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MAY 2007 • SCAOR.ORG

inside REAL ESTATE

Santa Cruz County's Real Estate News Source

2007 HOUSING EXPO

The start of something good!

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Fort Ord holds great housing opportunities



Congressman Sam Farr explains the opportunities at Ford Ord to the attendees.

By Barbara Palmer, LGR Committee Chair

On Monday, April 9th, the Local Government Relations Committee of the Santa Cruz Association of REALTORS® sponsored a trip to Fort Ord to learn about the various developments and new uses for the now defunct Army base. A total of 54 REALTORS® from our Association attended along with four members of Santa Cruz Title Company, an affiliate of Stewart Title, the company that did the title and escrow work for the re-use of the base. Members of Santa Cruz Title Company also provided lunch for the group.

Joining us on the bus at the Fort Ord Re-use Authority Center was Congressman Sam Farr, Michael Houlemard, FORA Executive Director, Bob Schafer, Developer of University Gardens, Graham Bice, Director of Physical Planning & Development of the Monterey Bay Education, Science & Tech Center of UCSC, and Lisa Akeson, Director of Real Estate at UCSC.

For two and a half hours we toured the area and each of the guests spoke to their expertise in the process of developing the area. Federal law does not

Continued page 10



Bobbie Nelson, 2006 SCAOR President, spoke on the Homebuying Process, and Barbara Dimitruk, First American Title Company, was an Event Sponsor and Exhibitor.

By Julie Ziemelis, Marketing Director, SCAOR

What do you get when you mix 35 real estate related companies, 40 plus professional presenters, about 350 members of the public looking for real estate information and a cold and cloudy day? A really good start for an annual Santa Cruz County Housing Expo!

Story on page 8

"It was like throwing a pebble into a pond. The pebble was important, but it is the ripples outward that will make all the difference."

— Karen Kirwan

SCAOR Director of Education & Professional Services

Supervisor Opens Housing Expo



Santa Cruz County District 2 Supervisor, Ellen Pirie, Philip Tedesco, SCAOR CEO, and SCAOR President, Sandy Kaplan, open the Housing Expo on Saturday, April 21st. See page 8 for more pictures and story.



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INSIDE REAL ESTATE

Inside Real Estate is the official monthly newspaper of the Santa Cruz Association of REALTORS® provided as a member service to inform, educate and update REALTOR® and Affiliate members on local, state and national news, as well as the Association's calendar of events.

Santa Cruz Association of REALTORS®

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President's Message

Community turns out for first Housing Expo

**Sandy Kaplan**

2007 Association President

Santa Cruz Properties

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kaplan@santacruzproperties.com

I am excited to report that our 2007 Housing Expo, held Saturday, April 21st, at Cabrillo College was a great success. People throughout the community responded to our posters and flyers. Many of the classes were well attended, we received positive feedback from all the attendees, especially comments that it was very informative. I definitely see this as an event that will grow in attendance and get even better each year.

Thank you to all of our sponsors, the volunteers who taught the workshops, and all those who contributed so much to make this such a wonderful event.

A special thank to our Marketing Director, Julie Ziemelis, who is an incredible inspiration with her energy and enthusiasm and "can-do" attitude. I also wish to thank Janeé Del Colletti, current chairperson of the SCAOR Housing Foundation. She went beyond what was asked of her to make this event such a success. To the rest of the staff, including Philip, I thank you for having the courage to take a chance on a new event which was definitely a risk. We now get to enjoy our success and look forward to planning an even better Housing Expo next year.

Fort Ord Bus Tour

Another exciting event this past month was a bus tour of Fort Ord, hosted by our Congressman, Sam Farr. The tour gave us a glimpse of the enormity of the project and the potential for bringing quality affordable housing to our area. It was very exciting to see what combining resources with highly motivated and determined individuals can accomplish.

As many of you know, Fort Ord was closed, and Congressman Farr has worked very hard with the Fort Ord Reuse Authority to bring affordable housing and workforce housing to the central coast extremely tight housing market. The size of the Fort Ord property is comparable to the size of San Francisco! There are many different projects underway there including military housing, creation of several new communities based on smart growth, University Villages, senior housing, an artist community and more. It is a huge undertaking with many public and private entities involved.

Spring Fling

A big thank you to all the volunteers, especially Norma Milete and the Affiliate Committee, for their hard work putting on another wonderful Spring Fling.

Enjoy the weather, don't forget to have fun, and don't forget your close of escrow contributions to our SCAOR Housing Foundation.

Special Thanks

Thank you to our Volunteers!

Our Housing Expo volunteers were some of the most hard-working and spirited people you could ask to help put on a first-time event. Working out logistics for an event of this size took a lot of team work and meetings, and we can not thank these people enough. Special kudos to the Housing Expo Chair and Chair of the Housing Foundation, **Janeé Del Colletti**, Santa Cruz Mortgage, for taking her leadership and experience working with Santa Cruz County and city housing agencies and blending these contacts with the Housing Expo to bring information not only to the public, but to our members, as well. She spent countless hours working with the committee and staff to help create this event.

The following people served on the committee and were instrumental in creating an event that will continue to grow and influence the public, our members and local county officials.

Chair: Janeé Del Colletti—

Santa Cruz Mortgage

Brooke Moore—Intero Real Estate

Dimitri Timm—First Net Mortgage

Carmen Brown—Countryside Financial

Chris Rebele—Bailey Properties

Elaine DellaSantina—

Main Street REALTORS®

Fred Antaki—Main Street

REALTORS®

Janet Rosenberg—Intero Real Estate

Jeanne Hatch—Century 21 Showcase

Joe Ganef—Xchange Solutions

Jose Mendoza—First Net Mortgage

Kulvinder Hummel—Bank of America

Laureen Yungmeyer—

State Farm Insurance

Lisa Santacatarina—Intero Real Estate

Micah Fox—Keller Williams Realty

Paula Cochran—Hel-U-Sell—

Santa Cruz Properties

Sandy Kaplan—Santa Cruz Properties

Suzie Tracy—Stone Castle Mortgage

Wallace Matos—Farmers Insurance

Woutje Swets—Vanguard REALTORS®

REMINDER:

Key Administration and Tour Program Fees Due Now!

If payment is not received for your Key Administration and Tour Program fees by May 11th, service will be interrupted and a \$25 reinstatement fee will be charged in addition to current fees. If you have any questions, call SCAOR at (831) 464-2000.

These fees are separate from your Association dues that were billed in January. If you use your Display Key and/or Tour service, then you are required to pay a yearly fee.



Santa Cruz County Market Statistics

Single Family Residences					
	CURRENT INVENTORY	NEW	SOLD	AVERAGE	MEDIAN
JAN. 2007	813	239	113	\$795,108	\$715,000
FEB. 2007	817	254	130	\$872,820	\$720,000
MAR. 2007	988	338	148	\$823,336	\$751,000

Condos/Townhouses					
	CURRENT INVENTORY	NEW	SOLD	AVERAGE	MEDIAN
JAN. 2007	208	69	24	\$505,454	\$490,000
FEB. 2007	214	56	32	\$550,234	\$520,000
MAR. 2007	243	85	44	\$538,313	\$499,000

For historical statistical information dating back more than 10 years, go to scaor.org and click on "News / Events."

Save These June Dates!

Election of 2008 Officers and Directors
 Wednesday, June 13th • 9:00 am

Booth Selection Kick Off for the 3rd Annual "A Taste of Santa Cruz"
 Monday, June 18th • 10:00 am

Office Liasion Committee meeting
 Monday, June 18th • 2:00 pm

SCAOR Annual Charity Golf Tournament
 Friday, July 20th at Delaveaga Golf Course

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What will it cost?

By Bob Landry, Partne,
Landry & Foy Builders

“What will it cost?” is one of the most common questions we are asked by real estate professionals and consumers alike. You may be interested in maximizing the potential of a property in order to make the sale, or to determine the market value of a property. Your clients may be thinking about what it would take to make a property into a home, or to build a new home.

Determining an estimate and establishing a budget at the onset of a project is always a good idea — clients are understandably upset when project costs far exceed the estimate, or when the architectural plans are too expensive to implement.

If we could provide you and your clients with a simple answer to the question, we would! However, to come up with a reliable answer, certain vital information needs to be gathered and

analyzed. Your client’s input and ideas need to be combined with real-time costs of materials and labor. This phase of the project can actually be very rewarding for your clients because we help them articulate their vision and share our experience of what works and what doesn’t. If your client’s wish list is out of alignment with their budget, we can suggest various ways to accomplish their objectives.

Adding up the nuts and bolts

Once we meet with your client and determine the objective for the project, we combine their vision and our know-how with the “nuts and bolts” side of the estimate. There are three aspects:

1. Identifying the general complexity of the work

There are many variables that make a project more or less complex, such as: zoning, existing site condition, governmental requirements, architectural issues, neighbors, relatives, kibitzers,

involvement of client or client’s relatives, personality and history. The list goes on!

2. Determining the approximate project size

In addition to the size of the main areas of the building being worked on, it is very important to include the areas of adjacent rooms and secondary spaces that may need to be modified (hallways, stairways, closets, utility areas, etc.) If there are exterior stairways, decks, or garages, we typically include only one half of their total area in the project size because they cost less to build. The project size is the total floor area of each of the building spaces to be included in the work.

3. Computing a probable project cost using realistic square foot cost figures

This is kind of a tricky area because no two projects are exactly the same and cost per foot can vary based on finishes (plumbing and electrical fixtures, flooring, windows, doors, etc), the complexity of construction, engineering and earthquake requirements. We look at the costs of recently completed projects

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*Deborah Powers,
David Lyng Real Estate*

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and by keeping in close contact with suppliers and vendors for current costs, we come up with solid figures for the estimate.

Our experience is that the cost of building new space or renovating existing space is often the same, but not always.

This article was submitted by Landry and Foy Builders who want to help you with “what will it cost?” You can reach them at at (831) 479-9306 or www.LandryandFoyBuilders.com.

Thank you to our Housing Expo Sponsors!

Thank you to our sponsors, who saw the importance of educating the community and came on board to financially support the Housing Expo:

SCAOR

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National Association of REALTORS®



Janeé Del Colletti, Julie Ziemelis and Philip Tedesco welcome guests to the Santa Cruz Housing Expo, an event which promises to be the first of many such events from SCAOR.



Representing our Presenting Sponsor, Coldwell Banker, are Mark Rebnborg, Monica DaCosta and Lauren Green.



Representing one of our Co-Sponsors, First American Title Company, is Liz Boyens.

“We are very proud to have presented the very first Housing Expo in Santa Cruz County as an educational and outreach opportunity to the community. We plan on hosting more public education events in the future.”

—Philip Tedesco
CEO, SCAOR

MAY 2007

SUN.	MON.	TUES.	WED.	THURS.	FRI.	SAT.
Please see page 11 for upcoming Educational Classes and Seminars.		1	2 <i>Spring Fling BBQ & Baking Contest!</i>	3	4 Board of Directors 8:30 am	5
6	7 2:30-4:00pm Grievance	8	9 Housing Foundation Mtgs: • 10:00 Programs • 10:45 Fundraising • 11:30 PR & Mktg Charitable Remainder Trust seminar <small>2-4pm pg. 11 for details!</small>	10	11 GRI Seminar 8:00 am-5:00 pm	12
13	14	15 1031 Workshop 1-4 pm	16 Housing Foundation's "Learn about Housing Assistance Programs" seminar <small>10:00am-12:00pm</small>	17 Dennis MacKenzie "Short Sale" seminar 1:30-4:30	18	19
NAR Tradeshow and Mid Year Meetings						
20	21 Housing Foundation Meeting 3:00pm	22	23 Affiliate Committee 8:30 am Budget & Finance 8:30 am Housing Opps 3:00pm	24	25 LGR committee 8:30 am	26
27	28 Closed for Memorial Day	29	30 Strategic Planning 8:30 am Risk Management 1:00-5:00pm	31 "Effective Buyer Sales Strategies" 8:30am-5:00pm	Coming in June... Please see page 4 for some important "Save the Dates!!"	

regularly recurring events:

monthly

Board of Directors 1st Friday, 8:30am
LGR 3rd Friday, 8:30am
Affiliates 2nd Wed., 8:30am
Grievance As needed
Prof. Standards As needed
Housing Foundation 3rd Mon., 3:00pm

every-other-month

Strategic Planning Last Wed., 8:30am
Budget & Finance 3rd Wed., 8:30am

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New Members

SCAOR welcomes the following new members and wishes them the best of luck!

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John Nink
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Comments about an applicant's admittance should be submitted in writing to
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Affiliate Update

Abhh... The sweet smell of BBQ in the air can mean only one thing... Annual Spring Fling and Baking Contest, May 2nd!



Dimitri Timm
2007 Affiliate Committee Chair
First Net Mortgage
(831) 239-4163
dimitri@firstnetmortgage.com

The sweet smell of BBQ and garlic bread is in the air and that could only mean one thing—the 10th Annual Spring Fling is here!! All members of the Association (REALTORS® and Affiliates) are welcome to come; we hope to see you there. The Spring Fling will be held

at the SCAOR offices, located at 2525 Main St. in Soquel on Wednesday, May 2nd* from 11:30am–1:30pm. As you may already know, parking will be limited, so please try to carpool.*

Charity Golf Tournament, July 20

The next big event for the Association, hosted by the Affiliate Committee is our annual SCAOR Charity Golf Tournament which is on Friday, July 20th at DeLaveaga Golf Course. This is a really fun day with 18 holes of golf followed by an Awards Dinner. Registration is at 11:30am and the shotgun start is at 1:00pm. The Awards Dinner will be at 6:30pm. This year we will once

again have the dinner upstairs. If you are interested in sponsoring the event, please contact me at (831) 239-4163 or Norma at the board at (831) 464-2000. Tickets for golfers will go on sale shortly, so watch for upcoming information for ticket information.

Member Mixer coming soon!

At the request of the Affiliate membership and the Affiliate committee, we are currently planning a Member Mixer for Affiliates and prospective Affiliate companies. Our goal is to have at least two mixers by year's end. More details about these great networking opportunities will follow soon. And as always,

if you would like to join the Affiliate committee, please contact me directly. Thank you!

Spring Fling Note:

*By the time many of you read this, we will probably have already enjoyed the festivities and delicious BBQ of our Annual Spring Fling. We will have taken tons of photos and have had a great time. Be sure to check out June's newsletter for photos and a wrap up!

Dimitri Timm is a Mortgage Consultant with First Net Mortgage in Capitola.

Affiliate Spotlight

New Affiliate, Joan Spicer

Many people are still in the dark about what a private money (aka hard money) mortgage broker does. In a quick sentence, Joan Spicer says, "hard money is simply a short-term alternative to conventional financing. It gives people time to course-correct whatever needs adjusting in their financial lives."

Joan has heard an agent or two remark, "I'd never send my clients to a hard money mortgage broker. Their rates are too high." Her response is, "Does borrowing money at a higher cost give your client the end result they want? Giving them another financing option may just make you the hero of the day if they get what they want. Isn't it worth a phone call to see if you can make your client's dreams come true?"

Joan has been arranging and funding (with private money) loans for over 20 years.

Before moving to Santa Cruz in 1977, Joan lived in NYC and the mountains of Colorado. Her New England hometown is small, quaint and just north of Boston. Joan is divorced and a single mother of her now grown feline, Greybear.

Give Joan a call or invite her to your office for a short presentation on how you can possibly close more escrows.

spicer@cruzio.com
(831) 464-7681



Lisa Garcia
Office Manager &
Sr. Loan Consultant
Sunrise Bay Mortgage
(831) 722-6250 Office
(831) 206-1328 Cell
lgarcia@sunrisebayloans.com

Lisa Garcia

Lisa Garcia, a Loan Consultant/Office Manager for Sunrise Bay Mortgage in Watsonville is a new Affiliate member to the Santa Cruz Association of REALTORS®. Lisa has worked for over four years with Sunrise Bay Mortgage as a Loan Consultant and has over three years of experience as a Senior Loan Processor. As a certified credit expert with Credit Technologies she edu-

cates her clients about their credit and offers them loan programs they feel comfortable with. Lisa is CALHFA certified and offers affordable housing programs to her clients. Lisa holds a Bachelor of Science degree with a minor in Spanish which allows her to help Spanish speaking clients meet their loan financial needs. Lisa looks forward to being an Affiliate member with SCAOR and looks forward to creating new networking relationships. Lisa enjoys working for Sunrise Bay Mortgage because she has the opportunity to offer clients more than a home loan—she offers construction, commercial, land and lot, CALHFA, mobile/manufactured, and bridge-hard money loans. You can learn more about Lisa and Sunrise Bay Mortgage at www.sunrisebayloans.com.

Affiliate Committee meeting change

Due to the NAR mid-year meetings,
the Affiliate Committee will
meet this month on
May 23rd at 8:30am

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2007 Housing Expo

Continued from cover

Written feedback from the public included gratitude in providing the information to them and how well-qualified the speakers were. We were thrilled to have our members as seminar presenters, along with CPA's, lawyers, and experts from as far away as San Francisco and San Diego. The 35 exhibitors at the event not only had an opportunity to meet members of the community, but they also enjoyed networking among themselves.

As we were discussing the event among the staff at SCAOR, a metaphor was suggested.

"It was like throwing a pebble into a pond. The pebble was important, but it is the ripples outward that will make all the difference," Karen Kirwan, Education Director mused.

And the ripples have been very surprising. What started out as a way to educate the public about the myriad ins and outs of the homebuying, selling and investing process also turned into: People wanting to form a coalition to tackle the affordable housing issue in the County; a builder who randomly picked up an event flyer, came to the event and wants to spearhead a builders section of the Expo next year to help the public; a county supervisor being asked to participate and then challenging the attendees to come up with more ideas to create housing opportunities in the area; lenders talking to housing assis-

tance agencies and getting more information to pass along to their clients.

There are many more stories unfolding, and the response from everyone has been amazing and positive. Following are some of the emails we've received:

"Thanks again for including me in the Expo, it was an awesome experience!"
—Volunteer, exhibitor and speaker, Chris Rebele, Bailey Properties.

Exhibitor, Paula Cochran and broker/owner of Help U Sell-Santa Cruz Properties, wrote, "We made a few connections with people that might amount to some new business and we were happy to participate in this major Association event. Thank you for the opportunity."

Fred Antaki, Main Street REALTORS®, who volunteered to put together the investment speaker section at the event, wrote, "I was extremely impressed with the professionalism and quality of the information presented by everyone who participated in the INVEST FOR SUCCESS workshops at the Housing Expo, and received a number of very positive comments and appreciation for the classes."

Our exhibitors and sponsors said they would whole-heartedly support a Second Annual Housing Fair next spring and we will be working on making the event even better and more well-attended next time. We will be counting on our membership to become more involved, as an event of this caliber takes many volunteers, exhibitors and sponsors to make a reality.



Thank you to our Exhibitors!

A big thank you to our exhibitors who brought their enthusiasm, resource material and staff to the event to talk one-on-one with the public. We thank you!

We also wish to thank our speakers for lending their expertise and time to the event. A full list of the speakers with their contact information will be available on the Housing Expo part of the Housing Foundation website at www.scaorhf.org.

Top left: Laureen Yungmeyer and colleague proudly exhibit at their table!

Top right: Norma Milete and Dee Buckelew greet the public.

Middle left: Kelly Alpert of Intero and Athena Frangides of Countrywide enjoy the day.

Middle right: Fred Antaki moderates the Investor seminar.

Bottom left: Expo volunteers, Wendy Spagnola, Fred Antaki and Elaine DellaSantina share a laugh.

Bottom right: Attorney Lloyd Williams lends his expertise to the attendees.



Message from the Chair

Welcome to homeownership!



Janeé Del Colletti
2007 SCAORHF Chair
Santa Cruz Mortgage
(831) 462-5575
jdelcolletti@santacruz
mortgage.com

“Bridging the Gap to Homeownership”—This is the mission statement for the Santa Cruz Association of REALTORS® Housing Foundation, but what does that mean? There are many programs throughout Santa Cruz County that assist low to moderate wage earners purchase a home. However, many times these programs may finance or assist with the down payment but the buyers are still short for the closing costs. With the gift of the Santa Cruz Association of REALTORS® Closing Cost Assistance Grant in the amount of up to \$5000 towards recurring and non-recurring costs, we can bridge that gap!

Some people have told me they don't feel that \$5000 can make a big enough difference. However, the stories of the recipients tell us differently. One of our first recipients, who is single mother of two, had enough money for the closing costs. However, it would have taken every last dime of her savings to pay for them leaving her no money for moving expenses or to purchase a refrigerator. She was going to use a Styrofoam cooler until she could save enough to purchase a new refrigerator. However, with the closing cost grant, she was able to pay for her closing costs and still have savings that enabled her to purchase a new refrigerator to properly store her food for her family.

Another client had the funds for closing costs, but his ratios were too high to qualify for the purchase of a home for his family. With the closing cost grant he was able to buy down the rate which brought his ratios low enough to qualify.

Two recipients are single mothers of disabled children and have purchased Measure J condominium units this year through coordination between Housing Choices Coalition and the County of Santa Cruz, as well as the builder. Neither one had the funds to pay for the closing costs. The purchases would not have been possible without receiving the Closing Cost Grant.

These are great examples of Bridging the Gap! And we need your help! We would love your participation with one of our great committees, donate funds, our share your ideas on how we can further make a difference to help more low income buyers realize the dream of homeownership.

Congratulations to our latest recipients of the SCAOR Housing Foundation Closing Cost Assistance Grant program! The Bravo family, Rocha family, Manier family, the Wilson family and Stephen Mendelsohn... welcome to homeownership! That's \$20,000 given out to the community already in 2007!

Now on to my “Thank You’s”...

On behalf of myself and the SCAOR Housing Foundation we would like to thank David Lyng Real Estate for generously appointing the Housing Foundation as the recipient of their annual Charity Golf Tournament. We are so grateful!

We also extend a big “thank you” to the SCAOR Affiliate Committee for their thoughtful fundraiser to sell personally engraved bricks at the annual Spring Fling event which will be placed in the BBQ area of the Association. We greatly appreciate your creative generosity!

I would also like to personally thank the committee for the Santa Cruz County Housing Expo that was held on Saturday, April 21. The volunteers, as

The SCAOR Housing Foundation presents

Housing Assistance Programs Seminar for REALTORS® and Lenders

Wednesday, May 16 • 10:00am–12:00pm
SCAOR Offices: 2525 Main Street, Soquel

Learn about the Housing Assistance Programs from these City and County agency representatives:

- Norman Daly, City of Santa Cruz
- Patrick Heisinger, County of Santa Cruz Planning Department
- David Foster, City of Capitola, Housing and Redevelopment Planner
- Janeé DelColletti, SCAOR Housing Foundation

Come learn about the various programs that are available to your first-time home buyers! Overview of Santa Cruz County Housing Programs:

- County of Santa Cruz—Measure J
- First-Time Buyer Mobile Home Purchase Program
- City of Santa Cruz First-Time Homebuyer Program—Measure 0
- City of Capitola—Silent Second Program
- Housing Authority—Mortgage Credit Certificate Program(MCC)

This class is free and we will be adding additional speakers and programs to the list.

Seating is limited! To reserve your space, contact Karen Kirwan, SCAOR Director of Education & Professional Services, (831) 464-2000 or Karen@scaor.org.



Angel-Investor, Terry Ballantyne— David Lyng Real Estate

There are people who sometimes work behind the scenes so discreetly that their efforts go unnoticed but their impact creates waves felt throughout an organization. Sometimes these kinds of donors are called “Angel Investors”. Terry Ballantyne, Sales Team Lead for David Lyng Real Estate, is one of these types of “angels”. She helped her company choose the SCAOR Housing Foundation as the recipient of the First Annual Charity Golf Tournament for David Lyng Real Estate. She also put her credit card on file with SCAORHF

last year to charge her credit card every month with a small donation as a way to give a constant stream of donations to the Housing Foundation. As Terry put it, “small actions on a consistent basis can accomplish amazing things, a person can move a mountain by carrying away small pebbles every day.”

Terry's efforts show that you don't have to donate a lot of time or money to make a difference in assisting the Housing Foundation in their goal of placing families into homes in our community. Thank you Terry, for being an angel!

well as the SCAOR staff, spent countless hours making our first event a huge success!

These are all true examples of what we can accomplish by working together to make a difference in our commu-

nity. Thank you for all your support and generosity that keeps our Housing Foundation running and assisting more and more homebuyers!

Please visit www.scaorhf.org for more information.

Bus Tour

Continued from cover

allow the Army to sell land or housing to private parties. Instead, the land is conveyed to the Fort Ord Reuse Authority (FOR A), which in turn re-conveys it to cities and counties which, in most cases, are responsible for housing development. Because large sums of money are required, \$50 million was needed to get University Gardens to the model home stage. The various governmental jurisdictions selected master developers who assumed the burden of building, rehabilitating, and marketing the proposed housing.

Other "Fast Facts" we learned from our excursion:

The base was once home to over 15,000 soldiers and thousands of support civilians, covering over 45 square miles.

20,000 acres of the former base will be preserved and maintained as a habitat for endangered species & recreational open space.

6,000 to 8,000 new jobs are projected for the research and development of the site.

The City of Seaside purchased the golf course.

Resort complexes, hotels and conference centers are planned.

Recreation planned for the area includes an equestrian center, hiking, mountain biking, sky diving, roller skating, and other eco-tourism activities.

A wide range of residential housing is planned from single and multifamily to senior housing and student housing.

Public and private sectors are working hand-in-hand to produce the best possible outcome for the cities and counties involved.

A few of the housing communities are already built, but the major housing communities are at the beginning or planning stages. The next available homes for sale will be at University Gardens. The models will be available in early 2008, then by the end of 2008, the first of the 640 planned single family residences will be ready for occupancy.

Our group attended the ground breaking for the next section to be built called "East Garrison," which is a community that includes housing & studios for artists, a community shopping section, and homes that use the alleys for traf-



Left to right: Jane Moresco, 2007 President, Watsonville Association of REALTORS®; Emily Gbio-Cato, Santa Cruz Title; Sam Farr, US Congressman; Barbara Palmer, SCAOR Chair LGR.

fic and encourage walking and biking to shop and work. Schools, parks, and community centers are planned. It will take over 20 years to build out the 1,400 housing units, and the 75,000 square feet of commercial space in three phases. Smart Growth principles are being implemented throughout.

The re-development of Fort Ord into a tourist destination point, as well as an R & D center, and educational center for the Monterey Bay, has been a huge undertaking and began about 10 years

ago. Congressman Sam Farr has been instrumental in seeing development occur at Fort Ord. He had the foresight to bring private developers and contractors to the table with the public entities for the good of the Monterey Bay Region.

If you wish to read more about the reuse and development of Fort Ord I suggest the following websites:

- www.fora.org
- www.eastgarrison.com
- www.cypressknolls.com

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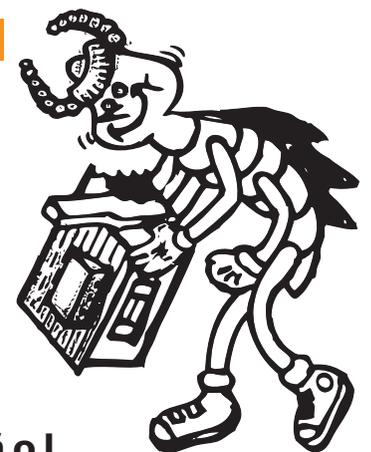
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Education

Upcoming Classes

For registration or for further information, please contact Karen Kirwan, Director of Education & Professional Services, at (831) 464-2000 or Karen@scaor.org.

Unless otherwise specified, all classes and seminars will be held at the SCAOR main office at 2525 Main Street, Soquel, CA 95073. Pre-registration is required for all courses and seating is limited, so register early!

REAL ESTATE & THE USE OF CHARITABLE REMAINDER TRUSTS TO SAVE TAXES

Speakers: **Timothy Cleary, Esq.** and **Mark Millenacker, Esq.**

Discussion on the role of Charitable Remainder Trusts in real estate planning & transactions, and how this type of trust can be utilized to eliminate capital gains taxes, depreciation recapture, reduce current income taxes, and more

Wed., May 9 • 2:00–4:00pm

FREE! — PUBLIC WELCOME!

Course approved for one DRE continuing education credit in consumer protection.

Sponsored by Santa Cruz Title

1031 TAX DEFERRED EXCHANGES: THE BASICS AND BEYOND

Instructor, **James Hassett** and **Jessica Seibel** of Starker Services, Inc.

This course will help you expand your real estate business by teaching you the basics of 1031 Exchanges; How 1031's can increase an agent's commission; Pitfalls & Liabilities, and more!

Tuesday, May 15 • 1:00–4:00pm

\$10 for SCAOR members
\$25 for non-SCAOR members

Course approved for three DRE continuing education credit in consumer protection

HOUSING ASSISTANCE PROGRAM SEMINAR FOR REALTORS® AND LENDERS

Speakers: **County of Santa Cruz; City of Santa Cruz, County of Santa Cruz Planning Dept.; City of Capitola; SCAOR Housing Foundation**

Come learn about Housing Assistance and First-time home buyer programs from city and county representatives.

Wed., May 16 • 10:00am–12:00pm
FREE!

HOW TO HANDLE AN UPSIDE DOWN/ UNDERWATER SALE

Instructor: **Dennis McKenzie, MBA, MA Economics, GRI, REALTOR®**

Learn how to compute a home seller's cash short fall; If a seller owes more than what the home is worth, which is the best way to go?; Recourse vs. non-recourse loans; Impact on credit scores and debt forgiveness income tax considerations; Hardship issues the lender will want to review; Disclosures, and so much more! **ONLY \$49!**

Thurs., May 17 • 1:30–4:30pm

Course approved for three DRE continuing education credit in consumer protection

EFFECTIVE BUYER SALES STRATEGIES

Instructor: **Chuck Bode**, Senior Council of Residential Specialists Instructor

Top sales associates enjoy a competitive advantage because they understand what motivates and influences their clients. Sales Strategies gives students the inside track to win over prospective buyers by teaching them the necessary strategies that make their sales quick and efficient. Some of the skills you will inherit by attending this 2-day class are understanding buyer motivation; eliminating sales resistance; Creating trust and loyalty from buyers; Negotiating skills, and more! Earn CRS Designation credits; Learn from the best educators in the industry.

Wed., May 31 & Thur, June 1
8:30am–5:00pm

\$359 for REALTORS®
\$700 Non-REALTORS®

Course is also approved for 14hrs of DRE continuing education in consumer service upon completion.

CONTINUING EDUCATION REMINDER:

The Department of Real Estate now requires all licensees who have a license expiration date of June 30, 2007, or later, or who file renewal application on a late basis after that date, to complete a DRE approved 3-hour course in Risk Management as part of their mandatory continuing education requirement. The continuing education requirement for salespersons who are completing their first renewal on and after July 1, 2007, will increase from 12 hours to 15 hours with the addition of Risk Management course. All other salespersons and all brokers with a license expiration date of June 20, 2007, or later, or who renew on a late basis after that date, will be required to complete a course in Risk Management as part of their 45 hour continuing education requirement.

SCAOR is now offering the following DRE approved mandatory course:

RISK MANAGEMENT FOR REAL ESTATE LICENSEES

Instructor: **Cari Pace**, CCIM, CRS, CRB, CCDS, GRI, REALTOR®

Come learn how to protect yourself from liability; What agents must do to fulfill their duties; Who you represent, and Who you don't; Why lawsuits are brought against agents; Recent changes in the law; Disclosures, and more! Even if you have already renewed your license this class is a "must attend!"

Wed., May 30 • 1:30–4:30pm

\$30 for SCAOR members;
\$45 for Non-SCAOR members;

Course satisfies DRE mandatory continuing education requirement in Risk Management.

Sponsored by Santa Cruz Title Co.

A "CONTINUING EDUCATION COURSE"

DRE APPROVED FOR ONE HOUR OF CONTINUING EDUCATION CREDIT IN CONSUMER PROTECTION

"Real Estate and the Use of

Charitable Remainder Trusts

to Save Taxes"

A presentation by

Timothy G. Cleary, Esq. & Mark A. Millenacker, Esq.
Wednesday, May 9th • 2:00–3:00 pm

Santa Cruz Association of REALTORS®
2525 Main Street, Soquel, CA 95073

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This is a free seminar, but advance registration is required. Please contact Karen Kirwan, SCAOR Director of Education & Professional Services at (831) 464-2000 or Karen@scaor.org.

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Legislative Watch

NAR INDUSTRY NEWS

Tighter lending standards good for housing but will dampen sales

Tighter lending criteria and fallout from the subprime loan debacle will lead to a healthier housing market with greater assurance that owners can handle mortgage adjustments, but higher loan standards will slow the housing recovery, according to the latest forecast by the National Association of REALTORS®.

David Lereah, NAR's chief economist, said the changes are necessary for the long-term health of the housing market. "We want people to be able to stay in their homes with mortgage terms they understand and can handle," he said. "Simply stated, a loan with the lowest monthly payment probably isn't in your best interests—borrowers need to understand worst-case scenarios. If you're in a mortgage you aren't comfortable with, now is an excellent time to refinance, if you can, with historically low rates on safer conventional loans."

Last week, Freddie Mac reported the 30-year fixed-rate mortgage was 6.17 percent. The 30-year fixed rate should rise slowly to 6.6 percent by the end of this year, so borrowers who need to refinance should act soon.

"Tighter lending standards will dampen home sales a bit, but by less than a couple of percentage points from initial projections. We still forecast 2007 to be the fourth highest year on record for existing home sales, and housing remains a great long-term investment," Lereah said.

Existing-home sales are likely to total 6.34 million in 2007 and 6.52 million next year, in contrast with 6.48 million in 2006. New home sales are seen at 904,000 this year and 935,000 in 2008,

NAR UPDATE

NAR urges HUD to revamp FHA program to help people stay in their homes

In light of the many families being affected by negative subprime mortgages, the National Association of REALTORS® encouraged the Department of Housing and Urban Development to act quickly to change the FHA mortgage insurance program to enable more homeowners and their families to keep their homes.

In a letter sent to HUD Secretary Alphonso Jackson, NAR President Pat Vredevoogd Combs strongly urged action by HUD to change FHA rules and waive the requirement that a homeowner's mortgage be "current" in order to refinance into an FHA loan product.

"Many homeowners who were able to make timely payments under the original terms of their loan are finding it difficult to make payments after rate adjustments," said Combs. "We believe FHA can design a mechanism where credit worthy borrowers could refinance sub-

ject to prudent guidelines, and therefore avoid losing their homes."

"As the nation's leading advocate for homeownership, NAR believes that all avenues should be reviewed and that paradigms should be shifted. The goal for all—government, lenders, banks, individuals, and REALTORS®—should be to help keep people in their homes and to avoid or minimize foreclosures," Combs said earlier this month.

In recent days, it has been reported that various lenders have expressed a willingness to engage in this program to avoid costly foreclosure proceedings. This would not be a bailout for lenders, but would be a vehicle for helping prevent a number of Americans from losing their homes. "NAR believes in a strong FHA and would support efforts to ensure that only borrowers who truly have the capacity to repay receive the opportunity to refinance under such changes," said Combs.

NAR encouraged HUD and the FHA to undertake a "robust public education campaign" to promote foreclosure prevention by raising the awareness of FHA and HUD programs. NAR has partnered with HUD and FHA in the past to create and distribute brochures designed to inform potential homebuyers about the various FHA programs. NAR also continues to be a consistent advocate for FHA modernization, so as to keep the products and services they offer pertinent to today's consumers and housing market.

"We believe that with some minor regulatory adjustments to the FHA program that a significant subset of borrowers facing the prospect of foreclosure could safely refinance into an FHA mortgage. We are committed to continue our efforts with HUD and FHA. We not only want to see people achieve the American dream of home ownership, but also we want them to keep it," said Combs.

SCAOR forms new Housing Opportunities Task Force

To make a difference in our local community by focusing on work force housing issues, SCAOR is proud to announce the formation of the SCAOR Housing Opportunities committee.

The core group of volunteers for this committee are comprised of many of the same dedicated volunteers who put together the 2007 Housing Expo.

The first meeting of the new Housing Opportunities committee will be held on Wednesday, May 23rd, 3:00pm at the SCAOR offices. Anyone interested is welcome to attend. For more information, contact Julie Ziemelis at (831) 464-2000 or Julie@scaor.org.



Housing Expo volunteers, Paula Cochran and Gale Pickering of Help-U-Sell Realty—Santa Cruz Properties, will lend a hand to the new Housing Opportunities committee.

Legislative Watch, cont'd.

C.A.R. LEGISLATIVE UPDATE

C.A.R. sponsors bill to prevent private transfer taxes

A loophole in California law lets developers and others impose a “private transfer tax” on home buyers EVERY time the home is sold – with NO oversight, NO accountability over how the money is spent, and NO limit on how many different “private transfer taxes” can be added or “piled” onto a home.

The CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.) is sponsoring legislation—**SB 670 (Correa)**—to prohibit these taxes. Here’s why:

- This is REAL money! If you impose a 1.75% private transfer tax—the highest rate that’s come to light so far—on the state’s median priced home of \$567,690, that’s a tax of almost \$10,000, due and payable EVERY TIME the property is sold!

- The taxes are imposed on buyers EACH TIME the property sells. Private transfer taxes can go on and on and on. These taxes are collected as long as mandated by the deed, which can be indefinitely.

- Private transfer taxes increase the already substantial cost of buying a home. A recent C.A.R. study shows that every time the cost of a home increases by \$10,000, another 200,000 potential purchasers can’t afford to buy a home.

- These schemes increase the price of housing without adding any value to the property. Buyers are forced to pay inflated prices to cover the cost of the private transfer tax.

- Despite what some developers claim, these aren’t “mitigation fees”—they’re taxes. They don’t benefit the assessed homeowners but are an ongoing revenue source for those who receive the funds from homeowners.

- These taxes will hurt the housing market. Home buyers will either avoid homes that require paying a private transfer tax or seek to offset the cost of the tax.

- There are no controls over how the collected revenue is spent. Whoever is levying the tax is free to decide how the money is spent with absolutely NO controls. The proceeds may even be used for personal benefit!

- Only government should have the power to tax. Unfortunately, anyone selling a home is free to add a “private transfer tax” that has to be paid at the time of every subsequent sale. The highest rate C.A.R. is aware of is currently 1.75% of the home’s value—but there’s no limit.

In order to successfully pass SB 670 and prevent these taxes from being imposed all over California, C.A.R. needs your help. Here’s what you can do:

- Become a Legislative Liaison. You can keep informed on SB 670 and other legislation that may affect your business by receiving the Networker newsletter which is distributed every two weeks when the state Legislature is working. To sign up, go to: www.cargovtaffairs.org/html/contact.html.

- Respond to C.A.R. Red Alerts on SB 670. C.A.R. will send you a Red Alert when your local state legislator will have an opportunity to vote on the bill. All we will ask you to do is call your legislator’s office (using our toll-free Capitol Connections hotline) and leave a message with your legislator’s staff urging a “YES” vote on SB 670. It’s as easy as that!

For more information, please contact DeAnn Kerr at C.A.R. at (800) 337-9285 or contact the Santa Cruz Association of REALTORS® Government Affairs staff.

Buy A Brick

Build the Dream

Purchase a “Commemorative Brick” for the patio area of SCAOR and benefit the SCAOR Housing Foundation’s Closing Cost Assistance Grant program.

Regular red bricks are \$100 and special gold bricks are \$250.

All donations are tax deductible! Let your fellow real estate professionals know every year at the Spring Fling that you and/or your company support homeownership.

Buy a brick and give the gift of homeownership to a low-income family in Santa Cruz!

Real estate practitioner’s best practices

It is the duty and responsibility of every REALTOR® member of SCAOR to abide by the “Code of Ethics” of the National Association of REALTORS®. The term “REALTOR®” is a registered collective membership mark which identifies a real estate professional who is a member of the National Association of REALTORS® and who subscribes to its strict Code of Ethics.

The REALTOR® Code of Ethics sets rigorous guidelines, and separates the country’s 1.3 million REALTORS® from other real estate licensees. However, some situations can confound even the most moral of minds.

Buck Wargo gave examples of scenarios of such ethical dilemmas in a recent issue of REALTOR® Online Magazine. He quoted Sharon Steele, 2007 chair of NAR’s Professional Standards Interpretation and Procedures Subcommittee, as saying as with any set of rules or laws, the Code “is not all black or white. It’s shades of gray.”

Steele says knowing how to respond comes in part from experience in handling uncomfortable situations, “but that doesn’t mean seasoned professionals aren’t stumped from time to time.” Steele and other ethics experts identified some dilemmas that are likely to pop up in today’s market, and provided guidance on how to respond.

DILEMMA 1: Should I Disclose That?

“REALTORS® shall avoid exaggeration, misrepresentation, or concealment of pertinent facts relating to the property or the transaction.” (*Article 2*)

The scenario: Your seller client tells you that a home inspector recently was suspicious of insect damage when he saw the home’s damaged siding. However, the seller disputes that notion, saying he’s never had an insect problem in or around the home.

The risk: Withholding pertinent facts from buyers.

What to do: Disclose anything that

Continued page 14

Legislative Watch, cont'd.

From page 13

affects the value or desirability of the home, says Bruce Aydt, ABR®, CRB, general counsel and senior vice president of St. Louis-based Prudential Alliance, REALTORS®. That may include insect damage, water leakage, structural problems, and more.

Otherwise, you're putting yourself at risk of serious legal action. "I think some agents are unaware of the potential liability and might agree with the home owner and keep quiet," Aydt says.

Practitioners may be stumped because they don't know whether or not a particular fact is important enough to share with prospective buyers, Aydt says. If you find yourself in this situation, it's best to err on the side of disclosure.

You're not the expert; the home inspector is. So if a home inspector says there's a problem, but the seller disagrees, you have to stick with the assessment of the inspector.

What if sellers refuse to disclose, and urges you to do the same? It's the safest practice to surrender your listing, Aydt says. The legal risks to you are simply too great.

DILEMMA 2:

Sending Mixed Signals

"REALTORS® pledge themselves to protect and promote the interests of their client." (Article 1)

The scenario: You're hosting an open house for your client, a seller. A woman seems very interested in the property and asks many questions about the home, local schools, and proximity to public transportation. She also asks why the sellers would want to move out of such a nice house.

The risk: Violating loyalty to your client, the seller. Some buyers, particularly first-timers, don't always understand that the listing agent's primary obligation is to the seller, Steele says. If you don't tell them, it could lead to undisclosed dual representation.

"It ought to be fairly clear but unfortunately some agents don't have the confidence to say: By the way, I represent the seller," she says. "If the buyer gets the wrong signal, there's potential

for undisclosed dual agency, which is clearly not a good thing."

What to do: As a listing agent, your responsibility to the prospective buyer is to treat them honestly, but to your client you owe confidentiality, accountability, and loyalty, Steele says.

You can always provide buyers with information that's public knowledge or with copies of the seller's disclosure, which is required in most states. But you should center your conversations on the house and not issues such as the seller's motivation, Steele says. "In an effort to be helpful, agents can sometimes overstep the line," she says. "They don't give clear signals."

"There are a myriad of reasons for it," Steele says. "Inexperience is one. If you don't want to alienate a buyer, it can be a difficult situation."

DILEMMA 3:

Ethics in Advertising

"REALTORS® shall be careful at all times to present a true picture in their advertising and representations to the public." (Article 12)

The scenario: You're looking for a way to differentiate yourself from the competition and give your marketing materials a kick. You decide on a new tagline: "The No. 1 Real Estate Agent For You."

The risk: Stretching the truth. If your statements are truthful and accurate, it's not wrong to tell prospects how you measure up to competitors. But when you make an advertising statement about being the "No. 1" agent, you could be misleading the public.

What to do: Making the claim of being No. 1 is perhaps the most abused or misused term in real estate advertising, Aydt says. If you really want to use that phrase, be careful to explain what you mean by "No. 1." For example, cite your market share, a date range, and a specific geographic area.

Experts advise focusing on your own merits and what you bring to a prospective client rather than comparing yourself directly to competitors.

Ethics in advertising extends to property marketing, too. Be clear about how

you describe the home, Steele says, and stay away from sweeping statements or exaggerations. It's incumbent to avoid mistakes as well, she says. Double-check property tax figures with your local government, and be sure that square footage is measured correctly.

Finally, never say anything to buyers that you can't confirm as a fact. "You can only represent what you know," Steele says. "If you don't know the answer, say 'I don't know, but I will go to City Hall and try to find an answer.' In this business, you don't make assumptions."

DILEMMA 4:

One Brokerage, Multiple Offers

"Obligation to the client is primary, but it does not relieve REALTORS® of their obligation to treat all parties honestly." (Article 1)

The scenario: Two interested buyers have submitted offers on your listing. One buyer is represented by an agent who works at your brokerage. The other buyer is represented by an agent from a franchise across town.

The risk: "Regardless of the intent, there may be concern that more attention will be paid to an in-house deal than out-of-house deal," says Dale Mattison, CRS®, GRI, an associate broker with Long & Foster Real Estate in Washington, D.C.

"I know my ethical intent is to treat the offer fairly, but there's always the risk that someone will get the wrong impression," he says.

What to do: Mattison, past chairman of NAR's Professional Standards Committee, says the Code of Ethics only requires such information to be disclosed to the buyer upon request, but he says it's a good practice to disclose it anyway. That way, you won't give anyone the idea that you're favoring one offer so that your brokerage will capture the full commission.

In order to remain objective, his company's policy is to have a third party that's not directly involved in the deal, such as a brokerage office manager, present both offers to the seller.

DILEMMA 5:

Can You Write Me an Offer?

"REALTORS® shall not engage in any practice or take any action inconsistent with the exclusive relationship recog-

nized by law that other REALTORS® have with clients." (Article 16)

The scenario: You are representing clients who want to sell their home quickly so they can move into their new home. You get a call from a prospective buyer who says that he's already viewed the property and would like to make an offer immediately. He asks for you to write the offer.

The risk: The buyer may already be represented.

What to do: First, ask the buyer if he's working with a buyer's agent, says Bill Lublin, CRS®, CRB, chief executive of Century 21 Advantage Gold in Philadelphia.

If he's represented, encourage him to submit an offer through his agent. Also, the buyer should be made aware that he may have contractual obligations to the buyer's agent, says Lublin, Vice-chair of the NAR's Professional Standards Committee. In most cases, the buyer's agent can be owed a portion of the sales commission.

If the buyer is unable to work through his agent, and still demands that an offer be written immediately, your duty as the listing agent is to follow through with the request, Lublin says. After writing the offer, contact the buyer's agent and let that person know what's going on, and let them know they'll receive commission from the deal as set out on the buyer's rep contract.

"It's good to do the right thing," Lublin says. "You sleep so much better and feel so much better. The people I know who are successful in business are always extremely ethical. I don't see that it has any kind of negative impact on anybody."

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COAST 1031

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I am delighted to announce my association with Bailey Properties. Their reputation for outstanding service, integrity and professionalism is why I chose to bring the experience I have gained in other real estate markets home to Santa Cruz. I am driven by quality of service, positive results and satisfied customers. I'm committed to nurturing lifelong relationships in this community and will donate 10% of my profit from every transaction to the local charitable organization of your choice.

Here's why I should be your Realtor:

"Passionate, professional, diligent and committed. Ramah excelled and exceeded my expectations. I firmly believe her to be a true asset to anyone who has the opportunity to work with her." – Gary Kramer, Alain Pinel Realtors

"Ramah's sensitivity and dedication to my needs and concerns was unsurpassed, she made this stressful time much easier to bear. Ramah is my Realtor for life! I would highly recommend making her your Realtor too!" – Renee Figueira

"Ramah kept us informed every step of the way, she was always available and responsive to all our questions, even from another time zone! We refer Ramah Hinde with the utmost confidence." - Keith and Kathy Laton



SARA BURKE

My intention is to serve you with the utmost honesty and integrity in your Real Estate endeavors, using all of my quality training, experience and cultivated skills. I will listen carefully to your needs and concerns and respond quickly. I have lived and worked in the Monterey Bay area for over 20 years, learning the unique details of the land such as climate, neighborhoods, services and beaches. I know the importance of having knowledgeable support in buying the right home.

Many of my dreams have become reality right here in this area and many great people have played key roles in these events. I look forward and dedicate myself to helping you achieve your Real Estate dreams and goals.



SUZY RODONI-SILVERBERG

As part of a fourth generation Santa Cruz family and lifelong resident of Santa Cruz I have a very deep understanding of what makes this area so special. My unique background in various areas of the real estate business including lending, property development, new home construction, real estate investment analysis and property management, allows my clients to benefit from my vast experience.

Selecting the agent who handles your real estate transaction is just as important as the tax expert or financial advisor you rely on. When you choose to work with me, you benefit from the knowledge I have acquired from over 20 years of creating a successful real estate portfolio and my involvement in many successful real estate transactions and projects.

My goal is to help my clients make informed and educated decisions about their real estate investments.