

# TEXAS REALTOR®

Succeed in Texas Real Estate

March 2019 \$3.50



IT WON'T  
WORK  
WITHOUT  
YOU

Why your real estate  
tech tools need a  
human touch. p.16







# My Why?

I see my goals as inevitable triumphs. Because, like the diehard agents at RE/MAX, I don't let anything stand in my way. Not setbacks. Not surprises. Not even myself. This is my tribe.

Why RE/MAX? The culture is my why.



Find your why at  
[joinremax.com](http://joinremax.com)

# TEXAS REALTOR®

March 2019-Volume 72-Number 02

**TRAY BATES** Chairman of the Board  
**CINDI BULLA** Chairman-Elect  
**MARVIN JOLLY** Secretary/Treasurer  
**KAKI LYBBERT** Immediate Past Chairman  
**TRAVIS KESSLER** CEO  
**ANGELA BRUTSCHÉ** VP of Comm. & Mktg.  
**MARTY KRAMER** Editor-in-Chief  
**WARD LOWE** Assoc. Dir. of Communications  
**SUMMER MANDELL** Managing Editor  
**MICHAEL SCHRANTZ** Social Media Editor  
**JOEL MATHEWS** Art Director  
**JOSHUA BANKS** Senior Graphic Designer  
**CHRIS NELSON** Graphic Designer

**CHANGE OF ADDRESS OR EMAIL**  
Members should always send postal address or email changes to their local association.

**CONTACT THE EDITORS**  
editor@texasrealtors.com  
512-480-8200  
P.O. Box 2246  
Austin, TX 78768-2246

**ADVERTISING SALES**  
Mohanna Sales Representatives  
214-291-3648  
texasrealtorsinfo@mohanna.com

Texas REALTOR® (ISSN 1068-1248) is published monthly except combined issues in January/February and September/October by Texas REALTORS®.

**POSTMASTER**  
Send address changes to:  
Texas REALTOR® magazine  
Attention: Membership  
P.O. Box 2246  
Austin, TX 78768-2246

Periodicals Postage Paid at Austin, TX, and at additional mailing office. Annual dues of members of the association include \$5 for a one-year subscription to Texas REALTOR®. Annual subscription rate to others: \$25. Single copy rate to others: \$3.50. Office of publication: 1115 San Jacinto Blvd., #200, Austin, TX 78701-1906; mailing address: P.O. Box 2246, Austin, TX 78768-2246; phone: 512-480-8200; fax: 512-370-2390.

All articles and paid advertising represent the opinions of the authors and advertisers, and do not necessarily represent the opinions of the editors of Texas REALTOR® or the association and should not be construed as a recommendation for any course of action regarding financial, legal, or accounting matters by the association or Texas REALTOR® and its authors.

Contributions are not deductible for federal income tax purposes. Contributions to the Texas Association of REALTORS® Political Action Committee (TREPAC) and the Texas Association of REALTORS® Federal Political Action Committee (TAR FedPAC)—which makes contributions to the REALTORS® Political Action Committee (RPAC)—are voluntary and may be used for political purposes. The amount indicated is merely a guideline, and you may contribute more or less than the suggested amount. You may refuse to contribute without reprisal, and the National Association of REALTORS®, Texas REALTORS®, and its local associations will not favor or disadvantage anyone because of the amount contributed. Until the RPAC annual goal is met, 70% of an individual's contribution goes to TREPAC and may be used to support state and local candidates; the remaining 30% is sent to TAR FedPAC to support federal candidates and is charged against your limits under 52 U.S.C. 30116. (Exception: 100% of an individual's contribution goes to TREPAC if the individual is an employee of an affiliate member of Texas REALTORS®.) After the RPAC annual goal is met, 100% of an individual's contribution goes to TREPAC and may be used to support state and local candidates. You may contact the Texas REALTORS® political committee administrator at 800-873-9155 to obtain information about your contributions.

*Federal law prohibits TREPAC and FedPAC from soliciting contributions from persons not included in the following groups: Members of the association, executive and administrative personnel of the association, and the families of both groups. Contributions received in relation to this publication from a person outside of these groups will be returned.*

©2019  
Texas REALTOR®  
All rights reserved.



## THE 86<sup>TH</sup> LEGISLATURE HAS CONVENED.

Your business is always on the menu when lawmakers are at the Capitol.



**STILL THINK YOU CAN'T AFFORD TO INVEST IN TREPAC?**

Don't wait until it's too late. Visit [TREPAC.com](http://TREPAC.com) to invest today



CONTRIBUTIONS ARE NOT DEDUCTIBLE FOR FEDERAL INCOME TAX PURPOSES. CONTRIBUTIONS TO THE TEXAS ASSOCIATION OF REALTORS® POLITICAL ACTION COMMITTEE (TREPAC) AND THE TEXAS ASSOCIATION OF REALTORS® FEDERAL POLITICAL ACTION COMMITTEE (TAR FEDPAC)—WHICH MAKES CONTRIBUTIONS TO THE REALTORS® POLITICAL ACTION COMMITTEE (RPAC)—ARE VOLUNTARY AND MAY BE USED FOR POLITICAL PURPOSES. THE AMOUNT INDICATED IS MERELY A GUIDELINE, AND YOU MAY CONTRIBUTE MORE OR LESS THAN THE SUGGESTED AMOUNT. YOU MAY REFUSE TO CONTRIBUTE WITHOUT REPRISAL, AND THE NATIONAL ASSOCIATION OF REALTORS®, TEXAS REALTORS®, AND ITS LOCAL ASSOCIATIONS WILL NOT FAVOR OR DISADVANTAGE ANYONE BECAUSE OF THE AMOUNT CONTRIBUTED. UNTIL THE RPAC ANNUAL GOAL IS MET, 70% OF AN INDIVIDUAL'S CONTRIBUTION GOES TO TREPAC AND MAY BE USED TO SUPPORT STATE AND LOCAL CANDIDATES; THE REMAINING 30% IS SENT TO TAR FEDPAC TO SUPPORT FEDERAL CANDIDATES AND IS CHARGED AGAINST YOUR LIMITS UNDER 52 U.S.C. 30116. (EXCEPTION: 100% OF AN INDIVIDUAL'S CONTRIBUTION GOES TO TREPAC IF THE INDIVIDUAL IS AN EMPLOYEE OF AN AFFILIATE MEMBER OF TEXAS REALTORS®.) AFTER THE RPAC ANNUAL GOAL IS MET, 100% OF AN INDIVIDUAL'S CONTRIBUTION GOES TO TREPAC AND MAY BE USED TO SUPPORT STATE AND LOCAL CANDIDATES. YOU MAY CONTACT THE TEXAS REALTORS® POLITICAL COMMITTEE ADMINISTRATOR AT 800-873-9155 TO OBTAIN INFORMATION ABOUT YOUR CONTRIBUTIONS.



# CONTENTS

**22 FEATURE**  
**2019 TEXAS REALTORS® WINTER MEETING**  
See photos, session snippets, and award winners from this year's event.

### INSIGHTS

3 From the Chairman

A must-attend event for Texas brokers

4 Share your Texas REALTORS® pride

Texas REALTORS® is coming to you

### BUSINESS

6 How to use video in your business

Make that phone photo better

7 Library of global real estate practices offered by NAR

How do you break bad news to clients?

How many Texans can afford a \$1,000 price increase?

8 How much is that new bathroom?

Texas remains a top destination for incoming residents

Shared office space accounts for millions of square feet in top Texas metros

### LEGAL & ETHICS

9 When homeowners insurance won't help

10 From the Legal Hotline:  
The proper way to establish an intermediary relationship

Asked for a second opinion?

Legal Q&A: When can buyers exercise the termination option in their backup contract?

11 Using the *Multiple Property Addendum*

An easier way to get your certified license history from TREC

Mediation is mandatory in TREC's earnest money contracts

Improvements to your Legal Hotline

### SHARE THIS

27 Common seller mistakes to avoid

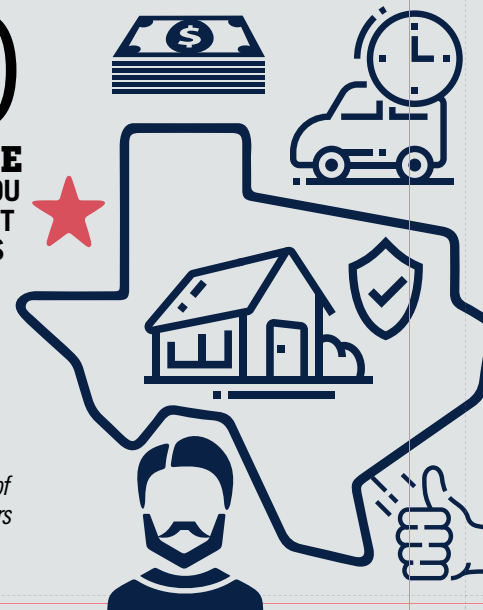
### TAKE 5

28 The soft skills every agent should master

**20**

### FEATURE WHAT DO YOU KNOW ABOUT THE CLIENTS YOU SERVE?

See information about buyer and seller demographics, preferences, and behaviors from the *2018 Profile of Texas Homebuyers and Sellers*.



**13**

### FEATURE GET CLARITY AROUND DOMINANT AND SERVIENT ESTATES

by *Tiffany Dowell Lashmet*

One of the most surprising pieces of Texas oil and gas law may be the dominant estate rule. Learn how it affects surface and mineral owners.

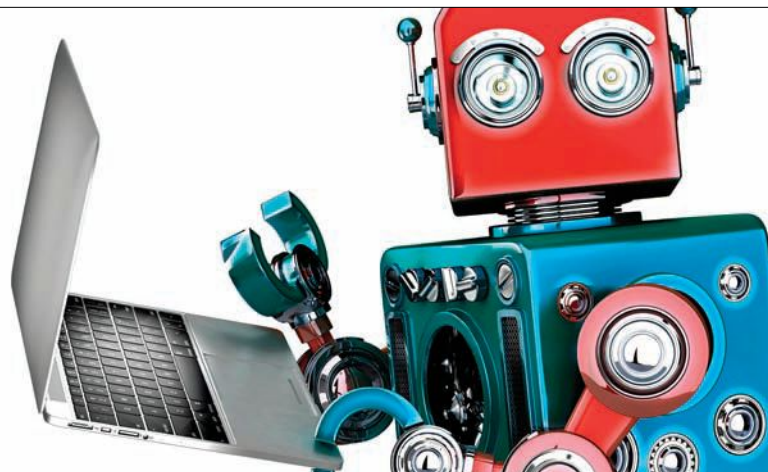


**16**

### FEATURE FINDING TECH TOOLS THAT PAY OFF

by *Bridget McCrea*

You can improve your business with technology, but no tool will make your business successful on its own.



COVER: © kirill\_makarov - stock.adobe.com



# INSIGHTS

## Chairman

“ Have you ever heard someone comment on the importance of being ‘at the table’ when the Texas Legislature is debating laws that govern our lives and our business?

I can tell you that Texas REALTORS® literally have a seat at the table.

The 86<sup>th</sup> Texas Legislature is now about halfway through its 140-day session.

In February, I had the privilege of testifying before the Senate Committee on Property Taxes on behalf of our association.

The committee was discussing Senate Bill 2—a bill that would make several much-needed improvements to the property tax system and ensure taxpayers have more transparency in the process.

The message I relayed to the committee was clear: Texas REALTORS® believe lawmakers must improve the system that’s leading to out-of-control property tax bills across the state.

I sat at the witness table as the first public witness when the bill had its very first hearing and I shared our recommendations for improving the bill.

And they listened.

That committee approved SB 2 with *all* the pro-property owner changes Texas REALTORS® recommended.

By the time this column is in print, the bill will likely have moved farther along in the legislative process.

But this is just one of the 1,000-plus bills we’re following ... and there’s a long way to go before the session ends May 27.

The real power is in *you* as their constituent. That’s why it’s critical for you to be in Austin on March 26 to discuss real estate-related legislation with your lawmakers.

Make plans now to attend REALTOR® Day at the Texas Capitol with your local association—your presence truly makes a difference in protecting consumers and our industry.

We must work harder than ever to maintain our strength as advocates for Texas real estate.

You can proudly tell clients and colleagues that Texas REALTORS® is at the table fighting for them. Because when you’re not at the table, you’re on the menu.

 **Tray Bates**

>>> View the Texas REALTORS® *Legislative Priorities for the 86<sup>th</sup> Texas Legislature* at [texasrealestate.com/issues](http://texasrealestate.com/issues).



**MAKE PLANS NOW  
TO ATTEND REALTOR®  
DAY AT THE TEXAS  
CAPITOL WITH YOUR  
LOCAL ASSOCIATION  
ON MARCH 26—YOUR  
PRESENCE TRULY  
MAKES A DIFFERENCE  
IN PROTECTING  
CONSUMERS AND  
OUR INDUSTRY.**

## A MUST-ATTEND EVENT FOR TEXAS BROKERS

NAR’s 2019 REALTOR® Broker Summit will be held April 2 and 3 in Austin. Hear from industry experts, tech entrepreneurs, and top brokers about the challenges and opportunities brokerages face today. Attendees will also have the chance to network with other brokers and real estate leaders from across the country without having to leave the state.

Sessions will cover topics that include branding, artificial intelligence and big data, and how to hire the right agents.

Learn more and register at [nar.realtor/events/realtor-broker-summit](http://nar.realtor/events/realtor-broker-summit).



NORMAN SPENCER



## REAL ESTATE E&O

Comprehensive  
Errors & Omissions  
Coverage for  
Real Estate Professionals

readadvisors.com  
800.362.9952  
sales@readadvisors.com

## Write for us!

We welcome article queries from members and industry experts offering actionable advice for Texas REALTORS®.

### Before submitting a pitch ...

review recent issues to get a sense for the type of writing and topics we cover. (We don't publish articles written solely to advertise a product or service.)

### Ready to submit your pitch?

Email editor@texasrealtors.com with a brief explanation of your article idea and why it's a good fit for our readers.

## INSIGHTS

## SHARE YOUR TEXAS REALTORS® PRIDE



The strength, integrity, and success of Texas REALTORS® is due to members like you. Share your pride in being part of the Texas REALTORS® organization with the logo pictured here. Download the logo in color or black and white from [texasrealestate.com](http://texasrealestate.com) > [Member Benefits](#) > [Alphabetical List of Member Benefits](#) > [Logo](#).

### When using the logo, please keep in mind these guidelines:

- Display the logo in its entirety in the colors provided. Don't crop the logo or change its colors.
- Don't combine the logo with other graphics, photos, slogans, symbols, or logos.
- Keep the logo in its original proportions. Don't rotate, skew, or otherwise alter the logo or its elements.

## TEXAS REALTORS® IS COMING TO YOU

Don't miss your opportunity to hear about the latest industry trends: Attend a Texas REALTORS® 360: Real Insights Meeting near you.

You'll join Texas REALTORS® leaders, your regional vice president, and your colleagues in your region as you learn about the latest state and national issues affecting your business. You'll also have the opportunity to share your ideas and concerns with local and state REALTOR® leaders. See a full schedule and registration details under the Meetings heading on [texasrealestate.com/members/events](http://texasrealestate.com/members/events).



### 2019 Meetings

March 21 to 22	Region 1	Lubbock
April 4 to 5	Region 16	El Paso
April 10 to 11	Regions 3, 4, and 12	Grand Prairie
April 29	Regions 10 and 14	Houston
April 29 to 30	Regions 2 and 6	Midland
May 2 to 3	Regions 8 and 15	Waco
June 6 to 7	Region 11	South Padre
June 26 to 27	Regions 5 and 9	Longview



# We do all the work up-front

With a Quicken Loans® Verified Approval,<sup>1</sup> we underwrite your client's income, assets and credit in less than 24 hours,<sup>2</sup> giving your client the strength and confidence of a cash buyer, which means the offer is more attractive to sellers and more likely to close.

**Power Buying Process™**  
only from Quicken Loans



Prequalified



Verified  
Approval



RateShield™  
Approval<sup>3</sup>

We're so confident your client's loan will close, we'll put money behind it – meaning if it doesn't close, **we'll pay your client \$1,000.**<sup>1</sup> It's all part of the Power Buying Process™ only from Quicken Loans.

**Quicken Loans®**

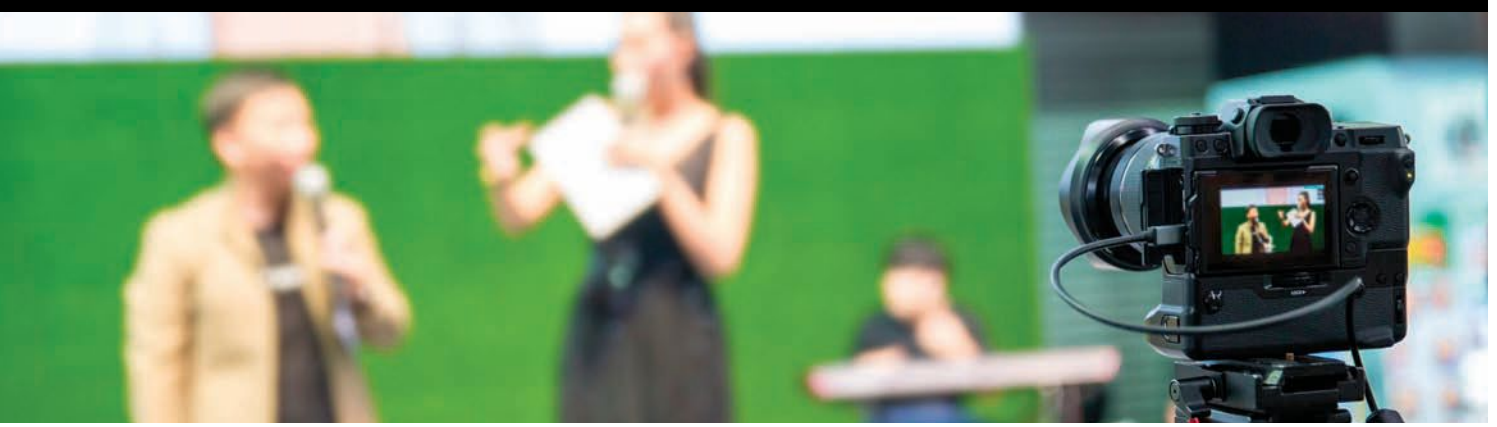
RealEstate.QuickenLoans.com

<sup>1</sup>Your client's participation in the Verified Approval program is based on an underwriter's comprehensive analysis of credit, income, employment status, debt, property, insurance, appraisal and a satisfactory title report/search. If new information materially changes the underwriting decision resulting in a denial of the credit request, if the loan fails to close for a reason outside of Quicken Loans' control, or if the client no longer wants to proceed with the loan, participation in the program will be discontinued. If the client's eligibility in the program does not change and the mortgage loan does not close, the client will receive \$1,000. This offer does not apply to new purchase loans submitted to Quicken Loans through a mortgage broker. Quicken Loans reserves the right to cancel this offer at any time. Acceptance of this offer constitutes the acceptance of these terms and conditions, which are subject to change at the sole discretion of Quicken Loans. This is not a commitment to lend. Additional conditions or exclusions may apply.

<sup>2</sup>Verified Approval within 24 hours of receipt of all requested documentation.

Quicken Loans Inc.; NMLS #3030; www.NMLSCustomerAccess.org. Equal Housing Lender. Licensed in 50 states. AR, TX: 1050 Woodward Ave., Detroit, MI 48226-1906, (888) 474-0404; AZ: 1 N. Central Ave., Ste. 2000, Phoenix, AZ 85004, Mortgage Banker License #BK-0902939; CA: Licensed by Dept. of Business Oversight, under the CA Residential Mortgage Lending Act and Finance Lenders Law; CO: Regulated by the Division of Real Estate; GA: Residential Mortgage Licensee #11704; IL: Residential Mortgage Licensee #4127 – Dept. of Financial and Professional Regulation; KS: Licensed Mortgage Company MC.0025309; MA: Mortgage Lender License #ML 3030; ME: Supervised Lender License; MN: Not an offer for a rate lock agreement; MS: Licensed by the MS Dept. of Banking and Consumer Finance; NH: Licensed by the NH Banking Dept., #6743MB; NV: License #626; NJ: New Jersey – Quicken Loans Inc., 1050 Woodward Ave., Detroit, MI 48226, (888) 474-0404, Licensed by the N.J. Department of Banking and Insurance.; NY: Licensed Mortgage Banker – NYS Banking Dept.; OH: MB 850076; OR: License #ML-1387; PA: Licensed by the Dept. of Banking – License #21430; RI: Licensed Lender; WA: Consumer Loan Company License CL-3030. Conditions may apply. Quicken Loans, 1050 Woodward Ave., Detroit, MI 48226-1906

# BUSINESS



## HOW TO USE VIDEO IN YOUR BUSINESS

Two components comprise a good marketing video: an engaging topic and a method of distribution. Here are suggestions for subjects to focus on in your videos plus tips to get them in front of potential clients.

### WHAT ARE YOU GOING TO TALK ABOUT?

- **Share industry expertise.** What's happening in your market? Use resources like the Texas REALTORS® MarketViewer ([texasrealestate.com/marketviewer](https://texasrealestate.com/marketviewer)) to put together regular updates on the type of data of interest to buyers and sellers.
- **Explain concepts.** What's a seller's disclosure? What happens during a home inspection? You know so much about real estate transactions that you forget how foreign certain concepts are.
- **Record testimonials.** Instead of telling viewers how great you are, let other people do it. Ask past clients to provide short clips of reasons why they'll work with you again. You can package them together or use them individually.

### HOW WILL PEOPLE SEE YOUR VIDEOS?

You're probably uploading your videos to YouTube or Vimeo and embedding them on your website. But don't rely on people to come looking for them.

Use Instagram and Facebook Stories to promote engagement with potential clients via video. Both channels put stories at the top of the apps—an attention-grabbing spot—and there isn't yet much competition in the space.

Stories on both platforms can contain multiple videos to communicate a message and will disappear in 24 hours. You can link your Facebook and Instagram business profiles to push your Instagram Stories to Facebook Stories.

## MAKE THAT PHONE PHOTO BETTER

You have a picture on your phone that you'd like to use or share if only it looked . . . well, better. You *can* enhance photos on your iPhone, and you don't have to resort to a third-party app.

Open the photo you want to modify and tap the *Edit* option. Tap the wand icon to see if that one-touch enhancement gives you the results you want. If not, tap the wand again to revert to the original. You can now use one of the following options:

- Filters (the icon with three overlapping circles) provides presets, such as Vivid and Silvertone

- Crop & rotate (the icon with a square and arrows) allows you to zoom in on your shot or change its angle
- Settings (an icon that looks like a dial) gives you the ability to adjust how bright the photos is and play with the colors.

Once you like what you see, tap *Done*. And if you ever want a redo, go back into the *Edit* mode and tap *Revert*.



## LIBRARY OF GLOBAL REAL ESTATE PRACTICES OFFERED BY NAR



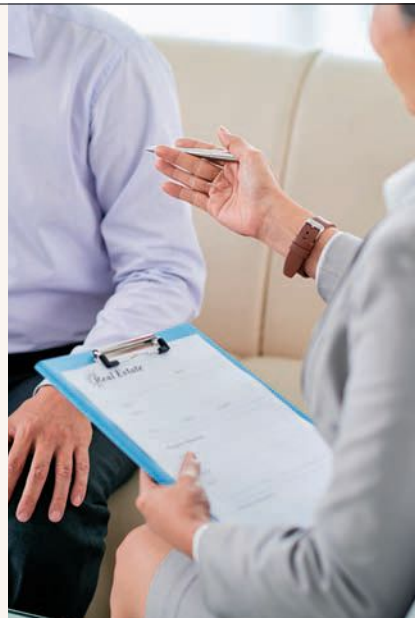
Common real estate practices that may be taken for granted as typical in the U.S. can vary greatly in other countries. To help members understand how the industry works elsewhere, the National Association of REALTORS® offers a resource with general guidelines for real estate practices in dozens of other countries.

For example, it's the seller in Norway who typically hires the broker, but the broker is required by law to be an independent third party, representing both the seller and buyer and offering relevant information to each.

You can find the resource at [nar.realtor/global/real-estate-practices-around-the-world](http://nar.realtor/global/real-estate-practices-around-the-world).

Although the guidelines have been provided by NAR's cooperating association partners in their respective countries, it's a good idea to get connected with the association or agents in that country to be sure you aren't breaking any laws or regulations. A co-marketing or co-brokering relationship can be beneficial when working abroad.

More resources for global real estate practitioners are also available at [texasrealestate.com/members/specialties/global](http://texasrealestate.com/members/specialties/global).



## HOW DO YOU BREAK BAD NEWS TO CLIENTS?

Whether it's a low appraisal, requests for repair amendments, or another offer being accepted, it can be difficult to break bad news to clients. But it's your job to do it. Your fellow REALTORS® share how they approach having tough conversations with clients.

“ I lay out the possibilities during the listing appointment with sellers and we set a budget to deal with repairs or low appraisals.”

— **Monica Martinez**  
College Station

“ I always call with really good or bad news because I think it shows I'm not hiding from it and I'm here to walk through it with them. It's also easier to gauge their response on the phone and I can tailor further discussion accordingly.”

— **Erika Browning**  
Dallas

“ I set appropriate expectations early so hard conversations aren't hard when they inevitably pop up.”

— **Jessica Murdock**  
Round Rock

### Affordability

A recent study by the National Association of Homebuilders (NAHB) found that 11,152 buyers who could afford the cost of a median-priced newly built home in Texas would not be able to if the price increased by \$1,000.

According to this study, Texas has the highest number of homebuyers who would be pushed out of the market due to a \$1,000 price increase, followed by California at 9,897, and Ohio with 7,341.

NAHB's study examines priced-out estimates for every state and more than 300 metropolitan areas.



# HOW MUCH IS THAT NEW BATHROOM?



Imagine that your buyers love a house but plan to update the bathroom right away—and they’re asking you how much money they need for remodeling. Here are some sources to share so they can get a sense of what their project could cost.

**Fixr**  
[fixr.com](http://fixr.com)

Enter your ZIP code, and Fixr provides cost guides and comparisons for hundreds of remodeling and repair projects. Custom estimates are available by completing a list of questions and submitting contact information. And do-it-yourselfers can break down a project by labor and materials.

**Remodeling magazine Cost vs. Value Report**  
[remodeling.hw.net/cost-vs-value](http://remodeling.hw.net/cost-vs-value)

The magazine’s annual report provides costs for 22 of the most popular residential remodeling projects. You can see national averages, regional averages, and metro averages (Austin, Corpus Christi, Dallas, Houston, McAllen, and San Antonio). The report also estimates how each project could affect resale value.

**Homewyse**  
[homewyse.com](http://homewyse.com)

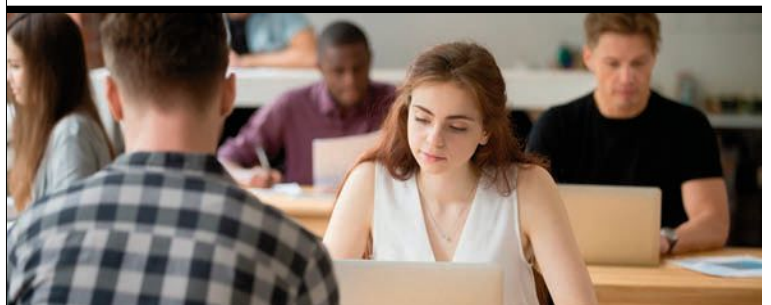
See costs by ZIP code for specific materials, projects, and maintenance tasks with Homewyse. You can look at costs for entire projects or break them down into their components. The site also offers an easy interface to see how modifications in your plans affect cost.

# TEXAS REMAINS A TOP DESTINATION FOR INCOMING RESIDENTS



Texas ranks second among states for relocation activity, according to data from U-Haul and the U.S. Census Bureau’s *2017 American Community Survey*. Nearly half of the new residents moving to Texas in 2017 came from outside of the United States. Among new residents from other states, Texas saw the largest migration from California, Florida, Louisiana, Illinois, and New York.

Get more data about a range of real estate markets and specialties at [texasrealestate.com/research](http://texasrealestate.com/research).



**THE SHARED OFFICE SPACES OF FOUR TEXAS METROS ADD UP TO 6.2 MILLION TOTAL SQUARE FEET**, according to *Shared Space: Disrupting the Traditional Office* report published in December 2018 by Yardi Matrix, a company that monitors commercial and apartment trends.

More commonly known as coworking offices, shared offices are typically designed to evoke a relaxed environment, feature community spaces, and offer amenities like food and drinks or childcare.

The report says the rise in people working remotely or as part of the gig economy has increased demand for such office space, and that coworking offices are particularly attractive to the tech sector.

Find the full report at [yardimatrix.com/publications](http://yardimatrix.com/publications).

MARKET	NUMBER OF SHARED OFFICES	TOTAL SQUARE FEET
DALLAS	127	2,227,551
HOUSTON	95	1,913,590
AUSTIN	35	1,323,654
SAN ANTONIO	11	740,906



## WHEN HOMEOWNERS INSURANCE WON'T HELP

by Barney Schwartz



REALTORS® are often shocked to learn there are scenarios when homeowners insurance does not cover a loss. Here are examples of those scenarios and what your clients should know.

### Leasebacks between buyers and sellers

Once sellers become tenants of the buyers, the sellers' homeowners insurance policy will not cover damages or loss since the sellers no longer own the home. And although buyers typically purchase a homeowners insurance policy for their new home, a coverage gap for the leaseback period may remain because homeowners insurance only insures the home in which the homeowners reside.

If the leaseback is beyond the insurance company's allowable period for coverage under a homeowners policy, it's a good idea for buyers to carry a dwelling fire policy.

Rather than discuss with your clients what type of policy they need, you can advise them to contact their insurance agent to make sure they have the appropriate policy in place.

### When a primary residence becomes a rental

When buyers purchase a new home and lease out their existing home, many buyers will keep their existing homeowners policy in force and assume it will cover losses. But because the owners are now leasing out the home, the homeowners policy will not provide coverage, as they no longer live in the home. Homeowners should instead purchase a dwelling fire policy for this situation.

### Why renters need insurance

It's a good idea for landlords to require renters to carry renters insurance with at least \$300,000 in liability

A DWELLING FIRE POLICY SOUNDS LIKE IT'S LIMITED TO FIRE-RELATED LOSSES, BUT IT IS ACTUALLY AN INSURANCE POLICY HOMEOWNERS CAN BUY THAT COVERS THEIR RENTAL PROPERTY.

insurance. This coverage could apply if a third party gets injured at the home, bitten by a dog, drowns in a pool, slips on a step, and so forth. If the tenant doesn't carry insurance, the landlord and property manager could be on the hook for injuries that happen. Most renters insurance policies will cover the renters' contents as well as temporary living if they are forced from the home due to a covered claim

RATHER THAN DISCUSS WITH YOUR CLIENTS WHAT TYPE OF POLICY THEY NEED, YOU CAN ADVISE THEM TO CONTACT THEIR INSURANCE AGENT TO MAKE SURE THEY HAVE THE APPROPRIATE POLICY IN PLACE.

**BARNEY SCHWARTZ** is president and CEO of Preferred Guardian Group, an errors and omissions risk-management partner of Texas REALTORS®. Contact him at [barney@preferredguardian.com](mailto:barney@preferredguardian.com).

## From the hotline

800-873-9155

We often receive questions about the proper way to establish an intermediary relationship. If a broker plans to represent both the seller/buyer or landlord/tenant, then the broker must have written authorization from both clients. The various Texas REALTORS® listing agreements and buyer representation agreements contain the required intermediary authorizations as well as a requirement that the broker notify the parties in accordance with the type of intermediary relationship that will take place. This can be done using the *Intermediary Relationship Notice* form (TXR 1409). The use of the *Intermediary Relationship Notice* form will also address The Real Estate License Act requirement on the broker to send written notice to both clients when a broker appoints sales agents to both clients.

Iman Ali,  
associate counsel



## ASKED FOR A SECOND OPINION?

If a current client of another REALTOR® asks you for a second opinion on general real estate practices, the Code of Ethics does not preclude you from offering one. Of course, you are not obligated to respond to such a request. If you *do* choose to offer your opinion, you should observe strict standards of professional integrity and provide objective, reliable information. In addition, the preamble of the Code of Ethics states that when offering such opinion, it should be “uninfluenced by any personal motivation or potential advantage or gain.”

Remember that it is a violation of Article 15 of the Code of Ethics to “knowingly or recklessly make false or misleading statements about other real estate professionals, their businesses, or their business practices.” Also keep in mind that Article 16 instructs that you “shall not engage in any practice or take any action inconsistent with exclusive representation or exclusive brokerage relationship agreements that other REALTORS® have with clients.”



## Legal Q&A

*When can buyers exercise their termination option in a backup contract?*

If your buyers have a backup contract with a termination option, Paragraph D of the *Addendum for “Back-Up” Contract* (TXR 1909) explains the start and end of that option period.

The addendum says that the time for giving notice of termination begins on

the effective date of the backup contract. It continues without restriction until the amended effective date of the contract—the day your buyers receive notice of the first contract’s termination. At that point, the option period lasts for the time indicated in the contract.

For example, the effective date of your buyer’s backup contract with a 10-day termination option is December 1. If they become the primary contract on December 15, they have the unrestricted right to terminate from December 1 until December 25.



**Your forms**

**MULTIPLE PROPERTY  
ADDENDUM (TXR 2204)**

If you're the property manager for several properties owned by the same landlord, you don't have to execute a property management agreement for each property.

Use the *Multiple Property Addendum* (TXR 2204) instead to add several properties to the same management agreement.

This form is one of more than 130 available only to members of Texas REALTORS®. Access all your forms through zipForm or at [texasrealestate.com/realtorforms](http://texasrealestate.com/realtorforms).



**IMPROVEMENTS  
TO YOUR LEGAL  
HOTLINE**

Now when you call the Texas REALTORS® Legal Hotline, you don't have to wait for a call back.

Enter your TREC license number and you'll be connected with an available attorney. If all the attorneys are on calls, you have the option to wait on hold or enter your number for a call back.

This benefit—exclusively for members—is available 9 a.m. to 4 p.m. Central Time Monday through Friday, excluding holidays.

**AN EASIER WAY TO  
GET YOUR CERTIFIED  
LICENSE HISTORY  
FROM TREC**

The Texas Real Estate Commission in December launched its Certified License History tool online, which allows you to print your certified license history for free.

You may need to provide your certified license history if you apply for another license in Texas or in another state. TREC's tool shows your license status, initial issue and expiration dates, education history, and disciplinary history if applicable.

Although intended for use by real estate license holders, the public can access the tool and license holders' history.

Learn more by searching "license history" at [trec.texas.gov](http://trec.texas.gov).

**Contract closeup**

**MEDIATION IS  
MANDATORY**

TREC's earnest money contracts have a paragraph that *requires* mediation if a contract-related issue arises that can't be resolved through informal discussion. Paragraph 16 states that the parties must submit a dispute to a mutually acceptable mediation service or provider and pay the cost for mediation equally.

If a client asks you how to proceed with mediation, you can suggest the client perform internet research on local mediation resources. You also may want to carefully consider any requests from clients to take part in the mediation. Remember that the dispute is between the parties—not the agents or brokers. You may be able to provide documents or facts that your client needs for her mediation, but take care not to participate in any manner that could be construed as the unauthorized practice of law.



## BFS Home Warranty

"Our Trucks, Our Techs, Your Peace of Mind"

ONE CALL COVERS IT ALL

AIR CONDITIONERS	GARBAGE DISPOSAL	PLUMBING	WASHER & DRYER
HEATING	OVEN/RANGE	DISHWASHER	GARAGE DOOR OPENER
YEARLY TUNE-UPS	BUILT IN MICROWAVE	CIRCUIT BOARDS	POOL/SPA
ELECTRICAL	WATER HEATER	REFRIGERATOR	TRASH COMPACTOR

- ✓ Includes Repair and Replacement
- ✓ Local Service Centers
- ✓ Company Employed Technicians
- ✓ Plans Starting at \$375
- ✓ **No Deductible Option**

Dallas & Surrounding Areas:

Darren Hiller

Direct: (214) 566-1188

Austin/ San Antonio & Surrounding Areas:

Paula Weilbacher

Direct: (512) 948-8564

Houston & Surrounding Areas:

Nadine Morella

Direct: (281) 831-8468

Celebrating over 40 years of outstanding service to our customers!

BFS Home Warranty • [www.BFSHomewarranty.com](http://www.BFSHomewarranty.com) • 1-800-237-9910

# WHAT'S IN IT FOR YOU?

Texas REALTORS® and affiliates get access to a variety of discounts on products and services.

These members-only discounts are just the beginning ...

## **NATIONWIDE**

Save on auto insurance with this members-only discount program. Add coverage for your home, boat, RV, motorcycle, and even your pet.

Visit [txrealtorsauto.com](http://txrealtorsauto.com) to get connected with a Nationwide agent near you.

## **TRANSUNION SMART MOVE**

This safe online system provides a quick leasing recommendation for prospective tenants, including credit report, background check, and eviction records. No subscription required so you only pay as you use it.

Get started at [texasrealtors.mysmartmove.com](http://texasrealtors.mysmartmove.com).

## **TAXBOT**

Track expenses to maximize deductions with this easy-to-use app. Use your phone to snap pictures of your receipts and use GPS to track mileage.

Get started at [tar.taxbot.com](http://tar.taxbot.com).

## **OFFICE DEPOT/OFFICEMAX**

Save up to 60% on office supplies, printing, and more at Office Depot and Office Max. This discount is available in stores and online.

Get started with the program by ordering your discount card or setting up an online shopping account at [texasrealestate.com/officedepot](http://texasrealestate.com/officedepot).

Find out more at [texasrealestate.com/benefits](http://texasrealestate.com/benefits)



# Get clarity around **DOMINANT and SERVIENT ESTATES**

One of the most surprising pieces of Texas oil and gas law may be the dominant estate rule. Find out what this rule means and how it affects surface and mineral owners in the state.

by **Tiffany Dowell Lashmet**

A unified estate is when a landowner owns the rights to both the mineral and surface estate. In Texas, the ownership of the mineral estate can be separated (severed) from the surface estate. One person may own the rights to use the surface of a piece of property while another person has the right to use the minerals underneath the property. Further, multiple people or entities may own the surface and mineral estates.

If someone else owns the surface, how will mineral estate owners be able to extract the oil and gas they own without ownership of the surface? To deal with this issue, the law regards the mineral estate as the *dominant estate* and the surface estate as the *servient estate* with regard to the extraction of minerals. This means the mineral estate has certain rights implied by law that the surface estate must honor. In other words, the





surface estate must sometimes “serve” the mineral estate.

### Mineral estate right to reasonable use of surface

Ownership of the mineral estate carries with it an implied right to use the surface estate as is reasonably necessary to explore, develop, drill, produce, market, transport, and store the minerals from the land. But what does that mean?

Over time, reasonable use of the surface has been interpreted in Texas to mean the mineral estate owner (or, far more frequently, the operator to which the mineral owner has leased his or her minerals) can use the surface to:

- Enter the property covered by the mineral lease
- Explore for the oil and gas by using seismic trucks or other exploration methods
- Construct roads, well sites, and gathering pipelines serving wells on the property at a location of the mineral owner’s choosing
- Dig pits for handling waste fluids
- Erect storage facilities

- Extract soil and clay to build up the site
- Use groundwater for production operations
- Dispose of saltwater through subsurface injection or disposal wells.

Keep in mind that this right is implied, meaning it is included in every oil and gas lease and applies for every property in Texas unless the parties expressly exclude it. If the right exists and has not been altered by contract, it allows the mineral estate holder to take the actions listed above without permission from or payment to the surface owner.

### Limitations on rights of mineral estate

Texas law essentially imposes four limitations on the rights of the dominant estate holder.

**The uses must be reasonable.** The mineral owner and any operator of the property must not cause unnecessary damage or make an unreasonable use of surface substances.

For example, if an oil and gas company needs 1 million gallons of groundwater to produce oil on the property, the operator may not withdraw 2 million gal-

lons and use the excess water for other projects.

However, the Texas Supreme Court has held that a pooled unit is treated as one for the purposes of determining reasonable use. Thus, if water was withdrawn from one pooled tract for use on another pooled tract, that would meet the requirement of reasonable use. Similarly, as was the case in *Key Operating Equip., Inc. v. Hegar* before the Texas Supreme Court, a lessee may build a road across one pooled tract to access a well on another pooled tract.

**The mineral owner may not act in a negligent manner.** Under Texas law, liability for negligence occurs when a person (in this instance, the operator) acts unreasonably under the circumstances and causes damage.

For example, Texas courts have found negligence occurred and liability has been imposed where an operator polluted fresh groundwater with brackish water. However, Texas courts have found that operator actions did not constitute negligence,

including failure to fence the area of operations to prevent harm to grazing livestock.

**Texas recognizes the accommodation doctrine.** This is a common law legal doctrine offering protections to a surface owner’s existing surface uses if certain conditions are met. The accommodation doctrine applies when three conditions are met and proven by the landowner:

1. Substantial impairment of existing surface use;
2. No reasonable alternative method available to the surface owner that would permit the surface use to continue; and
3. Reasonable alternatives are available to the mineral owner that will allow discovery of minerals and would allow the surface use to continue.

In a key Texas Supreme Court case addressing this issue, the court found the doctrine did not apply to a cattle rancher seeking to maintain his ability to use corrals. The rancher argued he had an existing surface use of working cattle in the corrals; that



FOR MORE INFORMATION ON SURFACE OWNER RIGHTS, SEARCH FOR THE HANDBOOK, “PETROLEUM PRODUCTION ON AG LANDS IN TEXAS” AT [AGRILIFEEXTENSION.TAMU.EDU](http://AGRILIFEEXTENSION.TAMU.EDU)



he could not work his cattle elsewhere as he had no other corrals; and that the oil and gas company could have still produced the minerals in another manner by moving the drilling pad away from the corrals and using horizontal drilling. The court reasoned that the rancher failed to prove the second accommodation doctrine factor because he could have built temporary pens to work cattle elsewhere on the property. As this indicates, the accommodation doctrine is not as broad as a surface owner might expect or desire.

**Operators should follow the “Common Courtesy Act.”** This statute requires oil and gas operators to inform surface owners in writing of their intent to enter the property to drill a new well or to re-enter a plugged or abandoned well at least 15 days prior to entering the property. It is unclear what remedy is available to a landowner in the event the operator violates this statute, as it expressly states it does not “restrict, limit, work as a forfeiture of, or terminate any existing or future permit issued by the commission or right to develop the mineral estate in land.”

### How do surface owners protect themselves?

The best option for surface owners to protect themselves is to be involved in the negotiations of the mineral lease. When the surface owner and mineral owner are the same person, it is easier to ensure that terms to protect the surface of the land are raised with the oil company and included in the lease itself. When separate parties own the surface and minerals, however, a mineral owner may overlook these provisions.

A surface owner should seek to be involved in lease negotiations with an eye to including surface protections in the agreement. This involvement is usually sought by reaching an agreement with the mineral owner that will allow for surface owner involvement in negotiations or an agreement that the mineral owner will require certain terms are included in all mineral leases. The type of surface-protection terms that could be negotiated include:

- A requirement that a surface owner and the mineral lessee

mutually agree on the location of any wells or other drilling activities

- A clause requiring the operator to place the surface back into the same condition that it was prior to drilling being commenced once drilling is completed
- Including a liquidated damage clause in the lease that would require the oil company to pay a set amount at the beginning of the lease to cover surface damages.

Another option is for a surface owner to work with the oil company leasing the minerals. Even though they are not required to do so, many oil companies will attempt to be neighborly and work with the surface owner to avoid conflicts. A surface owner may also seek an agreement as to surface use with the oil company that leased the minerals.

Although the oil and gas company is under no legal obligation to enter into a surface use agreement, they are often willing to do so in order to avoid

conflicts or issues with the surface owner.

A third option may be for a surface owner to purchase all or a portion of the undivided mineral estate underlying his land. If the surface owner becomes a mineral owner, this may allow him or her to have some input into the negotiation of mineral leases.

Finally, surface owners that reside in subdivisions or municipalities may be able to rely upon ordinances or deed restrictions issued by the subdivision or municipality to obtain some protection.

---

#### **TIFFANY DOWELL LASHMET**

*is assistant professor and extension specialist with the Texas A&M AgriLife Extension. She specializes in agricultural law and blogs about legal issues related to Texas land at [agrilife.org/texasaglaw](http://agrilife.org/texasaglaw).*





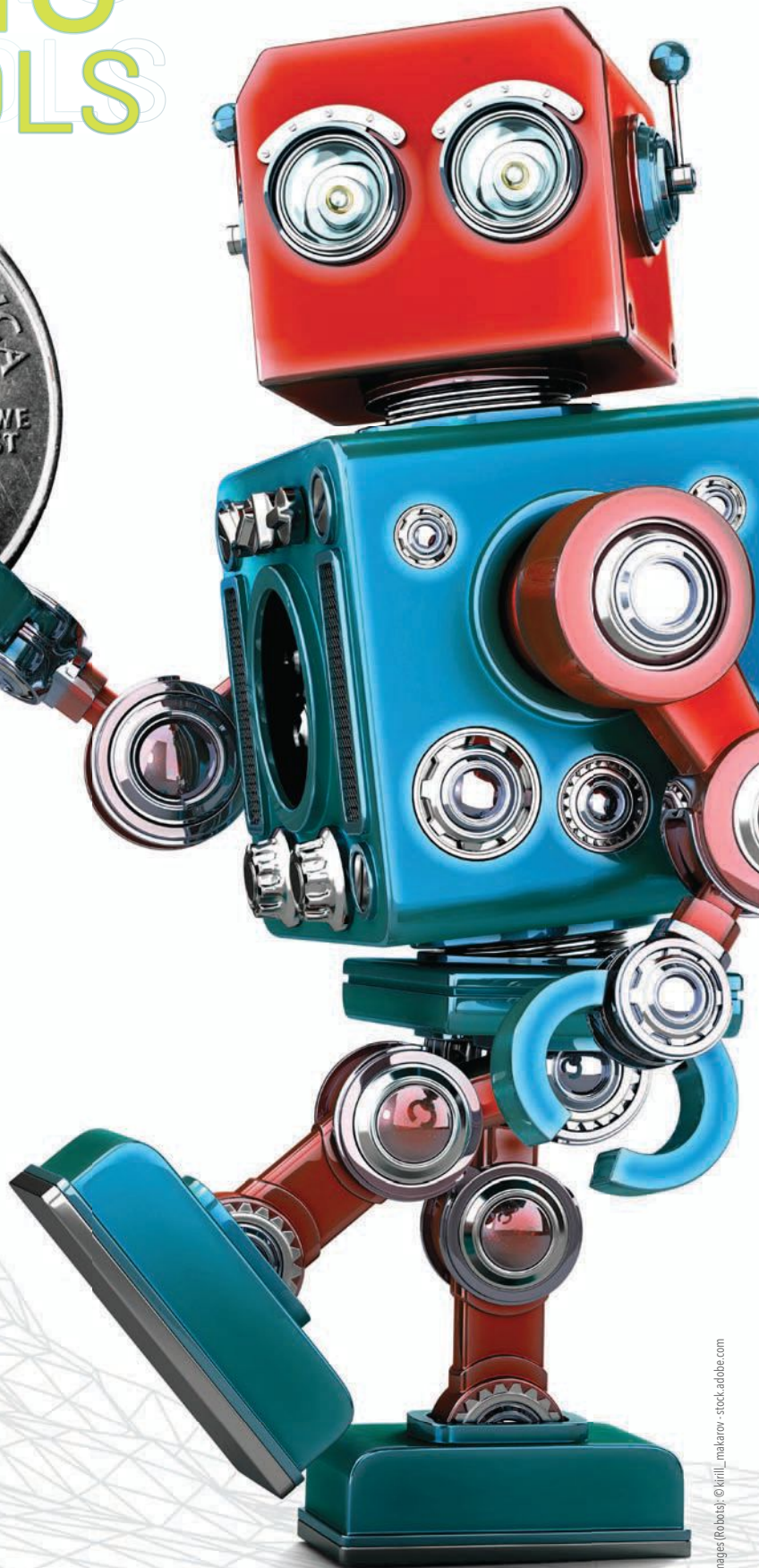
# FINDING TECH TOOLS



## THAT PAY OFF

You can improve your business with technology, but those tools won't work without you.

**by Bridget McCrea**





Michael Reilly remembers a time 10 years ago when real estate professionals were quick to grab at shiny technology objects without giving much thought to how those tools would actually help them run their businesses more efficiently and effectively. Since then agents and brokers learned that the “latest and greatest” tech tools don’t necessarily translate into improved productivity, better resource utilization, and higher income levels.

“The push to implement new technology isn’t as rampant these days,” says Reilly, broker-owner at Reilly, REALTORS® in Austin. “But back in 2009, all agents were waking up and saying, ‘Oh my gosh, I need a website.’ Then, they’d go out and

invest \$50,000 in a new website and never learn how to load it with content, use it to generate new clients, and grow their businesses.”

With the frenzied days of new-tech exploration behind them, the same professionals are taking a more discerning approach to technology.

For example, more professionals are adding the human component to the mix, knowing that investing in technology for technology’s sake is a flawed and often expensive approach. “You can’t just go out and buy the stuff,” Reilly points out. “You have to commit to using it and to hiring people who can understand it and help brokers and agents leverage it. Technology doesn’t really do anything that magical on its own; it takes people.”

As technology continues to evolve, here’s how some Texas agents and brokers are leveraging its power.

### MANAGING THE END-TO-END TRANSACTION PROCESS

Reilly, who runs his 150-agent brokerage out of a small office, credits automation with helping him streamline to the point where he needs just enough physical space for a six-person staff. “Agents don’t come in unless they’re here for training,” says Reilly, whose team built a proprietary, advanced transaction management system using the Quick Base cloud application development platform.

The transaction management platform enables agents to fill out, update, and share closing documents, disbursements, authorizations, commission breakdowns, and all other pertinent paperwork digitally. Reilly says having a custom solution versus a pre-made software package allows the company to build onto it as needed. For example, a few years ago Reilly, REALTORS® started paying its agents downline to recruit new agents—a process that needs to be tracked as the new agent starts closing his or her own deals. That, along with the tracking of multiple agents or outside transaction coordinators working on deals together, are all handled by the firm’s transaction management system.

Compass takes a similar approach, having also built a transaction management system that integrates all client, listing, deal, commission, and related data on a single platform. Marnie Greenwood, a sales agent in Houston, says sellers use the platform to get real-time statistics on their listings, right down to the average amount of time that potential buyers spend looking at their listings online—and whether they’re returning viewers, what cities they come from, and other details.

“This really cuts down on clients wondering ‘where is our agent?’ and ‘what’s happening with our house?’” Greenwood says. “And it provides the detailed information that today’s buyers and sellers really crave.”

### CREATING REUSABLE, DIGITAL MARKETING TEMPLATES

A big believer in using technology to support the very “people-centric” real estate business, Reilly says his company has been doing more digital marketing for its agents lately. He plans to carry that approach forward, with the Reilly, REALTORS® two-person in-house marketing team using more template-based digital marketing assets to support the firm’s agents. Those assets include e-cards that say, “Just Listed,” “Just Sold,” or “Open House,” and that include the company’s logo, the agent’s picture, and the pertinent marketing content.

“We drag and drop the home photo and information into the template, and then deliver it to the agent digitally,” says Reilly. “Agents can then post the e-cards on Facebook and send out the links which, in turn, take the viewer to the additional information and the agent’s website.”

“It all sounds and feels very high-tech, but at the end of the day, it’s just work,” says Reilly. “You need the branding templates and a system that allows agents to request materials that they need to be able



“Technology doesn’t really do anything that magical on its own; it takes people.”

—Michael Reilly

to list and sell homes.”

Reilly says that while technology does aid in the marketing process, marketing team members do most of the heavy lifting. “You can buy any type of software off the shelf,” he says, “but it takes *real people* behind the scenes to make it work.”

### DEVELOPING 3D HOME LISTINGS THAT IMPRESS

Every October through December, Houston’s real estate market transforms into a hub for relocating workers who are looking for homes in the area. “It’s our second-busiest selling season,” says Courtney McDonald, an agent with Keller Williams Premier Realty in Katy. To attract those buyers, McDonald uses 3D home listing technology that allows her to create impressive online home tours for out-of-town buyers who can’t attend showings in person.

“The clients that feel comfortable purchasing a home sight-unseen do so because they feel like they have a physical sense of the home’s true essence,” says McDonald, who has used 3D listings to close numerous deals with out-of-town buyers and buyers from other states. “Properties cannot be altered or enhanced with the virtual-tour tool I’m using, which becomes a benefit for today’s knowledgeable buyers.”

Tags embedded in the presentations allow viewers to more closely check out what type of granite is in the kitchen or what flooring is in the master bathroom.

To create the presentations, McDonald uses Matterport’s 3D camera/virtual tour platform. She also uses the Canva graphic

design tool and the Issuu digital publishing platform. “I use Canva to create extremely professional-looking flyers and marketing materials,” says McDonald, “and then I upload them using Issuu. The end result is a beautiful online magazine that provides one more avenue for helping to get my listings sold.”

### LEVERAGING DATA-DRIVEN MARKETING

Big data isn’t just another passing fad. Large data sets that may be digitally analyzed reveal patterns, trends, and associations—especially those relating to human behavior and interactions. This type of data analysis is bringing brokers, agents, and their clients more and better information than ever before.

Greenwood is one of those agents. Using her company’s proprietary technology, she can take a deep dive into the data that the company is generating daily and come up with innovative selling approaches for her listings. Recently, she was working with a homeowner who had her property on the market for nine months—both for lease and for sale—with no success. “They didn’t get a single offer,” says Greenwood. “The listing was basically dead.”

After a mutual friend recommended Greenwood to the seller, Greenwood decided she was up to the challenge of listing the home. She photographed the home, created a digital campaign for it, and came up with a target buyer demographic based on data

for that campaign. Using data Compass provided, she was able to pinpoint that demographic with tools like pop-up ads, which align with that demographic’s online habits. What she *didn’t* do was reduce the price. “It was under contract within five days,” says Greenwood.

Greenwood says this type of data-driven marketing works particularly well in real estate, where people who have been statistically identified as potential buyers (based on their incomes, careers, ages, current locations, and so forth) can be targeted with relevant ads. “Instead of just throwing mud at the wall and hoping that the right people see it,” says Greenwood, “we’re using data to reach the right people faster and more efficiently.”

Greenwood also uses social media to stay relevant—a move that she says continues to pay off in the form of closed deals. On Facebook, for example, she posts about her new listings and sold properties, highlighting interesting facts about them.

People take notice. At a black-tie affair recently, Greenwood says at least 10 people approached her and told her that she was “killing it” in real estate, and a true industry guru. “Using social reinforces your brand and gives people confidence in it,” says Greenwood. “That translates into a lot of closed deals for me.”

---

**BRIDGET MCCREA** is a freelancer based in Florida.



“Instead of just throwing mud at the wall and hoping that the right people see it, we’re using data to reach the right people faster and more efficiently.”

— Marnie Greenwood



“I use Canva to create extremely professional-looking flyers and marketing materials, and then I upload them using Issuu. The end result is a beautiful online magazine that provides one more avenue for helping to get my listings sold.”

— Courtney McDonald





# It's time for your own piece of Texas.

## Fixed and variable interest rates available.

You finally found it, that perfect piece of land. Let our team of experts guide you through the process of making your dream a reality. Whether you are buying a farm, refinancing a current mortgage, expanding your operation or making long-term improvements, we offer a wide range of products and competitive rates. And as a cooperative, our patronage dividend program has returned more than \$750 million over the last decade.



**Together we're better.**  
**Partnership that really pays.**



capitalfarmcredit.com | 877.944.5500  
NMLS493828



# TEXAS SELLERS



## WHAT DO YOU KNOW ABOUT

★ 20

### What sellers want most from you

- 1 Help price the home competitively **23%**
- 2 Help seller market home to potential buyers **23%**
- 3 Help sell the home within specific timeframe **20%**
- 4 Help seller find ways to fix up home to sell it for more **16%**
- 5 Help find a buyer for the home **8%**

**92%**  
of sellers worked with an agent

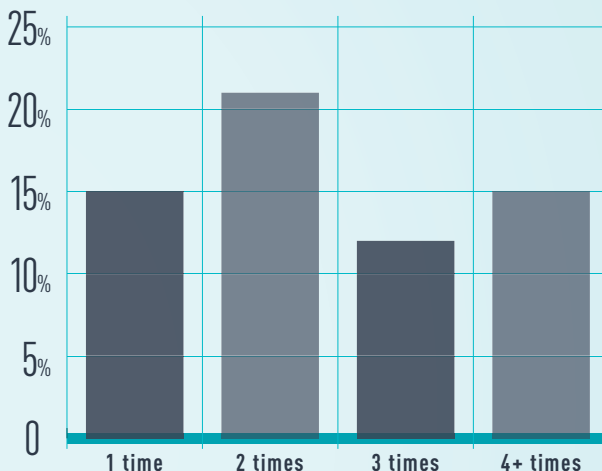


**61%**

of sellers found their agent through a referral or had worked with the agent before



**75%**  
of sellers contacted only one agent



How many times a seller recommended agent after selling

**10 years**

Median tenure Texas sellers stayed in their home before selling



**6 years**

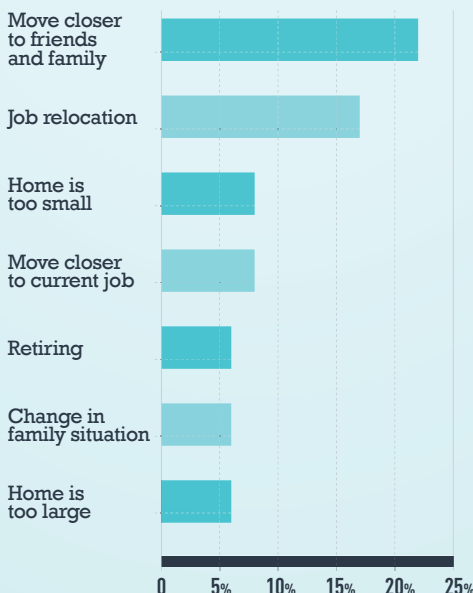
Median tenure in 2008

**91%**



of sellers were very or somewhat satisfied with the process

### Why sellers move



**\$70,000**



Median amount over their purchase price Texas sellers cited selling for

**11%**

of homes sold for more than the asking price



**40%**

of sellers offered incentives



**26%**

of clients brought up negotiating the commission



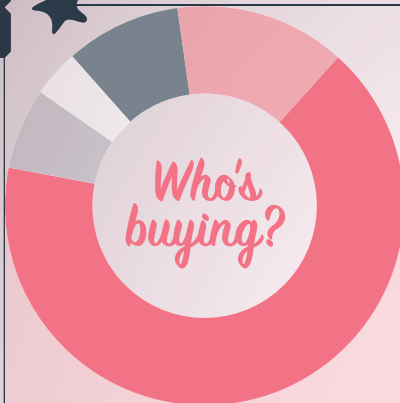
**56**  
median seller age



# THE CLIENTS YOU SERVE?

# TEXAS BUYERS

18 ★



- MARRIED COUPLES **68%**
- SINGLE FEMALES **15%**
- SINGLE MALES **9%**
- UNMARRIED COUPLES **5%**
- OTHER **3%**

**10** Median number of homes a buyer visited



**\$263,500** Median purchase price

## What buyers want most from you

- 49%** Find the right home
- 24%** Negotiate price or terms
- 8%** Determine what comps are selling for
- 6%** Help with paperwork

**11%** paid above asking price

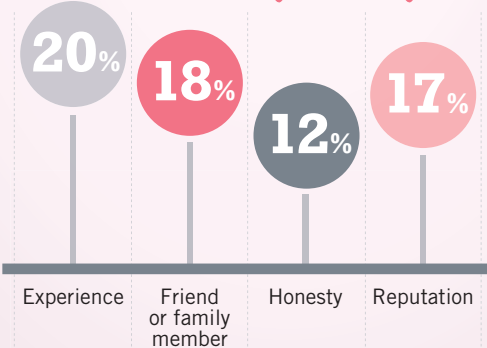
**29%** paid full asking price

**67%** consider commuting costs very or somewhat important

**12 years** Buyers expect to live in their homes a median of 12 years

**56%** were referred to agent by friend or relative, or used agent previously

## Most important factor when choosing an agent



**29%** purchased new homes

**89%** would use their agent again or recommend to others

**13%** purchased homes for a multi-generational household

	2018	2008
Median age of buyers	46	41
Buyers under 35 years old	25%	36%
First-time buyers	33%	44%
Median home search	10 weeks	8 weeks

**42%** first step was looking online at properties

## Most difficult steps in buying a home

- FINDING THE RIGHT PROPERTY: **51%**
- PAPERWORK: **22%**
- UNDERSTANDING THE PROCESS: **18%**



TEXAS REALTORS®  
2019  
WINTER MEETING  
★ AUSTIN, TEXAS ★



**REALTORS® WERE TREATED** to expert speakers, awards ceremonies, networking events, continuing education, and more at the 2019 Texas REALTORS® Winter Meeting last month in Austin.

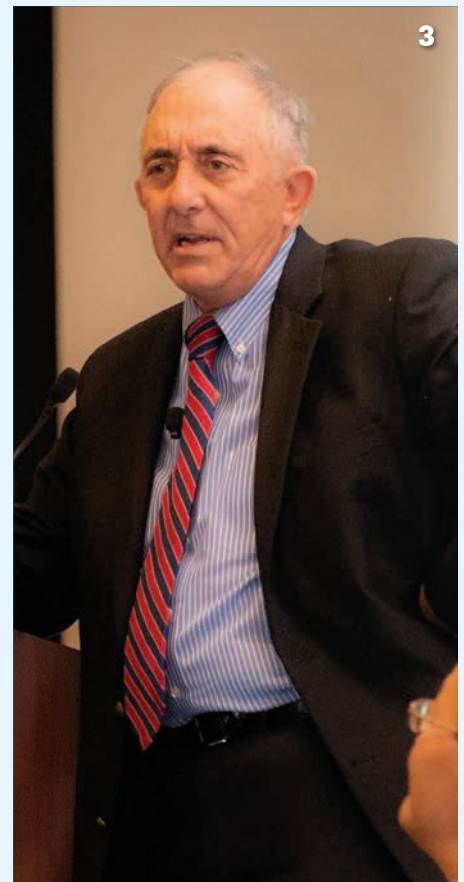
The event's opening session was headlined by an all-star economic panel: National Association of REALTORS® Chief Economist **Lawrence Yun** [1], Real Estate Center at Texas A&M Chief Economist **Jim Gaines** [2], and University of North Texas real estate professor **John Baen** [3].

"Whatever you see in the national figures, Texas will be doing better," Yun said. But a steady flow of affordable homes is important. Even in a good economy, Yun

said, consumers will take a step back if there's a lack of reasonably priced homes for middle-income families.

Gaines predicted that home sales in Texas will be steady in the upcoming year but not significantly higher than past years. "We're going to do fine in 2019 as long as the U.S. economy is doing all right," Gaines said.

Still, Baen told attendees that they'd be astounded by what'll happen to Texas housing prices in the future. The problem isn't demand, he said, it's supply. Baen also encouraged REALTORS® to talk to their clients about the benefits of rental properties.







4

**Leslie Rouda Smith [4]** of Plano was named the 2018 Texas REALTOR® of the Year for her outstanding contributions to the industry. Leslie has been involved in leadership roles throughout the REALTOR® organization, including serving as chair of the Collin County Association of REALTORS®, the 2016 Texas REALTORS® Chairman, and a regional vice president for NAR. Leslie was recognized for her kind, approachable leadership style and for encouraging future leaders in the REALTOR® organization.

Leslie grew up with aspirations to be a professional dancer, but when she graduated from the Ohio State University with a bachelors in communications, she found herself going down a different path and into real estate.

Leslie is engaged in her community and has been active in affordable housing programs, neighborhood revitalization, and housing opportunity initiatives. She lives in Plano with her husband, their four dogs, and a cat. In their spare time, they enjoy recreational activities at their wildlife ranch south-east of the Dallas-Fort Worth Metroplex.

Members and local associations were also recognized at the Awards Luncheon for their achievements in 2018. Winners include: William C. Jennings Commercial Transaction of the Year: **Wheeler Commercial [5]**; Innovation Program of the Year: **San Antonio Board of REALTORS® [6]**; Marketing Program of the Year: **Houston Association of REALTORS® [7]**; Series or Short Program of the Year: **Houston Association of REALTORS® [7]**; Legal Program of the Year: **Bill Evans [8]**; Educator of the Year: **Lori Solecki [9]** of the MetroTex Association of REALTORS®; Tom D. Morton Award: **Kim Lambert [10]** of the Greater Lewisville Association of REALTORS®; Texas REALTORS® Good Neighbor Award: **Nelvin Adriatico [11]** of the Houston Association of REALTORS®.



5



8



6



9



7



10



11

Photo: Nick Anderson





12



Attendees had a chance to learn about a variety of real estate-related topics from expert panelists and speakers. Ed Hill of the Texas Workforce Commission gave tips about dealing with assistance animal requests in his presentation to the Leasing and Property Management Forum, and those attending the Housing Initiatives Forum learned about community land trusts and their benefits from Michael Wilt of the Texas State Affordable Housing Corporation.

During her class, Texas REALTORS® Instructor **Candy Cooke** [12] encouraged attendees to use sources like MarketViewer, the data tool exclusively for Texas REALTORS®.

Texas REALTORS® risk-reduction partners spoke about risks not covered by E&O insurance during the Risk Reduction Forum. “Auto liability is your greatest risk exposure,” said John Mondics of Mondics Insurance. Chad Wenzelspratt of CRES said cyber liability is a threat to consider and suggested brokers add it to their E&O policy, while Barney Schwartz of Preferred Guardian counseled attendees to stay out of the wiring process. Mark Turner of Pearl Insurance suggested property managers ask to be named as insured on their client’s landlord policy.







13



15



14



16



During the Public Policy Forum, Texas REALTORS® heard from Senate Education Committee Chairman **Larry Taylor** [13], who discussed how the 86<sup>th</sup> Texas Legislature will address reforming the public school finance system.

The Governmental Affairs Forum featured keynote speaker **Ross Ramsey** [14], executive editor and co-founder of The Texas Tribune. Ramsey provided insight into new dynamics at the Texas Capitol after the November elections and a change in leadership in the Texas House. Texas REALTORS® leaders recognized several deserving members with Governmental Affairs awards during Winter Meeting.

The Political Involvement Committee awarded the 2018 Grassroots Advocate of the Year to **Kristy Wages** [15] from the Palestine Board of REALTORS®. The 2018 Governmental Affairs Outstanding Achievement Award went to the **Greater Metro West Association of REALTORS®** [16] for its dedication to fundraising and grassroots political advocacy.

On the final day of the meeting, the Board of Directors approved the election of 2020-2021 regional vice presidents and approved the election of the **2020 Texas REALTORS® Leadership Team** [17, from left]: President/CEO Travis Kessler, Secretary/Treasurer Russell Berry, Immediate Past Chair Tray Bates, Chairman Cindi Bulla, and Chairman-Elect Marvin Jolly.



17



# Attend the Texas REALTORS® Conference in September

Fort Worth Convention Center  
Sept. 12-15

## Four packed days of conference events featuring:

**Keynote speaker Walter Bond.** If you've heard him speak, you know you're in for fun, laughs, and honest talk about real life. After playing pro basketball for eight years, Walter took his message to a different arena where he teaches that success is possible in spite of adversity. Based on his best-selling book, *All Buts Stink*, you'll learn that change is good and success is up to you if you'll just quit with the "buts."

**One-day-only Trade Expo on Sept. 14.** Visit over 150 vendors exhibiting the latest real estate products and services.

**Over 40 hours of CE.** Get credit while learning from top notch instructors.



Keynote speaker  
Walter Bond

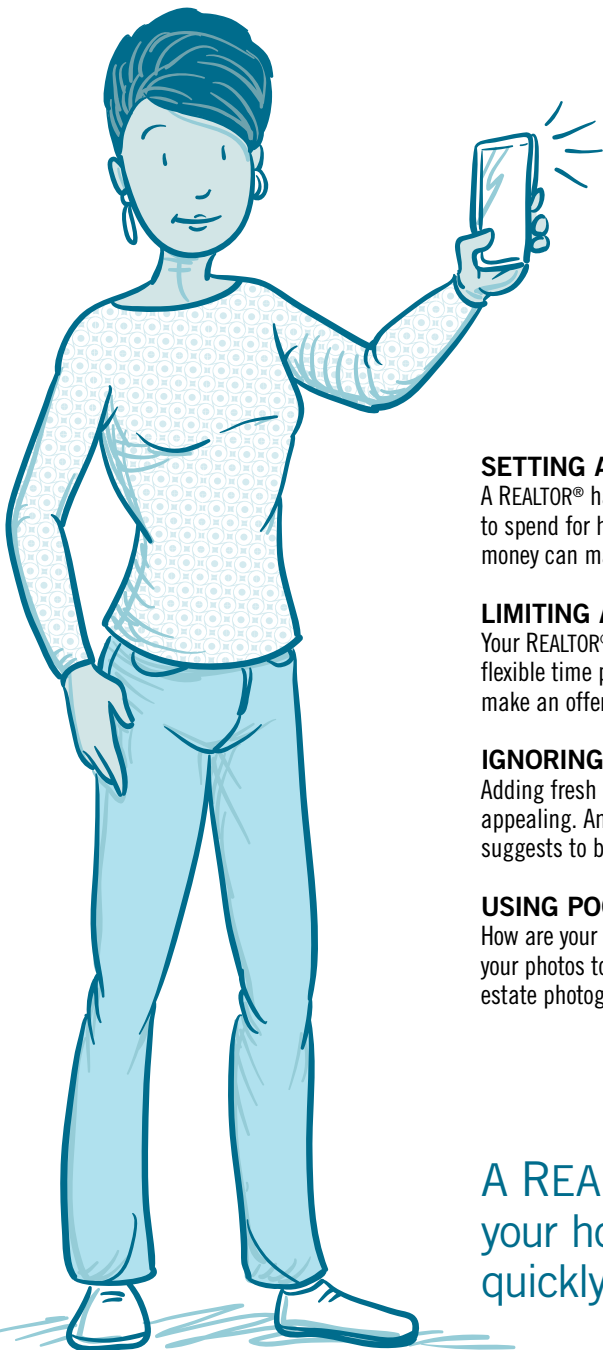


# SHARE THIS

Help clients better understand real estate transactions by giving them this information. Download a PDF of this page at [texasrealestate.com/sharethis](https://texasrealestate.com/sharethis).

## COMMON SELLER MISTAKES TO AVOID

You want to quickly sell your home for a high price. But sometimes your actions (or inactions) have the opposite outcome, leaving the listing lingering on the market. Here are common missteps to avoid when listing your property for sale.



### SETTING A PRICE WITHOUT MARKET DATA

A REALTOR® has access to accurate market data that show what buyers in your market are willing to spend for houses like yours. Ignoring such data because you want to make a certain amount of money can make your house hard—maybe impossible—to sell.

### LIMITING ACCESS

Your REALTOR® can offer suggestions for ways to make your property accessible, but start with flexible time periods that make it easy for buyers to visit on their terms. Prospective buyers won't make an offer if they can't visit your home.

### IGNORING EASY IMPROVEMENTS

Adding fresh paint or installing new carpet can be affordable ways to make your property more appealing. And taking care of simple repairs, such as fixing a leaky faucet or squeaky door, suggests to buyers that the property has been well maintained.

### USING POOR PICTURES ONLINE

How are your listing photos? With most buyers starting their home search online, it's important for your photos to be enticing. Your REALTOR® can guide you to photographers who specialize in real estate photography or give you some suggestions for different angles or features to showcase.

A REALTOR® will help you identify ways to market your home and attract buyers, so you can sell it quickly and for a fair price.



# TAKE 5

## THE SOFT SKILLS EVERY AGENT SHOULD MASTER

It takes diverse talents to succeed in real estate, but what can set you apart from competitors are soft skills—those hard-to-measure personal attributes you use when working with prospects and clients. Here are five such skills that could make a difference in your business.

### ■ LISTENING

---

Concentrate on what someone is saying by giving him or her your full attention—don't look at your phone or interrupt. You may want to take notes to indicate that you're engaged in the conversation.

### ■ PERSISTENCE

---

When looking for new business, you must follow up on every lead until it dies or turns into a closed transaction. Once you've secured a client, you have to explore every avenue to help him achieve his real estate goals.

### ■ FLEXIBILITY

---

Transactions hit obstacles. Parties may get emotional. You need to remain calm—especially when those around you aren't—and adapt to changing circumstances to make the deal happen for your clients.

### ■ ACCOUNTABILITY

---

Did you make a mistake? Admit it, apologize, and move on. Do you disagree with your client? Tactfully state your opposition—don't blame someone else for the disagreement—and suggest an alternative. Clients and colleagues will appreciate your actions.

### ■ PROBLEM SOLVING

---

Every transaction presents a puzzle, and you're the one to put together the pieces. Use your knowledge to break down the process into steps for your clients and keep them focused on the end result as the transaction progresses.



FAIR HOUSING  
MAKES U.S.  
STRONGER

*(From left to right): Jazmyn Rushing, REALTOR®; Nicole D. Woods, REALTOR®; Albert Allen, REALTOR®; Brian M. Paris, REALTOR®; Ashley Rathburn, Texas Association of REALTORS®; Andrei Lubomudrov, Austin Board of REALTORS®, in front of the LBJ Presidential Library, Austin, TX*

We can't change history. The future is  
**our story to write.**

**Be a catalyst for change.** 2018 marks the 50th anniversary of the Fair Housing Act. While progress has been made, there's more work to be done. What can you do? Redouble your efforts to understand fair housing laws and how your actions, words and understanding of the issues impact housing choice. And when you see discrimination, challenge it. Report it. Engage in community dialogue about the issues tied to housing choices, like schools, healthy communities, residential displacement and economic opportunity. Be informed, and take action to expand protections to groups who continue to experience discrimination, such as the LGBTQ community. By protecting the rights to housing — free from discrimination for ALL people, the Fair Housing Act preserves and advances opportunities for everyone. As the REALTOR® community, let's take ownership of fair housing rights and uphold the promise of the Fair Housing Act.

Visit [www.FairHousing.realtor](http://www.FairHousing.realtor) to read more about what you can do and to join the commemoration.





ADVERTISEMENT

# PROPERTY TAX "WORRIES"?



**DEADLINE  
AHEAD!!!**



**YOU ONLY HAVE A LIMITED TIME TO REDUCE YOUR  
REAL AND PERSONAL PROPERTY TAXES**

**THE LAST DATE TO FILE A PROTEST OF VALUE – MAY 15\***

Texas Property Tax Consultants, Inc., is a professional property tax consulting firm with the simple goal of reducing your tax payments. Through our careful planning, evaluation, and presentation of appeals, we have saved property owners thousands of dollars. Every analysis is backed by years of successful, aggressive property tax appeals. TAX REFUNDS may also be available, so call today.

**THERE IS NO CHARGE FOR OUR SERVICES  
UNLESS WE ARE ABLE TO REDUCE YOUR TAXES!**



*CALL ME TODAY*  
**JOHN G. HIRSCHY, MAI, SRA, CCIM**  
**TEXAS PROPERTY TAX CONSULTANTS, INC.**  
**P.O. BOX 2009**  
**COPPELL, TEXAS 75019-8009**  
**PHONE: 972-304-0909 Ext. 0**  
**Info@PropertyTaxDFW.com**

**[www.PropertyTaxDFW.com](http://www.PropertyTaxDFW.com)**

\*With exceptions

Texas Property Tax Consultants, Inc. is a wholly owned subsidiary of John G. Hirschy & Associates, Inc. John G. Hirschy, MAI, SRA, CCIM, is highly educated in valuation work, and is acting as a Property Tax Consultant, not an Appraiser, in lowering property taxes. Building photographs are from Shutterstock.com.