

NOTICE

Dear Members:

We hope this message finds you well and safely distanced. This period of isolation is so important to how, as a country, we come through the COVID-19 pandemic.

Essential Workers

As you know, real estate agents are not considered “essential workers” and therefore not permitted to go out and practice real estate at this time. Not only are the penalties hefty, but we must understand the part we all play in “flattening the curve” of infections. Our efforts will ultimately help the country to return sooner rather than later to some form of social and business normality.

Of course, this inability to do our work has a great impact on us all, but we must respect the legal restrictions placed on us and understand that it is for the greater good. Unless we do this together it will not work. Respecting the “stay home” notice will hopefully maximise its effect and minimise its duration.

Fee for Viewings

There is one other matter which has come to our attention recently which we believe is important enough to remind members now about the correct procedures to follow. We understand that it has been suggested amongst a group of agents that all prospective buyers or tenants should be charged a fee for each viewing conducted.

This is not best practice as outlined in AREA’s rules and regulations and goes against current policy and procedure in the industry. A real estate agent is compensated by earning of commission, and this commission compensates us for all our efforts from viewing the property with a prospect right through to completing the transaction.

Screening of Prospects

A better way to manage the problem of viewings which do not result in offers to purchase is to spend a little time screening the prospect before any appointments are made to view. Find out with a series of brief questions what is the purpose of their investment, what are their “must have” features in a property, is there a specific location in mind, are their funds in place, and if not, suggest they get pre-qualified

(in writing) by a lending institution before they start viewing. Offer to introduce them to your recommended banks. And for investors in Tobago specifically, don't forget to find out the nationality of your prospect since that may dictate where he is permitted to invest in terms of the land licence. Buyers in Tobago may also have to have access to offshore funds since many vendors are foreign nationals and need payment offshore.

Remember also that working via email initially, sharing web links, photos, videos and comprehensive descriptions of potential properties can also help short list suitable options for viewing. Time invested up-front with the prospect can significantly reduce the number of physical viewings an agent conducts, thereby saving time and money.

Commission Structure

To further protect your income, do not compromise on commission rates. If we show solidarity as professionals and implement AREA's guidelines on commission, we can ensure adequate compensation for our time, efforts and resources employed in conducting a transaction. We do not operate in a vacuum. Standing firm on this issue will demonstrate to the public that we are professionals providing a well-regulated service that protects all parties to a transaction.

There is no doubt that the present market is a very challenging one, made even more so by the COVID-19 restrictions. We must be creative in finding ways to secure our income within the parameters of AREA's existing guidelines and Code of Ethics. These are not negotiable, but your suggestions and feedback on the subject are always welcome, so feel free to share your thoughts and ideas with the full membership via a response to the Secretariat.

Keep safe everyone!



Dawn Glaisher
Director/Secretary
on behalf of
AREA Board of Directors

Dated: April 17, 2020