

The Abridged ACRE® Course Book
(Archived Edition)



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About the Abridged ACRE® Course Book

This Abridged ACRE® Course Book was created from a much larger document called, very cleverly, the Complete ACRE® Course Book. The Complete Course Book was used in the original ACRE® course and designation program, but contained information that, in the updated version, is taught elsewhere or eliminated from the program all together.

The Abridged ACRE® Course Book is provided as a reference tool only and should not be considered the “textbook” for the course.

As you progress through the new ACRE® course, we will refer you to specific sections in this book to expand upon the material taught in the course, and we believe you will find the information helpful and insightful. Just realize that the Abridged Course Book is an archived document and therefore may contain outdated or obsolete references or concepts, and from time to time may conflict with what is being taught in the current course.

If you would like to see the original Complete ACRE® Course Book, just ask! We’re happy to provide it to you.

INTRODUCTION

FROM SELLING TO CONSULTING

*How the Evolving Role of the Real Estate Agent & the Growth of Technology
Are Creating a Demand for a New Model of Real Estate*

It's often said that if you don't know from whence you've come, you'll never be able to see where you're going. Consequently as an industry, if we are to survive and prosper going forward, we must understand how our industry has changed, grown, and evolved over the years in two very important ways: our role as real estate professionals and the impact of technology on our industry and our value proposition.

The Evolving Role of the Real Estate Professional

Prior to the advent of agency or representation, the real estate practitioner's role was strictly one of a salesperson, charged with moving the product. In fact, if you look at the early days of real estate, it made perfect sense for real estate to be practiced as a sales profession. From Mollie's book "[*The End of 6%*](#)":

“It's important to know that prior to 1908 licensing laws didn't exist and the real estate industry had a history of speculation and disorder. The National Association of Real Estate Boards as it was known in 1913, did begin to regulate the practice of real estate and adopted a Code of Ethics, with the Golden Rule as a theme. Note, however, that while it stated a goal of protecting the public interest, the primary focus of the Code of Ethics in 1913 was to provide guidelines for arbitrating monetary disputes between REALTORS®, as well as to provide the basis for licensing laws. At that time, real estate could not be defined as anything but a sales profession. While licensing laws began to protect the public from the most blatant exploitation, “buyer beware” was the rule. There was no representation, or fiduciary responsibility, as we now know it, particularly for the buyer.

In fact, until the 1980's, selling a home was truly no different from selling any other product. There was no agency, and therefore, no fiduciary responsibilities. An agent could show a prospective buyer a home in a truly “tour guide” role, by demonstrating features and benefits. There were little, if any, disclosure requirements as we know them now. The focus of the industry was on sales: after all, the only client was the seller and protecting their interests consisted primarily of getting them the most money for their property. There was little, if any knowledge of environmental risks that must be disclosed, and, of course, the buyer had no representation. In addition, housing prices were much more in line with other necessities of life so a 6% or 7% commission was rarely questioned.

However, by the eighties, the agent's role as a fiduciary began to grow. Knowledge and required disclosures of items such as Urea-Formaldehyde Foam Insulation (UFFI) and lead paint began.

While buyer representation was still largely unheard of, more and more states were requiring that agents and their brokers disclose that they were working in the interest of the seller.

Of course, the mid-eighties brought a rapid increase in home prices (which later crashed) putting downward pressure on commissions since they now represented a far larger expense to the seller. *The traditional sales model that had been in use for over seventy-five years was beginning to develop cracks.* While there was little issue yet of conflicts of interest, sellers increasingly began questioning what they were paying for and why it was so much when they paid by commission.

By the late 1990's, the dual forces of: a) a rapid growth of buyer representation, and b) little or no change in the basic sales model and approach brought about conflicts in the consumer's mind.

Today, with the requirement that we act as fiduciaries while still being paid only if we move the product, there is a clear conflict of interest, regardless of whether the industry has been willing to admit it. Again, from "[*The End of 6%*](#)":

“No matter how it's presented or dressed up, there is an inherent conflict of interest when an agent is expected to act as a fiduciary agent providing objective, unbiased counsel to clients, while at the same time being paid by commission. This unspoken reality is the elephant in the room. The real estate industry knows it's there because the consumer keeps pointing to it, but no one wants to acknowledge it and certainly no one wants to talk about it.”

Today, we agents are truly walking a tightrope trying to keep our balance between these two roles. On one hand, since we have been limited to contingent-on-an-outcome compensation, if we want to pay our bills, we need to move the product as quickly and for as much money as possible. On the other hand, we are required by license law and our REALTOR Code of Ethics to provide fiduciary counsel that is in the best interest of our client even if it goes against our own. No amount of “ethics training” will take away this basic conflict which in effect, as Blanche Evans, editor of Realty Times has written, *“puts agents in the position of having to constantly choose between ethics and eating.”*

This does not mean that being paid by commission can't be one of the choices that you, as a consultant can offer! If you have a client with whom you've built a relationship of trust, they and you may be quite comfortable with them paying you by traditional commission. But, with a new prospect, you cannot blame them for wondering how you can give them objective counsel when being paid by a sales commission. You really have to wonder why the NAR® as well as our state associations have put so much effort into ethics training without examining how difficult it is for the average agent to balance these very real conflicting demands.

The Growth of Technology

The other major change affecting our role as practitioners is the revolutionary growth of technology and in particular, the internet.

Again, let's go back to the early days of real estate. When “standard practices” were established, the role of the real estate agent was primarily that of an **information provider**. In the days of the “MLS Book,”

agents were the sole gatekeepers of property data. If a seller wanted his home listed on the MLS or a buyer wanted to see what was available, they had no choice but to go through an agent. Since the only access to what buyers and sellers wanted was through the agent, the traditional sales model, which bundled all services into a one-size-*<doesn't>*-fit-all package, payable only by commission, was accepted by the consumer as the only avenue to get what they needed. Pre-internet, the agent was valued primarily for their access and as a *provider of information*.

However, with the proliferation of online property search and valuation sites popping up almost daily, we are fighting a losing battle if we continue to define our value as the **provider of information**, and to try to control that information. The value proposition of the agent as simply an information provider just doesn't add up anymore, and increasingly consumers are unwilling to pay an agent for access that they can get on their own.

BUT here's the silver lining: the more information the consumer has access to, the more they need someone who has the expertise to make sense of it all. And this is where real estate consulting comes in!

While the demand for a salesperson whose value is that of a provider of data is rapidly declining, demand for a trained consultant who can interpret that data is on the rise. When we shift our primary role **from** that of a gatekeeper of the MLS, **to** someone who can take the mounds of information so widely available and help the consumer interpret it to make smart real estate decisions, we again become invaluable to the consumer. Rather than trying to compete with technology in performing administrative-type activities that consumers can do themselves if they choose, a real estate consultant gets paid for the know-how that can only come from expertise in the field.

As a real estate consultant, it doesn't matter if our clients have access to property information because our value lies NOT in the data itself, but in the interpretation of that data. Our value is in taking that data and helping the consumer understand how it applies (or does not) to their particular situation and needs. *In other words, our value is not in providing information, but in interpreting it.*

If we are to remain viable as an industry, it's not only imperative that we understand our true value proposition, but that we start getting the word out! While our industry has been stuck in a time-warp, others have been jumping in to fill the gap.

What We're Up Against

In most parts of the country over the last few years, the airwaves and the internet alike have been filled with deceptive ads designed to push the buttons of today's harried consumer. Scores of online sites catering to the "do-it-yourselfer" have popped-up promising them "something for nothing". As these entities have proliferated, they exploit the consumer's desire for choices and take advantage of the fact that the real estate industry has, for the most part, failed to respond to their needs.

These companies are not just bad news for the hardworking agent whose work and value they seek to marginalize, but, more importantly, they do a great disservice to the consumer by misrepresenting what technology, the internet and the consumers themselves are, and are not, capable of doing. They also

propagate myths as to what really sells a home for top dollar and what the consumer should (and should not) be spending their money on. Other outfits, many of whom have never practiced real estate, continue to mislead the public by claiming that buying or selling a house is no more difficult than selling used clothing at a yard sale, and fail to disclose financial and legal risks inherent in buying or selling real estate.

While this has been going on, we've collectively sat back and let the national media criticize and denigrate our profession. Misleading editorials and articles abound in major publications accusing our industry of "running a racket" to enact laws that will exempt competition and protect our high commissions. We've been virtually silent while the media propagates the myth that we're "overpaid," when in fact, after calculating in all the unpaid hours and un-reimbursed expenses, the average agent is earning less than minimum wage.

The Turmoil From Within

And while all this is going on, the turmoil has grown within our industry. With the advances in technology, we finally have to deal with the consequences of having ignored the consumer's desire for flexibility and responsible choices. Over the years, we have stubbornly stuck to the full commission model, bundling vital fiduciary counsel (where our true value lies) with functionary tasks (to try to justify our commissions).

Our national and state boards and associations have provided little leadership in reading the tea leaves and moving our industry forward. They (and we) have refused to acknowledge that our role (and value proposition) has fundamentally changed. They (and we) have ignored the reality that some functionary tasks can be done by the consumer aided by new technologies if they wish, or not done at all.

As an industry, we've failed to even consider that we may be able to develop alternative ways of being compensated. And because of this inflexibility, we've missed great opportunities to provide (and get paid for) our experience, knowledge, and expertise, not just when working with buyers or sellers, but even more so, when there is no transaction involved.

As technology has grown, our industry has done a very poor job in correcting the public perception that the value we bring to a transaction can be replaced by the internet. We have failed to communicate that when it comes to making smart real estate decisions, it's often more important to know what technology cannot do, than what it CAN. We've neglected to communicate to the public that *while the internet can provide information, it cannot interpret it!* We've failed to educate the consumer about real estate reality: while technology can perform functionary tasks better, faster and cheaper than any human being, what it can never do is provide fiduciary counsel or judgment.

Of course, it's rather difficult to convince the public that we have value when we continue to advertise and give away our time and services for free. As an example, it's become almost a standard practice amongst real estate agents to offer a "FREE" Comparative Market Analysis (CMA) to anyone who asks. Perhaps at one time it was a unique offering, but it has now become commonplace. And we all know that a CMA is anything but free to the agent - it takes a good three to four hours to research and prepare a quality CMA, not to speak of the time involved with presenting it. On top of the time, how much do we agents pay for access to accurate MLS property information? Here is the real kicker: anyone can access data but it takes years of experience to properly interpret what that data means. Is that knowledge not worth something? *There is NOTHING FREE about a CMA.*

Instead of charging a reasonable fee (especially to strangers) for valuable services such as CMA's, we've been trained to tell the public that our services, time, knowledge and expertise are free in the hopes that consumers will do business with us. But to those who don't know you (and that's who is looking at your "public face" on websites and blogs), it's important to think about the message that "Free CMA" sends. Are you free? Is your work free? Should it be? How respectful of your work is that message? More importantly, should your analysis, advice, and expertise be FREE? And from a purely

competitive point of view: how valuable can an offer of a "Free CMA" be when almost every other agent offers it?

Now that we've reviewed why the time is NOW to transition from selling to consulting, let's get down to basics.

WHAT EXACTLY IS REAL ESTATE CONSULTING?

Let's first look at what it's NOT:

- 🏠 It's not specifically limited service, although it *can* include it.
- 🏠 It's not specifically flat fees or fee-for-services, although it *can* include it.
- 🏠 What many find surprising is that while it's not about commissions, it *can* include them!
- 🏠 Most importantly, real estate consulting is not a gimmick. It's not simply a title that you throw on your business cards because it sounds better.

At its heart, real estate consulting is about having the training and tools to provide the consumer *quality, transparent choices* both in the services that they can receive as well as how those services can be paid for. As such, consulting opens up a huge emerging market of consumers who are in need of real estate services and counsel but aren't necessarily buying or selling OR not looking to do so right now. In other words, as a trained consultant, the real estate professional is not limited to transactions in order to be paid.

At the same time, it allows the consultant to continue to service buyers and sellers but attract far more of them because they have the tools to offer real choices.

A real estate consultant is trained to provide a thorough needs analysis that can help consumers determine exactly what their needs are and then, offer options as to how those needs can be addressed.

If you think about it, over the years, those in our industry have had to make some pretty dramatic shifts in how we serve the consumer:

- 🏠 From being strictly "sales people" to being "fiduciary" level practitioners
- 🏠 From acting as agents of the seller to having responsibilities to buyers as well
- 🏠 Dealing with the proliferation of real estate do-it-yourself sites that are duping the consumer into believing that their friendly real estate agent is no more than a very high priced order-taker

Each time this has happened it has become necessary for us, within the industry, to reevaluate where our value lies, and how best we can provide the services the consumer needs and has a right to expect from us.

Change is nothing new ... and rarely is it simple. But the fact is it is inevitable. The question for the real estate professional today is not whether or not we, as an industry, are going to change but rather who is going to orchestrate that change. If we don't listen to the consumer and provide them with solutions that

make sense, someone else certainly will. Some of those “someone elses” have millions, even tens of millions of dollars in venture capital, poised to orchestrate changes that not only are not good for us, the real estate professional, but they’re also not good for the consumer!

Unfortunately, the consumer is so hungry for an alternative that makes sense to them that they’ll leap at the chance to do something other than the “one-size fits all” approach offered by the majority of our ranks. The fact of the matter is...*one size DOES NOT fit all!*

Real estate consulting in its purest form offers an innovative, progressive solution to this dilemma. It just makes sense both to the real estate professional and the consumer. Let’s be clear, we are not referring to simply using the word "consultant" because it more favorably "spins" our role more than the word "salesperson" does. What we are referring to is truly behaving as Consultants. Please don't misunderstand what we're saying here. We all recognize that a career in sales can be an honorable profession. The great sales people of this country are responsible for its significant growth and prosperity for many generations.

However, real estate sales is different from virtually every other kind of sales because it requires fiduciary responsibility. We are expected to offer our clients our expert guidance, focusing on what is in that client’s best interest, even when that advice is clearly not in our own. Can any of us say with absolute certainty that we’ve never recommended a seller ask a price for their home higher than we believed it could sell for because we really wanted their listing? Even if we could say, with absolute certainty that we’ve never done such a thing, is it possible our “opinion of value” was not even a little bit influenced by the fact that we wanted that listing, believed we could sell that listing and needed the income that listing would likely generate? Our emotions can cloud our perceptions; it’s basic human nature.

The consumer understands this. How often has a buyer said to you “*how can you be trying to get the home for the lowest price when the more I pay, the higher your commission check?*” Or how about the seller saying “*you only recommended that price to me because you want it to sell faster so you can get paid.*” Even when we are doing our very best for our client’s best interest, they often question our motives.

But what if the client felt that they had more control over the process right from the start? What if there were a way they could be certain that your guidance was in their best interest because it was also in yours? True consulting provides the structure for that assurance!

The best way to understand the consulting model is to look at an analogy we can all relate to:

The Clothing Store Versus Your Own Personal Shopper

Suppose you had an upcoming seminar next month and needed to buy a couple of nice suits. You have two choices: you can either shop at a leading clothing store or you can hire yourself a personal shopper.

If you go to the clothing store, the salesperson will probably do their best to sell you a suit. Hopefully, they'll be very helpful to you by showing you the inventory they have at their particular store. Of course,

since they're working for the store, their focus is to move the merchandise. If they can please you at the same time, that's a bonus.

The salesperson is working solely on commission - therefore, he only gets paid if you buy a suit THERE and NOW. If you have unique fitting needs and none of the suits at that store fit you well, the salesperson is not particularly inclined to tell you to go somewhere else. He may not tell you that a suit you do love is going on sale next week. After all, if you come back in a week, he might not be the salesperson on the floor. This is not to say that the salesperson isn't ethical. It's just that he's paid to make a sale for the store, not to find the best suits for you.

Now, let's look at the other option: hiring a personal shopper. Unlike a salesperson working for a store, a personal shopper is paid to find you the best suits for your needs. Since no two customers are alike, she's going to spend a lot of time upfront really listening about your lifestyle, timetable, and price range. Once she does a thorough analysis of your needs, she may target one or two stores over others to get you the right suits in the timeframe you need, and within your budget. Since she knows the marketplace and inventory, she might tell you not to buy your chosen suits right now since they'll be going on sale very soon. Her goal is to use her expertise to find what's best for you. She's focused on the long-term relationship, not just that transaction.

In terms of paying your personal shopper, she'll probably give you a variety of ways to do so:

- 🏠 You can pay her by the hour
- 🏠 You can pay her a flat fee to do a variety of shopping tasks OR
- 🏠 You can pay her contingent on her finding you the suits that meet your approval but you would pay a premium for this choice since there's a risk that she will work and not ever get paid.

So, how would the consulting model play out in real estate? How does it compare to the traditional sales model?

1. The Real Estate Consultant is usually compensated for his expertise, time and/or the task. If he's paid contingent on a guaranteed outcome (a traditional commission), it should be understood by the consumer that a premium will be paid to have this guarantee.

Real Estate Salespeople are only paid when they achieve a specific outcome (one they can influence but not control). It is imperative that the consumer understand that they are paying a premium to have this flexibility. If the real estate sales person does not achieve that specific outcome, the consumer pays nothing.

2. The Real Estate Consultant is often retained and compensated the way other professionals providing a service are, such as CPAs or most Attorneys.

The Salesperson is compensated the way other salespeople selling a product are. (By the way: this doesn't mean that a consultant can't offer commissions if that's what right for the client - the essence of consulting is providing choices. It's just essential that consumers understand what it is they're paying for).

3. Consulting covers a variety of skills and can be used to reach a variety of outcomes.

Selling has one single focus - to SELL something.

4. Sometimes the best choice for a consumer is not to buy or sell at all, or at least not now. The Consultant is retained to provide the counsel to help them reach their decision.

A Salesperson, when there's no transaction, has nothing to offer (and no way to get paid).

True consultants believe that they should first understand the consumer's needs and goals before suggesting options and solutions. High-pressured selling tactics have NO place in the process of providing objective fiduciary counsel.

Can you imagine a Doctor prescribing a medication (solution) without first examining a patient (understanding the problem)? Yet, that is exactly how we're trained as real estate sales people: we only offer a full commission for a full package of services even though the consumer may not need a full package or, in truth, may be better advised not to sell or buy at all.

Once the consumer is provided with objective information about the buying or selling process and what's involved, the consultant believes that the consumer should be the one to decide what they want and how they would like to pay for it. The consumer and the consultant can then decide if there is a good fit between the consumer's needs and what the consultant has to offer.

The real estate salesperson usually has only one way of being paid: a contingent-on-a-sale commission. Consultants, on the other hand, can offer a variety of compensation alternatives such as hourly consulting, a flat fee, "bundling" to cover an array of services for a set fee, traditional commissions, or any combination thereof, so that the consultant can tailor their services based on what the consumer needs to reach their goals.

By the way, consultative service is not limited to transactions. In this course book we're going to delve into the many areas where we can provide services and actually get paid for them (*what a concept!*) As an example, wouldn't it be great to be able to offer (and be paid for) just a couple of hours of objective counsel on the real estate market when the consumer is not sure about what they want to do?

Now, you may be thinking "*I provide that service to prospects NOW so what's the difference?*" Several things! First, how totally objective are you with the consumer on your "assessment" of the market when you know that, should they choose not to take any action, you receive no compensation for your time

and expertise? Second, how thorough a job are you doing when preparing your assessment for a prospect when you recognize there is a good possibility you'll receive no compensation for it at all? And third, and this is much more subtle, how confident is the consumer that your "assessment" is totally unbiased and with their best interests in mind when they KNOW that whether you get paid or not rests on their choosing to buy or sell something, and do it through you.

Think about the many consumers that could benefit from our knowledge, experience and expertise if we could offer them choices. The following are just a few examples:

- 🏠 A homeowner who's trying to decide whether to "move or improve" and wishes they could get objective counsel.
- 🏠 A buyer who isn't sure they're ready to buy and hesitates to contact a salesperson but would really like some guidance on the market without being pressured to buy NOW.
- 🏠 A seller who has found their own buyer who wants to make an offer, but doesn't have a clue about what to do next.
- 🏠 A seller who really doesn't WANT to play Realtor® but feels forced to go it alone if they need to save money.

Many consumers today are rightfully asking why commissions seem so high. And many agents are running out of answers. So, next let's review in detail how the commission system works.

IF, AS AN INDUSTRY, WE ARE MAKING SO MUCH MONEY...

How Come We're Not All Driving Bentley's?

To listen to the popular press, you would think that we agents were all rolling in dough, though for 90% of agents, the reality is quite different. Yet, the question that we hear more and more from consumers these days is: "*Why are commissions so high?*" Justifying our commissions to the public is getting more and more difficult.

If you have ever had to explain to a consumer what exactly they're paying for when they pay by commission, you may have struggled with an answer that makes sense. The fact is that when a consumer pays a real estate commission when their transaction closes, they are not simply paying for the services rendered to them on that transaction. If they were just paying for the services themselves, they could have paid a lot less, while still providing their agent with generous compensation.

Here's the real scoop: commissions have little to do with compensating an agent for time and services. Commissions are all about mitigating risk. Until we, as an industry, are willing to call a commission what it is while providing choices to the consumer, we will continue to see our compensation erode and our value undermined.

Unfortunately, when we go to our managers and brokers, they are often of little help. Overwhelmingly they just instruct us to tell the consumer how much we do for them. Certainly we can all agree that much of the public has no earthly idea how much work is involved with helping a client buy or sell a home, but trotting out a list of the "*450 Things That an Agent Does*" misses the point.

In fact, we did ourselves a huge disservice when we began publishing "lists of activities" that an agent does. What we are telling the consumer is that they are compensating us for "activities." And virtually any reasonable person could look at that activity list, compare it to a commission check, and wonder "*what's wrong with this picture?*" The reality is that many of those activities could be done by the consumer, aided by technology, or not done at all. Other activities may need to be done, but do not need to have a "premium" price tag attached to them. The point we're trying to make here is that commissions are not what they are because of activities ... they are what they are because of *risk!*

When a consumer pays for real estate services by commission, they are in fact *paying a premium for a specific outcome and the "insurance" that if they don't achieve the desired outcome, they pay nothing.*

In other words, the commission system follows a basic rule from Economics 101: *high risk must be paired with high reward.* It doesn't matter if you are talking about buying stocks or betting on a football game, the basic equation is the same. With real estate commissions, this rule translates into the consumer paying a premium to have no risk, while the agent incurs a high risk, but has the potential for

a high reward if they are successful. The problem we are facing now is that the consumer has become accustomed to having no risk, yet is increasingly asking for the agent to settle for a low reward.

A Comparison: The Personal Injury Attorney

The commission system in real estate is very similar to an attorney being paid on contingency. Most people understand that if an attorney takes a high risk personal injury case for example, there's a very good chance that the attorney could put in many hours of work and never see a dime. Their services are "free" to their client unless successful. But if they ARE successful, their reward is high; personal injury attorneys usually collect at least a third of the award.

Now suppose that the attorney is successful on a given case. If you were just looking at that one case, his or her "pay" would seem like an incredible amount of money for the time put in. But that large paycheck has to compensate the attorney not just for the hours put in on that case but for all the many unpaid hours on the cases that did not result in an award. In fact if you took a personal injury attorney's gross income for a year and divided it by the total number of hours worked on all cases that year, his or her pay per hour would probably seem very reasonable for the expertise, experience and talent that they bring to their job.

Now just suppose that a given consumer complained about the large amount the attorney would stand to receive if successful. Suppose that they ask the attorney to take their same high risk case but take less of a percentage - how would the attorney respond? Well, if he or she was either not very good at their job OR rather desperate for business, they might take the bait and cut their contingent compensation. At the same time, they would also most definitely cut the quality of the work and time they put in to that case, diminishing the chances for success.

But most attorneys with a reputation for quality work would tell the consumer NO WAY! If they want the attorney to take all the risk, the attorney must receive a high reward if successful. Otherwise, from a pure dollars and cents perspective, this method of compensation just doesn't work.

Like the attorney paid on a contingency, under the commission system in real estate, our compensation is dependent on our achieving a favorable outcome - an outcome that we can influence but not control.

The difference in the comparison however, is that while most consumers understand the risks involved with a personal injury case, most are not aware of the risks inherent in the our daily work: assisting buyers and sellers of homes. Unless they, or someone close to them, has worked in the field, most people aren't cognizant of the many hours that we typically put in that are never paid for.

Overwhelmingly, consumers believe that that most listings sell and most buyers buy. But let's take a look at reality - some examples of what we agents experience all the time:

Sandy & Scott Seller are ready to sell their home. Sandy's Aunt Doris is a part-time agent who lives out of the area. Sandy would like to give their listing to Aunt Doris except for one problem: Auntie doesn't know the local market and therefore doesn't know how to price their home. But Scott doesn't see it as a problem at all! After all, every time he goes online, every agent site seems to be offering a "free"

comparative market analysis (CMA). So, he contacts three of them, tells each of them that he's going to be selling his home and that he would like them to prepare a CMA for him. Now, as we noted earlier, while those CMA's are free to Scott and Sandy, to the agents, there is nothing "free" about them to the agent—it will take several hours for each of the three agents to prepare and present them in hopes of getting the listing. Of course in this case, none of the agents are going to get the listing and when Aunt Doris lists the house, those three agents know that they've just put in a lot of work that they'll never be paid for.

Bob & Barbara Buyer are looking to buy their first home. They do their due diligence by interviewing several agents and decide that they like Betty Buyer Agent the best. Betty smartly requires that they sign an exclusive buyer agency contract with her - she's been burned in the past by working weeks or months with buyers only to have them call on an ad and buy with someone else. This way she's protected, right? Not so fast! After months of working with Bob & Barbara, Bob gets a new job out of state so the local house search is off. Betty has spent many hours with Bob & Barbara that she'll never get paid for, not to speak of her expenses such as gas.

Sam Seller has been reading that the market is very slow. This concerns him since he would like to sell his house and retire but only if he can "get his price". But even though the market is soft, Sam figures that it doesn't cost him anything to try - he knows that he only has to pay an agent if they're successful. He contacts several agents telling them that he'd like to sell his home but only if he can get a price of \$\$ (about 20% over what the current market says his home is worth). Most agents smartly turn him down, but there are a couple of agents who really need the business and hope that if they take his listing that they can convince him to moderate his price later. Andrea Agent "wins" the listing and goes to work. She expends a lot of money on materials and advertising and countless hours marketing the home. Sadly, Sam can't afford to sell unless he can get his unrealistic price so after six weeks, he decides to pull his house off the market and wait for better times. Andrea Agent has just spent a lot of money that she'll never be reimbursed for, and many hours that she'll never be paid for.

Sound familiar? This is our life as real estate agents and yet, the consumer has the perception that under the commission system, we're all driving around in Bentleys and taking vacations to the Caribbean. In fact, in coaching agents, we ask them to do the following exercise: divide their gross commission income by 50 (the number of weeks in a year minus two weeks of vacation). Then divide that weekly gross commission income by the total number of hours they estimate that they work in an average week. The result? Sit down because you're not going to like this...

The average agent today is earning less than minimum wage!

Yet, in each of the above examples, the consumers have done nothing wrong. Sandy, Scott, and Sam are simply taking advantage of the "free" services that are offered. And it's certainly no fault of Bob & Barbara that they've been transferred. What a lose-lose situation for both consumer and agent!

You would think that we could all put our heads together and come up with some alternative types of compensation for those consumers who would like quality services but who neither want, nor want to pay a premium for, the "insurance policy" that paying by commission provides. You would also think

that we could come up with some way of being compensated when the consumer has real estate needs that don't necessarily involve a transaction.

But instead of developing some alternative methods of compensation, some in the real estate industry have instead responded by cutting the number, and quality of services offered in exchange for a lower commission. Unfortunately, the services that often get cut are the very ones that make all the difference in the consumer's bottom line.

You may have noticed that so far in this course book we've been using some "F" words: functionary (administrative) and fiduciary. We've been using these words because they represent the dual parts of our service offerings that traditionally we've bundled together. But, it's vital that we understand the difference and educate the consumer because while one can be scrimped on, the other should never be. We'll do that next.

FUNCTIONARY TASKS VERSUS FIDUCIARY COUNSEL

Where is YOUR Value?

As we'll see in the next chapter, real estate agents are not commodities. We know in our daily work that different agents provide neither the same amount nor the same quality of service.

Plus, due to continued low barriers of entry into the field however, almost anyone can get into real estate. In a population of roughly 300 million people, it's estimated that more than 2 million of them hold licenses. That means there's a real estate agent for each 150 men, women, and children in this country! But getting into real estate, and being good enough to stay in it are totally different matters; 70-80% of new agents don't last even three years in the business. With the constant influx of "new recruits" driven by public perception that this is an "*easy way to make big money fast*", our numbers continue to rise. Even with the recent market correction that is resulting in a drop in our numbers, according to current NAR statistics, there are still many more REALTOR® today than there were at the start of 2004.

To last in real estate and have a productive business over the long haul, an agent must not only have the marketing, sales, and organizational skills to perform the *functionary* (administrative) tasks needed for the job, but more importantly, they must have the expertise, knowledge, and experience to be able to provide the *fiduciary* counsel that will make all the difference in their clients' bottom line.

Please don't let your eyes glaze over at these "F" words. If you want the consumer to understand where your true value lies and thus pay you what you're worth, it's vital that you know (*and help the consumer to understand*) the difference.

Functionary Tasks...

...are what most consumers first think of when they they're asked what an agent does. For a listing agent, they usually include things like:

- 🏠 installing a lock box or sign
- 🏠 typing the listing into the MLS
- 🏠 holding an open house.

As we know, many functionary tasks such as taking photos or producing feature sheets are important and should be done to successfully sell a home for top dollar. However, truthfully, they don't necessarily have to be done by us. They can be done by technology, an hourly assistant, or even by the homeowners

themselves. And some functionary tasks (*such as manning a public open house, except in a rampant seller's market*) are often pure frill and done most often to appease the seller.

Over the years in our efforts to differentiate ourselves, as an industry, we have managed to royally shoot ourselves in the foot. We've done a good job of creating the perception in the consumer's mind that the agent that does the most "stuff" is their best choice. But truthfully, it doesn't matter how much stuff is on the list if fiduciary counsel and representation is not there!

Coming from a sales mindset, we've been taught to include functionary tasks, both large and small, in our package of services to "justify" our commissions. But as real estate consultants, our time could be much better spent (*and generate far better compensation per hour worked*) if we were not running paperwork to the attorney's office, or waiting around for the fire department to show up to check the smoke detectors. Functionary (administrative) tasks can often be done by consumers using today's technology or they may choose to not do some of them at all. We need to drive the point home to the consumer that:

A good listing agent's value is NOT in finding buyers, though it's certainly an important part of what we do. Our TRUE value lies in negotiating the best package for the seller, and troubleshooting the transaction through to close of escrow.

Conversely, if you were to ask most buyers what a buyer agent does, they probably would list things like:

- 🏠 doing home searches
- 🏠 making appointments
- 🏠 running paperwork around.

Again, these are functionary tasks and while important, they can often be done using technology or the services of an assistant.

A good buyer agent's value is NOT in finding a home, though we certainly have the technology tools to do so. Our TRUE value to the buyer is in negotiating their best package, and troubleshooting the transaction through to close of escrow. As virtually any experienced agent will attest, "finding" the home is generally the easy part!

Fiduciary Counsel

...DOES require the expertise, knowledge, and experience that a quality real estate professional brings to the table because this is what we do every day. It's market knowledge, judgment, and representation. It's not gathering data, but interpreting it. Some examples are:

- 🏠 determining price and positioning of a home given the market
- 🏠 sensing and communicating with the client when the market is changing
- 🏠 negotiating offers for the best price and terms,
- 🏠 troubleshooting of the transaction to close.

It's the fiduciary counsel that overwhelmingly gets scrimped on when a brokerage or agent tries to work on the cheap, and where the lack of it causes the consumer to get burned. It's importance is often overlooked by the client going it alone or with minimal help and where they pick up pennies only to drop dollars: they save some on a real estate commission but often realize thousands less in value when they close because they misread the market, couldn't "objectively" negotiate effectively on their own behalf, paid their attorney double for tasks that an agent could have done better (*because that's what we do*), or didn't see the potholes that often come up between accepted offer and close.

But we need to take some of the responsibility: our industry seems to be intent on majoring in minors. So often our knowledge, experience, and expertise (the fiduciary) is given away for free whenever someone decides to call us and pick our brains. Then we turn around and charge for the most simple functionary tasks that anyone could do.

Of course, the granddaddy of them all is the travesty called MLS Entry Only.

MLS Entry Only

It's time that we verbalize what many agents have thought for years: allowing our MLS's across the country, to be used by licensees to score a couple hundred bucks in exchange for twenty minutes of typing, was one of the most short-sighted things our industry has done in a long time. Opening up our proprietary network to the public and charging peanuts for it not only reinforces the public's belief that the agent's only value is that of a "*gatekeeper of the MLS*" and performing functionary tasks, but it has also proven over time to overwhelmingly be a consumer rip-off.

That's because the MLS was designed as a co-operative between licensed agents, not an advertising medium for what is essentially For-Sale-By-Owners. When the MLS is used as intended, agents know that they will have a licensed "partner" on the other side who will not only provide the fiduciary counsel to their own client, but also complete the many tasks which are required on both the listing and buyer sides. In most markets, "MLS Entry Only" listings notoriously get far fewer showings because buyer agents know they will have to deal directly with the seller and often have to do the work of both sides. Because of fewer showings and the seller's lack of fiduciary counsel, most "Entry Only" listings do not

sell, forcing the seller to then hire a full service agent and forfeit their "Entry Only" fee. If the home does sell, it usually does so for thousands less than it should have.

In addition, this type of "listing" presents a huge legal liability. While many states have added "facilitator" to the list of real estate relationships, this status has not yet been tested nationwide in court and a brokerage runs the risk, when it places the seller's listing in the MLS, that the seller will assume that the agent was "representing" them, even if they've signed a disclosure to the contrary.

HOW FEES WORK

Getting Paid Like Other Service Professionals

Let's hope that we've made a good case for why delivering quality real estate services is essential. It is not only because quality is the best value for the consumer, but also because providing quality services elevates the role of the real estate agent from a commodity to a true professional.

Is there a way, in the age of "Who's the Cheapest" to provide quality services and get paid what we're worth? Absolutely! We only have to look at how other service providers are paid and begin to think out of the box.

Providing Real Estate Services By Fee

When a consumer chooses to pay a flat fee for a bundle of services, or by the hour for your assistance or counsel, they're receiving (and paying for) just the services or time received. *What they're not receiving is a guaranteed outcome but they're also not paying a premium for that guarantee - the "insurance" that if they don't achieve the desired outcome, they pay nothing.* And therein lies the savings.

Actually, the idea of paying for real estate services by fee isn't really that radical. If you think about it, fees are how most professionals and service providers are paid. And they are usually paid that way for a very good reason. Let's take a look at a couple of examples:

A couple wants to start a family but after months of trying, they are not able to conceive. After getting a referral from the wife's gynecologist, they make an appointment with a specialist. They have some tests run and after conferring with the physician, they confirm that they are a candidate for In-vitro Fertilization. The physician or nurse-practitioner then reviews the entire procedure and how the clinic will be paid - usually by a flat fee for a certain number of tries. Is there a risk on the part of that couple in paying in this way? Absolutely, because even though the clinic is highly recommended, the couple could spend thousands of dollars without achieving a successful pregnancy. The clinic can influence but certainly not control the outcome. They're paid for the services rendered regardless of whether the couple achieves their goal of a successful pregnancy.

A businessman is quickly climbing the corporate ladder. But with the constant changes in the tax code, his taxes are getting more and more complicated and preparing them each year is very time consuming. He thinks he could save a ton of money in deductions if he hired a CPA. So the next year, he takes all of his work stubs and receipts to a CPA who comes highly recommended by a friend. The CPA looks it all over and tells the businessman that he charges \$X per hour and that the taxes will take approximately X hours to prepare. Is there risk on the part of the businessman in paying the CPA by the hour? Absolutely, because even though the CPA is skilled, the businessman could end up paying double in taxes. The CPA is being paid for his services, time and expertise regardless of what the businessman ends up paying in taxes.

Real estate professionals have traditionally been paid contingent on an outcome, even though, like the clinic and CPA, we cannot control the outcome. The economic climate and certainly the price the seller places on the home is what will determine how fast and for how much a home sells for. Yet, agents are paid as though they can control the outcome and that "insurance policy" of only paying if successful is what makes this method of compensation so expensive for the consumer.

Obviously, in order for a consumer to feel comfortable paying you by a non-contingent fee, they need to have confidence that you will do a quality job. And you will find consumers who believe that a real estate agent will work harder knowing that they'll only be paid if the house sells. But if you follow that argument, how could they have confidence in their doctor, dentist, or CPA? The answer is, top-notch agents, like other good service providers work hard for their clients because they have a reputation for quality that they want to protect, and because they want to continue to receive a good share of their business by referral.

We recommend that agents encourage consumers, when they need to choose any service provider, to do so by asking for a referral from someone they trust who's had a good experience. On the other hand, if they have not been referred to the provider, they should always ask for references to speak with. If they find that the provider has done a good job for other customers, clients or patients, there is a very good chance that they'll do a good job for them, no matter how they're paid.

So, How About Some Choices?

In the many years that we've spent developing and testing different compensation alternatives, we've often wondered why agents are limited to offering just commissions with no other alternatives. Not only could the public clearly benefit by having some choices, but just think of the many opportunities we'd have to actually be paid for our expertise when a purchase or sale isn't in the cards (or not right now). Wouldn't that be a wonderful thing?

Clearly, whether a consumer is contemplating a transaction or simply wants some counsel, it would make sense to have some alternatives to offer. And to see a great example of these choices, one need look no further than the legal profession:

- 🏠 Some areas of law such as when a client has a tricky legal problem and needs advice, lend themselves to an hourly compensation.
- 🏠 Some areas, such as real estate law are usually paid by a flat fee for a task or a group of tasks.
- 🏠 As we saw earlier, some areas of law such as personal injury, where the attorney can work with a high risk that they might not get paid, is almost always paid on contingency BUT with a high payoff if the attorney is successful.

Can we develop the same choices in real estate? You bet! There is no rule that says that real estate services have to be a full package of bundled services paid by commission and nothing else. Whenever we've asked any real estate manager why agents are paid by commission, the only reason they can usually come up with is: *"That's the way we've always done it."*

Let's be clear: in looking at offering choices such as an hourly rate, flat fee, or a traditional commission, there is no right or wrong choice. Like in the legal profession, different choices work in different scenarios. Real estate consumers have different needs and comfort levels. Some people are very risk-averse and are more comfortable paying for real estate services by traditional commission. That's fine as long as they understand that they are paying a premium to have no risk. Some folks, once they understand that the agent can't really control the outcome, are willing to forgo the guarantee and pay a lot less by fee, while still getting quality. The important thing is to always present options in a clear, transparent way. Remember, most consumers have no problem paying for quality - they just want to understand what they're paying for!

HELPING CONSUMERS DETERMINE THEIR NEEDS

The very essence of Consulting is giving the consumer CHOICES. But in order to make the best choices, it's important that their needs, capabilities, and the time they're able and willing to devote to the task of selling or buying their home are carefully (and realistically) evaluated.

I (Mollie) developed a Seller Needs Analysis years ago for my own practice that does just that. And thanks to ACRE® Coach Judi Bryan, we now also have a Buyer Needs Analysis. In a few minutes, in the privacy of their home or office, a seller or buyer can review the various tasks involved in selling or buying a home, determine which ones they have the capability, time, and desire to do themselves, which ones they might like a professional to handle, and which ones they're OK with not having done at all.

Many consumers have told ACRE® grads that completing the analysis followed by a consultation was the best thing they did in starting the process.

The Seller and Buyer Needs Analyses are not rocket science. Each is simply a list of tasks or services that are usually completed in the selling or buying process, a brief explanation of the task or service as necessary and a notation if the task or service is fiduciary in nature. The consumer is asked to respond to each task or service with one of the following responses:

1. I have the capability, time, and desire to perform this task myself
2. I'd like this task/service in the hands of a Real Estate professional
3. I'm OK with this task/service NOT being done
4. I need more information on this task/service before making a determination

To be effective, the analysis really should be a two-step process. We would advise you, based on experience, to not provide the analysis to the buyer or seller until they commit to sitting down with you for a consultation. We would also advise you, again based on experience, to not try to explain the various options that you offer without first having them complete the analysis - otherwise you spend a lot of unpaid time on the phone without any commitment on their part.

I speak from experience: when I first developed this tool for sellers, I would go through it in person at a meeting or on the phone. *Bad idea!* Not only was it time consuming, but I found that there was often some "bravado" on the seller's part as to what they told me they could handle when asked directly. Even though the seller knew they were going to review their responses with me later, going through each task/service in the privacy of their home or office encouraged them to be honest with their responses: "Can I do this task?" "Do I even WANT to do this task?"

These analyses, followed by a consultation, are the best way to help the consumer to determine where their needs may lie. They can be confident that tasks or expertise that they might not have thought about won't sneak up and bite them later in the process. As was mentioned before, many consumers have NO IDEA how much is involved with selling or buying a home. But seeing the list in this format is so much better than seeing it as a part of a listing presentation. Why? Because, as a part of the listing presentation, you are in effect saying "Of course I have to do every task, whether it's small or large, whether functionary or fiduciary."

Having the list as a part of the analysis gives the consumer the opportunity to have some choice in what they may or may not want to do themselves. They may even discover there are tasks they don't care about having done at all. Again, even if they decide they want it ALL and want to pay by a traditional commission, you will have a very cooperative client because they feel they were given a choice. And even more important, you now have a great understanding of what is and isn't important to them.

One more thing that ACRE® grads have found: the more they work from a consultative model, the more they value their time and their expertise. We discourage ACRE®s from sending out a "price list" or spending time on the phone trying to explain their services without some commitment on the part of the consumer.

Do we get everybody? Nope, just the cream of the crop - buyers, sellers, investors, and homeowners who value what we do and are willing to pay us fairly for it. Our expertise and time as a professional is valuable - it's about time that we stop giving it away.

By the way: choice is a two way street! If consumers want you to do things that you don't want to do (for example, MLS Entry Only), you can tell them right away that you would not be a good match for them - *before* wasting a lot of your time.

Remember, you are a consultant...not an order taker. Just because the seller thinks it's not necessary for them to de-clutter their home or they think that they can do without having their home listed online, it doesn't mean that you have to give in and do it their way. Just because a buyer wants you to run out and show them a home that you KNOW they will hate, doesn't mean you have to do so. You're the expert in real estate - not them.

Would you go to a doctor and tell him or her what prescription to write? Would you go to an attorney and tell them how to handle your case? Of course not, because you are paying them for their expertise. In real estate we have gotten ourselves in the pickle of having consumers tell us how to do our job because we have sent out the message that our time (and expertise) is free. And free means "not worth much".

There is something very empowering in saying "*No thank you!*" Saying it when appropriate will earn you more, not less.

DODGING THE ARROWS

Dealing with owners, managers and other agents

Now, let's see where we are...you've been reading this course book and nodding your head. You may be thinking: "*Gee, this consulting model and providing options makes a lot of sense*". So, the next time you're talking with your manager, owner or another agent, you start to tell them about this new consulting model, which pays you for your experience, expertise, and time, rather than an outcome that we, as agents, have limited control over.

That's when the arrows start coming! You hear the same thing everyone hears when they float a new idea or way of doing business:

"That's not how Real Estate is done."

"We're salespeople – we don't get paid like other professionals."

"Real estate is a sales job – always has been, always will be."

"If it ain't broke, don't fix it."

Or our favorite, which is usually said when they haven't really listened:

"That's just discounting."

Though we've come a long way, we're still in the pioneering stages of real estate consulting. But as real estate attorney Philip Schoewe once said: "*Pioneers get the arrows – but they're also the ones who stake the land.*"

There is no doubt that we will evolve from sales to consulting if our industry is to survive. But as with other consumer-driven changes, like buyer agency or using technology in real estate, change takes time. The first brave people taking on the change will be derided, laughed at and sometimes even black-balled. No matter; if the change is consumer-driven (as real estate consulting most certainly is), the nay-sayers will eventually come around – or watch their businesses wither and die.

So, why are many of our cohorts so negative about trying something new?

For one thing, as human beings, we naturally resist change. Change is scary! In the years that I've spent developing real estate consulting, I've often felt like Christopher Columbus discovering America. I'm setting out on a voyage in un-sailed waters with only the firm conviction that there's something better across the ocean. I'm convinced that the world is round but many of my colleagues around me are saying the world is flat. Yes, change is very scary but also very necessary. After all, there was a time when the horse and buggy was the accepted means of transportation, but some brave soul came up with the automobile and though it just MIGHT work better.

Secondly, it's so much easier to let someone else test-market a new concept until it's perfected. After all, what if it's just a fad? We don't want to look dumb. Or we fall victim to "group think." This is a phenomenon that occurs when we perceive everyone around us seeing something a certain way, and then convince ourselves its reality even if we really aren't seeing it. The funny thing about "group think" is that every single person in the group might not be seeing what the group is perceived as seeing, but they question their vision or perception since it seems everyone around them sees something different. In other words, if everyone around you accepts something as a given, it takes a self-confident person to say: *"Wait a minute – I see this differently!"*

If you like the concept of practicing real estate from a consulting model and offering choices based on the consumer's needs, rest assured that you're not alone. In fact, getting paid for your time, expertise, and experience (what you're worth) is now rapidly gaining momentum amongst real estate professionals. And remember that "group think" works the other way. Today, everyone it seems, offers buyers their own representation and no one would argue against having a web site (actually - web sites are rapidly becoming old hat - time for a blog!) and using technology. It just takes time for changes to happen but remember, if you're a pioneer, you'll stake out so much more territory than waiting to follow the crowd.

Financial Services as a Model for Real Estate

Real estate might want to look at the financial industry as an example of how an industry can evolve. In the early 1980's, "financial planners" were, for the most part, stockbrokers and other salespeople that provided (*sound familiar?*) "free" consultations and made their money by selling financial products. Like real estate salespeople today who call themselves "consultants" because it sounds better, financial salespeople then would often call themselves "financial planners."

However, as the 1980's wore on, consumers who wanted truly objective advice (and were willing to pay for it) demanded a choice, and from this consumer demand, the CFP® (the Certified Financial Planner) was born.

Interestingly, the tremendous growth of the CFP® designation over the last two decades hasn't resulted in the extinction of the financial salesperson, but there is a clear line of demarcation between financial salespeople who are paid to sell products, and CFP®'s who are paid to provide objective counsel and guidance to their clients.

There will probably always be a niche for real estate salespeople whose primary job is moving the inventory. However, we believe that there will be a larger and ever increasing demand for professional real estate consultants whose primary job is to move the product, but rather to act as an advisor and advocate for their clients. It is our goal to see the Accredited Consultants in Real Estate® certification develop into the same symbol for professional, objective counsel in real estate as the CFP® does in financial services.

Bottom Line? Trust your instincts and find your own path. If you like the consulting concept, by all means get busy and develop a consulting practice that you're comfortable with. The great thing about consulting is that you get to make it your own, based on what you feel you're worth and what you do in your individual practice. Go forth and consult!

A Whole New World of Applications

Unlike traditional sales, real estate consulting opens up all kinds of new opportunities to attract business and earn income that you never would have had, because you're no longer limited to transactions in order to provide services and get paid! And if you ARE meeting with a seller or buyer prospect, as a trained consultant, you have some powerful tools in your toolbox that simply renders your competition irrelevant!

Homeowners

I (Mollie) have always referred to homeowners as the “orphans of real estate” because traditionally, agents don't tend to give them any attention unless or until they indicate (or we get word) that they are ready to buy or sell. But homeowners definitely need information, services and guidance that often has nothing to do with a transaction, from staying up to date on the value of their property, remodeling or refinancing decisions, appraisal and tax issues, just to name a few. As a sales agent, there is no way to service these needs because there is no way to be paid. But as a consultant, the sky is the limit on the variety of services that can be offered today's homeowner and even better, consultants have a way to be paid for it!

Notes from an ACRE® Teleseminar: Consulting with Homeowners, courtesy of Judi Bryan:

“Homeowners” is a group that Mollie refers lovingly to as “the Orphans of Real Estate.” I'm not using the term “lovingly” loosely here, either. How can you NOT love someone who *needs your help, appreciates your efforts, and is willing to fairly compensate you for your expertise?*

And Homeowners are definitely “orphaned” when it comes to real estate. They often have needs that we can meet for them, but they've been orphaned because they are not planning to necessarily* have a real estate sales transaction, so they generally don't call us for that help. And the fact of the matter is we are likely the very most qualified to provide them with the service they need...but they don't believe they have a means of paying us in any other way but via a sales commission.

**I used the word “necessarily” above because there are times when a transaction “might” ensue...but the fact is that a transaction is only one of the potential options they are considering.*

Homeowners are in need of information, and more than that, the INTERPRETATION of that information. There is plenty of evidence of the fact that consumers want that insight; Zillow, HouseValues, etc., would not exist if that demand weren't there. And we also know they are willing to pay for information and help. They hire and pay an appraiser to give them an idea of the value of their home, but the fact is that appraisers do something very different from what we do. They primarily look at historical data in terms of recent sales information, but they generally don't include a lot of

information and interpretation about current market conditions, active competition, absorption rates, etc. And all of that information is critical in a market value assessment.

Homeowners have also demonstrated that they are willing to pay up front for numerous "limited services," beguiled by the low fee and not understanding that they are missing the most important ingredients that an agent has to offer - *fiduciary council and true representation!*

So what kinds of situations might cause an "orphan" to want your help (if they knew you could provide it)?

- 🏠 The Move versus Improve question
- 🏠 Challenge a tax bill
- 🏠 Challenge a reassessment
- 🏠 Determine whether this is a good time to refinance
- 🏠 Evaluate how much insurance they should have on their home

But... "Why, when there are so many agents advertising that they'll provide this information for FREE, would a consumer even consider PAYING a consultant's fee?"

Great question! **Paula Bean** and **Mollie Wasserman**, along with ACRE® **Deb Orth** all chimed in with the answer, and when you give it some thought, it makes perfect sense! Paula spoke about establishing relationships with your customer base that let them know that, as a consultant, how you work is different. Deb added "it makes all the difference in the world when they understand that the only agenda you have is to serve their needs...because that is exactly what they hired you to do. When you do your evaluation, you can be totally unbiased." There's a huge difference between the true consultant and the traditional agent doing a "free" CMA. Free is NOT unbiased when only one outcome enables the agent to get a paycheck.

Mollie brought up another good point based on how she approached consulting with homeowners. Let's say you have been hired to do a "move versus improve" evaluation. You've completed your assessment and you've been paid your fee. Let's pretend that after considering their options, the owner decides it really makes the best financial sense to move after all. What Mollie has done (and the seller is aware of this up front) is that IF they decide that they prefer to sell, she'll credit their consulting fee toward their total commission due. This way they know they are not paying twice for the same service.

So the seller benefits because of the credit if they choose to sell. They also benefit because they know before they spend all that money on the room addition or the home improvements they were planning whether those decisions make any financial sense at all! How many times over the years have you walked into a home that was dramatically over-improved for the area and thought to yourself "why didn't they ask for advice before making this huge mistake?" Well, maybe they would have...if they knew they COULD have! And there's a subtle bonus in this as well...once they've paid the fee to you,

and you've done a good job for them, they are wedded to you! And because of the quality and consistency of your efforts, you can acquire business you would never have had otherwise!

For Sale By Owners

The term "For Sale By Owner" came about because of how the real estate industry historically has been structured, basically, all or nothing. Traditionally, if a homeowner wanted to sell his home, he either hired an agent for a full package of "stuff" even if he did not care if some of that "stuff" was done or if he just wanted the counsel and guidance, OR, he went it totally alone.

Over the last few years, more choices have emerged offering an array of functionary-type services, often at bargain basement prices, and sometimes, for "FREE." Or, sometimes, online sites, stepping into the breach created by the traditional real estate industry's failure to offer choices, have totally taken advantage of these sellers, charging them outrageous prices for a sign or a listing on their web site or magazine.

The fact is that neither the traditional real estate industry NOR these new entities are telling the seller the whole story. On one side, the traditional broker is saying that in order to get counsel and representation, they have to buy the whole package of stuff and can only pay by commission. In other words, they are not telling the consumer that some of the services they are "buying" aren't necessarily needed for their unique situation, or that they could pay in a different way and still get quality service.

On the other side, as was discussed earlier, the myriad of cut-rate real estate companies and third parties, feeding off the "do-it-yourselfer," aren't telling them the full story either -- that simply throwing their home on the MLS without any current market or pricing counsel, or having your home on their website, isn't likely going to get their home sold, and certainly not for the best value.

They also won't tell the consumer that while today's technology can perform functionary tasks better, and cheaper than any human being, what technology cannot do is to provide the fiduciary counsel, advocacy, and day-to-day market knowledge that can make all the difference in their bottom line.

They'll tell them that they can save thousands of dollars on commissions, but they won't tell them that they can lose thousands more, both in the ultimate price they get for their home as well as all the other "nickel and dime" marketing costs that can quickly add up. *And they won't tell them that they can lose something else that they can never get back -- their precious market time.*

Truthfully, most sellers today want straight answers, plain and simple. In other words, honest value for their dollar. Paying for tasks and services they don't have the time, expertise, or desire to do, and receiving the counsel that they need, makes a lot more sense than paying a convoluted percentage of their home's sale price. We've learned from experience that these sellers love the idea of getting help from a trained real estate consultant...if only more knew we existed!

The Problem with Traditional FSBO Training

Getting business from the “For Sale By Owner” has been a prime training subject by the real estate industry for years. Unfortunately, most traditional training boils down to teaching the agent to give the FSBO lots of free stuff. Then come back in a week and give them more free stuff. Then a week later, more free stuff etc...until the FSBO realizes how stupid they are for trying to sell their own home!

But most FSBOs aren't that stupid and what this approach does is simply reinforce the idea in their mind that the agent is someone who is waiting for them to fail. The consultant on the other hand is viewed by the FSBO as a professional who is there to help them succeed, whether that means they provide a little help or a lot. Because they know that the consultant is paid for her time and service, there is no hidden agenda.

Offering Choices is the Key to Capturing FSBOs

The very act of offering choices to the FSBO lowers the resistance most FSBOs have in talking with agents. Think about it - most sellers going it alone do so because they think they can do it, but the traditional sales agent approach is to convince the seller otherwise. While that may be true, it sets up an adversarial relationship.

Now here comes a consultant who doesn't try to discourage them - in fact she agrees that with the growth of technology, sellers who have the time and expertise can perform some of the functionary tasks themselves and CAN, often, find their own buyers. The consultant continues by saying “*However, once you find your buyer, that's when you really need me most.*” They continue the dialog by explaining that where sellers often lose money is not in trying to find their own buyer but rather the loss occurs after the buyer is found and that's where they can be of help. A consultant can offer to step in once a buyer is found, qualify the buyer, negotiate the offer, make sure the seller's interest is protected, and troubleshoot the transaction so it closes.

The trained consultant can also offer to help with tasks that the seller doesn't have time or feel comfortable doing, but unlike the sales agent who might offer to do it for “free” in hopes of getting the listing, the consultant can provide those services for a fee.

Many agents have questioned why a FSBO would pay for services when they could get them free from a sales agent. The answer is that the FSBO is not as stupid as our industry portrays them - they know that “free” isn't really “free” - that the agent is looking to list their home.

As for the question of whether a FSBO would pay for services, the answer is that they do it all the time! One of the biggest rip-offs to FSBOs today is the myriad of online companies catering to the FSBO that charge them a non-refundable fee for all kinds of services and products without any expert counsel as to what they do or do not need. How much more attractive would it be to the FSBO to get these services from someone who actually knows what goes into getting a home sold, if they only knew they could!

Many ACRE®s who work successfully with FSBOs are going one better by offering the FSBO some “insurance” in giving their services a try in the way of a full or partial credit. They explain that in the event that the FSBO does down the line decide they would like to list with a professional, any fees that

they have paid to the consultant can be partially or fully credited at closing. The offer of a credit does two things:

1. It offers the FSBO some comfort in knowing that if they don't succeed in going it alone, they haven't lost all of their money (try getting that from a FSBO site) AND
2. If they do decide to list, it weds them to that consultant because they are the only ones who will provide the credit!

Foreclosures and Short Sales

While clearly the number of foreclosures and short sales will decrease as the market recovers, unfortunately, there will always be a percentage of business that comes from consumers falling behind on their mortgage payments. The good news is that while taking on a foreclosure or short sale as a commissioned salesperson often results in putting in loads of time that is often never paid for, being able to offer to work for a flat fee or by the hour makes this type of business a win-win; the consumer receives expert help when they most need it and the consultant has an avenue for being paid for their time and expertise. And working by the hour also allows you to work with consumers earlier in the process so they can mitigate the damage.

Investors

The investor is a prime niche for consulting. If you work with investors, you know how much time you spend researching properties that you often never get paid for. But as a consultant, you can not only get paid work on the buying end, but because you offer attractive choices, you can attract far more business when investors go to sell.

New Ways to Service Sellers & Buyers

One of the most common questions we get is: When do I use the consulting approach versus the traditional way I work with buyers and sellers? This question reveals a common misunderstanding about real estate consulting – that consulting is all about a fee schedule. NO! Consulting isn't a fee schedule ... it's a mindset!

In other words, you will capture more business and make much of your competition irrelevant when you use the consulting approach with ALL of your clients and prospects, even if they're looking to do a standard purchase or sale, even if you know ahead of time what services they want and how they want to pay, and even if they are long term clients that have done many transactions with you in the past. The consulting approach of conducting a thorough needs analysis followed by offering quality transparent choices will make you stand out as a professional, wed the client to you, and provide incredible word-of-mouth marketing, no matter what services they choose and how they pay for them.

Using the same process with all clients and prospects will yield you the best results in the long run. In the beginning, as you begin to stretch your comfort zone, you might be tempted to pick and choose when

you use your new skills - don't do it! You never know what options might appeal to whom and who you might lose by not offering choices. As long as the choices you offer are well thought out and priced fairly, no matter what they choose, you win.

ACRE® WORKBOOK

Following are excerpts from the original ACRE® Workbook and are provided for your review only. There is no need to complete the Workbook here as similar material and assignments are a part of the new course.

Your Strategic Focus

Before you start figuring out hourly rates and fee packages, it's important to figure out what your business is about and what consumers you tend to specialize in — otherwise you can waste a lot of time setting up fee packages that you'll never use.

As an example, my last active year in real estate, I made nearly half of my income using a “Negotiating and Troubleshooting” package. This package was geared to sellers who had found their buyer or buyers who had found their home on their own. That's when they would contact me and I had a package that focused on negotiating a contract and troubleshooting the transaction to close.

You may specialize in working with buyers. Or maybe you would like to work with homeowners who are making decisions such as refinancing or the “move versus improve” decision. No matter what your focus, you should start with at least two hourly rates: one for functionary tasks, and the other for fiduciary counsel. You then use these as a basis for setting up your fee packages, depending on who you want to service.

Take a few moments to determine and write down your strategic focus. Once you have completed that, the worksheets that follow will take you step by step through the rest. Happy Consulting!

Developing Your Fee Packages

1. Now, on the worksheets that follows at the end of this section, take one side of a transaction – either listing or buying – and list every imaginable task that you perform (*you may need more than two copies of the worksheet - feel free to make more copies*). Be expansive – not what you may do usually but every possible task/service that you could offer. (*To get you started on possible task lists, you can refer to the Seller and Buyer Needs Analyses at the end of the course book*).
2. Beside each task or service, determine how much time it takes to complete on average.
3. Then go down each task and service and note whether it's functionary (example – taking digital photos or producing feature sheets) or fiduciary (researching a CMA or negotiating a contract).
4. Multiply the hours by the appropriate hourly fee for each task or service.
5. One more time, go through the list and add in any material costs (paper, ad fees) etc.

(What follows is just a listing-side sample to give you ideas - please don't copy verbatim. YOUR packages should reflect YOUR market, consumer needs, and business practices).

EXAMPLES:

BASIC MLS PACKAGE

Includes:

- Research & Prepare CMA
- Enter Listing on MLS
- Install Yard Sign/Lock Box
- Schedule Showings/Show Unassisted Buyers
- Negotiation of Offer*
- Transaction Coordination-Contract to Close*

* *First Buyer Only* - all negotiation and transaction coordination time on subsequent offers must be paid for by the hour.

Notice that the package is basic because it cuts out functionary tasks that the homeowner can do themselves such as feature sheets as well as services, such as virtual tours and exposure on our web site that, while helpful for marketing the home are still functionary in nature and can be skipped, depending on how hot the market is. Notice what is NOT skipped on - fiduciary counsel. They get pricing help, negotiation of offers and someone to troubleshoot the transaction.

MIDDLE OF THE ROAD PACKAGE

Includes: Everything in The Basic MLS *PLUS*

- CMA Presentation/Review of Contracts, Disclosures, & Paperwork
- Take & Edit Digital Photos
- Prepare Feature Packages (*20 copies - 6 pages each*)
- Prepare Virtual Tour
- Prepare Web Pages
- Follow up feedback for showings

This package takes the vital fiduciary counsel and adds in some functionary tasks that we find are important for selling a home for top dollar.

DELUXE PACKAGE

Includes: Everything in The Middle Package *PLUS*

- Take room measurements and prepare floor plan
- Prepare an e-Neighborhood report
- Prepare Yard Box/Open House Feature Sheets (*30 double sided*)
- Record Talking House (*optional if seller wants this*)
- Pre-Market House Cleaning
- Write Classified Ads/Submit (*for up to 2 open houses*)
- Hold up to 2 Open Houses - 3 hours each (*seller's discretion on OH*)
- Attend Home Inspection
- Attend Closing

Remember on these packages, if you're going to provide "limited service" scrimp on functionary, not fiduciary.

Once you have completed the five steps to in the worksheet that follows, you now have the basis for developing your own fee-based options. Here are some ideas on how you can proceed:

Hourly Rate: You already have that for when someone wants you to provide a couple of hours of counsel (use the higher fiduciary rate always).

A-La-Carte Fee Schedule: Simply list all tasks from the worksheet with the appropriate fee charged. What I (Mollie) did was *limit what I offered a-la carte to functionary tasks.*¹

¹ As we talked about earlier, in many areas of the country, agents are putting For Sale By Owners into the Multiple Listing Service for a low fee. We believe that this practice is not only a consumer rip-off but also, a law suit waiting to happen - especially in states that do not have a history of transactional brokerage. Even if the agent takes pains to explain that they are in no way, shape, or form providing any counsel for that low fee, we believe it's only a matter of time before a seller, who loses big time because they didn't have any market counsel, sues the brokerage that the agent works for, because they were, in fact, an "agent". This is, of course, a decision that each agent (and their brokerage) must answer for themselves, but it's something to think about.

Deluxe Package: It's already done. Just take the list from before, add it up and this is what you'd get paid when a seller wanted "soup-to-nuts" but wanted to pay by fee rather than commission. Make sure to determine how much will be paid up front.

Other Packages: Here is where you can get creative. I took my deluxe package and stripped it down to the bare necessities for a FSBO prospect who thought they "just wanted to be in the MLS" which I was unwilling to do. So what I did do was package the MLS (complete with a sign and a lock box) with negotiating and troubleshooting the transaction for my "BASIC" package. Lastly, I developed a "MIDDLE" package between the "DELUXE" and the "BASIC", which would provide other services (20 Feature Sheets, internet exposure) without frills (floor plans, open houses).

Trial and Error: As you begin to use your packages in the real world, you'll find that you "tweak" your charges depending how much your actual time differs from your estimated. Also, you may find that the consumer requests tasks/services that you may not have thought of. And as your consulting business evolves, you may find that you want to work with a certain "niche". For instance, while I had originally developed three different marketing packages, as my personal business grew, I had to target what business I really wanted. Because I really enjoyed the high-tech marketing, I got to the point where I only offered the Deluxe package. Just remember, there is no right answer. Be open-minded, and think win-win.

Don't be afraid to experiment.

Here's an idea for another fee package which answers a scenario that happens to agents all the time - a home seller has procured a buyer themselves who would like to make an offer on their home. The following package gives them the assistance they need in this crucial part of the selling process (statistically these two areas are the ones where homeowners can run into the most trouble and lose the most money in if they don't have professional assistance). It also provides the agent a way to be paid.

NEGOTIATING / TROUBLESHOOTING TO CLOSE PACKAGE

Includes:

- Negotiation of the first offer (*negotiation time on subsequent offers must be paid for by the hour*)
- Negotiation of any inspection/follow up issues
- Troubleshooting and Coordination of the first transaction from contract to close (following through subsequent contracts must be paid for by the hour).

Or, just charge by the hour with a pre-determined cap.

A-LA-CARTE LIST

The following tasks are samples of some of the services that could be unbundled and offered a-la-carte. Notice that they are primarily functionary in nature and do not involve fiduciary counsel and representation.

- Review/Prepare a Competitive Market Analysis (CMA)
- Digital Photography (Up to 10 shots –taken and edited) and copied to a CD
- Floor Plans
- Feature Packages: Up to 6 pages with color photos, your description and information on the town
- Feature Sheets (*1 page—2 sided*)
- “Just Listed” Post Cards
- “Know Your Neighborhood” Report
- Prepare Virtual Tour , post on web site
- “Talking House” Rental

SELLER NEEDS ANALYSIS

	TASK OR SERVICE	I HAVE THE CAPABILITY TIME & DESIRE TO PERFORM THIS TASK MYSELF.	I'D LIKE THIS TASK/SERVICE IN THE HANDS OF A REAL ESTATE PROFESSIONAL.	I'M OK WITH THIS TASK/SERVICE NOT BEING DONE.	I NEED MORE INFO ON THIS TASK BEFORE MAKING A DECISION
F	Research comparable active, pending, and sold properties to obtain an accurate market value for my home. (Fiduciary refers to gaining an understanding of current market conditions and how to best position your home for a quick and profitable sale).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F	Completion (and review if necessary) of all contracts, disclosures, and paperwork (Fiduciary refers to the fact that in many states you are required to have a knowledge of what needs to be disclosed as well as your responsibilities regarding environmental regulations).	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>
	Take and edit digital photos of my home.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Take room measurements, prepare a floor plan (if desired), and determine square footage.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gather city/town information and services for prospective buyers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Prepare Feature Packages.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Prepare and post picture(s) and description of my home where it's likely to be found by online buyers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Prepare and post a Virtual Tour of my home where it's likely to be found by online buyers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F	Enter listing on MLS (Fiduciary refers to the fact that in many states, entering a listing can imply representation).	N/A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Install a yard sign and/or lock box.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Hold a Broker Open House.	N/A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Hold a Public Open House.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Write and place print advertisements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	TASK OR SERVICE	I HAVE THE CAPABILITY TIME & DESIRE TO PERFORM THIS TASK MYSELF.	I'D LIKE THIS TASK/SERVICE IN THE HANDS OF A REAL ESTATE PROFESSIONAL.	I'M OK WITH THIS TASK/SERVICE NOT BEING DONE.	I NEED MORE INFO ON THIS TASK BEFORE MAKING A DECISION
	Schedule agent showings of home.	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>
	Pre-qualify, schedule and conduct showings for unassisted buyers.	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>
	Make follow up calls to agents & unassisted buyers for feedback on showings.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F	Negotiate any offers. Solid negotiations involve knowledge of terms as well as price. You should have a good understanding of the timing involved in the transaction and the buyer's loan commitment what needs to be disclosed and what contingencies are not in your best interest. You also need to be able to stay objective. (Definitely fiduciary: If you are going to hire a pro for just one thing - this is it!).	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>
	Attend home inspection.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Supply initial draft of Purchase & Sale.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F	Troubleshoot and coordinate all necessary steps for a successful closing (Fiduciary as to anticipating and dealing with the inevitable potholes along the way).	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>
	Attend Closing.	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>

BUYER NEEDS ANALYSIS

TASK OR SERVICE	I HAVE THE CAPABILITY TIME & DESIRE TO PERFORM THIS TASK MYSELF.	I'D LIKE THIS TASK/SERVICE IN THE HANDS OF A REAL ESTATE PROFESSIONAL.	I'M OK WITH THIS TASK/SERVICE NOT BEING DONE.	I NEED MORE INFO ON THIS TASK BEFORE MAKING A DECISION
Assessment of current home (if owned) to determine equity and purchasing options	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>
If buyer must sell/close on current home prior to closing on this transaction, include a complete Seller Needs Analyses, etc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CMA on current property to determine marketability and estimate of market value	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Estimate Buyer's net equity on current property (even if it is NOT necessary that it be sold in order to buy)	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Get Lender Pre-approval, taking into account estimate of net equity, if applicable	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Assess priorities for new home purchase (location, amenities, pricing, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Search MLS for potential properties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Preview potential homes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Target neighborhoods for unlisted properties seeking appropriate match	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Research FSBO prospective properties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
For preferred properties, confirm property information, including room sizes, association fees, taxes, inclusions, etc.	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Upon selection of preferred property/s, determine appropriate comparables to assess comparative value, including actives, pendings, and closed transactions.	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Prepare offer to purchase, including contract and all necessary disclosures (including assessments of components in offer and weighing the pros & cons of each)	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>

	TASK OR SERVICE	I HAVE THE CAPABILITY TIME & DESIRE TO PERFORM THIS TASK MYSELF.	I'D LIKE THIS TASK/SERVICE IN THE HANDS OF A REAL ESTATE PROFESSIONAL.	I'M OK WITH THIS TASK/SERVICE NOT BEING DONE.	I NEED MORE INFO ON THIS TASK BEFORE MAKING A DECISION
	Negotiate any offers, cognizant of terms as well as price. Particular attention to timing involved in the transaction and loan commitment, necessary disclosures, contingencies not in buyer's best interest. Must remain objective	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>
	Attend and monitor home inspection	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Order any additional required inspections (well, septic, radon, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Confirm lender terms & status of loan application	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Monitor loan progress	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>
	Monitor any contingencies, conditions, etc.	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>
	Monitor & troubleshoot transaction in progress (includes the anticipation of potential pitfalls and efforts to circumvent them)	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>
	Attend final walk thru	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Attend Closing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>