

Unlike Most Professionals, Real Estate Agents Work for Free Most of the Time

Most professionals I can think of get paid for the work they perform. Some even charge for estimates, and others, including surgeons, charge even when they fail at what they were hired to do.

Real estate is different. Most of the time we are giving our services away to customers with only a vague hope of a payday down the road. Sometimes we invest a great deal of money marketing properties that never sell, only to have the seller re-list the home at a lower price with another agent who then enjoys a payday.

I had about 30 closings last year, and I drove 15,000 miles. Do you think I drove 500 miles for each successful closing? No, I drove most of those miles for buyers and sellers who received my services for free without any compensation for my time and travel.

This is okay with me. I love real estate. When it produces a payday, I

know that it makes up for the uncompensated efforts I expended on behalf of other clients.

REAL ESTATE TODAY



By JIM SMITH Realtor®

Occasionally I have a buyer who has me show him or her the exact house he or she wants to buy, and I handle the transaction — one showing, few miles of driving around, one contract written, one inspection handled, one closing attended — earning myself a 5-figure payday. The buyer, seeing how easy it was, might reasonably expect a rebate of my commission. But what about those times I showed a buyer 100 different homes, wrote one or two unsuccessful contracts, only to have that buyer rent instead of buy — or the buyer goes to an open house and buys without me?

A few years ago, I was considering listing 5 acres 30 miles up a canyon for \$125,000, but the seller was so uncooperative that I ultimately declined the listing — but not before

I had made three trips to the property and on one of those trips did \$1,000 damage to my car's underbody on his jagged culvert!

Such is the life of a real estate agent. We may seem overpaid when we are paid 5-figure commissions on a transaction, and you may think that's unfair, but if we didn't have those closings to make up for all the times we work for free or spend without reimbursement, it might be hard to justify becoming a real estate agent.

As it is, the average member of the National Association of Realtors earns less than \$50,000 in gross commission income per year — before accounting for car, phone, MLS fees, Realtor dues, computer hardware & software, E&O insurance, and more.

A Quit Claim Deed Is Cheap & Convenient, But It Can Void Title Policy

Quit claim deeds are a convenient way to transfer property among related parties. You might use it, for example, to add a new spouse to the title, or to transfer it to an entity which you control.

But be sure to check with the company which insured your title when the home was last purchased, because you'll need to have the title policy amended, costing \$75-\$100 or thereabouts, so it conforms to the new ownership of your property.

If you don't remember which title company handled the transaction, any Realtor can run a Realist Report which names the title company.

Here's Why I'm Not a Fan of Tankless Water Heaters

Tankless water heaters have been promoted as an energy-saving appliance. The reasoning is simple. A traditional water heater is tasked with keeping a large tank of water hot — typically at 120° F. A tankless water heater only heats water as needed.

The development of heat pump water heaters has changed that calculation. And they are the only water heaters that can earn you a 30% federal tax credit in addition to the \$600 to \$800 rebate earned by Xcel Energy customers. Xcel says heat pump water heaters are 65% more efficient than standard electric water heaters and can save you \$900 in energy costs over 12 years.

There's a secondary reason that I don't like tankless water heaters.

With a *tank* water heater (heat pump or conventional), you can install a recirculation line, allowing you to have instant hot water at even the farthest faucet from your water heater.

A plumber has installed such a line in every house I've owned for 20 years. Here's how it works. Let's say your water heater is in the basement and your primary bedroom is on the second floor. You might draw a gallon or more of cold water before hot water reaches your faucet. And that's water that *had been* heated but cooled off sitting in your pipes. By running a return line from your sink to the bottom of the water heater, your faucet becomes the "top" of your water heater, and hot water rises to the top of the tank. Voila! Instant hot water on tap.

New: Development Site Near Downtown Golden



This 14,000-square-foot parcel at **2200 Ford Street** in Golden, the site of a automotive business since 1964, is now available for multi-family redevelopment, such as we've seen in numerous nearby locations. And this site is better than most, being within walking

distance of downtown Golden, the Colorado School of Mines, Golden High School, and multiple open space trailheads. The timing is good because Golden's 1% limitation on new residential building permits was just voided by state legislation aimed at increasing urban density. Broker associate **Austin Pottorff** has listed it and has produced a drone video of the parcel and its downtown surroundings, which you can view, along with his South Golden listing, at www.GoldenDevelopmentSite.info. For more info, you can contact Austin at 970-281-9071, or email him at Austin@GoldenRealEstate.com.

Price Reduced: 1904 Home in Denver's Capitol Hill

You'll love the updates to this 3-bedroom home at **1240 N. Downing St.**, a short walk from Cheesman Park in Denver's historic Capitol Hill — from the dream kitchen with white quartz countertops, stainless steel appliances and rolling island to the fabulous primary suite in the basement! My narrated video tour will give you a taste of it and inspire you to request a showing. You can view more pictures plus that video tour (with drone video footage) at www.DenverHome.info. Or call me, Jim Smith, at 303-525-1851 to schedule a private showing.



Just Listed: Home on Large Lot Near Golden

Wide Acres is that quiet neighborhood located south of Colfax to the east of Colorado Mills. With 3,493 square feet of finished space, this 3-bedroom/3-bath home at **1125 Zinnia St.** is set back about 100 feet from the street on its 0.57-acre lot, making it even more quiet and secluded. It is being sold by the family that had it built in 1974. The indoor and outdoor living space is exceptional, as you'll see when you view the narrated video tour I posted at www.WideAcresHome.info. Then come to my open house this **Saturday, July 22, from 11am to 1pm.** Or call me at 303-525-1851 to schedule a private showing.



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