



A Message from Your President...



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Cummings**

2017 PRESIDENT

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Everywhere you turn, there's a new real estate story or someone asking about Cache Valley's low housing inventory. Buyers are complaining about the rising cost of housing and agents are frustrated with nothing to offer them. Is it just us? It's not, according to NAR. Over two-thirds of markets across the country are finding they don't have enough homes to meet the demands of buyers.

Lawrence Yun, NAR chief economist says that while inflation is in check, rent rates rose at their highest pace in 7 years, and even new construction homes can't keep up to accommodate the countries rising population. According to Yun, there's no reason to expect anything different in 2017.

NAR is encouraging its members to understand the logic behind the market, so you can be the best advocate for your clients during this stressful time. They offer these tips when explaining market conditions to buyers:

This may be discouraging, but hang in there! Yun is predicting good things to come. "There remains a lot of pent-up demand for homes and for new inventory," Yun says. "As long as job growth remains solid, we should see modest improvement in sales. And if the new administration, in fact, acts on deregulation, we could see real progress on closing the inventory shortage."

- 1. Many home owners are still underwater.** 1 in 5 home owners with a mortgage still don't have enough equity to sell. Real Estate Economy Watch predicts that significant numbers will continue to be equity-challenged for years to come.
- 2. Boom buyers are still holding out.** About 16 million families bought homes at the peak of the boom a decade ago, and many are still waiting around to make a profit. Many of these peak buyers will have to wait another five years or more before they realize much profit on their homes.
- 3. The inventory shortage is squeezing move-ups.** Some owners ready to move up to larger, more expensive homes are holding off because of price instability and lack of homes. But Real Estate Economy Watch says that stability is coming, despite the inflationary impact of market shortages, and predicts that this "vicious cycle" will ease.
- 4. Investors aren't ready to sell single-family homes they are renting.** They're currently making money from both rising rents and home price appreciation. Real Estate Economy Watch cautions against assuming they will sell their "gold mines" any time soon.
- 5. New Construction is helping.** Builders are making a dent in the shortage of homes, but mostly in the higher-tier housing. They could help the inventory problem more if they concentrated on the lower-end demand.
- 6. Baby Boomers are running behind.** Everything from later retirement ages, longer careers, better health, and loss of household wealth/equity during the Great Recession have contributed to a slower-than-expected timeline for this generation. But this may change as many convert their equity into cash while they can still enjoy it, and others won't be able to afford the costs to retrofit current homes in order to age in place.



CALENDAR ITEMS & UPCOMING EVENTS



ADVOCACY Business Luncheon

WITH SPECIAL GUEST
Lt. Governor Spencer Cox

Wednesday, April 12th
12:00 – 1:00 pm
Riverwoods Conference Center

Lt. Governor Spencer Cox will be here to discuss the recent Legislative Session, as well as give us a forecast of the future of Utah. He will be available to answer any questions that you might have. Please join us!



Your *Best* Investment in Real Estate

Our annual RPAC Fundraising auction will take place on June 7th at the Riverwoods Conference Center. *Save your dollars!*

One change that will happen this year is a “Buy It Now” table, for those who want an item, but maybe get outbid during the live and silent auction. Items will include tumblers, stadium seats, car emergency kits, & more! This will be on a first come, first serve basis, so arrive early!

Would you like to donate an item to the Auction?

Contact a member of the RPAC Committee:
Janice Williams (435) 512-2626
Larry Bradley (435) 213-6767
Terri Sizemore (435) 770-9407

APRIL 2017

- 12 ADVOCACY BUSINESS LUNCH
RIVERWOODS CONFERENCE CENTER
- 9 IDAHO CE Course
ASSOCIATION OFFICE
- 23 BOARD OF DIRECTORS MTG
- 21 3 HR CORE CE COURSE
SPONSORED BY: AMERICAN SECURE
- 27 DIVISION CARAVAN
BATC
- 28 BROKER'S BREAKFAST
ASSOCIATION OFFICE

MAY 2017

- 9 3 HOUR CORE CE COURSE
BATC
- 15 NAR LEGISLATIVE MEETINGS
WASHINGTON, DC
- 18 3 HR CORE CE COURSE
ASSOCIATION OFFICE
- 24 BOARD OF DIRECTORS MTG
- 25 NEW MEMBER ORIENTATION
- 25 3 HR CORE CE COURSE
ASSOCIATION OFFICE

JUNE 2017

- 7 RPAC BUSINESS LUNCHEON
- 8 3 HR CE COURSE
- 15 GRI 500 – 16 HR CORE CE
ASSOCIATION OFFICE
- 15 GRI 500 – 16 HR CORE CE
ASSOCIATION OFFICE
- 21 BOARD OF DIRECTORS MTG

Calendar Items can be found on our website or by watching for the weekly calendar items email sent out by the Association Office.

professionalism

noun / pro-fes-sion-al-ism: the skill, good judgement, and polite behavior that is expected from a person trained to do a job well.

TIP

MULTI-OFFER SITUATION

Let's suppose Joan is an agent with ABC Realty. Joan has a listing on a property. The listing price is \$150,000. Jim at XYZ Realty brings in an offer for his buyers at \$145,000. Joan presents the offer to her client/seller. The Seller instructs Joan to prepare a counter offer at \$148,000. Joan prepares the counter offer and presents it to Jim at 7:00 P.M. At 7:30 P.M., another agent with ABC Realty presents to Joan a new offer from Buyer #2 on the property. The offer is for \$150,000. The seller wants to accept Buyer #2's offer. The seller signs and communicates acceptance of the new offer at 8:00 P.M and is now under contract with Buyer #2. At 8:15 P.M., Jim, at XYZ Realty, calls Joan by telephone and tells her that his buyer "accepted" the seller's counter offer at 7:45 P.M. Joan informs Jim that the seller accepted Buyer #2's offer on the property at 8:00 P.M. and the seller has withdrawn his earlier counter offer to the first buyer.

QUESTION: Is there a problem here? If so, what is it? What do you recommend to avoid this situation?

ANSWER: The problem here is that the seller just obligated herself to 2 buyers on 2 contracts at the same time. Not good. Here is what should have happened:

- A. Joan/Seller should have withdrawn the counter offer to the first buyer before accepting Buyer #2's offer. This could be done using the Seller's Notice of Withdrawal of Counter Offer form.
- B. Jim was incorrect in saying that his Buyer (the first buyer) accepted the counter offer at 7:45pm. The buyer may have signed the counter offer at 7:45, but that is not an acceptance. The buyer must sign AND communicate to the other agent that the counter offer has been signed (see section 23 of the REPC). Nonetheless, since the counter offer to the first buyer was not withdrawn, the moment Jim communicated accepted of that counter at 8:15pm, the property was placed under contract even though the seller had already accepted Buyer #2's offer.
- C. Joan could have handled this like any other multiple offer situation. She would first need to withdraw the counter offer to the fist buyer and then decide how to deal with the 2 offers. She could counter both offers using the Multiple Offer Addendum, or she could do "highest and best" using the Seller's Notice to Buyers of Multiple Offers form. Joan would need to make sure she explains all the pros and cons to the different approaches.



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are posted daily on our NEW Facebook Page.
Check it out!



DIVISION OF REAL ESTATE WARNS: Email scam stealing loan proceeds in wire fraud...

*Below is a press release from the State of Utah Department of Commerce on May 25, 2016.
At the time, they had not received any reports of this scam happening in Utah, but it has now.
One being reported from within the Cache-Rich Association of Realtors®.*

“Fraudsters sending convincing emails to divert real estate funds to their accounts” states the Utah Division of Real Estate. Francine A. Giani, Executive Director of the Utah Department of Commerce, announced that the Utah Division of Real Estate is warning Utah consumers to be on the alert for a real estate scam that targets property transactions through phony emails to coerce respondents into wiring loan transfers and other high dollar real estate amounts to con artists’ accounts. According to the Federal Trade Commission, this scam has been around since 2012 but has recently resurfaced in some states.

“Similar to IRS scams, these real estate scams may travel state-to-state seeking new victims. Please carefully review any email messages regarding your property transaction and if there is any doubt, contact your real estate agent or mortgage broker to verify before releasing any information or funds,” advised Francine A. Giani.

While Division investigators have not received reports of this fraud occurring in Utah, the National Association of Realtors (NAR) has released media alerts regarding the wiring instruction scam that has caused practitioners and members of the public to lose earnest money, closing costs, down payments, and in some cases, loan proceeds. “All parties in a real estate transaction should be wary of email communication especially if last minute changes are requested,” stated Jonathan Stewart, Director of the Utah Division of Real Estate. “If criminals have access to your email account, they can make anything sound legitimate.”

According to the NAR, this scam starts with a con artist gaining access to an email account by either hacking or obtaining login credentials through a phishing scheme. Once they have access to an email account, they monitor emails about a pending real estate transaction until the transaction is about to close. Typically within 24 hours of a transaction closing, they will use the email account to send new wiring instructions to the buyer, seller, title or escrow agent, lender, real estate agent or broker, etc. The new wiring instructions often have the money going to a bank account outside of the country. By the time the fraud is recognized, the money has already been withdrawn from the fraudulent bank account and it is too late to locate the criminal.

Tips for Real Estate Professionals

1. Inform clients from day one about your email and communication practices, and alert them to the possibility of fraudulent activity. Explain that you will never send, or request that they send, sensitive information via email.
2. Prior to wiring any funds, the wirer should contact the intended recipient via a verified telephone number and confirm that the wiring information is accurate.
3. If a situation arises in which you have no choice but to send information about a transaction via email, make sure to use encrypted email.
4. Security experts often recommend “going with your gut.” Tell clients that if an email or a telephone call ever seems suspicious or “off,” that they should refrain from taking any action until the communication has been independently verified as legitimate.
5. If you receive a suspicious email, do not open it. If you have already opened it, do not click on any links contained in the email. Do not open any attachments.
6. Clean out your email account on a regular basis. Your emails may establish patterns in your business practice over time that hackers can use against you.
7. Change your usernames and passwords on a regular basis
8. Never use usernames or passwords that are easy to guess.
9. Make sure to implement the most up-to-date firewall and anti-virus technologies in your business.

CHARITY PARTNERSHIP UPDATE

The Cache-Rich Association of Realtors® is excited to be partnering with the Cache Community Food Pantry during 2017



We ask that all Realtors® come together and share our good fortune with those experiencing challenging situations. Hunger is a real issue in Cache Valley, and your donations feed hundreds of families each month.

Seasonally, the Food Pantry finds themselves low on certain items that are crucial. The goal of the CRAR is to help bridge the gap between what they have and what they need, both financially and through donations.

The Goal: \$10,000 raised & 10,000 items collected

We can accomplish these goals if every member will pledge only \$25 and 25 items to this cause. It's as easy as that! Donations can be dropped off to the Association Office, or if collected at your office, we'll be happy to pick up. Financial donations are being accepted via cash, check or credit card at the Association Office.

Cache Community Food Pantry

APRIL thru JUNE "Needs"

Hygiene Items

- Dish, Bath & Laundry Soaps
- Feminine Products
- Diapers & Wipes (any size)
- Deodorant
- Toothpaste/brushes
- Shampoo & Conditioner
- Lotion
- Toilet Paper
- Tissues

