

Electronic Signatures Are Common Now in Real Estate — At Least Until Closing

You have probably heard of eSignatures — signatures which are inserted by clicking on a link. The contracts from CTM eContracts used by most Denver agents include eSignatures. DocuSign is another such product. If you do a web search for “esignatures,” you’ll find many other companies competing to offer that service.

Electronic signatures were legalized by Congress in 2000 with the E-Sign Act. It was over a decade, however, before CTM adopted the process, and I was slow to adopt it, insisting that buyers and sellers at least use their finger or stylus to hand-draw their signature, something that is still allowed as an

alternative to clicking on a font signature.

I relented when I realized that the contracts being signed electronically only get buyers and sellers to the closing table, where every document must be signed on paper in front of a Notary, who verifies the identity of the signers. If there was any unauthorized signing of the contracts, it would come out then.

(It should be noted that, thanks to Covid restrictions, the ability to sign in front of a Notary remotely with video of the buyer and/or seller and photos of their IDs became somewhat common and is still used when a party is sick or can't be reached by a mobile Notary.)



Market Saw Shifts and Opportunities in September

As we stepped into the final quarter of 2023, the metro Denver real estate market showed an intriguing landscape, offering fresh opportunities for both buyers and sellers. This September, real estate professionals observed a market reminiscent of the ebb and flow during the 2013-2019 period, with a few noteworthy differences.

Despite high interest rates, the market presented a remarkable opportunity for buyers, especially those who could pay cash. The market is currently favoring those who were previously outbid in recent years, and move-up homebuyers may want to act, as the market shifts to their advantage.

One standout trend in recent transactions is the prevalence of concessions. Nearly 60% of closed deals in September featured concessions averaging just over \$9,000. Notably, 45% of these concessions were directed towards buying down the buyer's mortgage interest rate, benefiting both parties.

In two of my recent closings on listings, the buyers submitted contracts with a 5-figure seller concession to fund such an interest-rate buydown. Here's something to keep in mind: if there is a seller concession, get both agents in the transaction to agree that their commission is based on the *net* purchase price, not the *contract* purchase price.

Sellers in today's market aren't merely motivated by desire; many have to sell. This willingness to negotiate is affecting market dynamics, offering opportunities for savvy buyers to secure advantageous deals.

While key metrics like months of inventory, days on market and pricing trends remain stable, the market has shrunk, with fewer homes for sale. Approximately 25% of contracts are falling, and price reductions are both more frequent and larger than in previous cycles.

My thanks to Megan Aller of First American Title for doing the statistical analysis reflected in this article.

Further Price Reduction on Park Hill Ranch

This charming brick ranch at 2670 Kearney Street in Park Hill is only minutes from City Park, the Denver Zoo & the Denver Museum of Nature and Science. The home is on a double lot with extensive flower and vegetable gardens. The bathroom was completely remodeled in 2020 and the kitchen was renovated with new granite countertops. A new roof and Bosch dishwasher were installed in July 2023. The original hardwood floors have been refinished. The home features new Anderson windows throughout. The main sewer line was completely replaced in 2009. Backyard includes a newer storage shed. The large concrete patio is great for summer entertaining. There are two bedrooms on the main floor, plus a non-conforming third bedroom in the basement. This home is located on a quiet street only one block from McAuliffe International Middle School. You can view my *Narrated Video Tour* at www.ParkHillHome.site, then call listing agent Greg Kraft at 720-353-1922 to arrange a private showing.



In over a decade of agents signing real estate contracts electronically, I still have not heard of any problem arising therefrom. It should be noted that each CTM contract comes with a certificate indicating the IP address of each signer and the precise time they signed. These are available on the software but are rarely printed out, because they are only needed in case of a dispute — which I haven't seen.

With almost 22 years as a licensed real estate agent, I'm somewhat new. By the time I was licensed in March 2002, the MLS was already on the internet, although some agents accessed it by dial-up instead of broadband connection. Many “old-timers” were still using the big printed MLS books, which weren't discontinued for another few years — to much objection by some.

In 2022 the various contracts and disclosure documents were prepared by hand or by typewriter on carbonless 4-part NCR forms. We hand delivered these forms and any resulting offers to our buyers and sellers. A year or two later we got the first forms on a CD which was passed around so we could create the documents on a computer and email them to clients. But we still had to print them out for signing by hand.

A lot has changed, but online electronic contracts and e-signatures have to be the most important, alt-

hough the advances in web-based MLS services comes in a close second.

Here's something you need to know. If you write an email agreeing to do something and it has your typed name (or email signature) on it, the E-Sign Act says that you have in effect signed a contract that can be enforced by the recipient. Be careful what you write!

We real estate professionals still do a lot in-person — especially with buyers, showing them homes — but the ability to write a contract for a buyer or seller on our laptop, often in their presence, has accelerated the pace of real estate in ways that benefit our clients as well as ourselves.

Remember that the iPhone was introduced in 2007 when the Blackberry was state-of-the-art. The tech tools that followed that introduction, including “apps,” have revolutionized the practice of real estate, as it has every other industry.

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Vintage Reserve Ranch Backing to Greenbelt

In the video tour of this home, you'll hear only crickets -- that's how quiet this 3-bedroom ranch home is. It's deep in the Vintage Reserve subdivision from Coal Mine Avenue, backing to Weaver Park and the Dutch Creek greenbelt. Inside, you'll be fooled by the luxury vinyl floor into thinking you're on hardwood flooring (that will never need refinishing, by the way). The ceilings are 10 feet or higher throughout the main floor. The full basement is unfinished but with rough plumbing for a bathroom and four egress windows. What looks on the outside like a 2-car garage is actually a 3-car tandem garage with lots of natural light. Take a narrated video tour (including drone footage) at www.LittletonHome.info, then come to our open house on Sunday, Oct. 22, 11am to 1pm, or call 303-525-1851 to set a showing.



Congratulations to Our 3rd Qtr. Top Producer, Chuck Brown

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"I cannot do all the good the world needs, but the world needs all the good I can do." —Jana Stanfield