



# AREA

ASSOCIATED REALTY OF THE AMERICAS

JANUARY 2020



*In This Issue:*

*The Goodtimes III – Seth’s Party Boat  
Optional Dinner Cruise Monday Evening*



**TIME TO GET ON BOARD**

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## RETREAT 2020!

Sunday, July 12 through  
Tuesday, July 14th

• • •

**SEE INSIDE FOR DETAILS AND  
MAKE YOUR RESERVATIONS  
NOW!**

COMMENTS BY  
**GAIL HARTNETT**

**WELCOME  
NEW MEMBERS**

AREA SALUTES  
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SMITH**

HONORING DR. KING  
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LEGAL COMMENTARY  
**DENNIS BADAGLIACCO**



ASSOCIATED REALTY OF THE AMERICAS

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*"All the news that fits."*

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*Our members are 110% committed to excellence in our real estate profession. Our mission encompasses: Sharing BEST Practices with our colleagues; treating all referrals with the utmost of care, honesty and integrity; and being involved in organized real estate for the betterment of our profession."*

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## A R E A B O A R D

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A R E A M E R I C A S . C O M

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## Comments from Gail Hartnett

Hi Gang!

Already the middle of January ~ a New Year, New Vision, New Horizons and if you are like me, raring to go because there is so much to do!

Happy New Year everyone and thanks for your support and all that you have done for our amazing organization over the years. The value of being a member of AREA "IS" the members ~YOU ARE THE BEST!

**2020 is a special year already.** Two of our AREA members are leading us forward as **Vince Malta** has taken the reins as the President of the National Association of Realtors® and **Leslie Rouda Smith** is NAR's First Vice President ~ Congratulations once again and thank you for your service. Speaking on behalf of our entire membership, we are all rooting for you guys and pledge to do whatever we can to assist you along the way. The Task is to Ask.

**Please note:** the emphasis in this month's newsletter is our Annual Retreat which is being held in Cleveland this coming July 12-14th at the beautiful Downtown Cleveland Westin Hotel. I have been connected with **Seth Task** and I guarantee that you will want to be with us as Seth is pulling out all stops and we are going to Rock n Roll in Cleveland ~ WOW ~ Don't forget that if you are coming in early, there will be a BBQ at his home on the 11th and... the INDIANS are in town on Sunday afternoon just prior to our Opening Reception! Stay tuned ~ but know that **NOW IS THE TIME for you to Register for \$395...**after **February 15 the registration increases to \$495** per registrant. Oh, and be sure to make you hotel reservation ASAP in order to get in at the \$159 per night rate. As you go through this newsletter, you will find out more information about the Retreat!

Lastly, I want to again thank you for being members of AREA! You truly are the BEST of the BEST and who I want to hang out with! Looking forward to seeing some of you in Miami at the RPAC Presidents Circle Conference!

Big Boise Hugs  
Gail

# Welcome

## OUR NEWEST MEMBERS

### DARYL BRAHAM



Daryl Braham, founder of ION Leadership Consulting, joins JSE from another local real estate company while he was also working with Merrill Lynch in Fargo as a Financial Advisor. A Masters Member of The Strategic Coach Entrepreneurial Coaching program, he has held his Broker's license for almost 20 years, and is a Director for the National Association of REALTORS (NAR). Braham previously served as Regional VP for NAR, and as President of both the North Dakota and Fargo-Moorhead Associations of REALTORS. He was appointed as a National Fund-Raising Liaison for NAR in 2012, and as national REALTOR Party Director for NAR in 2016. With his past local companies, Braham has contributed in leadership roles with ABC's Extreme Makeover Home Edition in Fargo, Minot and New Orleans, was awarded the US Chamber of Commerce national Small Business of the Year title, and has been instrumental in launching nationally recognized charitable fundraising. Braham has received the Distinguished Service Award from FMAAR, and Fargo-Moorhead, North Dakota and Minnesota REALTOR of the Year recognition.

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**THE NEW TAX CODE IS VERY FAVORABLE TO COMMERCIAL REAL ESTATE OWNERS** that own, acquire new property or renovate existing facilities. It is not uncommon that 20% of the purchase price of a newly purchased building or interior renovation project can be written off in the first year...if a cost segregation depreciation method is used.

#### WHAT IS COST SEGREGATION?

Cost Segregation is an application by which commercial property owners can accelerate depreciation and reduce the amount of taxes owed. This savings generates substantial cash flow that owners often use to reinvest in the business, purchase more property, apply to their principal payment, or spend on themselves.

#### HOW DOES COST SEGREGATION WORK?

Cost Segregation Services, Inc. (CSSI®), an experienced and qualified company, performs the engineering-based cost segregation study on your property. The study accelerates the depreciation of your building/renovation components into shorter depreciation categories such as 5-, 7-, 15-year rather than conventional 27.5- and 39.5-year schedules.

These 5-, 7-, 15-Year items now qualify for expensing in the first year under Bonus Depreciation Rules. Five and 7-year items might include decorative building elements, electrical for dedicated computer equipment, and carpet. Fifteen year items might include site utilities, landscaping and paving.

This engineering-based cost segregation study results in a much higher depreciation expense and significantly reduced taxable income for the property owner. Best of all, the U.S. tax code states cost segregation can be applied to categories of buildings purchased or built since 1986, including renovations, and there is no need to amend your tax returns.

#### For further information, direct from the pros, please contact

Vice-President David Deshotels, (Baton Rouge),

deshotelsd@costsegserve.com;

or Na'Varo Johnson (San Francisco) expertmgmtpros@gmail.com.

# AREA SALUTES

This is a new and on-going commentary provided by two distinguished AREA members from the East Coast: **Miriam Dunn** of Scarsdale and **Elizabeth Allardice** of Raleigh-Durham, who think that there is a great deal more to our members than simply their wonderful achievements in the world of real estate and as participants in the National Association of REALTORS®. So, each month they will be randomly saluting a particular member of AREA for what they do in addition to managing their real estate careers.

This month we feature **Leslie Rouda Smith** of Dallas, Texas.



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## 2020 First Vice President, National Association of REALTORS®



**Leslie Rouda Smith**  
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Leslie Rouda Smith grew up in a real estate family; her father, Harley E. Rouda Sr., a former distinguished President of the National Association of the REALTORS®, founded HER Realtors in Ohio. These days, Leslie is the matriarch of another real estate family. Her husband Brian, daughter, Kristin and son, Austin are all Dave Perry-Miller associates.

Leslie rarely lists a property in her own name, opting for a behind-the-scenes role in the family business. But, through her

leadership positions, she also plays a behind-the-scenes role in thousands of Realtors' businesses.

Leslie Rouda Smith (ABR®, CRS®, PMN, CRB, e-PRO®, CIPS, AHWD, C2EX), a REALTOR® for nearly 35 years from Plano, Texas, is the 2020 First Vice President of the National Association of REALTORS®.

At the national level, she has been a member of NAR's Board of Directors since 2009 and has served several years on the Executive Committee. In 2017, she was the vice president for Region 10, comprised of Louisiana and Texas, and chaired the "Future of the REALTOR® Party" PAG that same year. In 2013, she served on the NAR Leadership Team as vice president.

In 2009 and 2011, she served as a liaison for two NAR past presidents. Also, in 2011, she chaired the Leadership Academy Advisory Board, served as the political fundraising liaison, and served on Presidential Advisory Groups for political survival as well as National Flood Insurance Program implementation. In 2008, Leslie chaired the Professional Development Committee.

Leslie is very active in REALTOR® Party activities. She is a member of the RPR Board of Directors and was a longtime Regent for the REALTOR® University. She has experience serving on numerous NAR committees,

including Finance, Strategic Thinking, Communications, and Research.

At the state level, Leslie was the 2016 Chairman of the Board for Texas REALTORS®. She has served on their Board of Directors for multiple terms. She was named their 2018 REALTOR® of the Year and received the Texas REALTORS® Distinguished Service Award in 2014. She was the founder of the Texas REALTORS® state YPN Network.

Leslie is a past recipient of the Salesperson of the Year from a local association. She received REALTOR® of the Year from her local board, the Collin County Association of REALTORS® in Plano, Texas. She served as president of the Dallas chapter of the Women's Council of REALTORS® in 1998, and in 2014, she was named Entrepreneur of the Year for the Texas Women's Council of REALTORS® Chapter.

She is engaged in her community and has been active in affordable housing programs, neighborhood revitalization, and housing opportunity initiatives. Leslie has a bachelor's degree in Communications from the Ohio State University and was named an Outstanding Young Alumnus.



Austin Smith took this photo of his Mom and Dad and Kristin during the 2016 Texas Association of REALTORS® Inaugural when she became Chair of the Texas Association.

# AREA RETREAT 2020

## CLEVELAND, OHIO | JULY 12 - 14

AT THE INCOMPARABLE  
**WESTIN DOWNTOWN CLEVELAND HOTEL**

### SPECIAL (OPTIONAL) EVENTS

Seth's Saturday Barbecue

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At this time, you may also sign up for the **2 Fabulous off site events**, a **Monday Evening Dinner Cruise** and a **Tuesday afternoon cocktail party and tour of the Rock and Roll Hall of Fame**. Graciously underwritten by our sponsors and available for **\$99.00 per person**.

### REGISTER NOW ON THE AREA WEBSITE

Early-Bird Registration Rate: \$395 per attendee thru Feb 15th  
Event Registration after Feb 15th \$495 per attendee

#### HERE'S HOW TO REGISTER:

Go to the AREA website [areamericas.com](http://areamericas.com) and enter:

**Your user name** = (first initial first name, entire last)

**Your password** = (last three letters of last name)

Go to Make Payment

*next*

### MAKE YOUR ROOM RESERVATIONS AT WESTIN DOWNTOWN CLEVELAND HOTEL

Group Room Rates from \$159 per Night

[CLICK HERE FOR WESTIN HOTEL RESERVATIONS](#)

We have made arrangements for our members to book their reservations for the 2019 AREA Retreat, being held this coming July 12-14 at the Downtown Cleveland Westin Hotel, for the nights of the 12th, 13th and 14th, at the rate of \$159 per night. We have reserved, by contract, a specific number of rooms at the rate. To reserve your room, please click on button above.

We have also arranged, while they last, for anyone coming two days before and remaining two days after to book at the same rate.

In order to do so, after making your standard reservation, you must directly contact Renee Manges, Event Mgt., to complete the booking for your entire stay:

RENEE MANGES, Event Manager • [Renee.Manges@WestinCleveland.com](mailto:Renee.Manges@WestinCleveland.com)

THE WESTIN CLEVELAND DOWNTOWN

777 St. Clair Avenue NE, Cleveland, OH 44114 H 216.771.7700 D 440.730.4248 F 440.730.4306

She will take care of that up and until the time the hotel is not accepting reservations for those dates.

# In Honor of Dr. Martin Luther King, Jr.

FROM STACI CAPLAN  
2020 PRESIDENT  
SANTA BARBARA ASSOCIATION OF REALTORS®

Reflecting on the many legacies of Dr. Martin Luther King, Jr., the Fair Housing Act is as top of mind as ever. Fighting for a diverse, equal, and unified community, the Fair Housing Act embodies the ideals of our country.

As stewards of the right to own, use and transfer private property, REALTORS® recognize our significant role in upholding the Fair Housing Act and reconfirm our commitment to offer equal professional service to all in their search for real property.

Fair housing depends on a free, open market that embraces equal opportunity. This month, the National Association of Realtors (NAR) rolled out the new Fair Housing Action Plan, abbreviated 'ACT,' which emphasizes (A)ccountability, (C)ulture Change, and (T)raining in order to ensure America's 1.4 million REALTORS® are doing everything possible to protect housing rights in America, and to oppose discrimination in housing based on race, color, religion, sex, handicap, familial status, sexual orientation, gender identity, and national origin. This policy is embodied in NAR's Code of Ethics.

It is our duty as REALTORS® to maintain equal opportunity in the housing market. In the fight for fair housing for all, REALTORS® leave discrimination at the door.

*Staci Caplan is a California Real Estate Broker and the owner of Pacific Crest Realty. She was born and raised in Santa Barbara and her passion for this special region translates into successful real estate transactions and thrilled clients. At our local Santa Barbara Associations of REALTORS®, Staci has served on the Board of Directors, the Government Relations Committee, the Budget and Finance Committee, the Multiple Listing Committee, and the REALTOR® Action Fund Committee. She can be reached at (805) 886-3970 or stacicaplan@gmail.com.*

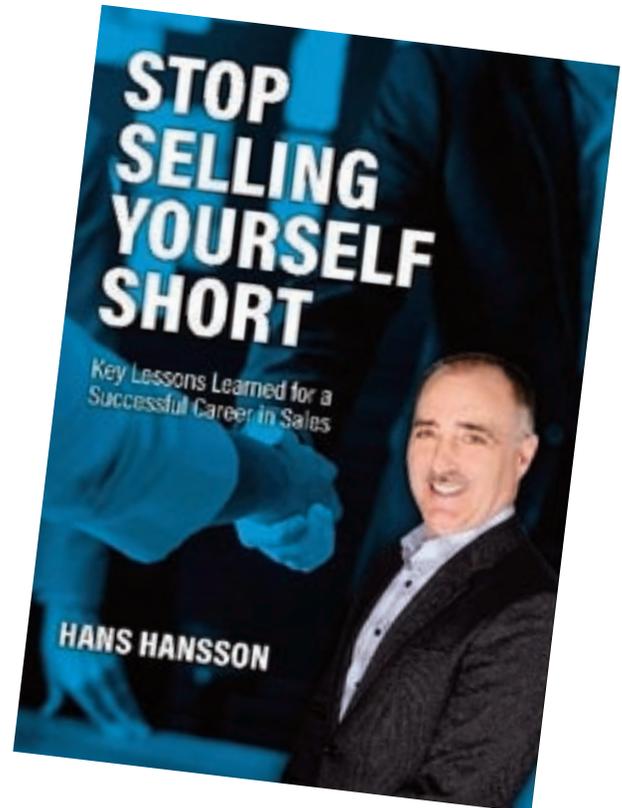


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# STOP SELLING YOURSELF SHORT

Hans Hansson's New, highly recommended, book for newcomers and everyone else. "Great read!" "Perfect for new agents!"

**PURCHASE YOUR COPY HERE**





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BY MIRIAM DUNN & ANDREA MCKEY  
NOMINATING COMMITTEE

## NATIONAL HERITAGE AWARD, WHY?

# What is the National Heritage Award and what does it have to do with you?

It is an opportunity for you to identify, within your community, an historical site such as a residence, church, or any unique property for this very special recognition. In return, you will distinguish yourself from every other real estate professional in your area through the free publicity directed at you that goes with securing such an award because it will be covered by the local news (press, radio, television) and, of course social media.



**National Heritage Award:  
Entering it's 5th year!**

IDEAS FROM PILLAR TO POST

## WHICH TYPE OF WATER HEATER IS BEST? IT PAYS TO DO SOME HOMEWORK.

### WATER HEATING & ENERGY USE

According to the U.S. Department of Energy, 25% of typical household energy costs are to heat water. Given these costs, it makes sense for homeowners to evaluate various types of water heating systems with an eye toward saving both energy and money. Here we take a look at some of the options currently available.



### Solar Water Heating

In solar water heating the sun's energy is used to pre-heat water for the home. The pre-heated water then flows into a solar tank that monitors temperature. Then it is piped into the regular hot water system, usually a storage water heater. If no water is turned on within a brief period of time, the water circulates through the system again, making it unnecessary to

keep a large tank of water constantly hot. The pre-heating is done by one or two solar panels, usually installed on the roof. Solar water heating is becoming more and more popular in many areas of the U.S. as costs for the systems continue to decrease.

### Storage Water Heaters

These are the most common type of water heater in the U.S. In these systems, a tank of cold water is heated by gas or electricity. Storage heaters are relatively inefficient because even when little or no hot water is being used, the heater must still fire on and off to keep the contents of the tank hot. An insulated water heater or insulating wrap can boost efficiency and energy savings to some degree.

### Tankless (Demand) Water Heaters

In a tankless or demand system, water is not stored in a tank but is rapidly heated by gas or electricity once the faucet is turned on. Because it reaches the desired temperature so quickly, much less water is wasted while waiting for hot water to flow to the faucet. Tankless heaters powered by gas are usually much more efficient than electric versions. Tankless systems are typically more expensive than a conventional storage water heater, so homeowners will need to do some homework on what type, size, and location might make sense for them.

No matter what type of water heating homeowners choose, it pays to do some research first to learn the ins and outs of various types for their specific situation. With the goals of efficiency, comfort and decreased energy, the best water heater option often depends on what pencils out in any given home.

**PILLARTOPOST**

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# Legal Update

with Dennis Badagliacco past Chair of the Legal Advisory Committee of the NAR

**Dennis Badagliacco**  
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## 1. The gift that keeps on giving: MARTIN'S BEACH, CALIFORNIA

1.1 Vinod Khosla, a billionaire founder of Sun Micro Systems owns a parcel of land above Martins Beach. The State of California is suing because the State claim Khosla will "continue to deny, impair and obstruct" the public's right to use Martins Beach. In reality the dispute is over the State trying to force Khosla to provide and maintain a road to the beach, along with a parking lot at his expense with no compensation from the State. The State claims the previous owners of the land had granted the rights to the land, beach, road and parking lot. Khosla position is no such right was ever granted. In addition, he does not want the liability for maintaining the public access. The battle has gone on for years and promises to continue.

2. The Funding bill which passed the House and the Senate in December has many wins for the Realtor Family:

2.1 The National Flood Insurance Program has been extended for 9 months through September 30, 2020. This program is not fiscally sound so the debate on its funding goes on and on and on.

2.2 Terrorism Risk Insurance Program: The Terrorism Risk Insurance Program was reauthorized for 7 years! This is a big victory for organized Real Estate, especially on the Commercial side.

2.3 Tax Extenders: The package included temporary extensions directly impacting the real estate industry: 1 the exclusion of forgiven mortgage debt from gross income....meaning that person with a short sale will not. Have to pay tax on the amount forgiven. The deductibility of premiums for mortgage insurance and the deduction of the cost of improvements to commercial buildings have been.

AREA Would Like to  
Thank All of Our  
Proud Sponsors  
of the 2020 Retreat

