



SANTA CRUZ ASSOCIATION OF REALTORS®
Creating Better REALTORS®

MARCH 2007 • SCAOR.ORG

inside REAL ESTATE

Santa Cruz County's Real Estate News Source

Broker Forum Breakfast



March 19
Special Guest
Speaker
Jeff Davi, DRE
Commissioner
Details, page 5

Inside this issue

NEWS

- Housing Expo** 1, 5
All exhibitor tables filled!
- AMBAG Partners with PG&E** 5
to provide marketing materials for REALTORS®

DEPARTMENTS

- President's Message** 3
Kaplan clears confusion over new technology and more!
- Market Statistics** 4
Nov., Dec., Jan. Stats—Santa Cruz County
- Education** 4, 5
Housing Assistance Cert., Broker Forum, Mortgage Fraud, Foreclosures and more!
- Calendar, March 2007** 6
Classes, Meetings, Seminars; Coming up in April: Housing Expo & Taxes!
- New Members** 6
Welcoming 18 new REALTOR® members and 3 new Affiliate members
- Affiliate Update** 7
Dimitri Timm: Membership up; Goal to add more educational events and programs
- Affiliate Spotlight** 7
"Living in Santa Cruz is a lifestyle that would be hard to replace."—Suzie Tracy
- SCAOR Housing Foundation** 9
Janeé Del Colletti debriefs us on subcommittees: A call for volunteers!
- In Memoriam** 11
Dave Sanders, Century 21 Arrowhead
- Legislative Watch** 11-14
NAR: REALTORS® seek to protect home buyers from predatory lending

C.A.R.: Home sales fell in 2006 after four years of impressive gains

Santa Cruz County Housing Expo shaping up to be really big event!

On April 21st at Cabrillo College, from 10am-4pm, Santa Cruz Association of REALTORS® (SCAOR) and the SCAOR Housing Foundation are implementing the "first-of-its-kind" Santa Cruz County Housing Expo and it's going to be BIG!

"Big" in the sense that we are having seven different educational presentation areas with dozens of professional speakers covering diverse topics such as first time home buying, selling, lending, senior housing issues, investments, and housing assistance programs and a section covering lending and home buying in Spanish. We are expecting 40 exhibitors from real estate and mortgage companies, along with non-profit housing agencies from the city and county, and ancillary service companies. Senior Networking Services will provide a senior resource table with information from four senior non-profit agencies and AMBAG Energy Watch will be providing resources for homeowners to get an energy survey and rebates from PG&E. (See AMBAG story, page 5.)

"We are grateful to the sponsors who have come on board to support this event, including the *Santa Cruz Sentinel* as our media sponsor, *Coldwell Banker*, as our \$5000

Seven different educational sections offering more than 40 seminars will be available!



sponsor, **Bank of America** and **Santa Cruz Title** as our \$3000 sponsors and **Santa Cruz Home Finance, Santa Cruz Mortgage, First American Title, Wells Fargo** and **Washington Mutual** as our \$1000 sponsors", Janeé Del Colletti, Chair of the Housing Expo stated. "The event sponsorships sold out quickly and the exhibit space is also sold out. We are so thrilled with the re-

sponse thus far from our members that we hope to be able to make this an annual event!"

More specifically, the Housing Expo will have real estate professionals from a variety of lending institutions providing information about how to

Continued page 5



SANTA CRUZ ASSOCIATION OF REALTORS®
2525 MAIN STREET
SOQUEL, CA 95073

PRSR STD
US POSTAGE PAID
CAPITOLA, CA
PERMIT NO. 59

Tag

Santa Cruz County Association of REALTORS®



2007 BOARD OF DIRECTORS

President

Sandy Kaplan

President-Elect

Christa Shanaman

Secretary/Treasurer

Lela Willet

Immediate Past President

Bobbie Nelson

Directors

Steve Allen

Candace Bradfield

Debra Frey

Frank O. May

Inez Pandolfi

Katie Smith

Lauren Spencer

Sharolynn Ullestad

RE InfoLink Director

Suzanne Yost • syost@baileyproperties.com

Chief Executive Officer

Philip B. Tedesco, RCE, CAE

Phil@scaor.org

Member Services Director

Norma I. Milete • Norma@scaor.org

Director of Education

Karen Kirwan • Karen@scaor.org

Director of Marketing and Communications

Julie Ziemelis • Julie@scaor.org

Member Services Coordinator and Ad Sales

Amy Ferrasci-Harp • Amy@scaor.org

Administrative Assistant

Leslie Flint • Leslie@scaor.org

Bookkeeper

Jennifer Shaw • Jennifer@scaor.org

ADVERTISING INFORMATION

For advertising and deadline information, please contact Amy Ferrasci-Harp (831) 464-2000 • amy@scaor.org

INSIDE REAL ESTATE

Inside Real Estate is the official monthly newspaper of the Santa Cruz Association of REALTORS® provided as a member service to inform, educate and update REALTOR® and Affiliate members on local, state and national news, as well as the Association's calendar of events.

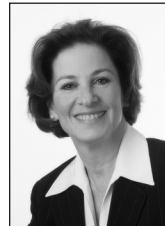
Santa Cruz Association of REALTORS®

2525 Main St., Soquel, CA 95073
(831) 464-2000 • (831) 464-2881 (fax)
www.scaor.org

Design and production of Inside Real Estate by Sandra Dixon and Dixon Design
DixonGraphics.com

President's Message

Open House Tour addition slated to begin mid-March

Also: New technology poses new questions**Sandy Kaplan**

2007 Association President
Santa Cruz Properties
(831) 588-8855
kaplan@santacruzproperties.com

I have an announcement to make, hot off the press! We have made a change that will assist REALTORS® in their previewing and marketing of properties. As most of you are aware, our Thursday Broker Tour now includes the areas covered by both the Santa Cruz and Watsonville associations. An addition to the Open House Tour schedule has been approved by the Board of Directors and is tentatively scheduled to begin in mid-March (March 15th).

The morning tour will remain the same, covering the same areas 32-43 and running from 9:30am to 12:00pm. The second part of the tour, areas 42-51 will be open from 12:30pm to 3:00pm. The third and final part of the tour will cover areas 52-59, 185 and 199 and run from 1:30pm to 4:00pm. The addition, which affects the afternoon, will improve the Open House Tour by extending the hours and areas included. It is now going to be staggered and overlapping to include areas further south. This will allow agents to preview more properties (more travel time available between properties), and will assist listing agents in the marketing of their properties.

An issue that seems to be creating a great deal of confusion and questions is the transition of Homeworks and REIL.com V3. The Homeworks program has been purchased by e-neighborhoods and has been converted to an individual subscription model. All subscribers who want to start or continue using Homeworks as of February 1st will pay a quarterly subscription fee of \$54. There is no longer a licensing distinction between office copies and individual copies. The CMA and Street Maps add-ons will still be available to

current users. However, no new modules of these tools are being sold.

The current program released by RE Infolink, which is included in your MLS dues, is REIL.com V3. Ongoing free training classes are being offered at the Association. The class size is very limited because it is a hands on class with each student on a separate computer. I strongly encourage you to sign up for one of these classes, if you have not already done so. Please refer to the Education Calendar for dates of these classes. Like any new software, the more we use it and familiarize ourselves with it, the easier it becomes. There is also a new Advanced CMA and Buyer's Tour add-on that is currently being tested by REALTORS® in the field. The projection is that by March, the Advanced CMA and Buyer's Tour will be available by subscription. The price for this optional add on is \$66 for six months or \$108 for a year.

There are some of us who embrace new technology and some of us who learn it kicking and screaming. I admit I have been a devoted Homeworks user from its beginning and like most people am resistant to change. However, after attending the training class on REIL.com V3 I am impressed with the features it is offering. I think we are fortunate to have both software options available to us. For a fee, Homeworks users can continue on for now with what we already know. For REIL.com v3 users, there will be more and more updates and improvements over time. If you have any questions about this issue, please contact either Philip Tedesco at Ptedesco@scaor.org or RE Infolink directly at www.Reil.com.

And, of course, here's my plug for this month. Don't forget, our Housing Foundation is always in need of more donations to give back to our community. Please consider a close of escrow contribution. It's painless and easy. For more information or to download the form, go to www.scaorhf.org. Thanks.

Member News

Haven't paid your dues?

If you have not yet paid your Association dues, your services will be interrupted after February 28th. As of March 1st, your membership will be deactivated and there will be an additional \$30 late fee assessed to your 2007 member dues for reactivation.

Brokers: You will receive a letter from SCAOR alerting you to whom in your employ has not paid their dues. Please remind the agents in your office meetings that if they have not received a bill, this does not exempt them from paying.

If you have any questions, please contact Norma Milete, Member Services Director at (408) 464-2000 or norma@scaor.org.

Healthcare benefits

If you are in need of healthcare or want to check rates of health care policies against your own, check out www.quotetbroker.com, an online provider of quotes from all the major health plans available. You can pick which benefits you wish to receive and which ones you don't! This company specializes in health insurance brokering for California Associations. Applications are now being accepted for March & April 2007 Effective Dates.



Past President, David Lyng, receives honorary plaque for 25 years of membership.

At the recent Office Liaison Committee meeting, David Lyng, Broker/Owner of David Lyng Real Estate and past President of SCAOR, was presented an honorary plaque for his 25 years of continuous membership. Sandy Kaplan, SCAOR President presented the plaque and congratulated David on his many years of service and membership to the Association. The Honorary Membership Award is given to members who have 25 years of continuous membership, are at least 65 years of age and have performed committee service at the Association. Congratulations David!

Santa Cruz County Market Statistics

Education

Single Family Residences					
	CURRENT INVENTORY	NEW	SOLD	AVERAGE	MEDIAN
NOV. 2006	996	172	171	\$787,468	\$719,000
DEC. 2006	795	101	162	\$809,936	\$710,000
JAN. 2007	813	239	113	\$795,108	\$715,000

Condos/Townhouses					
	CURRENT INVENTORY	NEW	SOLD	AVERAGE	MEDIAN
NOV. 2006	241	45	24	\$490,358	\$472,000
DEC. 2006	189	33	46	\$523,294	\$510,000
JAN. 2007	208	69	24	\$505,454	\$490,000

For historical statistical information dating back more than 10 years, go to scaor.org and click on "News / Events."

HOUSING ASSISTANCE PROGRAM SPECIALIST CERTIFICATION COURSE

The NorCal Housing Coalition will be presenting the first ever course offering of the Housing Assistance Program Specialist Certification, on March 16th at the Sacramento Association of REALTORS®. The new continuing education course for all real estate professionals will address a variety of subjects including identifying which programs best suit each buyer's needs, developing tools to meet the special needs of first time homebuyers, successfully completing real estate transactions for first time homebuyers, and more.

For information, contact Nancy Rogers at getme@earthlink.net.

FYI

The Office Liaison Committee meets three times after every C.A.R. meeting and provides key office contact with pertinent information such as legal updates, licensing issues, local government issues, etc. If you are interested in being a part of the Office Liaison Committee please contact Karen Kirwan, SCAOR Director of Education at (831) 464-2000 or send an email to karen@scaor.org.

- We print 27,100 Magazines every 4 weeks.
- We distribute 7000 magazines to prime locations outside of Santa Cruz county: Los Gatos, Saratoga, Santa Clara, Hollister, Gilroy, Salinas and Moss Landing.
- We stock over 350 inside and outside racks in quality high-traffic areas of Santa Cruz County.
- www.HomesMagazine.com is the the most popular real estate property search website in Northern California with 10,000 or more unique visitors a day viewing an average of 67 listings per visit! Our featured agent advertising program gets these

customers to your website! Ask us how.

- We direct mail each issue to professional offices in Santa Cruz county.



HOMES

Santa Cruz County
Magazine.com

Do you REALLY know about your distribution?

*Want Results?
Market your properties in Homes Magazine.*



Stevie Harvie • 831 688-6701

Fax 831 688-6209 • stevie@homesmagazine.com • www.HomesMagazine.com
9515 Soquel Dr Suite 204 • Aptos, CA 95003

Education

Upcoming Classes

For registration or for further information, please contact Karen Kirwan, Director of Education, at (831) 464-2000 or kkirwan@scaor.org.

BROKER FORUM BREAKFAST

Special Guest Speaker
Jeff Davi, DRE Commissioner

Updates on new licensing requirements; DRE update; Legal updates; Also a presentation by Charice Olsen, Work Experience Specialist with the Santa Cruz County Board of Education about their brand new Student Support Services program.

Monday, March 19, 9–11:00am
Seacliff Inn, Aptos
FREE
(Pre-registration is required)

This presentation is open to Broker-Owners, Managing Brokers, and Office Managers only.

MORTGAGE FRAUD

The hottest issue hitting California's real estate industry today!

Topics include: What is mortgage fraud and how to spot it. Licensing, criminal prosecution and more!

In partnership with the Santa Cruz County Bar Association Real Property Section

Wednesday, March 28, 2007
7:00–9:00am
Seascope Golf Club
\$15 Fee includes full buffet breakfast
(Pre-registration is required)

REAL ESTATE AND THE USE OF CHARITABLE REMAINDER TRUSTS TO SAVE TAXES

This workshop will discuss the role of **Charitable Remainder Trusts** in real estate planning and transactions, and how this type of trust can be utilized to eliminate capital gains taxes and depreciation recapture on the sale of highly appreciated real estate; reduce current income & estate taxes, generate a lifetime stream of income, and provide protection against creditors, and benefit a public charity of your choice. And so much more!

Wednesday, March 28, 2007
2:00–3:00pm
SCAOR Seminar Room
FREE!

(Pre-registration is required)
One CE DRE credit in Consumer Protection

Please see related article on page 11.

FORECLOSURES

Real estate foreclosures have been increasing and will likely continue to do so. In this one day workshop you will not only learn how to spot opportunities for buyers in this unique market segment, but will be able to counsel home buyers on the perils of risky finance programs.

Friday, March 30
Registration: 8:30am
Class: 9:00am–4:00pm
SCAOR Seminar Room
\$150
Course approved by REBAC as an ABR Elective

MLS TRAINING REIL.COMV3

Wednesday, March 7
and
Monday, March 12
9:00am, 11:30am, and 2:30pm
SCAOR Seminar Room
FREE!
(Pre-registration is required)
Seating is limited

Housing Expo: Event sold out quickly!

Continued from cover

get a loan, understanding credit scoring and how to avoid mortgage fraud. REALTORS® will be lending their expertise about how to buy and sell a home, understanding the home buying process including the title and escrow process, and how to get your home ready to sell. For investors, classes are being offered that explain Tenants in Common, 1031 Exchanges, the fundamentals of investing and property management. The senior section will feature presentations on senior fraud and protection, retirement planning, and senior housing options.

Sandy Kaplan, SCAOR President stated “This is such a great opportunity for the public to learn about housing opportunities and affordable housing in Santa Cruz County. It is also a wonderful way to garner media coverage showcasing our members’ involvement in educating the public and providing complimentary resource material for their benefit. The Housing Expo also is a fantastic venue to further our public outreach and education goals for both SCAOR and the SCAOR Housing Foundation. We hope to use the Housing Expo to springboard

our involvement in our local community in terms of proactive housing opportunities.”

SCAOR’s Local Government Relations Committee is getting into the act, as well, by inviting Congressman Sam Farr to speak at the opening ceremonies of the event, as well as informing all the local elected officials about the event and SCAOR’s members’ role in providing crucial housing information to the public, including mortgage and senior fraud seminars.

We will be sending out press releases about the event and aim to garner press coverage in all the local and regional newspapers and radio stations, along with day of event TV and news coverage. Come out and be part of the event! Volunteers are needed to help in a variety of ways to ensure the event runs smoothly. Email Julie Ziemelis, Marketing Communications Director, at Julie@scaor.org.

Members and the public can check out our website www.scaor.org for information regarding the class schedule, sponsors and exhibitors. We will also have information about parking and where the classrooms and cafeteria are located on the Cabrillo College campus.

Free home energy survey!

Great marketing opportunity for REALTORS®

Beginning on March 5th, radio spots promoting the Association of Monterey Bay Area Governments (AMBAG) Energy Watch Free Home Energy Survey for homeowners will begin to air. SCAOR is working in conjunction with AMBAG to promote the free home energy surveys and the advertisement will encourage the public to contact their local REALTOR® or REALTOR® Association.

The free home energy survey is conducted by an energy specialist in the client’s home scheduled at the clients convenience. It’s free of charge and identifies for the homeowners how they use energy and the specialist provides feedback on how they can be more energy efficient and they provide information about obtaining rebates from PG&E.

The best part about this program is that you, as a member of SCAOR,

can have the coupons printed with your name and/or company logo on them FREE OF CHARGE and you can mail them out directly to your clients. It’s a great marketing opportunity and hey, you are helping to save the environment!

For more information, contact Elizabeth Russell at erussell@ambag.org or (831) 883-3750

AMBAG who works in partnership with PG&E will be one of the exhibitors at the Santa Cruz County Housing Expo and will be educating the public on energy efficiency in the home and the Energy Watch program. They will also be promoting the use of the energy-saving compact fluorescent bulbs which have 75% less impact on the environment than incandescent bulbs. Come check it out!

AMBAG • (831) 214-7186 or visit www.ambag.org/EnergyPrograms/EnergyPrograms.html.

MARCH 2007

SUN.	MON.	TUES.	WED.	THURS.	FRI.	SAT.
COMING IN APRIL... 2007 The only two sure things: Taxes and the 2007 Santa Cruz County Housing Expo!! Don't miss this event (and don't forget your taxes!)				1	2 Board of Directors 8:45am	3
4	5	6	7 CLASS —FREE! MLS Training REIL.comv3 9:00am, 11:30am, and 2:30pm at SCAOR (see pg. 5 for details)	8	9	10
11 Daylight Savings Don't forget to set your clocks ahead!	12 CLASS —FREE! MLS Training REIL.comv3 9:00am, 11:30am, and 2:30pm at SCAOR (see pg. 5 for details)	13	14 Affiliates 8:30am Grievance Cmte • 2:00pm	15	16 LGR 8:30am	17 St. Patrick's Day!
18	19 CLASS BROKER FORUM BREAKFAST 9-11:00am • FREE! Seacliff Inn, Aptos (see pg. 5 for details) Housing Found Trustees • 3pm	20	21 Budget & Finance • 8:30am	22	23	24
25	26	27	28 Strategic Planning 8:30am MORTGAGE FRAUD 7:00-9:00am at Seascape Golf Club FORECLOSURES 2:00-3:00pm at SCAOR (see pg. 5 for details)	29	30	31

regularly
recurring
events:

monthly
 Board of Directors 1st Friday, 8:30am
 LGR 3rd Friday, 8:30am
 Affiliates 2nd Wed., 8:30am
 Grievance 2nd Wed., 2:00pm
 Prof. Standards As needed
 Housing Foundation 3rd Mon., 3:00pm

every-other-month
 Strategic Planning Last Wed., 8:30am
 Budget & Finance 3rd Wed., 8:30am

New Members

SCAOR welcomes the following new members as of January, 2007 and wishes them the best of luck!

REALTOR® MEMBERS

Bailey Properties
Erica Pittman

Century 21 Showcase – SV
Kevin Christiansen
Jennifer Parks

Coldwell Banker Residential Brokerage
Alexis Krostue
Gina Wood
Kathy Smith

Goodwin Jones Associates
Judith Mapes

Keller Williams Realty
Barrett Green

Ink Real Estate
Sidney Harger

David Lyng Real Estate
Dan Doerksen
Susan Layus

Network Alliance Real Estate
David Logvin

Santa Cruz Property Management
Christine McCormack

Sherman & Boone Associates
John McCombs

Silver Oaks Properties
Janet Baptista

Zip Realty
Jay Bell
Darrell Jung

AFFILIATE MEMBERS

Sunrise Bay Mortgage
Lisa Garcia

DS Capital Mortgage
Debra Schottgen

State Farm Insurance
Lauren Youngmeyer

Comments about an applicant's admittance should be submitted in writing to The Santa Cruz Association of REALTORS® 2525 Main St., Soquel, CA 95073

Cyndy Wilson
Licensed Mortgage Broker



Your Satisfaction is My Success!

GRI, ePRO, CSA
General Manager, California
Mortgage Broker Notary

831.594.2514



1414 Soquel Ave
Santa Cruz, CA 95062
www.qqmortgage.com
4info@qqmortgage.com

WINTER SPECIAL
\$500. COE
Credit to Client
with this ad.

REALTORS...are your clients looking for Property Management Services?

I pay a REFERRAL FEE and ALL referrals go directly back to YOU.



Kathleen Richards
Property Manager
REALTOR®, MBA
(831) 464-5079
www.KRrentals.com



Affiliate Update

AFFILIATE

2007: Affiliate Membership is up!



Dimitri Timm
2007 Affiliate Committee Chair
First Net Mortgage
(831) 239-4163
dimitri@firstnetmortgage.com

We are happy to announce that Affiliate Membership is up 10% from the end of 2005, and it's great to see the increased support for the Santa Cruz Association of REALTORS®. If you are interested in becoming an Affiliate member, you may contact Norma or Amy at the Association at (831) 464-2000 or feel free to contact me at dimitri@firstnetmortgage.com

com or (831) 239-4163. To become an Affiliate member the dues are \$175 (pro-rated monthly) + \$100 application fee for the parent company and one representative, additional representatives affiliated with the parent company can join for \$75.

The sub committees have been formulated for this year and are now busy planning this year's events; our first event will be the Spring Fling which will be held on Wednesday, May 2, 2007. We will have live music, a baking contest and of course, the famous DeAngelo BBQ. Cross your fingers as we hope for another year of great weather!

Also, mark your calendars for the first Santa Cruz Association of REALTORS® Housing Expo April 21st from 10-4pm at Cabrillo College. It will be free to the public with over 40 educational seminars for buyers, sellers, seniors and investors. Our Affiliate members are looking forward to helping out with this event and we encourage you to spread the word!

Good News! **Debra Schottgen** of DS Capital Mortgage Services, will now head up the Affiliate education sub committee. One of our goals for 2007 is to work more closely with the Education Task Force to assist with bringing more education events and/or programs in conjunction with the SCAOR Education Task Force. The Lenders Panel will

also be revived in time for the next Orientation Class in April. We see this as a valuable tool for new agents and our participating presenters, so watch for more additional events from this subcommittee in the upcoming year.

We also want to congratulate Jeff McCormac, Wells Fargo Home Mortgage, the 2006 Affiliate of the Year recipient.

Don't forget the Affiliate Committee meets the second Wednesday of every month at 8:30am at the Santa Cruz Association of REALTORS® office, and anyone is welcome to attend.

Dimitri Timm is a Mortgage Consultant with First Net Mortgage in Capitola.

Affiliate Spotlight

AFFILIATE



Suzie Tracy
Loan Consultant
StoneCastle Land and Home Financial
(831) 688-2027 Office
(831) 419-2889 Cell
stracy@stonecastle-lbf.com

New affiliate member, Suzie Tracy, grew up in Santa Cruz, and currently resides in Aptos, "and given my husband's and my lifestyle, I don't see us leaving", Suzie states. "We love the beach and ocean, my husband surfs and we both enjoy sailing and just being outdoors. Living in Santa Cruz is a lifestyle that would be hard to replace."

Suzie went to college at SJSU and graduated with a BS in Business Administration with an emphasis in International Business. She worked in high tech (sales) for 10 years, taught math at Soquel High (she holds a Secondary Teaching Credential) and Aptos Jr. High for five years and most recently worked in the Pharmaceutical industry for five years as a Senior Sales Rep. in Santa Cruz and Monterey Counties.

She recently resigned from "Corporate America" determined to be in charge of

her own destiny and tiring of the work related travels. Suzie says, "I asked myself "how do I want to spend the second half of my life?" I read an article about women leaving corporate America to start their own businesses and gain control over their own lives. This article has been on my desk ever since and it was the catalyst of my working for Stone Castle as an independent contractor."

She says that she is at a point in her life now that she feels her experience could best be utilized by working in a profession that allows her to make a difference on a more personal level. Ms. Tracy believes that working with StoneCastle and the mortgage industry allows the opportunity to achieve her personal and professional goals. "Buying a home or re-financing can be a very emotional time for people and given my passion to help others and to educate them, what better a profession could I have chosen? Suzie concludes.

Suzie is taking her passion in helping educate members of the public about financing and homebuying by being a volunteer on the Housing Expo committee. Thanks Suzie for your time and welcome to the Santa Cruz Association of REALTORS®!

Real Estate Inspection Group, Inc.

Scheduling: 1 800-900-1239

Cell: (831) 601-6324

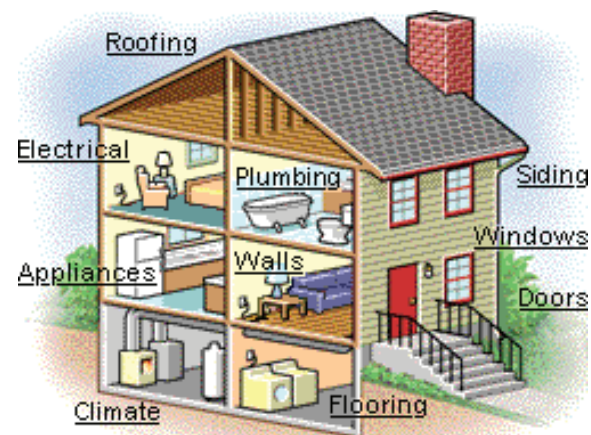
Fax: (831) 662-3583

E-mail: levelines@yahoo.com

Residential & Commercial Property Inspections

Robert J Moore
Inspector

General Contractor's Licence # 608218



DeAngelo

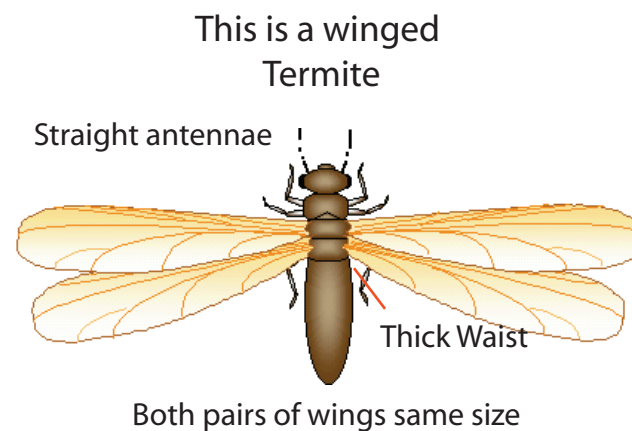
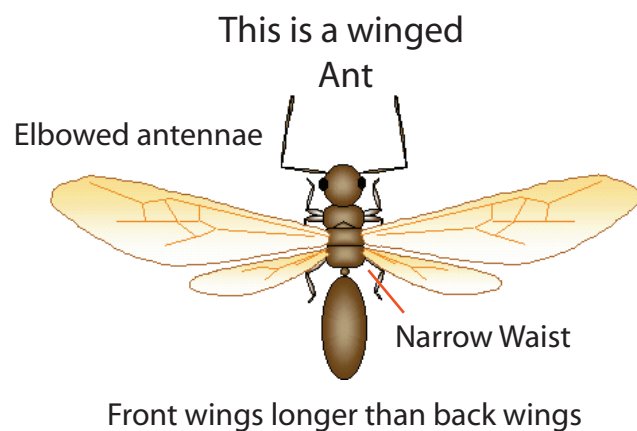
PEST CONTROL & CONSTRUCTION

(800)698-6982 (831)475-5544
Evening and Weekend Appointments Available

Large swarms of winged insects inside and/or around the home is the most obvious sign of termite activity. Swarming occurs when reproductive male and female termites exit the colony and attempt to establish a new colony. Since it takes most termite colonies at least 3 years to produce termite swarms, this is a likely sign of an ongoing problem.

Call **DeAngelo Pest Control**, we can eliminate the old colony and protect your home from these damaging insects.

Learn the dangerous difference between Ants and Termites



Reduce your Home Equity Line of Credit to 6.75% APR* with First Horizon

Concerned about rising interest rates on your home equity line of credit[†]? Did you know that by contacting us you may be able to reduce your rate to as much as **1.50%[§] below Prime**? How would that rate compare to yours? It's easy to do... there are no closing costs. It's just an unbeatable offer! Simply call us, and we'll review your financing options – you may be able to save yourself a house full of money. It's all part of the First Horizon[®] commitment to deliver the resources you need to manage *All Things Financial*[®].

Ask to speak with one of our Relationship Managers:

Karen Beeson, Ryan Buckholdt, Tony Crane, James Fernandes, Ed Gerety, Greg Herdt, Rene Holmes,
 Mark Junod, Mario Luis, Kevin Mee, Hal Webb, or Jay Yambrovich

First Horizon Home Loans
 2160 41st Avenue, Suite 101
 Capitola, CA 95010
 (831) 465-8000



* Rate is subject to change without notice. APR accurate as of 11/13/2006.

† Home equity line of credit products not available in AK.

§ Max 80% CLTV; fico 700+; Loan amounts > \$100,000 and > 50% drawn; full income documentation.
 All loans subject to approval. Certain restrictions may apply. © 2006 First Horizon National Corporation.



Volunteer help needed for subcommittees

Message from the Chair



Janeé Del Colletti
2007 SCAORHF Chair
Santa Cruz Mortgage
(831) 462-5575
jdelcolletti@santacruz
mortgage.com

It's nearly Spring and the Santa Cruz Association of REALTORS® Housing Foundation is definitely "springing" into action! Our committees have been actively meeting to set our goals and discuss how we can best assist more home buyers realize the dream of owning a home. What committees do we have you may ask?

Programs Committee

Jeff McCormac, Chair
(831) 465-4000

This committee is responsible for creating our "Closing Cost Grant" program and handles all aspects of the application process, approval and grant disbursements. The members also have built and maintained relationships with all the housing agencies throughout the County working together to help more people get into homes. Also, the committee facilitates educational seminars for the real estate community, as well as potential home buyers. We've already dispersed two grants of approximately \$5000 each in 2007!

Fundraising

Elaine Della Santina
(831) 462-4000

This group is responsible for all aspects of fundraising including our wonderful Escrow Contribution program, our "Dine Out" events at participating restaurants, corporate donations, and assisting with our annual "A Taste of Santa Cruz" event.

Marketing Committee

Amba Kumar, Chair
(831) 566-3444

This committee is responsible for bringing awareness to our wonderful Foundation and our programs through media, publications, our webpage and office presentations.

Planned Giving

Mark Millenacker, Chair
(831) 462-2777

This is a wonderful program educating our community on Charitable Remainder Trusts. Thanks to the hard work of Mark Millenacker, our quarterly seminar is now an approved DRE course!

Budget Committee

Tom Karn, Chair
(831) 475-4955

This committee meets quarterly to review the finances of the Housing Foundation and to create budget policy.

Please contact the committee chairs or myself to you would find out more about this great group of individuals working together to "Bridge the Gap to Homeownership".

If you would like to make an impact on the community, meet some great people, and lend your expertise and time to a growing organization, then we need you!

If you are interested, please come to a planning meeting. Listed below in blue are the times of the meetings which are held at the Association offices every second Wednesday of the month.

Coming Soon... Spring 2007 affiliate resource guide

Affiliates...
Take advantage of this marketing opportunity.

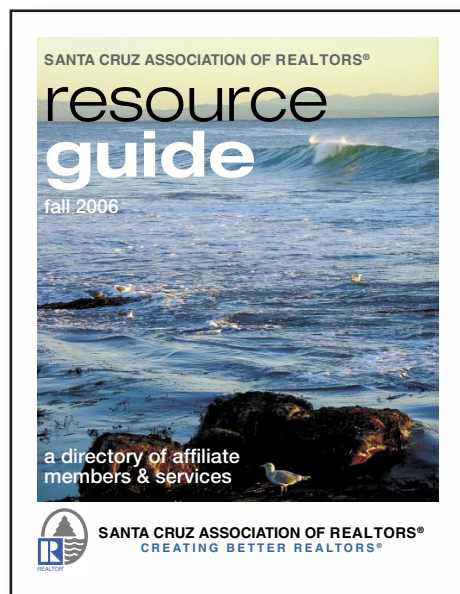
➔ Direct mailed to all 1650+ members

➔ Bi-Annual Publication

Reserve your space now!!

Bold \$50.
Highlight \$100.
Display \$200.

Call Amy 831.464.2000



Subcommittee Meetings Every 2nd Wed. at SCAOR

COMMITTEE	TIME
PROGRAMS	10-10:45am
FUNDRAISING	10:45-11:30am
PR/MARKETING	11:30am-12 noon

Happy 50th Birthday, Alma Donato!

Thank you for generously foregoing gifts and encouraging guests to donate to the Housing Foundation. Your creative effort netted over \$300 which will go towards the Housing Foundation's Closing Cost Grant Program which benefits low-income home buyers.

Bay Fed

Dave Sanders
Broker/Owner
Century 21 Arrowhead

MLSXchange expanded to include East Bay

RE InfoLink has just announced that MLSXchange www.reil.com/info/mlschange_reil_only.html has been expanded to include full MLS access for the East Bay. REIL subscribers can now access full MLS data for Alameda and Contra Costa Counties as well as for West Merced, San Joaquin, and Stanislaus Counties.

This expansion means a single access point for full MLS access for Bay East, Contra Costa, and EBRDI MLS's. To access the Paragon system that is

shared by these three MLS's, subscribers will first log on to REIL.com, then click on the link for MLSXchange and follow the directions provided.

Access to the Central Valley MLS has not been changed by this expansion. REIL subscribers can continue to log on to their system with their DRE and REIL password.

If you need help to access either system, please call the RE InfoLink's Customer Call Center at (866) 734-8757.

"Real Estate And The Use of Charitable Remainder Trusts To Save Taxes"

On Wednesday, March 28, 2007 at 2:00pm at its offices located at 2525 Main Street, Soquel, California, the Santa Cruz Association of REALTORS Housing Foundation will present a continuing education course approved by the California Department of Real Estate for one hour of credit under the consumer protection category. The course will be a live workshop with a power point presentation.

The instructors are Timothy G. Cleary, Esq. and Mark A. Millenacker, Esq. who will discuss the role of Charitable Remainder Trusts in real estate planning and transactions, and how this type of trust can be utilized to eliminate capital gains taxes and depreciation recapture on the sale of highly appreciated real estate, reduce current income taxes, reduce estate taxes, generate a lifetime stream of income, provide protection against creditors, and benefit a public charity of your choice. The course will also address the use of irrevocable life insurance trusts as a wealth replacement device, and the use of charitable lead trusts in real estate transactions.

The course will be a survey of the subjects addressed. The course will be presented without charge or financial obligation of any type to members of the Santa Cruz Association of Realtors, other real estate licensees, professionals and members of the public. The course attendance policy requires all attendees to be present for the entire one hour presentation to obtain CE Credits. Failure to comply with the course attendance policy will result in dismissal and the denial of continuing education credit. There will be no final exam after conclusion of the course presentation. There are no prerequisites for this course.

This course is approved for continuing education credit by the California Department of Real Estate. However, this approval does not constitute an endorsement of the views or opinions which are expressed by the course sponsor, instructor, authors or lecturers.

For further information or to reserve space please contact Karen Kirwan at (831) 464-2000.

In Memoriam

Dave Sanders, 63, former Broker/Owner of Century 21 Arrowhead, passed away on February 22nd after a lengthy illness. He was a 30-year member of the Santa Cruz Association of REALTORS® and volunteered many hours to our quarterly orientation program. As an instructor, he taught the listing agreement and the

transfer disclosure statement to new members. He was very witty and always telling jokes. Norma Milete says that she always remembers Dave as closing his presentations with, "If you have any questions, GO ASK YOUR BROKER!" Dave and his jovial demeanor and mischievous manner will be missed by his colleagues.

Legislative Watch

NAR UPDATE

REALTORS® seek to protect home buyers from predatory lending and educate them on mortgage products

The National Association of REALTORS® told a Senate panel that NAR supports stronger anti-predatory lending legislation and more consumer education on nontraditional mortgage products.

In testimony on "Preserving the American Dream: Predatory Lending Practices and Home Foreclosures" presented to the U.S. Senate Committee on Banking, Housing and Urban Affairs, NAR said that abusive and predatory lending practices are putting our nation's communities at risk. These practices can cause more families to lose their homes and savings through higher foreclosure rates. The vacancies that result can deflate the value of surrounding homes, as well.

"Predatory lending can be disastrous not only for the borrower and his or her family, but also for the entire community," said NAR President Pat Vredevoogd Combs, of Grand Rapids, Mich., and vice president of Coldwell Banker-AJS-Schmidt. "High foreclosures of single-family homes are a serious threat to neighborhood stability and community well-being. REALTORS® help families achieve the dream of homeownership, and NAR supports responsible lending with increased consumer protections to ensure that the 'dream' our members help fulfill does not turn into a family's worst nightmare."

"Real estate professionals have a strong stake in preventing predatory lending," said Combs. "We have to make sure that while addressing predatory lending, the legislative and regulatory responses to lending abuses do not go too far and inadvertently limit the availability of reasonable credit for prime as well as sub prime borrowers."

A brochure, *How to Avoid Predatory Lending*, produced jointly by NAR and the Center for Responsible Lending, identifies the warning signs of predatory loans. It also gives consumers tips on how avoid these loans, and includes questions consumers should ask when

shopping for a mortgage. For copy of the brochure, go to www.realtor.org/housopp.nsf/pages/SpecialtyMortgages?OpenDocument.

NAR Urges Congress to Coordinate Natural Disaster Preparedness Plan

The National Association of REALTORS®, in a statement submitted to the House Financial Services Committee, commended the committee for focusing on federal response to Hurricanes Katrina and Rita and for renewing an important discussion on national natural disaster preparedness.

In a hearing on the federal housing response to Hurricane Katrina, NAR wrote, "We believe the federal government must implement a standardized, coordinated plan that can become operational immediately in the event of a natural disaster." NAR offered several suggestions including better utilization of HUD-owned homes, which should be readily available to house victims.

NAR encouraged Congress to "develop a highly coordinated system for prevention and remedial assistance," rather than having to spend millions of taxpayers' dollars after the fact.

Reforms to the National Flood Insurance Program are needed and can help save the federal government millions of dollars by enabling property owners to purchase insurance protection against flood losses in exchange for state and community floodplain management regulations. In addition, NAR noted that Congress must insist that NFIP abide by the changes that were implemented with the 2004 Flood Insurance Reform Act. The purpose of the law is to improve the financial soundness of the NFIP by shifting more of the burden of recovery costs to property owners who choose to remain vulnerable to repetitive flood damage.

GET PAID MORE for doing the same job!

100% COMMISSIONS

\$85/month
(or free!)

Best Commission Rates

100% Commissions — Only \$85/mo. (or free!)

Only Quid Quo offers this incredible opportunity to **make more money** and build your business.

In addition, **commissions are paid at closing**, so there is never any waiting for your check!

Only Quid Quo offers agents this unbelievable commission rate.

Quid Quo Mortgage

Make Even More Money...

By working with our lending team, you will earn 50% of the mortgage commission and get your next **12 months of realtor fees for FREE!**

Only Quid Quo makes it this easy to get paid more for doing the same job!

Call us today at 866-FOR-QUID (866-367-7843).

**QuidQuo**
REALTY

Legislative Watch, cont'd.

C.A.R. UPDATE

Home sales fell after 4 years of impressive gains; share of first-time buyers second lowest on record; price appreciation slows in 2006

(Source: annual report from C.A.R.)

Affordability concerns continued to impact the residential real estate market in California, with the share of first-time buyers declining to their second lowest level from 30.5 percent in 2005 to 27.1 percent in 2006, according to a report released by C.A.R. Based largely on C.A.R.'s 26th Annual Housing Market Survey, "The State of the California Housing Market" examined trends in buyer and seller behavior

during 2006, a transition year in which statewide sales of existing single-family homes decreased 23 percent, while price appreciation slowed dramatically as the year progressed.

The C.A.R. survey also found that the share of buyers who used a second mortgage climbed from 38 percent in 2005 to 43 percent in 2006, more than

triple the percentage since 2001 and the highest percentage since 1982. The use of alternative loan products also registered a sharp increase.

"Home buyers with zero-down payments increased significantly from 4.5 percent in 2000 to 21.1 percent in 2006," said C.A.R. Vice President and Chief Economist Leslie Appleton-Young. "Two out of five first-time buyers made a zero-down payment on their home purchase, while just one in 10 repeat buyers purchased their home with no down payment.

"The interest rate environment also played a significant role in the housing market of the past few years," she said. "From 2002 through the first half of 2005, interest rates were either expected to fall or remain at attractive levels. When the fixed-rate temporarily exceeded 6 percent in 2003 and 2004, sales slowed. But in each case, market activity accelerated when the rate fell below that threshold. By contrast, when the fixed-rate moved past 6 percent in late 2005, it remained there. Expectations adjusted and anticipated further rate increases, contributing to the slowdown in sales in late 2005 and into 2006."

Home sales in California fell in 2006 after four years of expansion. Sales in the Bay Area housing market fell at a slightly lower rate than for the state as a whole. After peaking in 2004, Bay Area sales declined 10 percent in 2005 and then 19 percent in 2006. The median price in the Bay Area — the highest of any region in the state — continued to increase by small single-digit increments throughout 2006, in part because of inventories that were well below the statewide levels.

Home sales in the Southern California region followed the general direction of the state, declining 23 percent from the record level of 2005. Inventory levels in this part of the state nearly tripled from a year ago, to levels in the range of their long-run average. The Central Valley

had the largest decline in sales activity among the three regions in California.

"The statewide median price saw shrinking gains throughout the year, slowing from a 14 percent year-to-year increase in January 2006 to just under 2 percent as the year drew to a close," said C.A.R. President Colleen Badagliacco. "That's a far cry from the string of double-digit annual percentage gains that prevailed during the first half of this decade.

"Over the period 2003 through 2005, inventories were lean, multiple offers were common, and buyers and sellers alike knew they needed to move quickly to consummate a transaction," she said. "But as the market began to slow in late 2005, buyers sensed that they would get a better deal if they waited, while sellers still hoped to sell their home at a premium. This drove a wedge between buyer psychology and seller psychology, creating more market friction and leading to a slowdown in activity."

Other key findings from "The State of the California Housing Market" include:

- Twenty-nine percent of first-time buyers purchased a condo or a town home in 2006 compared with 33 percent in 2005.
- The proportion of first-time buyers who purchased a single-family home increased slightly from 61 percent in 2005 to 65 percent in 2006, but still remained significantly below the 72 percent recorded in 2004.
- The share of adjustable-rate and hybrid loans among all loans decreased from 43 percent in 2005 to 35 percent in 2006, but remained high by historical standards. Meanwhile, the share of fixed-rate loans rebounded from a historical low of 57 percent in 2005 to 65 percent in 2006.

- Repeat buyers relied less on the sale proceeds from their previous residence as their primary source of down pay-

NAR UPDATE, cont'd

From page 12

NAR also urged Congress to ensure adequate funding for FEMA's map modernization program. That funding will allow the project to proceed and to ensure that the flood maps are accurate. Flood maps play many important roles, including helping communities develop flood management strategies and implementation of more effective land use.

The creation of a comprehensive natural disaster policy that includes natural disaster insurance is another important program that NAR is advocating. According to NAR, "The inability to obtain affordable homeowner's insurance is a serious threat to the residential real estate market, and thus, our overall economy." NAR supports the creation of a federal natural disaster program that will prevent future disruptions in insurance markets and promote available and affordable homeowner's insurance in disaster-prone areas.

"REALTORS® have done a lot for the victims in the Gulf Coast. We've provided shelter, raised money, built homes and opened doors. We look forward to working with Congress to implement plans that will help minimize future danger and damage to people living in areas that are prone to natural disasters. After all, REALTORS® are all about building communities," said Pat Vredevogd Combs, NAR president.

Statement on President Bush's Domestic Spending Proposal

A strong real estate industry is vital to our nation's overall economic health. We are pleased to see that President Bush has made Federal Housing Administration and Government-Sponsored Enterprise reform key components of his housing proposal.

FHA modernization will help many more American's achieve the dream of homeownership. Potential homebuyers need affordable alternatives to higher costs loans. Making FHA loans once again a viable alternative will significantly impact homeownership, especially for first-time homebuyers.

The GSEs also play a vital role in the housing market. A strong regulator will ensure their safety and soundness. In addition, higher conforming loan limits can help people in higher cost areas realize an affordable mortgage. Other enhancements will ensure that the flow of mortgage credit remains efficient.

While we are disappointed with the proposals calling for reductions and fee increases in other vital housing programs, NAR will work with Congress and the administration to ensure housing opportunities and homeownership remain attainable for all Americans. The housing sector directly contributed nearly \$2.1 trillion to the national economy in 2006 serving as the major force for U.S. economic activity. NAR looks forward to working with the 110th Congress during consideration of the president's FY2008 budget proposals.

Continued page 14

C.A.R. UPDATE, cont'd

From page 13

ment. Only 34.7 percent of repeat buyers considered the sale proceeds as their primary source, compared with 41.4 percent in 2005 and 45.1 percent in 2004.

- Meanwhile, savings as the primary source increased from 31.9 percent in 2005 to 34.7 percent in 2006. The share of savings has been increasing steadily from 29.2 percent since 2002.

- The median down payment declined 8.8 percent from \$80,000 in 2005 to \$73,000 in 2006, despite an increase in the median home price. This was the first time since 1995 that the median down payment dropped.

- The median down payment for first-time buyers decreased from \$25,000 in 2005 to \$10,000 in 2006, while the median down payment for repeat buyers decreased from \$119,000 to \$100,000.

- The median loan amount for first mortgages continued to increase in 2006 along with rising home prices, climbing 8.2 percent from \$384,000 to \$415,500 among all buyers.

- The median first mortgage amount for first-time buyers increased 6.8 percent from \$347,800 to \$371,600, while the median first mortgage amount for repeat buyers increased 8.1 percent from \$400,000 to \$432,500.

- More home buyers used 100-percent financing to purchase their home. About a fifth of all homes purchased (21.1 percent) were financed with a zero-down payment mortgage compared with 19.7 percent last year. Recent use of zero-down mortgages has increased significantly since 2000, when they were used by just 4.5 percent of buyers. Two of five first-time buyers (40.9 percent) made a zero-down payment on their home purchase; while just one in 10 repeat buyers (11.3 percent) purchased their home with no down payment.

- The typical first-time buyer had a median age of 35, earned an annual household income of \$80,000, and purchased a home with a historically high median price of \$450,000.

- Fifty percent of all first-time buyers were married and 35 percent of them were singles. The share of married first-time buyers has been declining

slowly but steadily since 2000. Meanwhile, first-time buyer households with two or more individuals declined from 16.2 percent in 2005 to 13.5 percent in 2006.

- The typical repeat buyer had a median age of 45, earned an annual household income of \$120,000, and purchased a home with a historically high median price of \$618,000.

- Six of 10 repeat buyers were married, a quarter of them were singles, and one of eight were buyer households with two or more individuals. Repeat buyer households with two or more individuals have increased from 6.6 percent in 2002 to 12.7 percent in 2006.

- Almost half of these home buyers were married (47 percent), 37.6 percent were singles, and 13.4 percent were households with "two or more individuals."

- The typical home seller was 50 years old, had a two-member household, earned an annual household income of \$100,000, and lived in the home for five years before selling it.

- Fifty-five percent of all sellers were married and 27 percent were singles. Households with two or more individuals accounted for 12 percent of all sellers in 2006, virtually unchanged from that in 2005.

- After peaking in 2005 at \$220,643, the median net cash gain by sellers from all home sales declined 8.4 percent to \$202,000. It was the first time since 1997 that the median net cash gain fell. The median net cash gain for single-family detached homes increased 1.6 percent to \$250,000, while the median net cash gain for condo/town homes declined 2.7 percent to \$180,000.

Online Exclusive: Do-Not-Call, Do-Not-Fax, Do-Not-Email: Laws Affecting REALTORS®

C.A.R. Member Legal Services recently published a new legal article about the do-not-call, do-not-fax, and do-not-email laws affecting REALTORS®. Available on the Legal section of C.A.R. Online (www.car.org), this article explains how real estate agents can solicit business without violating the do-not-call laws in place; provides a sample written policy for maintaining a do not call list that REALTORS® can use; and describes the laws surrounding advertising via fax and e-mail.

General Interest

Despite market transition, more real estate licensees on the way

DRE Commissioner Jeff Davi gave members of the Filipino American Real Estate Professionals Association (FAREPA) an update on the DRE and the real estate industry early this week.

Licensing processing times are down 55 percent, he reported. He also happily noted that more people are taking advantage of the eLicensing process. The latter now handles 53 percent of all license renewals, 59 percent of all miscellaneous license transactions and 79 percent of all examination scheduling requests.

His goal is for the department to become more efficient because each year brings more real estate licensees. Davi indicated in 1992, there were 269,000 real estate licensees and the DRE had a staff of 411 employees; today, there are 523,000 licensees and a DRE staff of 342 employees.

"One in 53 adults is a real estate agent," he announced. "There are a lot of you out there and you keep on growing. Even if the market is transitioning, we have yet to see that trend in the number of real estate agents."

Davi said this year, the number is growing by 300 new licensees a week; last year, there were 1,000 per week.

The DRE commissioner said the licensing process used to take a period of 180 days; it now averages 80 days. Once the electronic exam is in place, he hopes to shorten the time frame to two months. Plans are underway to begin conducting electronic license exams in a proctored environment. A pilot is planned

for Sacramento in the spring.

Davi said it is the DRE's mission to protect the consumer through financial compliance audits of real estate licensees and subdivision developments. Clearly he stated, with the number of real estate licensees growing and the DRE staff shrinking, it has been difficult to accomplish this mission,

"The market is changing and we are receiving more complaints. There are more issues," Davi said.

The DRE handles about 7,000 cases a year; last year, there were 8,453.

"We're on a pace to be 8,000 this year," he said.

Thirty-six percent of cases involve criminal violations; 21 percent trust fund handling and record keeping; 10 percent, supervision and negligence; 4 percent, unlicensed activity.

Davi said the DRE has been receptive to calls from real estate professionals to tighten requirements of the profession and he pointed to a number of laws now in place that require more of licensees, including the abolishment of the conditional license. However, California Governor Arnold Schwarzenegger is all for accessibility.

"The Governor looks at this industry as an opportunity, where a lot of people have been able to get in and be successful, but we must protect the public too," said Davi. "Let's go after the bad together, but let's not take away from the people we're benefiting."

Davi is asked agents' help with regard to enforcement and encouraged them to contact the DRE when they learn of violations taking place.



SCAOR President, Sandy Kaplan, Gov Hutchison, Asst. General Counsel for C.A.R., and Randy Turnquist, WCR President, convene for a photo opp after the annual legislative update luncheon hosted by the Women's Council of REALTORS®.

Bailey