



# The Superior Area Association of REALTORS® Newsletter December, 2008

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## Our Affiliate Members

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## From the President - Peggy Kman



Here it is the end of the year! The holiday party is coming up and I hope to see you all there! Maria Letsos, President-elect, and I thought we should update you on what happened at the National Convention, so we took some notes and have attached them as a PDF to this column ([click here for the report](#)).

We both want to thank the membership for sending us to the convention and feel it was time well spent. Please look over our notes and if you have any questions or would like further information email one of us and we could guide you to the correct website. Next years Convention is in San Diego, CA and if you have the opportunity, you should attend. They are an incredible opportunity to gain knowledge and view products that you had no idea existed.

My email address is [peggykman@vanhollen.com](mailto:peggykman@vanhollen.com).

Happy Holidays and I wish you a prosperous New Year!

## ASSOCIATION HOURS DURING THE HOLIDAYS

The Association office will be closed:  
at 12:00 noon on December 24  
All day December 25  
at 12:00 noon on December 31  
All day on January 1

HAPPY HOLIDAYS!

## Real Estate License Renewals

Debbie Conrad, Director of Legal Affairs, WRA

Real estate license applications, including a statement certifying completion of the required continuing education (CE) coursework, must be filed with the Department of Regulation and Licensing no later than **Sunday, December 14, 2008**. A renewal application is considered filed upon receipt by the DRL. An application received on Monday, December 15, will be subject to the \$25 late fee. Individuals failing to meet the December 14, 2008, deadline will be unlicensed as of December 15, 2008, and cannot practice real estate until they complete the renewal process.

### CE Courses

The CE requirement for renewal may be met either by having passed the "test-out" exam, which was given between July 1, 2007, and June 30, 2008, or by taking 12 hours of DRL-approved CE and passing the course examinations. The required CE consists of four courses of at least three hours in length. Renewing licensees generally must complete Course 1 (regarding issues relating to new listings and agency agreements), Course 2 (regarding issues relating to the offer to purchase), Course 3 (regarding new developments) and a Course 4 option. Wisconsin REALTORS® Association Course 4A covers issues relating to real estate professional ethics and fair housing, and assists REALTOR® members to complete the National Association of REALTORS®' quadrennial ethics requirement as well as three hours of the state-mandated continuing education hours. A licensee may attend live classes, watch classes on DVD, engage in self-study courses or use the new Distance

Learning on Demand on the computer. Go to [www.wra.org/CE](http://www.wra.org/CE) for the WRA 2007-2008 CE course schedules or to order distance learning options.

Individuals with failing CE course examination scores (below 70 percent) may retake the courses and examinations for credit. Licensees do not need to submit any course certificates with their renewals, but these may later be requested by the DRL for their random license renewal audit.

A person who receives an original salesperson's or broker's license during a licensing biennium is not required to satisfy the CE requirement during the biennium in which the person receives that license.

The DRL may grant an extension of time for completing CE and may grant a renewal license if the licensee submits a written request and a physician's statement that verifies that the licensee's health prevented him or her from satisfying the requirement. An extension may also be granted to a licensee on active duty in the military service with assignment to a duty station outside of Wisconsin, or for other compelling reasons beyond the control of the licensee.

### **Online Renewal**

Licensees may renew their real estate licenses online at

<https://prd4p.it.state.wi.us/renewal/logon><https://prd4p.it.state.wi.us/renewal/logon>. A licensee will need his or her credential number and a credit card to pay the renewal fee. The PIN number can be looked up using the credential number and other licensee information. Waiting until the last day may be unwise because there can be maintenance issues or other reasons for an outage of that service. Also be aware that the online renewal process requires the applicant to specify an e-mail address - the DRL is attempting to create a database of credential holder e-mail addresses. If a renewal payment is received on time, the credential holder is eligible to practice while the license is being processed. The DRL considers a license renewed as soon as the DRL Web site shows that the renewal license has been printed. For online renewals, the license should print on the second business day following confirmation of successful payment.

Renewal status may be checked - regardless of whether the renewal is completed by mail or online - using the DRL Licensee Lookup feature at <https://drl.wi.gov/drl/drllookup/LicenseLookupServlet><https://drl.wi.gov/drl/drllookup/LicenseLookupServlet>. The DRL's Web site is updated daily.

### **Renewal Fees**

Real estate salesperson: \$81

Real estate broker: \$126

Timeshare salesperson: \$117

Real estate business entity (such as a corporation, partnership, or LLC): \$55

### **Broker Responsibility**

Wis. Admin. Code § RL 17.07 places responsibility upon the broker/employer to confirm that each agent in the company has renewed his or her real estate license by December 14, 2008. If an individual's renewal application has not been timely filed with the DRL, a broker/employer may not permit the individual to practice real estate after December 14 until that individual's license is renewed. The broker should also verify that any former agents sent a Form #766 Notice of Termination of Employment to the DRL. The broker may file the Form #766 if the former agent has not done so.

### **Late Renewals**

Licensees who do not fulfill their Continuing Education requirements by December 14, 2008, may complete the CE courses after that date and file a late renewal application. Applications received by the DRL after December 14 must include the license application form (including the statement certifying completion of the CE requirement), the appropriate renewal fee and the \$25 late fee.

### **Privacy Concerns**

All licensees should be aware that the name and address information submitted to the DRL is available to the public. Some licensees may wish to substitute a business address in place of a home address. Licensees may also wish to check the "PLEASE DO NOT DISCLOSE MY NAME/ADDRESS ON LISTS" box on the renewal application. This ensures that your name and address will not be disclosed on any list of 10 or more individuals that the DRL may provide to others.

### **Reporting Convictions**

A licensee who is convicted of a felony or misdemeanor in this state or elsewhere must notify the DRL in writing of the date, place and nature of the conviction within 48 hours after the entry of the judgment of conviction. Notice shall be given by mail (the licensee must have proof of the date of mailing) and shall include a copy of the judgment of conviction and a copy of the complaint or other information that describes the nature of the crime and the conviction so the DRL may determine whether the circumstances of the crime are substantially related to real estate practice. Wis. Admin. Code § RL 4.09(2).

Please also be aware that when screening complaints, the DRL can investigate whether a licensee has been

arrested for, charged with or convicted of a crime and determine if this substantially relates to real estate practice. As part of an investigation, the DRL may require a licensee to be photographed and fingerprinted if necessary to determine the identity of an individual and whether the individual has any criminal record in various locations. Wis. Admin. Code § RL 4.09(1) & (3).

A crime is conduct that is prohibited by state law and punishable by fine or imprisonment or both. A crime punishable by imprisonment in the Wisconsin state prisons is a felony. Every other crime is a misdemeanor. Conduct punishable only by a forfeiture is not a crime. Wis. Stat. §§ 939.12 & 939.60.

### **Tax Delinquencies and Support Obligations**

The DRL uses a licensee's Social Security number or a company's FEIN to check with the Department of Revenue to determine whether the renewing licensee has any delinquent state tax payments. Those with delinquent taxes (excluding property taxes) are given 10 days to pay the amounts due, or enter into a payment agreement with the DOR. If this is not done, the DRL will deny the license renewal, and the applicant will have 30 days to file a written request for a hearing. A licensee will be given considerable time to exercise due process rights; however, a licensee may continue to practice during this time only if the licensee has filed a timely and complete application for renewal. Those with questions about their state tax status may contact their local DOR office or call 608-266-8619.

Social Security numbers and FEIN numbers will also be used to determine whether licensees have failed to pay family support or failed to comply with a warrant or subpoena related to paternity or support proceedings. Upon receiving a certification from the Department of Workforce Development that the licensee is delinquent in making court-ordered support payments or has failed to comply with a related subpoena or warrant, the DRL may restrict or deny a renewal license.

## **NAR Urges Passage of 4 Point Housing Plan**

The National Association of Realtors® will offer a four-point legislative plan to reinvigorate the housing market, calling on Congress to act during a lame-duck session. NAR believes the plan will give a boost to the economy and help to calm jittery potential homebuyers. The plan features such consumer-driven provisions as eliminating the repayment of the first-time homebuyer tax credit and expanding it to all homebuyers, making higher mortgage loan limits permanent, pushing banks to extend credit to Main Street, and prohibiting banks from entering into real estate.

"Housing has always lifted the economy out of downturns, and it is imperative to get the housing market moving forward as quickly as possible," said NAR President Richard F. Gaylord.

"It is vital to the economy that Congress take specific actions to boost the confidence of potential homebuyers in the housing market and make it easier for qualified buyers to get safe and affordable mortgage loans. We are asking Congress to act right away."

Gaylord, a broker with RE/MAX Real Estate Specialists in Long Beach, Calif., said NAR, as the leading advocate for homeownership and private property rights, believes it is important for Congress to address the concerns and fears of America's families, much in the way it has addressed Wall Street turbulence. "Housing is and has always been a good, long-term investment and a family's primary step towards accumulating wealth," Gaylord said.

NAR recommends Congress pass new housing stimulus legislation that includes the following priorities:

1. Remove the requirement in the current law that first-time homebuyers repay the \$7,500 tax credit, and expand the tax credit to apply not only to first-time buyers but also to all buyers of a primary residence.
2. Revise the FHA, Fannie Mae and Freddie Mac 2008 stimulus loan limit increases to make them permanent. The Economic Stabilization Act, enacted in February, made loan limit increases temporary, and subsequent legislation reduced the loan limits and made them permanent. This has broad implication for homebuyers in high cost areas.
3. Urge the government to use a portion of the allotted \$700 billion that was provided to purchase mortgage-backed securities from banks to provide price stabilization for housing. The Treasury department should be required to use the newly enacted Troubled Assets Relief Program to push banks to:
  - Extend credit down to Main Street, making credit more available to consumers and small businesses;
  - Expedite the process for short sales;
  - Expedite the resolution of banks' real estate owned (REOs) properties.
4. Make permanent the prohibition against banks entering real estate brokerage and management, further protecting consumers and the economy.

[Contact Congress NOW - Click here.](#)

**The 2008 NAR Profile of Home Buyers and Sellers: Focus on Buyers**

The National Association of REALTORS® surveys home buyers and sellers annually to gather detailed information about the home buying and selling process. These surveys provide information on demographics, housing characteristics and the experience of consumers in the housing market. Buyers and sellers also share information on the role that real estate professionals play in home sales transactions. NAR's Profile of Home Buyers and Sellers reports - based on results of those surveys - provide real estate professionals with insights into the needs and expectations of their clients.

The latest NAR Profile of Home Buyers and Sellers was released during NAR's annual conference and expo earlier this month. This article reports on some of the highlights from the 2008 Profile that focus on home buyers.

### **First-time Buyers and Repeat Buyers**

Sixty-one percent of home buyers are married couples. Single women account for the next largest share of buyers - 20 percent. Ten percent of buyers are single men, 7 percent unmarried couples and 2 percent other. Sixteen percent of recent buyers are non-white, 9 percent were born outside of the United States, and 4 percent primarily speak a language other than English.

The latest survey results show that first-time home buyers accounted for a larger market share of home purchases compared to the past five surveys. In fact, the percentage of first-time buyers in the time period surveyed (July 2007 to June 2008) was the highest since 2001. Additionally, in spite of the general slowdown in home buying activity, the share of first-time buyers has steadily increased since 2006. The share of first-time buyers rose to 41 percent from 39 percent of transactions in last year's survey and 36 percent in 2006.

The increasing share of first-time buyers is due to a variety of reasons, not the least of which is because they do not need to be concerned with selling a home they already own before purchasing another one. Given low home prices, plentiful supply and affordable interest rates, it's been an optimal time for entry-level buyers who plan to stay in their home for at least several years. Housing policy changes - such as the temporary first-time buyer tax credit and improvements to the FHA loan program - auger well for first-time buyers as well. NAR also expects stronger entry-level activity as the flow of credit improves.

The "typical" first-time home buyer was 30 years old - slightly younger than the typical age reported in 2007. The median income of first-time buyers was \$60,600. And while married couple households account for 49 percent of all first-time buyers, single females represent a quarter of first-time purchasers. The typical first-time buyer purchased a home costing \$165,000 and plans to stay in that home for 10 years, up from seven years in 2007.

The typical repeat buyer was 47 years old, earned \$88,200, purchased a home costing \$236,000 and plans to stay in that home for 10 years. Repeat buyers made a median down payment of 15 percent, but 10 percent paid cash for their property.

### **What They Bought**

Detached single-family homes are the most popular choice for home buyers, whether they are first-time purchasers or repeat buyers. More than three-quarters of all home buyers bought a detached single-family home. First-time buyers more frequently purchased townhouses or condos than did repeat buyers. Ten percent of first-time buyers purchased a townhouse compared with 7 percent of repeat buyers; 11 percent of first-time purchasers bought a condo, vs. 8 percent of repeat buyers. These results probably reflect the relatively lower cost of those types of homes in most areas. Because first-time buyers typically have smaller median incomes than do repeat buyers they may not qualify for a loan on a detached single-family home with a higher purchase price.

### **The Home Search**

Buyers used a variety of resources when they begin searching for a home. The survey results reveal that the Internet and real estate professionals are the most popular resources: 87 percent of buyers used the Internet while 85 percent used a real estate agent. Home searchers also relied on yard signs (62 percent), open houses (48 percent) and print or newspaper ads (47 percent). When it comes to where buyers first learned about the home they ultimately purchased, slightly more than one third of them cited their real estate agent as the source. Thirty-two percent cited the Internet. Indeed, buyers most commonly start their search process online and then contact a real estate agent.

The trend in using the Internet as an information source has risen consistently since NAR began asking buyers about their Internet usage. Even just five years ago, 71 percent of buyers reported using the Internet as an information source; in 2008 the percentage was 87. Not only has the trend in overall Internet usage risen, but the percent of buyers who reported using the Internet frequently increased from 42 percent in 2003 to 69 percent.

## The Role of Real Estate Professionals

Consumers still rely heavily on the expertise of real estate agents to navigate the market. More than 80 percent of home buyers purchased their property through a real estate professional. This result should not be surprising, as a home purchase is the biggest transaction most households are ever involved in. One in ten buyers purchased their homes directly through a builder or builder's agent. Even though the Internet is a popular source of information in the home search process, 83 percent of home buyers who used the Internet to search for a home still relied on real estate professionals to manage the transaction. Home buyers are consistent in their expectations of real estate agents. Buyers thought the most important agent services are helping find the right house, and negotiating sales terms and price. Because agents often are chosen based on a referral, or were used in a previous transaction, two-thirds of buyers contacted only one real estate agent in the search process. Nearly three out of ten buyers cited honesty and trustworthiness as the most important factor in choosing an agent. More than two out of ten said that the reputation of an agent was an important factor. One or the other of these two factors was considered most important for half of home buyers.

Satisfaction with real estate agents is very high among buyers. Nearly nine out of ten buyers would definitely or probably either use their agent again or recommend that agent to others. That is good news for real estate professionals. Much of their business relies on repeat clients: today's first-time home buyer is tomorrow's first-time home seller and repeat buyer.

*\*In August 2008, the National Association of REALTORS® mailed an eight-page questionnaire to 133,000 consumers who purchased a home between July 2007 and June 2008. The survey yielded 10,053 usable responses with a response rate, after adjusting for undeliverable addresses, of 7.9 percent. Consumer names and addresses were obtained from Experian, a firm that maintains an extensive database of recent home buyers derived from county records. Information about sellers comes from those buyers who also sold a home. All information in the Profile is characteristic of the 12-month period ending June 2008, with the exception of income data, which are reported for 2007. Some comparisons are also given for results obtained in previous surveys. Not all results are directly comparable due to changes in questionnaire design and sample size. The median is the primary statistical measure used throughout this report. Due to rounding and omissions for space, percentage distributions may not add to 100 percent.*

*\*\*The 2008 National Association of REALTORS® Profile of Home Buyers and Sellers can be ordered by calling 800-874-6500, or online - [click here](#). The cost is \$50 for NAR members and \$125 for non-members.*

## Paragon Tips and Tricks - Assigning or Adding a Search to a Prospect

Once you have the general information for a prospect in and saved, you can then assign a previously saved search of their criteria or add a search and then assign it to the prospect. When the search has been saved and assigned to the prospect, the Paragon system will then start the auto searching tool for that prospect. Auto-Searching means that Paragon will do a daily search for your prospects for you. You do not even need to be on the computer. Auto-Search needs to be set up in order to use the Auto-Notification tool in Paragon.

[Click here for instructions.](#)

## December Green Tip - DO Turn that Dial!

One of the best and easiest ways to reduce your energy and environmental costs is simply setting your thermostat to the lowest comfortable setting. To extend these savings, set it back at night and when you are away. A rule-of-thumb for estimating energy savings is for every degree you set back your thermostat; you'll save 2 percent on your heating costs. If you have a furnace, clean or replace filters once a month or at least every time the season changes. Keep warm-air registers, baseboard heaters, and radiators clean and clear. Make sure they are not obstructed by drapes, furniture, or rugs.

Gas-fired equipment needs to be checked every other year. Oil-fired boilers should be professionally cleaned and tuned annually.

Keep draperies and shades on south-facing windows open during the heating season to allow sunlight to enter your home; close them at night to reduce the chill you may feel from cold windows.

Close the door to an unoccupied room or area that is isolated from the rest of the house and turn down the thermostat or turn off the heat for that room or area. Make sure the room doesn't get so cold that the pipes freeze, and do not turn the heating off if it adversely affects the rest of your system. For example, if you heat your house with a heat pump, do not close

the vents-closing the vents could harm the heat pump.

Use kitchen, bath, and other ventilating fans wisely. Turn these fans off as soon as they are no longer needed. In about one hour, these fans can pull out a house-full of warmed or cooled air.

Check your ducts for air leaks. First look for sections that should be joined but have separated, and then look for obvious holes. Consult with a professional about repairing duct leaks. Safe duct repairs require a licensed heating, ventilating, and air-conditioning contractor.

So throw on a sweater, grab a cup of cocoa, and snuggle up with your favorite blanket - winter is upon us!

Source: <http://mnpower.apogee.net/res/rehimpr.asp>

Are you missing out on important news and information sent from the Association office?

Please take a moment to add the following email addresses to your contact list to ensure you are receiving all correspondence from the Association staff.

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