



2009

BROKER SUMMIT

THE 2009 KAR BROKER SUMMIT, the only statewide broker training event in Kentucky. With the market changing rapidly, it's important to adapt, and adopt, in order to retain a competitive edge. As Kentucky real estate brokers, managers and owners, the Kentucky Association of REALTORS® strives to offer you the most essential and current information on industry issues and trends to help your business prosper. The Summit will offer national speakers and discussion sessions, as well as a variety of networking events to help keep you on top of your game. By attending this event, you will discover real solutions for real challenges. You can connect with the best in the industry and implement real solutions at your office immediately. There is no better time for education than now.

April 23 & 24, 2009 - Crowne Plaza, Lexington, KY

Registration fee: \$99

Download a registration form
at www.kar.com

(includes all materials needed as well
as breakfast, lunch and reception)

For hotel reservations at the
Crowne Plaza, call 859.255.4281.
Reference the KAR Broker Summit.

Room rates start at \$85/night.

For more information, call 800.264.2185.



Marc Davison, founder of 1000Watt Consulting, is a force of nature. He is perhaps the most creative, challenging and amusing thinker in real estate today. His perspective on real estate's future is totally original. There's no hype. No tired statistics on web adoption. Just pure visionary thinking of the highest order. He is also a regular columnist for Inman News.



Laurie Janik, general counsel for the National Association of REALTORS®, has been with NAR since 1977. She is a frequent speaker at REALTOR® association meetings and is well-known for her broad range of knowledge on national real estate related lawsuits as well as legal issues and responsibilities.



Dave Adkisson, president and CEO of the Kentucky Chamber of Commerce, earned his master's degree from Harvard University. He began his career with the Owensboro Chamber of Commerce. At age 34, Adkisson was elected mayor of Owensboro and led the effort to revitalize Owensboro's downtown, created the RiverPark (performing arts) Center.

Open to all Kentucky brokers, managers and owners.

Stimulus helps homeowners, buyers

A refundable first-time home buyer tax credit of up to \$8,000 is the centerpiece of four housing incentives found in the 2009 American Recovery and Reinvestment Act.

The new credit is designed to boost sales in the nation's sagging housing market.

Lawrence Yun, chief economist for the National Association of REALTORS®, predicts home buyers will purchase an additional 300,000 homes in 2009 as a result of the tax credit.

"The impact will likely not be felt for at least three or four months, because it generally takes buyers that long to qualify for a mortgage and search for a home," says Yun.

The new credit improves on a first-time homebuyer credit passed in 2008, Yun says. That credit had to be paid back over a period of 15 years, making it more of a loan than a true credit.

"We think this year's tax credit will certainly have a much bigger impact because it is a true tax credit which is also refundable," Yun says. "For instance, if you owe \$1,000 in taxes and qualify for the first-time homebuyers tax credit, you will receive a tax refund of \$7,000."

Yun believes activity spurred by the new credit will help bring down housing inventory and stabilize prices.

Other incentives

In addition to the first-time homebuyer tax credit, the stimulus legislation includes three more measures that could have a positive impact on homeowners, homebuyers and home sellers.

Expansion of the home improvement tax credit. The tax credit for making energy-efficient home improvements has been raised to 30 percent of the cost of the improvements, up to a maximum of \$1,500. Eligible improvements, which must meet the standards established by the federal government, include replacing doors and windows, adding insulation, and installing new heating and air conditioning systems and water heaters.

Higher FHA and conforming loan limits. The maximum FHA loan limit for high-cost areas has been restored to the 2008 level of \$729,750. Stimulus legislation passed by Congress in the first half of 2008 temporarily raised the FHA loan cap from \$362,790 to \$729,750 in cities where housing is particularly expensive. However, the higher loan limit expired in January and was replaced by a lower loan limit of \$625,000. The stimulus package restores the 2008 limits through the rest of 2009.

Higher FHA reverse mortgage loan limits. Loan limits for reverse mortgages insured by the Federal Housing Administration have been increased to \$625,500 across the country.

Source: Bankrate



Rules for 2009 first-time home buyers tax credit

- Does not have to be repaid unless the home is sold within three years.

- Applies only to first-time home buyers, defined as those who have not owned a home within the previous three tax years.

- Available only for homes purchased between Jan. 1, 2009, and Dec. 1, 2009.

- Restricted by income; phases out for individuals with an adjusted gross income of \$75,000 or above and for married couples with a combined adjusted gross income of \$150,000 or above.

- Tax credit is for up to 10 percent of the purchase price, up to a maximum of \$8,000. For example, a buyer of a \$150,000 home could receive a tax credit of a maximum of \$8,000, while a first-time buyer of a \$70,000 home would be eligible for a tax credit of \$7,000.

- The credit can be taken on 2008 taxes even when the purchase is made in 2009.

Kentucky receives \$37 million in federal grants

Kentucky will receive \$37 million in federal funds to help communities revitalize distressed neighborhoods and maintain property values.

Gov. Steve Beshear made the announcement Monday in Lexington, saying that cities, counties and non-profits can use the money to buy foreclosed properties at a discount, make repairs and re-sell the homes to Kentucky families.

"These groups can also create more affordable rental housing, tear down dilapidated vacant buildings that lower surrounding property values and purchase land that may be sold later for a profit," Beshear said. These are just a few of the options communities have to prevent the decline of property values.

Applications for money from this Neighborhood Stabilization Program received by last month's deadline are being reviewed, Beshear said. He hopes to announce recipients by the end of the month. Preference will be given to projects that green building technology and renewable energy sources. Special attention will be given to veterans and active members of the military .

Source: Lexington Herald-Leader



To view a summary of Multiple Listing Policy changes for 2009, including the new Virtual Office Website Policy and VOW Rules and Regulations that must be adopted by all REALTOR MLSs. This summary highlights changes in MLS policy adopted in 2008 that are effective January 2009.

[Click here to learn more.](#)

New broadband law to help real estate

The \$790 billion economic stimulus bill enacted into law last week includes \$7.2 billion for broadband deployment. That will help real estate, because property values are 6 percent higher on average in communities with broadband, U.S. Commerce Department data has shown.



The stimulus bill creates a Broadband Technology Opportunities Program that will be given \$4.7 billion for the deployment of broadband infrastructure in unserved and underserved areas of the country. An additional \$2.5 billion in loans and grants will be administered by the U.S. Department of Agriculture's Rural Utilities Service.

Grants are available to a range of applicants, including municipalities, public-private partnerships, and private companies, as long as they comply with grant conditions.

Online CE courses available

It is now possible to earn CE credit for your real estate license renewal without leaving your home or office. These courses may be entered and exited at your convenience. Once you register for a course, you can begin immediately. All course work must be completed in a 12-month period to earn CE credit. Your completion date of the course determines the year the credit will be issued.

Three courses are available:

Enviromental Issues in Real Estate - 6 hours (3 hours law credit & 3 hours elective credit)

Real Estate Finance Today - 3 hours (3 hours elective credit)

Fair Housing - 3 hours (3 hours law credit)

[Click here to learn more](#)

REALTORS® hear good news from Fannie

On February 24, 2009, Fannie Mae sent Announcement 09-03 to its servicers instructing them NOT to negotiate commissions on short sales below the amount negotiated by the listing agent (unless the commission exceeds 6 percent).

The requirement took effect March 1, 2009. Fannie Mae recognizes that (a) negotiating commissions for short sales is unfair because getting a short sale to closing requires intensive work over many months, often requiring working with numerous buyers, and (b) compensating real estate agents fairly benefits Fannie Mae because agents play a crucial role in short sales. The announcement reminds servicers that third party approvals (i.e., private mortgage insurers) may be required and can affect commissions.

NAR welcomes Fannie's announcement, and has urged Freddie to follow Fannie's lead.

This is tremendous news, as it has been a practice of short-sale lenders to condition a contract approval on the willingness of the listing firm to lower its commission. No word yet on whether Freddie Mac and other mortgage holders follow suit.

[Access the Fannie Mae Servicing Guide Announcement](#)

Provisions in stimulus bill offer tax relief for small businesses

The economic stimulus bill contains several tax provisions that will help small businesses struggling in a tough economy.

Here are some of the provisions that might prove especially significant to a real estate-related business:

Net operating loss carryback

If your company lost money in 2008, but paid taxes on profits in the past five years, you can apply last year's loss to prior-year taxes - and likely get a refund on taxes you've paid in the past.

Deduct and depreciate equipment

Companies that bought new equipment in 2008 can treat it as an operating expense and immediately deduct the whole amount up to \$250,000, a \$117,000 increase over its previously scheduled limit.



Shorter holding period for S-Corps

This shortens the period that S-corp assets can be sold without paying taxes on built-in gains. A built-in gain is the difference between the fair market value of the assets and their tax basis at the time the company put an S-corp in place. The impact of this is that many business owners will be able to retire earlier without facing two layers of taxation.

Source: *BusinessWeek.com*

Calls for 2009 Award Nominations

Distinguished Service Award

Deadline: Friday, June 12, 2009

REALTOR® of the Year Award

Deadline: Saturday, August 15, 2009

Nat Sanders Education Award

Deadline: Saturday, August 15, 2009

REALTOR® Community Service Award

Deadline: Saturday, August 15, 2009

Please visit the KAR Web site (www.kar.com) for nomination forms and more information about each of these awards.

KAR scholarship for 2009 NAR professional standards education seminar

KAR will award a scholarship of up to \$1500 as reimbursement for expenses to attend the 2009 NAR Professional Standards Education Seminar which will be held in Chicago, IL, August 20-21, 2009. An applicant will be awarded the scholarship based upon the following criteria:

- Attendance at previous NAR Professional Standards Education Seminars
- Professional Standards experience
- KAR participation

Applications can be downloaded from www.kar.com or contact KAR for a copy. Applications must be submitted to KAR no later than May 1, 2009.

The next generation of housing

At the recent International Builders Show, builders got to see what the future holds for housing through products and features that can be integrated into today's designs.

Everything that can be imagined was on display. Here are a few of the more impressive items:

- An HD television built into the bathroom mirror.
- A hot water delivery system that saves up to 12,000 gallons a year and costs less than a dollar per year to operate.
- Flooring with leather tiles made entirely from recycled BMW car seat scraps.
- Kitchen counters that resemble granite but actually made from everything from old traffic lights to beer bottles.

To top it off was the "First to the Future" National Demonstration Home, a 5,300sf home that highlighted the best building practices and the latest in home technology. The house has countless security and home entertainment features, including a fingerprint access control system eliminates the need for house keys and entry codes. It also automatically adjusts the lighting, temperature and music to the homeowner's liking.

The home was also built with windows and doors that builders say will never rot or warp, interior flooring that is four times more durable than standard flooring, and roofing that holds up against 120 mile per hour winds.

NAR Leadership Academy: make recommendations

March 31 is the deadline for the 2010 NAR Leadership Academy. References from a state officer or state AE and local AE are needed. The Academy provides leadership training that is valuable at any level of the REALTOR® organization.

Participants develop their communication, team building, and goal setting skills. They also review the many resources available from national. Think about your leadership pipeline and the advantage to preparing your members to face the challenges of leadership.



To help members through today's difficult market, NAR is making all of its programs, resources, tools and materials available at cost, at steeply discounted prices or absolutely FREE. Each month new resources are added. See what's available for March at the "Right Tools, Right Now" Web site.

[Click here](#)

Join KAR on Facebook, LinkedIn and ActiveRain

Join now and become a member of the KAR groups! KAR has added additional sites to its list of social networking outlets.

If you are not currently on these sites, getting started is easy. Just log on to www.facebook.com, www.linkedin.com or www.activerain.com and set up a profile.

Joining is free and once you become a member, you can request to be added to the KAR groups. That's all there is to it.

To locate the KAR groups, use the search feature or go directly to the group:

Facebook

www.facebook.com/group.php?gid=9244727021

LinkedIn

www.linkedin.com/groups?gid=1323837

ActiveRain

activerain.com/groups/kar



Commercial real estate education

If you are looking for affordable commercial education then register today for one of three upcoming RCA webinars. On March 11, the RCA is launching its first free webinar.

The March 11 webinar, "The Secrets of Commercial Real Estate Success in a Challenging Economy" will offer strategies of self mastery that will lead you to sales success regardless of economic conditions.

Dr. Drew Stevens, internationally recognized sales and marketing authority, will share his proven strategies for establishing a foothold in your target market and mastering the art of business development.



[Learn more about the March 11 webinar](#)

On March 19 and March 20, the RCA, in partnership with Top Dogs, is offering two webinars at a deeply discounted rate of \$49 per session.

The March 19 webinar, "Retail Properties - 29 Questions You Must Ask", will cover everything you need to know in order to present yourself as an expert in retail properties.

Dramatically reduce the time it takes to become an expert in retail properties.

The March 20 webinar, "How to Build Your Personal Brand, Become a Recognized Expert, and Get \$100,000 Worth of Free Advertising" will show you how to become the first person thought of within your specialty.

[Learn more about the March 19 and March 20 webinars](#)

Facts At A Glance

**Summer Business Meeting
Lake Barkley, Cadiz, Kentucky
June 17 - 19**

Mark your calendars and make plans to attend the Summer Business Meeting...and do so at the fabulous rate of FREE!

You'll have the opportunity to network with your peers from across the state, socialize at the events each night and advance your Association through the various business committees and other functions.

Check the KAR Web site for more details - new information will be posted as it becomes available.