



AREA

ASSOCIATED REALTY OF THE AMERICAS

Exclusive

SPOTLIGHT
ON OUR
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**AMERICAN
HOME SHIELD**

**COST SEGREGATION
SERVICES INC**

**REALTORS
PROPERTY RESOURCE**

**PILLAR
TO POST**

America's

**FINEST PROVIDERS
OF QUALITY
REAL ESTATE
SERVICES!**

Featuring:

COMMENTS BY
GAIL HARTNETT

AREA SALUTES
AUDREY NOVOA

WELCOME
NEW MEMBERS

LEGAL COMMENTARY
DENNIS BADAGLIACCO



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."

A R E A B O A R D

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Craig Sanford, Phoenix

Hagan Stone, Nashville



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Comments from Gail Hartnett

Dear Fellow AREA Members and Amazing Friends:

Where did summer go? FALL IS HERE! Our market is still strong and that makes all of us HAPPY! Hope yours are as well.

So much has been going on in the confabs of AREA since our Retreat in Boise. Our

Commercial folks have banded together to reach out to our Residential members so that true collaboration will continue to keep us growing in opportunity and education. You'll be noticing new members in key areas who are specifically Commercial Realtors®.

We are also continuing to welcome new members around the country with a concentration on states that we are lacking.

I'm a lucky girl to be chairing AREA this year! There is never a lack of participation among our members always willing to step up when needed you for the good of the Association.

Gonna highlight just a few of you who have gone the extra mile as long as I have been a part of AREA. I'll not forget having dinner with **Diana** in Chicago while working on a NAR PAG when she said we should have someone from Boise, so glad I explored this opportunity! **Trinkie Watson** from Lake Tahoe, met her in New Orleans at my first ever Retreat...and **Betsy, Audrey** and **Mariam**. Met **George Harvey** as we sat at round tables and began to crank out great ideas to make this group "the best". **Ron Phipps** was there presenting what was happening at NAR and **Ken** was sharing best practices. Met **Hans** in NOLA and **Peter** as we marched to his amazing home with parasols and kerchiefs waving and music playing. We've come a long way baby...as we've grown and built friendships and trusted referral partners. We truly are a special organization!

Jo Kenney, thank you for spearheading our Sponsorship Program and for bringing **Pillar to Post** on; to **Hans Hansson** for corralling **CSSI**; to **Diana Bull** who was tenacious in her efforts to land **RPR. American Home Shield** was invited, off the floor, to attend one of our AREA Gatherings in DC and that my friends, was all of us sealing the deal for them to join our awesome **SPONSORS**.

About a week ago and then again on our monthly call in we mentioned that **Carl** sent us an email, prompted by an idea from **Diana** to ask our members during this season of State Conferences to reach out to some of our Vendor friends who may be participating in your trade shows and share the opportunity for Sponsorship. Download the attached PDF and make a few copies and keep them with you. You just never know when the appropriate moment arrives to make a connection.

And, lastly, thank you for all of the kind notes about your time and experiences in Boise. "It takes a village to raise a child". We can always profit by sharing and participating as a team. And, we did that very well this past July.

Welcome

NEW MEMBERS

AXAY "AX" PAREKH



Axay Parekh, called "Ax" by his friends, was selected REALTOR® of the Year with The Greater Tulsa Association of REALTOR® in 2017 for his work to bring innovative technology to the Tulsa Market and for his dedication to working with RPAC, the Realtor® Political Action Committee and their mission to keep home ownership attainable for all Americans. He has served as a Director at the Oklahoma Association of Realtors® and has chaired several committees. In 2017, he was appointed to a 1 year term on the Leadership/Executive Team by the OAR President Pete Gailbraith. Axay was selected by National Association of Realtors President Steve Brown to serve on the NAR Social Media Advisory Council. Axay is the 2017 Chair of the Emerging Business Issues and Technology Forum at National Association of Realtors® and is the 2017 President of the Greater Tulsa Association of Realtors®.

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DAVID PULLEN



David was born in South Africa and immigrated to Canada several years ago, where he became involved in Real Estate. Over the years he joined Coldwell Banker as an analyst residing in Newport Beach for several years, before meeting his wife in Puerto Vallarta and settling there over 25 years ago. His background speaks for itself.

Honor and Justice Committee 2013-present (Puerto Vallarta Board of Realtors)
NAR, International Member (U.S. National Association of Realtors)
CONOCER, Certified Real Estate Agent (Mexico) CRS, Certified Residential Specialist
CIPS, Certified International Property Specialist
ILHM, Institute for Luxury Home Marketing

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of Quality Real Estate
Services*

FEATURING...

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America's Most Preferred Home Warranty

JOIN THE 1.8 MILLION CUSTOMERS WHO ALREADY HAVE A HOME WARRANTY FROM AMERICAN HOME SHIELD®.

After 17 years at AHS, Senior Account Executive Craig Wolf has a depth of knowledge and experience that makes him the ideal resource for real estate professionals looking to grow their businesses. A 2005 Greater Baltimore Board of REALTORS (GBBR) Leadership Academy graduate, Craig is also a licensed REALTOR, a member of WCR, and holds the office of GBBR treasurer.

Serving real estate professionals in Metro Baltimore and Northern Delaware, Craig has been recognized with many awards, twice being named the AHS Regional Account Executive of the Year and the 2011 GBBR Affiliate of the Year. "I attribute this success to developing strong relationships with REALTORS who, in turn, have built trust in me and in AHS," he says.

Craig is also a member of the National Association of REALTORS, the Maryland Association of REALTORS, the Women's Council of REALTORS and the Knights of Columbus. He is a State of Maryland approved Continuing Education Instructor, teaching for the GBBR, the Coldwell Banker School of Education, the Prudential HomeSale YWGC School of Education, and PDI Education.

"Working for American Home Shield allows me to assist REALTORS in providing homeowners the ability to achieve the American dream,"

Craig says about his career. "I love my job and the ability to work with a fantastic group of REALTORS."

An avid golfer and gardener, Craig enjoys boating on the Chesapeake and traveling with his wife of 26 years, Peggy, and their two children, Jarrett and Maggie.



Craig Wolf

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443-643-6742

American Home Shield

Real Estate Senior Account Executive

Maryland REALTORS® Treasurer 2019
Greater Baltimore Board of REALTORS®

President – 2016

www.homewarrantyreviews.com



THEY SAY WE'RE NOT LIKE OTHER REAL ESTATE GROUPS.
WE SAY, THEY'RE RIGHT.



ASSOCIATED REALTY OF THE AMERICAS

A T T H E P I N N A C L E

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Appreciating Depreciation

You can become a Tax Hero to your current and potential real estate clients. We're talking about a hero status so big that your clients think you should start wearing a cape.

And, you don't need to become a tax professional to be a Tax Hero.

Just make them aware of one simple tax code that most are missing.

In the first year of ownership, this one change potentially saves a commercial building owner \$40,000 – \$100,000 per \$1 Million of building owned or purchased. It's like buying a building and getting up to a 10% off gift card.

To become a Tax Hero, just say this to your client:

- "100% Bonus Depreciation.
- When you buy a building, about 20% of the building qualifies for 100% Depreciation.
- It's worth about \$60K per Million in the 1st year.
- I got a guy that you can talk to.
- I'll send you his number.

Every tax professional knows how to take these deductions on items like equipment, computers, furniture and fixtures. But not all know how to get 20% of the building to qualify for this same bonus depreciation in the first year?

This is where you might want to recommend a tax specialist



Instead of selecting the old straight-line depreciation method that views the building as one whole piece and depreciates the building over 39 years, the owner can select a depreciation method that groups or "segregates" the values of the parts and pieces of the building into categories that depreciate on a 5, 7, 15 and 39 year basis.

About 20% of the building fits into the 5, 7, and 15 year categories. And Congress said that anything purchased that has a depreciable life of 20 years or less can be 100% Depreciated in the first year. That averages \$40,000-100,000 of cash flow in the 1st year per \$1M of building.

And now AREA has Got some Guys, otherwise known as, "Cost Segregation Specialists," who perform an engineering-based study of the building, identifying and valuing all the parts and pieces that qualify, photo documenting the building, and producing a study to supply the numbers that allows the tax professional to file for these deductions which are automatically accepted.

A long shiny cape would look good on you. Don't forget to give them our number...Hero!

That's it. Congratulations on achieving Tax Hero Status! YOU EARNED IT!



At the Boise Retreat there were overachievers everywhere. Overachievers want to know how and why this new tax code works. We'll try and keep it simple.

- In the new tax code, Congress wanted to encourage business owners to buy more stuff to stimulate the economy.
- So on purchased items that have to be capitalized and depreciated over a period of 20 years or less, Congress said you can have all of your depreciation deductions in the first year.
- Bonus Depreciation is the New Black. It is like everything went on sale.

David Deshotels and Na Varo Johnson of CSSI - Cost Segregation Services, Inc. attended the Boise Retreat and look forward to being "the guys" to assist you and your clients' cost segregation needs.

For a no-cost analysis contact:

David | 225.933.6215 | deshotelsd@costsegserve.com or
Na Varo | 415-969-6160 | expertmgmtpros@gmail.com

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25th Anniversary and Third Year as a Proud Sponsor of AREA!

AN INTERVIEW WITH DAN STEWARD: PRESIDENT AND CEO of PILLAR TO POST HOME INSPECTORS®

Q: This is the 25th Anniversary of Pillar To Post Home Inspectors®. To what do you contribute your longevity?

A: We are just happy to continue as the Number One Home Inspection franchise in North America. This is the 19th year in a row we have been ranked as such by Entrepreneur Magazine. We credit our franchisees for doing great work that continues to let us grow. That helps us service even more areas in the U.S. and Canada. Right now, we are in 48 states and nine Canadian provinces. And with outreach programs, such as with our wonderful affiliation as a sponsor of Associated Realty of the Americas.

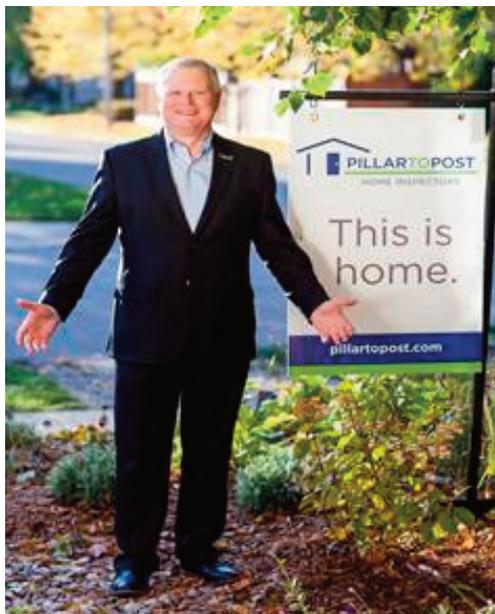
Q: What are some innovations that you feel you are leading the charge in?

A: Technology. This industry was born for technology yet clearly for years did well without it with good old-fashioned hard work and great training. Our franchisees continue with training and education all the way and earn certifications in a variety of programs and processes. Most of these inevitably benefit homeowners but we also offer lots of "back office" programs and support to our franchisees. They are continuously learning and are literal fonts of knowledge!

Q: Can you give an example of a separate program or focus and certification?

A: Radon testing comes to mind. The second leading cause of lung cancer is Radon. In the United States, the EPA estimates that about 21,000 lung cancer deaths each year are radon related and in Canada that number stands at approximately 3000. It's a dangerous gas and hard to detect because it's colorless, odorless, tasteless and radioactive. It is formed by the breakdown of uranium, a natural radioactive material found in soil, rock and groundwater.

Q: Sounds dangerous. Is there a special test and certification for Radon testing?



A: Yes, and Radon testing is the only way to know if it is present in a home or structure. Pillar To Post Home Inspectors conduct a short-term test using a continuous monitor to provide a snapshot of the home to see if it has elevated levels of Radon. Testing takes approximately 2-3 days and results are provided and interpreted and the report is sent directly to the client. Recommendations will then be made for a mitigation system. Even owners of condominiums, houses built on slabs, and other situations need to check on the air quality and the presence of Radon in their living quarters.

Q: How can people contact Pillar To Post for just this test?

A: They can go to pillartopost.com/radon for tools & resources, as well as for information on how to contact your local home inspector.

Q: Congrats on the 25th Anniversary. What are you doing to celebrate at Pillar To Post Home Inspectors?

A: We're giving back!! We have teamed up with The Salvation Army in a program to encourage homebuyers and sellers to donate unwanted goods to the charitable organization, with the proceeds from the donations going toward The Salvation Army's innovative Real Estate for Rehabilitation program. A one-page informational insert highlighting the Pillar To Post Home Inspectors / The Salvation Army program will be included in every report and the alliance will also be featured on the Pillar To Post Home Inspectors website.

For additional information, please contact:

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What is RPR® Residential?

Successful agents consistently seek new strategies that will grow and brand their businesses, maximize their time, and help them gain a competitive edge in the marketplace. Fortunately, all of those objectives, and more, can be met by tapping into Realtors Property Resource®, the most powerful data platform available to members of the National Association of REALTORS®.

As one of the most innovative benefits included in your NAR

membership, and offered at no additional cost, RPR® offers exclusive access to analytics and custom branded reporting tools that can be printed, emailed or texted from anywhere at anytime.

Start your journey to success by visiting RPR's learning center or visiting Realtors Property Resource®. And don't forget to download RPR Mobile™ for anytime, anywhere access.

Here's Another Useful Tool From RPR

RPR LAUNCHES MOST REQUESTED USER FEATURE: **MAILING LABELS**

REALTORS® can now create mailing labels or export owner information directly from the Realtors Property Resource® platform. These ready-to-print mailing labels will give agents another tool in their RPR toolbox for farming, prospecting or direct mail marketing within custom geographies.

REALTORS® can choose from three standard mailing label formats (Avery 5160, Avery 5161, Avery 5162) or export owner information to a spreadsheet (CSV file) that can be downloaded. This feature uses

public records data (no MLS data) licensed from our public records provider, Black Knight, and is available for residential as well as commercial properties.

Each REALTOR® can export up to 2,000 records per month. This count is for each record exported, not unique properties. Export counts are reset on the first day of each month and cannot be reset at any other time.

EXPERIENCE THIS NEW FEATURE FOR YOURSELF, LOGIN TO NARRPR.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 **Audrey Novoa** of New York City

Audrey Novoa is Senior Managing Director ABS PARTNERS REAL ESTATE LLC and is no stranger to high-profile deals. She was the broker representing Murray Hill Properties in the leasing of the 419,813 square foot NYU Langone Medical Center and School of Medicine space at 1 Park Ave. For four years, Novoa has been senior managing director at ABS Partners Real Estate. She started out at Williams Real Estate, where, during her 20 years with the firm, she rose to executive managing director and became the only female member of the management committee. In 2001, she joined Murray Hill Properties as executive managing director. A versatile professional, Novoa has represented both tenants—among them Loews Corporation and Planned Parenthood—and many landlords. She is known for her ability to address tenants' questions regarding the acquisition and disposition of their office space, knowledge of the vast intricacies of leases and skills in negotiation.

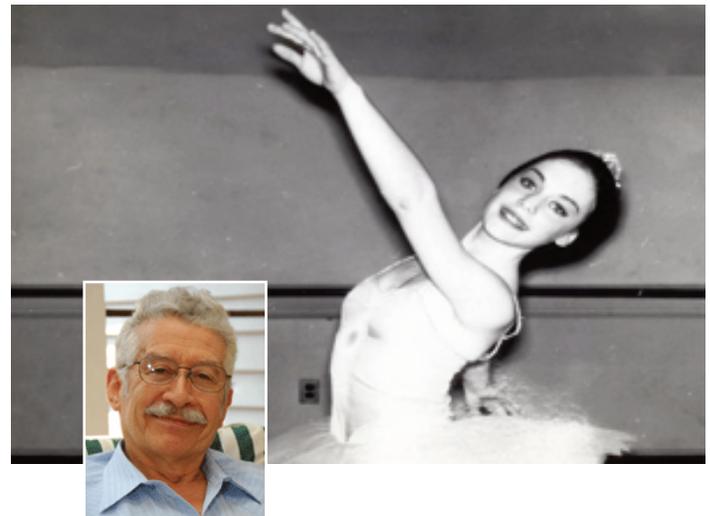
And, before beginning her real estate career she was Ballet performer with the New York City Opera Ballet and her husband, **Salvador**, was principal tenor with New York City Opera. They met during a production of Carmen at New York State Theater (Lincoln Center). Both have storied backgrounds in music where they were world class performers. Salvador, now retired is well remembered for his wonderful rendition of Happy



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Elizabeth Allardice
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Birthday song for **Elizabeth Allardice** during our Retreat in Napa. And, then, it was Audrey, who brought the house down when she joined in with the Mexican musicians entertaining us in Santa Barbara while singing some beautiful Mexican classics with them.

Life is short and smelling the roses is so very important. Thanks for being part of our group, Audrey. It is an honor to have you.

AREA Would Like to
Thank These
Proud Sponsors
of the 2019 Retreat





Dennis Badagliacco
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Ed Note: Dennis is on Hiatus during September. So, we are reprinting a previous column.

Legal Update

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

1.0 Doctor

the landowner, decided to evict an existing tenant. He filed the eviction papers. He recorded his foreclosure deed. However, the tenant decided to fight the eviction.

WOOPS: The Doctor filed the eviction papers prior to recording the foreclosure deed. The court did not allow the eviction to proceed and ruled he could evict until his deed was recorded.

MORAL OF THE CASE: Get professional help when handling legal issues!

INDEPENDENT CONTRACTOR VS EMPLOYEE

Here are some risk reduction ideas from NAR

Legal:

2.1 Know your state law regarding independent contractor classification of re-call estate licensees.

2.2 Always have a written independent contractor agreement and consider including a mandatory arbitration and class action waiver provision in such agreements.

2.3 Don't mandate meetings, administrative office duties, etc.

2.4 Allow salespeople to work where, when, and how they deem best.

3.0 Update on the Moehri v. NAR case:

"As a reminder, NAR will continue to provide regular updates on the class action litigation as it progresses. Please feel free to share these updates with your membership and colleagues. You are also welcome to share the attached FAQ document that has been recently updated.

3.1 On May 17, NAR filed a motion to dismiss the Moehrl v. NAR lawsuit which we believe demonstrated that the plaintiff's case was not legally viable. In response, the class action attorneys filed an amended

complaint on June 14. While the new complaint presents additional plaintiffs and factual allegations, as well as revised arguments, the underlying foundation of it remains the same. The plaintiffs' attorneys continue to misunderstand and mischaracterize the pro-competitive, pro-consumer MLS system, which – as you know – is designed first and foremost with the best interests of buyers and sellers in mind. As expected, the amended complaint also consolidated one of the copycat lawsuits filed in Illinois after Moehrl v. NAR. We will file a motion to dismiss this consolidated complaint on August 9.

3.2 On July 10, NAR will file a motion to dismiss another copycat lawsuit filed in Missouri. That motion to dismiss will focus solely on the court's lack of jurisdiction over NAR. We intend to file another motion to dismiss based on the merits of the complaint on August 5.

3.3 NAR continues to believe these lawsuits are wrong on the facts, wrong on the economics and wrong on the law. We remain confident in our position to stand by the pro-competitive and pro-consumer MLS system.

3.4 We will continue to keep you informed as events regarding the litigation unfold. In the meantime, we would greatly appreciate if you could inform us of any media inquiries you receive by emailing Mantill Williams, NAR's VP of Public Relations and Communication Strategy, at: mwilliams@realtors.org.