



Impact



Tom Kotzian
NOCBOR President

Helpful Tips to Our NOCBOR Members

We had such a good response to our last *White Paper Report* on team advertising and compliance, I thought I would share some additional concerns presented by our NOCBOR members. The concerns and issues presented in this article are only brief summaries. More detailed information is available if requested. NOCBOR is committed to your right to work in a professional environment while adhering to minimum standards of Michigan license law and rules, as well as the higher standards of the NAR Code of Ethics. NOCBOR is very proactive regarding licensees who ignore these regulations and ethical standards and will take action for enforcement regardless of REALTOR® board or company affiliation.

ISSUES OF CONCERN

Pocket Listings - Listings that are not in the MLS. Not illegal, but must be handled carefully. Sellers should have a statement on file with the broker stating their preference to keep their home off the MLS and the form should clearly define the benefits of utilizing the MLS. Often used by professional sports figures, celebrities or anyone needing anonymity.

Verbal Negotiations – Verbal negotiations with other Realtors® or clients are not enforceable. It's not enforceable until it is reduced to writing and signed by the parties (i.e., buyer and seller).

“Closing on or before _____(date)”
Michigan courts have given buyers of residential homes a “reasonable time” to close, even after a stated deadline in a contract. Telling another REALTOR® that the buyer is “out of contract” could be a very costly statement to make. Check with your attorney.

Varying Transaction Fees (also called Administrative or Compliance Fees) - These fees are set by the broker and when individual agents in the same company charge different fees, it is fertile ground for potential fair housing violations. Check with your E&O insurance carrier. You may not be protected in this situation.

Broker not presenting offers unless specific instructions are agreed and followed – Potential violation of Rule 307 (2) requiring prompt delivery of all written offers to purchase upon receipt. Broker representing seller cannot approve violation of this licensing rule.

Calling “FSBO’s” on the *Do Not Call List* – FSBO’s who advertise their phone number may be called by a REALTOR® under limited circumstances based on a ruling by the FCC, only if they have a buyer interested in purchasing the property (NOT for a listing appointment).

Salespersons can form a Michigan corporation and direct their broker to pay commissions to corporation – No. Brokers can only pay their own salespeople in the name on their license or other licensed brokers. Salespeople cannot be brokers under Michigan license law.

Title companies can issue commission checks directly to the broker’s salespeople at closing. No. Michigan license law states that a salesperson “shall not accept from a person other than a real estate salesperson’s employer a commission or valuable consideration.”

You must be a U.S. citizen to buy real estate in the U.S. – No. There are many foreign investors of U.S. property. However, mortgage qualifications and IRS tax obligations do affect non-citizens differently.

You can take all your CE credits (18 hours) in the 3rd year of the license cycle – No. You take 2 hours of laws, rules and court cases each calendar year of the 3-year cycle. Four Hundred (400) licensees were audited in 2016 and had to sign consent orders, as well as pay a \$250 fine for being “non-compliant” in failing to take their 2 hours of legal update for EACH year of the 3-year license period.

EMD’s (Earnest Money Deposits) can be deposited later than 2 banking days if the broker accepts the deposit and the buyer and seller agree in written contract terms (e.g., after inspection) – No. The 2 banking day statutory requirement for depositing EMD’s cannot be contravened by anyone. If the broker accepts the EMD, it must be deposited within 2 banking days following notice of acceptance of the contract by all parties. The only exception would be not to accept the deposit until a specified time or event or to use a title company to hold the EMD, with the check made payable to the title company. However, if a title company is used, the broker still has a 2-banking day time limit to get the EMD to the title company.

Thanks for the opportunity to serve you in 2017.

Tom



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E-mail: info@nocbor.com
www.nocbor.com

Board of Directors January, 2017

MOTION CARRIED to approve Sixty Five (65) Primary Realtors®.

MOTION CARRIED to elect **Matt Diskin, Geoff Leach and Ann Peterson** to serve on the Realcomp User Committee during 2017.

MOTION CARRIED that NOCBOR contribute \$1,000 to the Michigan RPAC.

MOTION CARRIED that NOCBOR dissolve the administrative relationship with individual broker Michael Morrow of Tri-County Holding Company, effective December 31, 2017.

MOTION CARRIED that the fee for the continuing education course, sponsored and offered by NOCBOR, be increased from Thirty-Five (\$35.00) Dollars to Forty (\$40.00) Dollars, for six (6) hours.

Board of Directors February, 2017

MOTION CARRIED to approve One (1) Primary Designated Realtor® and Seventy-Six (76) Primary Realtors®.

MOTION CARRIED to support the proposed name change, Greater Regional Alliance of Realtors®, requested by the Grand Rapids Association of Realtors®.

St. Joseph Statue

The right way is to put the Saint in a jar upside down in the ground. Then say, "St. Joseph, The Great Devine please help me sell this house of mine." When the house is sold, dig him up!

St. Joseph statutes are available at NOCBOR for \$7.00

MISSION STATEMENT

The purpose of the North Oakland County Board of REALTORS® is to enhance the ability and opportunity of its members to conduct their business successfully and ethically, and to promote the preservation of the right to own, transfer and use real property.

Board of Directors March, 2017

MOTION CARRIED to approve Two (2) Primary Designated Realtors®; Eighty-five (85) Primary Realtors® and Two (2) Affiliates.

MOTION CARRIED that NOCBOR proceed with the electronic lockbox project, independently, should the Realcomp Task Force fail to action by June 1, 2017.

Board of Directors April, 2017

MOTION CARRIED to approve Four (4) Primary Designated Realtors®; One Hundred Seven (107) Primary Realtors® and Two (2) Affiliates.

In Memoriam

The members, staff and Board of Directors of NOCBOR extend their deepest sympathy to the family and friends of **Darlene Darby**, (Morgan & Milzow), whose husband Mike Darby, passed away on February 15, 2017.

NOCBOR also extends deepest sympathy to the friends and family of **Mary Rettig**, (RE/MAX Classic) whose brother Thomas Rettig, passed away on February 24, 2017.

Condolences to **Beth Arnold**, Real Estate One, Clarkston on the February 13 loss of her mother, Sharon Barsch.

Eleanor Navarre Barlow, Mother of **Karen Helland** (Century 21 Today) passed away on April 5, 2017. NOCBOR members, Directors and staff extend their deepest sympathy to Karen and her family.

NOCBOR also extends deepest sympathy to the friends and family of **Joy Kunkler-Morrison**, (National Realty Centers) who passed away on April 9, 2017.

Condolences to **Deborah (Lou) Ronayne**, Berkshire Hathaway Home Services on the April 19 loss of her mother, Lydia Daniel.

David Elya Realcomp Governor



The operation of the Realcomp MLS is overseen by a Board of Governors. This Board is made up of sixteen (16) representatives; two representatives from each of the eight (8) Shareholder Boards and Associations of Realtors®. These individuals, selected by each of the Shareholders, devote several hours of their time and attention each month for the betterment of your Multiple

Listing Services and its 13,400+ users.

NOCBOR is proud to have David Elya, as one of two NOCBOR representatives, serving three (3) years as Realcomp Governor. David, owner and principal broker of Brookview Realty in Rochester, has been licensed since 1991, and has represented NOCBOR as Governor since 2016. Elya also served as Realcomp's Secretary in 2016 and is currently its Treasurer. David has served as NOCBOR Director since 2015, and Chairman of the Education/Technology Committee since 2014.

Elya believes that Realcomp will continue to be a leader in technology and data quality, while continuing to offer premier services at a great value to its users. David's philosophy is that the discussions and decisions concerning the MLS, the real estate industry and supporting home ownership are important to many people and their families, and play a key role in the national economy. One valuable concern of Elya is that Realtors® treat others as you would like to be treated, answer your phone and never over-promise. Thank you, David, for your always answering your phone and pledging your commitment to the betterment of the real estate profession.

Facts & Predictions

Home prices are up! But, home equity loans aren't. Thanks to rising prices U.S. homeowners' combined equity has finally returned to its 2005 peak. Back then, home equity loans increased borrowers' spending power by about 8%. Now, just 1%. The difference: The people with most of the equity now tend to be older and have less need to borrow than those who leaned on such loans a decade ago. Also, banks have tightened underwriting standards for home equity lines of credit.

Rising interest rates could push more owners to tap their homes' value in coming years. As mortgage rates gradually rise, fewer homeowners will be tempted to refinance their mortgages. And, fewer refis mean fewer folks taking some cash out as part of the process. So more will turn to home equity loans to meet large expenses.

Home builders will be devoting more of their portfolios to senior living options as the baby boom generation ages and the population of people age 65 and up hit 81 million in 2037, from 51 million this year. Demand for senior-friendly housing figures to rise steadily, and builders are eyeing new development models to meet it. One senior housing option gaining traction is small-scale developments that consist of smaller homes set in gated communities of up to 60 acres. Home sizes typically run 1,800 to 2,500 square feet for older buyers looking to downsize their digs while enjoying communal amenities such as dog parks walking trails and pools. Also, catching on is mixed developments combining single-family homes with apartment buildings that host cafeterias, hair salons, etc. Geared to well-off folks who put down large deposits, these developments also include nursing home facilities. (*The Kiplinger Letter*)

Oakland Hope

Over the last decade, the stress from the economic and housing crisis has been seen and felt everywhere, and Oakland County is no exception. The ugly truth is the loss of opportunities has led to the rapid growth of suburban poverty.

Strategically located, near the center of Oakland County, in the former Office Max location near the Summit Place Mall, Elizabeth Lake Road and Telegraph, **Oakland Hope** is focused on achieving self-sufficiency for individuals and families by providing a full range of human services and intervention resources for those in crisis, all in one location.

The purpose of **Oakland Hope** is more than an effective and efficient food pantry for the "working poor". Through community collaboration and innovation, **Oakland Hope** will connect community resources to those in need and achieve through no-cost, client-choice food pantry. **Oakland Hope's** goal is to transform our community by alleviating hunger and empowering lives by providing three main services:

- Helping families & individuals establish sufficiency.
- Offering human service intervention.
- Being a one-stop shop for Oakland County families

The proceeds from the Thrift Store and donations from the generous public support **Oakland Hope's** "client-choice food pantry."

Volunteers are desperately needed to work at the **Oakland Hope** headquarters. Preparing merchandise for the Thrift Store has been overwhelming and the energies of NOCBOR Realtors® would be appreciated. To volunteer or to make donations, please contact 248-783-6547, or contact norma@oaklandhope.com. You may want to check out www.oaklandhope.org

MAY

JUNE

JULY



Seniors Real Estate Specialist

Friday, July 21 & 28

Time: 9:00 a.m. - 5:00 p.m.

Cost: *270.00
(includes material and SRES Council annual dues)

Instructor: Lori Chmura

To receive the Seniors Real Estate Specialist® designation, you must be a REALTOR® in good standing with the National Association of REALTORS® and complete the SRES® training course, successfully passing the final exam. SRES® designees are also required to complete at least three transactions with senior clients within twelve months of their training course. This course counts as 15 hrs. Broker Pre-licensing credit and includes 1.5 hours of Fair Housing or can be used for 12 hours of Real Estate Continuing Education. *NOCBOR members qualify for interest free loan.

Register at nocbor.com

Location: NOCBOR



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Earnest Money Deposits

Neither the law nor the Realtors® Code of Ethics dictates whether the listing office or the selling office must hold the earnest money deposit. Traditionally, the EMD has been held by the selling office, but this is not legally required.

Regardless of which office holds the EMD, the role of the escrow agent is a neutral role. If, for example, a buyer's broker acts as the escrow agent, the buyer's broker still has a duty to disclose to the seller if the EMD check bounces or if there is another problem with the EMD funds. If there is any problem with the EMD, the broker should notify the seller immediately. Otherwise, when the buyer defaults under the purchase agreement and the seller discovers that despite what it says in the purchase agreement, there is no EMD, the seller may demand that the buyer's broker pay the EMD to the seller out of his own pocket.

A seller and buyer can agree that someone other than a broker hold the EMD. If a third party (most often a title company) holds the EMD, that escrow agent is not subject to the Occupational Code or the rules on handling EMDs. If a title company is to hold the EMD, a Realtor's® responsibility is to simply deliver the check to the named escrow agent within 2 banking days of receiving notice of acceptance by all parties.

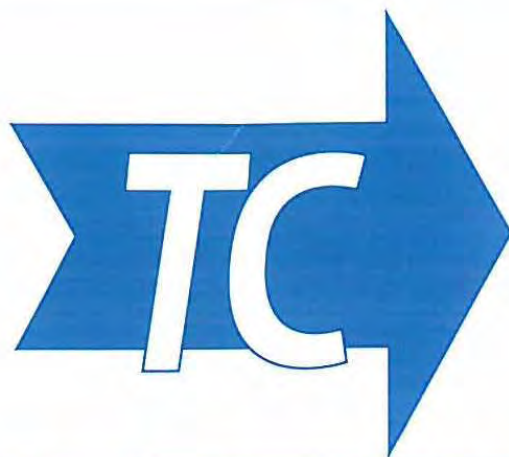
If a Realtor® holds the EMD, the Realtor® must comply with the following rules:

1. A salesperson cannot wait until there is a binding contract before turning the EMD over to the broker. The law requires that the salesperson submit the EMD check to the broker "upon receipt."

2. The broker is not required to deposit the check into its trust account immediately, but may hold the check until the purchase agreement is accepted. A broker **must** deposit the EMD in its trust account within two (2) banking days after the broker has received notice that there is a binding purchase agreement. A seller/buyer **cannot** agree that the EMD check will not be cashed until the inspection contingency is waived. (If the seller/buyer agrees to such a provision, a title company or someone else will need to hold EMD.)

3. If the transaction falls apart and there is a **dispute over the EMD**, the EMD must remain in the broker's trust account until the buyer and seller have agreed in writing or there is a court order directing the disbursement of the EMD. The real estate licensee can also interplead the funds with a court.

Realtors® are not entitled to keep abandoned EMDs; rather, the funds must be turned over to the State of Michigan. Realtors® have an obligation to report unclaimed EMDs, after three years. Failure to do so can result in the broker having to pay significant fines.



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Free Workshops

"How to get 12 MORE deals a year from your database!"
Tuesday, May 16 (10 – 11:30 a.m.)
Brenda Brosnan

"Working With Builders"
Tuesday, May 16 (1 – 3 p.m.)
Rick Bailey

"How To Make This Your Best Year Ever"
Thursday, May 18 (1 - 3 p.m.)
Chris Warfield

"T.B.D."
Tuesday, May 30 (10 – 11:30 a.m.)
Brenda Brosnan

"Advanced Transaction/Authentisign "
Wednesday, June 7 (10 a.m. - 12 p.m.)
Geoff Leach

"What Is Mold, Grow Houses, Clandestine Drug Labs"
Thursday, June 8 (9:30 a.m. – 12:30 p.m.)
(includes 3 hours con-ed)
Randy Patterson

"Fast And Accurate CMA's"
Thursday, June 8 (1:30 – 3:30 p.m.)
Rick Bailey

"T.B.D."
Tuesday, June 13 (10 – 11:30 a.m.)
Brenda Brosnan

"Advanced RPR: 10 Ways To Earn More Business Than Your Competitor"
Thursday, June 14 (1 - 3 p.m.)
Nancy Robinson

"T.B.D."
Tuesday, June 27 (10 – 11:30 a.m.)
Brenda Brosnan

"Advanced RPR: 10 Ways To Earn More Business Than Your Competitor"
Thursday, June 29 (1 - 3 p.m.)
Nancy Robinson

"Asphalt Shingles; Electrical Service To Homes, Log Homes"
Wednesday, July 12 (9:30 a.m. – 12:30 p.m.)
(includes 3 hours con-ed)
Randy Patterson

"Advanced RPR: 10 Ways To Earn More Business Than Your Competitor"
Wednesday, July 12 (1 - 3 p.m.)
Nancy Robinson

"T.B.D."
Thursday, July 13 (10 – 11:30 a.m.)
Brenda Brosnan

"Advanced RPR: 10 Ways To Earn More Business Than Your Competitor"
Tuesday, July 25 (1 - 3 p.m.)
Nancy Robinson

"T.B.D."
Thursday, July 27 (1 – 3 p.m.)
Brenda Brosnan

To register: nocbor.com

Location: NOCBOR

2017 Con-ed (Course 1800)

Thursday, May 25
Friday, June 9
Tuesday, July 18
Thursday, August 17
Friday, September 8
Thursday, October 5
Tuesday, November 14
Thursday, November 30

Instructor: Jack Waller

9:30 a.m. – 3:30 p.m. (6 hours con-ed)

Course fee: \$40.00 member/\$50 non-member

To register: nocbor.com

New Members & Realtors® Code of Ethics Training

Thursday, June 15
Tuesday, July 11
Tuesday, September 19
Wednesday, October 11
Thursday, November 9

Classes begin 8:30 a.m.

Course fee: Free to NOCBOR members

To register: nocbor.com

Location: NOCBOR

Photos Used Without Permission

What about those photos and/or other electronic media which are used by agents without permission of the agent who originally produced the data?

Realcomp has a strict rule regarding use of data without permission:

No photos, virtual tour or any electronic media may be reused from other agents' previous listings unless written permission has been granted from the prior listing agent.

If a complaint is received that an agent is using another agent's photos without permission, the agent is requested to call the agent, misusing the data, and request that the data be removed. If that doesn't work, the agent, who is wrongfully using the data, will be contacted by Realcomp staff and a fine imposed.

Contingent Continue To Show (CCS) Status Explained

We hear it everywhere we go and from every real estate article: "There is a shortage of listings across the country." This being said, it is a great time to review what the CCS status is, and how it can work for both buyer and seller in a market with limited listing options.

If an agreement to purchase a property has been signed and is dependent on the sale of the buyer's home, the listing should be updated to CCS. This is the only indication for using the CCS status on a listing—no other contingency scenarios shall be related to the CCS status.

If an agreement to purchase a property has been signed, whether it is dependent on the buyer obtaining financing, an inspection, or any reason OTHER than the sale of the purchaser's home, then the listing should be updated to Pending (not CCS).

By listing as CCS, the listing remains active in the MLS, which in turn, allows agents to continue to show and take backup offers for the listing. In a low-inventory market, having backup offers provides the opportunity for buyers to have options, and sellers to have reassurance.

**Pre License Training
40 hours
Monday, June 12, 2017**

NCI ASSOCIATES
(Monday & Wednesday for 5 weeks)

**NOCBOR
4400 W. Walton Blvd
Waterford, MI 48329**

6 – 10 p.m.

Register no later than June 9, 2017
with Visa/Mastercard

586-247-9800 or 586-247-9820 (fax)
\$250 includes materials

Is Your Number Up?

The Membership Services Committee of the NOCBOR has sponsored "Is Your Number Up?" program to area elementary schools since 1992. This year two schools were selected, Houghton Elementary in White Lake and Patterson Elementary in Holly.

The purpose of the program is to emphasize the importance of keeping street addresses clearly visible on all homes, which reduce the time that it takes for police, fire and other emergency services to find a residence. The program also reinforces children's awareness of their correct address.



**Blake Thornsby
Houghton Elementary
White Lake**



**Maylin Barker
Patterson Elementary
Holly**

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Mistakes Home Buyers Live To Regret!

Once home buyers find a home they love, they declare their commitment to the seller with a sizable chunk of change known as an earnest-money deposit. Yes, it sounds so sincere and serious because *it is*—and if you get it wrong, you could lose thousands of dollars. To scare you straight, here are eight mistakes with earnest-money deposits that home buyers often make. To ensure you don't end up as one of them, read on to avoid these snafus.

Mistake No. 1: Not understanding what an earnest-money deposit is. First, make sure you fully grasp what an earnest-money deposit (EMD) is—namely, proof that a buyer is committed to completing a sale by having skin in the game. The earnest-money deposit is a negotiable amount between the buyer and seller, but usually about 1% to 2% of the purchase price (although it can shoot up to 10%). This money is generally held by the seller's broker or a title company, to be used as a credit toward the down payment and closing costs.

Mistake No. 2: Offering too little ... or not enough. In an aggressive seller's market, many homes receive multiple offers from anxious buyers. For a buyer's offer to stand out, Washington DC metro area Realtor® Robyn Porter tells her clients to include an EMD in their offer that will get a seller's attention. On a \$500,000 home, Porter suggests \$20,000 to \$25,000, or 4% to 5%, depending on the number of competing offers. "However, I do caution buyers that the EMD is in jeopardy should they default on the contract, so they should be very serious about wanting the home," says Porter. Bottom line for buyers: Weigh losing the earnest money against the possibility of losing the home.

If a high earnest-money deposit scares you, remember you'll have to come up with the down payment 30 to 45 days after making an offer, anyway. "The EMD is just a way for a buyer to pay part of the down payment upfront," says Porter. "On a \$500,000 mortgage, a 15% down payment is \$75,000, so a \$25,000 EMD shouldn't be a hard pill to swallow."

Mistake No. 3: Removing contract contingencies. "A big mistake buyers make with their earnest-money deposit in agreeing to remove contingencies that give them wiggle room they may legitimately need," says Jeremy Colonna of Matchpoint Funding. For instance, if buyers agree to remove a loan contingency and their loan falls through, they'll lose their earnest money. "Never give up your right to cancel your purchase until you are 100% certain that you're going to be able to close," says Colonna.

Other contingencies, such as a home that's uninsurable, inspection issues, a problematic title search, or if a house doesn't appraise, also protect a buyer by allowing the penalty-free canceling of a contract. "There may be other instances where the buyer can legally get their EMD back, but these contingencies are the most common," says Joe M. Lopez, a Realtor® in Texas.

Mistake No. 4: Ignoring contract timelines In some cases, a seller writes in a timeliness clause that includes a hard date for closing. "Ensuring that you as a buyer stay on the schedule dictated by a contract can assist with not losing your earnest-money deposit," says Raena Casteel of Arizona's Casteel Realty Group. This means carefully tracking how long you have to terminate the contract for valid reasons.

Mistake No. 5: Buying 'as is' and not knowing the risks "A buyer who purchases foreclosed properties should be cautious with an earnest money deposit," says Realtor® Marsha Bowen Washington with Coldwell Banker in northern New Jersey. These properties are typically sold "as is," so the sellers will stipulate that the earnest money deposit is nonrefundable. As a buyer, protect yourself by doing your due diligence before making an offer on such a property, because if you don't, you'll have to kiss your EMD goodbye if you decide to bail.

Mistake No. 6: Blindly voiding the contract. When a sale falls through, both a buyer and seller need to sign a document voiding the sales contract. If a seller won't release all the earnest money that a buyer feels legally entitled to, that buyer can refuse to sign the document and essentially make the home unsellable by putting a blemish on the title. In other words: Buyers should never, ever sign this contract unless they're sure they'll get all the EMD they deserve.

Mistake No. 7: Impulsively purchasing a home that's not a good fit. This may seem like a no-brainer, but it's easy to get swept away by a home's cool features when you first see it. A buyer may put in an offer only to realize days later that the soaking tub may be fabulous, but the kitchen isn't functional. So make sure that you're 100% serious about buying a home before making an offer with an EMD. If you get cold feet and back out, it's more likely that you won't get your money back.

Mistake No. 8: Not knowing when to let it go. "I had a buyer decide he no longer wanted a home about a week before closing," says Porter. "He broke up with his fiancée and didn't want to buy a property where they were going to start a life together. He was willing to lose his \$10,000 EMD, and he did." Personal problems may be very serious to you, but they're not a valid reason to cancel a home purchase. And if you're bailing on a deal with no legal justification, fighting for that EMD is probably a waste of time. Just accept that it's gone and move on.

The Latest Real Estate Scam

As a real estate agent, you have a lot on your plate. So when a bill arrives in the mail alerting you that your real estate license is in jeopardy, it may seem like a plausible occurrence. At least, that's the idea behind a recent scam targeting Realtors® and real estate licensees in Florida.

The fictitious (but plausible sounding) "Florida Board of Realtors®" has been sending out a "final notice" bill to real estate professionals across the state, urging them to fork over money in order to update their real estate license. The notice directs checks to a random mailbox in Deerfield Beach, listing a website and phone number for support.

Realtors® all across the state of Florida have been receiving these bills, and a quick trip to the Florida Board of Realtors® website listed on the bills shows, at first glance, a professionally made, convincing website. However, upon further scrutiny, the site shows a bevy of broken links and dead-end pages.

Florida's real Realtors® Board, Florida Realtors®, has alerted its 165,000 members of the scam, warning them not to fall for it.

Support NOCBOR Affiliate Members

Barnett, Larry (Attorney at Law)	248-625-2200
Bartus, Barb (Michigan First Mortgage)	248-666-2700
Becker, Jeff (America's Preferred Home Warranty)	800-648-5006
Blatt, David (Kaye Financial Corporation)	248-763-1438
Brosnan, Brenda (Summit Funding)	248-515-3855
Bruce, Cheryl (Seaver Title)	248-338-7135
Diaz, Julie (Commission Express of Michigan)	248-737-4400
Fox, Dana (Northpointe Bank)	248-884-6600
Franskoviak, Michael (Franskoviak & Company, PC)	248-524-5240
Fuchs, Travis (Sterling Title Agency)	586-323-8025
Gelbman, Mark (Mortgage Master)	248-687-1078
Green, Brent (Lake Michigan Credit Union)	248-484-7117
Hurd, Jessica (GreenStone Farm Credit Services)	810-664-5951
Irimescu, Joe (Guardian Mortgage Company)	248-444-8300
Jarvis, Beth (Title Connect)	586-226-3506
Johnson, Todd (Wells Fargo Home Mortgage)	515-213-6500
Kraft, Stacey Grava (Home Warranty of America)	248-330-1076
LaPorte, Jeff (The Home Team Inspection)	248-366-6215
Linnell, Richard (Linnell & Associates)	248-977-4185
Patterson, Randall (Pillar To Post)	248-755-3422
Porritt, James Jr. (Attorney At Law)	248-693-6245
Proctor, Michael (Michael Proctor)	248-931-1018
Romero, Kim (First American Home Warranty)	248-595-9773
Seaver, Phil (Seaver Title)	248-338-7135
Seibert, Brian (Michigan First Mortgage)	248-666-2700
Smith, Sean (Independent Bank)	248-875-1622
St. Amant, Ron (Changing Places Moving)	248-674-3937
Stanley, Joe (Lake Pacor Home Mortgage)	248-997-4509
Walker, Kris (Success Mortgage Partners)	248-518-0550
Zetye, Lauren (Movement Mortgage)	248-840-0972

Legal Q & A

Q: Some clients of mine sold their principal residence in 2013 and the SEV was lower at the time they sold it than when they purchased it. They just found out that they might be entitled to a refund of the State Transfer Tax they paid. They sold the house at a profit; will they still be entitled to the refund?

A: Yes. To qualify for the State Transfer Tax refund, the SEV at the time of purchase must be higher than the SEV at the time of sale. The fact that they sold the house at a profit has no effect on their ability to get a refund.

Q: Some clients of mine bought vacant land in 2011 on which they had a house constructed in 2012. They sold the house in late 2014. Will they be entitled to a State Transfer Tax refund if the SEV of their property at the time the house was completed was more than at the time of sale?

A: No, since at the time of purchase, the land was vacant, they cannot claim a refund of the State Transfer Tax since the property was not their principal residence at the time of purchase and the original SEV was on the unimproved land.

Q: I am acting as a Transaction Coordinator in a real estate transaction. I was told that I am not allowed to hold an earnest money deposit in such a transaction. Is this true?

A: No. There is no prohibition against Transaction Coordinators holding earnest money deposits.

Q: I received an offer through a buyer's agent who participates in my MLS but who never showed the property to his buyers. It turns out that his clients contacted the sellers directly and arranged a showing without a licensee present. The buyers then contacted the buyers' agent and asked him to write up an offer. Do I have to pay the buyers' agent commission if he did not show the house?

A: Yes. An offer of compensation through an MLS does not require that the agent bringing the buyer show the buyer the house. An agent may qualify as procuring cause even if he or she did not show the house to the buyers.

Q: I am the listing Realtor®. An offer was made by a buyer that was well below the listing price. I telephoned the buyer's agent to tell him that my seller has rejected the offer. The agent said that it is necessary for the seller to reject the offer in writing. Is it true?

A: No. A seller has no legal obligation to reject an offer in writing or to even respond to an offer at all.

(This column is provided by the law firm of McClelland & Anderson)

LEGAL HOTLINE 800-522-2820

Notice: Wire Fraud Form

NOCBOR has added a new form to the collection of forms available to its membership and Realcomp MLS subscribers through the Transaction Desk module/Instant Forms.

The form can be used to inform your customers and clients of the rules/best practices that should be followed when transacting business via e-mail. It brings to light a common wire fraud scenario and how your customers and clients can avoid falling prey to this type of fraud.

To access this form, go to External Links, Transaction Desk & Forms, Instant Forms and the North Oakland County Board of Realtors® folder.

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2017 ANNUAL NOCBOR CHARITY GOLF OUTING

(Michigan Animal Rescue League & Oakland Hope)

Thursday, August 3
Pine Knob Golf Club
5580 Waldon Rd,
Clarkston, 48348

Registration: 7:30 a.m. – 8:30 a.m.
Shotgun Start: 8:30 a.m.
Entry Fee: \$125.00 per person
Dinner: \$25.00

18 holes of golf, cart,
continental breakfast, burgers
& dogs at the turn, buffet
lunch, contest holes.



You don't need to be a golfer to come and have fun!

To register, please call the Board at (248) 674-4080 or visit www.nocbor.com!

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Michael Franskoviak, CPA
President