

LUNCHEON UPDATES!

Debbie Hall, President of Idaho Falls Idaho Mortgage Lenders Association, spoke to the members about the recent changes in government regulations regarding the Housing and Economic Recovery Act (HERA) that went into effect on July 30 of this year. This regulation requires all mortgage lenders and brokers to provide Truth in Lending (TIL) disclosures to borrowers according to a defined schedule. This schedule may alter borrowers' closing date expectations.

The presentation was very informative and everyone is encouraged to review the changes. Thank you, Debbie!

SEPTEMBER LUNCHEON WILL BE ON THE 23RD; 11:45AM, RED LION. Be sure to bring your punch cards. They will be collected at the November luncheon and there will be some lucky winners!

And the Luncheon Winners were! ----

- Full Page HOMETEAM Color Ad - Kathy Martin
- \$25 Affiliate Prize, courtesy of the Association- Trina Stanger, Wells Fargo Home Mortgage
- POST REGISTER 1/4 Page Ad - Dennis Stevens
- Full Page Color HOMESEEKER Ad - Beth Turner

Genius contest winners were as follows: Nina Baldwin, Jeff Metcalf, Peggy Hankins, Brett Magleby, Jennifer McCulloch. Each received a coupon for \$10 off their next CE at GIFAR! Remember, each month there will be a REALTOR® tidbit question for you to answer before the luncheon starts. Just answer the question and drop it in the basket. Five names with winning answers will be picked. Yours might be one!



HomePointe Real Estate was this month's generous \$100 donor and the winner was Troy Killpack! Congratulations to all our prize winners and Thank You to all our donors! Next luncheon: September 23, 11:45am. - Red Lion

DATES TO MARK:

- 9-1: New REALTOR® Orientation, 8:00am to 5:00pm, GIFAR office.
- 9-7: Labor Day, OFFICE CLOSED
- 9-8: NO TOUR!
- 9-9: SNRRMLS BOD Meeting, 8:30am
- 9-9: GIFAR BOD Meeting, 10:00am
- 9-11: Continuing Ed (see below)
- 9-16-18: IAR State Convention, Coeur d'Alene
- 9-21, 22, 23: Finally Home!
- 9-23: GIFAR Luncheon, 11:45am, Red Lion (date was moved due to IAR Convention)
- 9-24: GIFAR Golf Tournament

CONTINUING EDUCATION

(classes held at 1508 Midway, Ammon; registration forms available at www.gifar.org under Education/Registration Forms)



- 9-11: *Commission Core 2009 (C2009 - exp 6/30/10, 3 ceu, 9am to 12pm)* Maris Cukurs, instructor
- 9-11: *Risk Reduction (E0493 - exp 11/30/09, 4 ceu, 1-5pm)*, Maris Cukurs, instructor

IREC ATTENDANCE POLICY

**Pertinent Changes in Policy -
July 2009**



The use of cell phones or other handheld electronic devices is not permitted during class time. This includes texting, checking messages, incoming and outgoing calls, etc.

A student who misses any portion (even a few minutes) of a course taken for CE elective credit may not receive credit for the course unless the provider allows the student to attend the corresponding class session(s) in a subsequent offering of the same course.

APPLICATION FOR REALTOR® MEMBERSHIP

Michael Hinckey Copper Creek Homes

MEMBERSHIP TERMINATION


Mitch Walters from: MVP Realtors
Jaron Butikofer from: Golden Stone Realty
Marcus Goodwin from: Evan Marcus Real Estate
Ryndon Ricks from: United Real Estate
Courtney French from: MVP Realtors
Jim McCubbin from: Appaise Idaho

MEMBERSHIP TRANSFER

Dan Marcantano from: WinStar Realty
 to: Exit Realty Idaho Falls
Melody Grivet from: WinStar Realty
 to: Exit Realty Idaho Falls
Tammy Reading from: WinStar Realty
 to: Exit Realty Idaho Falls
Shay Ricks from: Rivertown Realty
 to: C21 Advantage
Helen Johnson from: WinStar Realty
 to: C21 Advantage
Paul Hymas from: Countrywide Properties
 to: ReMax Homestead
Jennifer Andersen from: HomePointe Real Estate
 to: Assist-to-Sell The Realty Team


Conference & Expo

Idaho Association of REALTORS®
Business Conference & Expo, September
16-19, 2009. This year's conference will
be held at the Coeur d'Alene Resort.



**HAPPY 10th BIRTHDAY,
FINALLY HOME!**
Finally Home!, the class for first
time home buyers, celebrated its
10th anniversary. It began in and
around Idaho during the summer of
1999; Idaho Falls hosted its first class in August of
that year.. To date approximately 3,000 students
have graduated from the GIFAR classes

Paul Plowman was this month's instructor and
there were 28 graduates! Thank you, Paul! Guest
speakers included Denise O'Brien,
Ameri-title, Chris Robinson, *Inspect-it-
First Property Inspection*, and Tobin
Dixon, *Coventry Mortgage*). Thank
you to our volunteers for generously
donating their time to educating first time
home buyers!



MR. MANNERS

**RULE OF ETIQUETTE
ADAPTED FROM NAR**

*Where does the Code leave off and
courtesy become the 'rule?'*

Let's look at a possible scenario. A buyer's agent faxes an offer on a property to the seller's agent and leaves a message on the seller agent's voice mail that the offer had been faxed. The next day the buyer's agent hadn't received a call from the seller's agent confirming receipt of the offer. So the buyer's agent leaves another voice message. After receiving no return call, the buyer decides to withdraw the offer. The buyer's agent then faxes the withdrawal notice to the seller's agent and leaves a third voice message.

Almost immediately after faxing the withdrawal-but more than 24 hours after the offer had been submitted-the buyers' agent hears from the seller agent's assistant, confirming receipt of the offer. The buyer's agent informs the assistant that the offer has been withdrawn. The seller's agent is now upset. The question that arises is, are salespeople obligated to confirm receipt of an offer?

Confirming receipt falls into the etiquette of real estate practice. Good practice and common courtesy call for listing agents and buyer's reps to maintain consistent and timely communication about the status of offers and counteroffers during negotiations. Not only should the listing agent be in touch with the buyer's rep about whether the offer was received and when it might be presented to the seller, the buyer's rep should follow up if the listing agent hasn't responded.

This situation highlights the importance of following the Golden Rule, quoted in the Preamble to the Code: "Whatsoever ye would that others should do to you, do ye even so to them."


Until next month, Mr. Manners, out!



If you have questions or comments you would like addressed in the newsletter, please write to either Evan Cook at evans@ida.net or chiefeo@gifar.org

**Current Association Membership
(as of date of publication)**

Primary: 424 Affiliates: 28
Secondary: 16



Retirement 101 for Real Estate Professionals

By Richard Hammarstrom, Self-Directed Retirement Solutions, LLC

Investing in Real Estate (Part two-Financing)

Now that you have identified a property you wish to purchase, why not put into effect the magic of leverage - letting a lender help you make the purchase. You will probably find, if you have the available cash, that the best bet is to purchase for all cash and then place a loan on the property, avoiding the possibility of losing the transaction to another cash buyer.

Here are four methods of financing the purchase. Please note: any loan you place on the property must be *non-recourse*. (If you would personally guarantee the loan, it will be considered a disqualified transaction.)

1. **An institutional lender** We are aware of two institutional lenders who make non-recourse loans to IRA and 401(k) owners: North American Savings Bank (www.iralending.com, 866/735/6272) and First Western Federal Savings Bank (www.myiralender.com, 800/908/8845). Both have limited LTVs and types of properties in various states. Maximum best LTV is 70%. While North American generally loans only on residential 1-4 units, First Western loans on most types of property that have positive cash flow. Both will do a refinance in the event that you first purchase the property for cash.
2. **Private lenders** The most logical private lender would be a fellow IRA or 401(k) who wants to make a reasonable return but is not interested in owning the property itself. If one IRA hasn't enough spare cash to make the loan, you could combine two or more - working within your state's security laws. You might want to be cultivating a roster of private lenders.
3. **Seller Carry Loan** This is particularly applicable on properties other than residential, where institutional loans may not otherwise be available. A seller may be willing to give you a higher LTV than an institution - even 100%! Here are a few suggestions: be sure you have the right to meet the price, if the seller decides to later sell the note at a discount. You might also ask for a discount if you pay off the loan within a specified time. If you plan to resell the property, try for an assumable loan - subject to review of the new buyer's credit. Ask for a lower interest rate for an initial period, while you improve the property. Also, be sure your title company draws the paper work as "non-recourse."
4. **Lease-Option True**, this is not a form of financing, but it is a way to control the property with a limited cash outlay. Be sure you review any existing loan documents to see if the loan is due upon execution of a long-term lease. Be sure to include a clause allowing you to sub-lease. Also, be sure to have enough cash on hand to handle the inevitable negative cash flow.

Next Time: Managing and Disposing of your Real Estate Purchase

#4 in a series. Email securelyretired@aol.com for previous articles or to submit questions. Self-Directed Retirement Solutions, LLC (www.TheTrueIra.com) offers self-directed Roth IRA and personal Roth (401(k) pension plans with checkbook control. They can be reached at 800/327/8800 or securelyretired@aol.com Note: this column provides general information only. Laws vary from one state to another. For advice on a specific matter, consult your attorney or CPA. The content and opinions are those of the author and not the publisher/distributor.