



Impact



R.W. Watson
NOCBOR President

The Hybrid Broker vs. The Traditional Broker

A couple of months ago, I was talking to a fellow broker, a high producer from Oakland County, who was recently at a listing presentation for a \$3 million plus home, when the seller coldly remarked, "Do you really think you're worth \$180,000?" Stunned and unable to quickly reply, the million dollar producer was lost for words, had a hard time justifying his fee, and silently said to himself, "You're right...I'm not."

Commission-dectomys are not new to the real estate industry, especially the higher end listings. But something else may be contributing more and more to sellers rejecting the traditional way of marketing their property and paying the standard 5% to 6% commission. The Internet, with third party portals, has produced over night all the necessary information a seller needs to market his home and has given the consumer greater insight and knowledge of market trends, collecting all the necessary data and statistics on line.

The new hybrid brokerages, which are offering lower commissions and state of the art technology, are sprouting up in many pockets throughout the country, but presently we haven't witnessed much activity in our neck of the woods...except "MLS Entry Only" where a seller pays a broker a flat fee to list the property in the MLS and that's it! The service is "bare-bones" where the seller collects the listing data, arranges his own showings and negotiates all offers. Another local broker, who is a national franchisee, is *Owners.com*. This brokerage charges a flat rate fee for MLS entry only and services sellers who are FSBO's (For Sale By Owners) and bank-owned properties.

So what do the industry experts and soothsayers foresee for the latest in the country's upsurge of hybrid brokerages? According to an *Inman News* survey, "many agents say the latest hybrid brokerages are destined to bite the dust, arguing that they look no different from the discount brokerages that have faltered in the past." Yet a meaningful share also said that hybrid brokerages are on the rise, and stand a better shot at succeeding than past industry startups.

The difference today may be that there is more of a competitive edge between hybrid and traditional brokerages. Both are constantly borrowing technology and business practices from each other, cherry-picking what works and what doesn't work. What hasn't changed, and not surprising, is that there will still be a need for personal contact and relationship building.

Glenn Kelman, CEO for Redfin, a hybrid Seattle based-company, said that he has learned over the years that consumers often need personalized, hands-on care, to navigate the emotional twists and turns of many real estate transactions. *Inman News* recently released that "many hybrid brokerages don't address that need, which could account to why 6 out of 10 survey participants said that hybrid brokerages

could provide value to only a small minority of consumers.

A few hybrid brokerages, like Compass, a New York based company, stopped paying their agents salaries and bonuses, and returned to the traditional compensation, paying their agents commission. It was the only way they could attract top sales agents. That makes sense!

Has the market reached a tipping point with the hybrid broker? Maybe...only time and market conditions will dictate that. Presently, we're in a seller's market, but the pendulum will swing, as it always does back to the buyer's side...then the rules and players will change again!

Enjoy your summer an keep on listing!!

R.W. Watson
Max Broock, REALTORS®

The Google® Universe Boot Camp

A full-day, 6 hour get-it-done workshop
Bring your laptop, Tablet and Smartphone

Live, In Classroom
Individualized Instruction

6 CE Hours For This Class

Thursday, September 24

9 a.m. – 3 p.m.

NOCBOR
4400 W. Walton Blvd
Waterford, MI 48329
248-674-4080

Only \$59



Board of Directors June, 2015

Get Involved

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MOTION CARRIED to approve two (2) Primary Designated REALTORS®; one (1) Secondary Designated REALTOR®; fifty-nine (59) Primary REALTORS®; and one (1) Affiliate

MOTION CARRIED to support the recommendation of the members of the Realcomp Shareholders' Task Force to request Realcomp Governors to investigate the expenses of Realcomp administering the use of the electronic lockboxes and provide a report to the Shareholders within 60 days.

MOTION CARRIED that the Realcomp Governors be notified that the funds paid by Defendant Shareholders for the Allan, et al v. Realcomp, et al settlement in the amount of \$500.00, and attorney fees of \$194,144, be reimbursed to each of the Defendant Shareholders, according to their respective contribution.

Board of Directors July, 2015

MOTION CARRIED approve three (3) Primary Designated REALTORS®; sixty six (66) Primary REALTOR® and one (1) Affiliate member.

MOTION CARRIED to receive the October 31, 2014 financial statement.

MOTION CARRIED to appoint **Bill Haviland** NOCBOR Director to a term expiring December 31, 2017.

In Memoriam

The members, staff and Board of Directors of NOCBOR extend their deepest sympathy to the family and friends of **Linda Presser** (Best Michigan Appraisals) whose husband, **Robert Presser** (Best Michigan Appraisals), passed away on May 13, 2015.

Sincere condolences to NOCBOR Director **Jenifer Rachel**, (Keller Williams Realty), and her family, on the loss of her beloved mother Sharon Johnson, who passed away on July 31, 2015.

Don't you think it's time that you took an interest in the professional organization that assists you in making a living? Would you consider committing to monthly meetings, approximately 2 hours, and the opportunity to make a difference?

NOCBOR members must elect four (4) REALTORS® to serve for a term of three (3) years on the Board of Directors. Also, the members **MUST** elect an Affiliate member to serve for a term of one (1) year.

NOCBOR Nominating Committee will conduct interviews of candidates interested in serving on the Board of Directors in August, 2015. It is the job of the Nominating Committee to conduct candidate interviews and to recommend the qualified candidates to the NOCBOR membership for election. Interested members can submit the official Nomination form, available at nocbor.com, no later than August 12, 2015.

Members, who would prefer to be nominated by petition, must collect the signatures of twenty-five (25) NOCBOR REALTOR® members. Petitions must be submitted to NOCBOR office at least five (5) business days, Tuesday, September 22, prior to online voting, Tuesday, September 29, 2015. The last day of voting is October 13, 2015, during NOCBOR Annual Membership meeting.

Annual Membership Meeting

Tuesday, October 13, 2015

8:30 a.m.

Complementary Breakfast Buffet

9 a.m. Meeting

Special guest speaker and location will be announced

NORTH OAKLAND COUNTY BOARD OF REALTORS®
 4400 West Walton | Waterford | MI | 48329
 Phone (248) 674-4080 | Fax (248) 674-8112
 E-mail: boardoffice@nocbor.com
 www.nocbor.com

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.

“Dog Days” at NOCBOR

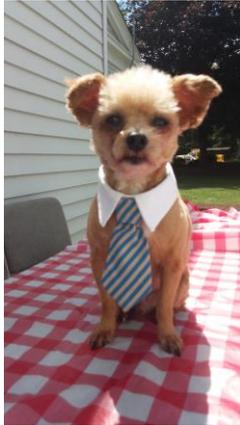
Each **Wednesday (12-1:30 p.m.)** through August, you are invited to stop by NOCBOR, 4400 W. Walton, Waterford, grab a dog, chips and soda... and bring your dog to meet NOCBOR Greeter Jakie Jacobs.



Jakie
NOCBOR
Official Greeter



Pictured above from L to R, Itsy & Cutie Pie Sky and holding you're NOCBOR greeter Jakie Jacobs, is Grace Sneckenberger



Gizmo Acquisti



NOCBOR President R.W. Watson and Charlie



Marcia Dyer and Roxie





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Sock It To Me!!

Thanks to **Lois Durocher**, Wilhelm & Associates and NOCBOR Directors **Jill Gourand** (Transnation Title Agency of Michigan) & **Ann Peterson** (Re/Max Defined) for contributing 300 pairs of socks!

Lunch is on NOCBOR for the three top contributors of socks!!



Big Changes Coming October 3

There are going to be some big changes coming to the real estate industry on October 3. Here's what you need to know:

1. New Forms-The HUD-1, Good Faith Estimate (FGE) and the Truth-in-Lending Act (TILA) disclosure are going to be replaced by two new forms. These new forms will be the Loan Estimate and the Closing Disclosure forms. (They are much more user-friendly than the forms they are replacing. You should familiarize yourself with these new forms.

2. The Loan Estimate-Currently, borrowers receive the Good Faith Estimate (FGE) and the initial disclosure required under the Truth-in-Lending Act (TILA). For loan applications taken on or after October 3, 2015, the lender will instead start using the Loan Estimate form. (The new three page Loan Estimate form must be provided to borrowers on a timetable similar to the current receipt of the GFE.)

3. The Closing Disclosure-Replacing the HUD-1 Settlement Statement and final TILA forms are the Closing Disclosure form. This new five-page form is used to disclose many of the terms and provisions of the loan as well as the financial breakdown of the transaction.

4. Timing of the Closing-Borrowers will have three days after receipt of the Closing Disclosure to review the form and its contents. Please note that the three-day review period starts upon "receipt" of the Closing Disclosure form by the borrower. Unless there is some receipt confirmation of the form, the form is "deemed received" three days after the form is mailed. As a result the review period can be six business days from mailing to loan signing.

5. New Delivery Date Requirements-The title company or closing agent will be required to send their information to the lender approximately 10 to 15 days prior to the closing date so the lender will be able to complete the Closing Disclosure in time to meet the new delivery date requirements.

6. State License Numbers-To complete the Closing Disclosure, the title company or closing agent will need the state license number of your real estate company and your individual real estate license number.

7. The Seller's Side-The Closing Disclosure that is being sent to the borrower will not include information from the "seller's side" of the transaction. The title company or closing agent, not the lender will be responsible for completing and delivering the seller's side of the Closing Disclosure. The Closing Disclosure must be delivered to the seller at or before the closing. The title company or closing agent may prepare a separate Closing Disclosure for the seller.

8. Out of the Loop-As the REALTOR®, there is a chance that you will not receive an advance copy of the Closing Disclosure before it is delivered to the buyer.

9. More Waiting Periods-Any changes to the Closing Disclosure after delivery to the buyer might trigger a new three-day waiting period. There might also be changes that will require additional disclosure or review periods. Items that might affect these include: changes that affect the Annual Percentage Rate (APR); the buyer changes loan products; a pre-payment penalty is added to the mortgage or any changes and adjustments that affect the value of the property as determined by the lender.

10. Final Property Walk-Through-To try and avoid any unforeseen issues that could delay the closing, NAR is recommending completing the walk-through seven days prior to the scheduled closing. As REALTORS® we know that the primary purpose of the walk-through is to make certain that the property is in the condition the buyer agreed to buy it in-that agreed-upon repairs were made and that nothing has gone wrong with the home since the buyer last looked at it. Because most sellers do not fully move out of the home until the final day of or the day before closing it seems like completing the walk-through seven days prior to closing would not accomplish the walk-throughs primary purpose.

11. Setting the Closing Date-NAR is also recommending adding 15 days to your normal closing time-frame. If you are in an area that the average closing takes 30 days to complete, NAR is recommending you write the offer up for a 45-day close. On the flip-side, it is advisable to explain to your seller that might be coming in with longer closing time periods.

Support NOCBOR Affiliate Members

Acha, Tonya (Referral Institute)	248-650-6057
Acquisti, Audrey (MSource Training & Consulting)	248-620-3434
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Bartus, Barb (Michigan First Mortgage)	248-666-2700
Becker, Jeff (America's Preferred Home Warranty)	800-648-5006
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Jarvis, Beth (Title Connect)	586-226-3506
Katsiroubas, Mary (Title Connect)	586-226-3506
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Probe, Michelle (Seaver Title)	248-338-7135
Proctor, Michael (Michael Proctor)	248-931-1018
Seaver, Jason (Seaver Title)	248-338-7135
Seaver, Phil (Seaver Title)	248-338-7135
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St. Amant, Ron (Changing Places Moving)	248-674-3937
Stiltner, Jason (Charter One Bank)	248-752-3631
Sullivan, David (Credit Technologies, Inc.)	248-313-1027
Taylor, Cindy (Huron Valley Financial)	248-623-2280

Legal Q & A

Q: I am a REALTOR® representing a seller to whom I am related. I have spoken to other agents and they told me that I have to disclose this relationship to potential buyers. Are they correct?

A: No. There is nothing in the Occupational Code or the rules that require agent to disclose that they are related to the seller or buyer whom they represent. When Rule 315 refers to someone buying property “indirectly,” it is referring to the situation where, for example, the licensee is a partner in a partnership that is buying the home. A licensee does not hold an “indirect” interest in a home by virtue of the fact that the home is owned by a relative of that licensee.

Q: I am a listing broker and my seller has just recently accepted a purchase agreement. Today, I received another offer for this property. Does a license law obligate me to present this offer to my seller?

A: No, unless your listing agreement provides to the contrary. Rule 307 (5) states:

A licensee shall not be subject to disciplinary action for failing to submit to the seller any additional offers to purchase which are received after the seller has accepted an offer and the sales agreement is fully executed, unless a service provision agreement requires that subsequent offers be presented.

To avoid some type of breach of fiduciary duty claim from a seller-client, REALTORS® who do not wish to present additional offers are strongly encouraged to include a provision in their listing agreement from which expressly states that additional offers received after a binding purchase agreement is signed will not be presented to the seller.

Q: My buyers are having second thoughts about going ahead with the purchase of a home. Can they just walk away from the transaction and forfeit their earnest money or are there other potential risks?

A: Some purchase contracts provide that in the event of a default by the buyers, the sellers’ only remedy is to keep the buyers’ earnest money deposit as “liquidated damages.” However, many, perhaps most, purchase agreements provide that in the event the buyers default, the sellers can keep the earnest money deposit and sue the buyers for damages.

Q: My sellers sent me a written notice terminating my listing contract for their residence 6 weeks prior to its expiration. They will no longer return my calls or allow any showings. Aren’t my sellers in breach of contract and can’t I require them to let me show their home to potential buyers?

A: Even if your sellers are in breach of contract, you cannot require them to let you show their home. Your only remedy would be to file a lawsuit asking a court to compensate you monetarily for the sellers’ breach of contract. *(This column is provided by the law firm of McClelland & Anderson)*

Legal Hotline 1-800-522-2820

Broker Public Portal Selects 1000watt

The Broker Public Portal is an attempt to compete with *Zillow* and *Move* who now control the front-end of the consumer home buying process. Some of the county’s largest brokers have come together to leverage their control over listing data to create their own online consumer experience.

Critics question whether the project (BPP) can be sufficiently funded to make a dent in *Zillow* and *Move*’s market share. Both *realtor.com* and *Zillow* spent in excess of \$100 million each in their formative stages to build consumer traffic. However, broker-owned portal could write its own industry-friendly rules for how data is displayed and used, which is why it has reportedly attracted support from 100 brokers nationwide.

Once a skeptic of the BPP, *1000watt* is lending a hand to the big broker initiative, which promises a better, simpler digital home search for consumers. With offices in Portland, Oregon and Oakland, California, the highly specialized real estate consulting firm has its hands in lots of industry initiatives involving brokers and startups. The BPP executive committee selected the 8 year old agency to create BPP’s brand identity and message.

The Houston Association of REALTORS® (HAR.com) has been operating a successful industry portal for 18 years and competes successfully with *Zillow* and *realtor.com* for consumer market share. It is the number one consumer destination in Houston and number three statewide.

40 Hours Pre License Training

Monday, September 14, 2015
(Monday & Wednesday for 5 weeks)

NCI ASSOCIATES

North Oakland County Board of REALTORS®
4400 W. Walton Blvd
Waterford, 48329

6-10 p.m.

\$240 includes materials

Register by phone with Visa/Mastercard
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NOCBOR Events

AUGUST

SEPTEMBER

OCTOBER

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
10 9:30 a.m. Education/Tech 11:30 a.m. Government Affairs	11 9 a.m. Membership Services	12 9 a.m. – 5:30 p.m. Broker Law Specialty Jack Waller 12 – 1:30 p.m. "Dog Day"	13	14	15
17 9:30 a.m. – 3:30 p.m. Con-ed (Course 1600-2015) Scott Sowles	18 6 – 10 p.m. Con-ed (Course 1600-2015) Sherill Allingham Baker	19 8:30 a.m. – 4:30 p.m. "SAFE Comprehensive Mortgage Essentials" Audrey Acquisti 12 – 1:30 p.m. "Dog Day"	20 9 a.m. – 5:30 p.m. Broker Law Specialty Jack Waller 9:30 a.m. Grievance 6 – 10 p.m. Con-ed (Course 1600-2015) Sherill Allingham Baker	21	22 9:30 a.m. – 3:30 p.m. Con-ed (Course 1600-2015) David Montgomery
24	25 9:30 a.m. -3:30 p.m. Con-ed (Course 1600-2015) Jack Waller	26 12:30 p.m. Executive 1:30 p.m. BODs' Mtg 12 – 1:30 p.m. "Dog Day"	27 10 a.m. Backdoor Workshop "Change is Coming, RESPA Disclosure Rule" (2 hours LEGAL con-ed) Jeff Gunsberg	28 9 a.m. – 5:30 p.m. Broker Law Specialty Jack Waller	29
31	1 10 a.m. Backdoor Workshop "Working Cooperatively With Home Builders" Rick Bailey	2 9:30 a.m. – 3:30 p.m. Con-ed (Course 1600-2015) Sherill Allingham Baker	3 10 a.m. Ethics Hearing	4	5
7	8 9 a.m. Membership Services	9 9:30 a.m. – 3:30 p.m. Con-ed (Course 1600-2015) Bill Haviland	10 9:30 a.m. "Selling HUD Homes-Advance 2015 Training" (2 hrs con-ed) Evdza Ramaj	11 8:30 a.m. – 4:30 p.m. MRP "Military Relocation Professional" \$99 Jay McMacken	12
14 9:30 a.m. Education/Tech 11:30 a.m. Government Affairs 6-10 p.m. Pre License Class	15	16 9:30 a.m. -3:30 p.m. Con-ed (Course 1600-2015) Jack Waller 6-10 p.m. Pre License Class	17 9:30 a.m. Grievance 9:30 a.m. – 4:30 p.m. CNE (Certified Negotiation Expert) \$299 Scott Sowles	18 9:30 a.m. – 4:30 p.m. CNE (Certified Negotiation Expert) \$299 Scott Sowles	19
21 9:30 a.m. – 3:30 p.m. Con-ed (Course 1500-2014) Sally Bell 6-10 p.m. Pre License Class	22 9:30 a.m. New Member/COE Training Jack Waller	23 10 a.m. Backdoor Workshop "Change is Coming, RESPA Disclosure Rule" (2 hours LEGAL con-ed) Jeff Gunsberg 12:30 p.m. Executive 1:30 p.m. BODs' Mtg 6-10 p.m. Pre License Class	24 9:00 a.m. -3:00 p.m. The Google Universe Boot Camp (6 hours con-ed) \$59.00	25 10 a.m. Backdoor Workshop "Understanding Price Per Square Foot" (2 hours con-ed) Matt Diskin	26 9:30 a.m. – 3:30 p.m. Con-ed (Course 1600-2015) Sherill Allingham Baker
28 6-10 p.m. Pre License Class	29 E-Voting for Board of Directors 9:30 a.m. – 3:30 p.m. Con-ed (Course 1600-2015) Scott Sowles	30 6-10 p.m. Pre License Class	1	2	3 9:30 a.m. – 3:30 p.m. Con-ed (Course 1600-2015) Sally Bell
Michigan REALTORS Convention Expo Detroit Marriott					
5 6-10 p.m. Pre License Class	6	7 9:30 a.m. – 3:30 p.m. Con-ed (Course 1400-2013) Sherill Allingham Baker 6-10 p.m. Pre License Class	8 9:30 a.m. "Successfully Selling HUD Homes-Advanced Training	9	10
12 9:30 a.m. Education/Tech 6-10 p.m. Pre License Class	13 8:30 a.m. Annual Membership Meeting T.B.D. 9:30 a.m. – 3:30 p.m. Con-ed (Course 1600-2015) Scott Sowles	14 9:30 a.m. New Member/COE Training Jack Waller 6-10 p.m. Pre License Class	15 9:30 a.m. Grievance	16 9:30 a.m. – 3:30 p.m. Con-ed (Course 1600-2015) Sally Bell	17
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26	27 9:30 a.m. – 3:30 p.m. Con-ed (Course 1600-2015) Scott Sowles	28 10 a.m. Self Defense Class \$25.00 Doug Doggett 12:30 p.m. Executive 1:30 p.m. BODs' Mtg	29	30 9:30 a.m. – 3:30 p.m. Con-ed (Course 1600-2015) Sally Bell	31



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Backdoor Workshops (Free)

“Change is Coming, RESPA Disclosure Rule”

Jeff Gunsberg, Title Connect
Thursday, August 27 (10 a.m.)
(2 LEGAL hours con-ed)

“Working Cooperatively With A Builder”

Rick Bailey, Bailey Homes
Tuesday, September 1 (10 a.m.)

“Successfully Selling HUD Homes – 2015 Training”

Evdusa Ramaj, Inside Realty
Thursday, September 10 (9:30 a.m.)
(2 hours con-ed)

“Understanding Price Per Square Foot”

Matt Diskin
Friday, September 25 (10 a.m.)
(2 hours con-ed)

To register: nocbor.com

Location: NOCBOR

New Member & REALTORS® Code of Ethics Training

Jack Waller, President of NCI Associates, will provide NOCBOR members the required 2 ½ hours of ethics training, which also qualifies for 3 hours of continuing education. Your Code of Ethics training is free, however to take advantage of the con ed credits there is a \$20 fee.

Tuesday, September 22
Wednesday, October 14
Tuesday, November 17

Instructor: **Jack Waller**
Classes begin at 9:30 a.m.

To register: millie@nocbor.com

Location: NOCBOR



Self Defense Class

Wednesday, October 28
10 a.m. – 12 p.m.
Instructor: **Doug Doggett**

\$25.00

Everyone will come away with knowledge and techniques that they can practice and use for the rest of their lives.

To register: nocbor.com

Location: NOCBOR



“Military Relocation Professional”

Friday, September 11
8:30 a.m. – 4:30 p.m.
Instructor: **Jay McMaken**

State REALTOR® associations of Guam, Texas, Colorado and South Carolina were the first to sponsor the Military Relocation Professional (MRP) certification course for their members. Developed by NAR, the certification is intended to demonstrate REALTORS® commitment to helping armed service members find housing solutions that best meet their needs and allow them to take full advantage of their military benefits.

*The course curriculum includes on day long live class and two on-hour webinars on topics from understanding military benefits to working with active-duty military buyers and sellers and with veterans. A portion of the \$195 application fee will be donated to a service organization that assists veterans with housing. *Qualifies for NOCBOR education loan. This course includes 8 hours of continuing education.*

*\$99

To register: nocbor.com

Location: NOCBOR



“Certified Negotiation Expert”

Thursday, September 17 & Friday, September 18
9:30 a.m. – 4:30 p.m.
Instructor: **Scott Sowles**

Take the first step towards becoming a Negotiation Expert! This two-day course is approved for 12 hours of continuing education. Since 2006, the Real Estate Negotiation Institute has emerged as the leader in real estate negotiation.

Learn how the brain makes purchase decisions and how you can impact both sides of the brain in the decision making process. Master scientifically proven persuasion approaches that increase your success rate at influencing others. Learn how to proactively plan your real estate negotiations for success. Get a chance to practice your new skills in a safe environment that will increase your success in the real world.

You must complete three CNE courses, in any order, to earn your MCNE Designation. There is no annual fee. Once earned, you are a CNE for life!! Qualifies for the NOCBOR interest free Education loan.

\$299 before September 11

To register: nocbor.com

Location: NOCBOR

Good Housing News!

The housing recovery will step up its pace heading into the second half of the year and beyond. That's good news for the economy overall, and especially so for the scores of home builders, craftsmen, suppliers of building materials and others who rely on this key industry for their livelihood.

Through 2015, new-home sales will gain 22% from last year, when 440,000 such homes were sold. Existing-home sales will climb 6.8%, while new-home starts are poised to go up about 9%. In 2016, sales of new homes will rise 23%. Sales of existing homes will top this year by 6%. Also, a 17% improvement in housing starts, with single-family homes accounting for the bulk of the gain: 25% growth vs. 2% for multifamily units.

Two groups of buyers are making a difference: first-time purchasers of existing homes, whose presence among all buyers rose to 32% in May from 29% last year. Their participation rate will tick up a notch by year-end and hit 35% by the end of 2016. People with less than stellar credit, more of them are able to secure home mortgage loans as lenders loosen credit terms. The percentage of Federal Housing Administration loans given borrowers with credit scores of less than 640 is up from 8% in 2013 to 18% today. But general lending guidelines will remain strict, no repeat of the easy-peasy lending way prior to the recession. Lending requirements call for a debt-to-income ratio of no more than 45%. Debt includes outstanding student loans, car loans, credit card obligations, etc.

Higher rents are coaxing many first-time home buyers into taking the plunge. The strong job market and climbing incomes give people more confidence to buy, especially in and around large urban areas where rents are increasing fastest.

Gradually rising mortgage interest rates also play a role. Many first-timers feel that now's the time to purchase a home to beat even higher rates down the road. It is projected that the 30-year fixed mortgage rate will rise from 4% now to 4.2% by the year-end. Many first-time buyers are a bit older than their predecessors. The recently sagging job market, looming student loan debt and other factors had led many millennials to delay marriage and home buying. That's changing now!

Several builders are moving to accommodate buyers of entry-level homes. For example, Meritage Homes, based in Scottsdale, Arizona, is ramping up construction of starter homes priced in the low \$200,000s. The company typically caters to more affluent buyers at an average selling price of nearly twice that amount. Pulte Homes, KB Home and D.R. Horton, the largest home construction company in the U.S., also report seeing more neophytes entering the ranks of home buyers.



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Special Awards

It's time to nominate your favorite and most deserving business associate for the **NOCBOR 2015 Special Awards Program**. Listed below are the award categories. Nominations must be submitted to NOCBOR no later than November 2, 2015.

Broker/Manager-Of-The-Year: You know who this is! It's that person who you can always count on and consider part of your support system. This candidate can be nominated by any NOCBOR member. A narrative must accompany nomination.

Cultural Diversity Member: Someone who has displayed a sense of awareness and commitment to our multi-cultural community.

Distinguished Service: The nominee must be a REALTOR® member. To nominate a candidate for this award, please submit a narrative describing a real estate transaction in which the nominee displayed a true sense of professionalism and ethical behavior. This is your chance to express your appreciation for a "job well done!"

Rookie-Of-The-Year: Must be nominated by the Designated REALTOR® of the office with which the nominee is affiliated. The award will be given to an individual who has been in the business less than 18 months, and will be based on productivity and congeniality.

Humanitarian & Community Service: This award must go to a REALTOR®. It will be in recognition for outstanding contributions and dedication toward the betterment of the community.

Affiliate-Of-The-Year: This award must go to an Affiliate member. REALTORS® can nominate Affiliate-Of-The-Year nominees on the basis of outstanding professionalism and Board activity.

This is your opportunity to nominate your favorite REALTORS® and Affiliate members.

Pre License Training
40 hours
Monday, September 14, 2015

NCI ASSOCIATES
(Monday & Wednesday for 5 weeks)

NOCBOR
4400 W. Walton Blvd
Waterford, MI 48329

6 – 10 p.m.

Register no later than 9/11/15
with Visa/Mastercard
586-247-9800 or 586-247-9820 (fax)
\$240 includes materials

TRIDing Water

Even with delays, October 3, 2015 implementation of TRID regulations means agents will need to adapt.

In November 2013, when the CFPB formalized the passage of new, integrated disclosures to replace the Truth In Lending Act (TILA), Good Faith Estimates (GFE) and the HUD-1 Settlement Statement with a single set of revised forms, the original effective date of August 1st, 2015 may have felt very far away. Even as the kick-off of the TILA-RESPA Integrated Disclosure (TRID) framework has been pushed back to October 1st, all of us in Oakland County will need to move faster and plan ahead to maintain a strong level of service for our customers.

These new rules will help our industry to be better prepared and connected, but will remove some of the flexibility that currently exists. Here are a few tips to make the most of the transition:

Increase the length of purchase agreements. The timeframe for closing is going to be longer and we'll all need to adjust. While it goes against our instincts, putting 60 days in purchase agreements—rather than the usual 30—will allow for more time to iron out some of the new challenges.

Insure quickly. Customers will need to secure homeowners insurance much more quickly than before. In the past there has not been much urgency to get this done, but now it will need to happen as soon as possible. Before, it was possible to change insurance agents at the last minute—not under the new rules. Homebuyers aren't paying for the premium until the scheduled closing date, so encourage them to get this box checked right away.

Clarity is key. Agents who may include filing or storage fees in the purchase agreement will need to be cautious: if title companies don't see this marked very clearly, it can cause a problem. If there is anything out of the ordinary (perhaps the transfer tax could be paid by the buyer rather than the seller, for example) it needs to be very obvious. Under the new rules, there is no going back once the closing schedule is set.

Take extra care with split closings. Ten years ago, split closings took place on perhaps one out of every fifty deals. Today something like 20-30% of deals are being split. When buyers and sellers both have title companies, they will need to work closely together to ensure the tight new timelines are met.

Your lender matters more than ever before. Some lenders have a (well-earned) reputation for sending the closing package over at the last minute. That will be a challenge under the new guidelines, as title companies may have to generate HUDs and closing documents in just a few hours. Title companies will be under a lot of pressure to turn things around quickly.

When transactions used to take place face-to-face, lenders, agents and title companies all had to work closely together. Today, with so much taking place digitally those working relationships often don't exist. With the new rules coming into play, it would be valuable to build a closer working relationship with lenders and title companies.

*(This article was prepared by **Brian Seibert**, President and co-founder of Michigan First Mortgage, formerly Watson Group Financial; Brian is a Director of the Michigan Mortgage Lenders Association and serves on NOCBOR Government Affairs Committee.)*

Communicate Your Value

Technology has dramatically changed the landscape of consumer behavior in almost every industry, and real estate is no exception. Today's buyers and sellers no longer need to rely on an agent to start the process of searching for a new home or calculating the worth of their current house. They have access to thousands of listings at their fingertips and can research schools districts, property values and neighborhood development plans without ever having to reach out to a real estate professional.

Demonstrate Your Value

It's more important than ever to differentiate the service you provide from the competition in order to demonstrate your value. Starbucks is an example, they serve coffee, a common product, but they offer an uncommon level of sophistication and care that the consumer values enough to pay for without complaint. Learn to articulate the uncommon level of service you provide, and your clients won't question the commission you earn.

Promote Confidence & Trust

Throughout the transaction, you should demonstrate your value by professionally serving both the transactional and the relational needs of the client. You'll want to expertly handle all the nuts-and-bolts of the deal, as well as provide unexpected extras that will help you gain the trust of your client on an emotional level. By simultaneously serving both transactional and relational needs, you build your client's confidence in your professional abilities and earn their trust.

Create Advocates

If you set the expectation of the level of service you provide before the transaction begins and exceed that expectation throughout the process, your value goes up exponentially in the eyes of your client, and you create an advocate for your business. A great advocate will communicate your value to the marketplace for you. They'll tell their friends and families about the level of service you provide, how skillfully you handle the transactions, and here's the key, how you still keep in touch. Implement a system to stay top-of-mind and remind clients you've served that you're always available to provide the same level of service to anyone they know that needs a real estate professional.

Learning to articulate your value is crucial in a world where many clients come to us already brimming with information. Provide them with your professional skill set paired with exceptional service, and you'll be well on your way to creating advocates that articulate your value to their friends and family long after the transaction closes.

Coming Soon
NEW
nocbor.com

No Matter Where You Go!

Realcomp has just completed a year-long project, working with our MLS system vendor, CoreLogic®, to make Public Record Data for the Upper Peninsula available to Realcomp subscribers and users.

The addition of the public record data for the Upper Peninsula now makes Realcomp's data coverage statewide. This means Realcomp subscribers and users have access to property information for properties across the entire state of Michigan through a single, convenient source – Realcomp. No more having to go to multiple municipal web sites to access this type of information.

What's the D.A.N.G.E.R. Report?

The National Association of REALTORS® recently commissioned the D.A.N.G.E.R. Report (Definitive Analysis of Negative Game Changers Emerging in Real Estate) because it wanted to get the perspective of others outside of the REALTOR® community, in the belief that it is healthy and helpful to hear what others are saying, especially those ideas that might be uncomfortable or disagreeable.

The threats, risks and dangers summarized in the Report are the opinions and conclusions of the author Stefan Swanepoel, which he has drawn from his own research. The Report does not in any way represent the opinions, positions or conclusions of NAR or its leadership. NAR, could, in fact, explain, refute, deny or otherwise create a counter point for every item discussed, but that was not the spirit in which the Report was created.

The NAR leadership is neither celebrating nor disappointed in the author's perspectives. The leaders will be discussing all of the Report's information over the course of the next year for the purpose of creating future strategic direction based on what in the report they find useful, forward thinking, progressive and actionable.

It is important to note that NAR has not widely distributed the D.A.N.G.E.R. Report nor share it with news media, but it has been shared with all who participated with the understanding that the information would be further shared and discussed.

Access to Tax Data Available

Public Act 39 of 2015 promotes access to property tax records and the Michigan REALTORS® were successful in that Governor Snyder signed the legislation. Access to property tax information is important to the health of Michigan's real estate market.

REALTORS® work every day marketing commercial property to help grow economic opportunity and jobs in our state. REALTORS® also sell residential property to Michigan citizens and visitors from other states and countries. As a part of these transactions, disclosing in a timely manner this vital public information about a property is essential. Potential private property owners need access to this public information to promote quality tax planning and decision making.

The new law modernizes the **Transcripts & Abstracts of Records Act** (TARA) of 1895 to promote more reasonable costs of property tax record information that is electronically collected by counties. This legislative initiative continued from extensive work done during the last legislative session.

Buyer Clients Get Refund!

Do you have a buyer client who paid the transfer tax on a Fannie Mae or Freddie Mac property? A refund mechanism is now available by way of the 6th Circuit Court of Appeals determination that Fannie Mae and Freddie Mac are federal agencies exempt from State and County real estate transfer taxes.

For a buyer that paid the transfer tax pursuant to an agreement with Fannie Mae or Freddie Mac, the decision was slightly less satisfying. While Michigan law provides that a seller is responsible for payment of County and State transfer taxes, a seller can contractually agree to have a buyer assume that obligation. Michigan law also provides for a refund mechanism, available to sellers having paid the tax in error or unnecessarily. The same refund mechanism had not been directly available to buyers having paid the tax...until now.

If you have a client in this situation, you can provide them with his information and advise them to contact 517-636-0515.

Agents Classified as Independent Contractors

The Massachusetts State Supreme Judicial Court recently affirmed a lower court decision that real estate practitioners may be classified as independent contractors, not employees, handing the real estate industry an important win on an issue that has come under challenge in recent years.

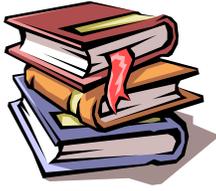
In the case, sales associates affiliated with Boston Pads LLC, a real estate brokerage company, challenged their status as independent contractors on the grounds that they were subject to supervision by their broker, among other things, and therefore should be considered employees based on a three-pronged test under the state's independent contractor status. The case had earlier been heard by the Superior Court of the Commonwealth of Massachusetts, which had found in favor of the brokerage. In that earlier case, the court ruled that the state's real estate license law, and not the state's independent contractor law, applies to real estate practitioners. The sales associates appealed the decision and the ruling by the state's top court affirmed the lower court decision, holding that real estate license law controls and not the more general independent contractor statute.

Two other challenges to practitioners' independent contractor status are still pending both in California. As in Massachusetts, those cases are looking at the conflict between the state's independent contractor laws and its real estate license laws. Those two cases are still in preliminary stages. Having the Massachusetts case decided in favor of the industry could provide important information to the other cases.



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NOCBOR CONTINUING EDUCATION 2015 Con-ed (Course 1600)



COST

6 hr: \$35 (Memb) | \$45 (Non-Memb)
4 hr: \$25 (Memb) | \$30 (Non-Memb)
3 hr: \$20 (Memb) | \$25 (Non-Memb)
2 hr: \$15 (Memb) | \$20 (Non-Memb)
\$50 (All Walk-Ins)

DATE	INSTRUCTOR	HOURS	TIME
Monday, August 17	Scott Sowles	2,3,4,6	9:30 a.m.-3:30 p.m.
Tues & Thurs, Aug 18 & 20 (Eve Split)	Sherill Allingham Baker	2,3,4,6	9:30 a.m.-3:30 p.m.
Saturday, August 22	David Montgomery	2,3,4,6	9:30 a.m.-3:30 p.m.
Wednesday, September 2	Sherill Allingham Baker	2,3,4,6	9:30 a.m.-3:30 p.m.
Wednesday, September 9	Bill Haviland	2,3,4,6	9:30 a.m.-3:30 p.m.
Thursday, September 24	David Montgomery	2,3,4,6	9:30 a.m.-3:30 p.m.
Tuesday, September 29	Scott Sowles	2,3,4,6	9:30 a.m.-3:30 p.m.
Saturday, October 3	Sally Bell	2,3,4,6	9:30 a.m.-3:30 p.m.
Tuesday, October 13	Scott Sowles	2,3,4,6	9:30 a.m.-3:30 p.m.
Friday, October 16	Sally Bell	2,3,4,6	9:30 a.m.-3:30 p.m.
Tues & Thurs, Oct 20 & 22 (Eve Split)	Sherill Allingham Baker	2,3,4,6	9:30 a.m.-3:30 p.m.
Wednesday, October 21	David Montgomery	2,3,4,6	9:30 a.m.-3:30 p.m.
Tuesday, October 27	Scott Sowles	2,3,4,6	9:30 a.m.-3:30 p.m.
Friday, October 30	Sally Bell	2,3,4,6	9:30 a.m.-3:30 p.m.

2014 Con-ed (Course 1500)

DATE	INSTRUCTOR	HOURS	TIME
Monday, September 21	Sally Bell	2,3,4,6	9:30 a.m.-3:30 p.m.

2013 Con-ed (Course 1400)

DATE	INSTRUCTOR	HOURS	TIME
Wednesday, October 7	Sherill Allingham Baker	2,3,4,6	9:30 a.m.-3:30 p.m.

2015 Con-ed

Tuesday, August 25
Wednesday, September 16
Tuesday, October 20

Instructor: **Jack Waller**

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

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

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