

NAR Settlement Should Inspire Listing Agents to Produce Narrated Video Tours

For nearly two decades, Golden Real Estate has been one of very few brokerages which produce narrated video tours of their listings. Many brokerages make use of the “virtual tour” field in the MLS for video links that are nothing more than slide shows with music or Matterport tours, which are interactive but lack the vital ingredient of a live action video tour — narration simulating a real-life showing of the home by the listing agent.



through with the listing agent pointing out the selling points of each room. To get a feel for this kind of video tour, go online to www.GRElistings.com and click on any one of our listings to watch the narrated video tour.

What makes this the right time for listing agents from other brokerages to begin producing narrated video tours is the NAR settlement, which is likely to reduce the number of in-person showings at listed properties.

Under the settlement, a buyer must have a signed agreement with a broker (other than the listing agent) just to be shown a home. Being able to “tour” the home virtually eliminates that stress point. My Arvada listing that closed this week was viewed by 110 agents or buyers, according to YouTube. Last week’s new listing has already been viewed 27 times.

By the way, narrated video tours are essential for attracting buyers from out of town. More than once, an out-of-town buyer has gone under contract for one of our listings based solely on the narrated video tour, *because they feel as if they have seen the home*. The buyers still had the opportunity to terminate

when they flew in for the inspection and saw the home in person for the first time. None of them terminated.

So, in this YouTube era, what is keeping the majority—the vast majority—of listing agents from creating narrated video tours of their listings? Here is my speculation.

Listing agents like to farm out as many tasks as they can. They hire photographers (as we do) to shoot magazine quality photographs of their listings. Those vendors offer “videos” of the interior and drone videos of the exterior, and the listing agents think that’s sufficient. But there’s no narration of those videos, because the videographer would not know what to say. He only knows

how to press “record” and “stop.”

The Matterport interactive tours are very popular, and we include those on our listings too, but only because they are included in the enhanced package which we purchase that includes floor plans, which are done by the Matterport software. The Matterport tours are cool because they are shot with 360-degree lenses, allowing the viewer to rotate the view and even look up at the ceiling, then click on the next marker to go from room to room. But, again, there is no narration about what you are seeing. To call it a “video” is deceptive. It’s just a link that is inserted in one of the three “virtual tour” fields.

Our video tours simulate such a real-life showing. The video starts on the street, with me (or a broker associate) introducing the listing and perhaps showing the street scene. “Now let’s go inside and check out this home.”

Cut to the foyer and a walk through of the home, speaking as we go. “Notice the hardwood floors.... That’s a wood-burning fireplace.... See the skylight in the vaulted ceiling.... These are Corian countertops.... The high efficiency washer and dryer are included.... Notice the mountain view out the kitchen window....” You get the idea.

No slide show with music can compete with a narrated walk-

Reader Suggests Pooling of Insured Homes as a Way to Reduce the Risks Causing Higher Insurance Premiums

One reader, Andrew Burt, recently responded to my request for creative solutions to the home insurance crisis caused primarily by the multiple natural and man-made disasters resulting in profit-crushing insurance claims.

His suggestion was the pooling of multiple homes so that the loss sustained by any one home is spread across the pool.

My first reaction was that this is how insurance works already. Insurance companies have thousands or millions of insured properties in the expectation that only a small percentage will file catastrophic claims.

Nevertheless, here is Andrew’s proposal, which he supported with some serious mathematical formulae not for publication in this lay publication.

“If I’m in a pool with, say, nine other properties, and one of them gets

damaged, the insurer pays a claim but then distributes the cost of that claim over all 10 properties in next year’s premium calculation — instead of raising just mine to cover all of it. (Or I cover all of it over an amortized number of years, which is what they seem to do rather than lumping their cost all into year one. It doesn’t change the math of the idea. Spread the new premium costs over multiple people instead of just me.)”

Andrew compared his proposal to the Affordable Care Act, which insures everyone without regard to pre-existing conditions, but requires everyone to be insured. (Wildfire risk is a “pre-existing condition.”)

He also suggested that widely separated properties across the state of Colorado could be pooled to further spread the risk of multiple claims within the pool.

We Foresee a Surge in Buyer Activity This Summer

The primary outcome of the much-discussed NAR settlement announced in March is that buyers may now have to compensate agents representing them in the purchase of homes.

That change is scheduled to take effect on August 17th, so it makes sense that home buyers who have been “on the fence” are getting serious now about buying a home while they can still count on the seller, not them, paying their agent’s commission.

Broker associate Chuck Brown had a buyer get “off the fence” this month and buy a home, because he wanted Chuck to be compensated — but not by him — after three years of looking at multiple homes but not pulling the trigger.

It doesn’t matter that buyers’ fear is unfounded. I fully expect sellers to keep offering to pay a “co-op” commission to the agents who bring them a buyer, even though such compensation cannot be mentioned anywhere on the MLS.

Just this month, REcolorado, the Denver MLS, quietly introduced a new field for all listings. It’s a field to list another website, such as the websites we already create for every listing, and *that* website is allowed to mention the co-op commission for buyer agents since it does not derive

its data from the MLS. To see what that looks like, simply go to the featured listing website at right or my listing at ArvadaHome.info. There on the home page of each website you’ll see the co-op commission offered to the buyer’s agent under the headline, “*Buyer Agent Commission Details.*”

Nevertheless, the fear is very real among buyers that they will have to pony up some serious money on top of their purchase price and loan expenses to pay for professional representation.

Another development in this regard is the introduction of new mobile software called **LivePad**, which facilitates the process of showing homes to buyers when the showing agent doesn’t yet have a signed compensation agreement. In addition to some fine features for setting up a tour of listings, the tablet-based software allows the showing agent to create that requisite agreement on the tablet where the buyer can sign it digitally before entering the first listing.

If the compensation agreement is for just that one day, the buyer can avoid paying the specified fee to their showing agent by waiting until later to make an offer under a new agreement.

Because of this expected surge in buyers, many sellers may decide to put their homes on the market now.

4-BR, 3-Bath Wheat Ridge Ranch Just Listed by Jim Swanson

This 1957 brick ranch-style home at **3600 Miller Court** has 4 bedrooms, 3 full bathrooms, 3 fireplaces and an oversized 2-car attached garage. The front yard is newly xeriscaped and the large backyard has mature trees. The interior is freshly painted throughout with new lighting, ceiling fans, and new oak laminate flooring. One of the bedrooms and full bathrooms is in the spacious and well-lit finished basement. Take a narrated video tour at WheatRidgeHome.info, then visit the open house on **Saturday, 11-1**.




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“Concentrate on giving, and the getting will take care of itself.” —Anonymous

