



Insights

ASSOCIATION

Are you ready for the new forms changes?

As most of you know by now, the Commission has revised many of the forms we use on a daily basis. Although it does not become mandatory to use the forms until November 1st of this year, your competition will be using the new forms and you need to be familiar with them.

The most significant changes occurred to the Offer To Purchase and Contract. There are major revisions to the loan application/ approval process including new language dealing with timelines and damages. There are also major changes with regard to "other provisions." Checkboxes now exist for the individual addenda and there is a very stern reminder that *under NC law real estate agents are not permitted to draft conditions or contingencies to the contract.* Resist the temptation!

There were also several changes to the Additional Provisions Addendum. These changes consist mainly of deletions of many items simply due to the fact that they are now covered in the Offer To Purchase and Contract.

It is comforting that the Guidelines to Completing the Offer to Purchase and Contract form has been amended as well. Although many of us have not used this form in the past, it is now proving itself to be a very useful tool.

What does all this mean to you? In a word, Education. Will Martin, Esq., NCAR General Counsel, will be holding Contract Revisions informational seminars on Wednesday, August 22nd. The morning session is currently filled and the afternoon session is filling up quickly. You may want to sign up now to make sure you understand what your competition will be sending across your desk.

Afternoon session: 1:00-3:00 PM at Brunswick Community College, Room 248, Building B. *Limited to 70 people.* \$20.00 per person. Register online at www.bcarnc.com

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August 2007

Special points of interest:

- Changes to FORMS
- Upcoming Classes
- 07 Recap - MLS Rules & Regs changes
- Transfer Tax
- Statistics

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**J. Alan Holden,
President**

“I’m convinced that the best approach to life is simple. It’s the same approach REALTORS® use every day—honesty, integrity, flexibility and enthusiasm—the basic tenets of the Code of Ethics”

- J. Alan Holden

President’s Message

This column is such a great opportunity to chat with all of you and share news of interest. I would like to share a word of encouragement. Many challenges to the real estate profession lie before us. Not only the market, which is finally doing an upward swing, but the government trying to impede our business. Add the fast changing environment, and you have some of the issues we as REALTORS® face each day. We see the market improving slowly. I have been in the business for over 30 years and the ups and downs are just a part of being in the real estate industry. As professionals we need to make adjustments. We need to help our clients make intelligent decisions whether buying or selling. We need to hang tough. The one constant we can count on is change. We are in the fastest changing industry in the world so rest assured, things will change.

The NC General Assembly passed a budget including authority for counties to hold referendums to increase the Deed Stamp Tax from .02 to .06 per thousand dollars of value of the property when a property is sold. This means that the purchase price of each house is increased. The Brunswick County Association of REALTORS® has opposed such a tax and spent many hours interacting with our legislators. NCAR launched a proactive campaign to Stop The Tax called “It’s a Bad idea.org.” By passing the budget local REALTOR® associations now have the responsibility to address the Transfer Tax with their county commissioners. Each REALTOR® needs to participate in this right.

Even with the above mentioned challenges, I’m convinced that the best approach to life is simple. It’s the same approach REALTORS® use every day--honesty, integrity, flexibility and enthusiasm-- the basic tenets of the Code of Ethics. REALTORS® don’t wear two different hats, switching between a “work” hat and an “after hours” hat. A good REALTOR® lives the Code of Ethics every day whether on the job or not. We are flexible, adapting to the changes. We are serving other people and helping them achieve the “American Dream” of property ownership. What a wonderful profession we have. How can anyone not be excited, personally and professionally about such a rewarding line of work?

Remember the days of the 21% interest rate? Those of us in business here in Brunswick county then made changes in the way we did business and actually did fairly well during the tough times. It will not be too long before we look back and talk about the tough market of 2007. We all will survive and happy days will be here again and we can celebrate in our new building.

So help keep the excitement alive. I don’t know who but someone once said, “No one is beaten until he/she no longer tries. No matter how hard failure hits, a person is not down and out until he/she refuses to rise again.” Let’s keep the enthusiasm, be positive about our profession and like the great Phoenix, keep on rising.



Classes, Courses & Designations!

“Education is not to teach men facts, theories or laws, not to reform or amuse them or make them expert technicians. It is to unsettle their minds, widen their horizons, inflame their intellect, teach them to think straight, if possible, but to think nevertheless.”

Robert Maynard Hutchins

Orientation - The Beginning of BCAR Membership



The BCAR New Member Orientation Program is a mandatory course and all new BCAR members must attend it within 90 days of joining the association as stated in the BCAR Bylaws. The orientation program is produced by the BCAR Education Committee. The 2007 Education Committee members are Brad Vanderburg (chair), Lin Kelly, Rick Miles, Jimmie Pendergrass, Allen Phillips, Mike Tedder, Steve Wells, and Shelia Williams.

The education committee members attend and participate at each monthly orientation program. The committee members and staff discuss the following topics: the operations and benefits of the Association, the Membership Services Website, Governmental Affairs, Anti-Trust, Fair Housing, Personal Safety, and MLS training.

Prior to the new members attending orientation, proof must be sent that they completed the Code of Ethics Courses within the past four years.

Each primary or secondary member receives a three binder portfolio that contains all of the course material that is reviewed during the course of the day. Most of the new members refer to this portfolio as their “Bible”.

The orientation program always has a sponsor who provides lunch for the hungry learners. Thank you Brendan Gordon and The Mortgage Company for a delicious lunch at the August 9 Orientation Program!

Learn to Earn!



Jayne Anderson,
ABR, GRI, ePro,
SRES, CCRE
Coldwell Banker
Sloane—Calabash

I love to tell this story about my experience of deciding to get more education after I received my real estate license. I went to the Association to join but was told I didn't have enough education. Whether this was just a mistake or one of us misunderstood, I went out and enrolled in a course. Being new to real estate, I gained the solid basics that

helped me understand the business and how to succeed. Since I had no preconceived ideas of what constituted success or failure I was ahead of the game. I started the GRI class within 6 months of joining Coldwell-Banker Sloane. I later returned and joined the Association. One simple turn of words and I became an education junkie. I love to attend a new class with new ideas and concepts. The fun is applying the knowledge to my everyday situation. I would encourage all of you to try a class, get a designation and in the process have fun while learning.

August & September Education Offerings

| | |
|---|--|
| NCREC Contract Revisions | August 22 (AM & PM Sessions available) |
| Real Estate Ethics & You | September 11 |
| MLS Training | September 21 |
| CE Mandatory Update & BICAR Annual Review | September 24 |
| ABR Designation | September 25-26 |
| ABR Elective | September 27 |
| CE Mandatory Update & Elective | September 28 |



www.bcarnc.com
BCAR Education

MLS News & Notes

There have been several changes made so far this year to the MLS Rules & Regulations. Every time there is a change, the Rules are updated on our website as well as in the MLS Links & Documents. It is important that you ensure that your copy of the MLS Rules & Regulations is up to date (check Links & Documents in the MLS for updated version).

2/1/07 Addition to Section 1.2 - When the seller of the property has a "fractional or partial" ownership in a property, the Participant must input in the Marketing Remarks in ALL CAPS, first word in field FRACTIONAL OWNERSHIP.

2/1/07 NEW Section 1.5.1 – Extension and Renewal of Listings: Any renewal or extension of a Participant's listing filed with the system fewer than 30 calendar days after the expiration date of the original listing shall be treated as an existing listing.

2/1/07 Addition to wording Section 1.7 - Listing Price Specified: The full gross listing price stated in the listing contract will be included in the information published in the MLS compilation of current listings, unless the property is subject to auction. *Listing price shall only be the price of the real property to be conveyed. This price CANNOT INCLUDE golf memberships, furniture, or other non-real property.*

3/7/07 NEW Section 1.8.1 – Multiple Listings for One (1) Property: Multiple entries of a single property are permitted in the MLS. It is the participant's responsibility to create all listings requested for the property. The participant will submit one listing to the service and all subsequent listings will be saved as incomplete. The participant must contact the Association Office to submit all other listings to the service. These listings will be managed by the Association Office at a fee as to be determined from time to time by the MLS Committee. The listing that best represents the intent of the future use of the property will be the listing marked as SOLD. All other listings will be removed from the service.

3/7/07 Addition to wording Section 4.6 – Pictures: The main view picture must be a FRONT outside view of the home. For a commercial listing, a picture of the building is required. No logos, company signage or contact information may appear in any listing photos. *If additional photos, other than main photo, are NOT of subject property, they must be clearly described in Pictures Comments section of the Service. Main photo for LAND listings is not required; if photo entered, it must be of subject property. If additional photos entered are NOT of subject property, they must be clearly described in Pictures Comments section of the Service.*

7/1/07 New Section 4.8 - Mixed Case and All Caps: All text entry fields (including but not limited to; General Remarks, Agent Only Remarks) must be entered in mixed case except where otherwise notes in the Rules & Regulations that it is mandatory that ALL CAPS must be used.

7/1/07 Addition to wording Section 12 Distribution: Participants shall, at all times, maintain control over and responsibility for each copy of *and access to* any MLS compilation leased to them by the Association of REALTORS®, and shall not distribute any such copies *or access* to persons other than subscribers who are affiliated with such Participant as licensees, those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, and any other subscribers as authorized pursuant to the governing documents of the MLS. *Participants and their affiliated subscribers and staff may not transmit, retransmit, or provide any MLS compilation or means of access any MLS compilation in any manner to any other individual, office, or firm, except as expressly provided in these Rules. This section prohibits the sharing of all access methods, including without limitation user IDs, passwords, and physical authentication means (such as one-time password key fobs).* Use of information developed by or published by an Association Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification, and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "Participation" or "Membership" or any right of access to information developed or published by an Association Multiple Listing Service where access to such information is prohibited by law.



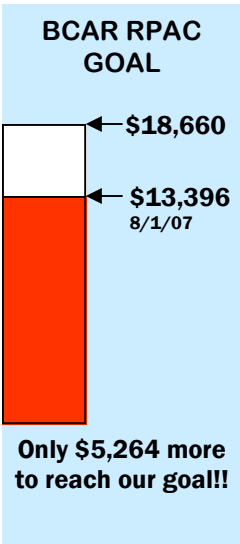
“The great thing about a computer notebook is that no matter how much you stuff into it, it doesn’t get bigger or heavier.”

- Bill Gates



RPAC is not Democrat or Republican

RPAC represents the REALTOR



Legislative Bulletin

REFERENDUM OF INCREASING THE REAL ESTATE TRANSFER TAX IMMINENT

The North Carolina General Assembly recessed the first week of August. This session was not a good one for REALTORS® across North Carolina. Included in the 2007 Appropriations Act (the budget), was a provision to allow county voters to decide in a referendum to either increase the sales tax by one quarter cent (1/4) or increase the real estate transfer tax (deed stamp) from .2% to .6%. For example, the seller of a home costing \$200,000 currently pays \$400 to the county and state at a closing. The proposed tax increase would cost the seller an additional \$800; a total of \$1200 in equity for the privilege of selling their home in Brunswick County.

What does this mean for REALTORS® in Brunswick County? A referendum for increasing the real estate transfer tax is imminent according to Commissioners Sue



Commissioner Sandifer

and Sandifer (*Sun News* July 31, 2007). A referendum is a specific issue placed on the ballot during an election that voters typically decide either for or against the issue. The Brunswick County Commissioners meet on

August 20th at 6:30 pm at their regularly scheduled meeting to discuss a resolution to place the transfer tax increase

referendum on the November ballot. The county commissioners have not stated how they expect to spend this additional revenue. They have previously stated that they want to use the money to build county infrastructure including roads. However, the jury is still out on whether they intend to use these potential revenues for that specific purpose, or just place the additional revenues in the general fund for any type of county expense. The Legislative/RPAC Committee wants as many REALTORS® at the county commissioner meeting as possible to show our concern and interest on this issue. You do not have to stay for the entire meeting, just show up for this particular issue. An email will be sent this week giving you more information regarding the Monday meeting.

Why are taxes on real estate not a reliable source of income to fund infrastructure improvements? According to our 2005 MLS data, the .6% transfer tax fee would have provided the county \$8.9 million in revenue, in 2006 it would have provided \$5.7 million, as of August 8, 2007 it would have provided \$2.5 million. These statistics show that transfer taxes are an unreliable source of revenue. If the county wants to purchase bonds to build infrastructure, they need a reliable and steady stream of revenue for the bond market. In support of this argument, Dare and Currituck Counties

(Continued on page 6)

WELCOME New Members

- | | |
|-----------------------|---|
| James Bove | Artco Services |
| Deanna Causey | Weichert Realtors - NMB |
| Mike Ellison | Weichert Realtors Coastal Choice |
| Johnny T. Holden, Jr. | Allan Dameron Realty |
| Lanette Ann Moore | Intracoastal Realty - OIB |
| Bradley D. Norris | ERA Sand & Sea |
| Susann Thompson | Weichert Realtors-Coastal Choice |
| Karen Ward | Keller Williams |
| Sarah Wheelless | Goose Marsh Realty |
| Bruce Williams | Bruce Williams & Associates |

Legislative Bulletin *(continued from Page 5)*

currently are two of seven (7) counties in North Carolina that have transfer taxes. According to the Coastland Times of Manteo, the dare County Commissioners have recently had to cut their capital reserve fund expenditures to “adjust for a steep decline in land transfer tax revenues.” As shown in the Brunswick County MLS, Dare county tax revenues have fallen significantly from \$15.1 million in 2005 to \$10.7 million in 2006 to a projected \$6.8 for 2007.

How will the increase in the transfer tax affect housing affordability? The Countywide Community Development Corporation in Brunswick County has held several meetings to discuss workforce housing in Brunswick County. These meetings were attended by state and county officials as well as developers, bankers and



REALTORS®. With the average cost of a home in Brunswick County currently \$268,427, it is difficult for a family to live in

Brunswick County, if they have employment here. Policeman, emergency service workers, teachers and nurses are being forced to live further from their places of employment because of the rising costs of housing.

At the housing workshops, the county officials want to offer incentives for more workforce housing, but continue to advocate for more government taxes on housing further distancing the average worker from realizing the American Dream of homeownership. For example, average housing price in Dare County in 2006 was \$483,244 and Currituck County was \$581,878 while the average across North Carolina was \$214,948. The cost of housing was so high along these areas in the Outer Banks that the average worker commutes more than 60 miles each way to find an affordable place to live. The situation was so bad that the North Carolina General Assembly enacted legislation authorizing that the Dare County Board of Education construct affordable rental housing for their teachers (*S.L. 2004-16*). Do we want that same situation here in Brunswick County? With the implementation of the proposed transfer tax, we are headed in that direction.

How can the Brunswick County Association of REALTORS® members assist in this situation? The Board of Directors will discuss this issue at the August BOD meeting. They will determine the position that the association will take on the proposed transfer tax increase. Once they set the policy, we will inform the membership on what, if any action will occur.



www.bcarnc.com
the new and improved website of the Association

Membership on the Move

The following members have moved to new offices!

| | | | |
|--------------------|----------------------------|-----------------|-----------------------------|
| Stephen Bowles | Lawrence Sales & Marketing | James Long | WOW Real Estate |
| Ronald Britt | Ron Britt Realty | Nancy Masser | C-21 Carolina Shores |
| Katharine Caldwell | Martha Lee Realty | Nancy McCarter | Pauline Willimason Invest. |
| Nancy Cassidy | Port Realty - Oak Island | John McCorkle | Art Skipper Realty |
| Tammy Freeman | Southport Realty | Jesse McPherson | Lawrence Sales & Marketing |
| Natalie Godwin | Keller Williams MB Central | John Melvin | ERA Sand & Sea |
| Carl Graves | Carl Graves Appraisals | Gerado Nguyen | Rampage Realty |
| David Heslin | RE/MAX @ Beach - SB | George Parietti | ERA Sand & Sea |
| Shannon Hill | Prudential B&C - SP | Jenna Scearce | Prudential B&C - SP |
| Melinda Horton | WOW Real Estate | George Scone | C-21 D Essey - Oak Island |
| Beatrice Johnston | C-21 Carolina Waterway | Cecelia Weston | Coldwell Banker Sloane - HB |
| Toinette Lanier | Tommy Dane Realty | | |



Looks for these members in their new locations!



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of REALTORS®**

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**Serving Brunswick, Bladen &
Columbus Counties**

WWW.BCARNC.COM



WELCOME New Offices

Bruce Williams & Associates
Bruce Williams, BIC

Goose Marsh Realty
Sarah Wheelless, BIC

Artco Services
James Bove

Carl L. Graves Appraisals
Carl Graves

Ron Britt Realty
Ronald Britt, BIC

WOW Real Estate, Inc.
Melinda Horton, BIC

BUILDING UPDATE



Bricks, drywall, painting, HVAC -
the progress continues!!!



Statistical Information

Residential Sales Transactions - Jan 1 through July 31

| <u>Date</u> | <u># Active Listings</u> | <u>Sold</u> | <u>DOM (AVG)</u> | <u>AVG List \$</u> | <u>AVG Sale \$</u> |
|-------------|--------------------------|-------------|------------------|--------------------|--------------------|
| 2007 | 4568 | 1171 | 166 | \$435,914 | \$318,504 |
| 2006 | 4300 | 1555 | 130 | \$441,032 | \$302,490 |

Land Sale Transactions - Jan 1 through July 31

(Land statistics are compiled on residential lots only, acreage has been omitted)

| <u>Date</u> | <u># Active Listings</u> | <u>Sold</u> | <u>DOM (AVG)</u> | <u>AVG List \$</u> | <u>AVG Sale \$</u> |
|-------------|--------------------------|-------------|------------------|--------------------|--------------------|
| 2007 | 3321 | 432 | 175 | \$238,601 | \$104,563 |
| 2006 | 3277 | 997 | 142 | \$259,201 | \$138,736 |