

HUMBOLDT ASSOCIATION OF REALTORS®
BROKERS MEETING
Thursday, March 14, 2013
2:00 p.m.

ATTENDANCE: Mikki Cardoza, Mike Atkins, Dave Varshock, Joyce West, Dean Kessler, Michelle Voyles, Austin Dach, Debbi Bindel, Sherilyn Munger, Greg Anderson, Sue Daley, Joanie Frederick, Joshua Kinch

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

Insurance Updates: fire rates / vacancies / photos required to insure. Donna Ross and Hiedi Ritchey with Farmers Insurance came to give information on fire insurance. The Insurance Services Office (ISO) created Fireline scores in the 1990's to assess a dwelling's susceptibility to loss from wildfire. In California, the Fireline information is in the form of a score from 0-30 and its determined using ISO satellite imagery of the individual dwelling under evaluation. Most insurance companies are now using Fireline scores. As of March 1st, Farmers can insure dwellings with a fireline score of 6 or lower. It was suggested buyers get quotes early in the purchase process to see if they can get necessary insurance or if they are willing to pay what the cost might be; it can be a hold up in the purchase process. One broker even suggested getting a quote during the inspection period. Donna provided a list of ISO ratings for each city in Humboldt County. Donna and Heidi were thanked for presenting to us and for bringing Farmers tote bags and cookies.

NOTES: Notes from October 11, 2012 Meeting. Notes from the October broker meeting were in the packets.

AGENT TRAINING: Parcel Quest Navigator weekly webinar trainings. Parcel Quest held one webinar specifically for HAR members and they hold weekly webinars anyone can attend by clicking on this link: <http://www.parcelquest.com/support/webinars> . They will also do training for offices; just call them to schedule training. The system has lots of features that you might not be aware of without attending training.

HAR: zipFormMLS-Connect coming soon. The ability to import MLS data into zipForm's is in the process. To see more information on what this means, you can visit: <http://www.car.org/tools/zipForm6/brokerservices/zfmlsconnect/>

HAR 2014 Election in June. Lois reported we are currently accepting names for consideration for anyone interested in being on the Board of Directors or LCRC. LCRC is our Local Candidate Recommendation Committee and they determine if we want to financially support local candidates and if so, which candidates. They also meet with our senator and assemblyperson when they are in town and are invited to local fundraisers for our state legislators. The Nominating Committee meets next Tuesday, so get your name in before then if you'd like to be considered.

HAR Scholarships available. HAR Scholarships are available until April 5th. Applications are on our website and copies were passed out. Requirements are to be a Humboldt County student with a 3.0 or higher GPA studying for a career in real estate, appraisal, property management, finance, real estate law, interior decorating, woodworking, construction technology, landscaping, cabinet making, architectural design, engineering or drafting.

HAR benefits. A flyer listing lots of member benefits was passed out. Kristen recently surveyed our affiliate members and most of them didn't know about many of our member benefits. So, in case our Realtor members also aren't aware of our benefits, here is a flyer to distribute. We are always happy hear ideas for new benefits as well.

Affiliates Directory & membership drive. New Affiliate Directories were passed out and agents can get more from us as needed. This is a separate directory created to highlight our affiliate members to the public; agents are encouraged to give these to their clients and we are asking the local title companies to put these in their escrow packets. The ads in the directory cover the cost of producing the directory. The Affiliates Committee

will be discussing parameters for holding another affiliate member drive. During last years' drive, HAR members who referred new affiliate members were entered into a drawing for a free iPad.

DRE Trust Fund Manual – At the January CAR meetings, it was suggested that all brokers should have a copy of the DRE Trust Fund Manual and be sure they are in compliance. Here is a link to the manual. <http://www.dre.ca.gov/files/pdf/re13.pdf> . Greg noted they try not to handle funds, but this manual gives you the guidelines on how to handle funds if you are choosing to do so. Joyce shared that years ago when a company she worked for was audited, they asked for all closed files and compared them to the trust fund records to check for alignment.

Broker Compliance Evaluation Manual - At the January CAR meetings, it was suggested that all brokers should have a copy of the DRE Broker Compliance Evaluation Manual and be sure they are in compliance. Here is a link to the manual. <http://www.dre.ca.gov/files/pdf/brkrcomp.pdf>

CAR: State Directors Reports. Reports from the January State Director meetings were passed out. The next State Directors meetings are on May 1st in Sacramento, which is also Legislative Day. We have three members attending Legislative Day with our Directors. They will be meeting one on one with our legislators on state hot topic issues. Let Lois know if you are also interested in attending.

Capital Gains Tax & Health Care Reform Tax Impact. An updated CAR legal Q&A on capital gains tax and health care reform was in the packets.

CAR member must haves for 2013. CAR has a 4 page handout showing some of their member benefits. Sue shared that brokers can purchase zipForm 6 Broker Edition and have access to all of their agents transactions for \$149 a year. Transactions are stored in zipVault and the broker can see all of them, you can store emails, notes, etc. all in zipVault. Mikki felt consumers are having a harder time using CAR's DigitalInk than they did with DocuSign, it's not as intuitive. There was discussion about being able to use digital signatures on the iPad, but not using phones; the data is too small to read on phones so those signatures will not be accepted. Another issue raised was, is allowing digital signatures making it too easy to sign without reading or understanding what is being signed?

2013 new laws affecting real estate. For information purposes, a copy of CAR's new laws affecting real estate for 2013 was in the packets.

Updated Independent Contractor Reporting to CA EDD legal Q&A. Also for information purposes, a copy of the updated legal Q&A on Independent Contractor Reporting to CA EDD was in the packets.

Ethics & Professionalism Task Force report & recommendations. CAR put together a task force to review ways to improve professionalism and they came up with the report and recommendations that were in the packet. Some of their suggestions would require legislative changes. This task force is looking for feedback and comments in writing from members to review at the May State Directors meetings. Austin has a problem with the ambiguity of "competent practice", how is this going to be defined and he doesn't like the idea of anonymous complaints. Lois explained our current process; Lois talks to the complainant, gives paperwork where the complainant is required to complete what alleged violations have been made and that goes to the Grievance Committee. Grievance determines if it goes to Professional Standards for a tribunal and attorneys can be present. Pro Standards determines what, if anything, is to be done as far as sanctions. Austin is also wondering why CAR no longer opposes specialty licensing, he believes it should still be opposed. Jim Hamilton, the chair of this CAR task force, is willing to talk to anyone about these recommendations – he can be reached at 408-888-4389 or jhamilton@apr.com . Staff was asked to have our Board of Directors give an opinion on these recommendations. Austin and Dave would like to come before our Board next month to discuss this. Lois encouraged everyone to submit their comments/concerns/suggestions in writing to either Lois or directly to Jim Hamilton prior to the May 1st Directors meeting.

Lois reported CAR has implemented a database where all Associations are to report any disciplinary action for the past three years; this database is available for all Associations to see to help in determining if they will accept someone for membership. There is also a separate database to report suspensions and/or expulsions; CAR will review these as they are submitted and determine if each one individually should be made known to all Associations statewide.

Broker Involvement Program. Lois passed out brochures and encouraged everyone to sign up for the Broker Involvement Program if they haven't already.

Realtor Action Fund. All Realtors now pay \$49.00 to the Realtor Action Fund within their annual CAR dues that goes to CREPAC for candidate support and IMPAC for local government issues. CAR is asking all members to donate an additional \$148.00 as the cost of doing business. Lois passed out forms for donating if anyone is interested.

CAR Legal Webinars – Monthly. The next CAR legal webinar is on April 1st on landlord/tenant laws. CAR opens the webinars about a week before they are held and they fill up quickly. The webinars have 1,000 slots for attendees, agents can sign up to watch from their homes or offices and we always try to get a spot and show the webinar in the conference room for any members wanting to watch it here. Greg felt Associations should get first choice for slots to CAR webinars for a period of time and if they aren't taken, those slots are opened up to the Realtor members. The webinars are recorded and are posted on CAR's website about a week after they are held.

HAR EVENTS: Recent: The Lending Class on February 5th and the zipForms basic & advanced live trainings on February 26th were both well attended and had good feedback.

Upcoming: Photography Class– March 20th
Social Media Class – April 22nd at Humboldt Land Title
New member orientation – April 4th
May 22nd Toys for Kids Bowling Tournament
July 10th Toys for Kids Quarter Craze Event
General Membership Meeting/Affiliate EXPO/election deadline – June 20th
Crabs Baseball Member appreciation mixer – July 24th
Day at the Races mixer & race sponsorship – August 16th (tentatively)
Golf Dinner at Elk's Lodge – September 12th
Golf Tournament at Beau Pre – September 13th
Toys for Kids Spaghetti Feed – October 17th
Toys for Kids mixer – December 5th

DISCUSSION/TOPIC LEADERS. Not discussed.

OPEN FORUM. Lois passed out information on CAR's Finance Helpline and the Mortgage Resource Directory for Consumers. It is open enrollment time for CAR insurance through RealCare.

Greg brought up an issue he has; he feels it's a big mistake to duplicate disclosures that are irrelevant. He has been told by an attorney that inundating clients with too much disclosure defeats the purpose of disclosure. Part of the problem is just having the agents learn that one form often covers the same things another form does; some forms don't apply to every transaction or are duplicative. Mikki reminded everyone zipForms has the Forms Advisor which helps you know which forms to use for the type of transaction you are doing.

Be sure about checking the SPQ box on contracts, if it's checked, the lender will ask for it.

A Request for Repairs is not part of the contract, it is an addendum to the contract, but not part of the contract. The AVID was also discussed; Austin felt the form can detract from looking at things not on the form while Joyce shared there was a court case where having the AVID proved the agent went through the rooms.

Lois let everyone know we have been working with the County since 2008 to create a joint disclosure to be written by the County. The local disclosure will cover 15 items and it will supersede the existing local forms we currently use. The County is saying the disclosure will be completed when the General Plan Update is completed as the update could change some items on the disclosure. Once it's done, we will have it added to zipForms.

Debbi asked for suggestions on companies to use for E&O insurance. Everyone agreed she should shop for offers and several people gave her the names of the companies they use.

Kristen reported she found out today that the FCC requires anyone sending emails to multiple addresses must have a "click here" to unsubscribe option on their emails. AOL, gmail, and yahoo require the unsubscribe link. She is still researching this to see how it applies to us, but she believes the FCC can go after us for violating this if we get turned in.

Joanie brought up disclosing on the MLS printouts in agent remarks if a property was used for grows. We checked into this before and CAR counsel advised us not to put anything on our MLS printouts about grows due to liability. There was discussion about having a code word in agent remarks to let other agents know before they get to the property if there was or is a grow.

Adjourned: 3:50 p.m.