

inside REAL ESTATE

Santa Cruz County's Real Estate News Source

A publication of the Santa Cruz County Association of REALTORS®

November 2010

What's Inside My SCCAR Membership?

Helping You Gain New Business

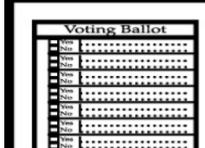
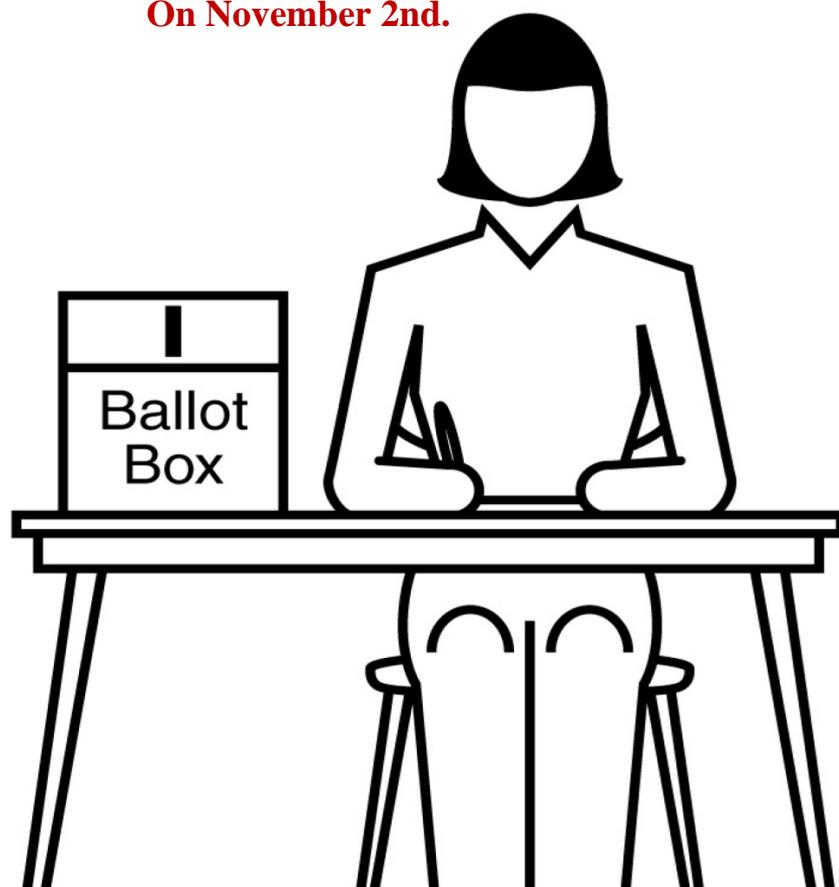
Helping You Conduct Business

Helping You Grow Your Career

Look Inside For More!

PLEASE VOTE

On November 2nd.



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For advertising and deadline information, please contact SCCAR.

INSIDE REAL ESTATE Newsletter

Inside Real Estate is the official monthly newsletter of the Santa Cruz County 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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REALTORS®
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President's Message

"A Taste of Santa Cruz"

An SCCAR Success Story



Steve Allen
2010 Association President

Allen Property Group, Inc.
831-688-5100
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November is here and that means its time for the sixth annual "Taste of Santa Cruz". In addition to being one of the most anticipated events in the County, I can now unequivocally say that that our little fundraiser is a treasure throughout the State. Where else can you find a night of networking and comradery while sampling food from the best restaurants in the County; all the while raising tens of thousands of dollars for our very own Housing Foundation? In the five years since the event has been held, \$245,000 has been collectively raised with 100% going towards the Closing Cost Assistance Grant Program. We have helped more than 100 Santa Cruz County families get the keys to their first homes, all the while furthering the positive image of REALTORS® in our community. That is a win-win scenario if I have ever seen one.

Robert Bailey, Kathy Hartman and I were able to present to the C.A.R. Housing Affordability Fund Committee during the Anaheim Business Meetings in October. Thanks to a crash course in our own Housing Foundation I am proud to say that SCCAR was awarded our third C.A.R. grant, this time in the amount of \$40,000! Sure I knew about the great things this Association has done with our own Housing Foundation, but what I didn't know was how rare this success was for a real estate association of our size. For those of you who have participated in any type of fundrais-

ing event over the past several years, I'm sure you know what a challenge it can be in this economy. One of C.A.R.'s requirements is that a given association be able to match their respected grant request with equal funds; out of all the associations in the State, and dozens that have received previous grants, Santa Cruz County was one of only two who qualified for the grant at this meeting. The fact that we have previously taken home two previous high dollar grants is extremely rare. And to what do we owe our success? Well, in addition to our wonderful members, staff and volunteers, without a doubt, the secret weapon is the "A Taste of

Santa Cruz". I would like to give a special thank you to Sandy Kaplan, Andrea Harbert and the Santa Cruz Housing Foundation Committee Members for all the special work they do to make this happen.

Your Executive Team will be traveling to New Orleans for the NAR Meetings, so please bring your clients on November 3rd and raise your glass to the best of which Santa Cruz has to offer!

Cheers,

Steve Allen

President

Santa Cruz County Association of REALTORS®



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Steve Allen, CCIM Principal Broker/President

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EQUAL HOUSING LENDER

Real Estate Legal Matters

Disclosure Duties When No Contractual Relationship

*By Lloyd R. Williams,
Bossy Williams, APC
Association Attorney*



The Appellate Court decision in Holmes v. Summer, published on October 6, 2010, is instructive regarding disclosure duties of a listing agent who is not also representing the buyer and, thus, does not have a contractual relationship with the buyer (i.e., no privity of contract).

The seller listed a residence with Summer and another broker (collectively, brokers). Mr. and Mrs. Holmes (collectively, buyers) saw the listing on an MLS website, which stated a price range of \$749,000 - \$799,000. The buyers submitted an offer to the brokers for a purchase price of \$700,000 and a 60-day escrow, but ended up signing a Purchase Agreement for \$749,000 with a 30-day escrow. Although known by the brokers, the buyers were not informed that there were three deeds of trust recorded against the residence which totaled \$1,141,000, being \$392,000 above the purchase price. The brokers also knew that the buyers needed to sell their current home in order to raise the difference between the purchase price and the new loan amount. The Purchase Agreement (CAR's RPA form) required all

monetary liens, other than the new loan, to be paid by the seller. After the Purchase Agreement was entered into, the buyers sold their home and the brokers were unable to obtain consent by the lenders to a short sale. Further, the Seller did not have the cash to pay the difference.

The buyers sued the brokers for negligence, negligent misrepresentation and for deceit due to misrepresentation and failure to disclose. The brokers demurred to the complaint, claiming the buyers' suit sought to make the brokers guarantors of the Seller's performance, and that the Seller's failure to put up the necessary cash to close escrow was a business decision of the Seller, for which the brokers were not liable. The lower court, in granting the demurrer without leave to amend, stated that the lawsuit should have been filed against the Seller and not the brokers, as the brokers did not breach any duty to the buyers. The Appellate Court disagreed, citing that the basic duty of a seller to disclose known material facts affecting value or desirability not known to or within the reach of diligent

attention and observation of the buyer, extends to the Seller's agents who are also aware of such facts. The Court further stated that silence amounts to a representation of the nonexistence of the facts not disclosed. Thus, the brokers had a duty of disclosure to the buyers of the existence of the three deeds of trust totaling substantially more than the purchase price, and that the sale would not go through unless the lenders agreed to a short sale or the seller put up the additional cash. Moreover, the Court held that these disclosures had to be made to the buyers before they signed the Purchase Agreement "...so that the buyer can inquire further and evaluate

whether to risk entering into a transaction with a substantial risk of failure."

The brokers contended that they were precluded from disclosing the financial situation due to it being the Seller's confidential financial information. The Court first pointed out that the Deeds of Trust were recorded and, thus, were not confidential information. The Court, however, acknowledged that the Seller's financial information could be confidential information, but stated that "[i]n a case such as the one before us, where the seller's financial situation is so precarious,

Continued on Page 11

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Proposed County Vacation Rental Ordinance Continued

Candie Noel

*Local Government Relations Chair
Bailey Properties, Inc. 831- 688-7434
cnoel@baileyproperties.com*



The Housing Advisory Committee (HAC) met a second time to discuss the proposed County vacation rental ordinance on October 6th. The house was packed again with about 200 filling the Live Oak School multipurpose room. Only people who did not speak at the last meeting were asked to speak. Of the approximately 42 people who spoke, about 75% spoke opposing the ordinance.

HAC did an excellent job of really listening to everyone and their stories. After a thorough discussion the Committee rejected the ordinance, 7 to 2.

Overall, HAC felt the ordinance was not enforceable, was over-reaching, could pit neighbor against neighbor, and punished the majority of good landlords and visitors because of a few "bad apples". They also were concerned that data not been

provided showing a need for the ordinance, and this ordinance could hurt tourism, our number one industry.

The Committee asked planning to come back with a "simplified" ordinance that reflects the "voice of the community" as heard from the two meetings. The ordinance is not to include any operations (length of stay, people per bedroom, etc.), no grandfathering, no exemption areas.

The simplified ordinance should have the following elements:

- 1) all must have a permit or register in some fashion to have a vacation rental
- 2) all must have a local contact person
- 3) all must have signage with contact person information.
- 4) dispute resolution for neighborhoods with the "bad apples"
- 5) cost recovery for sheriff calls

The Planning Department is expected to have the simplified ordinance ready for HAC review at their next regular scheduled meeting November 3rd, one week prior to Planning Commission review.

Since the October 6th HAC meeting, many business and community groups have expressed their concern with the proposed ordinance. These organizations include the Senior Coalition, Republican Central Committee, Good Neighbors of Santa Cruz, Aptos Chamber of Commerce, Scotts Valley Chamber of Commerce.

The ordinance was on the Scotts Valley City Council agenda October 20th at the request of Mayor Jim Reed who had concerns about the effect it may have on Scotts Valley. The City Manager's report stated there could be loss of

revenue because Scotts Valley is a restaurant, gas, grocery store, etc. stopping place for visitors going to and from the beach, and also to San Lorenzo Valley vacation rentals. The City Council voted to write a respectful, polite letter to the County Board of Supervisors asking them to take a second look at the ordinance. The letter will point out the Council's concerns of its economic, property right, and tourism effects on the City of Scotts Valley.

Although we are making headway, this issue is far from over.

And in other news.. The Planning Department Records Room now has the following hours: 9:00 a.m. to noon and 1:00 p.m. to 3:00 p.m. And please don't forget the Friday furlough days.

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From the desk of Dale Gray

Government Affairs Director

New Medicare Tax on "Unearned" Net Investment Income

There has been a lot of concerned dialog lately about the "new tax on the sale of homes" supposedly starting next year. REALTORS® are hearing about it. Clients are starting to ask about it. It was discussed at the recent C.A.R. Business Meetings in Anaheim. I am writing this article to give you the facts.

A new 3.8% tax will apply to the "unearned" income of "High Income" taxpayers. Another 0.9% tax will apply to the "earned" income of many of these same individuals. Both levies are referred to as "Medicare" taxes. (For examples, [click here](#) for separate analysis). The new Medicare tax on unearned income will take effect **January 1, 2013**. There is neither a real estate "sales tax" nor a real estate transfer tax in the bill.

Those whose tax filing status is "single" will be subject to the new unearned income taxes if they have Adjusted Gross Income (AGI) of more than \$200,000. Married couples filing a joint return with AGI of more than \$250,000 will also be subject to the new tax. Unearned income is the income that an individual derives from investing his/her capital. It includes capital gains, rents, dividends and interest income. It also comes from some investments in active businesses if the investor is not an active participant in the business.

The portion of unearned income that is subject both to income tax and the new Medicare tax is the amount of income derived from these sources, reduced by any expenses associated with earning that income. Thus, in the case of rents, the taxable amount would

be gross rents minus all expenses (including depreciation) incurred in operating the rental property.

The new tax may apply to rents from investment properties.

Net investment income includes only *net* rental income. Thus, gross rents would not be subject to the tax. Rather, gross rents would be reduced by all allowable expenses, including depreciation, cost of repairs, property taxes and all other expenses related to the property. AGI includes net income from rent, so if your AGI is above the \$200,000/\$250,000 thresholds, then the rental income might be subject to the tax. For many investment real estate owners, the net rents will be the same as or similar to the amounts reported. Also, any gain from the sale of a principal residence that is less than \$250,000 (individual) or

\$500,000 (joint return) will continue to be excluded from the income tax. The new 3.8% tax will NOT apply to this excluded amount of the gain.

As far as vacation homes, the application of the tax will depend on whether the vacation home has been rented out, the period for which it has been rented and whether the property is solely for the enjoyment of the owner. If the owner has rented the home out to others, then the 14-day rent exclusion will continue to apply. Thus, if the owner rents the property to others (including family members) for 14 or fewer days, there would be no net investment tax. If the home has been rented to others (including family members) for more than 14 days, then the rents (minus related expenses) would be considered as part of net investment

income and could be subject to the new tax.

If the vacation home has been used solely for personal enjoyment (i.e., there is no rental income and no associated expenses), then a gain on sale would be treated as net investment income and could be subject to the tax, depending on AGI. Similarly, if the property had generated rents, any net gain on sale could also be included in net investment income.

If the ownership and operation of real estate you own is your sole occupation, then those activities are what is called your "trade or business." Income derived from a trade or business is not subject to the new 3.8% tax, but could be subject to the 0.9% tax on earned income.

If the owner of rental properties has a "day job," however, real estate investments

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C.A.R.MEETINGS

DIRECTORS REPORTS FROM ANAHEIM

Legislative Committee

John Hickey, SCCAR Director
Monterey Bay Properties
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johnhickey@montereybayprop.com

Recent results of C.A.R. efforts:

- Broker involvement program is proving successful. There is a push to increase the number of brokers enrolled.

- Two C.A.R. supported bills signed into law:

○ SB1427-preempts local property maintenance fee ordinances.
○ AB1762-Clarifies the current “advance fee” definition for real estate services to allow for limited service business models.

- Two C.A.R. supported bills were vetoed:

○ AB1927-Right to rent. Changes the requirements that a homeowners association would have to meet in order to forbid owners from renting their unit.
○ SB1178-would have expanded anti-deficiency protections to loans that had been refinanced

- Two CAR supported bills that are headed to interim hearings:

○ AB 1796-Increases the Office of Real Estate Appraisers regulatory control over appraisal management companies.
○ SB1000-Would require lenders to accept an appraisal done for another lender at the request of the borrower.

- Two C.A.R. supported bills stalled by budget constraints:

○ SB206-Would create a state wide homebuyer tax credit for those buyers who purchased an REO property as their primary residence.

○ Would insulate the DRE from the ripple effects of a bud-

get deadlock, since its budget stands alone from the State’s budget.

Review of C.A.R.’s support of upcoming legislation:

- C.A.R. supports any upcoming legislation for the postponement of property taxes for senior citizens and disabled people.

- C.A.R. supports any upcoming legislation that would be similar to SB1178

- C.A.R. supports any upcoming legislation that would implement DRE broker supervision task force to register branch managers.

- C.A.R. supports any upcoming legislation for DRE to have the ability to issue minor fines and citations.

- CAR supports any upcoming legislation that would extend the fee limits in the existing law to management companies retained by HOA’s to provide documents.

- CAR takes the position of “not real estate related” on propositions 21, 24, 25, 27 and 23.

- CAR adopts a “neutral” positions on propositions 22 and 26.

Public Policy Forum

Lela Willet, C.A.R. Director
Unique Homes & Land
831- 425-7920

lela@thewilletway.com

SAFE Act and the new Mortgage Loan Originator License Rules The *Secure and Fair Enforcement for Mortgage Licensing Act of 2008* (“SAFE Act”), was passed on July 30, 2008. The new federal law gave states one

year to pass legislation requiring the licensure of mortgage loan originators according to national standards and the participation of state agencies on the Nationwide Mortgage Licensing System and Registry (NMLS).

By December 2010, a real estate licensee acting as an MLO as defined must obtain an MLO license endorsement which generally involves getting a background check, attending educational classes, passing a written exam, and registering on the Nationwide Mortgage Licensing System and Registry. Furthermore, starting January 31, 2010, a real estate licensee making, arranging, or servicing mortgage loans must notify the California Department of Real Estate (DRE).

A real estate licensee is generally exempt from the MLO license endorsement requirements if he or she: (1) solely engages in selling, buying, or leasing activities, but not loan activities; and (2) does not receive compensation from a lender, MLO, or an agent of the lender or MLO.

A listing agent or buyer’s agent involved in a real estate sales transaction with seller carry-back financing secured by one-to-four residential units, who does not engage in any other mortgage loan activity, is unlikely to be required to submit the Mortgage Loan Activity Notification to the DRE. Of course, an agent who wants to be certain that he or she is not conducting any mortgage loan activities could refrain from making, arranging, or servicing the seller carry-back financing.

For additional information please see C.A.R.’s Legal [Q & A](#) regarding Mortgage loan activities

Is Home Valuation Code of Conduct (HVCC) really gone?

HVCC is ending, but there will be a new structure to replace it. A model will be released in two weeks. This will be a replacement system with requirements for interaction. C.A.R. is working to address issues of appraiser profit centers, out of area appraiser problems, and portability of appraisals from one lender to another. In order to provide more effective input to the replacement system, C.A.R. urgently requests your local examples of appraiser issues. Send examples to StanW@car.org

GreenPoint Rating System and Energy Upgrade California

Energy Upgrade California is a new one-stop-shop for homeowners to find rebates, incentives and innovative financing options for making energy and water saving home improvements. Learn more about this state of California program at <http://www.EnergyUpgradeCalifornia.org>.

New Tax on Investment Income Effective January 1, 2013

Basics: A Tax Rate of 3.8% will apply to Individuals with adjusted gross income (AGI) above \$200,000. Couples filing a joint return with more than \$250,000 AGI. Types of income taxed will include interest, dividends, rents (less expenses), and capital gains (less capital losses).

Formula: The new tax applies to the LESSER of:

Investment income amount or excess of AGI over the \$200,000 or \$250,000 amount.

Reports continued on next page

REPORTS FROM C.A.R. ANAHEIM

Continued from Previous Page

Leadership Training

Bobbie Nelson, C.A.R. Director
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Leadership training is an important part of every local association. For the past two years I have been honored to help with this training. We meet at each C.A.R. meeting first with the current C.A.R. President for updates on the state and local issues affecting our great state. Secondly we give valuable information to the local association President, President Elect and their AE's to bring back to the Association's membership.

The value of this interaction is to see large and small associations sharing information on issues that affect us all.

- The Broker program that is FREE to each broker for calls to action is one of the best programs we have put together for the Presidents to bring home. This program is free to the broker and each broker will get branded messages that will go out for calls to action on important legislation that affects us all. Any Broker can sign up for this and it has increased our responses from 3% to 20% which in turn goes a long way to get the attention of our congressional representatives.

- C.A.R. President Steve Goddard shared that C.A.R. will be providing two new services free with each of our memberships. The value of each of these services will save our members extra money and move them up to the digital ease of signatures and document storage as part of our membership dues.

- The incoming President Elects for 2011 got an overview of what to expect for next year, along with media training

which will assist them in presenting a message to the local news & radio. Additionally, tips on how to be heard and how to carry one message and some of the pitfalls you can make if you are not prepared when you address the media.

It was an honor to represent Santa Cruz on this committee as Chair at the state. I recommend and encourage anyone interested in local association leadership contact any of the leadership or myself to see how you can be involved. After all it is your SCCAR - get involved and make a difference.

REALTOR® Action Fund Committee

Candace Bradfield, SCCAR
President Elect
Premier Real Estate
831- 464-4330
bradfield@cruzio.com

REALTOR® Action Fund Committee (RAF)

The RAF Committee has done an outstanding job this year. Thank you for making 2010 a year of change! Bobbie Nelson received praise for her outstanding participation in the NAR grant fundraising drive. Thank you also to Dale Gray, SCCAR GAD and the Santa Cruz County Association of REALTORS® for your support.

RAF Investment Report

The goal of RAF was to "put the FUN back in fundraising". We have done that and have raised \$2,714,923!

Fund Raising Report

The goal was to have 100% \$197 participation of all C.A.R. directors. As of September 29, 2010, we have 16 Regions at

100% and we have an additional 6 that are 90%+. Region 10 has met their goal!

2010 C.A.R. Statewide Fundraising Contest Part II - RAF Participation

The winning Associations with the highest RAF participation in their specific category are listed below:

Petite Category (1-200):
Lassen AOR 56%

Small Category (201-500):
Humboldt AOR 51%

Medium 1 Category (501-1500):
Monterey AOR 39% and
Palos Verdes Peninsula AOR 39%

Medium II Category (1501-3000)
California Desert AOR 39%

Large Category (3001-6000):
Inland Valleys AOR 34%

Jumbo Category(6001+)
Southland Regional 30%

REALTOR® Broker Involvement.

Agents respond to Red Alerts or Calls-for-Action on legislative issues that will affect their business. That's why both organizations have started broker involvement programs to increase member participation in Red Alerts and Calls-for-Action so that we can successfully pass good laws and fight bad legislation.

NAR's Broker Involvement Program

NAR will alert you by phone and email when there is a Broker Call for Action on federal legislation. Your personal email message and the Call for Action (CFA) will then be available for

your review at the Broker Website. Responding quickly to CFA's is critical to communicating a coordinated and powerful grassroots message.

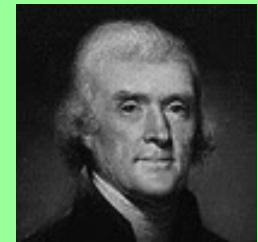
C.A.R.'s Broker Involvement Program

C.A.R.'s program, used in Red Alerts on state legislation is less technical. When a broker's help is needed, C.A.R. staff will contact you via email or phone to ask that you help and will forward a Red Alert. All the broker needs to do is forward it on to his or her agents; send an email to agents asking them to look for a Red Alert email from C.A.R.; or leave a firm-wide voice mail for agents asking them to respond.

The Broker Involvement Program is up! Brokers of record are signing up for this free program so that we can all be heard. As Call to Actions come through from both C.A.R. and NAR a Call to Action goes out to agents and requests they respond to the calls. We are the voice of Real Estate. Thank you for your participation!

NOVEMBER 2010 FORMS RELEASE

[Click Here For Complete Updates](#)



It is incumbent on every generation to pay its own debts as it goes. A principle which if acted on would save one-half the wars of the world.

Thomas Jefferson



New Grant Program Helps with HOA Dues!

Sandy Kaplan, SCAORHF Vice Chair
Santa Cruz Properties, 831-471-8000
kaplan@santacruzproperties.com

I am thrilled to notify everyone that our Santa Cruz Association of REALTORS® Housing Foundation has just been awarded a grant of \$40,000 to assist first time low income buyers with their HOA dues during their first year of home ownership.

The HOA Dues Grant provides payments up to 50% of the HOA dues with a maximum payout of \$2,500. The payments will be

made directly to the HOA on a monthly basis. The qualifications are simple, the property must be located in Santa Cruz County, the buyer must qualify as a first time buyer, (not owned a primary residence within the last three years), use a CA REALTOR® in the transaction, and their income must be at or below 80% of median income. Currently that means a family of three can earn up to \$69,500, a family of two

\$61,800. Our president, Steve Allen, accompanied by our AE Kathy Hartman made the presentation to the Housing Affordability Fund committee at C.A.R meetings in October. Robert Bailey, Bailey Properties Inc., also provided support during their presentation. Congratulations to the Santa Cruz Association of REALTORS® Housing Foundation!

We are currently developing the application for this program and will notify members as soon as it is available.

If you have any questions about the program, please contact Andrea Harbert at 464-2000 or andrea@scaor.org. For more information about the Housing Foundation please visit www.scaorhf.org.

SCCAR Members Meet & Greet at Sam Farr Reception





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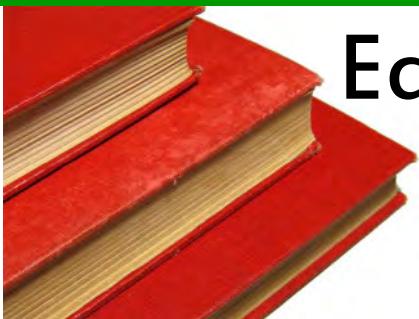
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Education and Professional Development



Register Online by visiting our [Education Calendar](#) or our [Online Registration Center](#)

All courses are held at the SCCAR offices located at 2525 Main St., Soquel, CA 95073 unless noted otherwise.

[Strategic Social Marketing for Realtors Series - Using Video to Promote Your List- ings Online](#)

Tues. Nov 2, 1:00pm-3:00pm
Please note day & time change
Cost: \$20 SCAOR Members (\$30 at the door) \$40 Non Member (\$50 at the door)
Instructor(s): Social Marketing Guru Hilda Ramirez, Founder of Got 2B Social

In Using Video to Promote Your Listings Online, the 7th workshop in this series, You will learn about YouTube and a host of other sites to help you list and gain the maximum amount of exposure for your listings online; Find out how these tools can help you build Search Engine Optimization; Learn the benefits of uploading to private player sites and how to email to clients for best results.

[REVEI Continuing Education Review & Testing](#)

Mon. Nov 8, 1 - 4 pm
Cost: \$79 SCCAR Members, \$89 non member
Instructor(s): REVEI

For Salesperson and Broker Renewals. Course includes an Optional Review of Materials to prepare you for your open book True/False exams. This is a Home-Study program, order your materials EARLY! Seating Is Limited!

[Tune-Up Tuesday Reverse Mortgages](#)

Tues. Nov 9, 1 - 2:30 PM

Cost: Free to SCCAR Members, \$30 non member
Instructor(s): Dick Cornelsen, Wells Fargo Home Mortgage

"Tune-Up Tuesdays" is brought to you the SCCAR Affiliate Committee and is held on the 2nd Tuesday of each month from 1:00pm-2:30pm. This program is free to SCCAR members who register before the event.

[Matrix Essentials](#)

Mon. Nov 15, 10:30 am – 12 pm
Cost: Free. RSVP a must. To register send an email to lflint@scaor.org or call the SCCAR office at 831-464-2000
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 Results; Driving Directions; Adding Search Fields; Map Search; Saving Searches; Reporting & Results Options; Emailing & Printing.

[Mastering Matrix](#)

Mon. Nov 15, 1 – 3 pm
Cost: Free. RSVP a must. To register send an email to lflint@scaor.org or call the SCCAR office at 831-464-2000
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; Customizing Results; Building Hotsheets; CMAs from Results; Emailing Results; Auto Emailing; Area Statistics.

[Strategic Social Marketing for Realtors - Blogging 101 for Real Estate](#)

Tues. Nov 16, 1:00-3:00pm
Please note day & time change
Cost: \$20 SCAOR Members (\$30 at the door) \$40 Non Member (\$50 at the door)
Instructor(s): Social Marketing Guru Hilda Ramirez, Founder of Got 2B Social

In Blogging 101 for Real Estate, the last workshop in the Strategic Social Marketing series, Hilda Ramirez will cover using Wordpress Themes; Popular Plug-ins and Widgets; What to Blog About?; Hyper Local Content; Lead Capture Techniques. For a complete list of workshops in this series click on the pdf link above.

[Matrix Essentials](#)

Mon. Nov 19, 10:30 am – 12 pm
Cost: Free. RSVP a must. To register send an email to lflint@scaor.org or call the SCCAR office at 831-464-2000
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; Customizing Results; Building Hotsheets; CMAs from Results; Emailing Results; Auto Emailing; Area Statistics.

Continued on Page 11





First "IMPRESSIONS" are "KEY" to Making a Sale

Key Impressions specializes in real estate enhancement. We serve as a marketing arm for realtors and sellers alike helping to prepare a home for sale, showcasing its best qualities and obscuring its deficiencies.

Key Impressions

831.818.8215 Direct

831.684.2383 Office / Fax

Kim Furman, Principal

kfurman@key-impressions.com

key-impressions.com

Real Estate Legal Matters

Continued from Page 4

if the seller is unwilling to consent to the disclosure of confidential information, and the real estate agent or broker nonetheless chooses to undertake representation of the seller, he or she does so at the peril of liability in the event the transaction goes awry due to the undisclosed risks involved."

This case is important for not only explaining disclosure duties of the listing agent to a buyer, but also the timing requirements in making such disclosures. Further, as the Court implies, when there is a disclosure duty to one party, and a duty of confidentiality to another party that is not waived by that party, it may be necessary for the agent to terminate the agency relationship rather than subject himself or herself to liability.

Medicare Tax Government Affairs Director Report

Continued from Page 6

are not considered as a trade or business, but are rather considered as investments, even if they are a major source of income. Note that many Realtors engage in business activities that are the "typical" selling, leasing and brokerage endeavors usually associated with the term "Realtor." If they also own real estate assets as part of their own personal investment portfolio, the rents from that portfolio could become subject to the new 3.8% tax on net investment income, depending on AGI.

Remember to never give tax advice. Refer your clients to their tax professional!



Education & Professional Development

Continued from Page 10

[Clarus MarketMetrics, Investor & Realist](#)

Mon. Nov 19, 1 – 3 pm

Cost: Free. RSVP a must. To register send an email tolflint@scaor.org or call the SCCAR office at 831-464-2000

Instructor: MLSListings, Inc

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

Clarus Market Metrics is a simple to use, market orientated tool designed specifically for the real estate professional to better understand the local market and communicate those insights to clients easily and effectively. Market Metrics provides real estate professionals with a powerful set of localized reports that contain market trend and pricing information in a highly visual format. Clarus Investor is a property analysis tool that allows agents to help buyers interested in investment real estate to obtain a quick picture of the property's value and profit potential. Expand your market and profits with the power of Clarus Investor.

I'ts A Girl!



A very joyous congratulations to SCCAR Board of Director, Betty Danner on the birth of her new granddaughter, Emily Jade Cordon!

Betty and Emily's parents, Katelyn Ippisch and Robert Condon both of Santa Cruz, are overjoyed!

Catch up on your reading

Most of us read less than we should. We get distracted by the television, online videos and high-tech gadgets.

But reading is making a resurgence. You can thank new gadgets for that. After all, more and more manufacturers are rolling out e-book readers.

You can read e-books on any computer or Web-connected phone!

And there's plenty of free reading material online. For example, Read Print features works by 3,500 famous writers. You'll find classic works you love. Or,

tackle books that you haven't yet read.

The books are divided into chapters for easy reading. There's also a special reading view that is easy on the eyes!

www.readprint.com

Old Republic Title Company Appoints New Sales Manager

Old Republic Title Company is very pleased to announce that Karen Schenk has accepted the position of Sales Manager for Santa Cruz and Monterey Counties. Please join us in congratulating her on this well-deserved achievement.

Karen has been the ORTC Senior Account Executive since 2006. During her time with ORTC, she has demonstrated great customer service skills in developing both business and team growth.

In her new role as Sales Manager, Karen will lead the Old Republic sales team to the next level of excellence. She understands that elite customer service and efficient communication with clients is a huge concern when working with a Title Company. That is exactly why she is available to sit down, one on one, with each our clients to find out what is important to them and their business.

Please join us in giving Karen your Congratulations on her new position!



831-421-0715
kschenk@ortc.com



Oktoberfest!

Oktoberfest Provided Food & Fun!



The weather was perfect and Oktoberfest was a great success! REALTORS® and Affiliates enjoyed “Brats and Beer” for only \$5.95 and listened 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 Elaine Della-Santina for “winning” the raffle!

Special thanks to the Affiliate Committee for their hard work, Jen Nobles and Kim Furman for helping with registration and Bob DeAngelo and crew for serving up the “scrumptious” brats.

See you again next year!





Affiliate News

Dimitri Timm
Affiliate Committee Chair
Princeton Capital
831- 662-6591
[**dimitri@princetoncap.com**](mailto:dimitri@princetoncap.com)

Affiliates to Adopt Families for the Holidays

For the fourth consecutive year, the Affiliate Committee has decided to "adopt" families in need this holiday season. In the past we have been fortunate enough to provide several families everything from Christmas trees to food gift cards to help them through the holidays. Their needs are as basic as clothes, diapers, and toys. A more comprehensive list of needs and wants will be sent soon via email as we receive more information. The Association will also accept monetary donations payable to "Families in Transition" and will use the money collected to purchase the requested items for the families. I am positive that with the support from our REALTOR® members and Affiliates we will be able to make the holidays more enjoyable for these families. For more information about how to participate by donating, contact Norma Milette, SCCAR Membership Director, at (831) 464-2000 or nmilette@scaor.org

Join Us for Some Holiday Cheer at SCCAR'S 'Holiday Open House'!

Don't forget to attend our annual SCCAR Holiday Open House on Wednesday, December 8th from 4 – 6 pm.

All members are encouraged to attend and share some holiday cheer! Affiliates are requested to bring their favorite dish to share (light fare or dessert)



Tune Up Tuesday Update

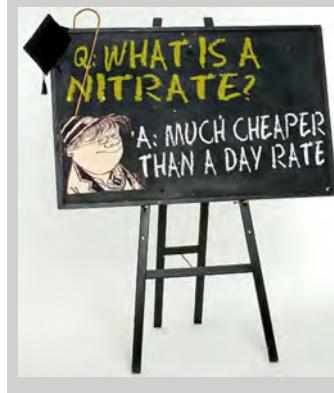
We have two Tune Up Tuesday classes scheduled for the remainder of the year.

*November 9th Reverse Mortgages from 1pm-2:30pm, speaker Richard "Dick" Cornelson from Wells Fargo Home Mortgage

*December 14th Video Marketing from 1- 2:30pm, speaker Darin Franzen from Top Producer

The Affiliate Committee meets the second Monday of every month at 8:30am at the SCCAR office. If you would like to find out more about becoming a member please feel free to contact Norma at SCCAR at (831) 464-2000.

WHY SOME TEACHERS DRINK!



Affiliate Spotlight

Brian Dean

FirstCal
 Let's build a better future.



FirstCal Senior Mortgage Consultant **Brian Dean** has over 13 years of Mortgage experience. His knowledge comes from his background in both wholesale and retail lending, including underwriting and extensive experience in loan structuring to get your transactions closed.

Prior to joining FirstCal, Brian was a Regional Vice President for Milestone Mortgage. In his tenure with Milestone he built the top producing team in the company.

Prior to joining Milestone, Brian held positions as the Sales and Operations Manager for the Greater Bay Area at All American Finance, a Sales Manager for Countrywide Financial, Vice President of Production for Ownit Mortgage Solutions for the Bay Area Branch location and an Account Executive for Amresco and Accredited Home Lenders. He has developed many strong relationships in the Mortgage Industry and has acquired extensive knowledge of the lending process from origination to close.

FirstCal is a local Nationwide Direct Lender with in-house underwriting and funding with delegated FHA and Conventional authority. We have a responsive and helpful team of underwriters and processors, who are on board with our common goal; a quick and smooth loan transaction every time.

Our products and my services include

- * 25 Day Loan Closing Guarantee
- * Loans up to \$2,000,000, Conventional Fixed Rate & Adjustable Rate Mortgages, FHA,

FHA Streamline Refinances, VA, Fannie Mae- HomePath Financing (REO), Investor Loans, Second Homes, Home Affordable Refinance program, USDA and much, much more.

* You'll NEVER pay an up-front fee to apply with us! Many "Big Banks" charge a \$350-550 (non refundable) Application Fee just to apply for a home loan.

* Free Mortgage & Equity Analysis if you're clients are thinking about refinancing or need a Pre- Approval on their next home purchase.

* Cross Marketing, Continuing Education, Open-House Services for Realtors in Santa Cruz County.

In today's market you need a responsive & experienced Loan Officer who is available to you and your clients 24/7. Let's build a better future together!

Call Brian today at 831-338-9826 or e-mail bdean@firstcal.net

**PLEASE SUPPORT
OUR AFFILIATE
MEMBERS**

**THEY SUPPORT YOU
AND
YOUR ASSOCIATION**

NOVEMBER 2010

SUN	MON	TUE	WED	THU	FRI	SAT
	1 Events Meeting 11am	2 Social Media Training 1 - 3 pm Remember To vote! 	3 License Renewal 9 am - 1pm NAR - New Orleans	4 A Taste of Santa Cruz, Cocoanut Grove 5:30-9pm Tour & Marketing	5 LGR Meeting 8:30 am NAR - New Orleans	6 NAR - New Orleans
7 NAR - New Orleans	8 Affiliate Meeting 8:30 am REVEI - 1-4pm NAR - New Orleans	9 Foundation Meeting 2:30 pm Tune up Tuesday 1:00 pm PR Comm. 1 pm	10 Fundraising Meeting 12:00 pm	11 No tour or tour meeting SCCAR Office will be open	12 Board of Directors 8:30 am	13
14	15 Education Committee 9:00 am Matrix Training 10:30am & 1 pm	16 Social Media Training 1 - 3 pm	17	18 Tour & Marketing Meeting 8:30 am	19 Matrix Essentials 10:30—12 pm Realist/Clarus 1—3 pm	20
21	22	23	24	25  SCCAR Office Closed—No Tour	26 SCCAR Offices Closed	27
28	29 Budget & Finance Mtg. 8:30 am	30				

NEW REALTOR® MEMBERS

OCTOBER 2010

Alain Pinel REALTORS®
Steve Nutting

American Dream Realty
Jill Hansen

Bailey Properties
Caroline Roberson

Century 21 Lad Realty
Tamara Robertson

Keller Williams Realty
Pamela Kimmel
John Skinner

Santa Cruz Homes
Bill Goodyear

Sereno Group
Larry Wallerstein

Schwenne Realty
Mark Schwenne

NEW AFFILIATE MEMBERS

NuStart Home Inspections
Shelley Bunnell

First Cal Mortgage
Brian Dean



“The word “genius” isn’t applicable in football. A genius is a guy like Norman Einstein”



*Joe Theisman,
NFL Quarterback &
Sports Analyst*