



Desert Communities Association of REALTORS® April 2010

UNDISCLOSED SHORT SALE PAYMENTS MAY BE ILLEGAL

Undisclosed payments in short sale transactions, especially those paid outside of escrow, may violate the law, including RESPA, laws against loan fraud, and licensing laws. Short sale agents have increasingly reported to C.A.R. about requests for agents and their clients to pay junior lien holders and others, oftentimes outside of escrow. One common scenario is when a short sale seller's senior lender authorizes a payment of \$3,000, for example, to extinguish a junior lien, but the junior lender demands that the buyer pays an additional \$9,000 outside of escrow. Not only would it be risky for a buyer to pay outside of escrow, but concealing this additional payment from a federally-insured senior lender may constitute loan fraud, which is a crime punishable by 30 years imprisonment plus a \$1 million fine (18 U.S.C. section 1014). Furthermore, omitting from the HUD-1 Statement any charges paid at settlement by either a buyer or seller may violate the Real Estate Settlement Procedures Act (RESPA) (Appendix A to 24 C.F.R. Part 3500). Depending on the specific circumstances, carrying out these payment requests may also violate other laws and regulations, and an agent's participation in the scheme may be subject to license revocation by the Department of Real Estate or other disciplinary action.

Agents and their clients are encouraged to file any complaints regarding fraudulent activities to the proper authorities, including the following agencies:

Attorney General's Office California Department of Justice 800-952-5225 Phone <http://ag.ca.gov/consumers/mailform.htm>

Department of Housing and Urban Development (HUD) HUD Office of Inspector General Hotline (GFI) 800-347-3735 Phone <http://www.hud.gov/offices/oig/hotline>

Federal Bureau of Investigation (FBI) 202-324-3000 Phone <https://tips.fbi.gov>

Important Number

GE Supra Agent Support
(877) 699-6787

Paragon 4 Tech Support
(877) 657-4357

Zipforms Support
(213) 739-8227 Login

C.A.R. Legal Hotline
(213) 739-8282

REALTOR® S.W.A.T.

C.A.R. is coming to a location near you delivering must-know business updates for this year's market. The full-day event includes a local economic and market update by a C.A.R. economist; panel discussion with legal and finance experts to help you navigate the new laws; four hours of continuing education credits on the new Residential Purchase Agreement and Joint Escrow Instructions (RPA-CA Form); an overview of how to use the Treasury Department's Home Affordable Foreclosure Alternatives program; and includes continental breakfast and lunch.

To register visit <http://www.edesignations.com/SWAT/>

April 2010

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4 Board Office Closed	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22 Lunch & Learn @ Board Office	23	24
25	26	27	28	29	30 Precision Ultrasound	

4th
BOARD OFFICE
CLOSED

22nd
General
Membership
Luncheon @
Noon @ Board
Office

30th
Precision
Ultrasound @
Board Office @
9AM

SIGN UP FOR APRIL'S LEGAL WEBINAR

Join us on April 5, 2010 (Registration FULL watch for registration to open for the next webinar and don't delay on registering!) from 1 to 2 p.m. for a *Legal Live Webinar* on the newly revised C.A.R. Residential Purchase Agreement (RPA-CA).

C.A.R.'s Assistant General Counsel Neil Kalin will discuss the upcoming changes to the RPA-CA, which are scheduled to be released on April 28, 2010.

He will also provide REALTORS® with valuable insight and effective practice tips for using the revised form.

Registration is simple, but space is limited, so sign up now at www.car.org/legal/legal-live-webinars

Trivia and/or Trivial

The owl's eyes
are bigger than
its brain!



C.A.R. Q & A

Member Legal Services has published the following:

Short Sale Tips for REALTORS®

<http://www.car.org/legal/legal-questions-answers/2010-qa/short-sale-tips/>

Just click on the link or copy and paste to your web browser

Around the Board Office

The Board Office will be closed April 4th

2nd Quarter MLS dues billing will be mailed on April 2nd, payments are due by April 30th. A \$25.00 late fee will be applied to unpaid dues on May 1st

“No man has a right to withhold his support from an organization that is striving to improve conditions within his sphere.

Every man owes a part of his time and money to the business or industry in which he is engaged.” Teddy Roosevelt

Open enrollment begins April 1

C.A.R.’s open enrollment period for medical and vision coverage begins April 1 and concludes May 15, with coverage effective June 1. Important elements of C.A.R.’s open enrollment insurance offerings include:

- Kaiser Permanente: Guaranteed issue and no pre-existing conditions limitations.
- Anthem Blue Cross of California: Guaranteed issue, and the ability to choose from PPO, HMO, or HSA programs. There are no pre-existing conditions limitations on the HMO plan.
- MetLife Dental: Two PPO plans available, with competitive pricing and no waiting periods. The annual dental open enrollment period is October 15 through November 30 for a January 1 effective date. New members or members with a qualifying event may be eligible to enroll. Call RealCare for more information.
- Medical Eye Services vision: No copay for exams, and no copay for frames and lenses with MES-approved providers once every 12 months.

MetLife Life: \$25,000 or \$50,000 of life and accidental death and dismemberment (AD&D) coverage, featuring guaranteed issue for new members and simplified issue for existing members who have not been hospitalized within 90 days of making application. Other members may complete a medical history statement and request Life coverage although coverage is not guaranteed.

Restrictions apply. Please call (800) 939-8088, ext. 202 for more information or visit

<http://www.car.org/members/Insurance/>



Affiliate Corner



Allied Home Mortgage Capital Corp - (760) 209-4464

American Home Shield - (760) 578-1345

Desert Pacific Exterminators - (760) 365-4912

Farmers Insurance - (760) 365-2420

Fidelity Title - (760) 220-6527

First American Title & Escrow - (760) 473-1589

Hi Desert Publishing - (760) 365-3315

Judy & Dave Rentals - (760) 366-8229

Old Republic Home Protection - (800)445-6999 Ext. 1169

Pacific Western Bank - (760) 365-6371

Property ID - (760) 403-4187

Real Estate Pictorial - (760) 910-1043

Superior Mortgage - (760) 415-7982

Ticor Title Company - (760) 250-9118

Wells Fargo Home Mortgage - (760) 367-3622

This Publication brought to you by:

Desert Communities Association of
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www.dcaorweb.net

Wendy Montroy
Association Executive Officer

This a free monthly publication
available to all DCAOR members.

2010 Board of Directors

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