

GOVERNMENT AFFAIRS NEWS

HELP ELIMINATE PRIVATE TRANSFER TAXES

Did you know that anyone selling a home in California is free to add a “private transfer tax” costing tens of thousands of dollars that has to be paid at the time of every subsequent sale?

The California Association of REALTORS® (C.A.R.) is sponsoring SB 670 (Correa) to prohibit the future imposition of private transfer taxes. SILVAR Realtors support this legislation which seeks to close this loophole in California law now. This loophole lets developers and other private entities impose a “private transfer tax” on home buyers every time the home is sold – with no oversight, no accountability over how the money is spent, and no limit on how many different “private transfer taxes” can be added or “piled” onto a home.

Private transfer taxes are collected as long as mandated by the deed, which can be indefinitely. There are no controls over how the collected revenue is spent. The benefactor levying the tax is free to decide how the money is spent, with absolutely no controls. The proceeds may even be used for personal benefit.

Private transfer taxes will hurt homebuyers and ultimately, the housing market. The highest rate for a private transfer tax C.A.R. is aware of is currently 1.75 percent of the home's value, but there is no legal limit. For example, a home buyer in San Mateo County purchasing a single-family home at the February 2007 median resale price of \$795,000, could be subject to a tax of \$13,913. For Santa Clara County, where the median home resale price was \$749,000, that's a tax of \$13,108, due and payable every time the property is sold or transferred.

SB 670 was scheduled for a vote this week in the Senate Transportation and Housing Committee. C.A.R. and Senator Lou Correa opted to put off consideration of the bill to allow enough time to adequately review amendments suggested by the committee's staff. The decision was made as a courtesy to the committee's Chair, Senator Lowenthal. Senator Joe Simitian is a member of the Transportation and Housing Committee.

In the meantime, C.A.R. and SILVAR continue to ask Realtors in targeted Senate districts to call their Senators in support of the bill.

For those of you not affected by the current Red Alerts, please help educate your office colleagues and clients on the threats and inequity posed by private transfer taxes. For more information contact SILVAR Government Affairs at 408.200.0100.

Please remember, despite some developers' claims, private transfer taxes aren't “mitigation fees” - they are taxes. They don't benefit the assessed homeowners, but are an ongoing revenue source for those who receive the funds from homeowners. Only government should have the power to tax.

SAVE THE DATE: LEGISLATIVE DAY IS JUNE 6TH

Ever wonder how laws get made? Want to influence the legislative process and protect your business and your clients at the same time? Soon you will have your chance, because, Legislative Day is coming soon. Legislative day is an annual event where Realtors from all over California come to Sacramento and meet with their elected officials to discuss critical legislation that can affect Realtors, homeowners and private property rights. Many Realtors have found Legislative Day particularly instructive because it aptly demonstrates how government can affect the real estate industry. DRE Commissioner Jeff Davi, a Realtor and former President of the Monterey Association of Realtors points to his attendance at Legislative Day as the event that got him involved in politics.

This year, Legislative Day is Wednesday June 6, 2007. The cost for Realtors will be \$45, which includes transportation, continental breakfast, lunch, and refreshments on the return trip. As in previous years, a motor coach will take members to Sacramento where they will receive a special briefing from C.A.R.

lobbyists and Realtor leadership and hear from invited elected officials. Following the briefing will be a joint luncheon with the Santa Clara County, and San Mateo County Associations along with a speech by well-known political, media and technology consultant Donnie Fowler.

After lunch there are meetings with all of the legislators in Silicon Valley including Senators Elaine Alquist, Abel Maldonado, and Joe Simitian and Assemblymembers Jim Beall, Sally Lieber, and Ira Ruskin. At these meetings, Realtors will have the opportunity to discuss important real estate issues such as private property rights, legal reforms and housing opportunities policies. Following the meetings, for those who are interested, there is the annual Capitol Reception. Open only to REALTOR Action Fund \$197 contributors, the Capitol Reception allows Realtors and elected officials to interact on a more personal level.

Remember to save the date, because June 6th is coming very soon and limited spacing will be available on a first come first serve basis. **Sponsorship opportunities are still available.** Contact Adam Montgomery for details.

Realtors who plan to attend Legislative Day should register for the event by calling the SILVAR office or sign-up online at www.silvar.org.

MEMBER NEWS

Charitable Foundation Scholarship Presenters Sought

The Silicon Valley REALTORS® Charitable Foundation 2007 Scholarship Committee, headed by Scholarship Program Chair Nina Yamaguchi, is choosing the recipients of this year's Association scholarships. \$1000 scholarships will be awarded at the following high schools: Cupertino High School, Fremont High School, Gunn High School, Homestead High School, Leigh High School, Los Altos High School, Los Gatos High School, Lynbrook High School, Menlo-Atherton High School, Monta Vista High School, Mountain View High School, Palo Alto High School, Prospect High School, Santa Clara High School, Saratoga High School, Westmont High School, and Woodside High School.

SILVAR is looking for members who would like to present scholarships on behalf of the Association at Senior Awards Nights, which will occur in late May and early June (usually at 6:00pm or 7:00 pm) at each high school (Note: Menlo-Atherton and Woodside High Schools do not allow presenters). If you are interested in being a presenter, please contact Sarah Kishler at 408-200-0112 or skishler@silvar.org.

Special thanks to the 2007 Scholarship Committee: Beth Clark, Anneke Dury, Willi Krauss, Dale Stansbury, and Dennis A. Young.

Ethical Dilemmas Realtors® Can Face (Third in a series)

It is the duty and responsibility of every REALTOR® member of SILVAR to abide by the "Code of Ethics" of the National Association of REALTORS®. The term "REALTOR®" is a registered collective membership mark which identifies a real estate professional who is a member of the National Association of REALTORS® and who subscribes to its strict Code of Ethics.

Here is another dilemma a Realtor® could face and advice from Sharon Steele, 2007 chair of NAR's Professional Standards Interpretation and Procedures Subcommittee, and other ethics experts on how to respond. This excerpt is taken from "5 Everyday Ethical Dilemmas," an article written by Buck Wargo, in a recent publication of REALTOR® Magazine Online.

Dilemma 3: Ethics in Advertising

"REALTORS® shall be careful at all times to present a true picture in their advertising and representations to the public." (Article 12)

The scenario: You're looking for a way to differentiate yourself from the competition and give your marketing materials a kick. You decide on a new tagline: "The No. 1 Real Estate Agent for You."

The risk: Stretching the truth. If your statements are truthful and accurate, it's not wrong to tell prospects

how you measure up to competitors. But when you make an advertising statement about being the “No. 1” agent, you could be misleading the public.

What to do: Making the claim of being No. 1 is perhaps the most abused or misused term in real estate advertising, Aydt says. If you really want to use that phrase, be careful to explain what you mean by “No. 1.” For example, cite your market share, a date range, and a specific geographic area.

Experts advise focusing on your own merits and what you bring to a prospective client rather than comparing yourself directly to competitors.

Ethics in advertising extends to property marketing, too. Be clear about how you describe the home, Steele says, and stay away from sweeping statements or exaggerations. It’s incumbent to avoid mistakes as well, she says. Double-check property tax figures with your local government, and be sure that square footage is measured correctly.

Finally, never say anything to buyers that you can’t confirm as a fact. “You can only represent what you know,” Steele says. “If you don’t know the answer, say ‘I don’t know, but I will go to City Hall and try to find an answer.’ In this business, you don’t make assumptions.”

Review Earthquake Safety Measures

Study shows Californians expect major earthquake, but not many are prepared

Many Californians ask themselves, “If another massive earthquake just like the one that hit the state on April 1906 struck today, are we prepared?” A recent study shows few Californians are.

A survey shows while 70 percent of Californians expect a major earthquake will strike, just two in 10 people – 19.8 percent -- say they are well prepared; 38.8 percent somewhat prepared; and 41.4 percent – over four in 10 California adults, representing about 9.8 million people, say they are not very well prepared, don’t know, or not prepared at all. And despite much criticism about local, state and federal response to Hurricane Katrina in New Orleans, nearly half of California adults – 48 percent – expect government will provide relief when the big one hits.

These are some of the results of a poll of 955 Californians conducted last year by the Survey & Policy Research Institute at San Jose State University in conjunction with the California Consumer Confidence Survey.

Of those surveyed in the Bay Area, only 14.4 percent stated they were well prepared, compared with 22.2 percent in Los Angeles area and 23.2 percent in the Central Valley. Nearly 20 percent stated they are not prepared at all, compared with 16.9 percent in the Los Angeles area and 26.5 percent in the Central Valley.

You can protect yourself and your families and reduce the risk of destruction from an earthquake by following a few simple recommendations made by California’s Department of Conservation and the U.S. Geological Survey:

Identify Potential Hazards in Your Home and Fix Them

1. Move heavy furniture away from where people sit or sleep. Make sure exit paths are clear of clutter. Secure hanging objects, cabinet doors and appliances with earthquake-safety straps, fasteners and adhesives.
2. Water pipes can break and cause extensive damage; broken gas pipes are a major fire hazard. Replace rigid gas connections to water heaters and other gas appliances with flexible (corrugated) stainless steel gas connectors. Excess-flow gas-shutoff valves for individual appliances will stop gas flow in case of a catastrophic leak.
3. Move flammable or hazardous materials stored in garages and utility rooms to low areas that are secure.

Create a Disaster Supply Kit

Create a disaster supply kit and place items in a large watertight container that can be easily moved, in an easily accessible location. The kit should hold at least a one-week supply of the following items:

- * First aid supplies, including spare eyeglasses and essential hygiene items
- * Drinking water (minimum one gallon per person per day)
- * Whistle (to alert rescuers to your location)
- * Emergency cash in small bills (ATMs may not work)
- * Snack foods high in calories, canned and packaged foods and cooking utensils, including a manual can opener. Don't forget pet food.
- * Emergency lighting—light sticks and (or) a working flashlight with extra batteries.
- * Comfort items for your children, such as crayons, writing materials and stuffed animals
- * A battery-operated radio (and spare batteries).
- * Warm clothing, gloves, sturdy shoes, extra socks, blankets and perhaps even a tent.
- * Heavy-duty plastic bags for waste and other uses, such as tarps and rain ponchos
- * Copies of vital documents, such as insurance policies, personal identification, medical consent forms for dependents.

NOTE: Replace perishable items like water, food, medications and batteries on a yearly basis.

Create a Disaster Preparedness Plan

Decide how and where your family will reunite if separated during a quake. Choose an out-of-state friend or relative to call and alert other relatives and friends that you are all right.

The California Association of Realtors' Combined Hazards Book contains the new "Homeowners Guide to Earthquake Safety" released by the California Seismic Safety Commission. The U.S. Geological Survey has also released the "Earthquake Preparedness Handbook."

Check their Web site at <http://quake.usgs.gov/>.

Cross-Association RSVP Effort

Members of the Silicon Valley Association REALTORS® (SILVAR), the San Mateo County Association of REALTORS® (SAMCAR) and the Santa Clara County Association of REALTORS® (SCCAOR) joined together for the first time this week at SAMCAR for an RSVP Pre-viewers/House Captains training session.

RSVP is scheduled for May 7-12. You can still volunteer for the program, which helps seniors and the homebound with household tasks they cannot perform.

Realtor® Etiquette and Ethics - May 24 Panel Discussion

SILVAR's Cultural Diversity and Equal Opportunity Committee will be hosting a series of panel discussions focusing on the importance of cross-cultural understanding and cooperation at different stages of the real estate transaction. The first event is slated for May 24, 2-4 p.m. A greater understanding of the customs and cultures of all homebuyers will enable all Realtors to better serve their clients. Cost is \$10. Call SILVAR at 408-200-0100 or register online at <http://ims.silvar.org/>

Lockboxes - Daylight Savings Time Reminder

Because Daylight Savings Time is currently in effect, lockboxes on the standard time of operation settings will work from 8 am – 12 midnight daily. If you want to open a lockbox that *you* own outside of these hours, scroll down to the "Programming" item on your Display key, press enter, and select "2 = 24-hour access." You will be prompted to enter the lockbox's shackle code and point the key at the lockbox to open it. To reset the standard 8 am – 12 am time setting, scroll to programming again, select "1" for timed access, and follow the steps.

EDUCATION SCHEDULE

All classes will be at SILVAR, 19400 Stevens Creek Blvd., Cupertino, unless otherwise indicated.

Space is limited, so signing up in advance is always necessary. Call SILVAR at 408-200-0100 or go to <http://ims.silvar.org/> to register for a course or video viewing unless otherwise indicated. <http://ims.silvar.org/> requires your NRDS number as a login. It can be located on your NAR membership card or on the mailing label of your REALTOR® magazine.

PRDS FORMS ONLINE (FREE!):

Learn how to use PRDS Forms Online, a Web-based real estate forms application allowing you to create, print, and e-mail complete residential real estate transactions from any PC (with an Internet connection) from anywhere in the world.

The following sessions are from 10:00 – 11:30 am:

April 23, May 7, May 21

The following sessions are from 2:00 – 3:30 pm:

June 7, June 21, July 12, July 26

FREE REIL TRAINING @ SILVAR:**April 30:** REIL.com Version 3.0

Choose from one of three sessions: 9:00 - 10:30 am OR 11:30 am - 1:00 pm OR 2:30 - 4:00 pm

May 15: Listing Management Version 3.0

Choose from one of three sessions: 9:00 - 10:30 am OR 11:30 am - 1:00 pm OR 2:30 - 4:00 pm

OTHER CLASSES:**April 26, 2007:**

"What all agents should know about Foreclosures"

Time: 8:30 am - 12:30 pm

Cost - \$99 members - \$110 - non-members

Course is approved for 4 hours of DRE consumer protection credit.

April 26, 2007:

"Short Sales"

Time: 2:00 pm - 5:00 pm

Cost - \$60 members - \$80 - non-members

Course is approved for 3 hours of DRE consumer protection credit.

May 1, 2007:

"Delivering Customer Value" Instructor: Chris Alston

Time: 1:00 - 4:00 pm. Cost: \$10.

When value is clear, the pricing is clear. This course will help you understand what defines value in the mind of your clients as well as how you can deliver top service and keep your commission dollars. The first half of the course helps you take a systematized approach in the delivery of your services. Learn how to strategically position yourself through your pricing strategy.

- Increase customer satisfaction and loyalty and generate referrals
- Obtain more appointments and listings without compromising your commission rate.
- Compete against discount competitors who strategically position themselves as a "lower price option."

May 2, 2007:**2:00 - 5:00 pm: PRDS Contract Update.****Instructors are Bryant McOmber, PRDS Forms Attorney and Dave Zigal, PRDS Forms Chairperson.**

Cost of the class is \$20. Instructor David Zigal, PRDS Forms Committee Chair, and Bryant McOmber, PRDS Attorney. Learn about the substance and content of the PRDS forms. You will learn how to go from A to Z when using the forms and what you should be doing and not doing. You will also learn hints to help you with the use of the forms online.

May 24, 2007:

Realtor® Etiquette and Ethics – May 24 Panel Discussion

Time: 1:00 - 4:00 pm. Cost: \$10.

SILVAR's Cultural Diversity and Equal Opportunity Committee hosts a series of panel discussions focusing on the importance of cross-cultural understanding and cooperation at different stages of the real estate transaction.

October 4-5, 2007:**SILVAR and CRS Northern California Chapter Present "Building an Exceptional Customer Service Referral Business"**

Location TBA. 8:30 am - 5:00 pm both days (check-in time 7:30 - 8:30 am both days)

Cost - \$300 Early Bird (before 9/4/07) - \$325 (9/4/07 through 10/4/07)

Register online: <http://www.norcalcrs.com/events.html>

GRI - Network with the Best!
Each class is from 8 am to 5 pm

Cost is \$149.00 per day. To register, call (888) 785-4800. For a schedule and more information, see
<http://www.edesignations.com/>.

Tuesday, May 22 2007 Legal Issues, Disclosures, and More!

This 8-hour continuing education course covers disclosure laws, basic contract laws, estates in real property, types of deeds that transfer title, easement law, tenant/landlord law, and current legal issues and updates.

Tuesday, June 26 2007 Strategies for Success

This 8-hour continuing education course details the importance of setting goals, major principles of time management, effective communication techniques, etc.

Tuesday, July 23 2007 Technology Applications in Real Estate

This 8-hour continuing education course designed to help real estate professionals understand the impact technology has on their business.

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SILVAR EVENTS IN 2007

April 25: Menlo/Atherton District Affiliate Mixer, Premier Atelier, 1158 Chestnut Street, Menlo Park. 5:00 - 7:00 pm. No registration required. For both affiliates and Realtors.

May 3: Women's Council of REALTORS® Annual Fashion Show

Location: Doubletree Hotel, San Jose 11:00 am - 2:00 pm

Call Toby Vanderbeek at 650-947-4777 for further information about WCR events and sponsorship opportunities.

May 4: Broker/Manager Committee Presents: Kent Westerberg on Lender Fraud.

Followed by wine and cheese reception. 2:30 - 4:30 pm @ SILVAR.

For brokers & managers only - call SILVAR or go to <http://ims.silvar.org> to register.

May 7 – May 12: RSVP Week.

Register to volunteer now at <http://ims.silvar.org/>!

May 7: Menlo Park/Atherton District Quarterly Meeting, Left Bank, 635 Santa Cruz Ave. 8:14 am.

Speaker: Steve Poizner, California Insurance Commissioner

May 9: PA District - Giants Game.

For more information or to purchase tickets, contact Chris Grammar or Connie Prince at 650-328-1000.

May 14 - 19: NAR Midyear Meetings, Washington DC

May 21: Cupertino/Sunnyvale District - Golf & BBQ at Deep Cliff - TBD

May 24: Palo Alto/Menlo Softball Game - TBD

June 6: Legislative Day - Sacramento

June 6 - 9: C.A.R. Business Meetings, Sacramento

June 22: Broker/Manager Committee Presents: C.A.R. President Colleen Badagliacco 2 - 5 pm - Palo Alto Hills Country Club

July 13: Los Altos/Mountain View District Movie Night: Harry Potter & The Order of the Phoenix - 7:00 pm. AMC Mercado, Santa Clara. Register at <http://ims.silvar.org>

September 6: CP/SV Wine Tasting Bus Tour- TBD

September 11: LA/MV District CSA Luncheon- Michaels' at Shoreline

September 15: Palo Alto District: Stanford vs. Arizona State Football Game, Stanford University

September 17: Menlo/Atherton Quarterly Meeting @ Left Bank

September 24: 9th Annual Charitable Foundation Golf Tournament – Palo Alto Hills Golf & Country Club

October 4: PA Affiliate Bank- Elegance –TBD

October 10 - 13: C.A.R. Business Meetings, Anaheim

October 18: Housing Industry Foundation's "Home for the Holidays" Event

October 24: Menlo Park/Atherton Fundraiser, Menlo Circus Club, Atherton

October 26: Broker/Manager Committee Presents: Jeff Davi - 2 to 5 pm – California DRE Commissioner

October 31: LG/SA District Pumpkin Auction, Willow Street Pizza, 8:30 am

November 5: Palo Alto District Fall Fling, Palo Alto Masonic Temple

November 11 to 16: NAR Meetings, Las Vegas

December 10: Menlo/Atherton Quarterly Meeting @ Left Bank

December 12: LG/SA District Holiday Party - TBD

December 13: CP/SV Holiday Breakfast Party- Jake's Pizza

December 14: LA/MV Holiday Breakfast Party- Oregano's Pizza

Events in 2008

January 9th or 10th: 2008 SILVAR Installation Dinner - TBD

October 8th: Menlo Fundrasier - TBD

November 14th: Menlo/Atherton Mixer - TBD

Unless otherwise indicated, for more information or to register about an event, call SILVAR at 408-200-0100. You can also register for SILVAR events online at <http://ims.silvar.org/> For sponsorship opportunities for the above events, call Kelly Dadsetan at 408-200-0117 or e-mail kdadsetan@silvar.org.

**Silicon Valley Association of REALTORS® District and Tour Meeting Schedule
Menlo Park/Atherton.**

Next Quarterly Meeting: May 7 at Left Bank, 635 Santa Cruz Ave, Menlo Park

Speaker: Steve Poizner, California Insurance Commissioner

Los Gatos/Saratoga

Wednesday 8:15 AM.

Willow Street Wood-Fired Pizza, 20 S. Santa Cruz Ave., Los Gatos
Progressive Lottery: \$500. Must be present to win!

April 25: Broker/Manager Panel

Cupertino/Sunnyvale/Santa Clara

Thursday 8:30 AM

Jake's Pizza, 174 E. Fremont Ave., Sunnyvale

Progressive Lottery: \$125. Must be present to win!

April 26: "Blogging Real Estate," Domus Consulting Group, Pat Kitano

Los Altos/Mountain View

Friday 8:30 AM

Tour meetings are usually the last Friday of the month.

Next meeting - Friday, April 27

Speaker: "Charitable Remainder Trust" - Sandeep Varma, ATS

Progressive Lottery: \$150

NEW MEETING LOCATION:

Oregano's, 4546 El Camino Real, Los Altos, CA 94022

Palo Alto

Friday 8:30 AM Palo Alto Senior Center, 450 Bryant, Palo Alto.

4/20/07: Is a private transfer tax in your buyers future?:

Legislative update - Paul Cardus, Government Affairs Director

4/27/07: PRDS Update – Dave Zigal and Bryant McOmber