

In This Internet Age, What's the Future of the Broker-Centric Real Estate Model?

When I earned my real estate license back in 2003, web-based software was just beginning to take hold. There were still vestiges of the "old school" around, best typified by the bound books of listings which were still being printed and used by some long-time brokers.

It wasn't until a few years later that the printed books were discontinued and the older brokers either retired or came kicking and screaming into the 21st Century.

Then the iPhone was introduced in 2007 — 10 years ago this month. I've been reading Thomas Friedman's latest book, in which he devotes a chapter to "What the Hell Happened in 2007?"

Facebook had just opened to non-college students and started to scale globally. Twitter was created in 2007 and Google launched Android. Kindle was introduced that year. So was LinkedIn.

Sustainability began to go mainstream, too. According to Friedman, 2007 was "the beginning of an exponential rise in solar energy, wind, biofuels, LED lighting, energy efficient buildings, and the electrification of vehicles."

Now, just 10 years later, we're in a different world. Travel agents have been decimated by the public's ability to shop for and book their own travel online, and online purchases are threatening brick and mortar stores, cutting into the sales tax revenues of local jurisdictions.

Will real estate brokers go the way of the travel agents, now that over 90% of buyers do their own house hunting online, and sellers can list their homes online at little or no cost?

There are good reasons why the answer is "no." Although there continue to be off-MLS sales of real estate — as there were *before* the Internet — people still see the need to hire a professional on both sides of the real estate transaction. After all, buying a home is a far more complicated process than buying a car or refrigerator, and, unless you buy and sell homes frequently, there's a lot that you may not know about the process.

Just last weekend, a first-time homebuying couple came to our office, curious about, and somewhat overwhelmed by, the process ahead of them in moving from renting to home ownership. As I answered their questions, I was reminded of how much I have learned about real estate that I didn't know before I entered the business — even though I had bought and sold a half dozen properties in New York, Hawaii and Colorado before becoming a Realtor. Yes, experience really *does* count!

For any seller, getting under contract is only the beginning. A whole series of tasks and challenges lie ahead. And what if there are multiple bidders for a home? At www.JimSmithColumns.com you'll find several columns in which I shared strategies for buyers *and* sellers to succeed in this highly competitive seller's market. But, again, that's only the beginning of a long process in which an experienced broker like the ones at Golden Real Estate can help both buyer and seller get under contract *and* reach the closing table without problems.

For the seller, nothing can take the place of a trusted showing service, which is only available through a licensed agent. Yes, you can buy a lockbox at any hardware store, but you need a showing service to grant showings only to licensed agents and not to people pretending to be licensed agents. Only licensed agents are fingerprinted and subject to criminal background checks. A good showing service also has an automated system to collect and forward feedback from showing agents.

Buyers need guidance on finding a trusted *local* mortgage lender. (We discourage the use of online lenders.)

The first big hurdle after going under contract is inspection. Buyers need help finding a trusted inspector, especially here in Colorado, which has yet to license that profession. Then both parties need help reaching resolution on which reported issues the seller will and will not

address. I could write an entire column on this subject.

There are legal requirements regarding HOA documents to be provided as well as about lead-based paint hazards in homes built prior to 1978. In the latter case, failure to complete the proper disclosure on time can result in a 5-figure fine. (It also voids the contract!)

There are other times between contract and closing when an experienced real estate professional adds value, not to mention such benefits as, in the case of Golden Real Estate, free moving trucks and packing materials.

NOTE: Buyers typically don't pay for professional representation, because their agent gets a split of the listing commission paid by the seller. Moreover, if you have a home to sell, you can negotiate a lower commission on the sale of your home if you allow your agent to earn a commission when you buy your new home.

REAL ESTATE TODAY



By **JIM SMITH,**
Realtor®

Updated Applewood Home Has New 2-Car Garage



There are lots of updates you'll appreciate in this 3-bedroom, 2½-bath Applewood ranch at **2571 Beech Court**, starting with the detached 2-car garage with workshop. Two main-floor bedrooms were merged to create a large master suite with one of the biggest walk-in closets you'll find anywhere. The fully finished basement includes a 3rd bedroom and 3/4 bath, plus a huge family room with equally impressive wet bar. Walls were removed to create a large, updated kitchen with granite countertops and stainless steel appliances (all included), open to a large living room with gas fireplace. The original 1-car attached garage has been adapted into extra living space, heated by safe-touch electric baseboard units. The backyard features a covered deck, storage shed, and new privacy fencing. View a narrated video tour at www.ApplewoodHome.info, then call your agent or me at **303-525-1851** for a private showing. I'll be holding it open on **Saturday, January 28th, 11 a.m. to 1 p.m.**

Lakewood Townhome Just Listed by Chuck Brown



This tri-level townhome with basement at **1041 S. Miller St.** is located in Lakewood northwest of Kipling Pkwy. & Mississippi Ave. The 1,269 above-ground square feet includes 3 bedrooms, 2 bathrooms, a living room with vaulted ceiling, and an updated kitchen with dining room. The basement has an additional 351 square feet featuring a nonconforming 4th bedroom (due to the undersized window well) and a large laundry room. Major updates include interior paint, carpet, Pella windows, kitchen cabinets, kitchen appliances, and slab granite countertops. Outside you'll find a small back patio with raised flower beds and a 2-car carport. The HOA dues are \$230 per month, which includes grounds maintenance, exterior maintenance with roof, water, sewer, snow & trash removal and community pool, tennis courts and clubhouse. View the narrated video tour at www.LakewoodTownhome.info, then call your agent or Chuck Brown at **303-885-7855** for a private showing, or come to Chuck's open house on **Saturday, January 28th, 1-3 p.m.**



All Agents Are Certified EcoBrokers®

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