

What You Need to Know About Agents Who Claim to Have a Buyer for Your Home

When I was a new agent at Coldwell Banker, my trainer shared the expression "listors last." In other words, our goal should be to succeed as a *listing* agent, even if we got our first paychecks by representing buyers. But how does one get listings? You can solicit your "sphere of influence" (i.e., friends and family), but that can take you only so far. You can hold open the listings of busier, established agents who either can't or don't want to hold their own listings open, hoping that an unrepresented buyer comes along who also needs to sell their home but hasn't yet hired a listing agent.

REAL ESTATE TODAY



By JIM SMITH, Realtor®

Some agents specialize in cold-calling expired listings or For-Sale-By-Owner listings. If you have your home on the MLS and the listing expires, be prepared to be deluged with letters, phone calls, emails and door knocks from agents claiming they can succeed where your previous agent failed.

I got my start by "farming" a subdivision in Golden. The practice is called "farming" because you are "planting seeds" and looking to "harvest" listings as the homeowners come to know and appreciate your newsletters, calendars, garage sales and other special events or services for that subdivision.

Nowadays, I get most of my listings from people who have been reading this column for a decade or more and feel confident calling me when real estate needs arise, sensing that I understand the real estate market better than their friend or relative who got their real estate license, and better than the agent who sold them their home (if they even remember who he was).

Then there's the approach taken by an agent I'll call John (not his real name). His approach is to hire Door Hangers Direct to print flyers that look hand-written saying, "Call me. I may have a buyer for your house."

Notes from John with that message were taped to the front doors of two Golden Real Estate listings —

one a year ago and another one last week. Since the notes looked hand written, it was troubling to think that another Realtor had violated our Code of Ethics as well as Colorado law by soliciting one of our sellers. However, because distribution by a third party is considered "mass advertising" (even though it looks individually written), that rule does not apply, providing the message contains a disclaimer (usually in small print) saying that it is not a solicitation if your home is currently subject to a valid listing agreement.

To see how successful this approach might be, I tracked down 10 sellers who had listed their homes with John earlier this year. Most of them told me they had listed with him because of the note found on their front door. Seven of the 10 recommended him. Two were bothered that John did not in fact have a buyer for their home. Indeed, of the 24 listings sold by John in the past 6 months, neither John nor anyone else in

his brokerage brought the buyer. Industry wide, about 5% of listings are sold by the listing agent. I had to go back to March 2017 to find one of John's listings that he sold himself.

From my interviews I learned that John offers to cut his listing commission in half if he sells the home himself, but that's an empty offer, given that, as one disappointed seller told me, "You just need to know that John only lists homes, he doesn't sell them." John confirmed this himself, telling me an interview that he refers buyers to another brokerage, instead of handling them in-house. And he doesn't hold open houses where he might encounter unrepresented buyers. (He was surprised that I do.)

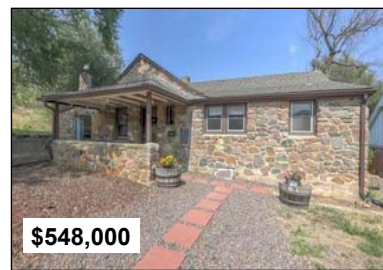
Claiming to have a buyer has long been a technique for obtaining listings, and smart agents like John cover themselves in their notes by saying they "may" have a buyer, not that they actually have one.

5-BR Highlands Ranch Home Just Listed by Chuck Brown

This 5-bedroom, 4½-bath home at 9456 Indian Paintbrush Court sits on a 1/3-acre lot at the end of a quiet cul-de-sac. The professionally landscaped backyard features many different specimens of trees, a large lawn, multiple patios and a basketball court. The elevated and covered back deck wraps around the house to provide beautiful south views of Marcy Gulch and west to the mountains. Through the front door the 2-story entry is accented by an incredible hardwood and wrought iron stair case. The entire main floor has beautiful hardwood floors — except the laundry which has a wood grained porcelain tile and the dining room that has a stunning tile inlay under the table area. Up the hardwood stairs are the loft, four bedrooms and three baths. The master has a 5-window solarium providing a 180-degree view of all the beauty below. All bathrooms have been updated, and the master bath, with its high-end quartz and tile finishes, frameless shower and built-in benches, is just the right finishing touch to this special master suite. The walkout basement features a wet bar, workout room, bedroom, and rec room with the pool table included. Updates include new windows, bathroom fixtures and slab granite countertops, new flooring, and new interior & exterior paint. Total square feet, including the basement, comes to 4,610. More pictures, information, and a narrated video tour are at www.HighlandsRanchHome.info, or call Chuck at 303-885-7855. Open Sat. & Sun. 11 - 2.



1902 Stone Bungalow in Golden Just Listed by Carol Milan



This cozy stone home at 401 Illinois Street sits on a corner lot behind Mitchell Elementary School, a short walk from Clear Creek and downtown Golden. Mature trees complement the beautiful foothills view from the quiet front porch. With lots of natural light, this home is easy to enjoy inside and out. It has been beautifully updated, with 2 bedrooms and 1 bath on the 1,150-square-foot main floor, with another 513 square feet in the cellar. The updated kitchen has granite countertops and stainless steel appliances. Original hardwood floors warm the living room and bedrooms, while the kitchen features updated tile floors. All appliances, even the washer & dryer, are included. The owner has used the home as an Airbnb rental, but you can make it your home! More pictures, information, and a narrated video tour can be found at www.HistoricGoldenHome.com, or call Carol Milan, 720-982-4941. She'll hold it open this Sunday, 11 - 2.

How Top Producing Agents Work

Getting to know "John," the Realtor discussed in the above article, I'm reminded of the business model of famed real estate coach Tom Ferry. John is one of Tom's students and practices what Tom preached.

My first year in real estate, 2002, I attended one of Tom Ferry's super star summits in Palm Springs. Tom espoused several practices, including the following:

Delegate everything you can. Hire vendors to print and distribute flyers and newsletters, to install and remove yard signs, to enter listings on the MLS, and to manage transactions through to closing. Don't waste your time with open houses, and refer out (for a fee) all buyer leads, including your sign calls. Instead of answering your phone, change your voicemail greeting every day saying you're with clients most of the day and will return calls between certain hours.

Tom Ferry's system works, but it's not for me.



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