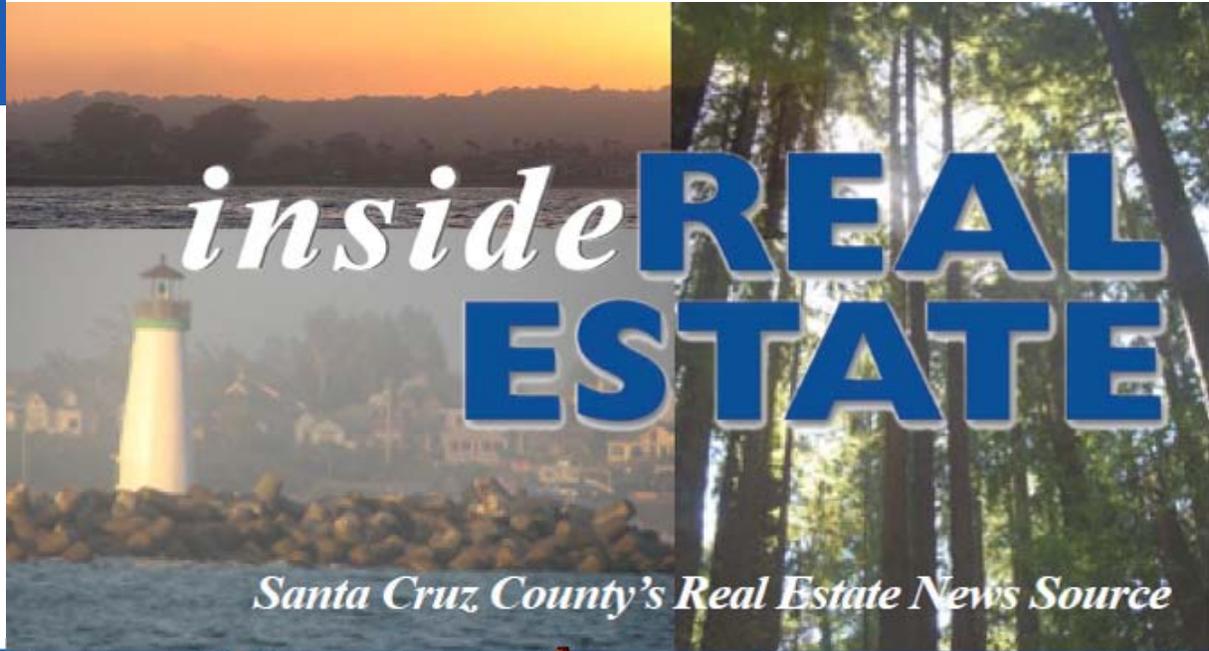




SANTA CRUZ ASSOCIATION OF REALTORS®
Creating Better REALTORS®



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Santa Cruz County's Real Estate News Source

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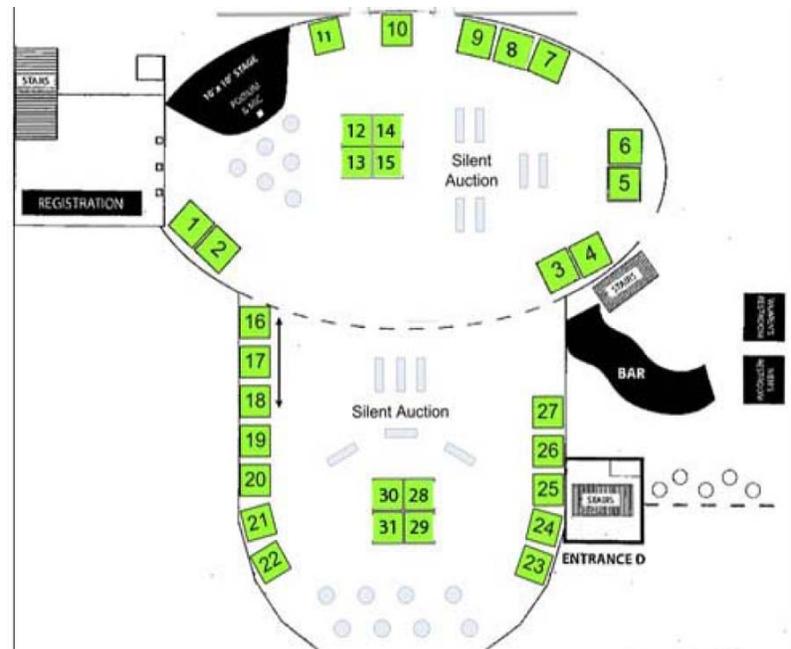
To advertise in this publication, please call Andrea at 831-464-2000

Space to Taste at this Year's 'A Taste of Santa Cruz'!

We heard the call for more elbow room and have answered with a brand new open layout! More room to chat, mingle, taste and check out this year's fabulous auction items (for a complete list [click here](#)).

Tickets are selling out quickly for this year's 'A Taste of Santa Cruz', the tastiest event in town! Don't miss a night of fun, food and wine at the beautiful Cocoonut Grove ballroom, November 5th 5:30 – 9 PM. Tickets can be purchased easily on-line [here](#) or by calling 831-464-2000.

30 booth sponsors are pairing up with the best restaurants and wineries in Santa Cruz County to offer samplings of mouth watering food and locally grown wines. Consider doing your holiday shopping at our silent and live auction by purchasing one-of-a-kind items while you support homeownership in our community. All proceeds benefit the Santa Cruz Association of REALTORS® Housing Foundation's Closing Cost Assistance Grant Program. This program provides grants to first time, low income home buyers in Santa Cruz County.



2010 DUES STATEMENTS ARE IN THE MAIL AND ARE DUE DECEMBER 31, 2009

DON'T BE LEFT OUT OF THE DUES RENEWAL CONTEST! SEE PAGE 15 FOR DETAILS



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COOL WEBSITES

Everything Hubble

The Hubble telescope is an amazing piece of technology. It has helped us learn a lot about the universe. It has also led to phenomenal breakthroughs.

And, of course, it has taken plenty of stunning photographs.

At today's site, you'll learn more about the Hubble telescope. Catch up on news about the Hubble. Find out what its latest discoveries mean.

You can also learn more about the telescope. Or, read up on astronomy in general. There are resources to help you get started. Visit the Reference Desk for facts, figures and definitions.

But I suspect most will head straight for the gallery. There

are plenty of photos, wallpapers and videos. The site will even help you print the images.

Don't forget to take a look at the future. Learn about the Webb telescope, due to be launched in 2014.

TO VISIT THIS COOL SITE,
GO HERE:
hubblesite.org



An easy diet and fitness planner

Exercise and a healthy diet are the keys to a long, happy life.

Unfortunately, balancing your diet isn't easy. Nor is it always easy to judge how much exercise you're getting.

We don't always have enough information about our foods. And we may fail to consider daily activity when thinking about exercise.

Why not eliminate the guesswork? WebMD's Food & Fitness Planner is a great tool for maintaining a healthy lifestyle.

Enter your height and weight. Select your activity level and specify your weight goals.

On the next page, you're ready to start planning your diet and exercise regime. You'll also see a nutritional summary for the day.

A database will help you add foods and beverages. Your nutritional summary is updated automatically. Another database will help you add exercise and activities to your plan.

When you're done, you'll get a plan for the day. Print it and refer to it throughout the day. What an easy way to keep your goals on track!

TO VISIT THIS COOL SITE,
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www.webmd.com

Santa Cruz Association of REALTORS®



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andrea@scaor.org

INSIDE REAL ESTATE Newsletter

Inside Real Estate is the official monthly newsletter 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.

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www.scaor.org

President's Message

Record Numbers of Our Members Attended the California REALTOR® EXPO October 6 – 8, 2009 In San Jose



Lela Willet
2009 Association President

Unique Homes & Land
(831)425-7920
lela@thewilletway.com

What a treat to see so many of our members at the C.A.R. Expo in San Jose at the beginning of October. Savvy agents took advantage of cutting-edge seminars, and up to the minute legal and economic updates. There were hot, new products to explore at the hundreds of booths in the Expo hall, and networking opportunities galore.

I was pleased to be stopped in the hallways by so many S.C.A.O.R. members, many of whom had never been to C.A.R. Expo. The multiplicity of the agents who attended was particularly noteworthy. There was something for everyone. On Tech Tuesday I sat in seminars with members new to the business, with managers of our largest brokerages, with single broker members, and agents from all sized offices. It seems that going paperless, the possibilities with blogging, the newest applications for smart -phones, cloud computing, Google analytics and social networking to name a few of the subjects covered, are relevant to a broad variety of our members.

On Wednesday, Thursday and Friday, even more of our members made the trip over the hill for an incredible array of offerings. I spoke with our members about everything from point of sale issues like the septic system upgrade which has hung over our heads in Santa Cruz to the potential value of paying to improve marketing programs on Realtor.com. Those fortunate enough to attend the sold out

lunch and presentation of the economic update from Leslie Appleton Young were not disappointed. Check out the graphs and report at CAR.org.

C.A.R. attorneys made hearing the latest legal updates fun. Some of our members stood up to ask questions and walked out excited to be among the avant-garde. New agents sat alongside seasoned veterans in Foreclosure seminars, and listened to panels discuss everything from Tales from the Trenches to the First Time Buyer Tax Credit.

As President of S.C.A.O.R., I could not have hoped for a better experience for our members. Attending an event such as this

does everything to enhance professionalism, and the icing on the cake is that it is also exhilarating and fun! Just ask the agents who attended REALTOR® Night Out, networking and dancing the night away. Ask the agents who heard Connie Podesta speak about personality types. Ask me. I can tell you how impressive the experience is!

The next state meetings are February 3-6 in Indian Wells. Watch CAR.org for details. Mark your calendar. Plan on a few days to power charge your business, I look forward to sitting with you at least one of the seminars.



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EQUAL HOUSING LENDER

Real Estate Legal Matters

Secondhand Smoke in Outdoor Areas

*Teresa V. Rein
Bosso Williams, APC*



In a recent California appellate court case, Birke v. Oakwood Worldwide (2009) 169 Cal.App.4th 1540, the court analyzed whether an action for public nuisance could be brought against a landlord for its failure to limit secondhand smoke in outdoor common areas.

The guardian for Melinda Birke, a five-year old girl who suffered from asthma and allergies, filed a cause of action for public nuisance against her landlord for failing to control smoking in outdoor common areas. The complaint alleged that the landlord allowed, encouraged and approved a toxic, noxious, hazardous, offensive and carcinogenic condition to be present in all of the outdoor common areas of the complex, including near the swimming pools, common barbecue areas, playground areas and outdoor dining areas.

The trial court dismissed the complaint on procedural grounds, finding that Birke lacked standing under Civil Code Section 3493 which requires that individuals may assert claims for public nuisance only where they have suffered a special injury that is different in kind, not just degree, from the general public. The trial court found that Birke had not shown that her asthma and allergic symptoms were of a different kind, rather than a different degree, from the impact on the general public.

On appeal, the court disagreed with the ruling of the trial court. The Court of Appeal stated that a landlord has a duty to maintain its premises in a reasonably safe

condition. It reasoned that the question that needs to be addressed at trial is not whether the landlord has a duty to ban smoking (an otherwise legal activity), but whether, given its indisputable duty to take reasonable steps to maintain its premises in a reasonably safe condition, its failure to impose any type of limitation on smoking in common areas breached that duty. Thus, while the landlord may not have a legal obligation to adopt an outright ban on smoking, it may have the duty to impose some limitation of smoking in the common areas. The Court reversed the decision of the trial court, and remanded the matter to the trial court for a determination on the merits.

Legal analysts believe that there will be a "wave of litigation" arising from the decision. Some feel that the Birke decision is "revolutionary" in its interpretation of public nuisances. However, the decision is not particularly revolutionary in the City of Santa Cruz. For years, Chapter 6.04 of the Santa Cruz Municipal Code has prohibited smoking in the common areas of "multiple-unit commercial and multi-unit housing facilities." On September 8, 2009, the City of Santa Cruz amended the Municipal Code to expand its smoking regulations, to ban smoking within 25 feet of any door used by the public; to prohibit smoking along the entirety of Pacific Avenue and portions of Beach Street; to ban smoking on City property, including the parking lots and sidewalks; to increase the minimum percentage of non-smoking rooms in

hotels from 75% to 90%; to designate all city parks and the Municipal Wharf as non-smoking except in designated areas; and to prohibit smoking in outdoor dining areas unless an 8 feet high smoking barrier is used to separate the smoking area from the non-smoking area. Under the ordinance, any private citizen may bring legal action to enforce the Municipal Code's smoking regulations.

With clear evidence that smoking and secondhand smoke result in adverse health effects, landlords, homeowners associations, property managers and business owners should care-

fully consider their smoking and secondary smoke policies in light of the Birke decision and applicable local ordinances.

Civil Code Section 3493 provides: "A private person may maintain an action for a public nuisance, if it is specially injurious to himself, but not otherwise."



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A Valuable Hour With Bill Monning

Bill Monning, our 27th District Assembly Member, met with SCAOR members at an open forum Town Hall meeting October 20th. With only 10 months in office Monning has been appointed by Assembly Speaker Karen Bass to serve on the Assembly Budget Committee, Assembly Environmental Safety and Toxic Material Committee, Assembly Judiciary Committee, Joint Legislative Audit Committee, and served as chair of the Assembly Committee on Labor and Employment. Wow!

Monning addressed a wide range of issues from our “dysfunctional” state government, to our world of short sales and foreclosures, to mobile home rent control. He began with an update on the 7 real estate related bills the Governor signed into law 2 days ago. AB260 enacts the Higher-Priced Mortgage Loan Law which codifies a fiduciary duty for mortgage brokers. SB36 standardizes licensing requirements for loan originators. SB239 make it a felony to commit fraud in connection with a mortgage application. AB329 establishes the Reverse Mortgage Elder Protection Act. SB237 creates certification and registration programs for appraisal management companies. AB957 mandates that buyers of foreclosed properties have the choice of selecting their local title company to handle the transaction. AB1160 requires mortgage loan documents to be translated into the language the verbal negotiations were conducted in. Calling our State government “dysfunctional” Monning described a not



L to r. Lori West, Bobbie Nelson, Debra Frey, Anne Marie Sorcenelli, Peg Popken, Bill Monning, Candie Noel, Renee Mello, Roger Lawless, Lorraine Donner, Rose Marie McNair, Inez Pandolfi, Barbara Palmer

very rosy picture for 2010. Another budget crisis is around the corner due to (1) 85% of the budget is set by ballot propositions which the State is obligated to make good on, (2) a 35% drop in the revenue stream due to the recession and our taxing structure, and (3) continued population growth. We have an old, “antiquated” government system in a 21st Century world. California is only 1 of 3 states requiring 2/3 vote at the legislative level and the ballot. In addition to the above 3 issues, the 2/3 vote requirement has been a major hurdle in being able to deliver a balanced budget to the Governor.

According to Monning, the 2010 ballot will contain measures and amendments critical to how the State can budget and obtain revenues. Items include proposals to get away from sales tax and into a gas tax, an out of state sales tax, reducing the 2/3 vote required in Legislature to pass a budget, and an initiative to convene a Constitutional Convention.

Moving closer to home and real estate matters, Monning sup-

ported AB566 on Mobile Home Conversion. The bill requires the sub divider, at the time of filing, to survey the residents to see if a majority supports the conversion. He also supported a rent control bill that removes rent control if it is not a primary residence.

SB211 authored by Joe Simitian and co-authored by Bill Monning develops an open space authority in Santa Cruz County. The Land Trust of Santa Cruz is supporting this initiative. An open space authority is formed for the protection of open space areas such as agriculture, wetlands, etc. It has the authority to

purchase these lands for preservation in the open space district. The bill is on hold for 2 years due to opposition, mostly from the Watsonville community. Simitian is planning to promote the open space district by holding community meetings with the stakeholders.

We all appreciated the time Assemblyman Monning took to meet with the real estate community, and discuss issues concerning our State, County and property values. We all left with a better and more appreciative understanding of the governance of the State, and our future.

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Jennifer Cornell, Lela Willet, SCAOR President



Dimitri Timm, Princeton Capital, Sandy Kaplan, Santa Cruz Properties

Oktoberfest!



Accordian Player, Chiara Bos



We seem to hit upon a "WINNER"!

The weather was hot, hot, hot and OKTOBERFEST was a huge success. 117 REALTORS® and Affiliates enjoyed "Brats and Beer" for only \$5.95 and listed to the "sweet" accordion sounds of Chiara Bos. Members loved the "no pressure and networking get together vibe" and would like to see it again next year. Congratulations Dimitri Timm for "winning" the raffle!



Dimitri Timm with his raffle winnings!

Special thanks to the Affiliate Committee for their hard work, Julie Rumsey for helping with registration, Dee Buckelew for selling Raffle tickets, Bob DeAngelo, David DeAngelo and Crispin for serving up the "scrumptious" brats.

The Affiliate Committee is planning to make this annual event. If you missed it you will have another chance next year.



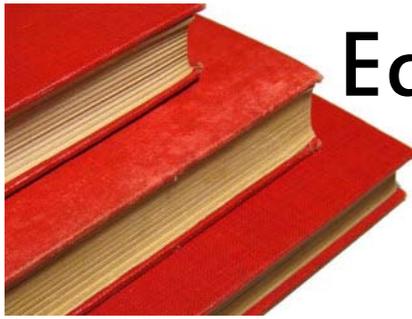
Joe Ganeff, Xchange Solutions, Dimitri Timm, Princeton Capital and Dale Fendorf, Norcal

Affiliates will once again **ADOPT-A-FAMILY** during the December Holiday Season. Many people are in difficult situations (many worse than us) and we look forward to "making a difference" again this year.

It is interesting when things are tough individuals seem to step up to help. Look for opportunities to help when you hear the details.



Brad Sullivan, Property I.D., Loree Doan, and Ralph Costanzo, Stewart Title



Education and Professional Development



MLS Training [Essentials of Matrix](#)

Mon. Nov. 2, 10:30 -12:00pm
Instructor: MLSListings, Inc.

This 90 minute course will provide you with the basic skill requirements for the Matrix search application. Upon completion you will have learned: Application Navigation; Inputting Search Queries; Map Search; Reporting & Results Options; Driving Directions; Adding Search Fields; Saving Searches; Emailing & Printing

MLS Training [Realist](#)

Mon. Nov. 2, 1:30-3:00pm
Instructor: MLSListings, Inc.

This 90 minute course will provide you with the basic skill requirements for the Realist application. Upon completion you will have learned: Application Navigation; Inputting Search Queries; Map Search; Reporting & Results Options; Foreclosure Reports ; Map Labeling; Saving Searches; Data Exporting

[CCIM Commercial Contract Forms](#)

Fri. Nov. 6, 8:30am-5:00pm
Instructor: Richard L. Riemer, Esq. AIR Forms Counsel; Jim Sullivan, SIOR; John Pagliasotti, VOIT Commercial Real Estate

A complete review of AIR's Commercial Real Estate Commercial Contract Forms by Leading Real Estate Professionals and Attorney. Includes lunch

E-Pro Workshop, Newly Enhanced-Includes Social Media

Fri. Nov. 6, . 9:00am-10:30am
Instructor: Saul Klein, Internet Crusade.

Don't miss this free e-PRO® Workshop, compliments of NAR and InternetCrusade. Attending this workshop will teach you technology tips that will immediately help differentiate you from your competition! The e-PRO® Workshop is free to attendees and covers the benefits of taking the online e-PRO® certification course. It will also cover many beneficial technology tips, including some information to get you started with Social Networking, which you can apply right away. e-PRO® is the only online technology certification course offered by the National Association of REALTORS and it's NAR's fastest growing certification course. As an added bonus, NAR's all new Web 2.0 & Social Media course (a \$99 value) will be included with every e-PRO® course enrollment. At the e-PRO® Workshop, attendees will also have the opportunity to take advantage of the \$25 discount for enrolling into the online e-PRO® course. All existing e-PRO®s (and those currently enrolled in the course) who attend and bring a guest will receive an e-PRO® pin (\$25 value). e-PRO® is recognized for elective credit in the designation requirements for CRS (Certified Residential Specialist), ABR (Accredited Buyer Representative), and CIPS (Certified International Property Specialist).

[Clarus Investor](#) Live Webinar

Wed. Nov. 11, 2:15-3:15pm
Instructor: TBD

Clarus Investor® enables agents to engage clients in a healthy discussion about adding real estate to their investment portfolio. This property analysis tool allows agents to help buyers interested in investment real estate obtain a quick picture of the property's value and profit potential. REALTORS® can expand their market and profits with the power of Clarus Investor®. Clarus Investor® Benefits:

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- Easily view and interpret investment projections
- Customizable cover page with:
 - Name and photo
 - Additional business contact information
 - Property photo with property information
- One-Page Summary Report with ROI, Cash Flow Projection, Annual Operation Financials, Acquisition Summary, Loan Terms for a quick overview of the property's potential investment value included. Produce 9 Professional charts to visually communicate investment considerations:
 - Acquisition Cost
 - Operating Expenses
 - 10-Year Cash Flow Projection Chart
 - Capitalization Rate
 - Cash on Cash Return
 - Equity Dividend Rate
 - Gross Rent Multiple
 - Return Equity
 - Debt Service Ratio

[Your Guide to the Residential Purchase Agreement \(RPA\)](#)

Wed. Nov. 18, 9:00am-12:00pm

Instructor: Gov Hutchinson,
General Counsel for CAR.

The California Residential Purchase Agreement and Joint Escrow Instructions (RPA-CA) is the cornerstone of every successful real estate transaction in the state, and there are several essential concepts, principals, and facts about this form that all REALTORS® should know. Objectives: Become familiar with the basic structure of the agreement Learn how to create, modify, cancel or close a transaction Identify, explain, understand and remove contingencies Complete all mandatory and recommended disclosures Ensure all commissions are paid in full and on time Understand all the important terms of the contract

MLS Training [Realist](#)

Mon. Nov.19, 10:30-12:00pm
Instructor: MLSListings, Inc.

See November 2 class for course details

MLS Training [Mastering Matrix](#)

Thurs. Nov.19, 1:00-2:30pm
Instructor: MLSListings, Inc.

This 90 minute course will provide you with advanced skill levels for the Matrix search application. Upon completion you will have learned: Sorting Results; Statistics from Results; CMA's from Results; Area Statistics; Customizing Results; Building Hotsheets; Emailing Results ; Auto Emailing

Click on any class title to see the class flyer



Affiliate Spotlight

Wendy Taylor Home Mortgage Consultant Wells Fargo Home Mortgage



As a home mortgage consultant with Wells Fargo Home Mortgage, one of the nation's leading retail mortgage lenders, Wendy can provide home financing to meet virtually any homebuyer's need. Her goal is to turn buyers into home owners.

In working with her clients, Wendy will help guide them into home financing that meets their individual needs. This is her specialty- helping client's find mortgage solutions that meet current situations while complementing long-term financial goals. She will help determine what mortgage options work for her clients, guide them through the loan process, and be available to answer questions throughout and after the loan process.

For over 10 years, Wendy has been helping individuals and their families realize the dream of homeownership. In that time she has developed, maintained and nurtured many strategic affinity relationships with REALTORS®,

Attorneys, CPAs, Financial Planners, Insurance Agents and other Mortgage Consultants in the area. Wendy understands that these relationships are vital to the survival and strength of her business and they have proven to be mutually rewarding relationships.

Wendy was born and raised in Los Angeles. She moved from L.A to go to college at Humboldt State University where she earned her degree in Psychology in 1993. After college, she returned to L.A. and started working in the Automobile Finance Industry. Missing the redwoods and ocean of Humboldt County, she visited a good friend who moved to Santa Cruz and instantly fell in love with the area. She moved to Santa Cruz in 1997 and never looked back!

Wendy spends her free time with her two daughters Kassidy 11, and Kori 8. Most of their time is spent on their Scotts Valley ranch taking care of their many animals that include- horses, goats, a pot-belly pig,

chickens, a rooster, dogs, cats, turtles and fish.

Most weekends are spent traveling around to local Gymkhana Horse shows. Wendy and her daughters compete in various "timed games on horseback" which include barrel racing and pole bending. They are also currently members of the Santa Cruz County Horseman's Association.



**GET INVOLVED
AND MAKE A
DIFFERENCE.
SIGN UP FOR A
SCAOR 2010
COMMITTEE
NOW!!!!**

Joining a committee and getting involved has always been a great way to make new contacts, learn about the new trends in the industry, and have a hand in shaping the Association's direction.

The Santa Cruz Association of REALTORS® (SCAOR) is governed by a Board of Directors and various committees comprised of volunteer members who want to help make a difference in SCAOR. If you are interested in serving on a committee, and are a member in good standing with SCAOR then please sign up now for a committee for 2010!

The Association has plenty of opportunities for you to volunteer. Please complete the sign up form ([click here](#)) and either mail, fax or email it back to Kathy Hartman. List your 3 preferences and you will be contacted to let you know where we need you the most.

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C.A.R Report: Mortgage Protection, Local Business Protection and Loan Mods and Short Sales

*Bobbie Nelson,
C.A.R Director*

C.A.R. H.A.F Mortgage Protection Program (MPP)

The **Mortgage Protection Program**, offered by C.A.R.'s Housing Affordability Fund, provides up to \$1,500 per month, for up to six months, to eligible first-time home buyers who lose their jobs due to layoffs. The funds are intended to help consumers make their mortgage payment obligations. Qualified co-buyers also can participate in the program, and receive monthly benefits of \$750 per month for up to six months.

"The Mortgage Protection Program was developed to help ease the anxiety of consumers concerned about potential job loss and its impact on their ability to make their mortgage obligation," said C.A.R. President James Liptak. "The overwhelming positive response from REALTORS® and their clients across the state has proven that the program is highly effective." Use this link for more information, [click here](#).

REALTOR® Action Fund

Our total contributions to the **REALTOR® Action Fund (RAF)** were 29% with 352 members making some kind of investment in the fund. We collected a total of \$26,129.61 as of September 30, 2009. Our C.A.R. Directors were 100% investors all at levels of \$197.00 or better. Our local directors and LGR committee is being encouraged to participate as well. We made many WINS this year at both the local and state level. We use the funds collected to support local issues, our GAD funding, and the bus trip in June to Sacramento. I encourage all to make their contributions in their dues billing for 2010 as issues will need our attention and your investment will help us fight for the right to do our business as well as protect personal property rights for our clients. Look to the dues billing insert for the 2009 WIN's for REALTORS®. **INVEST TO PROTECT OUR RIGHTS TO PRACTICE REAL ESTATE**

Panel Discussion on Short Sales and Loan Modifications

Major banking companies took part in a panel discussion on what they are doing to streamline the process of loan modifications and short sale approval. Recognition was made by each bank representative that there is a problem and it does need to be addressed. Banks represented by the panel Chase, Wells Fargo and Bank of America.

Chase: Trial loan modification qualifiers. Program has provided 144,000 trial loan modifications. Chase is working to find a best fit for long term sustainability to a homeowner and payments. They have established 27 home council centers and 9 California home call centers.

Bank of America: Using a making home affordable program model ([link](#)) over 100,000 trial loan modifications done to date. They are conducting outreach events to meet face to face with borrowers who have not contacted the bank directly.



Wells Fargo: Conducting prevention workshops and outreach efforts with targeted marketing to offer help to homeowners to avoid foreclosure. They are working to assure tools are in place to understand the hardships and how to structure a loan to fit the consumer needs they have a process called 2nd look.

Shorten your short sale with these tips from banks

- (1) Assure pricing is correct with market
- (2) Make sure the buyer gets updates from listing agent regularly
- (3) Valuation complete and paper work submitted together
- (4) Validated hardship

Report from CAR Meetings

*Barbara Palmer
CAR Director*

Legal Hotline open on Saturdays

As a member benefit, C.A.R. offers the C.A.R. Legal Hotline service to members on Saturdays. Members now can call the C.A.R. Legal Hotline Saturdays, between 10 a.m. and 2 p.m., and speak live with an attorney on transaction-based question. Calls will be taken on a first-come, first-served basis. Members may call the Hotline at (213) 739-8282 anytime during the Saturday hours of operation.

The C.A.R. Legal Hotline offers

members free, confidential legal advice over the telephone on a vast array of real-estate related topics, such as contract interpretation, arbitration, litigation, tax issues, commission disputes, disclosure requirements, fair housing issues, and laws governing homeowners' associations.

C.A.R. members have saved more than \$4 million in legal fees in 2009 with the C.A.R. Legal Hotline. Why haven't you called yet?

Legislative Issues Appraisals

Appraisals were frequently discussed at the CAR meetings in October. Several members reported issues concerning losing sales because appraisals were either not completed in a timely manner, or the appraiser not being local, did not have a good understanding of the marketplace in which the property was located.

C.A.R. Board of Directors voted to sponsor legislation to require lenders to accept a "portable" appraisal at the request of a borrower. This would mean if the borrower paid for an appraisal on a property but did not get a



loan approved by one lender the appraisal can be taken to a second lender when applying for the loan on the same property.

C.A.R. Board of Directors voted to support legislation setting up a program to use electronic scanning technology to scan title records for unconstitutional

Continued on next page

Barbara Palmer CAR Report continued:

transfer restrictions and redact the illegal restrictions in a way that does not add prohibitive costs to the recording process. Legislation was introduced in 09-2008 that would have required a very costly process to change the outdated CCRS and CAR therefore opposed the Bill. Technology has since been developed that makes this process less costly, in fact it now can be done at a fraction of the cost. CAR anticipates that someone will be bringing this issue forward next year, and therefore CAR will not be opposing the new Bill

.C.A.R. will sponsor legislation to redraft the existing "advance fee" statute so that it more clearly captures the concept of receiving payment before the services are performed. In this recent housing economy of short sales and foreclosures there have been many unscrupulous people getting retainers from unsuspecting consumers telling them they will be "helped" and "saved from foreclosure." This is a huge problem, in fact, the Department of Real Estate has teamed up with Attorney General's office to prosecute many of these people that collect money up front and do nothing or very little for

the consumer. One company that frequently advertising on television was stopped only after collecting over \$3,000,000 in less than 6 months.

Real Estate Finance

C.A.R. Board of Directors voted to, in conjunction with NAR, "SUPPORT" the elimination of the FHA 90-day anti-flipping rule and that C.A.R. write and publish a letter to the FHA Commissioner in opposition to the FHA 90-day anti-flipping rule. In blighted areas investors have been purchasing properties, renovating them, and trying to sell.

REALTORS® from these areas asked the CAR take this action in order that these properties need not be delayed in getting on the market, because inventory is low.

C.A.R. Board of Directors voted to, in conjunction with NAR, seek to eliminate the mandatory VA pest certification and mandatory seller fees. VA loans prohibit the borrower from paying these fees, and the sellers have been unwilling to pay. This action will help the people purchasing with a VA loan have a better chance of getting their purchase agreement accepted.

C.A.R. Report – Manufactured Housing Committee

Candace Bradfield
CAR Director

This Committee is a Policy Committee. Its mission is to develop C.A.R.'s housing policy. It has original jurisdiction to evaluate housing legislation and regulation in the following issue areas:

Common Interest Developments, Fair Housing/Equal Opportunity, Housing Policy, Manufactured Housing, Multifamily Housing, Property Management and Real Estate Finance.

2009 Bills of Interest

AB 481 (Ma) 2nd Home Exemptions from Mobile Home Park (MHP) Rent Control - Existing law exempts a mobile home space from rent control if it is not the principal residence of the homeowner, and the homeowner has not rented the mobile home to another party. AB 481, sponsored by the Western Manufactured Housing Communities Association, would include in this exemption from rent control, "second home" mobile home spaces where the homeowner has rented the mobile home to another party. The bill also clarifies the basis for determining if the mobile home is the homeowner's principal residence. C.A.R. supports AB 481

because the second home exemption from rent control encourages the development of more parks and communities in jurisdictions needing additional affordable housing. The bill was not heard in 2009 and must get out of its "house of origin" by the end of January, 2010, to stay "alive".

Position: Support **Status:** Assembly Housing and Community Development Committee

CB: Still in Assembly. If we don't hear by January – it's dead.

AB 566 (Nava) Required Vote of Homeowners on MHP Conversion - When converting an existing mobile home park to private ownership, the Subdivision Map Act requires subdividers to obtain a survey that gauges the mobile home park resident's support for the proposed conversion. AB 566 takes this requirement one step further by requiring local agencies to consider whether the survey indicated that a majority of the residents of a mobile home park support the park's conversion to private ownership. As introduced, the bill also permitted local agencies to enact ordinances to prevent "sham" con-

versions and preserve affordable housing. C.A.R. opposed AB 566 because it could have created unnecessary and cumbersome impediments that would have made it more difficult for parks to convert to resident-ownership by permitting local agencies to interfere with a decision that should be left to residents and owners. C.A.R. obtained amendments that satisfied its concerns, leaving the conversion decision up to the park owner and residents. C.A.R. is now neutral on AB 566.

Position: Watch as Amended **Status:** Enrolled to the Governor

CB: If there's no signature, it becomes law. (Jan. 11, 2010).

AB 761 (Calderon, C.) MHP Vacancy De-Control - California has had vacancy decontrol for apartments since 1995 under the Costa-Hawkins Rental Housing Act, which C.A.R. successfully co-sponsored. This bill proposes to create "Costa-Hawkins-type vacancy de-control" for mobile home parks and manufactured housing communities. As with apartment vacancy decontrol, this bill does not prohibit rent control nor does it raise rents for existing

tenants beyond that permitted by a local ordinance. Rather, vacancy decontrol only permits an owner of a mobile home park to raise space rent to market rates for a new resident when the space or mobile home unit is voluntarily vacated due to a sale, assignment, transfer, or termination of tenancy in the mobile home. AB 761 further provides that, after execution of the new rental agreement, the local rent control ordinance provisions shall apply. C.A.R. supports AB 761 because vacancy decontrol removes some of the negative impacts caused by rent control which include discouraging investment in, and construction of, new manufactured housing communities.

Position: Support **Status:** Senate Rules Committee

AB 869 (Mendoza) Certification of MHP Managers - This bill would establish a program of certification for mobile home park managers.

Continued on next page



Candace Bradfield CAR **Report Continued**

It specifies the subject matter and hours of instruction, and would require a competency examination and a certificate of completion. AB 869 failed passage in its first hearing and was not re-visited in 2009. It must get out of its "house of origin" by the end of January, 2010, or it is "dead" for this session of the Legislature.

Position: Favor **Status:** Assembly Housing & Community Development Committee

CB: Currently in Assembly.

AB 1108 (Fuentes) Turnover of MHP Master-Metered Utilities to Utilities Corporations

This bill would make the existing provisions of law relating to master-meter customers applicable only to master-meter customers providing submetered service to tenants of an apartment building or similar multi-family residential dwelling. It would adopt separate provisions that are applicable to a master-meter customer that provides submetered service to tenants of a mobile home park or manufactured housing community. It also would require the Public Utilities Commission to open an appropriate proceeding and adopt criteria for determining when an owner of a master-metered mobile home park or manufactured housing community that provides gas or electric service to residents of the park or community will be required to transfer responsibility for gas or electric service to the gas or electrical corporation providing service in the area in which the park or community is located.

Position: Watch **Status:** Senate Appropriations Committee

SB 23 (Padilla) Required Emergency Preparedness Plans for MHPs - This bill would amend both the Mobile home Parks Act and the Special

Occupancy Parks Act to require an owner or operator of an existing park or a special occupancy park to adopt an emergency preparedness plan on or before September 1, 2010. The bill would require an owner or operator of a park to post notice of the plan and to provide information relating to accessing individual emergency preparedness information.

Position: Favor **Status:** Enrolled to Governor

SB 111 (Correa) Recodification of Mobile Home Residency Law - SB 111 was introduced to modestly reorganize and simplify the Mobile Home Residency Law (MRL). The intent was to make the MRL more "user friendly" without making any substantive changes in the law, essentially reorganizing sections more logically. C.A.R. would have supported SB 111 if it had been amended to include section titles for each MRL code section, which would have better assisted mobile home owners in understanding the meaning of each section. SB 111 was amended to instead make minor technical changes to the MRL.

Position: Watch as Amended **Status:** Enrolled to the Governor

SB 120 (Lowenthal) Utility Service Disclosure Requirements - This bill would authorize a tenant or occupant who has made a utility payment to a public utility or publicly owned utility because the landlord failed to do so as required, to deduct the amount of the payment from the rent. It also provides that, where a landlord-tenant relationship exists, if an electrical, gas, heat, or water corporation furnishes individually metered residential service to residential occupants in a detached single-family dwelling, multiunit residential structure, mobile home park, or permanent residential structure in a labor camp, and the owner, manager, or operator is the cust-

omer of record, the corporation is required to make a good faith effort to inform the residential occupants when the account is in arrears. The notice shall be in writing, notifying that service will be terminated at least 10 days prior to termination, and be in English, Spanish, Chinese, Tagalog, Vietnamese, and Korean.

Position: Watch **Status:** Enrolled to Governor.

SB 224 (Correa) MH Rehabilitation with Retrofit of Ignition - Resistant Exterior Components

The CalHome Program administered by the Department of Housing and Community Development (DHCD) authorizes funds appropriated for purposes of the program to be used to enable low- and very low income households to become or remain homeowners. Grant funds can be utilized for, among other things, home rehabilitation. Existing administrative regulations require installation of an ignition resistant construction system when a manufactured home, mobile home, multifamily manufactured home, or commercial modular is installed in fire-prone areas. SB 224 would provide that home rehabilitation includes the installation or retrofit of ignition resistant exterior components on existing manufactured homes, mobile homes, and accessory structures irrespective of location in the state and that CalHome funds can be utilized to finance such improvements.

Position: Favor **Status:** Enrolled to Governor.

SB 398 (Correa) Fire Code Enforcement in Mobile Home Parks/ Manufactured Housing Communities

Department of Housing and Community Development (DHCD) regulations governing prevention of fire, or for the protection of life and property against fire in mobile

home parks and manufactured housing communities, are applicable in all parks and communities, except those within a city, county, or city and county that exercises enforcement fire prevention regulatory responsibilities. This bill would also exempt from department regulations a mobile home park within a special district or other entity that has been delegated fire code enforcement by the city, county, or city and county that is the enforcement agency, and the special district or entity is enforcing a fire prevention code in accordance with the Mobile home Parks Act.

Position: Watch **Status:** Enrolled to Governor

SB 804 (Leno) Restrictions on MHP Management Regarding Sales of Homes in a Park

The Mobile home Residency Law provides that mobile home park or manufactured housing community management may not show or list for sale a manufactured home or mobile home without first obtaining the owner's written authorization. Management, however, may require a homeowner to advise management in writing that his or her manufactured home or mobile home is for sale. Management may not require the selling homeowner to authorize the management or any other specified broker, dealer, or person to act as the agent in the sale of a manufactured home or mobile home as a condition of management's approval of the buyer or prospective homeowner for residency in the park. This bill additionally prohibits the management from requiring a homeowner, who is replacing a mobile home or manufactured home on a space in the park in which he or she resides, to use a specific broker, dealer, or other person as an agent in the purchase or installation of the replacement home.

Position: Favor **Status:** Enacted into law; Chapter 66,



Hot Topics Discussed at CAR's Equal Opportunity - Cultural Diversity Committee

Candace Bradfield
CAR Director

At this year's CAR Meetings the Equal Opportunity - Cultural Diversity committee reported and discussed the following industry hot topics:

1. Making Homes Affordable

On March 4, 2009, the Obama Administration released detailed guidelines for homeowners to help them determine if they qualify for the Administration's new Making Home Affordable plan (HAMP). HAMP sought to help homeowners struggling with payments and who are underwater on their homes by giving incentives to lenders to rework loans though reduced interest, principle forgiveness, extensions of loans, and moving adjustable loans into fixed rate loans. It also sought to help homeowners not yet underwater refinance into more affordable loans to reduce the risk of them falling underwater or behind on their payments.

About 85% of loans in the market are eligible for possible participation in the HAMP plan, although nowhere close to that number have been submitted or reworked. So far there have been over 360,000 trial modifications entered into while there have been over 1,300,000 applications made.

The administration sees this as a start, but as a slow success. Many analysts are worried that these reworking of the loans are just delaying foreclosure as most of them do not include a principle reduction, which most see as vital to helping homeowners who are underwater. Additionally, analysts have testified to Congress that "even if HAMP is a total success, we should still expect millions of foreclosures".

2. Homebuyer Tax Credit

The current First-time Homebuyer Tax Credit (HTC) expires on November 30, 2009; meaning that in order to be eligible for the HTC the escrow cannot close past November 30, 2009.

If the home was purchased between January 1, 2009 and November 30, 2009, the current HTC is:

- The tax credit is 10% of the purchase price, capped at \$8,000.
- The tax credit does not need to be repaid – the only exception being if the property is sold within 3-years of purchase.
- You can get the credit if the property is financed by a tax exempt qualified mortgage issue/bond. C.A.R. and NAR are working diligently on both

expanding and extending the HTC. C.A.R and NAR want to see the tax credit expanded to all homebuyers and extended until the end of 2010.

The HTC has accomplished its primary goal; it has helped create homeowners and has helped stabilize housing prices. C.A.R's research on the use of the tax credit in California showed that 39% of homebuyers said that they would not have purchased a home without the tax credit. 52% of homebuyers making under \$100,000/year said that they would not have purchased a home without the tax credit. Additionally, of those first-time homebuyers who planned to apply for the tax credit 40% of respondents said it was the "most important" factor in their purchasing of a home.

3. Servicer Fees May Deter Loan Modifications

Many industry insiders are saying that one of the main stumbling blocks to helping homeowners modify their loans and avoid foreclosure is the incentive that servicers have to drag the process out and collect their fees. Even when a homeowner stops paying, mortgage servicers collect fees out of the proceeds when homes are ulti-

mately sold in foreclosure. This means that the longer a borrower remains delinquent, the greater the opportunity for these servicers to collect fees for insurance, appraisals, title searches, and legal services.

This is also an issue because many lenders and servicers are reluctant to modify loans because these modifications can hurt their bottom line and they are hopeful that the economy will improve and borrowers will be able to resume payments.

IV. California Housing Finance Agency (CalHFA) Programs - Leah Pears, Homeownership Leads Program & Outreach Manager, CalHFA

The California Housing Finance Agency's mission is to finance below market rate loans to create safe, decent and affordable rental housing and to assist first-time homebuyers in achieving the dream of homeownership. For current CalHFA Press Releases, Program Bulletins and other announcements please visit [this site](#). If you would like to receive notification of announcements as they are released, please visit their [E-News Announcements](#) page to sign up for email notifications.

C.A.R. Standard Forms Committee

Candace Bradfield
CAR Director

November 2009 Form Release

Quick Summary

The **chart on the next page** is a quick summary of the new and revised standard forms scheduled for release **the week of November 16, 2009**. For further information, please refer to the C.A.R. web page [here](#).

The member review and comment period for the November

2009 forms revisions ended at 12:00 p.m. (noon) on Friday, September 18th, 2009. PLEASE NOTE: this list is subject to change, and CAR will notify Associations with any changes or additions.

RPA-CA Study Group Input

The RPA Study Group welcomes comments and suggestions regarding the latest draft of the Residential Purchase Agree-

ment (RPA). This form is not anticipated for release until sometime in 2010.

To review the latest RPA draft and related documents, click here: [RPA-Draft 9-09](#).

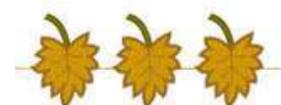
Please click on the following links to review drafts of the various forms to be released concurrently with the RPA-CA:

[Table of Contents-Residential Purchase Agreement \(TOC\)](#)

[FHA or VA Notice and Addendum \(FVA\)](#)

[Wood Destroying Pest Inspection and Allocation of Cost Addendum \(WPA\)](#)

Please forward any comments, modifications, or corrections to carforms@car.org.



November 2009 Form Release Quick Summary

Form Code	Form Name	Replaces	Brief description of how the form was revised	OK to use prior revision
AD	Disclosure Regarding Real Estate Agency Relationships	4/06	Explanation box modified to address alternate method of compliance for buyer's agent to give only one AD form for signature of both buyer and seller.	Yes
BES	Buyer's Intent to Exchange Supplement	10/01	Language added to clarify that Buyer deposit is to be returned if the transaction is cancelled pursuant as specified.	Yes
LRA	Application to Rent/Screening Fee	4/03	Add license # block for Broker Signature	Yes
SES	Seller's Intent to Exchange Supplement	10/01	Language added to clarify that Buyer deposit is to be returned if the transaction is cancelled pursuant as specified.	Yes
SPQ	Seller Property Questionnaire	11/07	Statutory and contractually required/related questions relocated to the first page.	Yes
SSD	Supplemental Statutory and Contractual Disclosures	11/08	Added question regarding awareness of methamphetamine contamination.	Yes
WHSD	Water Heater and Smoke Detector Statement of Compliance	11/07	Added language to remind seller of a Housing and Community Development requirement if property is a manufactured or mobile home.	Yes

Learn About Crime In Your Neighborhood

A lot of time is spent talking about online crime. That's because the Internet has given criminals plenty of new ways to commit their crimes.

But real-world crimes are more worrying. Burglaries and assaults are terrifying. And a robbery can leave you feeling violated.

Fortunately, the Internet can help you protect your family.

SpotCrime will help you locate crime in your area.

Start by selecting your city and clicking Go. You'll be presented with a map showing crime in your city.

You can zoom in or out as needed. And, options above the map will help you select which types of crimes to display.

You can also search for a specific address.

And don't forget to click through to the Analytics. It will give you a quick overview of crime in your area.

SpotCrime is a great way to avoid dangerous areas. Or, if you notice robberies on your block, you can take extra precautions!

TO VISIT TODAY'S COOL SITE, GO HERE:
spotcrime.com



2010 Dues Renewal Contest



Renew your 2010 Association membership early and be entered into a drawing to win all of your dues back!

WIN ALL OF YOUR DUES BACK!!

One member will win their entire dues renewal back (this includes local, state and national dues).

If you pay your dues by December 31, 2009 and your check clears the bank or your credit card goes through the first time, you will be entered into the Dues Renewal Contest.

Drawing will be held on Friday, January 8, 2010 at the first Board of Directors meeting.



The 5th Annual “A Taste of Santa Cruz” Needs You!!

Thursday, November 5th

The Santa Cruz Association of REALTORS® Housing Foundation’s annual fund raiser is quickly approaching and volunteers are needed to participate in the silent auction during the evening. We’ve scheduled 45 minute shifts during the evening and by signing up for a shift you will insure the success of this year’s

event. Please select one or more of the following shifts and send an email to Jeanne Mulhern [click here](#) or Connie Landes [click here](#). Thank you so much and don’t forget to buy your ticket on line at www.atosc.com, at the SCAOR office or from your office representative.

Silent Auction Shifts:

- 5:15 pm – 6:00 pm
- 6:00 pm – 6:45 pm
- 6:30 pm --7:15 pm
- 7:00 pm – 7:45 pm
- 7:15 pm – 8:00 pm
- 8:00 pm – Table Closing



Elaine Della-Santina,
Chair
SCAORHF



“A Taste of Santa Cruz” Sponsors

Please Support Our Sponsors As They Support Your Housing Foundation

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Gold Sponsor

Keller Williams Realty

Media Sponsors

Good Times
Coastal Homes

In Kind Sponsor

Kelley Trousdale

Booth Sponsors

1 Modification Services
Alternative Investment Strategies
American Dream Realty
Bailey Properties
Bank of America Home Loans
Bank of the West
Blue Adobe Mortgage
Century 21 Showcase
Cheryl Rebottaro – Morgan
Stanley Smith Barney

Coldwell Banker Residential Brokerage

Crown Real Estate
David Lyng Real Estate
Financial Strategies
Frank O. May and Associates
Guaranteed Rate
Intero Real Estate Services
Keller Williams Realty
McNair Real Properties/Ross
Real Estate
MetLife Home Loans

Monterey Bay Properties
Mr.s A’s Famous Salsa Buena
Network Mortgage
Old Republic Home Protection
Princeton Capital
Property I.D.
Robertson Real Estate
Santa Cruz County Bank
The Buckholdt Home
Financing Team
Wells Fargo Home Mortgage



Save the Date for SCAOR’s Holiday Open House!

Wednesday, December 9, 2009

Enjoy music, food and libations from 4-6 PM

Remember to bring a can of food for the Second Harvest Food Bank to help feed the hungry this season.

You won’t want to miss this social,
networking event!

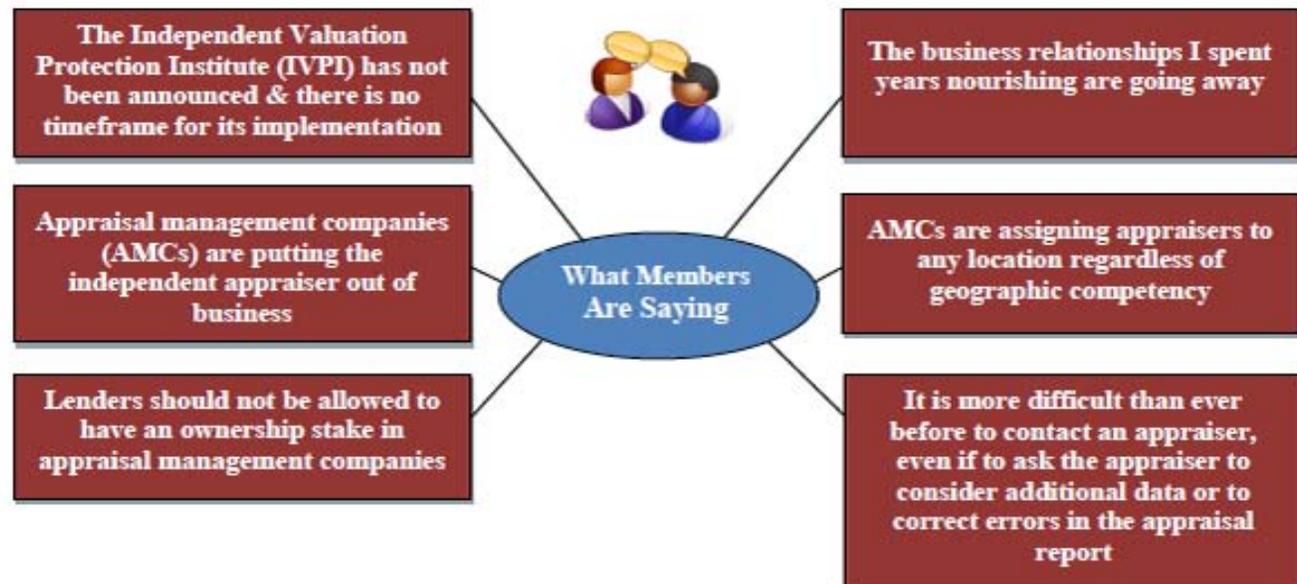


NATIONAL ASSOCIATION OF REALTORS®

The Voice for Real Estate®

REALTOR® Concerns about the Home Valuation Code of Conduct

REALTORS® are increasingly vocal about the implementation of the Home Valuation Code of Conduct (HVCC). This is what they are reporting to the National Association of REALTORS® (NAR).



In response, NAR created a page on Realtor.org which includes the most up to date information on the HVCC. To view the page, visit www.realtor.org/hvcc. The following is a list of steps NAR is taking to keep members informed:

- NAR created the HVCC Summary/FAQ on the HVCC page of Realtor.org.
- A NAR Regulatory Issues Brief was put together for the 2009 Midyear Meetings held in Washington, DC. The brief outlines how HVCC impacts all the stakeholders in the real estate industry.
- The Appraisal Insight blog has several posts related to HVCC.
- NAR adopted policy on AMCs at the 2009 Midyear Meetings. NAR supports the empowerment of federal mortgage regulators to adopt standards for AMCs and to promulgate licensing requirements of AMCs to the states through the Financial Institutions Reform and Recover Enforcement Act (FIRREA) and other related legislation.
- NAR plans to host a forum on appraisal issues at the 2009 Annual Convention in San Diego in November.

June 2009

Understanding the Home Valuation Code of Conduct (HVCC)

HVCC Myths

HVCC Facts

HVCC Prohibits REALTORS® and lenders from talking to appraisers.



REALTORS® and lenders can talk to appraisers, including requests to consider additional data or to correct errors.

A lender is required to use an appraisal management company (AMC) to get an appraisal.



Lenders may directly retain the services of an independent appraiser.

Lenders are required to choose appraisers from a rotating roster approved by Fannie Mae or Freddie Mac.



Lenders may choose to use a rotating roster of appraisers but are NOT required to do so by Fannie Mae or Freddie Mac.

The code applies to all mortgages that require an appraisal.



The code applies only to 1-4 single family loans sold by Fannie Mae or Freddie Mac and does not apply to FHA, VA or the Federal Home Loan Banks.

HVCC requires an appraisal where a lender was previously under no requirement to obtain one.



Nothing in the HVCC requires a lender to obtain a property valuation or to use a particular methodology.

A mortgage broker may select the appraiser.



If the lender grants permission, a mortgage broker may directly contact a lender-approved AMC that retains the appraiser.

A mortgage broker may not transfer an appraisal from one lender to another.



A mortgage broker may transfer an appraisal if the lender who ordered the original appraisal grants permission.

Borrowers must use a credit card upfront to pay for an appraisal.



A borrower is not required to pay for an appraisal with any one particular form of payment.

A borrower may pay the appraiser directly.



Payment for an appraisal must be made to the lender or third-party hired by the lender to retain the appraisal services.



SCAOR Calendar November 2009

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2 10:30am-12:00pm Essentials of Matrix 1:30pm-3:00pm Realist	3 1:30pm SCAORHF Nominating Committee Meeting	4	 "A Taste of Santa Cruz" at the Coconut Grove 5:30pm-9:00pm	6 10:00am-11:30am E-PRO Workshop 9:00am SCAOR Board of Directors Meeting	7
8	9 8:30am Affiliate Com- mittee Meeting	10	 SCAOR Office Closed in observance of Veterans Day	12	13	14
15	16 9:00am-10:30am Housing Assistance Presentation	17 2:30pm SCAORHF Board of Directors	18 9:00am-12:00pm Guide to the RPA 9:00am Budget & Finance Committee 1:00pm Education Commit- tee Meeting	19 10:30am-12:00pm Realist 1:00pm-2:30pm Mastering Matrix	20 8:30am LGR Committee Meeting	21
22	23	24	25	 SCAOR Office Closed	 SCAOR Office Closed	28
29	30					

November is Designation Awareness Month

REALTORS® Celebrate November as REALTOR® Designation Awareness Month by starting, completing or continuing the courses necessary to earn an official REALTOR® designation.

Earning a designation from NAR or one of its affiliated Institutes, Societies and Councils can help you succeed in all aspects of your business and help you earn more money.

REALTORS® who pursue professional designations have a distinct competitive edge as a result of their increased expertise and marketability. Based on 2009 survey data, the median income of REALTORS® without a designation was \$28,400 and the median income of those with at least one designation was \$57,700. The difference between the two is \$27,300.

There is an official NAR designation for practically every specialty area in the real estate industry. The NATIONAL ASSOCIATION OF REALTORS® and its affiliated Institutes, Societies and Councils provide a wide-range of programs and services that assist members with increasing skills, productivity, marketability, proficiency and knowledge. Designations and certifications acknowledging experience and expertise in various real estate sectors are awarded by each affiliated group upon completion of required courses.

Access a [complete list of NAR Designations](#) or the [NAR Education Matrix](#). The Education Matrix is a database of all education provided by NAR and its affiliated Institutes, Societies and Councils.

New REALTOR®

Members

October 2009

Associated Realty Services
Alexis Jackson

El Portal Realty
Linda Braun - secondary

Keller Williams Realty
Cheryl Fulmer

Main Street REALTORS®
Ellen Carter

Ow Properties
William Ow

**Santa Cruz Buyers
Brokerage**
Trevor Roberti

Zip Realty
Ekaterina "Katya" Dennis