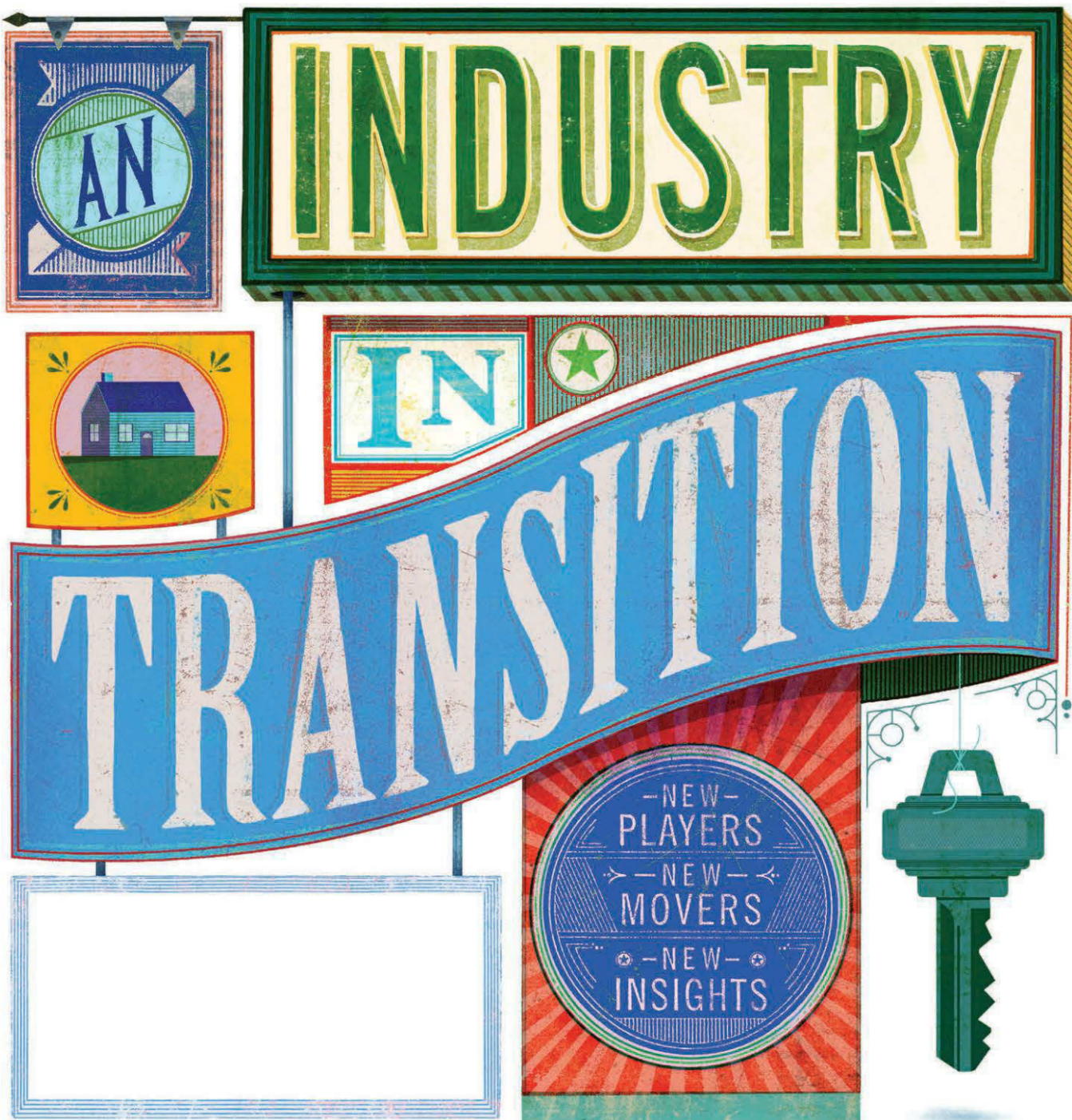


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Brokerage Charges High-end Sellers by the Hour

STATS

Courtney Poulos

Owner, ACME Real Estate

Age: 37

Strength: I think I have a sharp, clear vision and can convey it clearly. I think people like to hear my perspective because it's shaped around taking action opposed to paralysis. In our market, people are afraid of making mistakes; buyers never want to spend too much and always feel that they are, and sellers never want to sell for too little and think that they are. It's a recipe for paralysis.

Weakness: Time management. I don't have enough time to do all the things I'd like to.

Very first job: Bus girl at a pizza shop.

Can't live without: Fashionable high heels.

#1 on your "bucket list": Travel to Galapagos Islands.

Career choice #2: Advocate for natural births.

Best advice received: Life is about positioning and you position yourself with relationships. If you don't believe in yourself and if you don't only accept positions that increase your power, you'll never reach your goal.

It was an offer that defied the standard norms of the real estate industry and, initially, took REALTOR® Courtney Poulos aback. • Poulos' friend, Adam Levin, approached her with a business proposition that was a considerable departure from industry norms. About a year and a half prior, Levin's agent informed him that his property, which he was about to put on the market, was worth \$2.5 million, based on comparisons she pulled on his Manhattan Beach neighborhood. • Levin, a labor attorney, was convinced the figure was closer to about \$2.8 million, said Poulos. He told her, "I know what my house is worth and want to sell it for that." She told him it would never appraise for that price.

As a 10-year industry veteran, Poulos, owner of ACME Real Estate in Los Angeles, certainly understood the agent's position. "Real estate agents look at the big picture and try to persuade sellers to have realistic expectations. As a culture, we don't really let the sellers drive." In this case, though, Levin remained firmly behind the wheel.

He told his agent he was going to put his home on the market at his price and if she didn't want to list it, he'd find someone else. Poulos eventually agreed, and Levin, who has handled most aspects of the transactions of three houses he has owned, received an offer at the price he had been hoping for. The experience encouraged Levin to start his own agency, which came to be called Evolution Real Estate. It's a new concept in real estate, and not without concerns, as it allows sellers to remain in control of the sale of their home by offering them real estate agent services on a per-hour basis, explained Poulos, who went on to become his partner in the firm.

"Something is right with the model," she contended. "When we started to break it down, we realized if we had high-quality agents and volume, it's a savings for the seller.

It made sense to investigate."

This method of selling, however, isn't for everyone.

"This is a savvy seller, who trusts his or her instincts and believes that in this market, the house sells itself," Poulos explained. Evolution provides consulting services and information that any agent would on a fair market value. Sellers not only control how much to offer their home for, but the selection of a photographer and whether to conduct an open house as well.

Poulos characterized herself as a very high-risk, high-reward personality. "I think this is a perfect time for the conventional model to be shaken up; for sellers to realize more savings through the sales process, and for high-quality agents to make a fair and honest earning for their knowledge and guidance and sales expertise," she contended.

The L.A.-based, top-rated agent has her hands full, as she's also ventured out into cable and satellite television in order to increase her profile.

Her television show, "My City's Just Not That Into Me," which recently debuted on *Continued on page 26*



Profile: Courtney Poulos

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the FYI Network, explores issues facing many home seekers today, namely loving their current city but being priced out and deciding where to move to improve their quality of life. “They were looking for a young Barbara Corcoran and wanted someone who knew what she was doing and still kind of hip. I have tattoos!” she laughed. “I think it was a perfect fit. I always address real estate with my clients as a relationship, and that’s kind of the concept of the show. It’s like breaking up with your city and you start flirting with other possibilities and decide whether to give your current one another go or venture out.”

Poulos has a degree in public relations from the University of Maryland and a strong background in that industry. Not surprisingly, perhaps, her experience in public relations has been a boon to her in real estate. “I think I see the truth in things, like properties, and whether I believe they’re a good fit for my customers.” It’s also helped immeasurably in terms of marketing, she continued.

In conventional real estate, a lot of agencies rely heavily on the marketing that the brokerages offer them, like templates for listing presentations, she suggested. When she created ACME, Poulos really wanted to place a premium on designing “super clean” websites and a blog, and firmly believes that the client comes before the brand. “That’s why it’s called ACME. It’s a generic name because we put our clients’ brand name ahead of our personal brand name.”

She continued: “I think I’m one of the first ones here to put a client’s name on listing signs because I want them to know it’s about the product, not the brokerage.” ♦

Chuck Green is a freelance columnist for several publications, including the Chicago Tribune, Los Angeles Times, Wall Street Journal, Bloomberg BusinessWeek Custom Publishing, and Crain’s Detroit Business.

Reinventing Real Estate

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tals’ goals, the responsibility falls on the shoulders of the platforms, according to Levine, but he added that it is frustrating that misconceptions persist despite numbers that are highly favorable to the industry. For example, in 2006, Levine said \$5 billion was spent just on newspaper classified advertising in the real estate category, and he compared that amount to the sum of the three companies’ revenue, which is less than a billion dollars. Levine stated, “We feel proud of having brought efficiency, empowering consumers, and taking costs out of the system.”

Beardsley acknowledged that Zillow is a bit of a lightning rod in the industry, yet more than 100,000 agents rely on it to successfully run their businesses. He suggested that some controversy likely stems from the fact that many of the industry’s most successful agents are doing well because they have built their brand through traffic, leads, and exposure from Zillow, Trulia, or Realtor.com. This means the portals have made it possible to achieve success without being closely affiliated with a brand.

Singer stated that there is still a high level of dissatisfaction across the industry from those not getting a strong return on any money invested in the portals’ services, and those brokerages and franchises continue to feel threatened, particularly after Zillow’s acquisition of Trulia. While debate continues about which entities are facing the greatest threat of marginalization, the panel once again emphasized that consumers will still look to local experts with strong service when they buy and sell property. This led to the panel’s final remarks on the longevity of the REALTOR® profession amid changes in technology.

Regarding such change, the recent acquisitions and mergers heighten the contrast (and competition) between new business forces and the more established history of organized real estate. Amid these transitions, REALTORS® will have to ensure the marketplace makes them indispensable to real estate transactions. The executives suggested they can do so

by being consumer-centric service providers whose performance is enhanced by technology offerings available now and in the future.

The roundtable also revealed consensus among all panelists that public perception of who brings the most value to the consumer was a significant factor that couldn’t be ignored in the years ahead. Perception’s ability to shape the future dynamics of real estate—for better or worse—means the industry must proactively expect and address change. ♦

Jeannette Brown is a Communications Specialist for the CALIFORNIA ASSOCIATION OF REALTORS®. She can be reached at jeannetteb@car.org.

Legal

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version of the Closing Disclosure that can be issued specifically to the seller. This seller’s Closing Disclosure is only two pages in length, and has stripped out of it all of the information relating to the buyer’s transaction and loan. Even though its use is optional, it’s very likely that this form will become the norm simply because it is so easy for a settlement agent to prepare.

Where can I see these forms and get more information

» You can see sample forms by going to C.A.R.’s legal page at www.car.org/legal. Once there, go to the subheading “Real Estate Resources/Law” and then sub-subheading “RE Regulatory Archives.” You’ll find the forms under Consumer Financial Protection Bureau. Also, C.A.R. has prepared a Q&A about the new forms called “Loan Estimate and Closing Disclosure Forms,” which is available under the Q&A section of the C.A.R. legal page. Additionally, the CFPB site provides detailed information for everything related to implementation of the new rules. That information can be found at consumerfinance.gov, under “Law & Regulation.” ♦

Robert Bloom, Esq., is Counsel with C.A.R.’s Member Legal Services.