May President’s Message
Michael J. O’Rourke, III
2017 MIAAOR President

Mission Statement:
The Marco Island Area Association of Realtors® proactively provides services and programs for our members’ benefit.

MIAAOR year-to-date market sales remain very strong across homes, condos and lots. One of the most positive points for this year has been that the median sell price is up across all three types of properties year-to-date. The properties which have sold have outperformed those of last year, which is terrific news regarding the overall health of our market.

May has been an action packed month for our members and affiliates. We were fortunate to have a special guest speaker join us for the May 9th General Membership Luncheon at Hideaway Beach Club. Terri Murphy did a terrific job sharing how we can add more value to building stronger relationships with our customers. The Marco Island Specialist Designation program started May 10th. Our Collier County Commissioner Donna Fiala was featured at a special Lunch Hour Learning and did a tremendous job updating the participants on the big news in the county. A special thanks to the Professional Development Committee for making these exciting events happen. The Pitch Plus Committee will also be offering special sessions during the off-season which presents an opportunity for everyone to participate and sell more properties during the summer months. This is very exciting for those sellers who are bringing new listings onto the market in the summer. Thank you to everyone involved in making Pitch Plus such a fantastic benefit for the sellers, our members and affiliates.

Additionally we welcomed new members to MIAAOR with a strong orientation class this month. Clearly we have a tremendous amount of exciting initiatives happening across the association. I invite you to participate and take advantage of the many programs designed to help us sell more.

Continued success to all MIAAOR members and affiliates!

Mike
Welcome NEW Members!

The following members were inducted in May:


Congratulations to the following members who just completed the May 2017 session of the MIS (Marco Island Specialist) Program.


A SPECIAL THANK YOU to the following RSN Members who graciously sponsored: Dawn Norgren/Island Title 5 Star Agency, Peter Prodanov/Finance of America, and Wendy Atkinson/Centennial Bank.

Also, a SPECIAL THANK YOU to the following presenters who took time out of their schedules to be a part of this program: Marv Needles/John R. Wood Properties, Hyla Crane/Marco Island Center for the Arts, Pat Rutledge/Marco Island Historical Society, Martin Pickney/American Engineering, Bill Morris/Law Offices of William G. Morris, Ruth McCann/Marco Island Civic Association, Jessica McIntosh/Rookery Bay, Nicole Johnson/Conservancy of SW Florida, Chadd Chustz/City of Marco Island, Katie O’Hara/Marco Island Chamber of Commerce and Jack Wert/Collier County Visitor’s & Convention Bureau.
A new version of the Florida Realtors/FloridaBar Residential Contract and its As Is companion debuted in April. One of the most significant changes was to the Paragraph “8(b) Financing” clause.

The contract no longer mentions “Loan Commitment,” for example, because the lending industry has largely dropped the term. It was replaced by the term “Loan Approval,” and the term “Loan Commitment Period” became “Loan Approval Period.”

In addition, the default time for “Loan Approval Period” also was changed back to 30 days from 45 days because loan approvals are no longer being slowed by TRID (TILA/RESPA Integrated Disclosure Rule).

Finally, a requirement in the previous version of the contract—"this contract is contingent upon buyer obtaining a written loan commitment” —no longer includes the word “written.”

Perhaps most confusing, in the previous version of Financing, there was a clause covering either party’s right to cancel the contract up to seven days prior to closing when a buyer did not obtain a loan in a timely fashion. The new version of the contract scraps this concept.

Now the buyer no longer has a unilateral right to terminate the contract for failure to obtain Loan Approval after the Loan Approval Period ends. Instead, if a buyer does not obtain Loan Approval within the Loan Approval Period, the buyer may notify the seller of this—again, in writing—and elect to either terminate the contract or waive the Loan Approval. If by the expiration of the Loan Approval Period a buyer doesn’t give the seller written notification whether or not the loan has been approved, new language specifies the Loan Approval will be considered obtained. This results in the buyer’s deposit being at risk if the buyer fails to close, unless the failure is due to (1) seller default, (2) property-related conditions of the Loan Approval are not met, or (3) the appraisal does not support the loan. These items are set out in Paragraph 7 (b)(vii).

There is a seller’s exception that can impact whether the contract goes forward. If a seller has received no written notification—either that a loan was or was not obtained—the seller may unilaterally cancel the contract by giving the buyer written notice within a three-day period after expiration of the buyer’s Loan Approval Period. But, if the seller does nothing during the three-day period following the Loan Approval Period, the seller’s right to terminate the contract also expires.

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Law & Ethics

**Other Financing Clause Highlights**

In addition to these changes, there are five other major differences in the Financing Clause, including these:

- Loan Approval will not be considered complete if the lender requires a buyer to sell an existing property to qualify for funding.

- New language defines what will be considered diligent effort when a buyer is applying for a loan. The language now requires the buyer to timely provide documents, information, payment of fees and charges per the lender requirements to meet the diligent effort standard.

- An additional clause permits the closing agent to share the settlement statement and Closing Disclosure with the seller and real estate brokers. However, this doesn’t obligate the closing agent to share the documents, and doing so might violate some lenders’ closing instructions.

- A buyer who has used due diligence but is unable to obtain Loan Approval can notify the seller in writing at any time before the Loan Approval Period ends.

- One of the items in 8 (b)(vii), is about returning deposits when a deal doesn’t close because a lender’s “financial failure” was removed from the new version.

For changes to other clauses, go to floridarealtors.org/NewsAndEvents/article.cfm?p=1&id=349055

ETHICS

HOME ALONE

Never provide access to a listed home without being present.

Realtor Jennifer recently relocated her family 30 miles north of her hometown. She still sells real estate in her hometown and consistently has new listings and buyers who want to work with her. With three kids and aging parents, Jennifer is busy. Recently, new buyers contacted her about a listing in her former area and asked if they could see it. Jennifer’s schedule was full that day, so she contacted the listing broker for the electronic lockbox access code. She then contacted her buyers and interviewed them to ensure they were serious. They had been referred by a former buyer, so she had a lot of confidence in them. She realized she could not make the showing, so she gave the buyers the lockbox combination and told them they could, just this once, let themselves in.

The day of the showing, the buyers arrived more than an hour late. As they were strolling through the house, the sellers returned. When the buyers were leaving, the sellers asked for the Realtor’s card, and the buyers explained that Jennifer hadn’t come with them. The sellers were appalled. They contacted their listing agent and demanded the code be changed. The listing broker was embarrassed.

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Ethics

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The listing broker confirmed with Jennifer that she had indeed provided the code. Jennifer told them that she didn’t see the big deal as “everybody does it.” The listing agent filed an ethics complaint and cited Article 3, Standard of Practice 3-9: ‘Realtors® shall not provide access to listed property on terms other than those established by the owner or the listing broker.’

Why it may be a violation: Realtor Jennifer will most likely be found in violation of the Code of Ethics. She knew she didn’t have the authority to provide lockbox access to these buyers, but she did it anyway. She may face a stiff fine. This is unacceptable behavior.

HOMEOWNERS’ ASSOCIATIONS

Q. I have a listing for a residential bank-owned property. The property is in a community with a mandatory homeowners’ association (HOA) governed by Chapter 720, Florida Statutes. Is the disclosure summary shown at Section 720.401(1)(a) in all-capital letters required to be part of the sale and purchase contract if the property is bank owned?

A. Yes. When a residential property is in a community with a mandatory HOA, the sale and purchase contract shall refer to and incorporate the disclosure summary. There is no exception for bank-owned property. If the seller neglects to provide this disclosure summary, Section 720.401(1)(c) provides that the buyer may void the contract by delivering written notice to the seller or the seller’s agent within three days after receipt of the disclosure or prior to closing, whichever occurs first. Both the Florida Realtors CRSP-13 Homeowners’ Association Addendum and the Florida Realtors/Florida Bar Homeowners’ Association/Community Disclosure rider (CR-3 B) contain the required disclosure summary.
SAVE THE DATE: Friday, July 14, 2017

Florida Realtors® District 5 event - More details forthcoming soon!

DISTRICT 5 CASINO NIGHT

July 14, 2017  |  5:00PM  |  Seminole Casino  |  506 S 1st St., Immokalee, FL

- Slot Tournament
- Blackjack Tournament
- Reception
- Reduced Room Rates
- Save the Date
Benefits of MIAAOR Membership

MLS SERVICES

- Quarterly iMapp Webinars
- Monthly MLS Updates

E-mailed monthly, includes MLS changes, information from FR, NAR, ListHub, DBPR, RPR

- Monthly MLS Broker Updates

E-mailed monthly, includes items important to Brokers and risk management information

- MLS Features

Prospect Manager/Buyer Match, Bulletin Board Alerts, News and Needs Section, Driving & Mapping directions, PDF document attachments, Social Networking links, Open House postings

- MLS Classes

Form Simplicity

MLS Classes - Prospecting, Custom Displays and Searches, Comprehensive CMA, Statistical Reports, IDX Link Manager, Listing Input and Enhancements

Optimizing the MLS - 4 CE Credits - RPR—Realtor Property Resource

- Mike O’Rourke, 2017 President, MIAAOR

“MIAAOR...Helping You Sell More”

Please click the links below to view the most current statistics from Florida Realtors®:


MIAAOR Membership as of April 30, 2017:

Designated REALTORS® 48
REALTORS® 501
Appraisers 3
AFFILIATES 49

Thank You to this month’s advertisers:

Island Country Club/Panther Home Inspections/Law Offices of William Morris/Commission Express/Island Title 5 Star Agency.

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A.R.A. Insurance, Inc. is an independent insurance agency and we represent numerous Florida insurers. With the ability to utilize the products of many carriers, our customers benefit from our expanded resources to obtain property insurance coverage at the lowest premium. Our coverage always includes losses from windstorm, including hurricane.

Lutgert Insurance - Marco

Sandi Benson
239-280-3230

Sandi Benson started in the insurance industry in Michigan and moved to Florida in 1990 where she has been writing Homeowners, Auto, Umbrella, Flood, etc. ever since. She is currently an Agent with Lutgert Insurance with offices on Marco, in Naples, Ave Maria, Fort Myers, Sarasota, Lakewood Ranch and Orlando.

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Island Title 5 Star Agency
Dawn Norgren
239-394-4888

Island Title 5 Star Agency, LLC is the home of the Award winning Island Title 5 Star Closing Team with over 35 years as the best closing option on the Beaches of Southwest Florida.

Our 3 offices in Southwest Florida offer our customers a choice in convenience when selecting closing options best for them. The Staff at Island Title prides itself on dedicated service to our customers, The Marco Island Area Association of Realtors and the Marco Island Area community! We are TRID ready, ALTA Best Practices Certified and named The #1 Agent for Performance Excellence in Collier County for the 5th year in a row by First American Title Insurance Company – the Country’s largest Title Underwriter. Our Marco Island Office is located just above the Speak Easy Restaurant offering excellent closing services, quick quotes and condominium and homeowner documents in 3 different formats.

Call us TODAY!

The Real Estate Book
Jay Letendre
239-287-8927

Real Estate Showcase Inc has been in business since 1990 and at the forefront of local print exposure using our publications, online media, and large distribution network. Our local products include The Real Estate Book of Naples/Marco Island/Bonita Springs, The Real Estate Book of Lee County, and Southwest Florida LIVING magazine. These publications provide luxury online Real Estate syndication, mobile text codes, targeted direct mail and a broad range of local street distribution. We also provide photography, virtual tours, drone services and video.
REAL ESTATE AGENT TIPS FOR A TIMELY CLOSING

Although closing procedures vary from state to state, having an understanding of what may be required at closing and preparing accordingly will help the settlement process go as smoothly as possible.

» **LEGIBILITY:** Make sure the contract and any handwritten documents are easy to read.

» **CONTACT INFORMATION:** Provide email address, phone numbers and office address, along with preferred method of communication and best time to contact, for all parties involved in the transaction; real estate agents, buyer(s), seller(s), attorneys, surveyor, inspector, Homeowner Association or Condo Association, etc.

Buyers should provide a current physical address, not a Post Office box, to receive documents, if necessary. Sellers should provide forwarding address and new contact information in the event contact is required after closing.

» **TRANSACTION FEE/COMMISSIONS:** Provide the amount to be listed on the closing documents and the parties paying/receiving these fees.

» **ADDENDUMS:** Provide closing agent with copies of any revisions and/or addendums as soon as possible.

» **BILLS PAID:** If debt pertinent to the transaction are to be listed on the closing documents and paid at closing, provide copies to the closing agent at least one week prior to closing. Once the closing documents have been approved by all required parties, modifications could delay the closing.

» **MARITAL STATUS:** Providing current marital status of all parties will help ensure accuracy of the deed and determine whether additional parties need to sign closing documents.

» **POWER OF ATTORNEY AND TRUST DOCUMENTS:** The use of a Power of Attorney (POA) must be approved in advance of settlement by the closing agent and/or lender. If you are planning to use a POA or the property is being held in or placed in a Trust, inform the closing agent and lender as soon as possible.

» **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT OF 1980 (FIRPTA):** If the seller is not a United States citizen, the closing agent may be required to deduct and withhold a tax equal to 15% of amount realized (generally the amount paid for the property). Please advise your customers to review the FIRPTA requirements prior to closing.

» **INTERNAL REVENUE SERVICE (IRS):** All real estate transactions must be reported to the IRS. Inform your seller(s) that they will be asked to provide their social security number(s).

» **MAIL-AWAY:** If any parties are unable to attend the closing, provide physical address(s) where the closing documents should be delivered and a contact phone number. Some documents may require the services of a notary.

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DID YOU KNOW?

As Is Contract Not As Is

The FR/BAR and NABOR “as is” contracts are not really “as is?” They both give the buyer 15 days to cancel and get refund of deposit for any reason or no reason. To create a true “as is” contract, an addendum is required for FR/BAR by checking option C. WAIVER under the NABOR Sales Contract (Residential Improved Property).

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*The hiring of an attorney is an important decision and should not be based solely on advertisement.
Before you decide, ask our firm for additional information about our qualifications and experience.
## June/July 2017 Calendar of Events

### June

**Friday, June 2**
- 8:30am
- Pitch Plus - North/South Tour
- **Sponsored by: First Title & Abstract**

**Tuesday, June 13**
- 8:30am
- MLS Committee

**Thursday, June 15**
- 8:00am
- Board of Directors

**Wednesday, June 21**
- 2:00pm
- Reverse Mortgages - 062117
  - Presented by: Sue Haviland, TowneBank Mortgage

**Thursday, June 22**
- 9:00am
- Comprehensive CMA’s - 062217
  - Presented by: Pattie Ziesig
  - **Sponsored by: Wells Fargo**
- 1:00pm
- Legal Update w/Margy Grant, Florida Realtors 062217PM

**Friday, June 23**
- 8:30am
- Pitch Plus - Island Tour
  - **Sponsored by: Island Country Club**

### July

**Tuesday, July 4**
- Association Office Closed for Observance of Independence Day!

**Tuesday, July 11**
- 8:00am
- New Member Orientation
  - **Sponsored by: Law Offices of William G. Morris**

**Thursday, July 13**
- 9:00am
- Basic MLS - NEW MEMBERS ONLY
  - Presented by: Pattie Ziesig
  - **Sponsored by: Nations Reliable Lending**

**Thursday, July 27**
- 9:00am
- MLS Displays & Searches - 072717
  - Presented by: Pattie Ziesig
  - **Sponsored by: Hilton Moving & Storage**

**Friday, July 28**
- 8:00am
- Pitch Plus - Island Tour
  - **Sponsored by: Florida Community Bank**