



R Arcadia REALTOR

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Arcadia, CA August, 2009

AAR CELEBRATES 85 YEARS!

By Andy Bencosme, President

As the Arcadia Association of REALTORS® celebrates its 85th Anniversary this year, it is my honor to serve as the President of this great organization during this milestone.

When a small band of real estate professionals established the Arcadia Realty Board in 1924, they could not envision what the future of real estate would be, yet this Association persists and has held an important position in the community and in the lives of the REALTORS and Affiliates it serves. Today at almost 1,700 REALTOR® Members, in addition to our Affiliate members, we have become a cornerstone of the community. The AAR is not just a voice for real estate but also a supporter of local charities, active in local government, civic organizations and business activities. Today, who could imagine our communities without the work of REALTORS®?

Looking back at our 85-year history is important. Both to learn from the lessons of the past and honor those whose work and dedication to the profession has led us to where we are. It is also a time to look ahead. We must stay at the forefront and lead both our industry and our community. We must decide now what history we want to write when we celebrate our 100th Anniversary. In 15 years will we be as successful as those leaders who came before us? We cannot settle for anything less.

On July 1, we celebrated our 85 years of success at the Masonic Center with a lovely breakfast complete with linens, floral centerpieces, dignitaries, a contest and prizes. The membership participated in the fun and many walked away with prizes and flowers.

To mark this special occasion, seventeen of the AAR's Past Presidents were in attendance. Each Past President offered memories and recollections of their term as President in a keepsake anniversary program. Dignitaries presented proclamations of appreciation and certificates of recognition.

Special thanks to Dave Scarminach, Chairman of the 85th Anniversary Celebration Task Force, for the linens, lovely floral decorations and other special ideas. Thanks also to Diane Balsamo, Bank of America, Design Escrow, and all of the other REALTORS from various member offices who "pitched in" to make the breakfast a memorable event.

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AAR Past Presidents are (Standing L to R): Helen Cao, Michael Ferlisi, Richard Stone, Al Little, Ji Han, John Barker, John Wuo, Kelvin Wong, Michael Ludecke, Terry Earll, George Monte, and Randall Traw. (Seated L to R): Andy Bencosme, James Thomas, Judy Webb-Martin, Mary Poehler, Richard Kasten and Gordon Maddock.



Field Representative for Assemblyman Anthony Portantino, Bill Hackett (R), presents AAR President, Andy Bencosme (L) with a Certificate of Recognition for the Arcadia Association of REALTORS 85th Anniversary.

Calendar for August

Monday, August 3

9:00 a.m. – New Member Orientation

Tuesday, August 4

8:30 a.m.-9:30 a.m. – AAR Staff Mtg.

Wednesday, August 5

8:30 a.m. – New Member Induction

8:30 a.m. – MLS Caravan

9:30 a.m. – Real Estate Professionals Auxiliary

Tuesday, August 11

8:30 a.m. - 9:30 a.m. – AAR Staff Mtg.

11:00 a.m. – Tech Committee Mtg.

1:30 p.m. – MRMLS Operations Mtg.

Wednesday, August 12

8:30 a.m. – MLS Caravan

9:00 a.m. – Affiliate Committee Mtg.

9:30 a.m. – MLS Committee Mtg.

9:30 a.m. and 1:30 pm – Winforms Training

2:30 p.m. – Marketing Committee Mtg.

3:30 p.m. – Equal & Housing Opportunity Committee Mtg.

Friday, August 14

10:00 a.m. – Young Professionals Network Task Force Mtg.

Monday, August 17

10:00 a.m. – MRMLS AE Mtg.

10:00 a.m.-2:00 p.m. – MRMLS Training

Tuesday, August 18

2:00 p.m. – Education Committee Mtg.

5:30 p.m. – Young Professionals Networking Mtg.

Wednesday, August 19

8:30 a.m. – MLS Caravan

1:00 p.m. – Ethics Video

Thursday, August 20

1:30 p.m. – MRMLS Finance Mtg.

Monday, August 24

10:00 a.m.-4:00 p.m. – MRMLS Training

N.A.R. Leadership Summit (Aug. 24-25)

Tuesday, August 25

1:00 p.m. – Budget and Finance Committee Mtg.

Wednesday, August 26

8:30 a.m. – MLS Caravan

Thursday, August 27

9:00 a.m.-12:00 p.m. – Live Foreclosure Class with Joel Carlson

1:00 p.m. – Tech Thursday "Photos 101"

Friday, August 28

8:30 a.m. – Board of Directors Mtg.

Monday, August 31

12:00 p.m. – MRMLS Board of Directors Mtg.

TECH COMMITTEE

By Brenda Reed, AAR Staff

The Do's and Don'ts of Social Media

Have you heard about Social Media but are not quite sure what it is? In general, it's a place with different online social networks where individuals are able to find, make friends or build networks that best fit their everyday life. As our world evolves, the way we communicate changes, which also has affected the way we do business. There are numerous networking sites available to everyone. If you are not on Twitter, Facebook or LinkedIn, ask yourself "why not"? Take advantage to share "You" and seize the opportunity for free marketing of you and your business. Here are some do's and don'ts when building your profile or maintaining it.

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THE NATIONAL ASSOCIATION OF REALTORS®

Signature Series

BOB McCOMB

Co-Creator of Commercial Training Program "Top Dogs"

FRIDAY, SEPTEMBER 19, 2009

8:30 AM - 5 PM

Santa Anita Golf Course

405 S. Santa Anita Avenue

Arcadia, CA 91006

Morning: 8:30 am - 12:00 pm

How to Take Your Business to the Next Level: 121 Ways
to Market Yourself and Your Business

Afternoon: 1:30 pm - 5:00 pm

Office, Industrial and Retail Leasing Fundamentals

Event Pricing:

Through August 31, 2009 - \$88.00

By September 15, 2009 - \$99.00

Registration Required

Your Paid Reservation will Save your Seat



ATTORNEY COMMENTS

By Dave Freeman, Association Counsel
July 2009

1. NEIGHBORHOOD DISTURBANCES: When selling or leasing a property, the Seller must disclose disturbances in the neighborhood, which would reasonably be important to the Buyer/Tenant. Sometimes these may be occurrences that are difficult or nearly impossible for the Seller/Landlord to control, but they must be disclosed to the Buyer/Tenant to avoid liability for failure to disclose.

The best solution is to attempt to resolve these situations prior to sale/leasing. The disturbance should still be disclosed, but it can be noted that the Seller/Landlord believes the matter has been resolved. Otherwise, the Purchaser/Tenant can sue the Seller/Landlord for failure to disclose and deterioration in value of the property or lack of habitability.

2. TITLE INSURANCE – TRANSFER OF OWNERSHIP: We all know that transfer of title without getting a title policy is asking for disaster. However, transferring within the family and transferring into a Trust or Family LLC seems harmless enough. However, this transfer terminated the title insurance from when the property was originally purchased. Therefore, if, upon eventual sale, or at any other time, it is determined that there is a maverick deed or other cloud on title, the title insurance is of no help.

Further, frequently property that has been in the family for quite some time has a title policy, which is for such a low amount it is virtually worthless. The best solution may be to recommend to the party transferring the property to secure new title insurance at the time of transferring the property.

3. SUBDIVISION MAP ACT – TRANSFERS: Recently a Seller agreed to sell a large parcel of land to the Buyer, with escrow to close once a final parcel map had been recorded. The Buyer was buying a portion of the entire property, and a subdivision map had to be recorded in order for the Seller to be able to sell a portion of the property. Escrow was to close once the final parcel map was recorded, but the contract also stated that the Buyer could waive the recording of the parcel map and close escrow.

The Seller breached that contract and sold the entire property to another party. The first Buyer sued, and they lost! This contract violated the Subdivision Map Act, in that it allowed the Buyer to purchase a portion of the entire property without the recordation of a subdivision map. Therefore the contract was illegal and void. Do your clients a favor and be sure that they are only selling legal parcels or lots in a subdivision, properly split or subdivided. (Comment: The Preliminary Title Report will be too late, as the contract will already have been entered into, and unenforceable if this problem arises.)

COMMERCIAL MIXER



Last month, the Commercial/Investment Committee hosted a mixer entitled “10 Things Brokers and Property Owners Do To Get Themselves Sued and How to Resolve It”. Attorney, Paul Cheng offered valuable information on protecting yourself against lawsuits and what to do if you find yourself in that particular situation. The message was well received by the attendees of the event.

Members of the Commercial/Investment Committee with the attorney are (L to R): Nick Zigic; Attorney, Paul Cheng, Careayre Rambeau, Paulina Lee, Nancy Weckwerth, Chairman; and Tim Johnson.



AAR CELEBRATES 85 YEARS

(continued from page 1)

Congratulations to the Arcadia Association of REALTORS on 85 years of service and dedication to the real estate industry!



AAR President Andy Bencosme (L) accepts a Certificate of Recognition from Assemblyman Anthony Adams presented by Steve Johnson (R) on behalf of the Arcadia Association of REALTORS.



Helping with the anniversary celebration are Diane Balsamo and Dave Scarminach.



City of Arcadia Mayor, John Wu (R) presents AAR President, Andy Bencosme with a Certificate of Recognition in celebration of the AAR's 85th Anniversary.



Joe Garcia, Councilman for the City of Monrovia (C), proudly presents AAR President Andy Bencosme (L) and Chip Ahlswede (R) with a Certificate of Recognition for the AAR.



A NEW LOOK – THE AAR WEBSITE!



Visit the AAR website at www.TheAAR.com and view the new and improved site. We hope that you will find it provides ease of navigation and that it is user friendly. The AAR Website Task Force, under the direction of the AAR Tech Committee, has done a fantastic job with an all new look with interesting photos and articles. The site is a work-in-progress, so please visit it and provide the Association with your feedback. This will help us to continue to improve the website in order to more efficiently serve you. Thanks!

SBA 504 LOAN PROGRAM CHANGES & ADDITIONS

By Linda Vidov, Vice Chairman LGR Committee



The Small Business Administration (SBA) has recently made changes as well as added additional programs to assist business owners through these challenging times. They have created a new loan program to help small business' with cash flow to keep their doors open.

On June 15, 2009, SBA started guaranteeing America's Recovery Capital (ARC) deferred-payment loans of up to \$35,000. The loans will be available to established, viable, for-profit small businesses, as defined, that need short-term help to make their principal and interest payments on existing qualifying debt. ARC loans are interest free to the borrower, 100 percent guaranteed by the SBA, and have no SBA fees.

These loans will be disbursed for up to 6 months and used for payments of principal and interest for existing, qualifying small business debt including mortgages, term and revolving lines of credit, capital leases, credit card obligations and notes payable to vendors, suppliers and utilities. Repayment will not begin until 12 months after the final disbursement. Borrowers don't have to pay interest on ARC loans. After the 12-month deferral period, borrowers will pay back the loan principal over a period of five years.

SBA also changed another program to assist business owners to refinance to expand or to purchase additional equipment. SBA 504 loans were originally developed to assist with purchasing commercial property, buy machinery or make improvements. Borrowers can now refinance any existing fixed-asset loan as long as the amount is 50% or less than the total cost of expansion. The purpose is to restructure debt under better terms and improve cash flow so businesses can grow and create jobs. The small-business borrower must also create or retain a job for every \$65,000 guaranteed by the SBA, a change from \$50,000. SBA also reduced or eliminated fees on their programs and increased the guarantee on 7A loans up to 90%.

Unfortunately, this will not be helpful to the business owners that have 504 loans coming due and do not have the ability to expand at this time. SBA is launching a new program soon for car dealerships to purchase inventory.

The information in this article was obtained from the Wall Street Journal & Small Business Administration. If you have any questions, please contact Linda Vidov at 626-930-9392 or Linda.Vidov@Century21.com

The Do's and Don'ts of Social Media

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DO:

- Present the real "You". People want to know that you are a real and genuine person that lives an interesting life. Now this doesn't mean that industry leaders, other professionals or potential clients and new friends are interested in seeing pictures of you doing a keg stand at a friend's party. It's completely fine to have a social life, but always consider your image.
- Plan out and seek your approach to your targeted audience. Building your presence can help bring traffic to your profile.
- Have interesting things to say, helpful information, links, pictures and analogies.
- Take time to think about what you are going to post before you actually post it. Posts can come back to haunt you.
- Take the opportunity to market yourself. Share about your life, your community work, social events, fundraisers and involvement with your family.
- Be relatable and give the feeling that you are a real person, not just a salesperson.
- Complete your profile with a picture, short biography and blogs.
- Know who your friends are. When you are not sure of who is requesting your friendship, simply send them a short message asking, "Where did we meet?"

DON'T:

- Be offensive or rude to people.
- Over crowd your posting with listings.
- Lose focus of your strategies.
- Abandon your profile. Stay on track and interact at least once a day.
- Post status updates about standing in line at the coffee shop (unless someone famous is serving you coffee or you've made a great find).
- Post complaints every day. You may turn off your viewers.
- Become Mr. or Miss popularity by confirming every request. Research the people that will be associated with you. Market a positive image.

Now remember these two things: Image is everything and there are not two of "you". There is not a "personal you" and a "professional you". It's just "You" for the whole world to see. Once you have a profile set with your privacy settings, build groups within your profile such as family, friends and professional groups. You can set restrictions on each group as to how much or little they can see. It's well worth cleaning and maintaining your online reputation.

Social Media is the next step in the evolution of communication. Don't be left behind. Get your profile started today!

For more information on this subject, contact Brenda at (626) 446-2115.



GOVERNMENT AFFAIRS DIRECTOR REPORT (GAD)

By Chip Ahlswede, G.A.D.

STAYING ON TASK

You know how the one day you decide to try and breathe and relax ends up being the one day that everything goes wrong in every pending transaction you've got? You're not alone.

This last month:

- The Department of Insurance nearly banned all interaction between agents and title reps "accidentally"
- The State attempted to close a 26 billion dollar deficit by requiring 3% of your commissions to be paid in taxes at closing
- Counties all around have been delaying their re-assessments to get higher taxes

However, your Association's Government Affairs Team was there fighting for you every step of the way.

- The Department of Insurance reversed their decision within days of making the "blunder"
- The legislature was vigorously opposed on their withholding proposal
- L.A. Assessor's Office came to the PEPsters to talk about what is happening in real estate tax laws

One of the benefits of being a REALTOR in Arcadia is that you have a team of skilled professionals and dedicated REALTOR® volunteers working on your behalf in Washington D.C., Sacramento and Arcadia City Hall. They work tirelessly on your behalf to protect your right to do business.

We believe in private property rights. We believe in free transactions. We believe in your business.

However we aren't the ones we need to convince. Legislators and the general public alike need to better understand the reasons that REALTORS® fight for those important issues. We do it for their prosperity.

Those messages however need your support. It's your investment in the REALTOR® Action Fund that funds these efforts. It's your support when we call you to send letters to elected officials that enables those messages. It's YOU that makes the real difference.

While you may not always get that full day to breathe as often as you like, consider this...
How often would you get that chance if proposals like these went through every day?

Support the Arcadia Association of REALTORS®, Support the Local Government Relations Committee, Support the REALTOR® Action Fund – Because they are all there to support you.

MRMLS STRATEGIC PLANNING INDIAN WELLS



Richard Stone, AAR President, Andy Bencosme, Mary Rovarino and Gordon Maddock.

Industry leaders, REALTORS, Brokers and Association Executives spent two days in the desert reviewing and evaluating MRMLS's values and seeking to uphold how it carries out its Mission Statement (which is to deliver, through local member Associations, the most affordable, reliable and convenient listing technology service available and to provide products and services that support REALTORS in maximizing use of property data to achieve business goals).

The group looked to see if there is sufficient leadership to initiate and manage a desired transformational change, what opportunities and challenges are facing us today given who we are, what do we see ourselves becoming in the future, do we have sufficient energy/motivation to take advantage of our challenges and opportunities while moving toward our future, how do we develop goal-oriented strategies, and with whom do we need to partner and is there sufficient leadership to sustain the desired organized transformational change?

It was a very busy two days of work to cover all the topics included in the agenda and to move MRMLS forward in the future.

Should Your Choices Be Taken Away If Other People Break The Law?

By Scott Shimamoto, Nationwide Capital



Fellow real estate professionals: One of your fundamental rights to choose has been taken away from you. That's right. In this challenging time for the industry, our government has stepped in and "fixed" a problem for us. Unfortunately, this fix is directly and negatively impacting our businesses.

If you have not heard of the "Home Valuation Code of Conduct" ("HVCC"), I hope you will continue to read the rest of this article. This is very important to all of us in the real estate industry.

The issue that the HVCC was meant to resolve was the rampant fraud that unfortunately occurred during the recent real estate boom. During the real estate boom, appraisers were either pressured, or they willingly represented inflated property values on their appraisal reports. The HVCC was implemented to separate any business ties between the appraisers, real estate agents, and loan officers so that any real or perceived conclusion between these parties would be eliminated.

The idea of separating the parties may seem like a good idea at first, but this is the equivalent of taking away you child's toy when it was the neighbor's kid that misbehaved! It isn't fair, and it punishes parties that continue to conduct business in an ethical and professional manner.

Once again, when some unscrupulous people perpetrated fraudulent transactions, many honest and professional people in the real estate industry are now suffering in the aftermath. Although the purpose of the program has good intentions, the way that this program has been implemented hurts our industry.

The HVCC zeroes in on the appraisal industry. It eliminates the "independent" appraiser and eliminates our ability to choose our own appraisers. Because of HVCC, appraisals MUST be ordered through "Appraisal Servicing Companies".

Why is this bad? In a nutshell, these are the reasons that HVCC is both unfair and bad:

- Appraisers who are not affiliated with one of these companies are "locked out" of their livelihood of doing appraisals. If your favorite appraiser was unable to get hired by an Appraisal Management Company, you can't use them and they are BARRED from making an honest living. How fair is that?
- The Appraisal Management Companies have been charging higher prices for appraisals and paying less money to the appraisers. The people who are actually doing the work are getting less money for their services and your client is paying more for the service. That sounds like the medical industry where the administrators are making more money than the doctors!
- Because the people involved in the transactions are not allowed to communicate directly with the appraiser, we will have a much more difficult time pointing out mistakes on appraisals. So if we see a potential problem, we may be unable to point it out
- Since the Appraisal Management Company will become the default source for appraisals with lenders, fast turnaround of appraisals will become a thing of the past. Although professional REALTORS allow for sufficient time for a transaction to be completed, there are times when we need to expedite the process. As you know, the appraisal is a very important part of this equation. Since when is service improved when you take away the element of competition?
- If the homebuyer decides to switch lenders, they cannot simply "reassign" the appraisal. They must purchase a new appraisal. This is not only an unnecessary cost, but it will also slow down the loan process. This is exactly what we need, another way to make our jobs harder!

Overall, HVCC makes it more difficult and costly for professionals in the real estate business to conduct business and is unfair to appraisers who have spent many years cultivating business relationships and providing a high level of service to their clients.

I propose that we go back to the old method of allowing the lenders to keep track of appraiser performance or if the government wants to be involved, simply create a shared national database to ensure that "bad" appraisers are not allowed to conduct business and create problems for lenders. Why should we create another level of bureaucracy and let some pencil pushers make all the money instead of the appraisers who are actually doing the hard work?

If you believe that the HVCC needs to be modified or eliminated, I strongly encourage you to go online and sign the electronic petition. The link is: <http://www.petitiononline.com/hvcc/petition.html>

For more information on this subject, contact Scott at (626) 256-6901 or (626) 399-1525. You also can email him at scott@nwcapitalmtg.com.

Arcadia

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ARCADIA ASSOCIATION OF REALTORS® and AAR REAL ESTATE PROFESSIONALS (REP)

present

Golfing for Charity 2009

THURSDAY, SEPTEMBER 24, 2009

Santa Anita Golf Course

\$120 per player

(includes green fee, cart, range balls, goodie bag and dinner)

\$40 per person

(includes dinner only - with no golf)

All entries and payments must be received by September 21, 2009



Arcadia

Association of Realtors®

New Benefit for Members!!

Do you hate waiting in long lines at the movies theatres? Do you wish the tickets did not cost so much? or Do you need a gift idea? The Arcadia Association of REALTORS now carries AMC Silver movie tickets at a *discounted* rate!

AMC Silver tickets never expire and may be used for any movie that has been in theatres for at least two weeks.

Come purchase up to 10 movie tickets at a time at the AAR office for \$6.50 plus tax!



Save the Date!

Annual Inaugural Installation Gala

Friday, December 4, 2009

Doubletree Hotel

Monrovia

This will be an event that you will not want to miss!



C. Anthony Phillips, CPA
President

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