

# Tech throws agents a lifeline

## Part 2: Navigating today's market

BY [BERNICE ROSS](#), MONDAY, JUNE 15, 2009.

[Inman News](#)

*Editor's note: This is Part 2 of a two-part series. Read [Part 1](#).*

Last week's column examined strategies for generating more first-time buyer and investor leads based upon tips from the National Association of Realtors' midyear conference. Here are a series of additional suggestions that can help you grow your business regardless of what the market does:

### 1. The two strategies that helped agents grow their business in 2008

At a Power Broker session, one of the speakers shared the following statistics: 32 percent of agents actually grew their businesses in 2008. How did they do it? They did it through technology and through relationships. While technology connects us with our clients, they need help deciphering the enormous amount of information that is available both online and offline. This is where it is important for agents to become the "trusted adviser" for their client base.

#### Action steps for your business:

If you are not actively engaged in the online conversation either on ActiveRain, Trulia, Zillow, Facebook or Twitter, there is no better time than right now to get started. One of the easiest ways to begin this process is by visiting the advice sections of Trulia and Zillow. Once you have completed your profile, answer questions posed by buyers and sellers. Both sites allow you to identify questions posed by people in your local area or ZIP code.

A common mistake that many agents make is that they pitch their services when they answer questions. This turns off most consumers. If they want to reach you, they will click on your profile. Remember, service comes first. If they like what you post, they will contact you when they are ready. This is one of the best ways to become a "trusted adviser" to people in your local area.

### 2. 80 percent local, 20 percent global

Your market is no longer just the people who live in your local area -- it's global. One of the best opportunities to grow your business is by working with immigrants. As a group, they are risk-averse. Many come from countries where the only way you can purchase real estate is with cash. As a result, they are more likely to come in with a higher down payment. This group may be one of the most important market segments that can help to stem the tide of foreclosures.

The challenge is qualifying these buyers, especially if they are first-timers. The three major credit-reporting companies have created something called a "Vantage score" that helps people qualify for loans based upon paying their rent and utility bills on time. A second challenge is that these types of loans are tougher to sell on the secondary market. Even though lenders have a way to approve the loans, if they can't sell them on the secondary market, they will severely limit the number of loans they will make.

#### Action steps for your business:

A number of lenders are actively engaged in providing loans to immigrants. To reach this population, use a service such as [Immobel.com](#) or [Proxio.com](#) that translates your listings into other languages. If you are fluent in another language, post a link on your home page that indicates the other language(s) that you speak. Use that link to take your Web visitors to an alternate home page in that language.

### 3. Additional tips from Ken Baris

Baris, a New Jersey real estate broker, shared the following tips that can also help you with your business:

- **Stop taking overpriced listings.** If sellers aren't priced right, you are doing them a disservice by allowing them to believe that they can sell in this market with an unrealistic price.
- **When you are working with a lender, be mindful of the fact that they are often understaffed and under tremendous stress.** Be sincere, be optimistic; but most importantly, overcommunicate. Give the asset manager or your seller real-world options in terms of their property. For example, if there is a \$2,000 repair that can net the lender an extra \$20,000, it makes sense for them to take care of the issue.
- **When buyers say that they are worried about prices dropping, respond by asking, "How much do you think the property might decline in the next year?"** Then, after they respond, ask, "Would you like to see if we can buy it at next year's price?"
- **Signs that the market is improving right now:** The first signal is that investors are coming in to purchase with cash. The second signal is the return of multiple offers.

### 4. Good news from Freddie Mac and Fannie Mae

Freddie Mac now has a regulation that prevents lenders who have made Freddie Mac loans from changing the broker's commission, provided it is 6 percent or less. There is also quite a bit of speculation that both agencies will be reducing credit penalties for borrowers who encountered difficulties during this recession. Negotiated settlements will be less of a problem in terms of qualifying in the future as compared to what they have been in the past.

Rather than a perfect storm, today's market may represent a sea of opportunity for many buyers.

*Bernice Ross, CEO of [RealEstateCoach.com](#), is a national speaker, trainer and author of "Real Estate Dough: Your Recipe for Real Estate Success" and other books. You can reach her at [Bernice@RealEstateCoach.com](mailto:Bernice@RealEstateCoach.com).*