

HUMBOLDT ASSOCIATION OF REALTORS®
BROKERS MEETING
Wednesday, February 15, 2012
2:00 p.m.

ATTENDANCE: Mikki Cardoza, Kathi Ray, Abe Stevens, Rahi Miraie, Dean Kessler, Andy Parker, Diane Dalsaso, Jack Limmer, Dave Varshock, Donna Brown, Larry O. Doss, Joanie Frederick, Connie Berti, Jeremy Stanfield, Jeff Katz, Debbi Bindel, Joyce West, Greg Anderson

Staff present: Lois Busey, Executive Officer; Kristen Zeck, Administrative Assistant; Staci Bishop, Bookkeeper/MLS Administrator

NOTES: Notes from September 27, 2011 meeting. Notes from the September 2011 Brokers Meeting were in the packets for informational purposes. This is not a standing committee, no action needed.

AGENT TRAINING: NAR's REALTORS® Property Resource (RPR). Staci did a quick presentation showing the brokers how to log and register on the RPR website and then went over the basics of using the system. An RPR trainer will be here teaching a class at 11:00 and 2:00 on Wednesday, March 7th.

HAR: Tech Committee Goal – have a tech liaison from each office. Mikki reported HAR's new tech committee is looking for liaisons from each office.

Education Committee – 3 Topics/Issues for classes. This year's education committee is looking for suggestions for class topics. Suggestions were Flex map training, Flex contacts, Flex tips and tricks and reviewing the agency relationship.

90th Anniversary Celebration. May 30th is HAR's 90th Anniversary! To celebrate this milestone, we would like to hold a celebration party on May 30th. Planning the party falls under Member Services, but budgeting is an issue, we do not have funds to pay for a party. A letter will be sent to all offices asking for sponsorships. A possibility is using the grassy area at the zoo in the late afternoon or early evening.

Membership Participation. Matt was unable to be here today as he is ill. He wanted this topic on the agenda so he could encourage brokers to have their agents participate in HAR events and committees. Lois reported committee participation is low this year and more volunteers are needed.

CAR: New 2012 Laws. Handouts were given on the new 2012 Laws; there are many new laws as of 1/1/12 and several important ones regarding licensing. Kristen noted there is a fine up to \$2,500 if an agent with an expired license is still working and their license will not be renewed until the fine is paid. Some felony charge rules were changed; in some cases licenses will be revoked for drugs or if there is disciplinary action for state or federal conviction, felonies, etc. Having a tax delinquency can equal no license. Branch managers are required to have written agreements submitted to DRE with criteria within a certain time frame. The TDS disclosure regarding water conserving plumbing is required by 2017 for everyone!

State Directors Updates. State Directors booklets were passed out with reports from each director; there is excellent information in here! Kathi reported it was her first time as our Region 1 representative and it was both interesting and intimidating. Lois passed around pamphlets from the CAR meetings showing what goes on at these meetings and events; some are assigned while others are optional. Their officer installation dinner has 900+_ attendees and the president usually gives a momento, like a pen, wine opener, etc. This year, CAR President LeFrancis Arnold made a donation to the American Cancer Society in memory of his sister.

FEDERAL REPORTING: IRS Form1099-Misc Reporting for Realtors®. Written information on 1099 reporting was in the packets. We cannot answer questions about this, please ask your accountants! Lois reported we have one broker who would like us to show in our roster which offices are incorporated. Would this be helpful? We wouldn't list the federal ID numbers, just that they are incorporated. There was discussion about the liability HAR would take on if information in the roster is wrong. Some corporation names are

different than their business names. We update the roster twice a year, what if someone becomes incorporated after the print date, but the agents go by the roster and HAR is held liable? Or vice versa, someone can cancel their corporate license. The brokers present said it is not HAR's responsibility. We could email all Realtors a link to the DRE website saying here is now you can check corporation status at tax time. No broker present was in favor of HAR noticing members whether offices are incorporated or not.

Clarification on unearned income Medicare tax. Information on the medicare tax of 3.8% on unearned income for high income households was in the packets. There is further information from a State Director report done by Ted Loring, Jr. explaining how it's based on income level and there is also a CAR Q&A.

HAR EVENTS: Recent: Toys for Kids Drive & Mixer. Thank you to everyone who helped with Toys For Kids this past year, we raised \$27,000 and purchased 3,500 toys. The number of toys given was lowered as we worked with other agencies to eliminate duplicity. We were able to purchase better quality toys, which was a condition from Humboldt Area Foundation when they donated \$10,000 to our program. The mixer was great. Over the past 12 years, HAR has given out over \$850,000 locally to our community through golf tournaments, Toys for Kids, our scholarship program, etc.

Installation Dinner at Ingomar. This year's dinner was fun! Thank you Dishonorable Judge Andy Parker, who sentenced Matt to one year as HAR president for his many real estate violations. Steve Brodhag was the deputy and was hilarious. Brokers were asked to encourage their newer and/or younger agents to get involved and start moving up the leadership chain!

New Member Orientation. Earlier this month we held new member orientation for 8 people. Lots of information is given during orientation. At this time, 91% of our Realtor members have paid their 2012 dues, 283 of 311, we have budgeted for 290. Everyone who has not yet paid has been contacted and most will be paying by the final deadline. Many agents claimed they didn't see the notices since they were emailed and not sent hard copy bills this year. CAR budgeted for 164,000 in 2011, but ended up with 160,000 and they have budgeted 154,000 for 2012. There are currently no rumors of dues increases in the next few years from CAR or NAR, however, both keep giving more member benefits. It was noted it would be helpful if dues were not on a calendar year, a fiscal year would possibly help retain members. Kathi will bring this up at the next CAR meeting.

Upcoming: General Membership Meeting at River Lodge. Gregg Foster with Redwood Region Economic Development Commission will be our guest speaker at tomorrow's general membership meeting at the River Lodge in Fortuna. At the end of this month, Gregg is moving to Redwood Capital Bank. American Home Shield and Coast Central Credit Union are co-sponsoring the lunch so it's \$15.00 per person.

RPR Live Training. As noted at the beginning of the meeting, we will have a live RPR trainer on Wednesday, March 7th. Training is about an hour, classes are at 11:00 and 2:00.

Back to Basics Class. The name of this class has been changed to "Real Estate Basics in Today's Market." This will be a class with five stations with separate topics. It's a free class at Humboldt Land Title on March 21st. The stations are: Fit and Finesse, Capture the leads and keep them, Product Knowledge, The 3 "C's" - Communication, Cooperation and Commitment, and Savvy technicians.

Bowling Tournament. Housing Opportunity Committee is looking to hold a bowling tournament again this year, but to hold it on a weekday evening and with more teams. Last year we raised \$2,900 from the tournament that went to CAR's Housing Affordability Fund.

DISCUSSION/TOPIC LEADERS. No one volunteered to lead a topic at a future meeting.

OPEN FORUM. Lois passed out flyers about NAR's Quadrennial Code of Ethics requirement. We need a certificate of completion from everyone showing they completed a 3 hours code of ethics course after 1/1/09. If an agent has not yet done their renewal, they can take the online course at realtor.org for free. We do require

new members to take the new member code of ethics training on the NAR website within 30 days of becoming Realtor members, so new members are covered.

CAR has new E&O Insurance for agents, a flyer was passed out. Their E&O was previously for brokers only.

Lois reported Chris Dannewitz, as chair of our affiliate committee last year, came up with the idea for our new affiliate directory to be given to clients and members of the public. This will be updated twice a year along with our member roster. This year, Chris is running a contest for an affiliates drive. Anyone bringing in an affiliate member from April 1st through June 25th will have their name in a drawing to win an iPad2. The directory is on our website's homepage in PDF form and hard copies can be picked up at any time by members to give out. Kristen stated we already printed and gave out 750 directories and the title companies are asking for 300 more. They will start selling ads to cover the cost of printing the directories.

HAR will be holding candidate forums for the three Supervisor's seats up for election. The details are being worked on.

Assemblyman Jared Huffman will be at HAR on Friday, March 2nd at 10:00 am for a meet and greet. Jared is running for our Congressman as Mike Thompson will no longer be our Congressman due to redistricting.

Andy talked about an assembly bill that passed "buyer's choice bill" stating banks cannot force people to use their title companies. As a result, some banks are now offering to pay the fees if clients use the title company of the banks' choice. There was discussion about lender's title insurance policies and being charged buyer and seller escrow fees. If clients chose their own title company, some banks will still run their own (shadow) escrow to track the progress. Everyone should check their good faith deposit receipts when using out of the area companies, several are coming back wrong!

Larry asked if we could give a synopsis of trainings both before and after they are held so brokers do not duplicate the training in house.

Larry also brought up how HAR's policy now is to not notify the broker when a complaint between members is filed. Lois explained that all complaints are kept confidential until the Grievance Committee reviews the complaint; the defendant isn't even notified there is a complaint unless the Grievance Committee reviews the information and agrees that if what is being alleged is true, does it warrant going forward? If it does warrant moving forward, before the Professional Standards Committee meets, all agents and their brokers are informed of the complaint and given all the information alleged. When we get calls from the public or from agents with complaints, the first thing we have them do is talk with the agent's broker to see if the situation can be resolved without filing a complaint. Overall, we don't get very many complaints.

Greg recently noticed that by signing the liquidated damages and arbitration section of the contract, you are not obligated to mediate or arbitrate even if this is signed, you can still go to small claims court.

Adjourned: 3:30 p.m.