



# The Superior Area Association of REALTORS® Newsletter June, 2009

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## From the President -

**Peggy Van Hollen-Kman**



President Elect Maria Letsos and I attended the National Association of Realtor's Midyear Meetings and Expo this month. Every year, but especially this year, is an important year for REALTOR® to gather in numbers and go up on "the Hill" and let our Senators and Congressmen/women know what is important to our industry and keep them abreast of what is happening out here in the "real world" of real estate. Maria and I did not miss a beat, attended as many meetings as we could and represented our area. We were part of a Wisconsin delegation that went to the office of both Senators and almost every Congressperson from Wisconsin. We talked about the "Home Buyer Tax Credit", letting them know that REALTORS® would like to see it extended for at least another year and expanded to include anyone buying a primary residence, not just first time buyers. We also let them know we, REALTORS®, are opposed to a reduction or elimination of the mortgage interest deduction. We attended a day long Real Estate Summit that featured several important keynote speakers such as Sean Donovan, the Secretary of Housing and Urban Development, Allen Greenspan and many others. There was a panel of experts from several industries that discussed the problems we are facing, how and why they occurred and possible solutions. They did not all agree, but it was a real eye-opening educational experience. Over all, this was an excellent opportunity and it was good that our area was represented at these meeting. If you would like to hear more about the trip, either Maria or I would be glad to talk to you.

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

## Did You Know?

### Northland Open Houses Website Statistics

The NorthlandOpenHouses.com website is gaining strength as more consumers are going to the site, spending more time and looking at more pages. The statistics are impressive!  
In the time period from April 28 - May 28, 2009

There were 1,557 visits to the site

Those visitors looked at 12,902 pages

They averaged 8.29 pages/visit

They spent an average of 4:45 on the site

42.85% of the visitors were new

Take advantage of this service provided by the Association!

[Click here for instructions on getting your open houses on the site.](#)

## \$8,000 Tax Credit - The Basics

This is your customers' chance of a lifetime, don't let them miss it!

There has never been a better time to buy a house with a huge selection of homes for sale, record low interest rates, and now up to an \$8,000 tax credit for first-time home buyers.

### Here is how the credit works:

If they qualify and purchase a home after January 1, 2009 and before December 1, 2009, they could receive up to the full \$8,000 tax credit that they won't have to repay. Any home purchased for \$80,000 or more qualifies for the full \$8,000 amount. If the house costs less than \$80,000, the credit will be 10% of the cost.

There are some restrictions, so please read the below and the questions and answers to make sure they qualify.

### Payback Provisions

The tax credit is a true credit. It does not have to be repaid.

The only repayment requirement is the homeowner sells the home within three years after the purchase.

### Income Limits

Home buyers who file as single or head-of-household taxpayers can claim the full \$8,000 credit if their modified adjusted gross income (MAGI) is less than \$75,000.

For married couples filing a joint return, the income limit doubles to \$150,000.

Single or head-of-household taxpayers who earn between \$75,000 and \$95,000 are eligible to receive a partial first-time home buyer tax credit.

Married couples who earn between \$150,000 and \$170,000 are eligible to receive a partial first-time home buyer tax credit.

The credit is not available for a single taxpayer who's MAGI is greater than \$95,000 and married couples with a MAGI that exceeds \$170,000.

### Effective Dates for the Tax Credit

To qualify, you must actually close on the sale of the home on or after January 1, 2009 and before December 1, 2009.

### Tax Credit is Refundable

A refundable credit means that if you pay less than \$8,000 in federal income taxes, then the government will write you a check for the difference.

For example, if you owe \$5,000 in federal income taxes, you would pay nothing to the IRS and receive a \$3,000 payment from the government.

If you are due to receive a \$1,000 tax refund from the government, your refund would grow to \$9,000 (\$1,000 plus \$8,000 from the home buyer tax credit).

Buyers can take the tax credit on their 2008 or 2009 income tax return.

### Types of Homes that Qualify for the Tax Credit

All homes, whether single-family, townhomes or condominium apartments, will qualify, provided that the home will be used as a principal residence and the buyer has not owned a principal residence in the prior three years. This also includes newly-constructed homes.

For more information, please read the [questions and answers](#).

## NAR Free Webinars

### LEARN MORE ABOUT JUMBO LOANS AND OTHER MORTGAGE MARKET ISSUES

Register for a free REALTOR® Magazine webinar, "[Mortgage Finance: What's Really Available to Your Customers Today](#)." The event takes place Thursday, June 25, at 3 p.m. Eastern time.

Join hosts Stacey Moncrieff and Robert Freedman of REALTOR® Magazine as they explore the availability and affordability of mortgage finance with the two industry experts, Tom Gamache of Bank of America, the webinar sponsor, and Judy Zeigler, CRB, CRS®, of Windermere Real Estate Coachella Valley in Palm Desert, Calif. This is the fourth in a series of free webinars that REALTOR® Magazine is presenting as part of NAR's Right Tools, Right Now campaign.

### LAND SALES: CAPITALIZING ON CURRENT CONDITIONS

Learn about land and commercial market trends in the last quarter from Andre van Rensburg, president of Prudential Network Realty, in a Webinar on June 3, at Noon, Central Time. The Webinar will also look at tactics for building revenue and the impact of Obama administration policies on land and commercial real estate. [Register online](#) or call 800/441-LAND.

## HUD Announces Manufactured Housing Policy Guidance

On May 21, 2009, the US Department of Housing and Urban Development released Mortgagee Letter 2009-16 on Federal Housing Administration (FHA) mortgage insurance eligibility for manufactured housing. The Housing and Economic Recovery Act of 2008 authorized HUD to make changes to manufactured housing for new and existing construction. FHA states that a manufactured home is a structure that is transportable in one or more sections, and is designed to be constructed to the Federal Manufactured Construction and Safety Standards and is so labeled. While modular housing is also factory built, FHA treats it as stick-built housing.

To be eligible for FHA insurance the manufactured home units and land must be classified as real estate although they need not be treated as real estate for state tax purposes. The borrower is required to have a 3.5 percent cash investment in the transaction and land equity may be used to satisfy this requirement. Gift funds from eligible sources are also permitted for the down payment. Individual units in condominium projects are now eligible for FHA insurance; however, the Spot Loan Approval process is not applicable.

[HUD Mortgagee Letter 2009-16: Manufactured Housing Policy Guidance Federal Manufactured Construction and Safety Standards](#)

## 9 Ways to Get Glowing Online Reviews

With social media, it's easier than ever to generate referrals and positive customer reviews.  
By Kelle Sparta

Whether you like them or not, online rating Web sites are a reality for today's real estate professionals. Those sites, in addition to Facebook and other social media outlets, create a powerful tool for spreading the word about you and your services. But to do it right, you need your customers' help.

The advent of social media has brought on the era of the educated real estate consumer. These days, customers go online not only to look at property listings, but also to research your experience, qualifications, and attitude. If you handle it right, the trend could present a major opportunity.

Here are nine ways to encourage your best clients to shout your name on the Web (and maybe even link to your site).

### 1. Be a problem solver.

The first thing you have to realize is that no amount of technology will get you a referral if you don't earn it-and no one will know you've earned it unless you tell them. Most of us try so hard to keep all the dirty details away from our clients because we want their stress levels remain low. To them, it looks easy. While it's important to make the transaction a smooth customer experience, it wouldn't hurt to tell clients about all the effort we put in to resolving problems. They can't appreciate all we do for them unless we share the fact that we handled the problems. Make sure you get the credit (and referrals) you deserve after you've solved them.

### 2. Ask for the referral.

The customers who love you, really love you! They may want to be able to give something back to you for all the hard work you put in on their behalf. They just don't know how. Each time a client expresses how happy they are with you, ask them to do something to share that experience with the world. If they agree, explain how they can give you good online ratings and referrals.

### 3. Tweet it to the world.

If they express an interest in giving you a referral or testimonial, ask them to put it on [Twitter](#) or [Facebook](#). Or even better, show them how [Ping.fm](#) will update all of their social media platforms at once. You can offer to help them set it up and then ask them to make their first universal ping about how much they appreciate you. (With a link to your site of course-that's great for search-engine optimization!)

### 4. Yelp!

If they want to do more, see if they'd be willing to fill out a review for you on [Yelp](#) or [LinkedIn](#) (preferably both, but don't make it too hard or they won't do anything).

### **5. Encourage them to use an online review site.**

When you are coming close to the end of your transaction, ask your clients to give you a good review on one or two of the major real estate practitioner review Web sites. Send them an e-mail with links to the sites so that they can find them easily. If possible, set up the account for them and do everything except fill in their review. (Remember, it's all about making the process easy for the client.) Some of the most popular review sites are:

- [Homethinking.com](http://Homethinking.com)
- [AgentScoreboard.com](http://AgentScoreboard.com)
- [RealEstateRatingz.com](http://RealEstateRatingz.com)
- [IncredibleAgents.com](http://IncredibleAgents.com)

### **6. Get the transaction testimonial.**

At the closing, get a signed testimonial letter from them. How do you do this? Take all of the things that they ever said to you-or put online for you-and create a testimonial that reflects their experience as you understood it. Present it to them like this: "I know you're busy, so I try to make giving me a testimonial easy. This is what I heard you say over the course of the time we worked together. If you agree, could you sign it for me, so I can have it for presentations in the future? Of course, you're welcome to write your own if you prefer, I just wanted to make it easy for you." Most people will sign it on the spot. The others will go home and write you a letter that's even better than what you could have written.

### **7. Contact past clients.**

Need a good reason to contact a loyal former client? How about asking them to put a referral into an online system for you? (You've been sending them valuable information for years-they'd love a chance to offer you something in return.) You could take a previously written referral from the person, type it into an e-mail, and send them the links to the Web sites you want your review on. The person can then just cut and paste their review into the sites. Again, make sure you include an active hyperlink to your Web site-it will make it easier for prospects to reach you and increase your SEO (search-engine optimization).

### **8. Create a system.**

Put in place a system today that will get you and keep you on track for having great reviews of you anywhere and everywhere a prospect could look. Know which sites you'll ask to be reviewed on and have e-mails pre-created and ready so you can simply send them out without too much effort on your part.

### **9. Ask for what you want.**

Just like you can't be afraid to ask for the sale if you want to sell, you can't be afraid to ask for the referral if you want to get one. After the asking, the key is to make it easy for a client to say "yes". If you follow these simple steps, you'll see your personal cache', your number of incoming leads, and ideally, your Web site ranking skyrocket.

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Kelle Sparta is the author of *The Consultative Real Estate Agent: Building Relationships that Create Loyal Clients, Get More Referrals, and Increase Your Sales*(AMACOM, 2005). She is also the founder of [Sparta Success Systems](http://Sparta Success Systems), a real estate training company.

Ensuring that past clients call on you again, you must remain visible and relevant, even in those in-between years.

## **The Fever is Just Beginning**

Join us for the WRA's 2009 Annual Convention where we will be disco dancing and learning tactics for Stayin' Alive in today's real estate market. Get out your bell-bottoms and polyester suits and head to the Kalahari for three days of fun, education and networking! For more details, visit the WRA's Convention Web site at [www.wra.org/convention09](http://www.wra.org/convention09).

## **Paragon Tips and Tricks - 1004MC Customization Guide**

### **Attention Appraisers!!!**

Recently many of you attended a class in the Twin Cities regarding the new 1004MC forms. Provided in that class were instructions on setting up exports to use with the Northstar MLS. What about Paragon?!? Wait no further, this month's tips and tricks is a guide walking you through the setup and export process for the 1004MC form.

[Click here for the guide.](#)

## June's Green Tip: Make a Compost Bin

Now that you've planted your Victory Garden, help it along by making your own compost. Composting can be as involved or as uninvolved as fits your lifestyle. There are many places online to find pre-made compost bins and directions for making your own but making a condensed pile in a corner of your yard works just as well.

Some facts about composting:

- When done correctly, compost does not have a strong smell
- Yard and food waste compose 24% of solid waste in the US
- Expensive pre-made composters are not necessary to have a successful compost pile
- Finished compost can be mixed into your flower or vegetable gardens for great results

The Environmental Protection Agency has an excellent resource for starting your own compost. <http://www.epa.gov/wastes/conserve/rrr/composting/index.htm>

Thank you for making a difference in our environment and have a great summer!

[Email Maranda](#)

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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