our Techs, Your Peace of Mind"

ONE CALL COVERS IT ALL

AIR CONDITIONERS	GARBAGE DISPOSAL	PLUMBING	WASHER & DRYER
HEATING	OVEN/RANGE	DISHWASHER	GARAGE DOOR OPENER
YEARLY TUNE-UPS	BUILT IN MICROWAVE	CIRCUIT BOARDS	POOL/SPA
ELECTRICAL	WATER HEATER	REFRIGERATOR	TRASH COMPACTOR

- ✓ Includes Repair and Replacement
- ✓ Local Service Centers
- ✓ Company Employed Technicians
- ✓ Plans Starting at \$375
- ✓ **No Deductible Option**

<p>Dallas & Surrounding Areas:</p> <p>Darren Hiller</p> <p>Direct: (214) 566-1188</p>	<p>Austin/ San Antonio & Surrounding Areas:</p> <p>Local Office</p> <p>Direct: (210) 646-0722</p>	<p>Houston & Surrounding Areas:</p> <p>Nadine Morella</p> <p>Direct: (281) 831-8468</p>
---	---	---

Give your clients the benefits of Seller's Coverage today!

BFS Home Warranty • www.BFSHomewarranty.com • 1-800-237-9910

BUSINESS



THE BASICS OF 360-DEGREE VIRTUAL REALITY VIDEO by Ricky Holm

Many rules of 360-degree virtual reality video—also known as immersive video—are similar to traditional video production. These tips will ensure your next 360-degree VR video is worth watching.

The camera is a character

In 360-degree VR video, viewers are immersed in the scene and feel as if they are actually on location where you are filming. When setting up your shots, imagine that you are the character in the scene. If you were going to relive this scene as one of the characters, where would you want to be seated or standing? Put your camera there.

Don't forget about sound

Skip the big arrow and get your viewer to turn around and see the action

with spatial audio. An external microphone will give you the best results. Professional spatial mics start at just a few hundred dollars. There are also plenty of spatial audio post-production tools available that will make your audio processing pain-free.

Move with caution

A common complaint about 360-degree VR video is that it makes people feel motion sick or nauseous. *How* you move the camera is more important than *if* you move the camera. Only move the camera if it makes complete sense for the story you are trying to tell. If you do plan to move your camera, use steady, smooth, and constant motion.

Fill your scene

Fill your entire scene with interesting

visual stimuli, background actors, and so forth. Choosing interesting locations can also help create a full scene. In some instances, you may tell a second or third story within one video by placing secondary action outside the user's natural forward gaze.

Know when to say no

Not every video should be immersive. If you do choose to create a 360-degree video, make sure you have a clear reason why, since 360-degree VR video can be incredibly challenging to produce at a high level.

RICKY HOLM is founder of immersive-media company *Chocolate Milk & Donuts* in Austin. Contact him at info@chocolatemilkdonuts.com.

TREC WEBSITE SHOWS EDUCATION NEEDED FOR YOUR LICENSE RENEWAL

Find out if the required non-elective education has been completed, the total hours of education completed for the renewal cycle, and a list of the courses that are being credited for your renewal using the Texas Real Estate Commission's new Renewal Education Information page. The information is displayed in real time from the commission's database.

Search "renewal education info" on TREC's website to see a video walkthrough and more details about the new feature, which is currently available for agents and brokers within 90 days of their renewal date.

14 of the 20 counties with the most affordable housing markets in the U.S. are located in Texas, according to an analysis by mortgage-information website freeandclear.com. However, all 14 of those counties are located in sparsely populated areas of the state.

The study determined housing affordability by comparing median household incomes to median home values. Using that method, only 4.4% of all U.S. counties had unaffordable housing. Many of those counties are urban population centers, though, with nearly a quarter of the entire U.S. population living in those areas.

The five most affordable counties in Texas are King, Kenedy, Cochran, Foard, and Knox.

WHAT'S AGE GOT TO DO WITH IT?



Some homebuyer attitudes are not hard to predict based on the buyer's age. For example, older buyers cite health issues as the most likely factor that could prompt a

move from a recently purchased house. The top answers for younger buyers are career changes and the desire for a larger home.

Other homebuyer preferences are harder to peg to age, though. Here are a few results from the NAR *2019 Home Buyer and Seller Generational Trends* report that may surprise you.

THE GENERATIONS	AGE IN 2019
Millennials	21-38
Gen Xers	39-53
Baby boomers	54-72
Silent generation	73-93

Not all first-time buyers are young. In fact, 12% of people ages 54 to 63 who bought a home recently were first-time buyers. Among buyers older than 63, 5% were experiencing homeownership for the first time.

Younger buyers buy older homes. One quarter of millennial buyers purchased homes built prior to 1962. The youngest millennials bought homes that were much older than the homes bought by baby boomers and the silent generation (median of 1980 compared to mid to late 1990s).

All ages want environmentally friendly features. Millennial buyers are much more likely than the silent generation to cite commuting costs as important (40% compared to 13%). However, silent generation buyers are twice as likely to consider solar panels important (16% compared to 8%). Older generations were also more likely to value energy efficient appliances and energy-conserving landscaping.

PROTECT YOUR PRIVACY AND CLEAN YOUR SOCIAL HISTORY WITH A CLICK

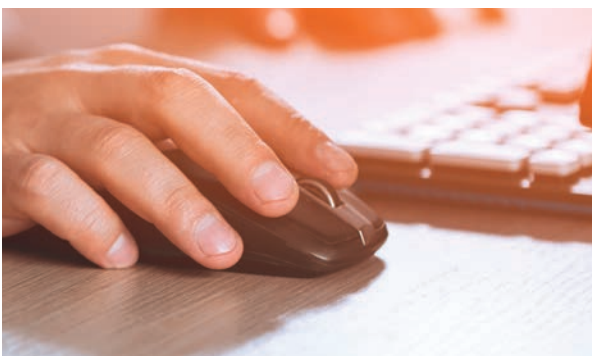
A new startup promises to simplify the process of protecting your online privacy across social networks—all in one place.

Jumbo lets you adjust more than 30 different Facebook privacy settings with a single “smart privacy” slider. Increasing your privacy level will adjust your settings in Facebook, but it will never make them looser than you've already set. The full list of settings adjusted by Jumbo is available at blog.jumboprivacy.com/smart-privacy-for-facebook.html.

Tweets older than a specified time span can be automatically deleted by Jumbo, which the service claims restores ephemerality to online conversations and reduces the risk of old tweets being taken out of context. Before deleting the tweets, Jumbo archives them in the app, but a way to export them has yet to be built.

The app also allows you to scrub your Google search history and Alexa voice recordings of your requests. Jumbo promises that all these processes are run on your phone—not its servers or the cloud—so it never sees any of the personal data you're protecting.

Jumbo is currently available on iPhone with reported plans to launch on Android. Features to clean Instagram and Tinder profiles are also in the works, according to TechCrunch.





TIPS FOR SECOND-HOME AND RESORT SALES

by Sharon Jenkins

Almost 100 percent of my sales are second homes, resort homes, and condos. It's different from standard single-family sales. Here are my tips to work with those buyers, sellers, and properties.

Your prospecting methods have to change

Resort and second-home properties buyers are not local ... ever. So how do you find them? It's a huge challenge. Many agents do more traditional marketing and farming. You can't do that in a resort and second-home market. You have to be very good at marketing properties on social media and the internet because that's how people find these houses.

No one has to buy a resort or second property

You have to get used to the fact that second homes are a discretionary purchase. So be prepared for negotiations to be harder, because it's easy to walk away.

Get familiar with the financial aspects

Financing for a second home is different than for a regular mortgage. And you should be able to talk about tax laws—not that you're going to give advice, but you at least need to be able to talk to the client intelligently.

Anticipate disasters

You need to understand all of the issues that properties in your area face. If you're on the coast, that could be flooding, hurricanes, and salt water damage. Help the buyers understand how to be prepared.

Know the rules

With a lot of waterfront property, there are issues around who has access and rights to certain things and who actually owns what. And you have to know HOA rules—I can't stress that enough.

Buyers care about different services

Schools don't matter to second-home buyers, but restaurants and medical facilities do. Stay on top of the businesses and services available in your area.

Be connected

Buyers will want contacts for people who can repair and maintain properties. They may need property manager.

SHARON JENKINS, a REALTOR® with Avalor Highland Lakes Realty in Marble Falls who earned the Resort and Second-Home Property Specialist (RSPS) certification, works almost exclusively with resort properties and second homes. Contact her at 830-220-3497.

HOW RPR CAN HELP NEW AGENTS WITH MARKETING

You build your real estate business by marketing, showcasing your professionalism, impressing buyers, and nailing listing presentations. Here are ways REALTORS® Property Resource (RPR), a member benefit from NAR, helps you achieve those goals. Learn more about RPR at blog.narrpr.com.

Easily create impressive reports

You can create colorful, client-friendly real estate reports with RPR. RPR allows you to brand reports with your name, photo, brokerage, and contact information. You can even add your own pages, such as testimonials, sales history, and your biography. The reports you create can be texted, emailed, or printed from your computer, smartphone, or tablet.

Access trusted data and high-quality tools on-the-go

With the RPR app, you have exclusive access to accurate property data and reports that improve your productivity wherever you are. With the free app, you can instantly view on- and off-market properties, leases, valuations, tax and mortgage info, distressed data, flood zones, mapping, demographics, schools, neighborhoods and market trends—all from your iOS or Android device.

Use pricing precision to nail your listing presentation

Pricing a potential listing with precision is the key to a successful listing presentation. Sellers want to know you've got a keen sense of the market, including expertise in determining value.

What makes RPR's comp analysis tool stand out is its exclusive REALTOR® Valuation Model and refinement tools. As the only REALTOR®-owned automated valuation product, the RVM goes beyond the traditional AVM by incorporating listing and sales data from the MLS into the equation.

RPR's comp analysis tool also allows agents to refine the value of a property by adjusting its basic facts, calculating the return on home improvements, and altering the price to reflect needed improvements.

Take all of this data and put it into RPR's professional-quality Seller's Report, which includes your customized report cover, details of the subject property, local market conditions, side-by-side property comparisons, a pricing strategy, and a worksheet for estimated seller proceeds.

Want to earn the Resort and Second-Home Property Specialist certification?

Be better equipped to handle the resort and second-home market with the RSPS certification from NAR.

1. Complete the "Resort and Second Home Markets (RSPS)" course—look for it in the course search at texasrealestate.com.
2. Go to nar.realtor/education/designations-and-certifications/rsps-certification.
3. View the three 1-hour webinars accessible via that page.
4. Submit the certification using [link on that webpage](#).

Owners reap the dividends.

More than \$1 Billion returned since 2004.

When you borrow from Capital Farm Credit, you become something special — one of our owners. That means when our borrower-owned cooperative has surplus earnings, you get your share through our patronage dividend program. Based on our strong financial performance, our board of directors declared a record **\$184.3 million** in patronage on our 2018 earnings. This return effectively lowers your cost of borrowing, so partner with a lender that really pays.

2019 Patronage Declaration:

\$87.5 Million in Cash

\$96.8 Million in Allocated Equities

\$184.3 MILLION TOTAL



Together we're better.
Partnership that really pays.



capitalfarmcredit.com | 877.944.5500
NMLS493828

LEGAL & ETHICS



THE FALLOUT OF BAD ADVICE

by Chad Wenzelspratt and Lee Santos

There are risks associated with giving advice beyond what you are licensed to do. Here is a real-life case study of a real estate agent who experienced the legal consequences of practicing outside of his specialty.

Agent sued for providing legal advice without a license

A real estate agent was working with buyers in the market for a home in a wooded, suburban setting. The buyers visited numerous properties and eventually entered into a purchase agreement in a subdivision subject to restrictive covenants, conditions, easements, and limitations. The property closed two months later.

While reviewing the restrictive covenants with his clients prior to the sale, the agent misinterpreted the covenants and determined it would be okay to remove the trees. After the buyers

moved in, they immediately cut down a buffer of trees near the rear of the property to improve their view of the nearby mountain.

The mistake

The homeowners association had restrictive covenants requiring written approval by the board for the removal of certain vegetation. After the homeowners cut the trees, the adjacent neighbors filed an emergency Motion for Temporary Injunction with the court asking to instruct the buyers to cease and desist from further removal of the trees and declare they failed to comply with the restrictive covenants.

The consequence

The buyers sued the real estate agent in response, alleging he provided legal advice without a license and breached the standard of care owed by a real estate professional.

They also alleged that he failed to recommend a consultation with a real estate attorney. When the agent admitted to his broker that he committed an error in judgment, the lawsuit was resolved for the cost of replanting new trees and a payment to both his clients and neighbors who later claimed diminution of property value.

Avoid the same trouble

Real estate agents or brokers who give legal advice may be sued for their actions. While you can complete the blanks of a preprinted sales agreement, you may neither draft your own documents nor give legal advice.

CHAD WENZELSPRATT, CIC, is a senior account executive for Pearl Insurance, a Texas REALTORS® errors and omissions risk-management partner. **LEE SANTOS** is senior claim specialist-director of account management at XL Catlin.

Your forms

The *Residential Listing Checklist* (TXR 1415) is a tool you can use as a guide when taking a listing. This two-page document includes dozens of actions you may need to complete, like getting applicable forms signed, obtaining information from the seller, and delivering information to the seller. The form makes it easy to check off items you have completed—or mark them as not applicable—and write additional notes about each step. The *Residential Listing Checklist* also serves as a record of completion of those matters. The form is a working document for agents and brokers; it is not designed to be provided to your customers or clients.

This form is one of more than 130 available only to members of Texas REALTORS®. Access all your forms through zipForm or at texasrealestate.com/realtorforms.



CAN I USE THAT LISTING PHOTO?



My sellers hired a photographer to take professional photos of their property. The photographer provided multiple shots of their backyard pool and landscaping, but together we selected only one for the property's marketing materials and the MLS. I'd like to use one of the extra photos for my business's marketing materials. Since it's my listing, can I use the photo and credit the photographer?

NO. Your sellers hired the photographer to take listing photos and they are the ones who entered into an agreement with the photographer. Merely crediting the copyright owner does not protect you from a copyright infringement claim.

Through their agreement with the photographer, your sellers may own the photographs outright or simply have rights to use the photos for marketing the property.

Talk to your sellers. If your sellers own the photos, you should ask them for permission to use one in your marketing materials. But if they only have rights to use the photographs, you should contact the photographer directly. In both scenarios, you should get permission in writing and ensure it allows you to use the photograph in the way you want.

Ethics

HOW TO AVOID A VIOLATION WHEN ADVERTISING RECENTLY SOLD LISTINGS



The Code of Ethics provides that only the listing broker or cooperating broker in a transaction may claim to have sold the property. This restriction is relevant if you want to provide information in marketing materials, newsletters, or other communications about recently sold properties for which you were *not* the listing or cooperating broker.

NAR's Code of Ethics and Arbitration Manual contains two case studies that relate to this issue. In one case study, the hearing panel found the REALTOR® to have violated Standard of Practice 12-7; in the other, the hearing panel found no violation.

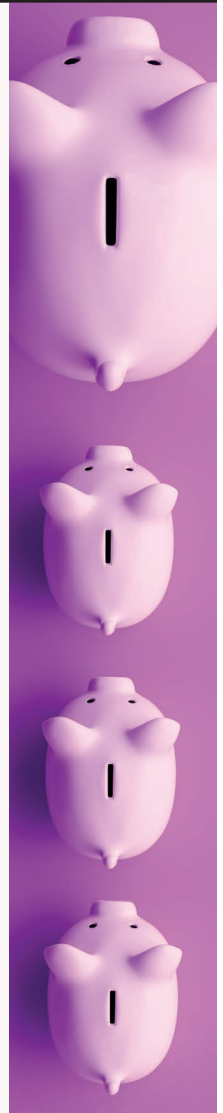
The biggest difference in the two case studies? The REALTOR® found in violation of the Code had simply labeled the properties as recently sold, which the hearing panel concluded had the effect of conveying the impression that the REALTOR® had listed and/or sold the properties when he had not. In contrast, the REALTOR® found to not be in violation included a footnote that the recently sold properties had been listed by various participants in the MLS.

Keep in mind that in any ethics hearing, the hearing panel reviews all the facts to determine whether there is a violation. Also note that your MLS may have rules that affect what participants can and can't say about sold properties.

Contract Close-Up

WHO GETS THE SECURITY DEPOSIT?

When multiple tenants are listed on a lease, there can be confusion about who is entitled to the security deposit. Paragraph 10C of the *Residential Lease* (TXR 2001) states that any refund of the security deposit will be made payable to all tenants named in the lease. Tenants should also remember that they must give their landlord at least 30 days written notice of surrender before the landlord is obligated to refund the security deposit.



DOES THE AESTHETIC IMPACT OF WIND TURBINES CONSTITUTE A NUISANCE?

by **Tiffany Dowell Lashmet**



Wind turbines are a common sight across Texas. In fact, Texas is the largest wind-energy producing state in America. In 2017, the number of megawatts produced by Texas wind farms surpassed the number of megawatts of energy produced by Texas coal plants. However, not everyone is a fan of wind farms or the look of the wind turbines dotting the skyline across the Lone Star State. This has led to an interesting question: Can claimed negative aesthetic impact of a wind project by a neighboring landowner constitute a nuisance under Texas law?

Basic Texas nuisance law

A nuisance is defined as a “condition that substantially interferes with the use and enjoyment of land by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities.” Generally, nuisance lawsuits involve invasion of a plaintiff’s property by light, sound, odor, or other foreign substance. For example, nuisance claims have arisen related to odors from a neighboring feedlot and noise from a propane cannon shot off in a grain field to deter feral hogs.

Rankin v. FPL Energy, LLC

The leading case on this issue occurred here in Texas, decided by the Eastland Court of Appeals in 2009. In *Rankin v. FPL Energy, LLC*, neighbors of the Horse Hollow Wind Farm in Taylor County filed a lawsuit against the farm claiming it constituted a nuisance. The plaintiffs’ key claim was that

the “wind farm’s aesthetic impact” and the emotional impact of the loss of the unimpeded view for neighboring landowners was a condition worthy of consideration by a jury.

The plaintiffs claimed that the 400-foot-tall turbines significantly diminished the area’s scenic beauty and, therefore, the enjoyment of their property. One plaintiff claimed that because of the view of the wind farm, they abandoned their plan of opening a bed and breakfast.

The court rejected the plaintiffs’ argument that the aesthetic impact created a nuisance. Although the court recognized the wind farm’s impact on the view and the emotional reaction this could cause, it simply did not constitute a nuisance. Texas case law limits a nuisance action “when the challenged activity is lawful to instances in which the activity results in some invasion of the plaintiff’s property and by not allowing recovery for emotional reaction alone.” Thus, Texas courts do not provide a nuisance action for damage to aesthetic impact.

Takeaways

This case is a good reminder that the nuisance doctrine exists and is something all landowners should know about. Generally, a person has the right to do what he or she wants on his or her own property, but that right could be limited in the event that it substantially interferes with others’ use and enjoyment of their property.

The fact that Texas

law does not recognize a nuisance claim against a wind company related to aesthetic impact does not prohibit all nuisance claims. For example, claims related to noise or light could still potentially be available to a landowner neighboring a wind farm. Courts in West Virginia and New Jersey have allowed nuisance claims related to noise from neighboring wind turbines.

Indeed, in *Rankin* and in subsequent cases, nuisance claims have been filed against wind farms for the noise caused by the turbines when the wind is blowing, the blinking red lights emanating from the turbines, and the shadow flicker effect of the turning blades. Although the aesthetic claims were dismissed by the court in the *Rankin* case, these other claims were allowed to proceed to trial.

When negotiating a wind lease (or a solar lease), a landowner may want to seek indemnity from the company in the event this type of lawsuit is filed and the landowner is named as a defendant as well. As we see additional wind farms being built, particularly near more urban areas, the chances of a nuisance lawsuit being filed will likely increase and a landowner could potentially be named as a defendant in this type of case.

TIFFANY DOWELL LASHMET

is assistant professor and extension specialist with the Texas A&M AgriLife Extension. She specializes in agricultural law and blogs about legal issues related to Texas land at agrilife.org/texasaglaw.

WHEN TIME OF DAY IS NOT SPECIFIED IN A CONTRACT DEADLINE

We often receive calls asking when a time period expires or notice must be given if the contract does not explicitly state a time.

Where no time is stated in a contract, the deadline for giving notice or expiration of a time period is at 11:59 p.m. on the date stated in the contract. For example, if the contract requires a *Seller's Disclosure Notice* (TXR 1406) to be delivered within 10 days after the effective date, the deadline to do so would be 11:59 p.m. on the 10th day after the effective date.

Similarly, if a lease expires on April 15, the tenant would have until 11:59 p.m. on April 15 to move out of the premises.

Alternatively, a deadline that includes a time must be strictly followed. For example, the *One to Four Family Residential Contract (Resale)* (TXR 1601) requires a buyer to provide a termination notice under Paragraph 23 by 5 p.m. of the agreed upon date to terminate the contract.

Traci Jackson, associate counsel



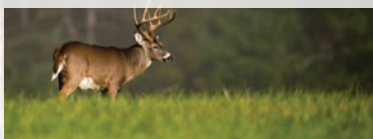
All times mentioned above are the local time where the property is located.

SELL MORE HUNTING PROPERTY

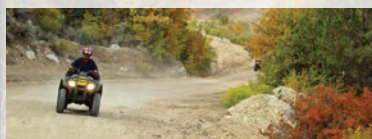


REALTREE
UNITED COUNTRY
HUNTING PROPERTIES

Over \$3 Billion in Hunting Property Sales



Over \$3.8 Billion in Recreational Sales



Over \$10 Billion in Land Sold



**Companywide sales from 2017-2018*

Realtree United Country Hunting Properties™ combines the largest camouflage and hunting information company with the nation's leading hunting and lifestyle real estate company to provide a level of expertise, support, knowledge and an extensive advertising reach that is simply unmatched in the hunting world.

Don't miss your shot to become a Land Pro member and sell more hunting property nationwide.
844.415.8959 | JoinUs@UnitedCountry.com | GrowWithUC.com | RealtreeUC.com

DON'T GET

STUCK

“If the sales market slows up, we’ll always have leasing and other options to fall back on.”

—Brad Pauly



Before the national housing bubble burst in 2008, Pauly Presley Realty in Austin was doing pretty well for itself in a specialized niche: condo development representation. Operating since 2005, the company was funneling most its efforts into a market that was “all the rage at the time,” says Brad Pauly, broker-owner. “But after 2008, selling any type of condos became really tough. The market basically collapsed.”

Licensed as a salesperson since 1999, Pauly got his broker’s license four years later. It took just a few years for Pauly to learn what would become his most valuable business lesson to date: Don’t ever pigeonhole yourself into one category of real estate. “We really dedicated ourselves to one aspect of the industry. When that business went away, making money became extremely difficult,” Pauly recalls. “For a couple of years, it was hard just keeping the lights on.”

Fortunately, Pauly wasn’t ready to give up just because the company had narrowed its focus a little too tightly. In 2010, he restructured the company in a way that would not only help it get out of the red, but that would also ensure its longevity through the *next* downturn. Along with diversifying into other housing sectors and adding more versatile agents to its team, for example, the company added a leasing division.

To new brokers who may be tempted to focus on one or two narrowly focused markets, this seasoned broker recommends being well-versed in a number of different ways to make money in the industry. “If the sales market slows up, we’ll always have

AT

K

Texas brokers reflect on their rookie mistakes, where they went right, and how new brokers and team leaders can set out on their own success paths.

by **Bridget McCrea**

leasing and other options to fall back on,” says Pauly. “And while the market downturn hasn’t happened, if and when it does, we think we’re well-prepared to weather it.”

Here are additional business strategies and advice that seasoned Texas brokers wish they’d known as rookies.

DON'T TRY TO BE THE ROCK STAR

Nick Good is the first to admit that when he started building out his team, he wanted to be the rock star. All roads would start and end with him, and he’d be the center of the show. Looking back, the associate broker for The Good Home Team at Keller Williams Realty Dallas says that probably wasn’t a very good go-to-market strategy. “My team was a ‘selfish team’ in the beginning,” says Good, who was licensed in 2006 and joined the brokerage in 2007. “Everything was designed and centered to be around me.” All agents, for example, were buyer’s agents, with Good as the sole listing specialist on the team. “If you handed a seller over to me, you didn’t get paid off of

that deal,” says Good. Because his agents weren’t making enough money, turnover was high. That changed in 2014, when Good completely revamped his business model in the interest of fairness—something he says all new brokers need to be thinking about. “Make sure you compensate your agents fairly, and that you set them up for success,” he advises. Today, the Good Team’s 12 agents have unlimited growth opportunities and income potential, he says, where before they were limited by the number of buyers that they could work with at any given time.

GET YOUR BACK OFFICE IN ORDER FIRST

It can be tempting for new brokers to dive into the real estate business and start listing and selling without establishing the systems, platforms, and policies needed to support those operations. But laying the groundwork for your brokerage is one step that Steve Stovall, owner of Stovall, REALTORS® in Abilene, considers mandatory for all new brokers. It can be a daunting task for an independent broker who

Make sure you compensate your agents fairly and that you set them up for success.

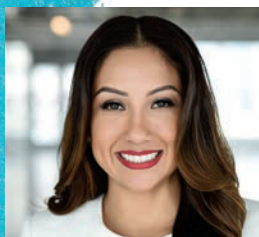
—Nick Good



Paint Images: © R. Gino Santa Maria - stock.adobe.com

Just like you would do with a new relationship, set some time parameters around just how much you're going to put into this new venture,"

—Nancy Almodovar



can't tap into a franchise's systems.

Stovall started his own company 10 years ago after managing another company for 14 years, and says establishing back-office systems was one of his earlier challenges. "What I worried most about when I started in this business was systems, including payroll, accounting, contract flow, and other back-office operations," Stovall says. "I also knew that I didn't really want a franchise; I wanted to be independent." To get the ball rolling, Stovall researched the basics of setting up systems and talked to other brokers about how they did it. The process wasn't nearly as onerous as he thought it would be.

Stovall encourages new brokers to put in the time and effort into their back-office systems first, before business picks up and they get too busy to deal with it. "Once the systems are in place, you can always adjust them if they're not working well," says Stovall. "The important thing is to get started."

MAKE YOUR AGENTS YOUR NEW "CLIENTS"

In real estate for 10 years, LaTisha Grant got her broker's license two years after earning her salesperson's license (which was allowed at the time) and began managing an office and agents soon after. What she didn't realize was that this transition would shift her customer base from buyers and sellers to agents. "My new clients were my agents," says Grant, who heads up the 14-agent TAS Realty Group in Houston. "I realized that my value proposition had to be dedicated to those agents."

That realization took some time to

come about, especially since Grant was helping grow a new practice that had only a few agents at the time. She says everything she'd been doing for the previous 24 months for her buyers and sellers now had to be transferred over to her agents. Instead, Grant says she should have been focused on ensuring that her agents fully understood how to represent their own buyers and sellers. "If I'd thought about this when I first started as a broker, I think I would have done things differently," she recalls. "At the time, I was really caught up in making sure my buyers and sellers were taken care of."

Along the way, Grant says she's also learned the value of forming close, personal relationships with all of TAS Realty Group's agents, both in and out of work. Every Monday the team holds a "power call" on Zoom so that all agents can participate from anywhere. They also get together outside of work and go to the movies or have dinner as a group. "From the broker's perspective," she says, "know-

ing each one of our agents independently and individually has, I feel, been more successful than any other strategy."

To newer brokers, Grant says "don't be so hard on yourself," and embrace the strategies and solutions that work best for you and your company. "This is a business where people tend to struggle with trying to be everything to everyone," she says. "That's impossible. Instead, figure out who you are as a broker, and the role that you want to play, and the right agents will come along."

BEWARE TOO MANY CHEFS IN THE KITCHEN

Good thought he had an excellent idea when he partnered with his brother, Austin Good, to start The Good Home Team in 2009. They paid themselves about \$500 a month and reinvested all of their early commission checks into their new business venture. Early in the game, they realized that having two chefs in the kitchen was not a recipe for success.

In fact, the two brothers found themselves stepping on each other's toes and not making the kind of progress they'd envisioned when they joined forces. Rather than go their separate ways, the Goods sat down and came up with a plan to add an investment division to their existing residential brokerage activities. Today, Austin and Nick Good own over \$70 million in real estate investment holdings. "Austin built that out from scratch while I ran The Nick Good Team," says Good. "I don't mess around on the investment side of the business, and he doesn't mess around on the residential side. It works out perfectly."

CHANNEL YOUR EFFORTS

When Nancy Almodovar decided to start her own brokerage in 2014, she didn't know she'd be making the choice between managing an office and listing and selling property. "No one told me that I'd be handing off my sales hat and that, as a successful bro-



Develop some written policies and try not to deviate from them, but remember that you also have to be flexible when it does make sense.

—Steve Stovall

ker, you really can't sell and run a company at the same time," says Almodovar, broker at Nan and Company Properties/Christie's International Real Estate in Houston. "Everyone sugarcoats it and makes it look easy."

Licensed since 2004 and a broker since 2012, Almodovar initially tried to bridge both worlds. She soon learned that competing with her own agents wasn't a success strategy for her as a broker. "As soon as I stopped competing with them for business, my team started growing and achieving more success," says Almodovar, who refers nearly all of her listing and buyer business out to her team of 50 full-time agents.

To new brokers, Almodovar advises focusing your energy on being a broker and starting a business. And if two years down the road, the business isn't living up to expectations, it may be time to try something else. "Just like you would do with a new relationship, set some time parameters around just how much you're going to put into this new venture," says Almodovar, who feels that the transition from sales agent to broker-owner is often made to look easy for people who don't know the ins and outs of the brokerage business.

"Not everyone gets to see what goes on behind the scenes here," says Almodovar, who spent two years getting the right systems and technology in place before opening the doors to Nan and Company. "Organization is everything, so have a plan, goals, and systems in place. Then, in two years, evaluate where you're at and go from there."

DON'T TRY TO SCRIMP YOUR WAY TO PROSPERITY

Bootstrapping is a common business startup approach. But getting the job done with limited, existing resources doesn't necessarily translate well in the real estate brokerage business. Agents need office supplies, equipment, technology, and other resources in order to run their own businesses. "I learned early on that you can't be a penny pincher," says Stovall. "If you're too rigid about spending and resources, you're going to run people off."

Stovall adds that he erred on both sides of that equation as a new broker. "If you're too loose, then people will run right over you." In some instances, Stovall says he gave away too much. In others, he pinched his pennies just a little too hard. "When I was first starting out as a broker, I did everything by the book," he recalls, "not always realizing that you have to be flexible with your policies." For example, Stovall says brokers need to be extremely careful about the deals that they strike with individual agents—namely those who think they're more valuable than the next agent. Rather than caving in to requests like higher commission splits for agents who close more deals, brokers should use quantifiable milestones to create arrangements that are fair to the entire team. "Develop some written policies and try not to deviate from them," says Stovall, "but remember that you also have to be flexible when it does make sense."

GET READY TO BE HANDS-ON

No one wants to be known as a broker who's always looking over agents' shoulders to make sure everything is being done right—but sometimes a broker has to be hands-on. "If an agent wants or needs me to be involved in the transaction, I don't mind jumping in and getting my hands dirty," says Stovall. "A broker has a responsibility to supervise his or her agents, and that means helping them through difficult transactions ... sometimes talking directly to the clients and other brokers."

Other hats that new brokers can expect to wear include trainer and coach. "You really have to be able to achieve a balance across all of those titles—something that's not always

Knowing each one of our agents independently and individually has been more successful than any other strategy.

—LaTisha Grant



easy to do in a world where agents operate independently and have a lot of autonomy," says Stovall, who admits that he leans toward being a more "hands-off" broker-manager. Today, to put himself into more of a trainer role, Stovall holds training meetings every Thursday morning. While he knows that life can get in the way of attendance, he says agents appreciate the extra education and support. "This is just one way to achieve the multi-hat balancing act," he notes.

BRIDGET MCCREA is a writer and former real estate agent in Florida who has written for Texas REALTOR® and many other REALTOR® and business publications.





TUESDAY, MARCH 26 WAS A MONUMENTAL DAY FOR TEXAS REALTORS®.

Close to 3,000 REALTORS®—our highest attendance ever—converged in Austin to advocate for private property rights and the real estate industry during REALTOR® Day at the Texas Capitol.

REALTORS® from every region of Texas had appointments with all 181 members of the Texas Legislature.

Every meeting was an opportunity to educate lawmakers on our legislative priorities, such as property tax and school finance reform, ending forced municipal annexation, and supporting disaster relief and response.

Check out the #RealtorDay hashtag on Twitter and Instagram to see hundreds of posts from the day, includ-

YOUR GRASSROOTS EFFORTS IN

Spectrum News, March 25, 2019

“Thousands of Texas REALTORS® will flood the halls of the Capitol Tuesday to ensure Texas remains a place people can buy, sell, lease and own property.”

Austin Business Journal, March 28, 2019

3,000 REALTORS® trek to Texas Capitol to beat back property taxes

ing from lawmakers themselves sharing how much they appreciate visiting with REALTORS® from their districts.

Your association was also honored with resolutions in the Senate and House of Representatives, officially recognizing March 26, 2019, as REALTOR® Day at the Texas Capitol and congratulating the association on our upcoming 100th anniversary in 2020.

Senators and representatives called on the REALTORS® from their respective districts seated in the galleries to stand and be recognized when the resolutions were read.

Attendees also participated in an open house at the Texas REALTORS® headquarters, located across the street from the state Capitol. The event featured interactive exhibits, education about member benefits, and photo ops to share Texas REALTOR® pride.

This grassroots event organized every legislative session is the cornerstone of Texas REALTORS® advocacy ... and your participation helps ensure we protect your industry.

BY THE NUMBERS

- Meetings were scheduled with all **181** lawmakers
- All **16** Texas REALTORS® regions were represented
- **56** local associations brought members to the Capitol
- The REALTOR® Day website had more than **16,000** pageviews during the week
- ... and Bert's BBQ served **90** briskets and **300+** pounds of sausage for lunch!





[1]



[2]



SROOTS N ACTION



[3]



[4]

[1]: Texas REALTORS® enjoyed a barbecue lunch at the association headquarters.

[2]: Sen. Paul Bettencourt spoke with members of the Houston Association of REALTORS®.

[3]: REALTORS® from Texas Senate District 24 met with Sen. Dawn Buckingham.

[4]: Members of the MetroTex Association of REALTORS® heard from Sen. Royce West.

[5]: Rep. Todd Hunter met with members of the Corpus Christi Association of REALTORS®.

[6]: REALTORS® from Texas House District 12 discussed real estate issues with Rep. Kyle Kacal.

See more photos from REALTOR® Day at [flickr.com/txrealtors](https://www.flickr.com/txrealtors)



[6]

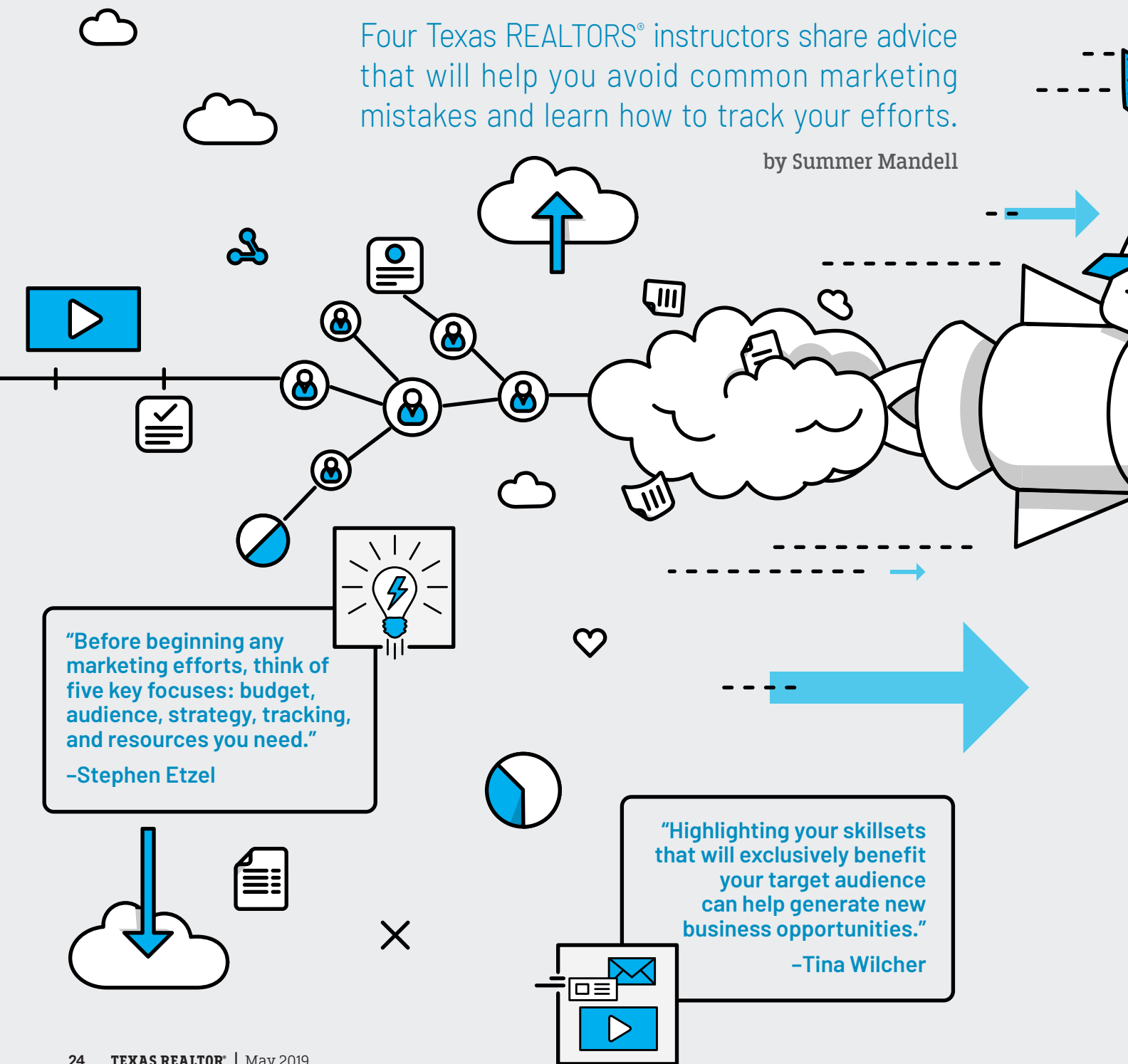


[5]

SECRETS TO MARKETING SUCCESS

Four Texas REALTORS® instructors share advice that will help you avoid common marketing mistakes and learn how to track your efforts.

by Summer Mandell

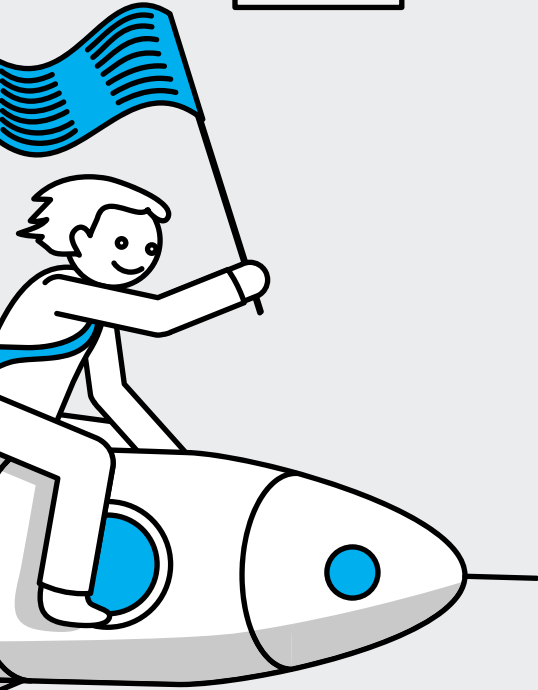


"Before beginning any marketing efforts, think of five key focuses: budget, audience, strategy, tracking, and resources you need."
-Stephen Etzel

"Highlighting your skillsets that will exclusively benefit your target audience can help generate new business opportunities."
-Tina Wilcher

"Tracking conversions is the best way to measure the success level of your marketing campaign."

-Robbie English



What do songwriters, sculptors, and marketers have in common? For Robbie English, they all make forms of art.

"The art of marketing is not for the faint of heart. Many REALTORS® do not understand what it takes to plan and implement a true marketing strategy," says English, a Texas REALTORS® instructor whose courses include Real Estate Marketing Reboot.

English says REALTORS® who are successful at marketing are those who take the time to identify their target audience, implement a process and make a plan, and follow it.

Stephen Etzel, a Texas REALTORS® instructor whose courses include GRI Marketing and REALTOR® Launch, says the biggest mistakes he sees REALTORS® make are not having a plan of action and goals. "Before beginning any marketing efforts, think of five key focuses: budget, audience, strategy, tracking, and resources you need."

BUILD THE RIGHT BUDGET

If you're not thinking strategically about your budget, you will waste time on efforts that bring lower returns. Amy Smythe-Harris, a Texas REALTORS® instructor who teaches REALTOR® Launch and GRI Marketing, says it's important to review your marketing campaign, business plan, and budget in tandem to determine where to best invest your money.

"Mailings for *just listed* and *just sold*, or geographic or economic farm areas may fit your business strategy, but make sure you are weighing the cost of producing and mailing them with being able to track the results," says Smythe-Harris. "Social media marketing is popular, but do your research! It needs to be the right fit to further your business goals."

Smythe-Harris also suggests knowing when it's worth your budget to outsource certain tasks. "Like a lot of other REALTORS®, you may not feel comfortable having someone else do things on your behalf. I have found it beneficial for my practice to outsource certain things that I could do but would take time away from prospecting or marketing."

For instance, Etzel says he often sees REALTORS® try to save money by building their own website, especially since it's become easier to do. "There is more to a site than looks," he says. "Hiring a professional to create and market your site could free up your time to focus on other tasks to generate income."

KNOW YOUR AUDIENCE

Etzel says it's important to know your target market and understand the tools they use. While direct mail may work in certain farm areas, you may need to create an online marketing campaign to reach an audience of those ages 24 to 40.

He also sees agents overlook opportunities to market to local consumers and emphasize their local knowledge. "National marketing does have advantages, but most consumers searching for a home want to work with an area specialist."

Tina Wilcher, an instructor for courses including Communicating Your Worth to Buyers and Sellers and REALTOR® Launch, says all agents should know their value proposition, or what skills they bring to the table. "Things of value that agents offer to clients are knowledge of contracts, awareness of market conditions, access to properties, and most important, negotiation skills. Highlighting your skillsets that will exclusively benefit your target audience can help generate new business opportunities," she says.

TRACK YOUR EFFORTS

"Tracking conversions is the best way to measure the success level of your marketing campaign," says English. "While we initially want to inspire consumers to respond, once they have, we need to develop a relationship with the leads to create trust, value, and enhance their ability to remember us above all other similar marketers."

Etzel suggests asking those who call, email, or text you how they found you. And for online activity, Smythe-Harris recommends using social media trackers such as Twitter Counter, Facebook Analytics, and Google Analytics to help you determine what type of content is most engaging to your followers.

DON'T LOSE SIGHT OF WHAT WORKS

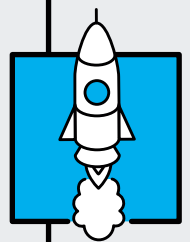
Many REALTORS® have found success using online tools to broaden their marketing reach. For instance, Etzel says he's seen success when REALTORS® offer opportunities for consumers to be included in marketing efforts, like a starring role in a YouTube video.

But Wilcher says although social media marketing has skyrocketed, there is still value in word-of-mouth marketing. "NAR research shows that many consumers find both their REALTOR® and property online. For this reason, many agents have given up on traditional word-of-mouth marketing," says Wilcher. "However, I find that one of the most effective marketing strategies is personal referrals. People seem to have confidence and place trust in a REALTOR® who someone they know, like, and trust has referred them to."

SUMMER MANDELL is managing editor of *Texas REALTOR®*.

"Social media marketing is popular, but do your research! It needs to be the right fit to further your business goals."

-Amy Smythe-Harris



Attend the 2019 Texas REALTORS® Conference September 12-15

Fort Worth Convention Center

Four packed days of conference events featuring:



Keynote speaker Walter Bond. After playing pro basketball for eight years, this best-selling author took his message to a different arena where he teaches that success is possible in spite of adversity.



One-day-only Trade Expo on Sept. 14. Visit over 150 vendors exhibiting the latest real estate products and services.



Over 40 hours of CE. Get credit while learning from top notch instructors.



SHARE THIS

Help clients better understand real estate transactions by giving them this information. Download a PDF of this page at texasrealestate.com/sharethis.

WHAT'S A SELLER'S DISCLOSURE?

In many residential sales, sellers are required to provide information about the condition of the property, which benefits the buyer and seller.



IT'S REQUIRED BY TEXAS LAW

Sellers of a single-unit residential property are required to provide a seller's disclosure notice to a buyer. The notice details what the sellers know about the property at the time they complete and sign the notice. You'll see more than one version of the notice. The Texas Real Estate Commission has one, which meets the law's minimum requirements, and Texas REALTORS® has one, which provides more information for buyers and serves as a risk-reduction tool for sellers.

WHAT'S IN THE NOTICE?

The five-page Texas REALTORS® *Seller's Disclosure Notice* covers a wide range of topics. It asks sellers to list the appliances and systems in the property, current defects, past insurance claims, past inspection reports, and other conditions of the property.

HOW IT HELPS SELLERS

The notice provides sellers a place to document and share their knowledge of a property and can reduce sellers' risk of being sued. If a buyer claims after closing that he didn't know about previous termite damage, the sellers can point to Section 3 of the notice where they indicated the termite damage—assuming the sellers filled out the notice correctly.

HOW IT HELPS BUYERS

It's impossible to foresee a house's every potential problem. A disclosure notice that details known conditions and defects can help provide a more complete picture of a property. Buyers may, for example, learn that a house has well water, plumbing problems, and aluminum wiring. That information can be used for inspections to further understand the extent of any issues.

Need help understanding the seller's disclosure or other aspects of a real estate transaction? Talk to your REALTOR®.

TAKE 5

GET MORE FROM YOUR DESIGNATIONS

Earning a designation or certification is a great way to learn more about different aspects of the real estate industry. Here's how to ensure you and your clients receive the most benefit from your designations.

DON'T DEPEND ON ACRONYMS

A list of letters after your name won't mean much to most people. Use the full name of the designation where you can. For designation names that don't clearly describe what they represent, a short explanation is valuable.

GET FOUND

Make sure your designation information is up to date in REALTOR® searches and other listings where people search for agents.

MARKET YOUR HIGHER LEVEL OF KNOWLEDGE AND SKILL

Detail in your marketing materials and in person how much training you took and how that knowledge translates to better results for your clients. If your designation is not widely held, mention that, too.

USE WHAT YOU LEARNED

Even if you earned the designation years ago, you can review course materials, access online discussion groups, read magazines and emails, and find other ways to continue to benefit.

MINE REFERRALS

Some designations have a formal process to give and receive referrals. For those that don't, you can attend events to network with designees from outside your market.

BONUS TIP:

New members of Texas REALTORS® get a \$50 discount off of a Graduate, REALTOR® Institute (GRI) class valid for the first two years of membership. Visit texasrealestate.com/gri for more information.



Lead the way. Earn your PSA.

Take the guesswork out of pricing homes.

Whether you've been a REALTOR® for years or just listed your first house, it's essential to price homes accurately. Now is the time to master this essential skill by becoming a Pricing Strategy Advisor (PSA).

This certification will make you an invaluable resource for your clients by:

- Creating Comparative Market Analyses (CMAs)
- Working with appraisers
- Using the latest technology
- Addressing home pricing misperceptions

Determine a home pricing strategy with confidence. Learn the skills that result in accurate prices.

Learn more at PricingStrategyAdvisor.org.



PROPERTY TAX “WORRIES”?



DEADLINE AHEAD!!!

**YOU ONLY HAVE A LIMITED TIME TO
REDUCE YOUR REAL AND
PERSONAL PROPERTY TAXES.**

**THE LAST DATE TO FILE
A PROTEST OF VALUE – MAY 15***

Texas Property Tax Consultants, Inc., is a professional property tax consulting firm with the simple goal of reducing your tax payments. Through our careful planning, evaluation, and presentation of appeals, we have saved property owners thousands of dollars. Every analysis is backed by years of successful, aggressive property tax appeals. TAX REFUNDS may also be available, so call today.

**THERE IS NO CHARGE FOR
OUR SERVICES UNLESS
WE ARE ABLE
TO REDUCE YOUR TAXES!**



CALL ME TODAY!

JOHN G. HIRSCHY, MAI, SRA, CCIM

TEXAS PROPERTY TAX CONSULTANTS, INC.

P.O. BOX 2009 • COPPELL, TEXAS 75019-8009

972-304-0909 Ext. 0

Info@PropertyTaxDFW.com

www.PropertyTaxDFW.com

*With exceptions. Texas Property Tax Consultants, Inc. is a wholly owned subsidiary of John G. Hirschy & Associates, Inc. John G. Hirschy, MAI, SRA, CCIM, is highly educated in valuation work, and is acting as a Property Tax Consultant, not an Appraiser, in lowering property taxes. House and building photos are stock images.