

2013 May Be the Year When Electronic Lockboxes Finally Take Hold Here

By **JIM SMITH, Realtor**®

Like many front range Realtors, I have several electronic lockboxes in my closet, dating back to previous failed efforts to introduce them in this market.

Unlike elsewhere in the country, these “smart” lockboxes have never caught on in the Denver market. A few years ago, the National Association of Realtors introduced its own product called the Sentrilock, pictured here, and several brokerages and individual agents invested in them, including me.

Every now and then I show a listing with one of these lockboxes, but I know many listing agents who, like me, prefer to use the older mechanical lockboxes. The only reason that this lockbox has been adopted to the extent it has is that showing agents don't have to obtain the key card shown. Instead, access can be obtained by the use of numeric “one-day codes” which

are issued by the showing service, and, as the term suggests, are only valid for one day. Come back the next day and your code will not open the lockbox.

A newer technology was been introduced by Supra, the company which manufactures the most common mechanical lockboxes currently in use in our market. Supra's version, shown at right, can be opened using a smartphone app.

This approach has great advantages over other approaches, especially as more and more real estate agents adopt smartphones. Because the agent's phone has internet or at least cell connectivity, the information regarding each showing can instantly be communicated to the listing agent and the seller. One such application would be to notify the homeowner the moment

that the showing agent re-locks the lockbox and has left the property.

I have been told that Sentrilock is likely to introduce a new genera-



tion of its lockbox that will use this kind of technology. If they don't, they risk losing market share, so I'm guessing the reports are true.

To raise public awareness of the availability of electronic lockboxes, the current version of the state-approved listing agreement requires the agent to indicate whether a mechanical or electronic lockbox will be used. The expectation is that if an agent checks the box for a mechanical lock-

box, the seller might quiz the agent on why he or she is not offering the higher security electronic lockbox.

The most promising indicator that one or the other electronic lockbox will finally take hold in our market is that the Realtor associations serving the metro area have agreed to get together this week to discuss widespread adoption of an electronic lockbox. One of the associations already offers the Sentrilock product, but, depending on Sentrilock's future offerings, this may or may not guarantee that they will be the chosen product.

The biggest disincentive to us agents in adopting electronic lockboxes always has been and will continue to be financial. Both brands of lockboxes cost over

\$100 each, compared to \$30 or so for the current mechanical lockboxes. In addition, there is a monthly service fee of \$10 or so per agent. To lessen the initial investment, the companies who manufacture the electronic lockboxes usually offer attractive programs under which they will accept mechanical lockboxes as trade-ins during the initial implementation period. The fact that there are competitive offerings in the electronic lockbox market suggests to me that the Realtor associations could negotiate a sweet conversion deal with the winning vendor. We'll see.

Although our market hasn't exactly suffered from our failure to adopt electronic lockboxes, it will be nice to get with this technology.



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