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# TEXAS REALTOR®

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Get insights from REALTORS®  
who have made the jump.

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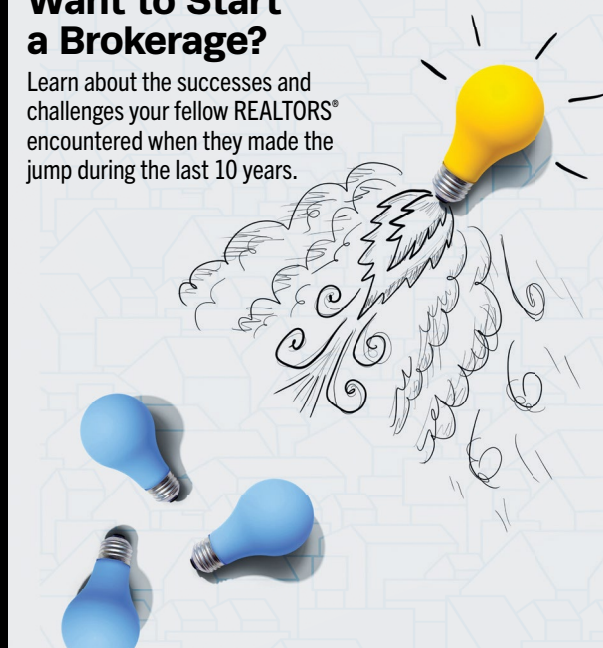
Knowing the market factors that affect real estate decisions can help you better serve your clients and improve your business.



COVER STORY 16

Want to Start a Brokerage?

Learn about the successes and challenges your fellow REALTORS® encountered when they made the jump during the last 10 years.



24 FEATURE Stay Safe on the Job
by Patee Franks

Being aware of potential threats and taking the necessary precautions will help you make it home safely. Here's some advice from members who felt threatened and responded to frightening situations.

14 FEATURE Vote to Lower Property Taxes!

Texas REALTORS® is supporting five of the 14 proposed constitutional amendments up for a vote this November. Find out what the amendments would do if approved.



20 FEATURE 2023 Shaping Texas Conference

Over 2,000 REALTORS® from across the state met in San Antonio to gain new skills, make connections, and get inspired. See pictures and highlights from the events.







“Texas REALTORS® is committed to ensuring that our work environment is professional and respectful for all members and employees.”

## Chairman’s message

Many people think the real estate industry is all about homes and land and buildings. But we all know that, at its core, this is a people business. Good relationships are the foundation of our work with clients and colleagues. With the recent allegations of harassment at the National Association of REALTORS®, it brings to the forefront the importance of making certain that no member of our community—member or staff—feels marginalized or threatened. While it is not my role to comment on behalf of NAR, I want to take this opportunity as chairman of Texas REALTORS® to discuss this important subject from the perspective of our state association.

Texas REALTORS® is committed to ensuring that our work environment is professional and respectful for all members and employees, regardless of gender, race, or sexuality. Our officers, members of our Executive Board, and all who serve on committees agree to abide by policies that cover several areas, including general conduct and anti-harassment. We all acknowledge these documents each year. Each policy clearly states that failure to abide by the policies may result in grounds for removal from the volunteer position. Members who attend our conferences also agree when registering to be held accountable to a code of conduct during the event.

Anti-harassment, anti-discrimination, and anti-retaliation policies also apply to association staff, and all employees are required to take annual training in this area. Ongoing training is important not only to clearly communicate the standards for appropriate behavior but also to let staff know what steps to take if they experience or witness inappropriate behavior by another employee, volunteer leader, or member.

I understand that policies and training—though important—are not enough on their own. Thorough,

impartial application of the policies is critical when claims of harassment or improper conduct arise. I also recognize that Texas REALTORS® cannot monitor or control the behavior of the thousands of volunteer leaders, staff, and members who interact with one another. But I can tell you this: The association takes every complaint seriously.

If you experience or witness harassment or other improper behavior in our state association, I encourage you to report it. The association has a harassment complaint form on our website that outlines the steps and information required for a formal complaint. If you don’t have ready access to the form, you can contact the association’s CEO or general counsel to start the process.

If you are uncomfortable with making a formal, written complaint, I encourage you to follow the rule of *see something, say something*. Talk to me or any member of your Leadership Team. Tell your regional vice president or a Texas REALTORS® staff member. Our association is committed to providing a safe space for all members.

For Texas REALTORS® to continue to be the best association we can be, we must support and empower all members, volunteer leaders, and staff. The first step to ensuring that environment is to approach every relationship—every encounter—with the respect and professionalism that we all seek and deserve.

**Marcus Phipps**



## KNOW AN AWARD-WORTHY REALTOR®?

Visit [texasrealestate.com/awards](https://texasrealestate.com/awards) to see the list of award categories, including those for commercial specialists, educators, good neighbors, government and political activities, and more. You can find the criteria for each award and nomination forms as well. Application deadlines vary, but many of the awards share a December 1, 2023 deadline.

**96% OF TEXAS REALTORS® READ THIS MAGAZINE**, according to a survey of 1,217 members in July. Two-thirds of respondents said they read more than half of each issue, while 22% indicated that they read only specific articles that interest them. Members provided 1,625 suggestions for future magazine topics, and magazine editors read and categorized every one of them. Editors also read the nearly 300 open-ended comments about how *Texas REALTOR®* magazine can be more valuable as a communications resource. Here are other results:

98% consider the magazine a trustworthy source of information

96% find the design easy to read

90% say the magazine is relevant in their day-to-day work

54% rate *Texas REALTOR®* higher than other real estate publications

3% say it is not as good as other real estate publications

### Highest-rated topics

Legal/risk-reduction  
Real estate market trends  
Business tips

56% shared or discussed an article with a colleague

50% shared information from an article with a client

22% shared an article or its topic on social media



## GEORGE STEPHENS: 1941-2023

2003 Texas REALTORS® Chairman George Stephens of Houston passed away in August. A believer in strong relationships, Stephens served in many capacities at all levels of the REALTOR® organization. He also was a member of TREC’s Broker-Lawyer Committee and was appointed to the Texas Department of Savings and Mortgage Lending’s Mortgage Brokerage Advisory Committee. Stephens co-authored the book *Texas Real Estate Brokerage and Law of Agency* and was a columnist for the *Houston Chronicle* consumer real estate column Ask George & Chuck. “George Stephens was a strategic-focused leader who helped our industry understand the importance of using technology to better serve the real estate consumer,” said Texas REALTORS® CEO/President Travis Kessler. “He was a scholar and an entrepreneur who thoroughly enjoyed helping others succeed.”





## EASY WAYS TO MAKE SMALL ROOMS LOOK BIGGER

Even sellers who don't professionally stage their house can make a cramped room feel bigger. Share these tips that don't take much time or money:

### Clear the clutter

The entire house should be tidy, of course. Nowhere is this more important than small rooms. Even if a space is the perfect playroom or craft area, ruthlessly remove everything but a few strategically placed accent items. Clear surfaces and floors, take out unnecessary lamps and furnishings, and cull the number of items hanging on the walls.

### Swap out the furniture

If the room has large furniture that can't be removed from the house, swap items with pieces from other rooms. Look for furniture that has smaller

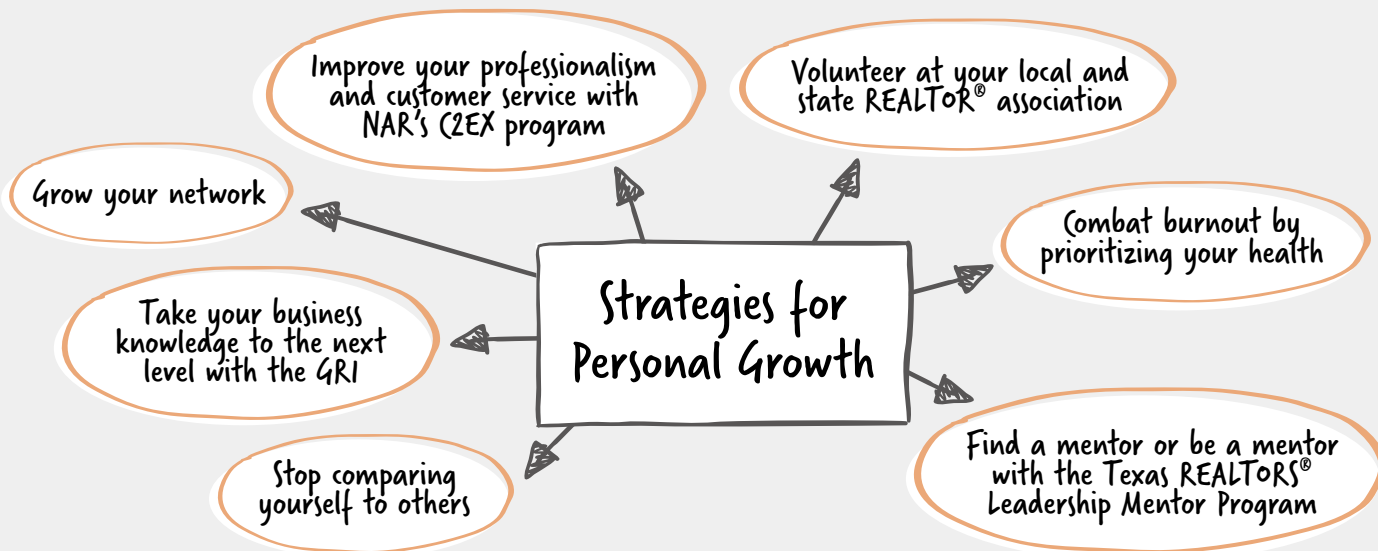
overall dimensions, is lower to the ground, has visible legs (rather than rests directly on the floor), or with glass or clear plastic surfaces.

### Hang a mirror or two

Everyone knows mirrors provide the visual perception of more space. You don't have to install a wall-to-wall mirror. Any framed mirror will visually open up a small room.

### Check for what's in the way

Look at the room from the doorway. If you notice items that block your view, move them. Do the same for any piece of furniture that requires you to walk around it as you move along the most natural path through the room.



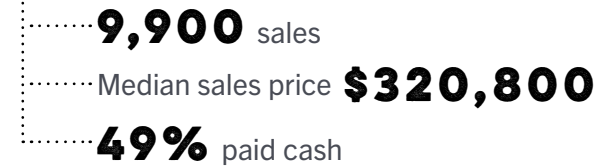
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## INTERNATIONAL BUYERS FIND HOMES IN TEXAS

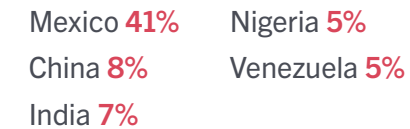
Texas was the third most popular state in the U.S. for international buyers of residential properties (11.7% of all homes purchased by international buyers), behind Florida (23%) and California (12.2%).

### TOTAL DOLLAR VOLUME

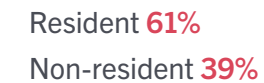
**\$4.3 BILLION**



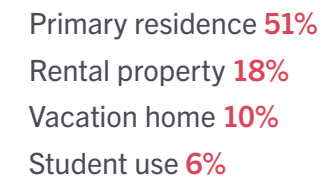
### COUNTRY OF ORIGIN



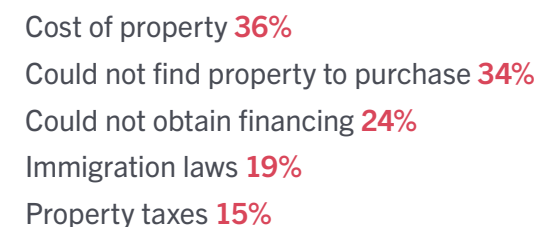
### TYPE OF INTERNATIONAL BUYER



### TYPE OF PROPERTY PURCHASED



## TOP REASONS AN INTERNATIONAL CLIENT DIDN'T PURCHASE A PROPERTY



**76%**

bought detached single-family homes

View the full report and other survey results at [texasrealestate.com/research](https://texasrealestate.com/research).

Research by NAR. Buyers purchased homes from April 2022 to March 2023. Margin of error is +/- 3.1%.

## WHEN IS THE RIGHT TIME TO BUY A HOUSE?

Most people say the timing of their next home purchase has more to do with personal circumstances than external factors. According to Bank of America's *2023 Homebuyer Insights Report*, 69% of people planning to purchase a home will do so when it's "right for me" regardless of prices and interest rates.





### COUNT TO 10

Working with and competing against other REALTORS® is part of this business. That usually works out well for all parties. Occasionally, though, disputes arise and tempers flare. But use caution when communicating about a contentious situation. Article 15 of the Code of Ethics states: "REALTORS® shall not knowingly or recklessly make false or misleading statements about other real estate professionals, their businesses, or their business practices."

The Code makes clear that all statements are bound by this rule, whether in person, in writing, through digital means, or by any other means.

Also use restraint before passing along comments other REALTORS® make about a competitor. Repeating or retransmitting false or misleading statements made by others is also prohibited.



### TREC REVISES LICENSE RENEWAL REQUIREMENT

Renewing your license for the first time soon? Or do you have agents in their first renewal cycle?

Effective October 1, sales agents renewing their license for the first time are required to complete an approved 30-hour real estate brokerage course as a part of the 90 hours of SAE. The Texas Real Estate Commission made this change to the renewal requirement during its May meeting.

The Texas REALTORS® GRI: Real Estate Brokerage class qualifies for this requirement. Find upcoming GRI courses at [texasrealestate.com/findacourse](https://texasrealestate.com/findacourse).



### From the Hotline 800-873-9155

What happens when a contract term is left blank? Some agents assume that it means the value in the blank is zero or that the term is not part of the contract. However, leaving a blank in part of a contract that should be filled out generally is legally ambiguous. If the parties cannot come to an agreement about what the blank means, then a court would have to decide. Courts may insert a reasonable term based on the circumstances. Therefore, it's important that all terms be carefully reviewed by the parties and that all blanks be filled in. Also, be mindful to follow instructions in the form, such as only checking one box where only one option should be noted. If a party checks more than one box or no box in those instances, it would again lead to ambiguity in the terms agreed to by the parties.

—Traci Jackson, staff attorney



### Your Forms

When a tenant has failed to timely pay some amount due under the *Residential Lease* (TXR 2001) but the landlord or property owner chooses to give the tenant time to correct the default, the *Agreement to Pay Past Due Amounts Under Lease* (TXR 2213) can be used. This form allows the landlord or property manager to spell out the terms under which a tenant may pay the past due amounts in lieu of the landlord or property manager seeking to evict the tenant. The form specifies that the agreement does not amend the lease and does not waive any of the landlord's rights to enforce the provisions of the lease. If the tenant fails to pay the past due amounts in accordance with the agreed-upon payment schedule, the landlord may pursue the default remedies in the lease, which includes evicting the tenant. The *Agreement to Pay Past Due Amounts Under Lease* form is one of more than 150 forms exclusively available to members of Texas REALTORS®.

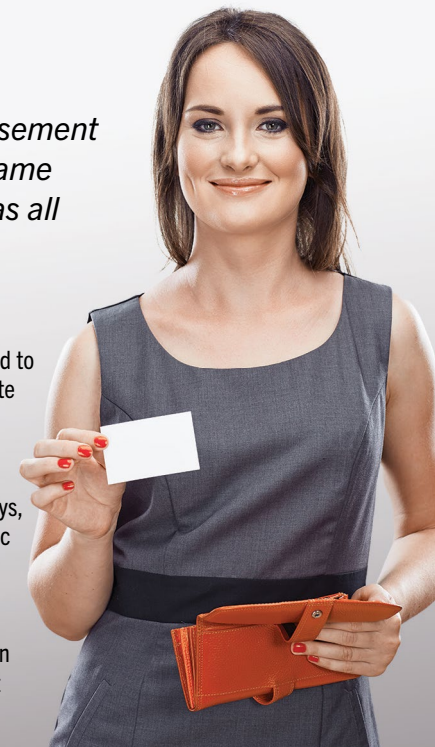


### Fact or Fiction?

Your business card is considered an advertisement and must follow the same TREC and NAR rules as all other ads.

**FACT.** An ad is considered any form of communication by or on behalf of a license holder designed to attract the public to use real estate brokerage services. This includes publications, brochures, radio or television broadcasts, business stationery, business cards, displays, signs, billboards, and all electronic media—email, text messages, social media, and websites.

The only exception to the advertising rules is communication between a license holder and that license holder's current client.



**Q** I'm working with a buyer who wants to make offers on three properties at once. She said she will terminate two of the contracts when she decides which one she wants to buy. Is this ethical?

**A** No laws or rules prohibit your buyer from making offers on more than one property at a time. Similarly, the Code of Ethics does not bar you from representing a buyer making simultaneous offers on multiple properties. If the buyer has a termination option for all three properties, she has the contractual right to terminate two—or all three—of the contracts within the termination option periods. However, there is a risk involved that you may want to communicate to the buyer. If any of the option fees are not paid within the time prescribed, it may be deemed that the buyer does not have a valid termination option. In that case, the buyer may not have the ability to terminate one or more of the contracts, which could leave the buyer contractually obligated to purchase more than one property.





# HOME ECONOMICS

Understanding market factors that come into play when buyers and sellers make real estate decisions.

by Joe Olivieri



Brent Lancaster

**Why do people buy and sell houses? The answer is more complicated than wanting a new place to live. Your buyer and seller clients' behavior is often influenced by emotional and economic principles.**

"All real estate is local, but understanding how and why decisions are made is certainly impactful," says Brent Lancaster, who teaches the Texas REALTORS® course Talk Nerdy to Me: Economic Concepts for Your Business.

You probably know more about economics than you realize. There are economic terms to describe things you work with all the

time. Knowing the factors at play can help you better serve your clients and improve your business.

## Pay the opportunity costs

At your first meeting, your buyer client says her top priorities are a short commute and a swimming pool. She's narrowed it down to two homes: one is 10 minutes from her work but has no pool, and the other has a 40-minute commute and a huge in-ground pool with built-in hot tub. Your client must decide which is more important: car time or pool time.

In economics, opportunity costs are the cost of not picking the next best alternative. "Opportunity costs are why buyers don't buy the first house they see," Lancaster says. "They wonder what else is out there. Very few buyers are going to get everything they want. They'll need to make concessions somewhere." Your client may be thrilled with her new pool, but she will have to accept the opportunity cost of not having that shorter commute.

You can help your clients understand this concept by talking through the pros and cons associated with the properties they're considering. Ranking priorities can help bring clarity to decisions. Even if a buyer has multiple items at the top of a must-have list, that will provide valuable information to help make important decisions.

## Say goodbye to sunk costs

Your seller client loves aquariums—he has permanently installed large tanks all over the house. When he puts his house on the market, he's surprised to learn the market does not value his aquariums as much as he does. Sunk costs are costs you're never going to get back.

"If you spent \$80,000 to put in a pool, it's no longer worth \$80,000 when you go to sell," Lancaster says. "You may be able to get some of that money back when you sell, but most of it is a sunk cost."

Lancaster predicts Texas buyers and sellers will have to come to grips with a lot of sunk costs in the next few years. Homeowners refinanced when interest rates were low and made home improvements—some of which will not add to home values. "Obviously, if I remodel a kitchen, I'll see some return on that. If I permanently installed a \$5,000 coffee maker, I'll enjoy it until it's time to sell."

Explaining sunk costs can help set seller expectations and give homeowners more information about what adds value to homes.

## Pull at elastic and inelastic demand

Your new clients want their children to start the next academic year in a specific school district. They need to close on a house and start living there before class begins. Your clients have an inelastic demand for a house in the

district. They are not tied to a particular price point or fluctuation in cost.

Conversely, another client wants to buy a home for under \$300,000. No houses that she wants are available in her price range. She decides to continue watching the market until a better option comes along. Your client has an elastic demand because she has the latitude to wait.

You can use these concepts in your marketing materials. For example, if your listing has eager sellers and a highly rated school district, you could advertise that you could close before school starts.

## Solve the local knowledge problem

Your client says he saw on the news that the real estate market is red-hot. Homes sell in hours and multiple offers are commonplace. But where? You tell him that your local market does not follow the national trends. It's possible the local market isn't even in sync with what he heard about Texas or your city, or that there are different trends within one ZIP code. Houses may be staying on the market longer or shorter and selling for more or less than what your client heard on the news.

The local knowledge problem is that the information on how to make the best economic decisions depends on many factors. What's true for some or even most scenarios

is not true for all. This situation is an opportunity for you to educate clients and show your value with specifics for your market. Tools like MarketViewer from Texas REALTORS®, REALTORS® Property Resource from NAR, and your MLS statistics can give you the information your buyers and sellers need to truly understand what's going on with real estate in your area.

## Count the marginal costs and benefits

Your buyer clients have gone back and forth with the seller several times. Tensions are running high. Your buyer clients want to ask for one more revision.

The buyer clients could get what they want, but their request might also scuttle the deal by annoying or offending the seller.

Marginal benefits and costs are the pluses and minuses of taking one more action. It's a way of looking at risk and reward, Lancaster adds. What are the marginal costs of listing a house at \$400,000 versus \$390,000? It's a \$10,000 question. On one hand, the sellers might make more money. But could that additional amount in the price shrink the pool of buyers to a level that makes any sale less likely?

Knowing this concept can help your client better understand the other party's position. "From a negotiation standpoint, it helps when thinking ahead. The seller might not like a lowball offer, but it is an offer. He has a fish on the hook and he's wondering whether it's worth it to get it into the boat."

**If you can answer a question a buyer or seller didn't ask or was scared to ask, all of a sudden you have made an impact.**



Very few buyers are going to get everything they want. They'll need to make concessions somewhere.

### Economics makes you look like an expert

If you understand what is influencing buyer and seller decisions, you can tailor your approach to get out in front of any concerns or barriers. Doing so makes you look like you're several steps ahead of the game.

Lancaster suggests keeping tabs on how national market conditions affect your market. He talks with lenders about mortgage applications and other big-picture indicators. If you've observed that national or statewide trends reach your market two to four months after it makes the news, you can start preparing. Or maybe your market usually moves in the opposite direction from most other Texas markets.

"If you can answer a question a buyer or seller didn't ask or was scared to ask, all of a sudden you have made an impact," Lancaster says. "That's how you get a client for life."

"When you start looking at real estate from an economic perspective, you can know where things are going to go based on current conditions. Your clients may not even know why they are doing what they're doing. But *you* might." And with that kind of insight, you will be well-positioned to succeed. ✪

**JOE OLIVIERI** is a business writer who frequently writes for Texas REALTOR®.

## Show Your REALTOR® Pride on Your Ride



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All Texas drivers can display how great it is to live in the Lone Star State with this uniquely Texas illustration.

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The specialty plates cost \$30 per year for a non-personalized version or \$70 per year for a personalized one. These fees are in addition to normal registration and other applicable fees.

\$22 of each plate fee goes to support the Texas REALTORS® Housing Opportunity Foundation.

 **TEXAS REALTORS**

# MY ASSOCIATION MY BENEFITS

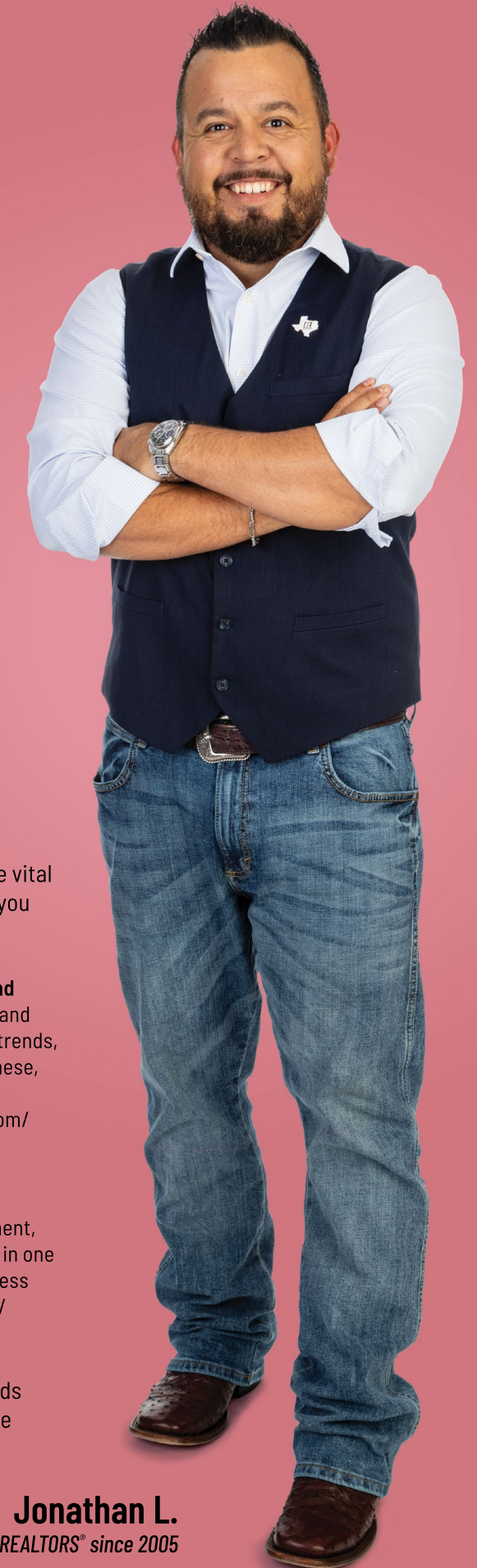
## DATA AND BUSINESS SOLUTIONS AT YOUR FINGERTIPS

Up-to-date data and keeping track of your clients' transactions are vital to your business. Luckily, your Texas REALTORS® benefits provide you solutions that let you work smarter, not harder.

- **Provide market stats to your clients in a clean, easy-to-understand format with MarketViewer.** You choose the geographic boundaries and MarketViewer gives you powerful data about listings, sales, prices, trends, and more. Create residential reports in English, Spanish, or Vietnamese, or check out the extensive new commercial reports. Become a data expert today. Learn more about this great tool at [texasrealestate.com/marketviewer](http://texasrealestate.com/marketviewer).
- **Keep track of your important tasks and your clients' transactions with Wise Agent.** Wise Agent offers solutions for contact management, transaction management, lead automation, and marketing tools, all in one place. With a Wise Agent account, you can stay on top of your business and keep your clients' activities on track. Visit [texasrealestate.com/wiseagent](http://texasrealestate.com/wiseagent) to learn more.

In addition, the REALTOR® Code of Ethics and professional standards are what set you apart from license holders who don't belong to the REALTOR® association.

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Member of Texas REALTORS® since 2005



# HEY, TEXAS—YOU CAN VOTE TO LOWER PROPERTY TAXES

Constitutional amendments supported by Texas REALTORS® also will protect the right to farm and invest in water, energy, and broadband infrastructure.

## STATE CONSTITUTIONAL AMENDMENT ELECTION

NOV. 7  
VOTE EARLY OCT. 23 - NOV. 3

## VOTE FOR

- ★ **PROPOSITION 1 -**  
Protect the Right to Farm
- ★ **PROPOSITION 4 -**  
Provide Property Tax Relief
- ★ **PROPOSITION 6 -**  
Establish the Texas Water Fund
- ★ **PROPOSITION 7 -**  
Establish the Texas Energy Fund
- ★ **PROPOSITION 8 -**  
Establish the Broadband Infrastructure Fund

Texas REALTORS® is supporting five of the 14 proposed constitutional amendments on the November 7 statewide ballot (early voting October 23 - November 3).

State of Texas Proposition 4 would deliver the biggest property tax relief package in Texas history by raising the homestead tax exemption to \$100,000 (up from \$40,000) and authorizing the state to send more money to local school districts (also referred to as “compression”). These changes will help reduce property taxes for both homeowners and non-homestead properties.

Proposition 1 would enshrine in the Texas Constitution certain rights related to agricultural activities on private property. Propositions 6, 7, and 8 establish funds to make investments in the state’s water, electricity, and broadband infrastructure.

The association has not taken a position for or against the other nine amendments on the ballot.

### PROPOSITION 1 - PROTECT THE RIGHT TO FARM

**Ballot Language:** *The constitutional amendment protecting the right to engage in farming, ranching, timber production, horticulture, and wildlife management.*

**Analysis:** While current statutes protect the ability to engage in agricultural activities on private property, this amendment will preserve those rights in the constitution to protect against future efforts to weaken these rights. State agencies and local authorities will retain the ability to regulate activities to protect natural resources and to address issues related to public safety and animal welfare.

### PROPOSITION 4 - PROVIDE PROPERTY TAX RELIEF

**Ballot Language:** *The constitutional amendment to authorize the legislature to establish a temporary limit on the maximum appraised value of real property other than a residence homestead for ad valorem tax purposes<sup>1</sup>; to increase the amount of the exemption from ad valorem taxation by a school district applicable to residence homesteads from \$40,000 to \$100,000<sup>2</sup>; to adjust the amount of the limitation on school district ad valorem taxes imposed on the residence homesteads of the elderly or disabled to reflect increases in certain exemption amounts<sup>3</sup>; to except certain appropriations to pay for ad valorem tax relief from the constitutional limitation on the rate of growth of appropriations<sup>4</sup>; and to authorize the legislature to provide for a four-year term of office for a member of the board of directors of certain appraisal districts<sup>5</sup>.*

**Analysis:** If passed, Proposition 4 will provide much-needed property-tax relief to Texans. The proposition raises the homestead exemption related to public school taxes from \$40,000 to \$100,000. The lead bill author for this legislation projects the average Texas homeowner under age 65 can expect about \$1,300 in tax savings per year because of this property tax reform. Those over 65 may see an average of about \$1,450 per year in savings.

### PROPOSITION 6 - ESTABLISH THE TEXAS WATER FUND

**Ballot Language:** *The constitutional amendment creating the Texas water fund to assist in financing water projects in this state.*

**Analysis:** Passing Proposition 6 will provide a critical source of funding to protect our water quality, ensuring Texans have plenty of clean water and preserving real estate values, economic activity, and growth for the future. The amendment creates a dedicated fund outside of the state’s general revenue fund to invest in upgrades and repairs to the state’s existing water infrastructure and pay for new water projects to meet the needs of a growing population.

# PULL OUT THIS GUIDE AND BRING IT TO THE POLLS!

### PROPOSITION 7 - ESTABLISH THE TEXAS ENERGY FUND

**Ballot Language:** *The constitutional amendment providing for the creation of the Texas Energy Fund to support the construction, maintenance, modernization, and operation of electric generating facilities.*

**Analysis:** Proposition 7 seeks to ensure that the Texas energy grid can meet the demands of tomorrow—keeping Texas an attractive option for people and businesses. The Texas Energy Fund would support the maintenance and repair of existing electricity-generating infrastructure, as well as construction of new projects to increase the capacity and reliability of the grid.

### PROPOSITION 8 - ESTABLISH THE BROADBAND INFRASTRUCTURE FUND

**Ballot Language:** *The constitutional amendment creating the broadband infrastructure fund to expand high-speed broadband access and assist in the financing of connectivity projects.*

**Analysis:** Proposition 8 elevates real estate values by bringing critical broadband infrastructure to areas in need of service—both urban and rural. Establishing high-speed internet service in more areas of the state supports economic development, increases housing choices, and provides more employment and other opportunities for Texans. ★

<sup>1</sup>Helps commercial and non-homestead properties by limiting appraisal growth (there is currently no limit).

<sup>2</sup>Increases the amount of a homestead property’s value that is exempted from ad valorem taxation.

<sup>3</sup>Elderly and disabled Texans enjoy frozen school district taxes. To get the benefit of this legislation, the taxes have to be unfrozen so they can be frozen again with the higher exemption.

<sup>4</sup>Texas had a huge budget surplus, but the \$18 billion cost of this property tax relief exceeds the legislature’s self-imposed spending cap, and thus requires voter approval.

<sup>5</sup>Provides for the election of some appraisal review board members.

### HOW DOES TEXAS REALTORS® DECIDE WHICH AMENDMENTS TO SUPPORT?

The Texas REALTORS® Legislative Management Team (LMT) determines support for proposed amendments. The LMT is the association’s top-level government affairs committee and is composed of the chairs and vice chairs of TREPAC, the Public Policy Oversight Committee, Political Involvement Committee, and the Local Issues Committee, plus the Texas REALTORS® Leadership Team. The committee considers the association’s stance on the legislation that led to the propositions, as well as how the passage or defeat would align with the association’s overall legislative priorities (available at [texasrealestate.com/issues](https://texasrealestate.com/issues)).



# THINKING OF STARTING A BROKERAGE?

These Texas REALTORS® who made the jump within the last 10 years share their tips and lessons learned.



Starting a brokerage can be an exciting step forward for many REALTORS®. You may have a goal to oversee a team of real estate agents or strike out on your own as a solo broker. But there may also be trepidation in that decision. Maybe you wonder if it is the right time to branch out on your own. Or perhaps you question what kind of brokerage you want to establish. As you consider this move, you may find value in the experience of others who have already gone through the experience. *Texas REALTOR®* magazine asked brokerage owners to share their advice for REALTORS® interested in starting their own brokerage one day. Here's what they had to say.



Comments compiled and edited by Joe Fisher, Texas REALTORS® Marketing Specialist. Answers have been edited for space and clarity.

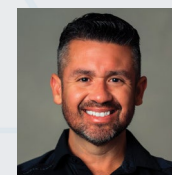


**AJ ABRAMS**  
Supreme 1 Realty, Austin  
Became a broker in 2018  
Number of agents at firm: 27

**Have a solid CRM system where you can connect with recruits, current clients, and your agents.** If you have that in place, it makes it a lot easier, but a lot of people look past that and try to do everything on social media, or just try to go get an office space right away. If we didn't have that CRM in place, we wouldn't be here.

**One of the biggest things you have to do is maintain the budget.** It's not just a free-for-all hiring people who have a real estate license. That can get you in trouble.

If you want to start a brokerage, you have to have thick skin. Because you're new, you're going to get told no a lot more than what you get told from buyers and sellers. **But believe in what you've set up.** Then when you have agents jump on board, show them that you can help their business grow. Then use that to show what you can do to help other agents who are potentially a good fit for your company.



**CESAR AMEZCUA**  
CA & Company, REALTORS®, San Antonio  
Became a broker in 2013  
Number of agents at firm: 8

The first thing I did was figure out what type of brokerage I was going to have, and how it was going to be structured. **We meticulously set up the type of brokerage that we**

**wanted it to be:** something that I could handle and manage day-to-day operations of the brokerage. Take care of yourself as you set up the brokerage. You want to be able to serve your agents but also accomplish whatever else you're trying to accomplish.

Have a solid business model. It won't be perfect the first go around, but if you just jump in without a plan, that is not going to last very long. **If you're not ready to train and mentor your agents, then you're just going to become a babysitter.** That is exhausting and dangerous. Also have all the tools in place before you open the doors: a good CRM, a good digital signing platform, your errors and omissions, and an umbrella policy over everything.

**As a new broker, be ready to mentor agents, not just train. They're opening their own business just like you did at one point.** You need to be ready to show them the ropes: how to write a contract, how to do a market analysis, how to treat people, what is acceptable to your standards, and what is not acceptable to your standards. I could just tell agents to go to all these classes as training, but that's not going to create a good agent. Mentoring creates good agents.



**ALISHA AUSTIN**  
Homes in Heels Realty, Round Rock  
Became a broker in 2018  
Number of agents at firm: 0

**Laying the foundation for your brokerage is imperative for your future success.** Get all the required compliance items registered with TREC, Texas REALTORS®, the secretary of state, banking, and your associations. It can take a bit of time.



## THE STEPS TO BECOME A BROKER.

A licensed real estate broker in Texas can directly provide real estate services to another person in exchange for a commission. Brokers may also sponsor and supervise real estate sales agents.

To get a broker's license, you must be 18 years of age or older and a U.S. citizen or lawfully admitted alien. You also must meet the Texas Real Estate Commission's qualifications for honesty, trustworthiness, and integrity.

You have one year from the date your application is filed to meet all license requirements.

### ■ Submit Qualifying Education

◆ 270 classroom hours of qualifying real estate courses, including mandatory courses:

- ❑ Principles of Real Estate I (30 classroom hours)
- ❑ Principles of Real Estate II (30 classroom hours)
- ❑ Law of Agency (30 classroom hours)
- ❑ Law of Contracts (30 classroom hours)
- ❑ Promulgated Contract Forms (30 classroom hours)
- ❑ Real Estate Finance (30 classroom hours)
- ❑ Real Estate Brokerage (30 classroom hours)
- ❑ An additional 630 classroom hours in related qualifying courses.

### ■ Meet the Experience Requirements

◆ Have at least four years' active experience as a licensed real estate sales agent or broker during the 60-month period preceding the filing of the application.

### ■ File Your Application

◆ Submit your application and fee through TREC online or by mail.

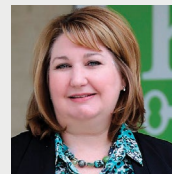
### ■ Submit Fingerprints and Pass a Background Check

### ■ Take and Pass the Exam.

Detailed requirements can be found at [trec.texas.gov/become-licensed/individual-real-estate-broker](http://trec.texas.gov/become-licensed/individual-real-estate-broker).

Avoid recruiting too quickly. **Figure out what you are supposed to be doing before you are responsible for others.** I'm close to bringing on my first agent, but I take very seriously the use of my name and all the years I've built creating a reputation for myself. Personally, I think it is difficult to be both a producing broker and properly oversee multiple agents. I truly love selling—I'm not ready to give that up to spend all my time reviewing contracts, supervising lots of agents, and lose all the interaction and relationships I've built over the last 17 years with my buyers and sellers.

**Network with other brokers.** Find your tribe—no one knows everything—and these people will be priceless when you need a second opinion or want to bounce a scenario off another broker.

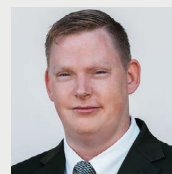


**LORI KEEBAUGH**  
Keebaugh & Company, Longview  
Became a broker in 2017  
Number of agents at firm: 12

**Dig deep and understand what your core values are and what you are looking for in growing your business.** There are many brokerage models to choose from. Some brokerage models rely strictly on numbers—the more agents, the better—but if you are looking for a smaller, more-intimate approach, then a smaller office that offers more one-on-one contact with the broker might be a better fit. Knowing up front what you want in a brokerage will help in the long run for you *and* your agents.

You need a lot of experience under your belt. Not just real estate experience, either. **Being the managing broker of a company comes with a lot of hats to wear. Be sure you are stable in your personal life as well as your business.**

**Invest in having qualified people on your team who share your vision. Spend the money on tools that help you and your agents be successful.** Receive and provide support to others. This is a hard business. We all need all the support we can get from one another. Get advice from other professionals (attorneys, CPAs, etc.). Doing it right from the beginning means less mistakes to clean up later.



**MATTHEW TATE**  
House Brokerage, Denton  
Became a broker in 2022  
Number of agents at firm: 50

At House Brokerage, we recognized early on that **building a family culture and assembling a talented leadership team were paramount. We sought out individuals who**

**shared our vision and values** and possessed the expertise to excel in their respective roles. This approach allowed us to establish a solid foundation for growth and success while fostering a supportive and dynamic work environment.

It's easy to get caught up in day-to-day operations and various challenges, causing important aspects of building the business to be overlooked. However, **it is crucial to recognize that focusing on culture, support, training, and technology is fundamental to long-term success.**

For anyone thinking of opening a brokerage, keep in mind that it's a significant undertaking that may not be suitable for everyone. **It requires careful consideration and a strong commitment to succeed.** Some of the necessary qualities needed to succeed include passion and commitment, long-term vision, resilience and sacrifice, realistic expectations, mentorship, adaptability, and the ability to stay true to your values.



**JENNIFER TUCKER**  
Bridgeway Realty, Fort Worth  
Became a broker in 2021  
Number of agents at firm: 15

An undervalued/overlooked asset of creating a brokerage is that it doesn't stop with the feeling of accomplishment. **The connections made and the value you bring to everyone associated with your brokerage—from the staff to the agents and then passed along to their clients—is invaluable!**

I started my own brokerage because I enjoy helping other REALTORS® succeed in their businesses. **I felt I could offer benefits to REALTORS® more as an independent broker** and, in turn, that would pass on to their clients.

When opening your own brokerage, **be sure not to fall into the pitfall of overcommitting yourself and trying to please everyone.** You cannot be everything to every person. Also, just like when you decided to get into real estate, determine your why.



**JONATHAN WOLF**  
Realty One Group Rose, Tyler  
Became a broker in 2021  
Number of agents at firm: 39

I carefully prioritized the selection of my business partners, strategically assessing their suitability. Moreover, **I aimed to establish a brand that would cultivate a distinctive culture, which I perceived as absent within my market.** By doing this, I aligned myself with individuals who possessed the necessary skills, expertise, and shared vision to contribute effectively to the success of the venture.

I recognized a gap in the market where the prevailing business landscape lacked a distinct identity and values. **I aimed to differentiate my business from competitors and attract a target audience that resonates with those values.** This strategic approach not only enhances brand recognition but also fosters customer loyalty and engagement, ultimately contributing to the long-term sustainability and growth of the business.

**Engaging in indiscriminate agent recruitment solely to fill positions is a potential pitfall that must be carefully sidestepped.** Prudent discernment is vital when assembling the team that surrounds the brokerage, as the quality and compatibility of individuals greatly influence its overall success. ★







1

“Learn to do the little things right and you learn to do the big things right.”

– William H. McRaven

# EDUCATION & CONNECTION AT 2023 SHAPING TEXAS CONFERENCE

Y'all, the Shaping Texas Conference was a hit! Over 2,000 REALTORS® from across the state met in San Antonio to be inspired, gain new skills, and make connections. Here are the conference highlights:

## INSPIRATIONAL OPENING SESSION

Keynote speaker **William H. McRaven [1]**, retired U.S. Navy four-star admiral and former chancellor of the University of Texas System, inspired attendees with the valuable life lessons he gained from training with the Navy SEALs. He shared several stories about the importance of teamwork, accepting help, taking risks, the value of hope, and learning from failure. He also spoke about discipline and how something as simple as making a bed perfectly can lead to future growth. “Learn to do the little things right and you learn to do the big things right,” he told the standing-room-only audience.

## WHAT MEMBERS LEARNED

The conference included educational sessions, panels, and forums offering actionable advice and covering the latest real estate trends.

AI was a hot subject this year. During “The Digital Age Brokerage,” Marion Napoleon focused on how technology can save brokers time. “Think of AI as your own personal robot,” she said regarding managing contacts, transactions, data, and other brokerage duties. In the “Leveraging AI and the Latest Technologies to Improve Your Business” session, Cassandra Davis explained how ChatGPT could be used, such as integrating it with other apps, automating workflows, and utilizing chatbots to maximize your marketing. Davis also discussed other AI tools, how to avoid copyright violations, and the importance of fact-checking.

Action and emotion are your best memory aides, according to **Craig Krause [2]**, owner and founder of Direct Development Training. Krause offered ways to improve your memory and presentations in the “Memory Power: Mastering Your Memory” session.

**Ginger Unger [3]**, owner of Secor One Commercial Group, gave insight into new digital currencies at “The Effects of Blockchain, Crypto, and NFTs on Real Estate Transactions” and “Buying & Selling Commercial Real Estate using Non-Traditional Payments” sessions.

“Second-generation spaces are gold,” said **Victor L. Henry [4]** of Don Quick & Associates at the “Tenant Responsibility: Commercial Real Estate Management” session. “If it was built as a restaurant, a new restaurant tenant is easy,” he said. Henry gave an introduction of commercial leasing, explained the factors to consider when choosing a tenant for a location, and discussed the common mistakes tenants make.



During “Real Estate & Homelessness: Understanding the Impact of Commercial Properties on Housing Insecurity,” **Robert G. Marbut Jr. Ph.D. [5]** from Marbut Consulting debunked some homelessness myths and spoke on the cost of homelessness and creating safe spaces.

Nicole Nosek, Chair of the Board of Texans for Reasonable Solutions, and Nathan Gorton, Governmental Affairs Director of Washington REALTORS®, were on the panel of a session titled “The Price is Too Dang High: Policymaking for Housing Affordability.” They dove into housing affordability, attainability, and sustainability.

In the session “How Does Fair Housing Really Affect Me? The Fundamentals and Beyond,” **Allison Mattocks [6]**, partner of Warren Kalyan & Mattocks, stated that there were over 31,000 complaints of housing discrimination reported in the U.S. in 2021. Mattocks explained how to protect yourself, your business, and your community by providing equal-opportunity housing.

## IN OUR THOUGHTS

Throughout the conference, meetings started with remembrances for several leaders who recently passed away:

- Mark Lehman, former Vice President of Governmental Affairs for Texas REALTORS®
- Richard Miranda, Regional Vice President and former Chairman of Houston Association of REALTORS®
- George Stephens, former Chairman of Texas REALTORS®

## SHIFTING GEARS FROM THE 88<sup>TH</sup> TEXAS LEGISLATURE TO ELECTION SEASON

**A.J. Rodriguez [7]**, Executive Vice President of Texas 2036—a nonpartisan organization on policy to meet the needs of our growing population—gave a presentation about how the organization is looking to the 200<sup>th</sup> birthday of Texas in 2036 as a milestone to achieve progress to ensure Texas remains the best place to live and work. The organization focuses on data-driven solutions to challenges facing the state.

“Every legislative session we’ve ever had and will have, there are contentious issues. The antidote to that is data,” said Rodriguez. The organization’s data is open to the public. “We want people to challenge us on the data because we want to get it right. Work with us to build this civic demand that we need to focus on issues that we need to solve.”

**Jillian Youngblood [8]**, executive director of Civic Genius, a national nonpartisan civic engagement organization, spoke about how to bring people together in an increasingly polarized environment. She pointed out that the United States is not the first country to experience political polarization, and she shared examples of other countries that have made significant progress. Some of the steps she outlined to bring people together included identifying a common goal and seeing the other side’s humanity.







### IT'S A PITCH BATTLE!

Austin Board of REALTORS® CEO **Emily Chenevert** [9] emceed the second annual Texas REALTORS®/REACH Labs Innovation Showcase. Four start-ups that have participated in the NAR REACH Labs program pitched their products before a panel of three judges, “Shark Tank”-style. **NEO** [10], **Pivo Real Estate** [11], **Homematchx** [12], and **Ink** [13] presented, with Pivo Real Estate getting the most audience votes [11]. (See more at [bit.ly/2023TRShowcase](https://bit.ly/2023TRShowcase).)

### INSTALLATION GALA

Attendees enjoyed a festive night and dressed in costume for a Great Gatsby/Roaring '20s-themed Installation Gala. Tracy Kasper, President of NAR, installed the 2024 Executive Board Appointees, **Regional Vice Presidents** [14], and Texas REALTORS® officers: **Jennifer Wauhob** [15, left] as Secretary/Treasurer, **Christy Gessler** [15, right] as Chairman-Elect, and **Jef Conn** [16] as Chairman. (Unable to attend the event was 2024 Immediate Past Chair Marcus Phipps.)

Conn spoke about the importance of recognizing others for their service to the association. “If you see something good, say something good,” he offered. He encouraged attendees to go beyond thanking fellow volunteers in the REALTOR® association to also include spouses, partners, colleagues at your office, and everyone who makes it possible for REALTORS® to give their time to volunteer in the association.

### TRADE EXPO [17]

On Saturday, members flocked to the Trade Expo featuring over 100 vendors, giveaways, and a mechanical bull. And three lucky members won prizes for visiting all the stops on the expo’s Treasure Hunt.

### BOARD OF DIRECTORS MEETING

The Texas REALTORS® Board of Directors met to share updates, recap committees’ activity, and provide a budget overview.

NAR 2023-2024 President **Tracy Kasper** [18] spoke on the whirlwind of events and challenges that brought her to her position earlier than expected. Kasper acknowledged that members and staff of the national association were hurting. “We will see big changes,” she promised. “We are going to get through this together and united, because we are REALTORS®.”

**Pat Farrell** [19, right], San Antonio, and **Jay Gohil** [19, left], Austin, were presented with the association’s Distinguished Service Award, honoring careers of service to the industry and their community.

**Katie Barrow** [20, right], Beaumont Board of REALTORS®, and **Angela Brutsché** [20, left], Vice President of Marketing and Communications at Texas REALTORS®, were honored for earning the REALTORS® Association Certified Executive (RCE) designation.

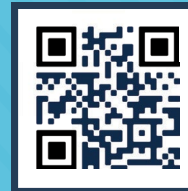
During the meeting, the following motions were approved:

- Amendments to the Texas REALTORS® Bylaws to reflect changes to Texas REALTORS® regions and update language to clarify the process for removal of a leader, with an effective date of December 1, 2023.
- Legal Fund assessment of \$5 per REALTOR® member for the 2024 budget cycle.
- Issues Mobilization/Political Advocacy Fund (IMPAF) assessment of \$30 per REALTOR® member for the 2024 budget cycle.

The motions did not result in a dues increase. Membership fees will remain the same.

In addition to announcing the newly elected Credentials Committee and hearing reports from the association’s committees, Travis Kessler, President/CEO of Texas REALTORS®, shared that the Real Estate Business Institute (REBI) donated \$14,500 to the Texas REALTORS® Disaster Relief Fund. ★

SEE MORE #SHAPINGTEXAS PHOTOS BY SCANNING THE QR CODE:





# STAYING SAFE IT'S A MATTER OF LIFE AND DEATH.

by Patee Franks

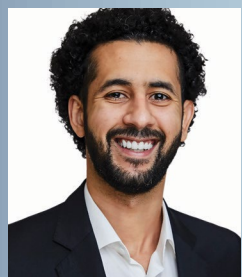
As a real estate professional, your job can put you in risky situations. Being aware of potential threats and taking the necessary precautions will help you make it home safely.

*Texas REALTOR*® magazine asked members to share a time in their real estate career when they felt their safety was threatened and how they dealt with it.

*Answers have been edited for space and clarity.*



Marion Suggs



Wafiq Alalawi



Linda Botello



Cindy Billman



Stacey Stidham

## SOMETHING SEEM OFF? TRUST YOUR GUT

Do you have an emergency plan if something goes awry? Marion Suggs, an agent with Smart Group, REALTORS®, San Antonio, went to a vacant house to take a series of videos for an investor. She noticed the door was partially open, but the lockbox wasn't. Inside, she saw large holes in the floor. Since the home had a pier and beam foundation, someone could easily crawl through. Suggs went back to her car and immediately contacted the selling agent. Soon after, she saw someone running out the back door.

Suggs has learned to be extremely cautious when showing distressed or vacant properties. She will leave and contact the selling agent if the door isn't secure when she arrives. "Make sure you always have a plan to get out if something happens," she says. "Like I tell my children, always think ahead for the 'what if.'"

Stacey Stidham, a buyer's agent with Keller Williams Realty Northeast, Houston, brought an investor client to a home that was listed as vacant. During the tour of the home, they noticed a pair of men's shoes in the middle of the living room floor, an air fryer in the empty kitchen, and eight unopened beers on the patio. They promptly left.

Afterward, she left a message for the listing agent to let him know there was possibly a squatter and that the back door was unlocked. While she never heard back from the agent, the home was withdrawn a few days later.

In another instance, Stidham viewed a listing that had a broken garage door that made it possible for anyone to walk right into the home. "I will no longer show vacant homes that I can't see in the windows or that have easy access inside," she says.

She has since installed the Life360 tracking app, letting her send a silent alert if she is in danger and allowing her husband to locate her during a showing.

## FACED WITH DANGER? STAY CALM AND PROTECT YOURSELF

What would you do if you encountered a trespasser? When Wafiq Alalawi, an agent with Realty Austin, noticed the door to his vacant listing was damaged, he pushed on the door to see if it was open, only to have someone push back from the inside. Alalawi promptly moved away from the door and called 911.

As the intruder charged him, Alalawi tried his best to remain calm. "While on the phone with the police, I had no choice but to draw my weapon and stand my ground," he says. The intruder immediately backed off at the sight of the weapon and Alalawi's verbal warnings to stop and not come any closer. The police arrived quickly and arrested the intruder nearby.

Drawing from his license-to-carry class, Alalawi warns others that you shouldn't try and be a hero. "A gun is a last resort to protect yourself," he says. "In hindsight, and if this happens again, the best thing for me to do would be to first get to safety, like my car, and lock the door before calling 911."

Practicing the adage that there is safety in numbers, Linda Botello, an agent with Horizon Realty, Austin, brought a friend to her open house and introduced herself to the neighbors on each side and across the street. When she retrieved the signs after the open house, a gentleman acting like an appraiser pulled around the back.

"He started asking directions and questions about square footage that did not add up," Botello says. "I displayed the knife I used to remove the balloons and went along with his story."

She feels lucky that he didn't try to attack them and that everything turned out fine.

Botello reminds other agents to ask the neighbors to check on them during an open house and never to do an open house alone. "Even if you have a weapon, it can be taken from you." Instead, she believes it's helpful to have an alert app on your phone to call for help. She also adds that she will never stay in the house when a man walks in alone. "I tell him I'll be right

“**MAKE SURE YOU ALWAYS HAVE A PLAN TO GET OUT IF SOMETHING HAPPENS.**”

## 10 BEST PRACTICES FROM THE NATIONAL ASSOCIATION OF REALTORS® SAFETY PROGRAM

1. Always let someone know where you are going and when you will be back.
2. Show properties while it's still light out.
3. Do not drive clients in your car. Instead, have them meet you at the property.
4. Take a moment to look around before you enter your destination.
5. Preprogram important numbers into your cell phone, such as your office, roadside assistance, and 911.
6. Plan ahead by searching for escape routes.
7. Learn self-defense skills.
8. Control your open house traffic by limiting the number of people in the house.
9. When talking to clients and prospects, keep your personal information private.
10. Choose flight over fight.

SCAN THE QR CODE TO SEE THE COMPLETE LIST OF 56 TIPS



Access additional tips, printable PDFs, social media graphics, videos, and other safety resources from NAR: [nar.realtor/safety](https://nar.realtor/safety)

Find additional articles from *Texas REALTOR*® magazine: [texasrealestate.com/safety](https://texasrealestate.com/safety)



## 75% OF RESIDENTIAL REALTORS® FEEL MORE PREPARED FOR UNKNOWN SITUATIONS AFTER TAKING A REALTOR® SAFETY COURSE.



back, then sit in my car and take a picture of his license plate.”

It’s always a good idea to ensure your cellphone will be in range and is fully charged. However, there are times where service is spotty, or in Cindy Billman’s case, a broker of Silver Keys Realty, Grapevine, cell phones didn’t exist yet. She was beginning to lock up after an open house when she noticed two men approaching the house. “They both wore long black coats and black fedoras that shielded their eyes,” she says.

Since she was alone and did not have a phone, she ran to the garage and grabbed a can of wasp spray she had seen earlier. She stayed outside the patio door when the men walked in.

“I politely told them to look around and let me know if they had any questions.” She watched the men go through the house like they were looking for something.

While she was able to think quickly on her feet, Billman says she now invites another agent, loan officer, and sometimes her husband to sit with her. Another technique she uses to avoid getting caught alone is to never follow someone upstairs. If the person says they must show her something, she will tell them she cannot climb the stairs due to an injury. ★

**PATEE FRANKS** is Digital Marketing Specialist for Texas REALTORS®.

### SAFETY BY THE NUMBERS

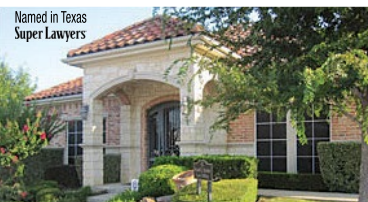
According to NAR’s 2022 Member Safety Residential Report:

- **34%** of residential REALTORS® have met a new or prospective client alone at a secluded location or property.
- **42%** of residential REALTORS® hosted an open house alone.
- **43%** of residential REALTORS® have shown vacant properties in areas with poor or no phone coverage in the past 12 months.
- **40%** of residential REALTORS® participated in a self-defense class.
- **43%** of men and 54% of women carry a self-defense weapon or tool.
- **64%** of residential members use a smartphone safety app to track whereabouts and alert colleagues in case of an emergency.
- **67%** of residential REALTORS® said that their offices have safety procedures in place.
- **73%** of residential REALTORS® have personal safety protocols that they follow with every client.
- **75%** of residential REALTORS® feel more prepared for unknown situations after taking a REALTOR® Safety course.

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## THE KEY TO A GREAT NEIGHBORHOOD: YOU!

Everyone wants to live in a great neighborhood. The good news is that no matter your location or type of property you call home, you can improve the area where you live. And it doesn’t have to take a lot of work.



### GO FIRST

Your instinct might be to wait for the neighbors to introduce themselves, especially if you just moved in. But your neighbors may be taking the same approach. Whether you’re new or an established resident, a simple hello can be the opening you need to start a conversation and, ultimately, a friendship. And when you see a neighbor who needs a hand, offer to help. Chances are that person will return the favor in the future.



### GET OUT THERE

The more interactions you have with neighbors, the greater your chances of forming neighborhood bonds. Work in your yard, walk the neighborhood, hang out at the condo pool, or spend time in the apartment’s fitness center. And when you’re there, remember to make that small effort to break the ice.



### LOOK FOR WAYS TO GET INVOLVED

Many neighborhoods stage events that require volunteers. You may be able to co-host a block party, help set up the Fourth of July parade, pitch in at a park clean-up, or participate in other group activities.



### WANT TO DO MORE?

There are many other opportunities to improve your neighborhood if you have the inclination and time. Serve on the board of your neighborhood association or homeowners association. Be the person to start a new event, such as a movie night at the park or in the common area. Organize help for older neighbors who need assistance with things like groceries, medical appointments, pets, and trash. Support local schools and teachers. You can also observe what nearby communities are doing and see if those might fit in your neighborhood.



REALTORS® are the experts when it comes to real estate transactions. Your REALTOR® may also know ways you can get more involved in your neighborhood.



# TAKE 5

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## DON'T LEAVE REFERRALS TO CHANCE

Do you have more clients than you can serve? No? You can fill your prospect pipeline by learning how to bring in more referrals.



### START WITH STELLAR SERVICE

You can do everything else right to generate referrals, but unless you impress current clients, they won't recommend you. Do what it takes to exceed expectations: communicate however the client prefers, deliver what you promise, and ask what else you can do to make the transaction better.

### DON'T ASSUME PEOPLE KNOW YOU WANT REFERRALS

If you do a good job, your clients will tell their friends about you, right? Don't count on it. Come up with a comfortable, clear way to ask people to send business your way. If you're struggling with how to word your request, check with your broker, take a class, work with a coach, or search online for scripts that you can customize.

### START EARLY AND DON'T STOP

When is the right time to first ask for referrals? Some agents make it part of their listing presentation. Not only could it lead to immediate business, but it puts prospects in a frame of mind to send others your way in the future. Remind clients while you are working with them that you appreciate referrals. Bring up referrals after closing and periodically during your ongoing contact.

### ADD REFERRAL MESSAGES TO YOUR OUTREACH

A direct appeal for referrals yields the best results, but you can reinforce the message in your marketing materials, email signature, website, and other materials.

### SEND UPDATES AND THANK-YOUs

Express gratitude to everyone who refers prospects to you. Also, update them about the status of your activity with people they sent your way. This shows your gratitude while reinforcing the idea of referring more buyers and sellers to you in the future.



You may give an unlicensed person a non-cash gift worth \$50 or less in exchange for a referral and not violate The Real Estate License Act (TRELA) or Texas Real Estate Commission rules. According to TRELA, if a referral is made with the expectation of receiving valuable consideration, the person making the referral must be licensed under the act. Under Section 535.20 of TREC rules, gifts of merchandise having a value of \$50 or less do not count as valuable consideration.

A bank gift card that can be converted to cash or credit or any amount of cash or credit toward rent owed are not allowed to be used as gifts to an unlicensed person in exchange for a referral, according to TREC.

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