



HCBR Newsletter

April 2022

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Dale Zahn, West Michigan Lakeshore, to Present Agent Professionalism Program

Dale Zahn, Association Executive from West Michigan Lakeshore Association of REALTORS® will be presenting his signature program, "How Do You Want to be Remembered," for the Hillsdale County Board of REALTORS® on Wednesday, April 13 at 1:30 p.m. at the Board Office Conference Room. This one-hour program, that targets professional behavior, or the lack of it, in real estate relationships couldn't come at a better time as REALTORS® deal with a highly unusual market situation.

REALTORS® who behave professionally can smooth the issues that arise between buyers and sellers and agents in a transaction.

The incidence of complaints being filed in the Board Office has increased in the last few years says Hillsdale Executive Officer Shirley Smith. "In every transaction, agents need to behave professionally, adhere to the Code of Ethics and do the best job they can for their clients."

Unfortunately, the Board, through the Grievance and Professional Standards Committees is called upon to get involved in a number of transactions when agents

have problems getting along with each other or their clients. This is usually about a

as 30 or more for one property, there is a higher probability of difficulties arising

The Board of Directors would like to see a great turnout for this special program as agents can often struggle with issues relating to professionalism and ethical conduct in a difficult real estate market.

The program is free of charge to all members and attendees will receive a \$5 Board Dollars Gift Certificate to be used for future Board Services.

To RSVP for the program, please contact the Board Office at 517-439-1770 or email (hcboard@yahoo.com).

misunderstanding, but can also be because of agents scrambling to get the commission and not taking care to ensure a fairly executed deal.

Today's market is unique in Board history and requires special skills to deal with the demands for property in a low inventory market. With many buyers getting into bidding wars to secure their desired home, there are often negative feelings between all parties when the final offer is accepted.

When there are multiple buyers, sometimes as many

in the sale.

In addition to problems with the buyer, there can be problems working with other agents who may feel they've been treated unfairly.

Not every problem can be avoided, but the majority could be diminished or eliminated if everyone exercised more care in their dealings.

The Board of Directors would like to see a great turnout for this special program as agents can often struggle with issues relating to professionalism and ethical conduct in a difficult real estate market.



There will be no charge to members for the program, and all who attend will receive a \$5 Board Dollars Gift Certificate to use for Board services.

"Strive not to be a success, but rather to be of value." – Albert Einstein

"Success is finding satisfaction in giving a little more than you take." —Christopher Reeve

"It is literally true that you can succeed best and quickest by helping others to succeed." – Napoleon Hill

The HCBR Newsletter is published periodically by the Hillsdale County Board of REALTORS®.

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 Shirley Smith
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2022 HCBR Officers
 President: Tim Groves
 Vice Pres.: Tjay Fitton
 Treasurer: Dan Satow
 Past President: Lori Rubley
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 Scott Phillips
 Alicia Galloway
 Diana Carson

***2022 Committee Chairs / Contact Persons**

- Awards**
 *Alicia Galloway..... 398-3400
- Building**
 *Dan Satow..... 617-1104
- Bylaws**
 *Tim Groves..... 439-1511
- Education**
 *Lisa Hayes..... 398-4170
- Executive**
 *Tim Groves..... 212-5926
- Finance**
 *Dan Satow..... 425-2759
- Grievance**
 *Cathy Galloway..... 849-0043
- MichRIC Managers**
 Shirley Smith..... 439-1770
- Nomination**
 *Tjay Fitton..... 398-3500
- Political Affairs**
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- Professional Standards**
 *Julie Games..... 437-7771
- Public Relations**
 *Dan Satow..... 617-1104
- Purchase Agreement**
 *Cathy Galloway..... 849-0043
- Specifications**
 *Diana Carson..... 416-3472

White House Releases New Plan to Combat Bias in Appraisals

An interagency task force at the White House has outlined a plan aimed at rooting out racial and ethnic bias in home valuations. The Property Appraisal and Valuation Equity task force released a five-step action plan yesterday to increase oversight and accountability. It also includes steps for homebuyers and homeowners to take when they receive a valuation lower than expected.

The National Association of REALTORS® had a part in the formation of the action plan, including meeting with the PAVE task force to pro-

pose solutions on how the Biden administration, REALTORS®, and the broader appraisal industry could work together to address concerns and improve public trust in the appraisal process.

"Historically, many groups have faced unfair home undervaluation," Leslie Rouda Smith, NAR's president, said in a statement following the task force's release of its report. "Addressing those wrongs is key to providing financial stability to not only homeowners, but entire communities, and benefits the nation

as a whole."

A recent report from Freddie Mac showed that appraisals for home purchases in majority Black and majority Latino neighborhoods were about twice as likely to result in a value below the actual contract price compared to appraisals in predominantly white neighborhoods.

A home appraisal is a critical element of the homebuying and lending process. "But bias in home valuations limits the ability of Black and Brown families to

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Board Welcomes 2022 Members

The Board welcomes its new members for the year 2022:

- Doug Bruick**
 Key Realty
- David Hambleton**
 CENTURY 21 Drews Realty
- Jack Tubbs**
 HomeSmart
- Craig Ziecina**
 Michigan Whitetail Properties
- Kassandra Plemmons**
 Christie Plemmons Realty
- Joe Albring**
 Key Realty
- Casey Rundquist**
 Michigan Woods and Waterfront Properties

*"The weak can never forgive. Forgiveness is the attribute of the strong."
 —Mahatma Gandhi*



HCBR Calendar 2022

Board of Directors Meetings

April 13	May 4	June 1
July 6	August 3	September 7

Lunch N Learn Programs (Tentative)

(11:30 a.m. at the Board Office)

- May 18
Business Etiquette and Personal Promotion
- June 15
Title Evidence and Commitment
- September 21
REALTOR® Safety
- November 9
Taxes and Accounting

Special Events

- Wednesday, April 13, 1:30 p.m.
"How Do You Want to be Remembered?"-Dale Zahn, West Michigan Lakeshore Association
Hillsdale County Board of REALTORS
Conference Room, 32 E. Bacon St., Hillsdale.
- Wednesday, July 20, Michindoh
Meet the Candidates Luncheon



Tips for Prepping Home for Spring Sales

By Patti Stern

Patti is the principal interior decorator and professional stager of PJ & Company Staging and Interior Decorating. She has been decorating and staging homes since 2005.

(Article borrowed from NAR.realtor.)

PJ & Company offers its "Checklist for Success" as a guide to get a home in move-in-ready condition and attract more attention from home buyers. Try these basic, budget-friendly steps.

Make basic interior and exterior repairs and updates.

- Is everything in working condition? Repair and replace broken bulbs, switches, ceiling fans, door knobs, leaky faucets, loose railings, and steps.
- Touch up any obvious cosmetic damage, such as holes or dents in the walls, peeling paint, water damage, or cracked windows and tiles.

- Switch out dated light fixtures and hardware in the entryway, kitchen, and bathrooms with more contemporary styles for an instant boost.
- Consider replacing older, less-efficient kitchen appliances with sleek, eco-friendly models to appeal to buyers.

Clean and declutter.

- Stow away personal photos, collections, and knick-knacks that could distract buyers from seeing the property's best features.
- Remove unnecessary, dated, and larger furniture pieces that make a room feel dark and cramped.
- Hire a professional cleaning service to make the home shine and smell fresh, which is especially important if pets are present.

Refresh and brighten.

- Remove dated wallpaper and freshen walls with

neutral paint so unique home features stand out.

- Remove dark and heavy curtains to let more natural light in and spotlight the windows.
- Remove and/or replace soiled carpeting, and polish dull and worn floors to make the room sparkle.
- Consider spraying older kitchen cabinets or dark wood vanities with bright white paint, and add updated hardware for an instant facelift.

Create a "wow" factor with inviting, modern styling.

- Return rooms to their original purpose to match buyers' needs (i.e. style an upstairs office or extra storage room with a bed, night stand, and small desk).
- Use strategic furniture arrangements to improve flow and increase the perceived size of spaces.
- Pair furniture with on-trend, modern accents

that help buyers emotionally connect, such as shag or woven rugs, colorful wall art, pillows, and bright white bedding.

Partner with a pro.

- Consult with a professional home stager who will have an objective eye and knowledge of what appeals to today's sophisticated buyers. The stager can provide a range of solutions for enhancing your home showings by recommending furniture placement, wall color, and complementary modern accessories for achieving a clean, welcoming style.
- (Use this link to see original article with photos and link to blog on NAR.realtor <https://www.nar.realtor/blogs/styled-staged-sold/your-home-prep-checklist-for-the-spring-selling-season>)

NAR Chief Economist Lawrence Yun Reacts to Jobs Data

By Lawrence Yun

"Is the economy on the verge of overheating, which would then require the Federal Reserve to be even more aggressive to tame rapidly rising inflation? The latest jobs data, with the unemployment rate sinking to 3.6%, presents an incredibly tight job market. A net gain of 431,000 new jobs was added in March, bringing the total jobs recovery to 19 million since the lockdown two years ago.

Another 1.5 million jobs are needed to match the prior peak observed before the ugly arrival of the pandemic. There are currently in essence two job openings for each unemployed person. That is why wages are rising by a hefty 6.8%. Workers are not better off, however, as inflation is running even higher at 7.9%.

Job gains are good, of course, but rising wages and prices are raising the prospect of potential stagflation - similar to economic

conditions in the 1970s.

The bond yields are touching 3-year highs in anticipation of aggressive rate hikes by the Fed. Mortgage rates consequently will also move higher. Recall they were 3% last year. Rates are now on the verge of touching 5%.

For first-time home buyers, the costs of buying the same home this year compared to just one year ago have risen by 40% from a combined impact of higher home prices and much higher

mortgage rates. There will be an inevitable slowdown in home sales.

Keep an eye on days-on-market and a decrease in multiple offers. Home sellers should not expect big easy profit gains."

"Resentment is like drinking poison and then hoping it will kill your enemies."
— Nelson Mandela

April Is Fair Housing Month: Celebrate Diversity

Fair housing is more than a list of dos and don'ts, rights and penalties, and mandatory continuing education. As stewards of the right to own, use and transfer private property, fair housing protects your livelihood and business as REALTORS® and depends on a free, open market that embraces equal opportunity.

REALTORS® recognize the significance of the [Fair Housing Act](#) and reconfirm their commitment to upholding fair housing law as well as their commitment to offering equal professional service to all in their search for real property.

NAR's [Fair Housing Action Plan](#), abbreviated 'ACT,' emphasizes (A)ccountability, (C)ulture Change, and (T)raining in order to ensure America's 1.5 million REALTORS® are doing everything possible to protect housing rights in America. On November 18, 2020, NAR launched [Fairhaven.realtor](#) — an innovative online simulation training,

where agents work against the clock to sell homes in the fictional town of Fairhaven, while confronting discrimination in the homebuying process. During the training, learners also walk in the shoes of a homebuyer facing discrimination. The training provides customized feedback that learners can apply to daily business interactions.

The Hillsdale County Board of REALTORS encourages members to participate in the online simulation by offering a \$25 Board Dollars gift certificate for all who complete the training. Any member who finishes the training should send a copy of their certificate to the Board Office to obtain credit.

You can try out the Fairhaven training simulation at [Fairhaven.realtor](#) Log in with your REALTOR® identification number. If you don't know your number you can get it by contacting the Board Office.

The Fair Housing Declaration

I agree to:

- Provide equal professional service without regard to the race, color, religion, gender (sex), disability (handicap), familial status, national origin, sexual orientation or gender identity of any prospective client, customer, or of the residents of any community.
- Keep informed about fair housing law and practices, improving my clients' and customers' opportunities and my business.
- Develop advertising that indicates that everyone is welcome and no one is excluded; expanding my client's and customer's opportunities to see, buy, or lease property.
- Inform my clients and customers about their rights and responsibilities under the fair housing laws by providing brochures and other information.
- Document my efforts to provide professional service, which will assist me in becoming a more responsive and successful REALTOR®.
- Refuse to tolerate non-compliance.
- Learn about those who are different from me, and celebrate those differences.
- Take a positive approach to fair housing practices and aspire to follow the spirit as well as the letter of the law.
- Develop and implement fair housing practices for my firm to carry out the spirit of this declaration.

Appraisal Bias

(Continued from page 2)

enjoy the financial returns associated with homeownership, thereby contributing to the already sprawling racial wealth gap," the White House said in an announcement. The task force is co-chaired by Marcia L. Fudge, U.S. Department of Housing and Urban Development secretary, and Susan Rice, domestic policy advisor.

The PAVE Action Plan calls for the following steps:

Make the appraisal industry more accountable. The plan outlines steps to increase oversight and accountability of the appraisal industry. It

calls on federal agencies to create a legislative proposal to modernize the appraisal industry's governance structure and improve coordination and collaboration between federal enforcement agencies to help identify discrimination in appraisals.

Empower consumers with information and assistance.

The plan offers steps homeowners and buyers can take when a valuation comes in lower than they expected. Federal agencies are urged to issue guidance and add new policies to improve the process for reconsidering a valuation.

Prevent automated algorithmic bias.

The task force plan calls for federal agencies to include a nondiscrimination quality control standard to establish standards on automated valuation models. The task force said it's important to ensure that AVMs do not rely on biased data that could replicate past discrimination.

Cultivate a more inclusive appraiser profession.

The report cites statistics that show the appraiser and assessor professions are about 97% white. The plan calls on actions to remove unnecessary educational and experience requirements that make

it difficult for underrepresented groups to access the profession and to strengthen anti-bias, fair housing, and fair lending training of existing appraisers."

Leverage more federal data and expertise.

The plan proposed the development of a database of federal appraisal data to help better study, understand, and address appraisal bias. It also called for the development of a working group consisting of subject matter experts to develop a research agenda on appraisal bias.

View the full details of the action plan at [PAVE.hud.gov](#).

Make Sure Your Clients Know About First Time Home Buyer Loans and Grants

First-time homebuyers have multiple options to finance the purchase of their first home. Be sure to review the available federal and state programs designed specifically for first-time homebuyers, as well as the variety of low down-payment financing options offered by lenders, so you can enjoy the satisfaction of connecting first home to first loan.

What a first-time homebuyer needs to qualify for a home loan

The most common type of home loans available are conventional loans. These are loans that are financed by the private market, rather than a government program. Some conventional loans allow for a down-payment as low as 3%. These loans usually require a minimum credit score of 620 and they charge more as your credit score falls below 740 or if your debt-to-income (DTI) level rises. And they typically won't lend to a borrower with a DTI above 50%.

First-time homebuyers should also consider several government-backed loan programs for their low or no down-payment options.

FHA Loan Programs

The Federal Housing Administration (FHA) operates under the Department of Housing and Urban Development (HUD). The FHA single-family mortgage program provides access to safe, affordable mortgage financing for American families. FHA does not lend money to homeowners. Instead, FHA insures qualified loans made

by private lending institutions. FHA will insure single family loans with down-payments as low as 3.5% and also provides financing for condominiums and renovation loans. FHA does not require a minimum credit score and offers more flexibility when it comes to DTI ratios, but individual lenders might have their own requirements. Fees can be higher compared to conventional loans and FHA has a limit on the loan amount they will insure.

VA Home Loan Guarantee Program

The Department of Veterans Affairs (VA) Home Loan Guarantee Program is another government program that insures qualified loans made by private lending institutions. VA loans provide zero down-payment mortgage financing to eligible veterans and surviving spouses. The VA loan is considered a benefit of service and borrowers must meet VA eligibility requirements. VA does not have a minimum credit score requirement or DTI ratio, but individual lenders might have their own requirements. There are limits to the fees the VA borrower can pay to the seller and VA has a limit on the loan amount they will insure.

USDA Rural Housing Loans

The U.S. Department of Agriculture (USDA) Rural Housing Service (RHS) offers Americans in rural areas and small towns zero down-payment mortgage financing in areas where private lending is often limited. RHS loans can be used to build,

repair, renovate or relocate a home, or to purchase and prepare sites, including providing water and sewage facilities. There are two different programs: the guaranteed program, and the direct loan program. Guaranteed loans are insured by RHS and funded by private lenders. Direct loans benefit very-low-income or low-income borrowers with funds loaned directly by the Rural Housing Service, without the use of private lenders. USDA does not impose a minimum credit score requirements but does have income limits for borrowers.

How to find home loans for first-time homebuyers

When thinking about a conventional loan product, know that many lenders provide incentives for first-time homebuyers. REALTORS® should use their network of lenders and mortgage brokers to help clients understand current levels of available programs. If possible, provide a summary or range of available programs. Remember that having a strong relationship with several lenders will help you provide your client with alternatives if one lender does not have the best mortgage terms.

You should be aware that not all lenders offer FHA, VA, and or USDA loan products. Make sure to develop relationships with lenders that can provide government-insured financing for clients who choose to explore government lending programs.

It is beneficial to any first-time homebuyer to consider housing counseling ser-

vices before entering into any mortgage financing agreement.

How to find state-funded grants for first-time homebuyers

Many states have programs specially devoted to help first-time homebuyers. These programs may include mortgages with lower rates and better terms than conventional loans or they may even include help with down payments. You should contact your state's housing financing agency to find out more. Most state housing finance agencies are independent entities that operate under the direction of a board of directors appointed by each state's governor. They administer a wide range of affordable housing and community development programs.

How to find down payment assistance for first-time homebuyers

So, you found a loan, but still need down payment assistance? Many local governments and non-profit organizations offer down-payment assistance grants and loans, targeted to area borrowers and often with specific borrower requirements. Reach out to your local REALTOR® association to find out if they recommend any specific programs or partners.

"Forgiveness is not an occasional act, it is a constant attitude."

—Martin Luther King Jr.



“How Do You Want To Be Remembered?”

What: Agent Professionalism Program

When: Wednesday, April 13, 1:30 p.m.

Where: Hillsdale County Board of REALTORS®

32 E. Bacon St., Hillsdale, Michigan

Sponsored by

Hillsdale County Board of REALTORS®

Presented by

Dale Zahn

West Michigan Lakeshore Association Executive

Contact Board Office (hcboard@yahoo.com) or 517-439-1770 for reservations.