



ASSOCIATED REALTY OF THE AMERICAS

JUNE 2019

# AREA RETREAT

2019

BOISE, IDAHO JULY 21-23



COMMENTS BY  
**Hagan Stone**

Welcome  
**NEW MEMBERS**

**"Relationship Rules"**

The Retreat is just around  
the corner, last call for  
nominations for

**AREA's Member  
of the Year!**

**AREA Gathering in DC**

Dennis Badagliacco  
**Legal Commentary**

Suggestions from  
**PILLAR TO POST**



ASSOCIATED REALTY OF THE AMERICAS

*"All the news that fits."*

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



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## Comments from Hagan Stone

Dear Fellow AREA Members:

It was so very nice to see so many fellow AREA members at our Gathering in Washington last month. Kudos to **Julie Malta** who organized the event and thanks to **Vince** for, again, allowing it to

happen in his suite. Also, thanks to **Craig Wolf** and good folks at American Home Shield, sponsors of this year Retreat, for providing the wonderful door prize. The article, below, tells more about what happened at the Convention and what a wonderful award **Ken Libby** is to receive. Lastly, time is running out to sign up for the Retreat. I just took down the Christmas tree and here it is June, already. Come On! See you in Boise ...By the way, the complete program will be in the July Newsletter. And, do we have some surprises for you!

## Welcome NEW MEMBERS

Chelsea has teamed up with Gail Hartnett to handle commercial and property management opportunities for Boise and surrounding areas. She has been a REALTOR™ for over 13 years and enjoys a wonderful working relationship with Gail. As an Idaho native she is invested in the sustainability of the state and is currently living in SE Boise with her husband, Nick 2 daughters, Porter (3) and Sorrel (2), their dog Bella and 4 chickens (Chopstick, Kevin, Charlie and Speck). She would say that her only hobby is travel however she does partake in yoga, great food and wine as well as anything that furthers the "green" movement and is environmentally/sustainably sound.



**Chelsea Hough**  
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# Congratulations Ken Libby!

Distinguished Service Award recipient! So proud of Ken and his years of giving!

Every year the National Association of REALTORS® (NAR) honors two of its 1.3 million member by awarding them the **Distinguished Service Award (DSA)**.

The 96th such award in NAR's 107-year history was announced at the Legislative Meetings & Trade Expo in Washington, DC, on May 19, 2019. Ken Libby was the recipient along with his good friend Kit Hale of Virginia who was recipient 95.

#### Candidates must have:

- Performed in leadership positions at ALL levels of the REALTOR® organization – local, state and national associations and remain actively involved.
- Been recognized as a local leader whose performance of service and involvement in political and community activities is extraordinary.

The formal induction will take place in November in San Francisco at the 2019 REALTORS® Conference & Expo. This meeting generally attracts 30,000 of NAR's members.



## A MESSAGE FROM



### New Coverage!

- Re-key: With every American Home Shield Buyer Warranty, buyers can request a contractor to re-key up to 6 door locks with 4 identical keys for a simple \$75 service fee.
- Spring/Fall HVAC Tune-ups: Tune up your HVAC during the pre-season of spring and fall for a simple \$75 service fee.
- Air Filter Discounts: Save 30%-50% off retail prices on A/C and furnace filters by visiting [www.discountfilterprogram.com](http://www.discountfilterprogram.com), and we will deliver them!
- Electronics Protection Plan: by Asurion. This plan when added to the AHS Warranty offers protection for both new and existing products that include:
- Exclusive TV Mounting Offer for AHS Customers: by HelloTech. In addition to TV Mounting, HelloTech also offers other services that range from \$75-\$99 per service such as:
  - o Hook up for Smart Devices
  - o Set up for Universal Remotes or new Wi-Fi Connections

### Awards!

American Home Shield is the only home warranty company that has won the Annual Home Warranty awards consistently every year since 2014. It won the Best in Service award in 2014 after which it has won the Top Rated award for 5 consecutive years from 2015-2019.



**Craig Wolf**  
**Craig.Wolf@ahs.com – 443-643-6742**  
American Home Shield  
Real Estate Senior Account Executive

## AN INTRODUCTION TO OUR NEWEST SPONSOR



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*Boise, Idaho Home of the 2019 AREA Retreat!*



**AREA RETREAT 2019 | JULY 21-23**

**REGISTRATION FOR THE EVENT IS NOW OPEN! \$495 PER ATTENDEE**

**TO PAY RETREAT FEES ONLINE:**

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

**Your password =**

the first initial of your first name and your entire last name

**Your user name =**

the last three letters of your last name

**EVENT INCLUDES:**

1. Socializing with members from all over the country
2. Great Programs Designed to Bring you business and current with everything else
3. Welcome No Host Cocktail Party and Reception
4. Two Breakfasts
5. Two Lunches
6. Sumptuous Gala Awards Dinner
7. Refreshment Breaks and Goodies
8. No Host Special Event at the Basque Center

Rooms may now be secured by clicking on the link below:

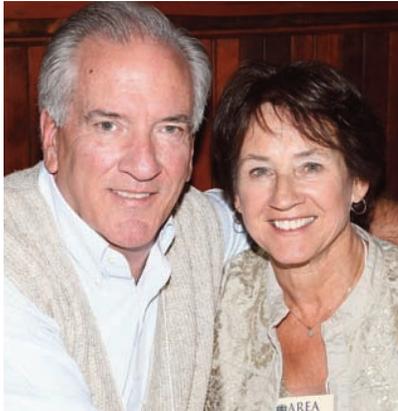
**GROVE HOTEL RESERVATIONS**



**Quiet Setting at the Elegant Grove Hotel right across the street from the BASQUE CENTER**

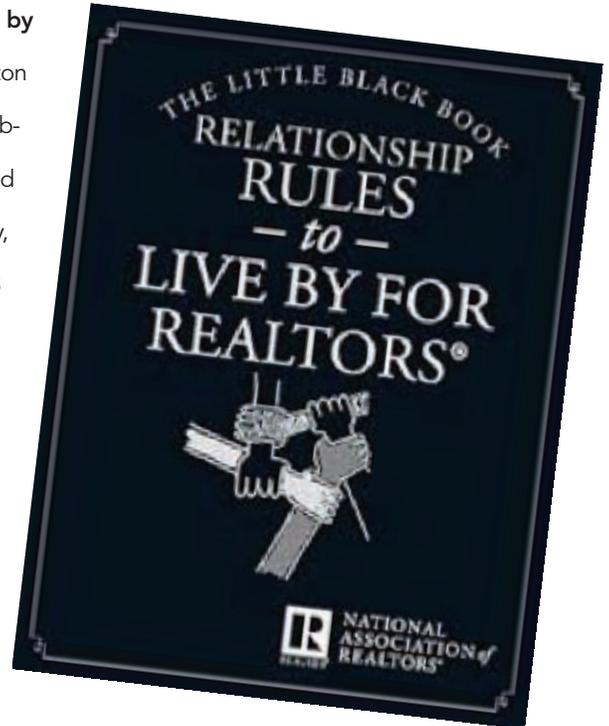
# Relationship Rules to LIVE BY FOR REALTORS™

This newest chapter (11), in the on-going series of the **Little Black Book to Live by for REALTORS™**, was showcased briefly during the AREA Gathering in Washington last month when **Chris McElroy** presented **Carl Bosse** with a copy of the recently published book. While not involved in the actual production, the book is Chris's brainchild and we are all so much better off for his continuing efforts to support this wonderfully,



Chris and Teresa McElroy

targeted approach to educating all 1.3 million of us. The book may be ordered, on-line, through the NAR. A must read for all. Why don't you consider this topic for your next sales meeting?



Here's a quick glance at some of what you'll find in RPR:

- Nationwide on-and off-market properties
- Datasets to research properties, markets, neighborhoods, and schools
- One-of-a-kind Realtor Valuation Model® (RVM®)
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GUARANTEE  
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# 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 **Hans Hansson** of San Francisco, who has recently published a new book about real estate. Hans was born and raised in San Francisco, great long time friend of B. J. Harris, married the woman of his dreams and has been a member of AREA since 2010, when Carl got a wrong number and the two became associates leading to a long term friendship. Instead of the normal background, we thought it would be good to simply share a recent talk he gave to a group of real estate professionals in San Francisco. So, here is his commentary, we know you will it enjoy it:

## What was your greatest sales comeback?

In the first round of this year's playoffs between the Golden State Warriors and the Los Angeles Clippers, the Clippers were down 31 points late in the 3rd quarter and managed to beat the defending champions. In the early 1990's Kentucky came back by the same amount with less than 15 minutes left in a March Madness game that, to some, was the greatest sports comeback of all time.

My son and I were discussing this and then thought about the greatest comebacks in general. I said the Allies beating the Axis and Richard Nixon losing the California Governor's race, stating to the media, "You will not have Dick Nixon to push around anymore!" Several years later, he was elected President.

Then the conversation spun off into what was our personal greatest comeback and this led to an interesting question for this article - What is your greatest comeback as a salesperson?

As salespeople, we must find a client, service the client, and try to close a deal with that client. We all know that the process can take many turns, sometimes good and sometimes bad. The effects of going back can derail you, particularly if they come back to back and sometimes back to back to back.

If you get on a losing streak, it takes guts and clear focus to get yourself out of it.

When I train new agents, I tell them that their careers will begin as if they are thrown into the middle of the ocean and told that land is nearby. They can't see the land and they don't know what direction to swim. They will feel like they are going to drown. BUT those that can fight through it will eventually see the land and get there.



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*Christine and Hans at an AREA Banquet*

This can also happen to successful salespeople who have been forced out of their sales careers for a while and then try later to come back. Too many markets change, their old contacts are gone, and they are left having to start all over. Many try to do what they did before, only to learn that their markets have changed so they must reinvent themselves. For many, their greatest comeback was the ability to get back on track and become productive again.

So many of my friends that have held high positions, particularly as they got older, found themselves without work and as time continued to go by, they lost their way back to being productive and working again. It's important to look at the comebacks of others and realize the enormity of their challenges. Look at yourself in the mirror and if many people have been able to turn their lives around and come back from a loss — why can't you? This is the first step in your comeback.

*-- Hans Hansson, Starboard Commercial/TCN Worldwide  
San Francisco*

## *Sunday Meet and Greet Restaurant Mixer*



For those of us  
NOT going to the  
play on Sunday  
evening

For those of us NOT going to the play on Sunday evening – **Diana Bull is helping busy Gail by organizing restaurant opportunities to dine with new & old friends after our AREA MEET and GREET.**

Simply email her which restaurant you prefer, your “date” i.e. partner/spouse, and she will group you with peeps!

**Gail recommends 4 choices.** All 4 \$’s and 4 stars per Trip Advisor, and all with vegetarian friendly and gluten free options. Check out their complete menus on line or with Trip Advisor.

**1) Barbacoa Grill.** Steakhouse, Latin, extensive seafood.

Open fire grilling is a delight to ranchers & cowboys.

Lots of appetizers including guacamole made table side!

Museum & art gallery! *Must drive there. My personal choice!*

**2) Chandlers Steakhouse.** Certificate of Excellence 2012-2019. Bar, American, seafood. *Walking distance from hotel.*

**3) Cottonwood Grille, By the River.** Certificate of Excellent 2013-15 & 2017. Outdoor & fine dining. *Must drive there.*

**4) Brick Yard.** Certificate of Excellence 2013, 2016-17, 2019. Table-side salad, peanut butter potatoes, variety of entries & starters. Dueling pianos at 10pm! *Walking distance from hotel.*

Email Diana your choice of restaurant and let her know if you will be accompanied by anyone. She will make reservations and match-up old friends & new peeps. [Dianabull4re@gmail.com](mailto:Dianabull4re@gmail.com)





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# Legal Update

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

## 1. Another Independent Contractor Case:

Sandoval v. Qualcomm; Qualcomm hired a contractor to make improvements in a building. The contractor in turn hired additional contractors. The electrical contractor shut off all power to the building, except to the area where electricity was needed. The electrical connections were under glass. A worker for the electrical contractor removed the glass shield to take photos. He then left the area without replacing the glass cover. Subsequently, another worker touched the unprotected electrical connectors and was badly injured. The injured party is suing Qualcomm even though Qualcomm had nothing to do with the construction crews or supervision. The question is intriguing for Realtors: How liable is a Realtor for referring a worker or contractor to a home owner if the work goes sour?

## 2. On-going NAR suit.

The essence of the claim is that NAR and its policies require a Seller to pay a buyer's agent a commission. The feeling is the practice drives up the cost of the sale. NAR steadfastly denies the claim and does not require the payment of a buyer's

agent a commission. A motion to dismiss will be filed. In all probability the motion will be denied. The suit could take years to unfold. For any other detail please rely on Katie Johnson's press releases. We do not want to be drug into the case.

## 3. The California Coastal Commission (CCC) is now attempting to enforce an 80' setback from a bluff for any construction.

The CCC is attempting to get local governments to buy bluff properties. In addition, the CCC is hoping to enforce a mandatory disclosure stating the bluff property may disappear completely if the rising seas continue to rise. Good luck selling a bluff property if this becomes the law.

## 4. HUD v. Facebook: HUD is claiming Facebook's policy of facilitating the targeting of prospective buyers is discriminatory.

For instance, if you have Facebook send out flyers on a listing near a park to families with children, instead of a "shot gun" ad to everyone, HUD says this is discriminatory. There will more as the case progresses.

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# FOUNDATION CRACKS – SHOULD YOU WORRY?

**H**ouses, no matter what their age, will shift and settle over time resulting in cracks. Cracks may appear in either finishes or structural components. Though they usually have no structural significance, it's worth some detective work to help understand the difference between various types of foundation cracks. Here are some visual guidelines:

## Shrinkage Cracks

Concrete shrinks as it cures, so a newly-poured concrete foundation may develop small vertical cracks. Known as shrinkage cracks, they are not structurally significant. Characteristics of shrinkage cracks include the following:

- The crack will be small and vertical, usually less than 1/8" wide.
- The crack is in the foundation wall only and does not extend up through the structure.
- Shrinkage cracks usually occur in the middle third of the length of the foundation wall. If it's located toward the end of the length of the foundation wall, it is probably not a shrinkage crack.

## Settlement Cracks

Like shrinkage cracks, settlement cracks are vertical but they extend up through the structure. In block or brick, cracks may follow the mortar joints in a step pattern rather than vertical. Most settlement cracks are caused by short-term settlement. Ongoing settlement is uncommon but can cause structural problems over time. Here are some ways to get an idea of whether ongoing settlement is likely:

**Crack size:** Settlement cracks more than 1/4" wide are more likely to indicate ongoing movement than smaller cracks.

**Direction of movement:** The edges of a typical settlement crack line up and fit together vertically, much like pieces of a puzzle. If the edges of the crack have shifted, or sheared, so that they no longer line up, the 1/4" rule described above does not apply. This type of crack can be a significant structural concern.

**Repaired and re-cracked:** Unless it is a hairline crack, a settlement crack that was repaired and has re-cracked could also indicate ongoing movement and should be addressed.



## Horizontal Cracks – Basement Foundation Wall

In homes with true basements, a horizontal crack in the foundation wall, below grade and running the full length of the basement is likely a sign of foundation failure. For a house with a full basement, the soil outside the foundation wall exerts a tremendous amount of pressure on the foundation wall itself. Occasionally, unanticipated additional loads exert pressure and cause horizontal cracking in the foundation wall. Do not wait to address this

potential issue as it could cause much greater problems down the line, including structural failure.

If you have concerns about foundations cracks, you may wish to engage a structural engineer to determine if conditions warrant repair or other steps.



**PILLARTOPOST**

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