



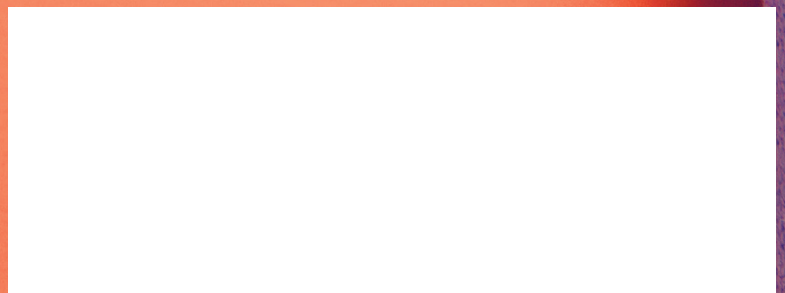
## INTERMEDIARY

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# TEXAS REALTOR®

May 2022-Volume 75-Number 4

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by Joe Olivieri

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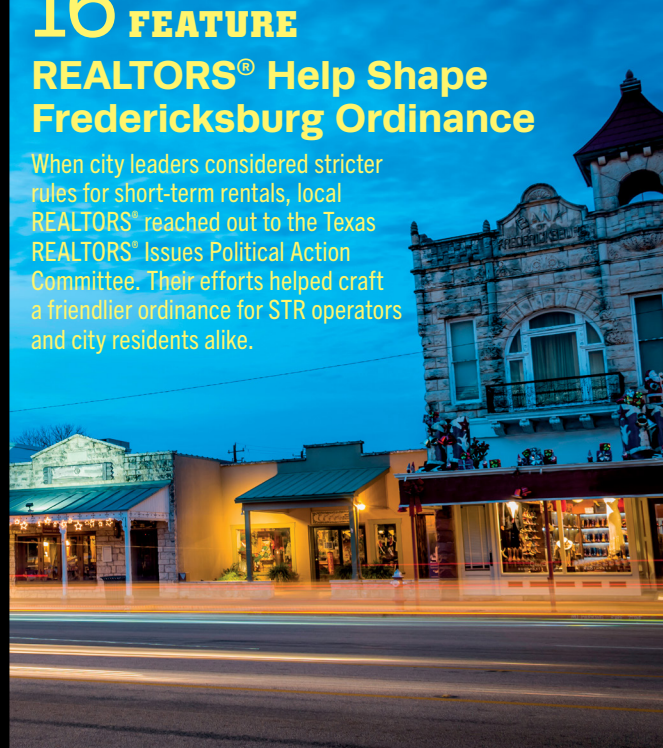
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### REALTORS® Help Shape Fredericksburg Ordinance

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# INSIGHTS



“Our association stays in its lane. We focus on matters related to real estate.”

## Chairman's message

Do you know the Texas REALTORS® position on medical billing practices? No? That's because we don't have one. In fact, there are countless important issues Texas REALTORS® never weighs in on. That's because our association stays in its lane. We focus on matters related to real estate.

As it turns out, our lane is a wide one. Real estate touches many aspects of life. In a typical legislative session, Texas REALTORS® tracks more than 3,000 proposed bills that could affect real estate, property ownership, or our state's business climate. Still, we sometimes hear from members who want the association to take a stand on issues unrelated to our mission. I understand the passion behind those requests. But opening up our advocacy to all topics would be a mistake.

The only way to maintain our role as the most influential, effective force at the Capitol is to focus our efforts. Elected officials know where we're coming from when we support or oppose legislation. They know they can count on us as the foremost authorities on all things related to real estate in Texas. Expanding our public policy positions to all arenas would be the quickest path to diluting our power.

Another way to shoot ourselves in the foot would be to support only one party. Texas REALTORS® has friends on both sides of the aisle. We work with those who best align with our positions on *real estate* issues regardless of party. As I said, we stay in our lane.

Who determines our public policy decisions? You do! REALTORS® serving on the association's public policy committees gather input from members. The committees use that input to formulate association positions and bring them to the Executive Board, which is also made up of members. The Legislative Management Team—more members—administers the legislative process after policy positions are determined. There are public policy committees on taxation, land use, infrastructure, and business issues, plus an oversight committee that coordinates the activity.

You can get involved in the public policy process in many ways. Take part in Texas REALTORS® surveys about your opinions on issues. Come to Texas REALTORS® events and participate in the discussions. If you're interested in serving on a public policy committee—or the other Texas REALTORS® committees—now is the time to apply at [texasrealestate.com/countmein](https://texasrealestate.com/countmein). Get involved at your local association too. Many of our positions take form at the local level.

You also should come to REALTOR® Day at the Texas Capitol next March. It's an energizing day and a fabulous way to see firsthand how our involvement—all while staying in our lane—puts Texas REALTORS® in a position of influence and respect. See you there!

**Russell Berry**

## TACS SCHOLARSHIP RECIPIENTS NAMED



In April, Texas REALTORS® announced the latest recipients of the Texas Accredited Commercial Specialist (TACS) Scholarship. The scholarship aims to increase diversity in commercial real estate services by funding scholarship recipients' completion of the TACS program.

The recipients, and their local associations, are:

- Estefanie Jaime Aufegger, Houston
- Breanne Bell, Houston
- Darius Franklin, Houston
- Michael Galvan, San Antonio
- Marq Haverty, Austin
- Marisa Roberson, MetroTex
- Nicole Rogers, MetroTex
- Benito Sanchez Jr., Greater McAllen
- Sergio Santiago, Arlington
- Dani Ventura, Houston.

The scholarship is valued at approximately \$1,000 and covers program costs for the three TACS courses and certification application fee.

# Why These Members Joined a Committee—And You Should, Too!



Applications are now open to apply for one of the Texas REALTORS® committees that serve you and the association in areas such as housing initiatives, member benefits, professional development, MLS & Technology, and more.

Here, three REALTORS® discuss their committee experience and why you should get involved.



**Elizabeth McCoy**, a sales leader and associated broker for Williams Trew in Fort Worth, has served on the Public Policy Taxation Committee for three

years, where she has gained insight into property taxes and how they have affected her clientele.



**Kendra Norwood** is the owner of RE/MAX Innovations with her husband Devlin Norwood, working out of the Dallas area. She has been a part of multiple committees and has

found you can never stop learning about the real estate profession.



**Adrian Arriaga** is managing director of Sperry Commercial Global Affiliates – The Arriaga Group in McAllen. Arriaga joined the Texas REALTORS®

Commercial Committee in 2018 after serving two stints as president of his local association.

## Why did you initially join a committee?

“I am an education enthusiast, and I believe there is so much to learn and share in committees,” Norwood says. “I have had the opportunity to network with REALTORS® from

across Texas and hear their stories about various aspects of housing. I enjoy hearing other experiences, and it is rewarding being a part of the association’s decision making.”

## What is it like to start serving on a committee?

“It has been great,” McCoy says. “From the beginning, I didn’t feel like I knew everything about the topic, so I spent the first year listening, reading all the materials. The staff is outstanding at educating the committee on issues. When you get involved at the state level, you start to see how the machine really operates effectively and is doing so many good things in advocacy and providing resources to members. There is a lot of value there.”

## How has your time on a committee impacted your business?

“I have been able to take real information back to my agents and talk about the successes Texas REALTORS® has had and what we as an industry have done to better the position of property owners,” McCoy says. “That is real information to take to their clients at a time when the value proposition of REALTORS® is under attack. It is so important that we embrace the work our association is doing and why consumers need to use REALTORS® and value our services.”

## Why should members consider serving on a committee?

We’re 150,000 strong in Texas, and there is a plethora of information and knowledge that we all bring to the table,” Norwood says. “There is a whole host of committees—something will appeal to you in some way. I want that person who is not on a committee yet to know that we need you to get involved, because our association needs you to be a part of the decision making.”

## What has been one of your committee’s accomplishments?

“One positive accomplishment of the Commercial Committee is the new Texas Association Commercial Specialist (TACS) designation,” Arriaga says. “Coming up with that designation was a way for Texas REALTORS® to provide members with the first step into the commercial world.”

## What do you say to members who are on the fence?

“There are so many committee choices for any REALTOR® if you want to be involved,” Arriaga says. “Texas REALTORS® is very inclusive of everybody. If you are willing to volunteer at the state level, I would just say do it.”

## What else should members know?

“Every voice matters, and every person—whether a brand-new REALTOR® or somebody who has been practicing real estate for over 20 years—there is always something to give back,” Norwood says. “The rewards of being involved as a committee member are priceless.”

“Find one thing that you are good at,” Arriaga says. “If you’re a commercial guy like me, hey, commercial is the way to go. If you’re interested in the MLS or technology, then apply for the MLS & Technology Committee—wherever you can bring your expertise.”

“Get involved,” McCoy says. “We have 150,000 members in Texas REALTORS® and are really making an impact in many areas, but we need more volunteers all the time. Your input and experiences are always welcomed and appreciated on a committee.”



**THE DEADLINE TO SUBMIT A COMMITTEE APPLICATION IS JUNE 30. HEAR MORE FROM THESE THREE AND OTHER REALTORS® ON WHY YOU SHOULD SIGN UP FOR A COMMITTEE AT [TEXASREALESTATE.COM/COUNTMEIN](https://www.texasrealestate.com/countmein) AND APPLY TODAY.**

# BUSINESS

## MAKE CONNECTING EASY WITH QR CODES

QR codes (quick response codes) are not new; however, there has been a resurgence in usage since the pandemic began. For example, some restaurants utilize scannable codes for replacing physical menus. Other businesses use QR codes as an easy way for customers to find business hours and special offers. With increased familiarity and ease of use, QR codes can be an inexpensive marketing tool to help drive leads to your real estate business.

### What are QR codes?

QR codes are pixelated images with encoded information. Most iPhones and Androids will automatically read a QR code using the camera feature. A QR reader app might need to be downloaded for older smartphones or tablets.

### How do you create one?

There are several free or low-cost generator tools online, such as QR Tiger ([qrcode-tiger.com](http://qrcode-tiger.com)) or Visualead ([visualead.com/qurify2](http://visualead.com/qurify2)), making it easy to add your URL or message (up to 4,296 characters) into a QR code. In addition, some generators offer more customizable options, such as changing the colors of the QR code to match your branding or adding your logo into the center.

When creating a code, you have two options: static or dynamic. A static QR code is a simple link that cannot be edited or tracked. Dynamic QR codes offer more flexibility. Not only can you change the URL or information after it has been created, but you can also track activity such as the number of scans, timing, location, or device type.

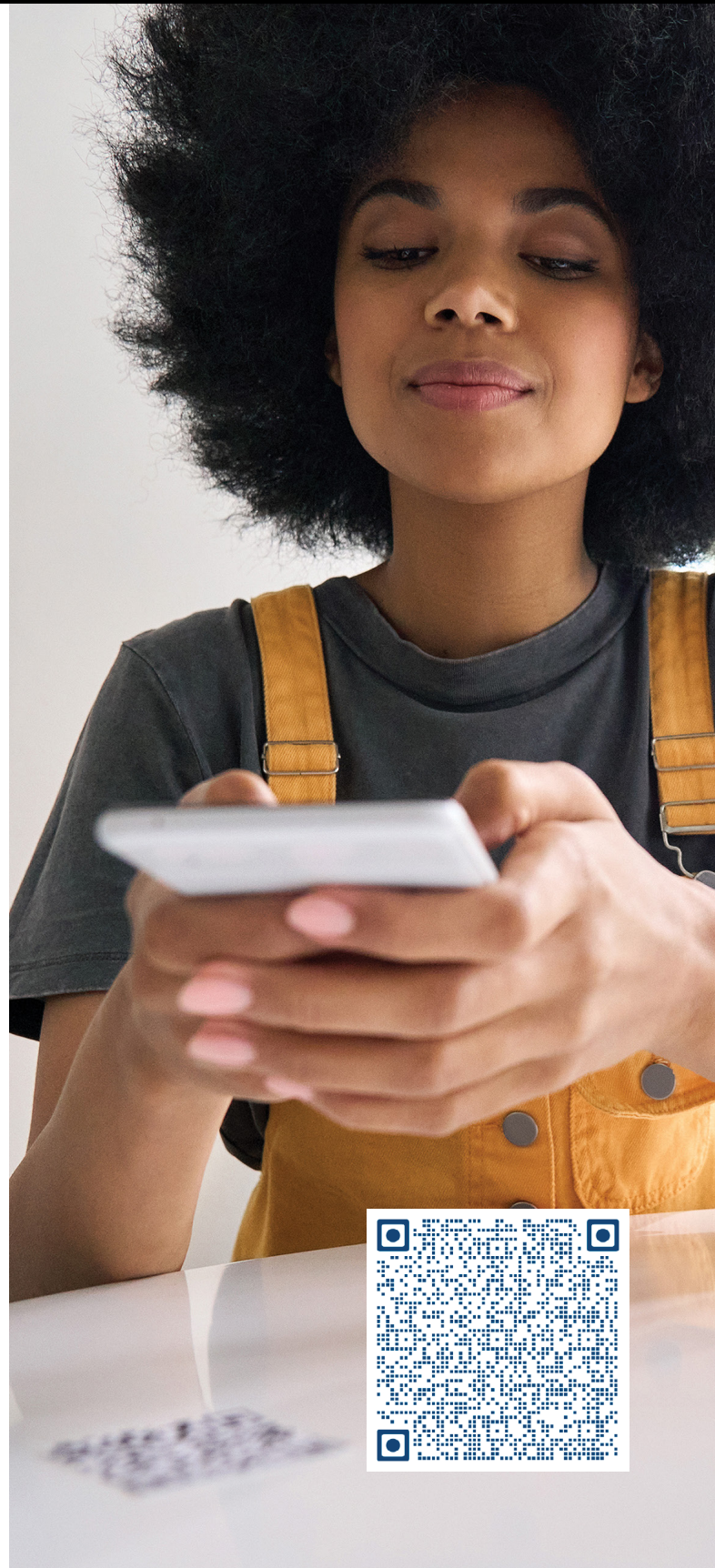
Once created, don't forget to test a QR code before downloading or copying the image into your marketing materials.

### What are ways to use QR codes to capture leads?

Add a QR code on your business cards, yard signs, vehicle graphics, direct mailers, or any of your marketing. You can set up the code so that people who scan it will automatically be directed to the following on their devices:

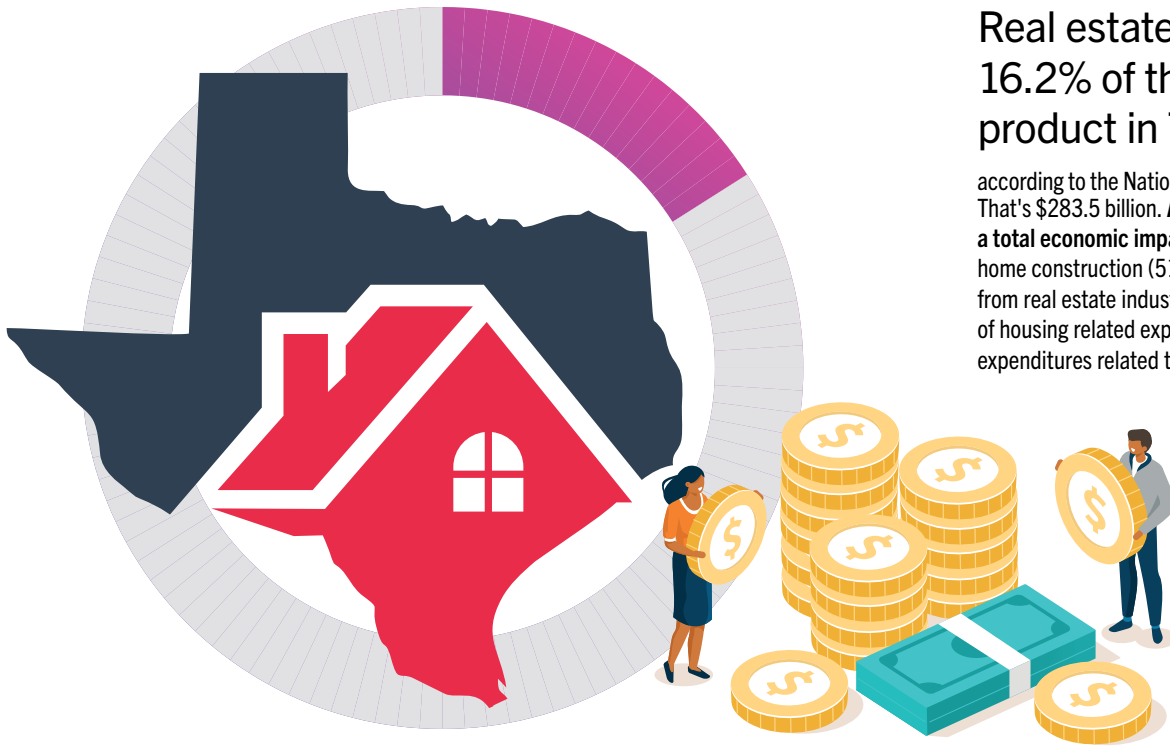
- Your website or social media sites
- A landing page with information on a specific listing
- Property tour videos or pictures
- A form to get customers' contact information for your email list
- An easy way for people to RSVP or add an event to their calendars.

Scan the QR code on this page for additional examples of how to use QR codes in your marketing to make more connections with prospective customers and clients.





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Real estate accounted for 16.2% of the gross state product in Texas in 2020,

according to the National Association of REALTORS®. That's \$283.5 billion. A typical home sale created a total economic impact of \$89,600 through new home construction (51.3%), income generated from real estate industries (27.7%), the multiplier of housing related expenditures (15.8%), and expenditures related to the home purchase (5.2%).

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# MEET THE TEXANS NAMED TO NAR'S 30 UNDER 30



## BETHANY NOLAN

Bethany Nolan is an associate broker with Nolan Properties in Longview. She generated \$14.2 million in sales volume and completed 54 transaction sides in 2021.

- Upon completing my master's degree, I interned and was hired by a global public relations firm. Working in this fast-paced environment helped me learn a lot of the skills I use in real estate.
- Social media is the bread-and-butter of my business! In the past year, it has become my main referral source. Facebook and YouTube showcase our listings, pending properties, and sold homes; Instagram is more of an educational tool, walking through the house-hunting process; LinkedIn showcases more of our commercial listings and professional accolades; and TikTok has more personality and flair with the funny moments that happen in real estate.
- My best advice for new agents is to dive in! Get involved, meet everyone you can, and be responsive. I also recommend joining a minimum of two local organizations to keep you in the loop on local events and news.
- Getting into real estate was always the end goal with my family. We wanted to create a family-focused brokerage and build within our hometown community.
- My main role model is my father. He has helped push me to be the best version of myself every day. I remember I made a goal last year for my sales volume and he said, *Nope, that's too low. You can do better. Just raise it.* I raised it and hit over that amount.
- My approach to real estate is staying relationship-focused. I want my clients to trust me but also consider me a trusted colleague and friend as well. I believe that house hunting and stressful transactions can go smoothly when you feel like you have a friend holding your hand.
- I feel that I've created a great transaction when I receive referrals. When clients trust me with someone that they love after we have done business together, it's the highest form of flattery.
- Knowledge is power, and what I lack in years of experience I make up for with education and trainings that I have pushed myself to take.
- I still feel like I am working to be the best I can be daily in real estate. I have bigger goals each year and adjust them each quarter to push myself to do more and help more people. I don't know that I will ever quite feel like I've made it.



## SAMANTHA PLOMER

Samantha Plomer is a partner with Tailored Real Estate Group, a team with Compass RE Texas in Houston. In 2021, Plomer generated \$6.1 million in individual sales volume and completed 17 individual transaction sides. Plomer's team generated \$36.8 million in sales volume and completed 97 transaction sides.

- Growing up, I watched my parents build every home we ever lived in. My grandpa was a custom home builder in Michigan and to this day, at 94, he will still get on the drawing board. I watched them dream up ideas and plan where to put all our rooms. I got asked how I wanted to design my room.
- Most kids don't dream of going to a design center and picking out paint colors or flooring materials. I thrived in this environment and knew this was my passion. I went to college to pursue a degree in interior design. I was brought back to my childhood of drawing plans and moving rooms around to make that perfect space.
- I got my license at 22 in 2015 after graduating college, but I started as an intern at an apartment locator company at 20.
- When I work with sellers, I can stage their property and help them with any redesign if necessary. For buyers, I can help them visualize how their items will fit in the space and how to help them make the space their own.
- This year, I not only have been working with buyers and sellers; I transitioned into the director of agent development role on our team, where I've helped the agents on our team grow their business.
- I have a few mentors. Kat Robinson is not only my business partner; she's one of my greatest friends. Christina Daw I call my real estate mom. She pulled me into my leadership career with Women's Council of REALTORS®. Jo Ann Stevens sees things in me I never even knew I was capable of. These three ladies influence me every day.
- The secret to my success is being collaborative. I have found by joining groups such as YPN that we are able to share and help each other out even though we aren't in the same company. I also love how agents are using the new social media platform Clubhouse.
- I faced a lot of *nos*, and *you're too young or too unexperienced*. I felt like my age was always a factor. It pushed me to want to be the best and to prove them wrong. I loved being told no, because it will only drive me to work that much harder to get a yes.



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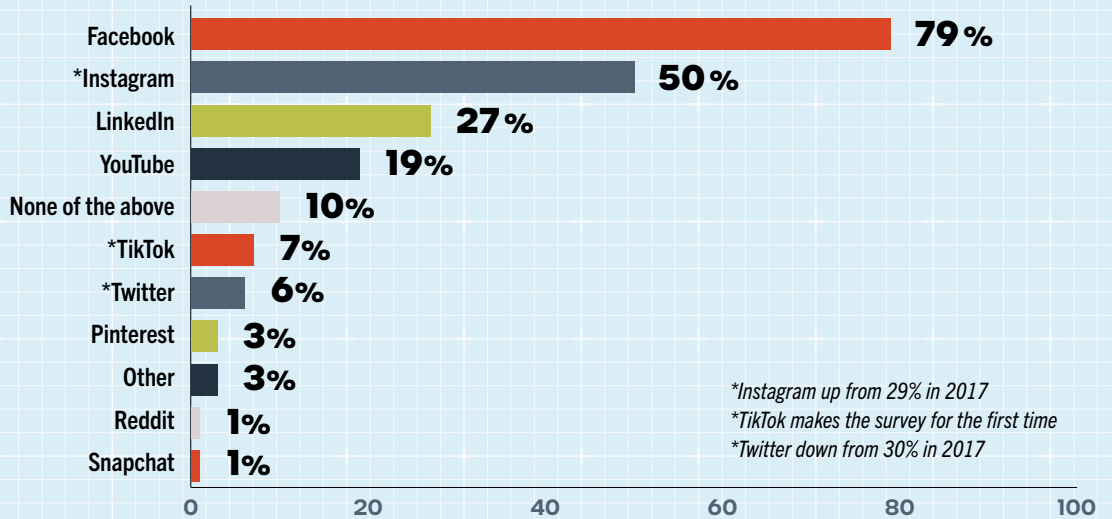
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# A SNAPSHOT OF REALTOR® SOCIAL MEDIA TRENDS

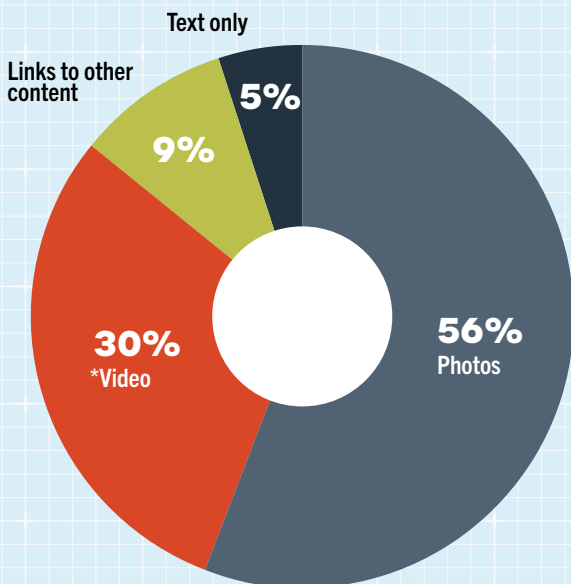
Social media is a powerful tool for marketing your business. While it's essential to keep up on how to use the different channels, you also should know what other REALTORS® are doing on social that's working.

RPR (REALTORS® Property Resource) surveyed REALTORS® who use social media in their marketing efforts. Check out these highlights from the December 2021 *Social Media and Digital Marketing Survey*.

Channel most effective at building your business

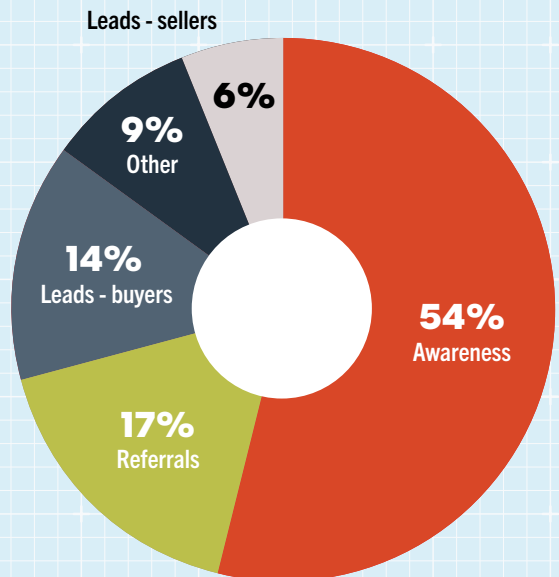


Format used to create engagement and interest



*\*Video up from 21% in 2017*

Outcome of social media efforts



*See the full survey at [blog.narrpr.com/news/](http://blog.narrpr.com/news/).*



# [COUNT ME IN !]

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# LEGAL & ETHICS

## Code Comprehension: Article 16

### COMMISSIONS ARE NEGOTIABLE



#### QUESTION

There is a home in the MLS that I think my buyer client would love, but the commission being offered by the listing broker is lower than I want to be paid. It's so low that it won't cover the time or effort I put in to representing the buyer throughout the transaction. I want to do the right thing. What can I do?

#### ANSWER

Since you believe that your buyer client would love the house, you have an ethical duty to show the listing to your client. But you have a few options to address the fact that the compensation being offered is inadequate. First of all, buyers and sellers can negotiate the commission paid to their brokers and agents at any time. When representing a buyer, you should consider using a buyer agency agreement that sets forth the services you will provide and establishes what compensation your client will be responsible for paying. Often, the buyer agency agreement explains that you will first seek to be compensated in the amount set forth in the listing, but that if that amount is inadequate, you will expect the client to make up the difference between \_\_\_\_\_ and the compensation provided by the listing broker. It is entirely up to you how you will fill in the blank. The buyer agency agreement is between you and your client, so you and your buyer can negotiate the terms of that agreement at any time.

Additionally, with one exception, you could ask the listing broker to negotiate the offer of commission. The one exception is that you may not submit an offer to purchase that is contingent upon an increase in the commission paid to you by the listing broker. An offer of that nature is thought to be inconsistent with your fiduciary duty to the client. This request can be made at any time during the transaction, even after showing the property or submitting an offer to purchase on behalf of the client.

You could also have a conversation with your buyer client about the commission being too low to cover your time and costs incurred in connection with representing that client. If your client so wishes, he or she could make the decision to condition the offer to purchase the property on an agreement by the seller to pay an additional specified amount. The buyer and the seller are the parties to any contract to purchase the listed property. They can negotiate the terms of that contract as they see fit. Just make sure that your client completely understands the pros and cons of submitting an offer with that type of contingency, and make sure not to pressure your client in any manner that is inconsistent with your fiduciary duty to that client.

#### QUESTION

Wait, doesn't Standard of Practice 16-16 prohibit me from negotiating my commission after showing, during the purchase offer phase, or after we have an accepted offer?

#### ANSWER

Absolutely not! Except for the fact that you cannot make an offer to purchase contingent upon an increase in compensation paid to you by the listing broker, you can negoti-

#### STANDARD OF PRACTICE 16-16 PROVIDES AS FOLLOWS:

**"REALTORS<sup>®</sup>, acting as subagents or buyer/tenant representatives or brokers, shall not use the terms of an offer to purchase/lease to attempt to modify the listing broker's offer of compensation to subagents or buyer/tenant representatives or brokers nor make the submission of an executed offer to purchase/lease contingent on the listing broker's agreement to modify the offer of compensation."**

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ate your commission with the listing broker at any time during the transaction. Standard of Practice 16-16 is designed to protect sellers and listing brokers from having purchase offers “held hostage” by cooperating brokers demanding a higher commission to be paid by the listing broker.

This standard of practice never prohibits negotiations between the listing broker and a cooperating broker at any time during the transaction. In fact, Standard of Practice 3-3 expressly authorizes the listing broker and cooperating broker to come to an agreement to change cooperative compensation, and that can happen before a property is shown, after showing, or even after an offer is accepted.

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## From The Hotline 800-873-9155

Members and their clients often confuse the Buyer Approval and Property Approval paragraphs in the *Third Party Financing Addendum* (TXR 1901). If a lender denies the buyer’s loan because of credit history, income, or assets, this falls under Paragraph 2A, Buyer Approval, and your client must terminate within the time required by the blank in that paragraph. However, if a lender will not finance the loan because of something related to the property itself, such as a low appraisal, insurability, or lender-required repairs, this falls under Paragraph 2B, Property Approval. The time period for terminating under this paragraph is no later than three days before closing, and the buyer has to deliver a copy of the letter from the lender stating why property approval has not been obtained.

—**Ryan Bauman**, staff attorney



I’m a broker and I recently terminated the services of one of my agents who signed the *Texas REALTORS® Independent Contractor Agreement for Sales Associate* (TXR 2301). Which fees should the agent receive upon termination?

You owe the agent any fees earned before the termination was effective.

The *Independent Contractor Agreement for Sales Associate* (TXR 2301) outlines the rights of the broker and agent concerning earned fees upon termination of agent sponsorship. According to Paragraph 16C of the contract, an agent’s fees are earned at the time a broker’s fees are earned under the applicable agreement for brokerage services—unless the fees are subject to arbitration or litigation. Each brokerage agreement defines when a broker’s fees are earned. Generally, a broker’s fees are earned when contracts or leases are fully executed.

Paragraphs 16G and 16H address the issue of fees payable to the departing agent if prospects are reassigned to another agent to complete a transaction. The parties could agree to other rules regarding this fee sharing, but a different agreement should be in writing to prevent disputes. Ultimately, Paragraph 21B outlines that an agent’s entitlement to earned fees that remain unpaid as of the termination of the agreement will be in accordance with the agreed-upon terms between the broker and agent provided in this section. Therefore, it is imperative that a fee schedule be attached or terms of another agreement outlining the terms of payment of such fees be listed, so that it is incorporated into the *Independent Contract Agreement for Sales Associate* to prevent disputes.

# How Property Management Companies Can Become Certified to Comply with Changes to the EPA's Lead Renovation, Repair, and Painting Rule

The Environmental Protection Agency's 2008 Lead-Based Paint Renovation, Repair, and Painting (RRP) Rule requires specific training and certification when performing certain work with pre-1978 housing and child-occupied facilities. The rule applies to all housing built before 1978 and all non-housing child-occupied facilities built before 1978, such as daycares and schools.

### Does Your Property Management Company Need Certification?

If your property management company performs any activity that disturbs paint in pre-1978 housing and child-occupied facilities, it is performing a regulated renovation requiring certification, including remodeling and repair/maintenance, electrical work, plumbing, painting preparation, carpentry, and window replacement. That part of the rule has not changed.

However, the EPA broadened the rule to also require certification for these administrative actions:

- Soliciting and evaluating contractor bids
- Applying for permits, as appropriate
- Granting contractors access to the property
- Overseeing contractor work on the property
- Informing tenants of renovation activity
- Verifying completion of renovation activity
- Remitting payment to the contractors.

### Becoming Certified

If your company engages in any of the regulated renovation or demolition work that disturbs paint in pre-1978 housing and child-occupied facilities, your property management company employees handling the repairs will need to obtain individual certification as certified renovators in addition to firm certification.

Even if your company is subcontracting the renovation work that disturbs paint in pre-1978 housing and child-occupied facilities to other firms, your firm needs to complete the firm certification and have at least one employee on staff who is a certified renovator. The certified renovator is still responsible for ensuring the renovating firm that is selected for the renovations handles the renovations according to the EPA requirements.

To become a certified firm, submit a short application and fee of \$300 to the EPA. The firm certifications are good for five years. Go to [epa.gov/lead/getcertified](https://epa.gov/lead/getcertified) and click Apply Now to get started. First search for your firm to make sure it doesn't have a current or pending certification. Then you can begin an

application to certify a new firm using the link provided at the bottom of the Results page.

You or your employees can complete the renovator certification by taking a one-day course in addition to the firm certification. The certified renovators are responsible for on-the-job training of individuals who will participate in the renovations. Such training must be documented, and the documents must be retained. Find an RRP training class or provider in your area at <https://cfpub.epa.gov/flpp/pub/index.cfm?do=main.trainingSearch>.

### Get More Information

The National Lead Information Center provides a hotline for more information on becoming certified 8 a.m. to 6 p.m. Eastern Monday through Friday at 800-424- 5323.

Penalties for a failure to maintain required documents can reach \$40,576 per violation, per day and "knowing violations" can result in criminal penalties of up to \$50,000 per violation per day, or imprisonment for not more than one year, or both, in addition to or in lieu of civil penalties.



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## LEGAL & ETHICS

### Fact or fiction?

*An apartment locator must have a real estate license.*

**FACT.** The Texas Real Estate Licensing Act requires a real estate license for any person who is compensated to help a prospective tenant find a unit in an apartment complex. Known as a residential rental locator (apartment locator), the term does not include an owner who offers to locate a unit in the owner's complex.



### Your Forms

You can use the *Amendment to Listing* (TXR 1404) form to make changes to a listing agreement. The broker and seller can agree, effective on a date of their choosing: to a new listing price, to a new listing end date, or to cease and later resume marketing. The form also includes space to amend other paragraphs from the original listing agreement. *Amendment to Listing* can be used with farm & ranch, commercial, and residential properties. It is one of more than 130 forms exclusively available for members of Texas REALTORS®.



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HOUSTON FORT WORTH DALLAS

# Short-Term Rentals Welcome... with Reservations Fredericksburg-area REALTORS® tapped state association resources to advocate for a friendlier ordinance.



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“The city saw we weren’t playing around. If we had reached out to the Texas REALTORS® Issues Political Action Committee even sooner, we might have been able to influence the process even more and get more of what we wanted.”

**- AARON BEEMAN,**  
2022 president of the Central Hill  
Country Board of REALTORS®

Tourism is a major industry in Fredericksburg. Famous for its peaches, the Hill Country city is home to a wide variety of shops, wineries, wedding venues, art galleries, festivals, and historic sites, among other attractions.

Fredericksburg residents have been divided on the issue of short-term rentals (STRs). Some property owners were eager to rent their homes to out-of-towners, while others complained the visitors were disruptive to the community.

“STRs are needed in Fredericksburg,” says Aaron Beeman, 2022 president of the Central Hill Country Board of REALTORS® (CHCBB) and eXp Realty broker-associate. “We have the wineries and the weddings and all of these industries that require lodging. If you start removing STRs, that changes everything.”

## Reaching Out to Texas REALTORS® for Help

Fredericksburg already had an STR permitting process and ordinances regulating the city’s 10 p.m. to 7 a.m. quiet hours, lights as a Dark Sky Community, and onsite and offsite parking. Beeman believes inconsistent enforcement of these ordinances led to more noise, lights, and parking complaints, which in turn prompted discussion of stricter rules. Some residents were tired of the STRs within city limits and wanted fewer of them—or none at all.

STR supporters formed the Fredericksburg Texas Short-Term Rental Alliance in spring 2021 to promote fair and reasonable regulations. It later published a guidebook titled “Fostering Good Neighbor Relations & Preventing Nuisance Complaints.”

Despite the alliance's efforts, city officials began considering a new, more restrictive STR ordinance. CHCBB wrote a letter opposing an early draft of the ordinance, but the letter did not shift public opinion away from the stricter rules.

2020 CHCBB president Emaly Baehr reached out to Texas REALTORS® to ask about issues mobilization assistance. The board applied for and received a grant from the state association in February 2022. At that point, Texas REALTORS® got involved.

## Getting Mobilized

The Texas REALTORS® Issues Political Action Committee (TRIP) provides financial support and other types of assistance for local REALTOR®-supported activities to enable REALTORS® and local REALTOR® associations to organize and manage effective campaigns to promote REALTOR® positions on public policies, such as laws, regulations, and ordinances. TRIP also considers whether local actions may set precedents or affect real estate elsewhere in the state.

TRIP's Local Issues Fund helps support or oppose measures or actions proposed by local governmental bodies that concern the preservation of real property rights, real estate brokering, and the legal and economic rights of the real estate industry.

TRIP's help can take several forms, including funding for activities and tools, a coordinated advocacy campaign, or behind-the-scenes expertise and resources.

"We built out a website with a call to action and designed it to make it easy for site visitors to email Fredericksburg city officials," says Texas REALTORS® Director of Public Policy Julia Parenteau. "We also helped the local association communicate effectively with the city. We helped them with talking points and worked with them to find the right arguments. We gave them direction for who to talk with, drafting formal letters, and testimony before the Planning & Zoning Commission and City Council."

## Drafting a better ordinance

The Fredericksburg City Council heard nearly five hours of public comment before introducing the STR ordinance March 7. During the following two weeks, REALTORS® and alliance members met with city officials asking for revisions.

"When we met with the city manager and attorney, Julia Parenteau even pointed out issues they didn't catch in the draft ordinance that could have caused legal action," Beeman says. "It was eye-opening. The city saw we weren't playing around. If we had reached out to TRIP even sooner, we might have been able to influence the process even more and get more of what we wanted."

Ordinance No. 2022-13 was approved during the March 21, 2022 City Council meeting and took effect April 1. Among several code revisions, the ordinance defines examples of STRs and where they can be located. "Overall, the ordinance is *a lot* better than where it started," Parenteau says. "There are some problems with it, but overall it is a win. The local association did a really good job advocating for their members and clients."

It's too early to tell how the ordinance will affect the city, its economy, and its real estate, but STR providers have clearer direction on how to welcome guests. The debate over STRs will likely continue in Fredericksburg. There is talk of STRs being a major issue in the upcoming city council and mayoral races. "There are always going to be the people who hate STRs for whatever reason," Beeman says. "My take on STRs is anything that drives tourists is good for your economy."

The CHCBB president is glad the local association reached out and was able to team up with TRIP. Their combined efforts and residents' support led to a better ordinance and a better situation for all Fredericksburg residents. "When TRIP got involved, that's when things started getting done," Beeman adds. ★

## WHAT IS A SHORT-TERM RENTAL?

The City of Fredericksburg defines a short-term rental as a privately owned dwelling, including but not limited to a single-family dwelling, multiple family attached dwelling, apartment house, condominium, duplex, mobile home, or any portion of such dwellings rented by the public for consideration, and used for dwelling, lodging, or sleeping purposes for any period less than 30 days.

## GET HELP WITH YOUR LOCAL ISSUES

Is there a local issue in your community that could affect the real estate industry in other areas of Texas? Is a new ordinance in the works that may adversely affect property owners or real estate professionals? Texas REALTORS® wants to know! Your local REALTOR® association can apply for help from the Texas REALTORS® Issues Political Action Committee (TRIP), formerly the Issues Mobilization Political Action Committee. If your application is approved, TRIP can provide political expertise, strategic guidance, marketing, and/or funding to help you address your local issue. TRIP can also offer advice or informal direction to local associations without an application. Contact your local REALTOR® association for more information.

For more information on the Fredericksburg short-term rental ordinance, visit [fbgtx.org](http://fbgtx.org) and select the option for *Short-Term Rental Guidelines*.

# Hemp is Here in Texas.

## What Does It Mean for Your Business?

by Joe Olivieri



Photo: © korrir - stock.adobe.com

In mid-March 2020, just as COVID-19 started upending life in the U.S., Texas began accepting license applications to grow industrial hemp. The industry has been quietly growing here ever since.

By January 2021, Texas Agriculture Commissioner Sid Miller was touting the Texas “hempire.” More than 1,150 producer licenses had been issued, with 5,000-plus acres of permitted hemp in the ground and more than 15 million square feet of permitted hemp in greenhouses. “I still believe hemp offers Texas farmers a great opportunity and I look forward to continuing to improve our program here in the Lone Star State,” Miller wrote.

Hemp entrepreneurs are buying land to grow crops and leasing commercial space to sell products. *That’s where you come in.* You, as a real estate professional, need to know what to do if you have clients who work with industrial hemp.

The laws governing hemp are relatively new and still evolving. Congress legalized industrial hemp as part of the Agricultural Improvement Act of 2018, and Gov. Abbott signed related legislation, House Bill 1325, in June 2019. The U.S. Department of Agriculture later approved the Texas rules, which the state put into practice in March 2020.

“My advice to farm & ranch and commercial agents is to learn about the hemp business in general,” says Texas REALTORS® senior instructor Michica Guillory. “There are products like shirts and socks and bags that have nothing to do with tetrahydrocannabinol (THC) limits. But you have to know about these things. We have to be clear about what we’re talking about.”

### Know the Difference

The *cannabis* genus of plant has two famous varieties: hemp and marijuana. Here are a few of the differences between them.

Tetrahydrocannabinol (THC) is the intoxicating chemical that causes psychological or psychoactive effects. Marijuana can contain 5% to 35% THC. Anything that contains over 0.3% THC is legally considered marijuana. Meanwhile, hemp contains not more than 0.3% THC.

Cannabidiol (CBD) is a non-intoxicating chemical that is sometimes used medicinally. Marijuana contains more than 10% CBD, while hemp contains more than 20% CBD.

Hemp is an agricultural commodity defined in Section 121 of the Texas Agriculture Code. Marijuana is considered a Schedule I controlled substance by federal law and is illegal to deliver or possess in Texas under Section 481 of the Texas Health and Safety Code.

Unfortunately for people trying to distinguish between the two, some legal hemp products reference marijuana and cannabis culture in their marketing. An example of this would be companies launching a CBD product on April 20, a day associated with marijuana.

There are also hemp *consumables* that can be applied or ingested that are not marijuana, based on their THC levels. These can be confused with *edibles*, the colloquial term for ingested products with levels of THC that are illegal in Texas.

### Hemp and Commercial Real Estate

So what makes dealing with hemp industry clients any different than your other clients?

Because hemp rules are new and still changing, clients and their attorneys will need to ensure their businesses are protected.

“In the case of commercial leases, many landlords require businesses to back their written commitments with a personal guarantee,” Guillory says. “That individual is risking their personal credit when agreeing to be a guarantor to the lease. How



**Michica Guillory** is the broker of The Guillory Group real estate firm and owner of The Guillory Group School of Real Estate. The 2021 Texas REALTORS® Educator of the Year has developed the new course “First, It’s NOT Marijuana: Legal Hemp Laws and Texas Real Estate,” which she taught for the first time at February’s Texas REALTORS® Winter Meeting.

we assist and guide our clients in completing their lease transactions becomes very important.”

One of the simplest ways to help clients is to ask them to consider offering a product or service or using the property in a way unrelated to hemp and/or CBD. That way the clients can still pay the rent and expenses if their products are found to have illegal amounts of THC or if products are confiscated for testing.

Paragraph 10A of the *Commercial Lease* (TXR 2101) puts the responsibility on the tenant to not use the property for any activity that breaks federal, state, or local law. Paragraph 10C removes responsibility from the landlord.

Forms and contracts from Texas REALTORS® and the Texas Real Estate Commission do not cover every situation or scenario that may occur with hemp industry clients, Guillory explains. Your clients may hire an attorney to help add language to Special Provisions or addenda to these documents to best suit their needs.

Clients who would like to distribute CBD products or those who make any change to a consumable hemp product, from repackaging to relabeling, will need a consumable hemp product license from the Texas Department of State Health Services. Applications for such licenses require the property’s GIS coordinates, legal description, and a letter from the property owner authorizing state or other law enforcement agencies to enter onto all premises where hemp is processed, or consumable hemp products are manufactured, to conduct a physical inspection or ensure compliance with the licensing laws. Your clients should consult their attorney for any questions regarding the application process.

### Hemp and Farm & Ranch Real Estate

The *Farm & Ranch Contract* (TXR 1701, TREC 25-14) and the *Farm & Ranch Listing Agreement (Exclusive Right to Sell)* (TXR 1201) contain important provisions related to hemp.

The *Farm and Ranch Listing Agreement* includes paragraphs on existing crops and who gets them, exclusions, and various land leases, royalties, water rights, restrictions, and zoning.

Knowing about agricultural and timber exemptions is important. Clients can claim tax exemptions when buying items used exclusively for producing agricultural and timber products. “Be sure you’ve consulted with your clients if they plan to alter the current land use, as it may impact taxes,” Guillory says.

The *Farm & Ranch Contract* also includes paragraphs on who gets existing crops, rights, and interests on the property. Hemp also shines a spotlight on the parameters of oral leases,

## LEARN MORE

National Hemp Association, [nationalhempassociation.org](http://nationalhempassociation.org)

National Industrial Hemp Council, [nihcoa.com](http://nihcoa.com)

Texas Comptroller of Public Accounts, [comptroller.texas.gov](http://comptroller.texas.gov)

Texas Department of Agriculture, [texasagriculture.gov](http://texasagriculture.gov)

Texas Secretary of State, [sos.state.tx.us](http://sos.state.tx.us)

U.S. Customs and Border Protection, [cbp.gov](http://cbp.gov)

USDA National Institute of Food & Agriculture, [nifa.usda.gov](http://nifa.usda.gov)

according to Guillory. Perhaps a family obtained verbal permission from a landowner 60 years ago allowing them to farm the land. Does that oral lease include hemp? Oral leases may not be included in title insurance policies. A scenario like this could require an attorney to sort out.

Clients wanting to produce or handle hemp will need a producer license from the Texas Department of Agriculture. They will also need a permit for each lot where they intend to produce or handle the hemp. There are several other requirements, and clients should consult their attorneys to ensure that all licensing requirements are met.

### Additional Resources

There is a wealth of misinformation out there related to industrial hemp. Guillory suggests sticking with official sources like the Texas Department of Agriculture, the National Association of Departments of Agriculture, and the Texas A&M University AgriLife Extension.

TREC rules as well as the NAR Code of Ethics require you to have competency. Guillory says if you don’t have competency, connect with a real estate specialist to help you.

“I tell people that when it comes to the hemp industry, if you’re going to jump into that pool, you had better bring your floaties. Things change very quickly and you need to be ready for whatever happens,” she says. ★

**JOE OLIVIERI** is assistant editor for Texas REALTOR®.

## EXAMPLES OF HEMP PRODUCTS

### HEMP STALK

- Animal bedding
- Bags
- Biocomposites
- Biofuel/ethanol
- Canvas
- Cardboard
- Carpet
- Chemical absorbent
- Clothes
- Concrete
- Cordage/rope
- Fiberboard
- Filters
- Insulation
- Mulch
- Netting
- Paper products
- Shoes

### HEMP SEED

- Animal food
- Bread
- Body products
- Cereal/granola
- Cosmetics
- Dairy/milk products
- Dressings
- Flour
- Fuel
- Ink
- Lubricants
- Margarine
- Oil
- Paint
- Protein powder
- Varnish

# THE INS AND OUTS OF INTERMEDIARY



## The Only Legal Way a Texas Broker Can Represent Both Sides in a Transaction

Photo: © Andrey Popov - stock.adobe.com

There's only one legal method in Texas to handle "in-house" real estate transactions—those deals where a broker and that broker's associated license holders represent both the buyer and seller in the same transaction. That legal vehicle is called intermediary, and it comes with many rules the broker must follow. Here are answers to common questions about intermediary and a flow chart on pages 24-25 to help determine the required steps. For additional questions about intermediary, members of Texas REALTORS® can call the Legal Hotline at 800-873-9155.

### How is a typical intermediary relationship created?

At the time of the first substantive dialogue with a seller or a prospective buyer, a license holder must provide the party with a copy of the *Information About Brokerage Services* (TXR-2501, TREC IABS 1-0) as required by The Real Estate License Act (TRELA). The IABS form includes an explanation of the intermediary relationship.

Before a broker may act as intermediary, TRELA requires the broker to obtain written consent from both parties. A written representation agreement between a broker and a seller or buyer will satisfy the consent requirement if the agreement:

1) authorizes the broker to act as an intermediary between the parties; 2) lists the conduct an intermediary is prohibited from performing in conspicuous bold or underlined print; and 3) states who will pay the broker. The agreement must also authorize the broker to



**The term associated license holders includes a broker's sponsored sales agents and associate brokers.**



**Intermediary is also required for a broker to represent a tenant and a landlord in the same transaction. Information in this article referencing buyers and sellers is applicable to tenants and landlords as well.**

appoint associated license holders if the broker intends to make appointments when the intermediary relationship arises. The Texas REALTORS® promulgated listing agreements and buyer/tenant representation agreements contain language necessary

to fully comply with TRELA when creating an intermediary relationship.

When it becomes evident that the buyer represented by the firm wishes to purchase property listed with the firm, the intermediary status comes into play.

### What are the two ways an intermediary relationship can exist?

There are two alternatives for the brokerage firm and the parties to consider in an intermediary relationship:

1) If the firm has obtained permission in writing from both parties to be an intermediary and to appoint associated license holders to work with the parties, the intermediary broker may appoint one associated license holder to the seller and a different associated license holder to the buyer. The associated license holders may provide opinions and advice during negotiations to the party to whom the license holder is appointed.

2) If the firm has obtained permission in writing from both parties to be an intermediary but does not appoint different associated license holders to work with the parties, then neither the broker nor any associated license holder may give advice or opinions to the parties. Instead, the broker and all associated license holders must remain neutral and not favor one party over the other.

### What are the duties and obligations of an intermediary?

The intermediary is required to treat the parties fairly and honestly and to comply with TRELA. The intermediary is prohibited from favoring one party over the other and may not reveal confidential information obtained from one party without the written instructions of that party, unless disclosure of that information is required by TRELA, court order, or the information materially relates to the condition of the property. The intermediary and any associated license holders appointed by the intermediary are prohibited from disclosing, without written authorization, that the seller will

accept a price less than the asking price or that the buyer will pay a price greater than the price submitted in a written offer.

### What is the difference between an associated license holder who is appointed to work with a party and an associated license holder who has not been appointed to work with one party?

During negotiations, the associated license holder who is appointed to one party may provide advice and opinions to the party. An associated license holder who has not been appointed must act in the same manner as the intermediary, not giving opinions and advice and not favoring one party over the other.

### What are the differences between the duties owed to a seller or buyer by the intermediary broker and the duties owed to those same parties by the associated license holder whom the intermediary appoints to a party?

The intermediary broker is authorized to facilitate a transaction between the parties but may not give advice or opinions to either party in negotiations. An associated license holder who is appointed to a party may provide advice or opinions to that party. Both intermediaries and associated license holders who are appointed to parties are obligated to treat the parties honestly and are prohibited from revealing confidential information.

### Is an intermediary an agent?

Yes, but the duties and obligations of an intermediary are different than for exclusive, or single, agents.

### Can there be two intermediaries in the same transaction?

No.

### If a broker lists a property and has also been working with a prospective buyer under a written representation agreement, does the broker have to act as intermediary if the buyer wants to make an offer on the listed property?

No. The broker could represent one of the parties and work with the other party as a customer rather than a client. For example, the buyer may agree to terminating the buyer representation agreement and the broker will represent the seller and work with the buyer as a customer. When a



broker represents the seller only, the seller is the broker's client, and the buyer is a customer. In those instances, the broker is obligated to act in the seller's best interests.

### **Is a broker who represents only the buyer in a transaction an intermediary?**

No. In the case of a for-sale-by-owner or other seller who is not already represented by a broker, the broker representing the buyer is not considered an intermediary. When a broker represents the buyer only, the buyer is the broker's client, and the seller is a customer. In those instances, the broker is obligated to act in the buyer's best interests. Alternatively, the broker could secure the consent of both parties to act as an intermediary and have the seller sign a representation agreement.

### **Can associated license holders act as intermediaries?**

Only a broker can contract with the parties to act as an intermediary between them. In that sense, only a broker can be an intermediary. If, however, the broker intermediary does not appoint associated license holders to work with the parties in a transaction, any associated license holders of the intermediary who function in that transaction would be required to act just as the intermediary does, not favoring one party over the other.

### **Can a broker who is a solo practitioner act as an intermediary?**

Yes. The solo broker may act as an intermediary, but that broker cannot make appointments of associated license holders to each of the parties.

### **As the broker for my firm, can I appoint myself to represent one of the parties in an intermediary situation?**

No. Appointing yourself, the firm's broker, to represent one party and appointing an associated license holder to represent the other party in an intermediary situation is not considered fair and impartial under TRELTA.

### **May more than one associated license holder be appointed by the intermediary to work with the same party?**

Yes.



### **May the intermediary appoint the same associated license holder to work with both parties in a transaction?**

No. The law requires the intermediary to appoint different associated license holders to work with each party.

### **May an intermediary appoint a subagent in another firm to work with one of the parties?**

No. A subagent in another firm cannot be appointed as one of the intermediary's associated license holders.

### **Can the intermediary delegate to another license holder the authority to appoint license holders associated with the intermediary?**

Yes. If the intermediary authorizes another associated license holder to make the appointments, that person must not appoint himself or herself, as this would be an improper combination of the different functions of intermediary and associated license holders.

### **If a buyer or seller initially consents to the broker acting as intermediary at the time the buyer or seller signed a representation agreement, must that party consent again to the broker acting as intermediary in a specific transaction?**

No. A second written consent is not required by TRELTA, but a written notice of any appointments is required. A broker is not prohibited from obtaining a second consent as a business practice to identify and resolve potential conflicts.

### **What is the *Intermediary Relationship Notice* used for?**

The *Intermediary Relationship Notice* (TXR 1409) is used for two purposes:

- 1) It serves as a reaffirmation by the seller and the buyer of the prior consent they both gave in writing to the broker to act as an intermediary in the transaction.
- 2) It is used by the broker to satisfy the requirement to give written notice to all parties of the appointment of associates to each side of the transaction if such appointments are to be made.

This form is not a substitute for the initial written consent that both parties gave when they each signed brokerage agreements with the broker. The *Intermediary Relationship Notice* should only be used if the seller and the buyer



have given their written consent to the broker to act as an intermediary in the listing and buyer representation agreements. This form may also be used when the broker is acting as an intermediary in a landlord-tenant situation.

### **When must the intermediary appoint the associated license holders associated to work with the parties?**

This is a judgment call for the intermediary. The intermediary relationship does not exist until the parties who have authorized it are beginning to deal with each other in a proposed real estate transaction; an example would be when the buyer begins to negotiate to purchase the seller's property. Prior to the creation of the intermediary relationship, the broker will typically be acting as an exclusive agent of each party. If appointments are going to be made, they should be made before the buyer begins to receive advice and opinions from an associated license holder in connection with the property listed with the broker. If the broker appoints the associated license holders at the time the listing agreement and buyer representation agreement are signed, it should be clear that the appointments are effective only when the intermediary relationship arises. It is important to remember that both parties must be notified in writing of both appointments. If, for example, the listing agent is "appointed" at the time the listing is taken, care must be taken to ensure that the buyer is ultimately also given written notice of the appointment. The *Intermediary Relationship Notice* (TXR 1409) can be used for this purpose. When a buyer client begins to show interest in a property listed with the firm and both parties have authorized the intermediary relationship, the seller must be notified in writing as to which associate has been appointed to work with the buyer.

### **Must each party's identity be revealed to the other party before an intermediary transaction can occur?**

Yes. If the intermediary makes appointments, the law provides that the appointments are made by giving written notice to both parties. To give notice, the intermediary must identify the party and the associated license holder(s) appointed to that party. The *Intermediary Relationship Notice* (TXR 1409) can be used for this purpose. The law does not require notice if no appointments are made.

### **Who decides whether a broker will act as an intermediary—the broker or the parties?**

Both. Initially, the broker makes a decision in determining the policy of the firm. If the broker does not wish to act as an intermediary, nothing

requires the broker to do so. If the broker's policy is to offer services as an intermediary, both parties must authorize the broker in writing before the broker may act as an intermediary or appoint license holders to work with each of the parties.

### **Our company policy requires all buyers and sellers to agree to the intermediary practice before commencing to work with them. Does the law permit a listing agreement to specify this practice?**

Yes.

### **How can the intermediary broker advise the seller or the buyer on things such as the value of the property, the amount of any escrow deposits, or interest rates?**

When the listing agreement or buyer representation agreement has come into existence but no intermediary status yet exists, the broker may advise the parties generally on these matters. Once the intermediary status has been created, the intermediary broker may not express opinions or give advice during negotiations. When asked questions by the client, the intermediary broker may supply information about matters that do not constitute an opinion or advice. For example, the intermediary could tell the buyer what the prevailing interest rate is without expressing an opinion or giving advice. These same rules apply to an associated license holder acting as an intermediary without appointments made by the intermediary broker. If appointments have been made, the associated license holder who has been appointed to a party may provide opinions and advice during negotiations to that party.

### **I'm the listing agent for an owner leasing his single-family home. We both signed the *Residential Real Estate Listing Agreement, Exclusive Right to Lease* (TXR 1102). A prospective tenant called me to ask questions about the property and request a rental application. If I provide the rental application to the prospect, will this trigger an intermediary relationship?**

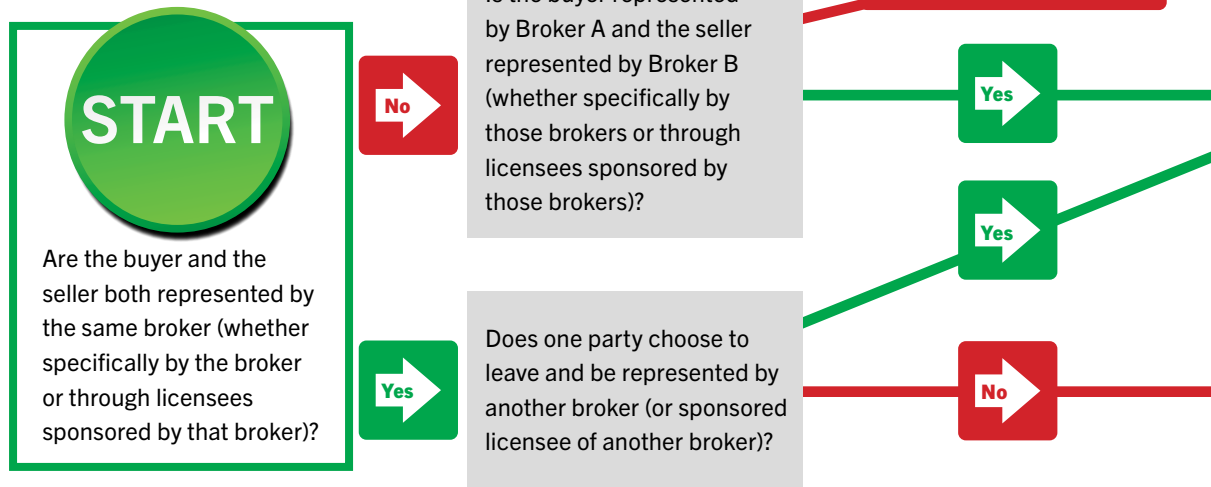
No. Merely discussing the listing and providing the rental application will not trigger an intermediary relationship. However, if the prospective tenant requests that you represent her in the lease negotiation process, you will need to obtain her written consent for your broker to act as an intermediary. You can use the *Residential Buyer/Tenant Representation Agreement* (TXR 1501) for this purpose. Then you'll need to comply with the steps required for an intermediary relationship, which apply to both sales and leasing transactions.



# Working both sides of one transaction

## Intermediary is one of the most misunderstood concepts in real estate brokerage.

When a broker represents the seller and the buyer (or landlord and tenant) in the same transaction, the obligations of intermediary are numerous. That broker must answer an avalanche of questions to ensure compliance with the law. For example: Was written consent given? Do appointments have to be made? Can I give advice? This chart will help you answer many of the questions associated with the practice of intermediary.

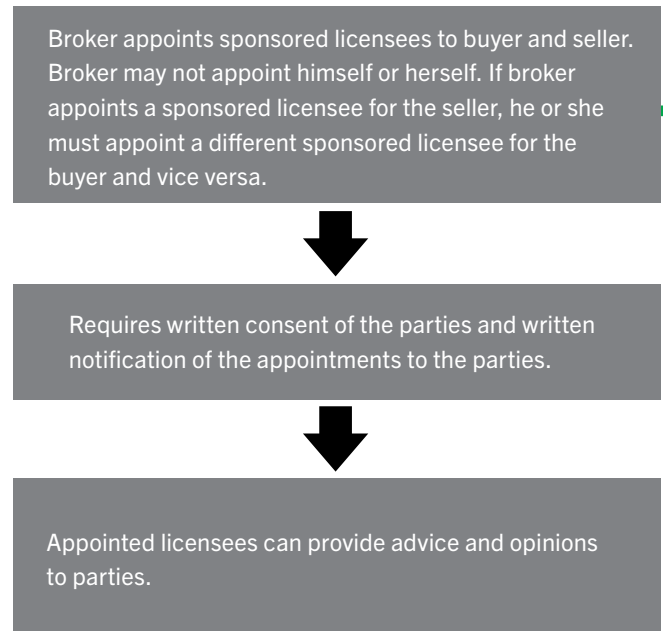


### Once you decide to act as intermediary

A broker and any sponsored licensee under that broker acting as intermediary may not:

- Disclose to the prospective buyer that the seller will accept a price less than the asking price, unless authorized in writing to do so by the seller.
- Disclose to the seller that the prospective buyer will pay a price greater than the price submitted in a written offer, unless authorized in writing to do so by the buyer.
- Disclose confidential information, unless authorized in writing to disclose the information or required to do so by The Real Estate License Act, a court order, or if the information materially relates to the condition of the property.

The Real Estate License Act requires these prohibitions to be in bold print in any listing agreement or buyer's representation agreement that authorizes intermediary. It also requires in bold print that a broker and any sponsored licensee under that broker acting as intermediary may not treat a party to the transaction dishonestly or violate The Real Estate License Act. The Texas REALTORS® listing agreements and buyer representation agreements contain these statements.



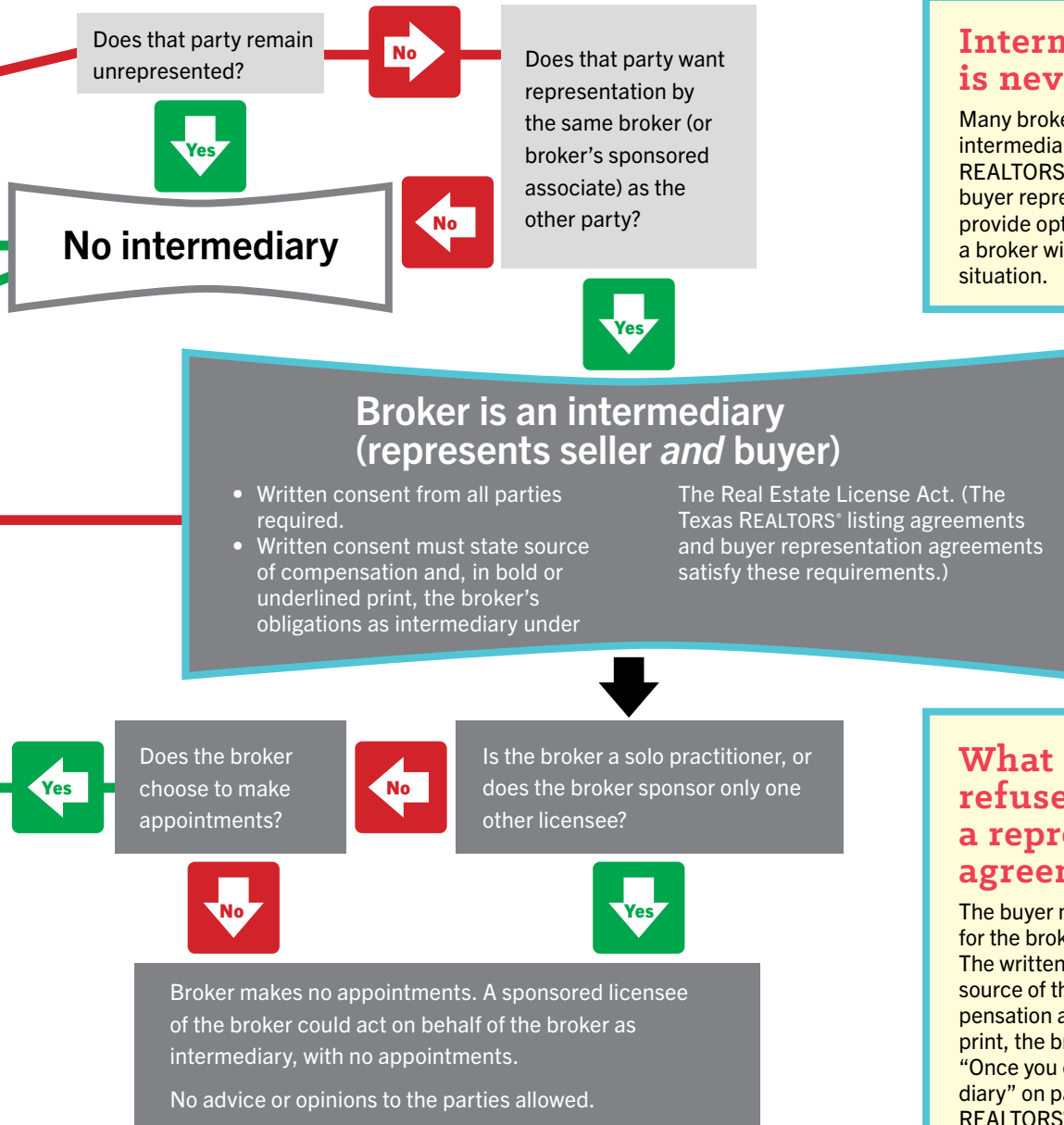
# What if the parties in the transaction are represented by ...

## One firm but two offices

Sometimes, a seller and buyer are represented by branch offices. Although these offices maintain separate physical locations, they are still part of one brokerage firm, and intermediary is required if the firm, through two different branch offices, represents both the seller and buyer. Note that many franchise offices have similar names but are actually separate corporate entities. It is not intermediary if a franchisee represents the seller and another franchisee that is a separate corporate entity represents the buyer.

## One broker with two corporate entities

If a seller and buyer are represented by two distinct corporate entities (brokerage firms), it is not intermediary even if both firms have the same individual acting as the designated broker for licensing purposes.



## Intermediary is never required

Many brokers choose not to offer intermediary services. The Texas REALTORS® listing agreements and buyer representation agreements provide options to spell out whether a broker will allow an intermediary situation.

## What if the buyer refuses to sign a representation agreement?

The buyer must give written consent for the broker to act as intermediary. The written consent must state the source of the broker's expected compensation and, in bold or underlined print, the broker's obligations (see "Once you decide to act as intermediary" on page 24). While the Texas REALTORS® buyer representation agreements satisfy those requirements, a separate agreement can be used to meet them. A broker could not act as intermediary for a buyer who refuses to sign any such agreement. Providing only the *Information About Brokerage Services* (TXR-2501, TREC IABS 1-0) form to the buyer does not satisfy these requirements.

## Questions about intermediary?

Call the Texas REALTORS® Legal Hotline at 800-873-9155.



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## FIVE LOW-COST WAYS TO GET YOUR HOME READY TO SELL

Staging is a great way to emphasize your home's best features. But before you stage, there are a handful of low-cost ways you can make updates on your home to help maximize the salability.



### GO BEYOND DUSTING

Many homebuyers pay special attention to cabinets, walls, closets, and floors when touring a home, so it's essential to do a deep clean. And don't forget about washing the windows—letting natural light into the house will make it feel warm and inviting.



### FRESHEN WITH PAINT

Over time, the walls can start to look dull and dingy. A fresh coat of paint will brighten a room and make it look new. Adding a lighter color to the ceiling will make it appear higher.



### REPAIR OR REPLACE

Noticeable flaws turn off buyers. Take the time to repair issues such as sticking doors, leaky faucets, or damaged baseboards. Other small ways to make a big transformation are updating the hardware on your cabinets and upgrading light switch covers.



### DON'T OVERWHELM THE SENSES

Homebuyers are looking for a place they can see themselves living, so this is not the time to show off your style or keepsakes. Declutter and move excess decorations into storage.



### SPRUCE UP THE YARD

Since curb appeal is the first impression of the home, don't underestimate the power of a freshly trimmed lawn and pruned bushes. Go the extra step and rake up leaves, remove weeds, and add a splash of color by planting blooming flowers.



Don't let inexpensive, easy tasks hold you back from getting the best possible offer. A REALTOR® can advise you on other ways to best prepare your home to sell.

# TAKE 5

## FOR SALE BY OWNER *you*

For-sale-by-owner properties are a golden opportunity for you. You know these prospects are motivated to sell and aren't being represented by another agent.

They may be reluctant to hire a real estate professional, especially if they think they can save money by handling the sale on their own. Here are some ways you can make the case for teaming up with you:

### LISTEN TO THEM

Before you tell them why they need you, ask the sellers about their experience. How long has the home been on the market? What have they done to spread the word about the sale? What are their goals? Why did they initially decide not to hire an agent? Asking these questions teaches you how you can best help them.

### REASSURE THEM

These sellers wanted to sell the property themselves. They might view hiring an agent as a failure. Reframe it as an opportunity for a less stressful transaction. By hiring you, they stand the best chance at getting a great deal for their property.

### TOUT THE BENEFITS OF YOUR KNOWLEDGE

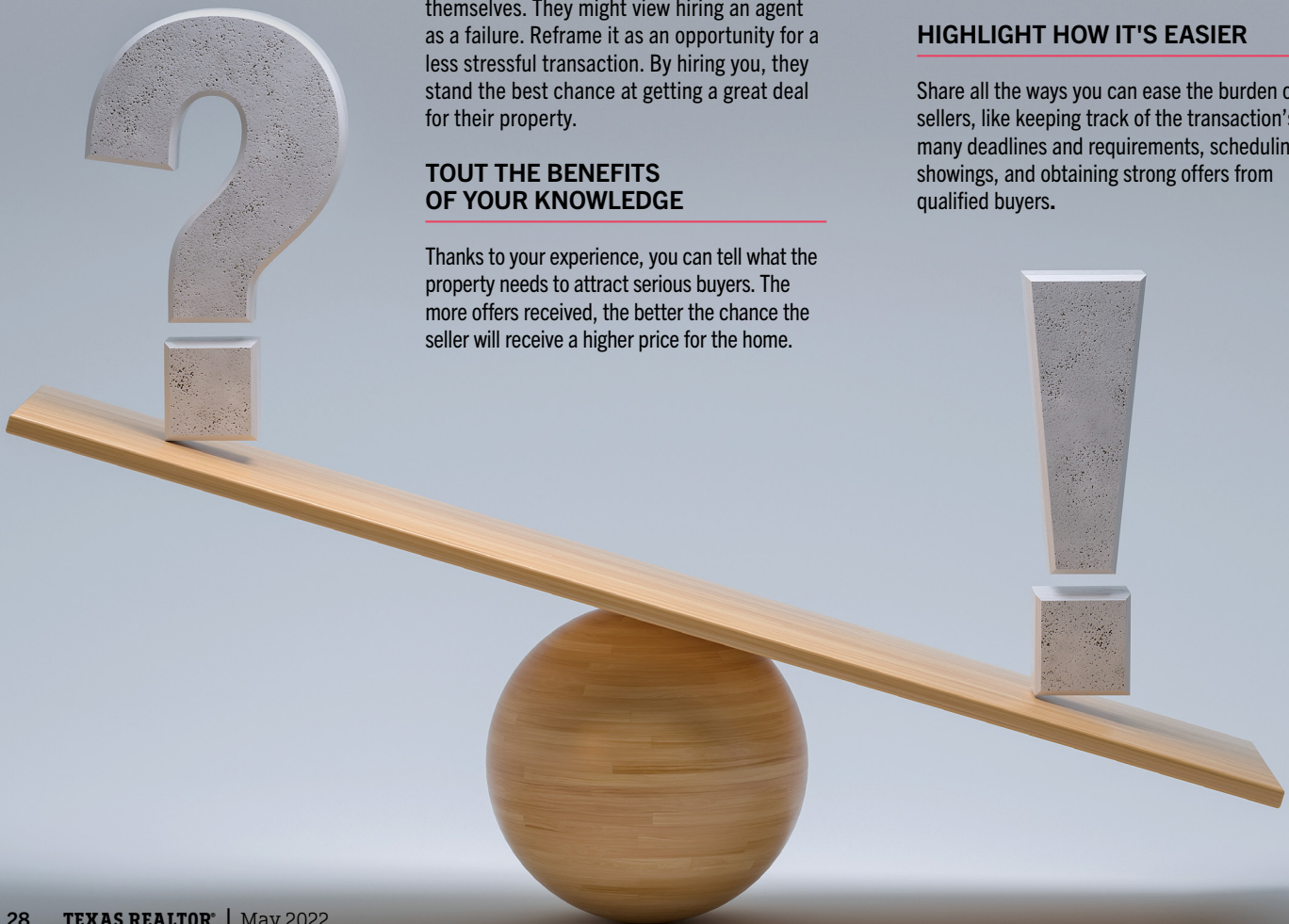
Thanks to your experience, you can tell what the property needs to attract serious buyers. The more offers received, the better the chance the seller will receive a higher price for the home.

### PROMOTE YOUR RESOURCES

As a REALTOR®, you have access to exclusive market data and insights through MarketViewer and RPR. Tell the sellers how you have access to the best data available and have the experience to help them interpret it to make better decisions. You also can use forms and contracts exclusively available to REALTORS® and their clients. And you can help your clients make a bigger splash in the marketplace by exposing the home to more buyers through your marketing and listing the property in the MLS.

### HIGHLIGHT HOW IT'S EASIER

Share all the ways you can ease the burden on sellers, like keeping track of the transaction's many deadlines and requirements, scheduling showings, and obtaining strong offers from qualified buyers.






# Cash in your Pocket

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# A refreshingly simple way to manage your properties



Residential



Commercial



Affordable



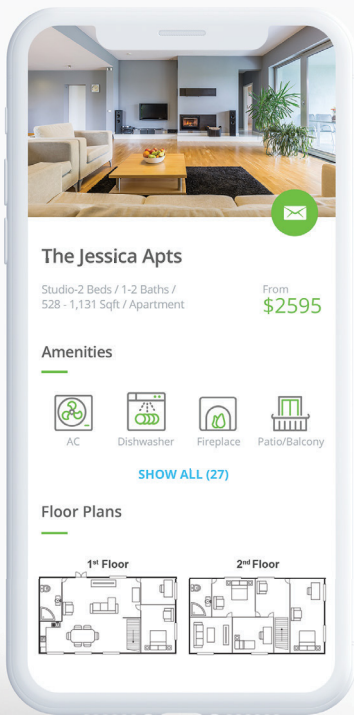
Self Storage



Condo/HOA



Manufactured



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Starting at  
**\$1** per unit  
per month\*

**Breeze PREMIER**  
Starting at  
**\$2** per unit  
per month\*

|                                     |   |   |
|-------------------------------------|---|---|
| Easy setup                          | ✓ | ✓ |
| Property accounting                 | ✓ | ✓ |
| Vacancy & prospect tracking         | ✓ | ✓ |
| ILS posting                         | ✓ | ✓ |
| Online applications                 | ✓ | ✓ |
| Online payments                     | ✓ | ✓ |
| Online maintenance                  | ✓ | ✓ |
| Email & text communications         | ✓ | ✓ |
| Walk-in payments with PayNearMe     | ✓ | ✓ |
| Vendor payments                     | ✓ | ✓ |
| Owner payments & reports            | ✓ | ✓ |
| Live chat support                   | ✓ | ✓ |
| Renters insurance <sup>†</sup>      | ✓ | ✓ |
| Resident screening <sup>†</sup>     | ✓ | ✓ |
| Corporate websites <sup>†</sup>     | ✓ | ✓ |
| Property websites <sup>†</sup>      |   | ✓ |
| Online lease execution <sup>†</sup> |   | ✓ |
| Customer relationship management    |   | ✓ |
| Job cost tracking                   |   | ✓ |
| Rent deferment                      |   | ✓ |
| Rent control                        |   | ✓ |
| Invoice approval & processing       |   | ✓ |
| Corporate accounting                |   | ✓ |
| Customizable financial statements   |   | ✓ |
| Menu-level security                 |   | ✓ |

\*Minimums apply †Additional fees apply

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