

A publication of Michigan REALTORS®



MICHIGAN REALTOR®

SOLD! REALTORS® &
AUCTIONEERS
**Join
forces**



PLUS: Replacing a Founder Max Customer Service Transfer Tax Debate Marketing Service Agreements

CONTRIBUTOR PACT



Dreaming of a place to call your own?

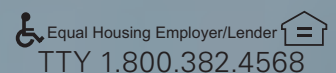
MSHDA's Own MI Home program offers both first-time and repeat homebuyers* in targeted areas up to \$7,500 in down payment assistance. Imagine owning a place where you can choose your own wall colors. A place with a deck for summer barbecues with friends. A place with a bathroom just for you—and a separate one for the kids.

Don't put off your dreams. Make a house your home today.

Visit michigan.gov/OwnMIHome to learn how we invest in people and places all year round.



* Repeat home buyers are eligible for a maximum of 4 percent of the purchase price through the MI Next Home program.



Features

- 06 **2015 Officers & Directors**
- 08 **2014 RPAC Tribute & Review**
Thanking 2014 RPAC Investors
- 13 **Michigan REALTORS® Centennial Celebration Timeline #REALTORS100**
- 14 **Add Income to Your Real Estate Business**
Joining forces can be beneficial to everyone
by Timothy G. Bos
- 18 **Why is it So Hard to Replace a Founder?**
How to find success in succession
by Steve Murray
- 23 **The Art of ECS! Exceptional Customer Service**
Turn it up a notch and reap the rewards
by Marcus Wally

COVER STORY



Centennial Saturdays

Join us each Saturday on www.facebook.com/mirealtors as we share a photo from our association's great history. Do you have a picture you would like to submit for consideration on Centennial Saturdays? Email us at centennial@mirealtors.com to enter. Please include a year or timeframe, photo description and keep images under 2MB in size. Check back each weekend for a new photo and memory. Remember: It doesn't have to be old to be a classic!

Departments

- 02 **President's Report**
Welcome to 2015 – the 100th Year for Michigan REALTORS®!
by Gene Szepeinski
- 04 **Capitol Report**
By the time you're reading this...
by Brad Ward
- 26 **Legal Lines**
Marketing Service Agreements: Beware
by Gregory L. McLelland, Esq.

MICHIGANREALTOR®

01

{ JANUARY | TWO THOUSAND & FIFTEEN | VOLUME FOURTEEN | NUMBER ONE }

Welcome to 2015 – the 100th Year for Michigan REALTORS®!

KUDOS. First and foremost: Congratulations to Carol Griffith for an awesome job as President of Michigan REALTORS® for 2014! Your contributions to the betterment of our industry are many and your leadership, grace and wisdom are exemplary. However, the friendship you offer to all is extraordinary! Thank you on behalf of all Michigan REALTORS®.

Next and equally important, our CEO Bill Martin was bestowed the honor of being the recipient of the William R. Magel Award for Excellence in Association Management and Service at the NAR Conference this past November in New Orleans. We are truly blessed by the Michigan REALTORS® influence he has fostered at NAR!

NAR Conference

If you have never attended an NAR Conference or, for that matter a Michigan REALTORS® Convention, you should truly consider attending this year in order to fully absorb the huge impact we have as REALTORS® in our communities, state and nation. At a Michigan Mortgage Lenders event I attended, one of the leaders of the National Bankers Association told the MML audience to “join forces with and follow the REALTORS® – they haven’t lost a battle since the Civil War.”

This year’s conference included great learning sessions, committee/governance meetings, Board of Directors actions, special events including the swearing in of 2015 NAR President Chris Polychron by former President Bill Clinton and the opportunity to indulge in a bit of New Orleans cuisine. There were some very important issues taken up by the Board of Directors as a new aspirational Code of Excellence was approved to be drafted, and was brought to the BOD at a future meeting for approval. The goal of this Code of Excellence is to raise the practice of Real estate measurably through increased focus in the competencies valued by consumers. These competencies include the stewardship of property listing data, privacy and security of consumer information, advocacy of property rights, community involvement and technology. Related provisions were also passed that would do the following:

- Change the frequency of NAR’s Code of Ethics educational requirements from every four years to every two years starting in 2016; add a biennial Code of Excellence education requirement; and mandate continual updating of the training.
- Help our members strive to be proficient in data content and have efficient access to the broadest range of data available.
- Develop an industry standard that would allow consumers to evaluate REALTORS® fairly and accurately.

High Priorities for NAR for which Calls for Action were sent included Mortgage Debt Forgiveness Relief and Reauthorization of the Terrorism Risk Insurance Program. Another important issue was the EPA proposal to create a rule to amend the Clean Water Act that would place the EPA and the Army Corps of Engineers in oversight over potentially most any water in the nation and not just “navigable” waters as the Act was written. This is a huge overreach by the EPA and a circumvention of Congress, which has the sole power to amend the CWA.

If you decide to up your game in association involvement this year, a great resolution is to always respond to a Call For Action from NAR and Michigan REALTORS® and let your voice be heard by your elected officials.

Centennial News

Let’s celebrate!! OK, an organization that has its 100th President, Bill Milliken, in 2013, its 100th Convention in 2014 and its actual birthday on March 4, 2015 may be a bit math-challenged, but it is quite an impressive feat to celebrate the Centennial of Michigan REALTORS®! We will have a traveling exhibit visiting you around the state, a Capitol Day/Birthday Celebration in Lansing on March 4th, a Celebration at Grand Hotel on Mackinac Island June 7-9, a statewide Habitat build this summer and much more to honor the commitment REALTORS® have made to their communities throughout the past 100 years.

Continuing Education Update

As Michigan REALTORS® continues the process of taking over continuing education in Michigan, you will be receiving updates on the changes that will benefit us all. Expect a more flexible program designed to provide information relevant to your business practice with a simplified ease of use.

Honor and Responsibility

We are all working together for the betterment of our communities with the opportunity to assist our clients with the biggest wealth-making source for most of them – the purchase of real estate.

As we embark on our Centennial year, I ask for your support, guidance and friendship. Thank you for the true honor to be your President in 2015. It is a responsibility and a commitment to our association I hold dear. Rest assured that all of you will be on my mind and in my heart throughout the year.

May 2015 bring you all many blessings! ●



Michigan REALTORS®

PRESIDENT

Gene Szpeinski

CRS, GRI

CAR/CBOR/GRAR: 616.235.0900

gszpeinski@signatureassociates.com

PRESIDENT-ELECT

Gary J. Reggish

CRS

GMAR: 248.374.6804

garyreggish@remerica.com

TREASURER

Jason Copeman

GRI

UPAR: 906.225.5555

jason@teamcopeman.com

CHIEF EXECUTIVE OFFICER

Bill Martin

RCE

bmartin@mirealtors.com

EDITOR & ADVERTISING

Joe Kras

MBA, SAG-AFTRA

jkras@mirealtors.com

2015 Michigan REALTORS® Board of Directors: District 1 Meagan Luce, (Traverse Area Peninsula Association of REALTORS®); District 2 Gordon Naumoff, (West Michigan Lakeshore Association of REALTORS®); District 3 Lola Audu, (Grand Rapids Association of REALTORS®); District 4 Tom Darger, (Midland Board of REALTORS®); District 5 Art Yeotis, (Flint Area Association of REALTORS®); District 6 Carl Kaminski, (Southwestern Michigan Association of REALTORS®); District 7 Vance Shutes, (Ann Arbor Area Board of REALTORS®); District 8 Ron Zupko, (Livingston County Association of REALTORS®); District 9 Maureen Francis, (Greater Metropolitan Association of REALTORS®); District 10 Tom Kotzian, (Grosse Pointe Board of REALTORS®); District 11 Sara Lipnitz, (Greater Metropolitan Association of REALTORS®); District 12 Alex Milshteyn, (Ann Arbor Area Board of REALTORS®); District 13 Suzanne O'Brien, (Dearborn Area Board of REALTORS®); District 14 E'toile Libbett, (Detroit Association of REALTORS®); Past President Furhad Waquad (Greater Metropolitan Association of REALTORS®); Large Office Stu Elsea, (Greater Metropolitan Association of REALTORS®); Large Office Steve Fase, (Grand Rapids Association of REALTORS®); Rod Alderink (CAR) (MiCAR Representative); Sandy Covalski (CBOR) (MiCAR Representative); MRAEC Rep. Melissa Tee (Jackson Area Association of REALTORS®)

Michigan REALTOR® provides information about the real estate profession and news of Michigan REALTORS® and its members. Opinions expressed in signed feature articles are those of the author and do not necessarily reflect the viewpoint of Michigan REALTORS®. Advertising of property, services or products herein does not imply endorsement by Michigan REALTORS®.

Michigan REALTOR® (ISSN 1053-4598, USPS 942-280) is published six times per year (January, March, May, August, September, November) by the Michigan Association of REALTORS®, 720 N. Washington Ave., Lansing, MI 48906.

Address letters, address changes and inquiries to: Michigan REALTOR®, 720 N. Washington Ave., Lansing, MI 48906; 800.454.7842; Fax 517.334.5568. www.mirealtors.com; e-mail contact@mirealtors.com. Subscription rates: \$8 per year (included in dues) for members, \$25/year nonmembers. Periodicals postage-paid in Lansing, Michigan 48924 and additional mailing offices. POSTMASTER: Send address changes to the Michigan REALTOR®, 720 N. Washington Ave., Lansing, MI 48906

COMING EVENTS

March 4, 2015

Centennial Celebration & Capitol Day

Lansing Center

June 7-9, 2015

Michigan REALTORS® at Grand Hotel

Grand Hotel, Mackinac Island

September 30 – October 2, 2015

Michigan REALTORS® Convention & Expo

Detroit Marriott at the Renaissance Center

Find Michigan REALTORS® on your favorite social networking sites:



facebook

LinkedIn



NAR REALTOR® Action Center App

Get the latest political news and headlines on issues affecting REALTORS® and take action on a Call for Action right from your phone.

Go to www.realtoractioncenter.com/realtor-party for details, or scan the QR Code.

By the time you're reading this...

Those of you that are even casual readers of this column since I began writing it just over a year ago may recognize the phrase "by the time you're reading this." I assure you that there is sound reasoning behind my oft-used phrase. These columns are written about a month in advance of publication (I apologize to Michigan REALTORS® Communications Director Joe Kras for letting the cat out of the bag) and in the world of government affairs things move at a frenzied pace that can be anything but predictable. I've used this line so much that even I am sick of it.

I'm proud to announce that, from this sentence forward, this month's column will not use those awful words mentioned in the first paragraph. This Capitol Report is solely focused on two big issues that your Michigan REALTORS® Public Policy team will be tackling this year in Lansing. No doubt, it was a very eventful "lame duck" session at the end of last year, but you already know about that through Michigan REALTORS® social media, e-news, government affairs video casts and other more timely means of communication. No sir, we are not looking back at last year. Like my college roommate's old Pontiac 6000, we're speeding forward with no rearview mirror.

Over the last several months, issues surrounding Michigan's Real Estate Transfer Tax are beginning to plague REALTORS® and their clients. The transfer tax was born out of 1994's Proposal A deal allowing the State to collect .75% and Counties to collect .11% of the sales price on each real property sale, save a handful of exemptions. In the recent months, court interpretations have caused some of those traditional understandings to interfere with buyers and sellers. This is where your Public Policy department and RPAC dollars go to work to get laws passed that restore the integrity and fairness to the real estate transfer tax.

I propose that the starting point for discussion on the transfer tax be its complete elimination. Short of that, and likely more realistic at this point in time, there are two key areas in which we will target our discussions with the new legislature this year.

Transfer Tax Exemption (u)nder Fire

Back in 2008, you may recall the Michigan REALTORS® involvement in securing an interpretation regarding current Transfer Tax Exemption "u" (Formerly Exemption "t"). The exemption was known then as the "declining value exemption" but from the time it became law in 1994, it was never really applied or fully understood. At the height of the housing market struggle, this exemption provided relief to sellers facing a significant loss on their home. The biggest problem with the exemption is its very dense wording, stating:

A written instrument conveying an interest in property for which an exemption is claimed under section 7cc of the general property tax act, 1893 PA 206, MCL 211.7cc, if the state equalized valuation of that property is equal to or lesser than the state equalized valuation on the date of purchase or on the date of acquisition by the seller or transferor for that same interest in property. If after an exemption is claimed under this subsection, the sale or transfer of property is found by the treasurer to be at a value other than the true cash value, then a penalty equal to 20% of the tax shall be assessed in addition to the tax due under this act to the seller or transferor.

Thankfully, in 2008 Attorney General Mike Cox issued an opinion to clarify the wording explaining that sellers are exempt from the Transfer Tax "if, on the date a parcel occupied as a principal residence is transferred, its state equalized value is less than or equal to its state equalized value on the date the owner purchased or acquired the parcel and the property is sold for *not more than* its true cash value at the time of sale." [emphasis added] Upon the issuance of the 2008 opinion, REALTOR® members were quick to inform their clients of their newly clarified exemption.

Fast forward to 2014 where the Michigan Court of Appeals, in *Gardner v Michigan Department of Treasury*, issues a ruling that turns the 2008 Attorney General's opinion on its head. The Court found that exemption (u) only applies to a property sold for *exactly* two times the then current SEV - not a penny more or less. This new interpretation leads to absurd results and reduces the exemption's applicability. Further, the Court of Appeals decision flies completely in the face of



the interpretation the Michigan REALTORS® helped procure from Attorney General Cox back in 2008, clearly identifying declining value (not exact value) as the reason for the exemption.

Needless to say, the taxpayers in *Gardner v Michigan Department of Treasury* filed an application to the Michigan Supreme Court. Our own Michigan REALTORS® Legal Action Committee also authorized an amicus brief to support the 2008 Attorney General Opinion. The Legal Action Committee concluded that allowing the Court of Appeals opinion to stand would take away a valuable exemption from property owners since sellers can reach back up to four (4) years and 15 days to claim a refund for wrongly paid state transfer tax. Conversely, the new ruling could also lead to the Department looking back to collect a transfer tax where buyers incorrectly claimed the exemption.

While property values are slowly increasing, this exemption remains important for sellers coming out of a down market. While we believe the 2008 Opinion offers firm legal reasoning, this controversy also presents a legislative and public policy opportunity to clarify the law and give sellers greater certainty.

A New Kind of Buyer's Remorse

In 2013, the Michigan Department of Treasury along with Oakland and Genesee Counties challenged the commonly held belief that Fannie Mae and Freddie Mac are exempt from real property transfer taxes. In the District Court, the State and Counties argued that when Congress exempted Fannie Mae and Freddie Mac from "all taxation," it did not intend to exempt them from State and County real estate transfer taxes.

Unfortunately, the district court agreed and ruled that a transfer tax was owed on the sale of Fannie and Freddie owned properties. This ruling created a period of time where most deals involving Fannie Mae and Freddie Mac foreclosure included a provision in the purchase agreement whereby the buyer would pay any and all taxes – including the transfer tax at controversy.

The U.S. Court of Appeals in the 6th Circuit eventually reversed that decision exempting Fannie and Freddie from Michigan's transfer tax, meaning many buyers paid that tax unnecessarily. Here's the rub--Michigan law currently only provides that a seller may seek a refund for transfer tax paid. This means that every buyer that paid a transfer needs to go back to Fannie and Freddie to apply for a refund. Michigan REALTORS® staff has been working with members to help their clients navigate the refund roadmap, i.e. get Fannie Mae or Freddie Mac to request the refund on the client's behalf. I don't have to tell you that this can be a logistical nightmare for a REALTOR® and their client. Just as the case with Exemption U, a legislative fix is in order.

Looking forward, the Michigan REALTORS® will be working with the state legislature to introduce legislation to clarify exemption "u" and also providing greater flexibility for the Michigan Department of Treasury in issuing refunds where a transfer tax was paid unnecessarily by either a seller or buyer. Thanks to the hard work of our members and local associations contributing to RPAC, the November election produced a lot of great results for candidates that understand our issues and are worthy of our endorsement. And who knows, maybe we will see one of our eight REALTOR® members of the legislature take the lead to introduce the bill. ●

Over the last several months, issues surrounding Michigan's **Real Estate Transfer Tax** are beginning to plague REALTORS® and their clients.

2015 officers and Directors

Officers



President: Gene Szpeinski, Commercial Alliance, Commercial Board, Grand Rapids

Gene has been a Realtor® since 1976 and is a member of the Commercial Alliance of Realtors®, Commercial Board of Realtors® and the Grand Rapids Association of Realtors®. While striving to bring the Commercial organizations closer together, he has been part of the CAR Political Affairs Committee from 2008-15 and the Professional Standards Committee 2013-15 and served on CBOR's BOD from 2012-14 as well as its Legislative and Financial Committees. He is CBOR's Realtor® of the Year for 2014. For GRAR, Gene has served since 1980 on nearly all committees and task forces including the BOD, the MLS Exchange BOD and currently on the Government Affairs Committee and the Global Real Estate Council of Michigan. He was GRAR's Realtor® of the Year for 2001. At Michigan Realtors®, he has served on the RPAC Trustees from 2002-07, Public Policy Committee from 2012-14, Finance Committee 2012-15 and the Convention Task Force in 2013. Elected to the BOD in 2008 and 2010, Gene was elected as Treasurer-Elect in 2012 and has served as Treasurer in 2013 and President-Elect in 2014 while looking forward to serving as Michigan Realtors® President during our 100th year in 2015. For NAR, Gene has been a member of the Land Use, Property Rights and Environment Committee from 2004-15, the Commercial Committee for 2014-15 and the BOD for 2014-16. His background in real estate includes extensive land development experience ("Under all is the Land"), residential and commercial sales and leasing, management and training. He believes in good policy which has led to many experiences working with local, state and national politicians and officials. Gene looks forward to continued collaboration with fellow Realtors® around the state for the betterment of our members and our communities.



President-Elect: Gary J. Reggish, Greater Metropolitan

Gary J. Reggish, CRS, SFR, Luxury Home Marketing, Class of 2012 NAR Leadership Academy, Broker/Owner of Remerica United Realty, Novi. Reggish has been a Realtor® since September 1999; President of WWOCA 2009-2010; Board of Directors for the National Association of Realtors® 2009-2014; NAR RPAC Fundraising Trustees 2014; Vice Chair NAR Major Investor Council 2013; Chair NAR Major Investor Council 2014; State and Local Issues Committee for the National Association of Realtors® 2007-2011; Federal Housing Policy Committee for the National Association of Realtors® 2012; Major Investor Council Member representing Michigan for the National Association of Realtors® 2012-2013; Board of Director for the Michigan Realtors®; Treasurer-Elect for Michigan Realtors® 2013; Chair of the RPAC (Realtors® Political Action Committee) Trustees for Michigan Realtors® 2012; RPAC Trustee for Michigan Realtors® 2010-2013; Chair of 2012 Broker Summit; Convention Committee 2009-2010; served 3 years on the Grievance Committee (WWOCA) and 2 years on the Professional Standards Appeals panel; two years on the Risk Reduction Committee for the WWOCA; 2007 and 2010 Realtor® of the Year (WWOCA); 2012 Realtor® Active in Politics (Michigan Realtors®). Reggish was elected to the Board of Directors for the 2013-2014 term.



Treasurer: Jason Copeman, Upper Peninsula

Jason W. Copeman, GRI, is a Broker/Owner with 22 years experience in Marquette, and the North Central Upper Peninsula of Michigan. He is active on his local Board of Directors and has served as the Upper Peninsula Association of Realtors® President. Copeman has been chosen twice as his local Realtor®-of-the-Year, and has served as his local association Treasurer for two years. Copeman is also active on his local MLS Committee and serves as Chairperson of the Upper Peninsula Association of Realtors® Data Sharing and Cooperative Research Committee to pursue and promote ways to build stronger Realtor® relationships and cooperation. In 2014, he was elected as Treasurer-Elect for Michigan Realtors®, and also serves on the NAR Multiple Listing Issues and Policies Committee in a 3 year term. Copeman married his high school sweetheart, Tammy, and they have four children; Wesley, Joshua, Olivia, and Isaac.

Board of Directors

Michigan Realtors® 2015 board of directors is made up of 14 district directors (see next page) and six other representatives, which are listed below. District directors are elected during the One REALTOR®, One Vote Online Election, which takes place every fall.

Appointing Bodies:



Furhad Waquad
GMAR
Past President



Stu Elsea
GMAR
Large Office



Steve Fase
GRAR
Large Office



Rod Alderink
CAR
MiCAR



Sandy Covaleski
CBOR
MiCAR



Melissa Tee
Jackson
MRAEC Rep

2015 District Representatives

District representatives serve as liaisons between Michigan Realtors® and the local associations in their region.



Meagan Luce
District 1
Expires in 2016



Gordon Naumoff
District 2
Expires in 2015



Lola Audu
District 3
Expires in 2015



Tom Darger
District 4
Expires in 2016



Art Yeotis
District 5
Expires in 2015



Carl Kaminski
District 6
Expires in 2016



Vance Shutes
District 7
Expires in 2015



Ron Zupko
District 8
Expires in 2015



Maureen Francis
District 9
Expires in 2016



Tom Kotzian
District 10
Expires in 2015



Sara Lipnitz
District 11
Expires in 2016



Alex Milshteyn
District 12
Expires in 2015

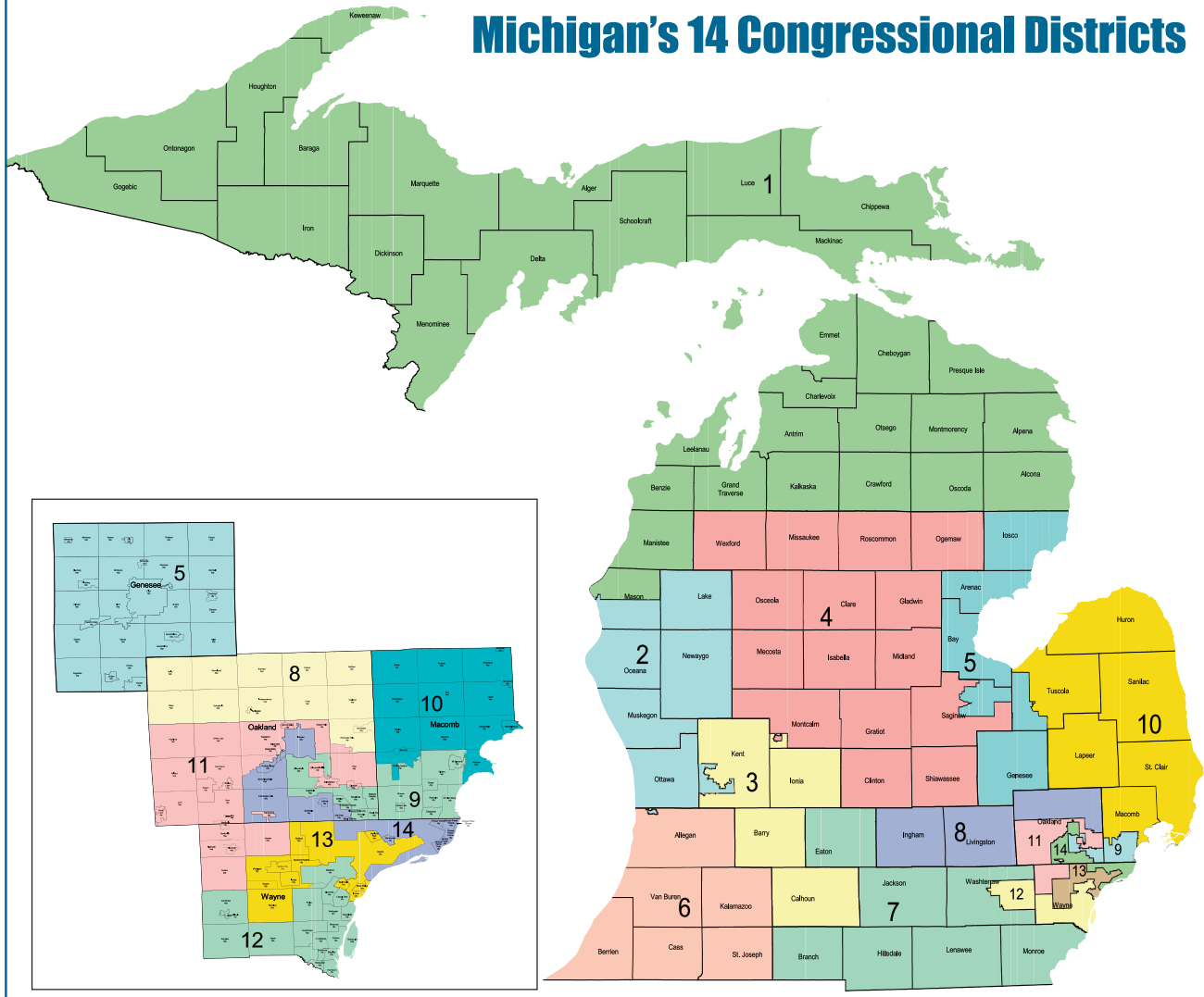


Suzanne O'Brien
District 13
Expires in 2015



E'toile Libbett
District 14
Expires in 2016

Michigan's 14 Congressional Districts



2014 RPAC Tribute



INVESTORS AS OF 12.05.14

The REALTORS® Political Action Committee (RPAC) is the best way a Realtor® can protect their business. RPAC is the only grassroots and issues mobilizing force that exists to promote the tradition of home ownership and real estate investment. By investing in RPAC, you are supporting Realtor®-friendly ballot proposals and candidates for public office that understand your industry. With RPAC, Realtors® become active in one of the state and nation's most powerful and effective advocacy efforts, fighting for private property rights, sound tax reform and less burdensome regulation of your business. We thank these leaders for participating in this powerful network that shapes our business by advancing our issues in Washington, Lansing and in local government.

RPAC HALL OF FAME



Mark Baker
Lenawee County



Dan Coffey
Southwestern Michigan



Pat Vredevoogd Combs
Grand Rapids



Dan Elsea
Greater Metropolitan



Stuart Elsea
Greater Metropolitan



Beth Foley
West Michigan Lakeshore



Carol Jones
Greater Metropolitan



Bill Martin
Michigan REALTORS®



Michel Metzner
Grand Rapids



Nanci Rands
Greater Metropolitan



Teri Spiro
Greater Metropolitan



Bob Taylor
Grosse Pointe



Furhad Waquid
Greater Metropolitan

PLATINUM R

Greater Metropolitan Association of REALTORS®

Michigan REALTORS®

West Michigan Lakeshore Association of REALTORS®

GOLDEN R



Paula Arndt
Central Michigan



Mark Baker
Lenawee County



David Botsford
North Oakland County



Pat Vredevoogd Combs
Grand Rapids



Chris Courtney
Greater Metropolitan



Ted Edginton
Greater Metropolitan



Dan Elsea
Greater Metropolitan



Stuart Elsea
Greater Metropolitan



Beth Foley
West Michigan Lakeshore



Carrie Gandolfo
Dearborn Area



Jay Gosinski
Greater Metropolitan



Dave Ledebuhr
Greater Lansing



Sara Lipnitz
Greater Metropolitan



Denise Love
Central Michigan



Bill Martin
Michigan REALTORS®



John McArdle
Greater Metropolitan



Gordon McCann
Greater Metropolitan



Michel Metzner
Grand Rapids



Patti Mullen
Greater Metropolitan



Nanci Rands
Greater Metropolitan



Gary J. Reggish
Greater Metropolitan



Ken Schmidt
Traverse Area



Teri Spiro
Greater Metropolitan



Furhad Waquid
Greater Metropolitan



Commercial
Board of
REALTORS®



Grand Rapids
Association
REALTORS®

CRYSTAL R



Debbie Barnett
Greater Lansing



Brenda Brosnan
Greater Metropolitan



Rory Byrne
Chicago Title



Dan Coffey
Southwestern Michigan



Heather Davis
West Michigan Lakeshore



Jay DeBruyn
Southwestern Michigan



Yoshiko Fujimori
Greater Metropolitan



Debra Hall
Traverse Area



Dan Jaqua
Greater Kalamazoo



Ron Jasgur
Greater Metropolitan



Tammy Kerr
West Michigan Lakeshore



Tom Kotzian
Livingston County



Bill Milliken
Commercial Board



Robin Pompey
Greater Kalamazoo



Kim Pontius
Traverse Area



Sam Sterk
Grand Rapids



Johnna Struck
Greater Metropolitan



Dale Zahn
West Michigan Lakeshore

**Century 21
Northland**

**Commercial
Alliance of
REALTORS®**

**Jackson Area
Association of
REALTORS®**

**Mason Oceana
Manistee Board
of REALTORS®**

**Traverse Area
Association of
REALTORS®**

2014 RPAC TRUSTEES

Chair



A. Michael Conn
East Central

Vice-Chair



Fred Hetherwick
Jackson Area

Mark Baker
Lenawee County

Dan Coffey
Southwestern Michigan

Matt Davis
Battle Creek Area

Stuart Elsea
Greater Metropolitan

Jim Fase
Grand Rapids

John Francis
Commercial Alliance

Jay Goscinski
Greater Metropolitan

Shawn Huston
Water Wonderland

Dennis Pearsall
Traverse Area

Beth Pressler
Grosse Pointe

Nanci Rands
Greater Metropolitan

Gary J. Reggish
Greater Metropolitan

Teri Spiro
Greater Metropolitan

Sara Lipnitz
Greater Metropolitan

Robyn Walker
Greater Metropolitan

Terry Westbrook
Grand Rapids

Chris Dean
Greater Lansing

Dale Zahn
West Michigan Lakeshore

NAR PRESIDENT'S CIRCLE

Mark Baker
Lenawee County

David Botsford
North Oakland County

Jeff Burke
Greater Lansing

Randy Caltrider
Greater Metropolitan

Pat Vredevoogd Combs
Grand Rapids

Chris Courtney
Greater Metropolitan

Heather Davis
West Michigan Lakeshore

Chris Dean
Greater Lansing

Ted Edginton
Greater Metropolitan

Dan Elsea
Greater Metropolitan

Stuart Elsea
Greater Metropolitan

Beth Foley
West Michigan Lakeshore

Yoshiko Fujimori
Greater Metropolitan

Carrie Gandolfo
Dearborn Area

Jay Goscinski
Greater Metropolitan

Karen Greenwood
Greater Metropolitan

Carol Griffith
Livingston County

Debra Hall
Traverse Area

Tammy Kerr
West Michigan Lakeshore

Denise Love
Central Michigan

Bill Martin
Michigan REALTORS®

Rodney Martin
APHW

Gordon McCann
Greater Metropolitan

John Meeseman
Greater Metropolitan

Bill Milliken
Commercial Board

Nanci Rands
Greater Metropolitan

Gary J. Reggish
Greater Metropolitan

Ken Schmidt
Traverse Area

Teri Spiro
Greater Metropolitan

Sam Sterk
Grand Rapids

Sara Lipnitz
Greater Metropolitan

Johnna Struck
Greater Metropolitan

Furhad Waquad
Greater Metropolitan

Rebecca Williamson
Greater Metropolitan

Ron Zupko
Livingston County

Gold, Silver, and Century Circle Investors can be viewed by visiting Mirealtors.com

To get involved with RPAC, visit the RPAC web site: www.mirealtors.com/advocacy-initiatives

This tribute is intended for viewing only by members. This is not a public solicitation.

STERLING R



Jason Abrams
North Oakland County



Toni Aloe
Greater Metropolitan



Linda Andrew
Down River



Ronald Andrusiak
Greater Metropolitan



Mike Archer
Jackson Area



Ryan Arnt
Southwestern Michigan



Jon Aucutt
Greater Metropolitan



Lola Audu
Grand Rapids



Angela Averill
Greater Lansing



Cathy Sherman Bittrick
Grand Rapids



Nancy Bierenga
West Michigan Lakeshore



Howie Boeve
Grand Rapids



Scott Bohlen
Livingston County



Greg Bol
Commercial Alliance



Luke Bouman
West Michigan Lakeshore



Nancy Bowerbank
Ann Arbor Area



Mark Brace
Grand Rapids



Stephan Brochu
East Central



Chad Brown
Traverse Area



Paul Brown
Greater Lansing



Jeff Burke
Greater Lansing



Nancy Butler
Southwestern Michigan



Bruce Bylsma
Grand Rapids



Kate Bylsma
Grand Rapids



Randy Caltrider
Greater Lansing



Robert Campau
Michigan REALTORS®



Greg Carlson
Grand Rapids



Matt Case
Traverse Area



Glenn Champion
Greater Metropolitan



June Clark
Monroe County



A. Michael Conn
East Central



Kathy Coon
Greater Metropolitan



Deborah Corey
Greater Metropolitan



James Courtney
Greater Metropolitan



Andrea Crossman-Ortman
West Michigan Lakeshore



Matt Dakoske
Traverse Area



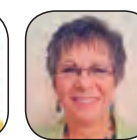
Allan Daniels
North Oakland County



Michelle Davis
Monroe County



Emily Day
Greater Metropolitan



Chris Dean
Greater Lansing



Debbie DeAngelo
Greater Metropolitan



Ida DeGiuli
Down River



Drew Deters
West Michigan Lakeshore



Julie Diaz
Greater Metropolitan



Ashley Dietch
Grand Rapids



Robert Dowding
Greater Lansing



Paul Dumke
Southwestern Michigan



Jeff Duneske
Greater Metropolitan



Kimberly Dunham
Greater Lansing



Ryan Eashoo
East Central



Ron Ellison
Jackson Area



Linda Eriksen
Greater Metropolitan



Natan Espinosa
Greater Lansing



Andrea Esse
North Oakland County



Jim Fase
Grand Rapids



Steve Fase
Grand Rapids



Kathie Feldpausch
Michigan REALTORS®



Brock Fletcher
Greater Lansing



Emily Ford
North Oakland County



Lou Anne Ford
Traverse Area



Maureen Francis
Greater Metropolitan



Terence Frewen
Greater Lansing



Marie Gamber
Down River



Sandi Gentry
West Michigan Lakeshore



Carol Genzink
West Michigan Lakeshore



Loren Gerber
Southwestern Michigan



Kevin Gerkin
Livingston County



Michelle Gordon
Grand Rapids



Barb Gray
Livingston County



Karen Greenwood
Greater Metropolitan



Carol Griffith
Livingston County



Scott Griffith
Livingston County



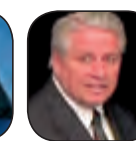
Mark Hagan
Traverse Area



Tim Haggerty
Greater Metropolitan



Barb Hampton
Eastern Upper Peninsula



William Haviland
North Oakland County



Linda Hazelhoff
Greater Kalamazoo



Jake Heglund
Grand Rapids



Jim Heglund
Commercial Alliance



Jodie Hendrickson
East Central



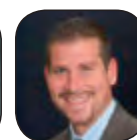
Fred Hetherwick
Jackson Area



Pete Holoway
Greater Lansing



Cathy Hoppough
Grand Rapids



Lucas Howard
Grand Rapids



Melissa Howard
Greater Metropolitan



Karla Huitsing
Grand Rapids



Shawn Huston
Water Wonderland



James Iodice
Greater Metropolitan



Jon Jackson
Grand Rapids



Beccy Janis
Traverse Area



Bradley Jernigan
North Oakland County



Steve Karas
Traverse Area



David Klafit
Grosse Pointe



Brian Klingel
West Michigan Lakeshore



Laurie Koelling
Greater Lansing



Caron Koteles Riha
North Oakland County



Alicia Kramer
West Michigan Lakeshore



Tom Kuiper
Grand Rapids



Connie Labarge Thomas
Greater Metropolitan



Kim Laforet
Greater Lansing



Jack Lane
Traverse Area



Benjamin Latocki
Jackson Area



Gillian Lazar
Greater Metropolitan



Christina Leathers
West Michigan Lakeshore



Jim Littlepage
Greater Metropolitan



Tom Long
Down River



Rick Loose
Midland



Meagan Luce
Traverse Area



John MacLeod
Livingston County



William MacLeod
Greater Lansing



Mark Marker
Livingston County



Leanne Marlow
Eastern Upper Peninsula



Duane Marsh
Greater Metropolitan



Dave Martin
Grand Rapids



Rodney Martin
APHW



Lynn Mattila
East Central



Josh May
Grand Rapids



Kevin McBride
Greater Metropolitan



Marianne McCreary
Livingston County



John Meeseman
Greater Metropolitan



John Meyer
Grand Rapids



Alex Milshteyn
Ann Arbor Area



Al Morehart
Battle Creek Area



Carole Morgan
Battle Creek/Kalamazoo



Sara Morley-LaCroix
Greater Kalamazoo



Greg Morris
Northeastern Michigan



Eva Morrow
Greater Metropolitan



Gordon Naumoff
West Michigan Lakeshore



Suzanne O'Brien
Dearborn Area



Mike Oegema
West Michigan Lakeshore



Ryan Ogle
Grand Rapids



Adam Paarlberg
Grand Rapids



Tom Paarlberg
Grand Rapids



Heidi Parsons
West Michigan Lakeshore



James Parsons III
Central Michigan



Bartley Patterson
Greater Metropolitan



Bill Pearl
Grand Rapids



Dennis Pearsall
Traverse Area



Walter Perschbacher
Grand Rapids



Jean Paul Pilot
Greater Metropolitan



Evduza Ramaj
North Oakland County



Anthony Rapp
Saginaw



Sherry Rathnaw
Grosse Pointe



Paul Raymond
East Central



Rick Reardon
Jackson Area



Charles Reaume
Greater Metropolitan



Tom Rich
Grand Rapids



Julie Rietberg
Grand Rapids



Matt Robertson
Greater Lansing



Julie Rockwell
Grand Rapids



Ron Rocz
North Oakland County



Dave Ruwe
West Michigan Lakeshore



Wendy Ryder
Southwestern/West Mich.



Bob Schautz
Grand Rapids



Gary Scheitler
Traverse Area



Tony Schippa
Greater Metropolitan



Laura Schlechte
Jackson Area



Mallory Schrauben
Midstate Title



Brian Seibert
North Oakland County



Nora Sharp-McGee
Jackson Area



Rick Smith
Down River



Tom Speet
West Michigan Lakeshore



Tim Spiro
Greater Metropolitan



Michelle Starr
Greater Lansing



Rick Stein
Traverse Area



James Stevens
Greater Metropolitan



Eric Stevenson
Greater Lansing



Janet Stockton
North Oakland County



Bob Struck
Greater Metropolitan



Dale Stuckey
Grand Rapids



Kelly Sweeney
Greater Metropolitan



Amy Sweet
Greater Lansing



Brenda Lee Szlachta
Greater Metropolitan



Gene Szepeinski
CAR/CBOR/GRAR



Todd Taliaferro
Greater Metropolitan



David Taljonick
East Central



Bob Taylor
Grosse Pointe



Mary Teitsma
West Michigan Lakeshore



Michelle Teitsma
West Michigan Lakeshore



Randy Thomas
Commercial Board



Kim Thompson
East Central



Jeff Thornton
Greater Lansing



Carl Vagnetti
Livingston County



Dominic Vagnetti
Livingston County



Tushar Vakhariya
Greater Metropolitan



Jim Vanas
Montcalm County



Lynne VanDeventer
Greater Lansing



Steve Volkers
Grand Rapids



Robyn Walker
Greater Metropolitan



Gary Walter
Southwestern Michigan



Brent Warner
Greater Lansing



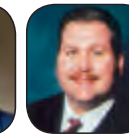
Kathie Weaver
Greater Metropolitan



Karly Wentzloff
Traverse Area



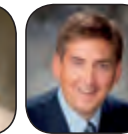
Terry Westbrook
Grand Rapids



Roger Weymouth
Greater Lansing



Claire Williams
Greater Metropolitan



Ron Williamson
Traverse Area



Rebecca Williamson
Greater Metropolitan



Kathleen Wilson
Greater Metropolitan



J. Bradley Wolf
Greater Metropolitan



Jerry Yatooma
Greater Metropolitan



Debbie Zalewski
Greater Metropolitan



Ron Zupko
Livingston County

East Central Association of REALTORS®
Greater Kalamazoo Association of REALTORS®
Greater Lansing Association of REALTORS®
Michigan REALTOR® Association Executive Council
North Oakland County Board of REALTORS®
Real Estate Information System of Southwestern Michigan, Inc.

Southwestern Michigan Association of REALTORS®
WCR - Birmingham Bloomfield Chapter
WCR - Flint Chapter
WCR - Lakeshore Chapter
WCR - Livingston Chapter

**SAY
YES**

to customized healthcare benefits.
Perfect for **REALTORS®** like you.



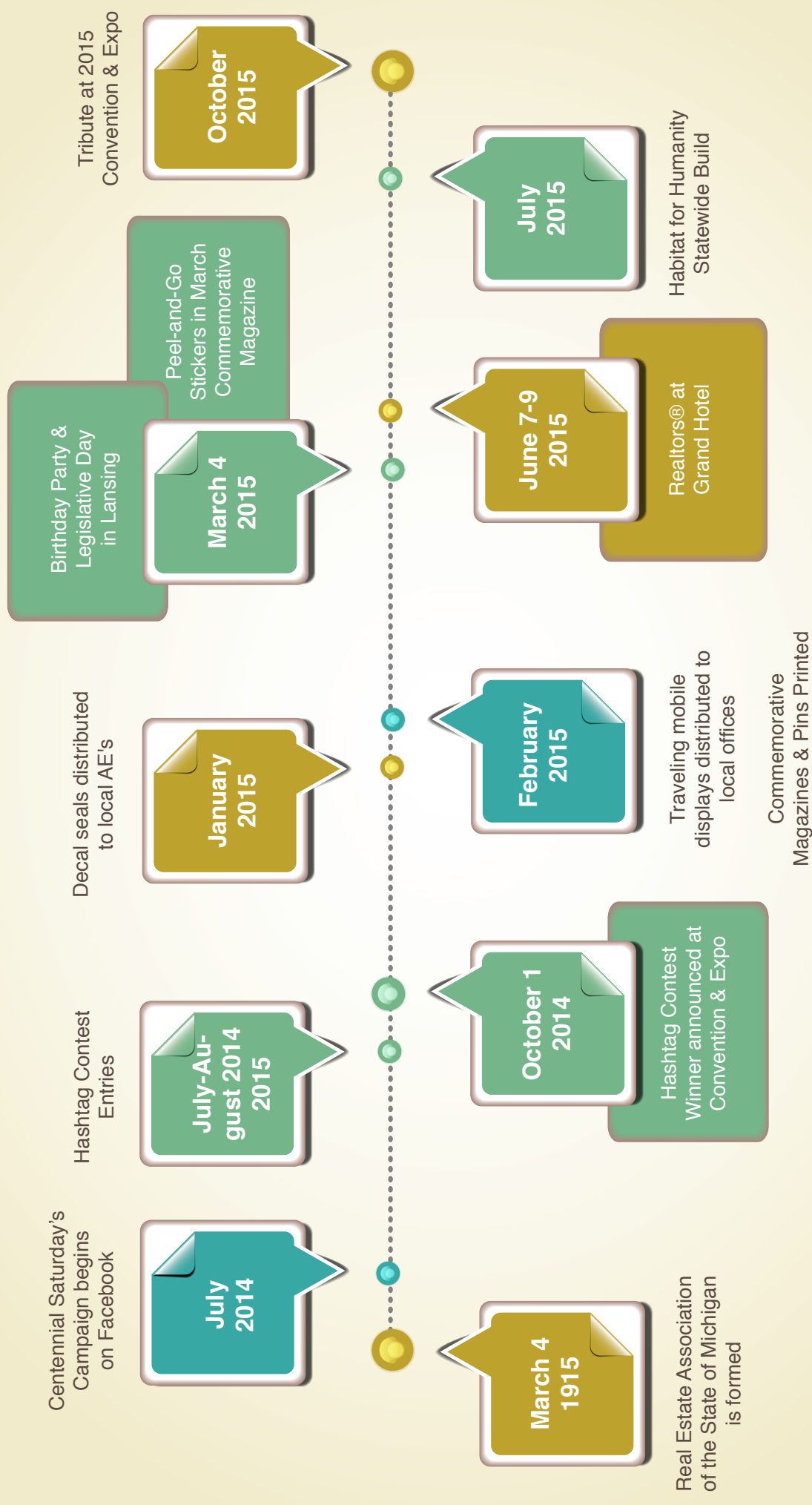
OPEN ENROLLMENT November 15, 2014 - February 15, 2015

VISIT: www.insuremirealtors.com

CALL: 1.888.774.9894



**MICHIGAN
REALTORS®**



Centennial Timeline

Visit mirealtors.com for event information and updates.

add income to your real estate BUSINESS

BY TIMOTHY G. BOS



As a REALTOR®, developing a professional relationship with an auctioneer is important to adding income to our real estate business. Many auctioneers or auction services are brokers and REALTORS®, which helps better serve their client's multiple needs and conduct real estate auctions.

WHY REALTORS® AND AUCTIONEERS ARE COMPLIMENTARY, NOT COMPETITIVE, PROFESSIONS

We are both working towards the same goal: selling and buying real estate for our own, or our client's, investment. We attend and are members of the same associations. We are making life-changing decisions for our clients both financially and personally, including long-term relationships to promote repeat business and referrals.

CHOOSING A QUALIFIED AUCTIONEER OR AUCTION SERVICE

Aligning ourselves with a qualified, knowledgeable and experienced professional in a specific field enhances our business opportunities. They know and work closely with their community. They belong to state and local associations in their field. They have a good reputation, are ethical, honest and command integrity. They are self-promoting and leaders in their profession.

CHOOSING A QUALIFIED REALTOR®

They belong to state and local associations in their field. They have a good reputation, are ethical, honest and command integrity. They are self-promoting and leaders in their profession.

COMMISSIONS ASSIGNED TO REAL ESTATE AUCTIONS AND HOW REALTORS® BRING A BUYER TO AUCTION

Most auction companies will provide information for, and set the commission paid to, buyer agents, brokerage firms and franchises (some sliding scale, some fixed, some negotiable). Auctions require preapproved buyers ONLY. There is no negotiation after the auction or consideration given for the buyer to obtain financing. REALTORS® need to bring a buyer who is able to be financed easily or is paying cash so they are able to go to closing according to the terms of the auction. It's important to understand and participate in the auction company's terms and conditions prior to the auction so you are able to prepare your buyer. The buyer and REALTOR® need to fully understand the commitment and execution of the auction purchase agreement.

WHY ARE SOME REAL ESTATE PROPERTIES BETTER SUITED FOR AUCTION THAN A CONVENTIONAL REAL ESTATE LISTING?

If you have any of these in a property that you come across, you may want to call a professional auctioneer to help you realize the best possible price:

- LOCATION, LOCATION, LOCATION
- Selected property having something unique: provenance, historical significance, quirks, custom build, etc...
- An estate with heirs that needs settlement
- Motivated seller
- Never-offered property, one of a kind, etc...

REFERRAL WORK FROM REALTOR® TO AUCTIONEERS

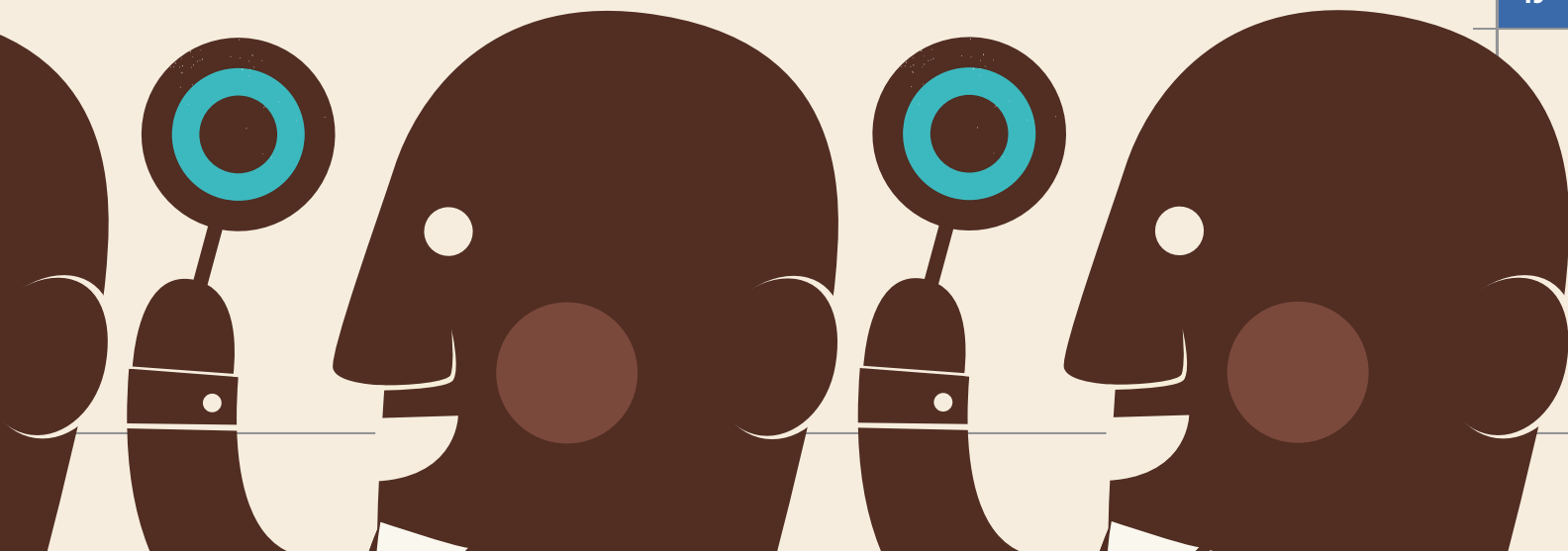
This relationship is crucial for both a BUYER and a SELLER of real estate and personal property, putting the matter in the hands of the professionals who get results by knowing their market and how to handle the properties in question. It keeps the transaction on a matter-of-fact basis where emotions and feelings will not cloud the purchase decision. Speed of the deal becomes a positive factor for both parties.

REALTORS® AND AUCTIONEERS JOINING THE SAME ASSOCIATIONS, MEMBERSHIPS AND ORGANIZATIONS IS IMPORTANT TO BOTH PROFESSIONS

- Michigan REALTORS®, National Association of REALTORS®, Michigan Auctioneers Association, National Auctioneers Association, Brokerage Firms, etc...
- Auctioneers attending REALTOR® general membership meetings
- Local fundraisers and community functions
- Churches, schools, political functions, etc...

COMBINING REALTOR® AND AUCTION COMPANY WEBSITES FOR MAXIMUM MARKETING EXPOSURE

A great way to amplify your efforts in a real estate auction is to link to promote real estate sales and events as well as personal property auctions. Also, have a REALTOR® at onsite auctions to show the home. Two heads are better than one!



ATTENDING OPEN HOUSES ARE IMPORTANT TO BOTH REALTOR® AND AUCTIONEER

- Allows ample time for viewing. (Networking, face time with prospective clients).
- Scheduled over a two-week period (day, evening, weekend, by appointment)
- Allows inspection time, finance time, contractors and family time
- Creates an early commitment
- Due diligence for both professionals

CONSIDER ONLINE AUCTIONS VS. LIVE AUCTIONS

Discuss the possibilities of online or live auctions with your auctioneer. Some events are better suited for one option over the other. Here are a few examples/benefits of potential online auctions:

- Maximizes the seller's availability, solicits non-local market, presents to a wider audience. A good live, onsite auction potential
- Some personal property items remaining on location mean less handling, architecture and manpower
- If property is in a poor location for crowd, traffic, attendance, parking, ordinances, etc. . .
- Buyers can bid 24 hours. Not restricted to immediate bidding, as there is an allotted time period
- Several hours/days for completion of sale time

SIMULCAST AND LIVE AUCTION COMBINATION

A simulcast auction is both online and live at the same time. It can create aggressive bidding through local participation of a varied population in adjoined townships, cities, states and/or secondary vacation sites.

NOW SOCIAL MEDIA PLAYS A ROLE FOR REALTORS® AND AUCTIONEERS

Social media provides opportunities to reach many new viewers and followers through Facebook, Twitter, LinkedIn, Instagram, Craig's List, and more.

WEBSITES OF INTEREST TO BOTH REALTORS® & AUCTIONEERS

- www.miREALTORS.com
- www.cmiar.com
- www.REALTOR.org
- www.facebook.com/miREALTORS
- www.auctioneers.org
- www.msaa.org
- www.FindMichiganAuctions.com
- www.facebook.com/MichiganAuctioneers
- www.youtube.com/MichiganAuctioneers

If you want to learn more about working with auctioneers to bring more of your properties to this competitive bidding method of SELLING, please contact the Michigan Auctioneers Association or check out their web site at FindMichiganAuctions.com. You can also see what they have to offer both industries at the annual conference, January 27-29, 2015 in Kalamazoo. You can receive up to 6 Hours RE Con Ed for 2015 at this conference. ●



***Timothy G. Bos, CES, ISA** is a REALTOR®, Auctioneer & Appraiser. Tim was the 2012 Jackson Area Association of REALTORS® REALTOR® of the Year. He is a member and Vice President of the Michigan Auctioneers Association and member of the National Auctioneers Association. He is also a member of the International Society of Appraisers, past and present Chairman of many Committees of the Jackson Area Association of REALTORS® and a Certified Estate Specialist.*

WORKING WITH AN AUCTIONEER CAN ULTIMATELY HELP BUYERS AND SELLERS REACH THEIR GOALS

Combined efforts can generate a happy new homeowner and a profitable seller. With commissions paid to both the REALTOR® and auctioneer, we have created a professional relationship that will grow to promote referrals and generate income for both professions.



Registration & Info
www.msaa.org
 (616)785-8288

Michigan Auctioneers Convention

January 27-30, 2015

Join us for this Action Packed, Education filled Event with EXPLOSIVE Speakers:

*Spanky & Amy Assiter from Barrett-Jackson
 Auctioneer & Ringman Championships
 Real Estate Con-ed, Marketing Contest
 Vendors & Exhibitors, Door prizes
 Banquets & Luncheons, Surprises*



CHANGE HAS ITS PERKS

ENJOY ONE STOP FOR YOUR CE NEEDS

Find certified courses that meet the audit standards set by LARA
Leave the tracking to us when you take a CE Marketplace certified course
Rest assured, audit protection when you need it

for more information

visit www.cemarketplace.net or call 844.642.6633 (844.MI.CONED)



Marketplace


Michigan's continuing education hub for real estate professionals

A hand in a dark blue suit sleeve with a white shirt cuff is reaching out from the left side of the frame. The background is a blurred, warm-toned image, possibly of a person's face, creating a sense of depth and focus on the hand.

Why is it So Hard to Replace a Founder?

BY STEVE MURRAY, REAL TRENDS PUBLISHER



A hand in a suit sleeve holds a large, ornate, flaming torch. The torch has a decorative, fluted bowl and a long, tapered handle. The flame is bright orange and yellow, with some smoke rising from it. The background is a soft, out-of-focus blue and white.

How does an organization replace an iconic leader?

How do realty firms whose success is dependent on effective leadership that is based, in great part, on relationships, continue to grow when a founder departs? Why is it so difficult to find candidates from the next generation to assume the mantle? What happens when the iconic founder is no longer around?

Successes are rare; however they are out there. Some that come to mind: The Deasy brothers of Windermere Real Estate, the Elsea's of Real Estate One, the Horning's of Shorewest REALTORS®, Pam Leibman of Corcoran Group Real Estate, Diane Ramirez of Halstead Property and Pat Riley of Allen Tate Real Estate. Other examples of success stories in the making include Candace Adams at Berkshire Hathaway HomeServices, New England Properties, Mike Knapp at Iowa Realty and Rosey Koberlein of Long Realty. Each has succeeded in continuing the success after a founder has departed. I am confident there are other examples, but they are indeed the exceptions.

One challenge is that successful founders are often larger than life individuals—not that they would admit it. Each is a particular combination of smarts and charm, toughness and warmth, insight and doubt. The key is that the people of the organizations they lead are used to them, can predict how they will act and react, know where they stand within the organization and where they fit in it. Whether management or sales executives, they feel like they know the leader and have a sense of a personal relationship with them. Founders have built legends around their firms, a collection of all that has come before.

The Challenge

Finding someone or several people to fill that role is a huge challenge. In fact, in most of the cases listed above, the new leaders have only a little in common with the founders. Some are quite different from the founders. Their personalities, habits, ways of communicating and the means by which they make decisions are often the exact opposite of how the founder acted.



What happens when the **iconic founder** is no longer around?



Why do some succeed? Here are some observations.

Realty firms are still mainly a series of promises that leaders make to their management and sales associates. One fools with the delicate balance of these constructs at one's peril. Call it culture or call it shared vision, but the people of the organization will compare a new leader to a founder, not so much on how smart he or she is, or how much of a visionary he or she might be, but on the simple question of "does he or she care about me and the organization as much as the founder did?" Woe to the new leader who thinks that change and shaking things up should be their priority. Rather, spending significant time understanding how the culture works is tantamount and should be the focus of a new leader. The organization will only follow a leader in whom they have trust and faith that their views and feelings have been considered before charging up new hills.

Replace an Iconic Founder?

No one can replace an iconic founder entirely, nor should a new leader try. In our experience, there is simply no way to do so. Rather, taking what has been left to them (and assuming the organization is not in chaos), new leaders should not be in a hurry to make drastic changes. Instead, they should first deliver something of benefit to the organization. Recently, we heard one such successor say that his main goal was to reinforce a sense of emotional attachment between the leader, management and sales associates. Focus on those improve-

ments that will improve people's lives within the organization. Don't be in a hurry to ramp up profit margins. The most successful founders and their successors know instinctively that reinforcing a strong culture first will most often result in increased profitability. Essentially, profits follow culture, not the other way around.

The Transition

Sometimes it is necessary to split the responsibilities of a founder. Founders grew up "growing up" inside their companies, long before the business became as complicated as it is today. No matter how much training young leaders get on the way up, there is nothing that will prepare them for what it is like when the buck stops with them. Great general sales managers have a hard time transitioning to being effective CEOs because of the lack of actual experience in finance, accounting, legal and regulatory affairs, not to mention technology, core services and the general competitive landscape. It is overwhelming. Too often new leaders can't quite get the hang of prioritizing their time to allow for the on-the-job learning they must go through.

Succession Planning

This leads to the question about how to develop succession plans that have a chance of working. Some of the principles laid out above are, we think, helpful. Here's a recap:

- **Don't try to replace an iconic founder with someone just like them. Instead, find a person with a blend of maturity, experience and empathy whom is also excited about the opportunity to lead your organization.**

- **Insist that a new leader be in a hurry to learn the culture and build relationships with its people and not be in a hurry to make personnel or other significant changes inside the company.**
- **Surround a new leader with people whose skills complement those of the leader, not duplicate them.**
- **Establish written objectives and benchmarks to help the new leader focus on what is important and not what is urgent.**

Successor Children

While family dynamics make succession planning a bit different from a human point of view, the challenges remain the same. Considering the success of the Horning's, Elsea's and Mike Knapp (among many others), it is clear that great preparation can make succession work when it is driven from within the family.

Lastly, without some plan to replace an iconic founder, another manner of achieving a good outcome is to combine, merge with or acquire another firm that has the kind of successor leadership you think is best for your firm. Leadership talent is scarce but available. Much of the scarcity is due to a lack of investment in developing new leaders—a situation that can be remedied. ●



This article is reprinted with permission of REAL Trends Inc. Copyright 2014.

Are Any Of These Things Compromising Your Sale or Listing?

We Can Fix It!



**Foundation
Cracks**



**Nasty
Crawl Space**



**Wet
Basement**

Within 10 Day Inspection Window?

We Can Help You Put Your Deal Back Together!

Call Today and Receive Our Estimate in 48 Hours.

**Ayers Basement[®]
Systems**
Since 1981
Basement & Crawl Space Specialists[™]

888-494-9917 • SoldBasements.com

MICHIGAN
REALTORS[®]



2 PAGE SPREAD



Full Bleed
17 1/4" x 11 1/4" Trim Size
17 x 11

FULL PAGE



Full Bleed
8 3/4" x 11 1/4" Trim Size
8 1/2" x 11

HALF PAGE



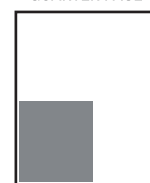
Horizontal
7 1/2" x 4 3/4"

HALF PAGE



Vertical
3 3/4" x 9 3/4"

QUARTER PAGE



Quarter
3 3/4" x 4 3/4"

**How Will You
Reach**

your target audience

more than 24,000

REALTORS[®]

Reserve your 2015
ad space in Michigan
REALTOR[®] Magazine!

To place an ad, contact Joe Kras

Phone: 800.454.7842

E-mail: jkras@mirealtors.com

	1x	3x	6x
2 page	\$4,250	\$4,080	\$3,927
full page	\$2,500	\$2,400	\$2,310
half page	\$1,345	\$1,245	\$1,155
quarter page	\$1,060	\$960	\$870

Business card sized ads also available starting at \$250.

*Magazine is printed in full color and ad prices reflect per insertion cost.

QUALITY



PERFORMANCE

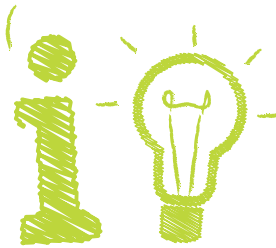


The Art of ECS!

Exceptional Customer Service



EXPERIENCE

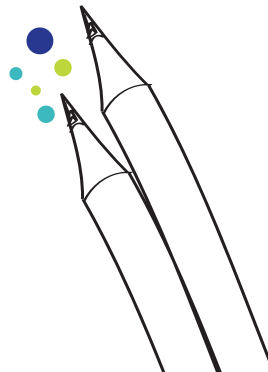


SUPPORT



COMPETENCE

BY MARCUS WALLY



QUALITY



It's all around us....everywhere we go, in all we do! Service!

How were you treated yesterday? How did you treat your customer today?

What is it about Apple and Nordstrom's that keeps consumers wishing to spend their dollars with these companies when many other competitors offer similar products at prices that are significantly lower? It's all about the confidence that consumers have with our purchases from these retailers. I recently had a defective iPhone charger and it was well over a year since I made the purchase. I went to the Apple store and the sales associate went to the back and came out and handed me a new charger and thanked me for being so loyal to Apple! I left the store never ever wanting to purchase anything but a MAC product. I am a loyal customer due to the way I am always treated when I visit any Apple store!

What are we doing as professional REALTORS® to create the same brand loyalty and commitment by the buyers and sellers of the world?

What can we do each day to make sure our brand is the one first chosen...the brand first thought of when our services are needed?

We should all aim to become experts in customer service as these skills are in just about in every job and career. Success in any industry begins with the use of exceptional customer service; ECS. Never assume that just because your customers have nowhere else to go for services (like a police officer protecting citizens), that treatment of customers is any less important. Most all products and services have multiple-choice competitors where prices are similar.



What separates the best from the rest is how the customers are treated.

Building positive relationships with your customers makes your job a whole lot easier, more enjoyable and much more rewarding. Positive and satisfied customers are the ones who tell others about their experiences.

Customer service can begin before a customer even knows who you are. How easy are you to find: to reach, to inquire about or to buy from? Do customers know what you sell, do or represent? Are they aware of your philosophy of treating others? Are they keyed into your knowledge of the product you are selling?

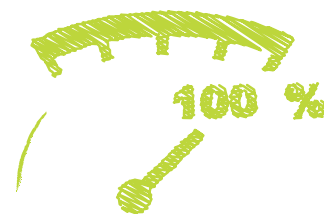
In these and so many other ways you can be "of service" to you customers long before a purchase have ever been made. You know that I am speaking of **reputation!**

We've often heard that customers you speak to on the phone can tell whether or not you are smiling...It comes through the tone of your voice. So make it a point to smile when on the phone. Smiling loosens your jaw and facial muscles, relaxing you and conveying your emotions as you speak. Best of all, it's contagious!

In fact as an instructor, I often encourage REALTORS® to stand up at their desks/office when they are talking with a prospect. Heck, even try standing and walking around as this also loosen your body and allow for better communication. Try it!

One of the tips I'd like to share is what I call **Customer First Culture**. By this I mean: Don't let customers feel invisible. They don't want to hear how busy you are with other buyers/sellers. They only care about themselves, so be cautious about saying how busy you are servicing

PERFORMANCE



other customers...this is a turn-off.

Smile naturally...a warm, friendly smile is the universal language for acceptance and 'please approach!' It needs no translation :)

Never leave a customer/prospect on hold for more than one minute. If you are going to be longer, offer to call them back. Your customer/prospects time is just as important as yours.

When you receive information, always repeat it back to ensure accuracy (customer's name, address, phone number, email, etc.) Ask for the correct spelling if you are unsure. There is nothing worse that spelling a customer/prospects name incorrectly.

Admit mistakes, apologize, fix and move on. When you admit your errors you build credibility with the customers. Don't make excuses and don't blame others. You are human and mistakes are part of the game.

Commit to returning all phone calls by the end of the day, no matter what. Even if you just call and let them know you will get back with them tomorrow. Don't ever let a customer go to bed with out hearing back from you. You don't have to give them all the answers or even take more than a minute with them, just return the call and commit to giving them time tomorrow.

Always thank the customer and invite them back. I try to end all of my conversations with the phrase, **THANK YOU FOR YOUR LOYALTY TO ME AND NEW WORLD REALTY** (the name of my company). I am reminding them that I am in a business that is all about loyalty and I am also building name/brand recognition for my team!

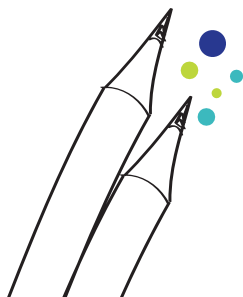
Here is my personal checklist on how I offer ECS:



1. **Respond within 24 hours with answers** - answering quickly shows you care.
2. **Greet people with enthusiasm** - in person and on the phone. Sounding busy is a turn off
3. **Make eye contact** - give your full attention to the person present... make sure they feel that they are the most important/most valued customer.
4. **Leave smart voice mail messages** - speak slowly and repeat your phone number; leave long winded, detailed voice messages to avoid phone tag. I get so much business accomplished with I leave voice messages. Never just call and leave your name/number and hang up
5. **Respect your contacts** - do not share other's personal info w/out their permission.
6. **Keep email concise** - use a short subject line; keep correspondence to two or three short paragraphs. Time is everyone's must valuable asset, so don't waste that of others'.
7. **Small things count** - A hand written note makes the recipient feel valued as a person. I commit to sending 2-3 hand written personal notes a week.
8. **Communicate with sellers at least once a week** - make a commitment to call every Monday with feedback, updates, market changes, etc. And, be direct when guiding on price.
9. **Show up on time** - our time is not more valuable than our customers'/clients'.
10. **Show off your manners** - Turn those cell phones off when with customers. It's rude to accept another call and I always say, "There's no such thing as a real estate emergency."
11. **Become an active listener** - Be in tune with the person who is providing us with our paycheck.
12. **Beef up your Product knowledge** - familiarize yourself by previewing; be aware of zoning, boundary lines, restrictions, schools, amenities, etc. This increases our overall value. Develop yourself into a well-rounded REALTOR®.
13. **Follow up and follow through** - systems are the key here. No need to re-invent the wheel. Create systems/recipes that you follow over and over again to insure consistency.
14. **Honesty is always the best policy** - The ability to say, "I don't know, but I'll find out" is when the consumer starts to trust you. Consumers realize that no one knows all so when you have the courage to state this out loud, they know you are honest and trust worthy.
15. **Under promise and over deliver** - Reputation is key! Offer good reliable service. Don't over sell!

So these are my "rules of the road"...copy them, use them, tweak them, but most importantly set up your personal system so that you continuously offer Exceptional Customer Service, and then watch your production increase dramatically! ●

“Most all products and services have multiple-choice competitors where prices are similar. What separates **the best from the rest** is **how the customers are treated.**”



Marketing Services Agreements: Beware

As REALTORS® are well aware, the Consumer Finance Protection Bureau (“CFPB”) has replaced HUD as the enforcer of RESPA. While the CFPB has not been in the business very long, it is readily apparent that the CFPB views the Section 8 prohibition against referrals much more broadly than HUD has done in the past.

As importantly, the CFPB, unlike HUD, has its own enforcement powers and resources and thus has the ability to extend its reach to any REALTOR® or other settlement service provider whom it believes is violating RESPA. REALTORS® may recall that the CFPB’s recent investigation of an affiliated business arrangement between an Alabama real estate brokerage and a title company resulted in a “Consent” Order by which the Alabama brokerage firm agreed to pay a \$500,000 fine. MR previously published a white paper on this situation entitled “Referrals to Affiliated Title Companies: Take Great Care” which is available on MR’s website. The penalty was based in large part on the CFPB’s objections to the language and formatting of the broker’s affiliated business disclosure form. One of the basic lessons learned from this case was that REALTORS® who own or have an interest in an affiliated title agency or closing service need to make absolutely sure that their affiliated business arrangement disclosure form is substantially the same as the template form HUD published many years ago. Unlike HUD, CFPB finds the insertion of marketing materials in the affiliated business arrangement disclosure form to be at least evidence of a violation of RESPA.

In Michigan, a recent CFPB investigation has resulted in a similar “Consent” Order by which a Michigan title company agreed to pay \$200,000 as a penalty for entering into marketing services agreements (“MSAs”) with real estate brokerage firms which the CFPB found to violate Section 8 of RESPA. REALTORS® with MSAs need to immediately re-examine these relationships in light of this recent investigation and “Consent” Order.

It has always been the case that RESPA permits payments of compensation for goods actually furnished or services actually performed. 12 USC § 2607(c)(2). Historically, it was generally believed that this provision permits a real estate broker to be paid for marketing a title company’s services, so long as the compensation paid was not tied to the amount of business actually referred. HUD at least impliedly, if not expressly, found

these arrangements to be lawful under RESPA.

In the Michigan Consent Order, the CFPB did find that the title company had set the fee amounts to be paid, in part, based on how many referrals it had received from the brokerage and the fees generated from those referrals. It was not at all surprising that the CFPB considered this fee structure arrangement to be in violation of RESPA. However, the CFPB did not stop there. In the Consent Order, the CFPB also listed the following objections:

1. The title company had entered into the MSAs because it believed that if it did not enter into MSAs with these real estate brokers, they would refer business elsewhere. The fees paid under the MSAs were set at least in part by whether other title companies were paying real estate brokers for marketing services.
2. The title company did not determine the fair market value of the services to be provided under the MSAs or, after the arrangement was in place, check to see if the real estate brokers were actually providing these services.
3. The real estate brokers referred more business to the title company after the MSA was signed than they did previously.

Perhaps the most troubling of all was the CFPB’s suggestion that the MSAs would have been deemed to be in violation of Section 8 even if the fees paid were found to be at fair market value for the marketing services the broker provided. Why? Because according to the CFPB, the MSA itself was a thing of value being provided to brokers in return for referring business. In other words, whatever the payment structure, the title company’s agreement to hire marketing services from the broker violated Section 8 simply because the arrangement itself was being offered because the broker referred business to the title company as a result of the marketing by the real estate brokerage firm.

In addition to paying the \$200,000 fine, the Consent Order required the title company to terminate all of its MSAs and agree not to enter into any new MSAs. The prohibition against future MSAs is so broad that it even prohibits the title company from buying advertising on any real estate broker’s website. Under the Consent Order, the Michigan title company is only allowed to purchase advertising from someone who does not provide settlement services (e.g., a newspaper or magazine). Finally, while the Consent Order was not directed at the real estate brokers who had received the fees,



in discussing the case after the fact, CFPB officials have not ruled out the possibility of pursuing real estate brokers who are paid under a MSA in the future, noting that both sides of any illegal Section 8 arrangement have potential liability under the law. In other words, Section 8 of RESPA prohibits the receipt as well as the payment of referral fees.

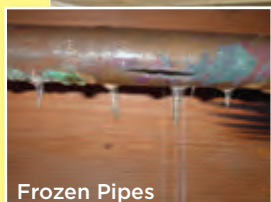
It is not clear from the Consent Order involving the Michigan title company whether the CFPB considered any of the stated objections alone to be enough to find a Section 8 violation or whether the focus was really on the combination of factors. If, in fact, each and every factor listed is a violation of Section 8, then it would appear that MSAs between two settlement service providers (title companies, mortgage brokers, lenders, brokers, etc.) are no longer permissible, *i.e.*, they violate RESPA.

Many REALTORS® have expressed concern about possible liability under RESPA based on the fact that they have "marketing" type of arrangements with title companies, mortgage brokers,

lenders, home warranty companies or any other company that could be identified as a settlement service provider under RESPA. It is highly likely that a settlement service provider has the benefit of legal counsel who is charged with assuring compliance with RESPA. Each REALTOR® who has such a marketing arrangement should seriously consider requesting that the settlement service provider with whom he or she has the arrangement provide him or her with the legal basis under which they conclude that they could successfully defend a claim against themselves and the REALTOR® by the CFPB if it challenges the marketing arrangement. While these types of marketing arrangements can be quite lucrative to REALTORS®, the benefit must be weighed against the potential cost, *i.e.*, fines and potential civil liability. The CFPB is the "new sheriff in town." Great care must be taken by REALTORS® to avoid finding themselves in the same position as the Holland Michigan Title Company or Alabama Real Estate Brokerage. •

**Michigan
REALTORS® can
stay informed of
legal issues with
updates through
our Legal Lines.**

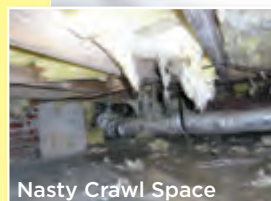
Does Your Listing Have A Cold, Wet, Stinky Crawl Space? Is It Compromising Your Deal?



Frozen Pipes



After



Nasty Crawl Space

We Can Fix It!

**Within 10 Day
Inspection Window?**

***We Can Help You
Put Your Deal Back
Together!***

***Call Today and
Receive Our Estimate
in 48 Hours.***

**Ayers Basement[®]
Systems**
Since 1981
Basement & Crawl Space Specialists™

888-494-9917 • SoldBasements.com

BUSINESS & EVENTS

The Business & Events section provides a cost-effective way for members and service providers to advertise to over 24,000 REALTORS® across the state of Michigan. To have your business card sized ad (2" x 3.5") featured in the next issue for only \$200 for Michigan REALTORS® members and \$250 for non-members, contact Joe Kras at 800.454.7842 or jkras@mirealtors.com.



Own a piece of history at Hotel Montcalm in the Heart of Michigan!

- 3 Bed & Breakfast Rooms
- Antique Shoppe
- Restaurant
- 3 Apartment Units

An Investors Dream!

106 S Calhoun, Stanton, MI 48888
\$300,000
MLS # 14050162



Investment Opportunity!

3 Bed & Breakfast Rooms
Antique Shoppe
Restaurant
3 Apartment Units



ROBIN STRESSMAN, GRI, CRS, ABR®
Associate Broker
(989) 953-7349 BUSINESS
(989) 773-2197 FAX
robin@mtpleasant.net

COLDWELL BANKER

MT. PLEASANT REALTY & ASSOC.
304 East Broadway St.
Mt. Pleasant, MI 48858
www.mtpleasant.net




Each Office Is Independently Owned And Operated.

Your at the closing. Gross Commission check is \$6,000. How much will your check be? With PBN, your check will be \$6,000 payable to you! Do the math, then call us!

PRINCIPAL BROKERS NETWORK
PRIVATE REAL ESTATE BROKERS

Real estate is changing. What are you doing to stay on top?
Contact Broker Services Director Kathi Ellen today!
Direct: 586-202-5306
principalbrokersnetwork.com

The greatest distinguishing designation for a designation, it's a license. A Broker's license!

Join us for the *Capitol Day* *Centennial Celebration*

Unite with Realtor® leaders from across the state as Michigan Realtors® celebrates 100 years in the real estate industry.

Lansing Center
March 4, 2015

EVENT INCLUDES:

- Legislative Panels With House/Senate Members
- Keynote Speaker Session
- Optional Capitol Tours



To register or become a sponsor for this event, visit: www.mirealtors.com/Education/Centennial

THE AWARDS SAY “CENTURY 21.” BUT ONLY BECAUSE OF THE THOUSANDS OF AGENTS WHO MADE THIS POSSIBLE.

The CENTURY 21® brand ranked
“Highest Overall Satisfaction for First-
Time and Repeat Home Buyers and
Sellers” by J.D. Power. Congratulations
to our many driven agents.



SMARTER. BOLDER. FASTER.®

C21.COM

The CENTURY 21® brand received the highest numerical score among full service real estate firms for first-time and repeat home buyers and sellers in the proprietary J.D. Power 2014 Home Buyer/Seller StudySM. Study based on 4,800 total evaluations measuring 5 firms and measures opinions of individuals who sold a home in the past 12 months. Proprietary study results are based on experiences and perceptions of consumers surveyed March 2014 – May 2014. Your experiences may vary. Visit jdpower.com

©2015 CENTURY 21 Real Estate LLC. All Rights Reserved. CENTURY 21® is a trademark owned by CENTURY 21 Real Estate LLC. CENTURY 21 Real Estate LLC fully supports the principles of the Fair Housing Act and the Equal Opportunities Act. Each office is independently owned and operated.

At a Cold Weather Crossroads?



Don't let winter give your customers cold feet about buying or selling a home during off-season months. Realcomp has the industry-leading expertise and customer-driven applications that can help thaw even the deepest perceptual snow drifts.

That includes the groundbreaking RCO3[®] system, which utilizes leading-edge software to create and populate branded client portals—allowing greater customer communication and market education.

Start the New Year *red hot*. Join more than 12,000 Realcomp REALTORS[®] who are serving their customers with greater efficiencies and effectiveness.



Phone: 866.553.3003
Realcomp.MoveInMichigan.com
www.MoveInMichigan.com
www.facebook.com/realcompimls
twitter.com/realcompmls