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Sent: Monday, October 24, 2005 6:24 PM
To: ATR-Real Estate Workshop

Subject: attached letter re: anti-trust workshop

The real estate industry is a model for competition that works. Its educational and sales methods of training are used around the world. The basic components of the business model are the common threads that have made McDonalds or Berger King the successes they are today.

Whether a large corporation or your neighbors business down the street, we are an industry made up predominantly of small, individually run businesses of independent contractors, licensed to do so. Our company name serves us as all well-known businesses do, such as Macy's or Sears, providing us with an opportunity to own or manage ourselves as individual entrepreneurs or as large corporate offices do.

At the core are individual sales men and women who, like in any other small business endeavor, fail or succeed depending on their own ability to run their local businesses of selling real estate as professionally as any other contractor or specialist. The competition on a national, state, and county level depend more on the name of the company, such as re/max, weather, or century 21, to name just three of the top companies. But on a local level, the sales men and women are on the front lines of competition every day.

My personal credo is that of ethics in all that I do and good bookkeeping helps bring order in the chaotically, competitive nature of the local sales markets. For example, it is the responsibility of all agents, buyer's or seller's, to uphold the most professional protocol at all times. Therein, lays the degree of competition among equals. And I must say it can be fierce, but it must remain fair.

My business remains based on the personal connection that I make in my immediate neighborhood because it has been my neighborhood since 1960. I went to the schools here and when I left after marriage, I made the type of connections for over 22 years that I have right here in my home town. It's the way I do business, and the way my parents ran their business. They had to stand up against the larger fur companies like Flemington furs and kudrow furs, both still remain in business today. State furriers, my parents' business, was owned and operated by my parents, successfully for over 40 years before they retired. In the real estate market, there are beginners and seasoned contractors. I was a beginner once, too. State furriers was the perfect business model, run much like my daughter and her husband, who work under Vector Marketing, run their Cutco sales office.

I pay rent for my office space. I work near home and must compete with companies on a broad scale, and individuals in the market area. I have yet to find it easy to compete. In my marital home neighborhood, I competed with three or more different agencies within a square mile of each other and although my client owned the local property, he was no

longer residing there. It was all I could do for months to stay in touch with him from the time he let me know he was considering a move to his final decision. He was sick with cancer and was hoping to get well and return, but had to succumb to his illness and chose to sell his property and chose me ahead of three or more different companies. I was grateful that my hard work was noticed.

I do not do business casually. I am forthright about when I am doing business and that is why it is crystal clear to all observant when I am and when I am not working. I believe in fair competition and good ethics during business proceedings

Real estate agents, like me, serve local markets where we compete for local business. As individuals, we run our businesses much like the dentist or therapist who, after obtaining a level of scholarly recognition, may upon proper licensing and certification and ethics, may promote themselves as responsible professionals in their specialized fields of knowledge.

In the residential real estate marketplace, it is very easy for consumers to obtain information. It's that simple. But what fuels competition is the level of expertise and service that promotes one individual ahead of another. It is a requirement to uphold licenses and in today's competitive market, it is imperative to continue one's education and acquire a level of competitive expertise through acquisition of specialized designations, or certifications necessary to compete. Most individuals, who do not uphold to these business practices, may find themselves under scrutiny by the real estate commissioner. It is a very tough watchdog agency, capable of assessing stiff fines and other penalties to fit the offense.

As one progresses with knowledge and experience, it is very common to want to sell one's small localized business and move toward achieving more success through acquiring a broker's license. It's not for everyone and it requires a notable amount of sales over a particular length of time and it's worth mentioning that a difficult state exam is required

Therefore, I would like to reiterate that on many levels real estate sales is a very competitive career with more competition arriving everyday by low commission sales companies, when in fact, commissions are legally negotiable and by more and more individuals seeking to hang out their "shingle."

In closing, I would like to make it clear that real estate sales are unquestionably competitive. Any reference to the multiple listing service should be that its there for all to see. The early bird catches the worm. It's good neighborhood relations that create the listings and they are there for all to see and sell. For myself, if I have the listing, I may not want to also work with a buyer for the same listing. I would prefer to hire an assistant to work with the buyers. It leaves me more time to focus on the listing and handle any emergencies that might arise. The MLS is a cooperative, broker-to-broker offer of cooperation and compensation that helps brokers and customers buy and sell, in this case, residential properties. It is not a public utility, nor should it be because it must be closely

monitored by its contributing agents to keep its information updated, daily, if necessary. It is important for the customer to know that their agent is giving them 100% of the attention their listing requires to get the results the property owner expects.

The multiple listing service (MLS) allows real estate brokerages to compete equally whether they contain one individual or are composed as large multi-owned company. And even more competitive as more and more individuals chose to become just buyers' agents or sellers' agents, or both. Without the multiple listing service, a state licensed real estate agent or broker would not be able to perform the duties their licensure enables.

The MLS does not discriminate. The rules of the MLS achieve a delicate balance by respecting the rights of listing brokers and by permitting cooperating brokers the ability to show those listings. It assures compensation if they bring about a successful sale and at the same time promotes continued inventory. In many counties and states, it is an internet based service giving the public a wide variety of choices. It is common knowledge that competition drives the public and the public drives competition. The MLS drives competition as does the internet, newspapers, television, and radio.

The more we understand the duties of the local, state licensed real estate agent and broker as well as the Multiple Listing Service, it is clear that it is a very, very competitive business.

Sincerely,

Andrea Lev

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