



SPECIALIST

THE • NEWSLETTER • FOR • CERTIFIED • RESIDENTIAL • SPECIALISTS

Arizona Chapter

Fall 2004

VIEW US IN COLOR ON THE WEB: www.arizonacrs.com

ARIZONA CRS CHAPTER 2004

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Harvey Mordka	520-298-8500
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Paul Pastore	480-603-3800
Jackie Cole	480-892-5300
REGIONAL REPRESENTATIVES	
Casa Grande - Patsy Zeitlin	520-836-9494
Chandler - Bill Ryan	480-963-6000
Flagstaff - Gary Nelson	928-556-0009
Glendale - Judy Terrell	602-439-0085
Pinetop - Rich Mullins	928-369-4300
Prescott - Flo Day	928-771-0007
Sedona - Roy Grimm	928-282-2757
Scottsdale - Lucille Fraas	480-661-8900
Tempe - Larry Sunday	480-838-7772
Tucson - Ida Niwinski	520-615-8400



What's a "Duel in the Desert"

A "Duel in the Desert" is a charity event sponsored by the Arizona CRS chapter. It is a listing presentation by two high profile Realtors who try to persuade an intelligent, handsome, articulate seller into doing business with them.

Do you remember when real estate agents used to go on listing appointments and have an inventory of listings? A wise man once said, "old Realtors never die, they just grow listless."

There have been two "Duels in the Desert" in the past year in the Phoenix area. The first duel was between Bill Ryan, CRS and Mike Mendoza, CRS, both mega-agents mentioned in Gary Keller's book "The Millionaire Real Estate Agent." Around 700 agents attended the vent that raised about \$5,000 for an orphanage in Mexico.

The second duel was between Russ Shaw, CRS and Nate Martinez, CRS. There were about 500 in the crowd that raised another \$5,000 for the Mexican orphanage and Friendship Acres in Mesa. Russ was cautioned when he suggested Nate was a member of the Taliban. Nate's comments that Russ was a "girley-man" were edited from the DVD's that were produced. These DVD's can be purchased from US Inspect if you were unable to attend. (Pat Thiel (480) 213-8197.

These events took the place of the quarterly CRS luncheons in the Phoenix area. They aided several charities, increased attendance, and exposed the CRS chapter to new members.

Theoretically, the next "Duel in the Desert" will be between two female agents. If you know any high profile women that would like to help a good cause, and are not afraid of being on stage, let me know.

Sincerely,
Paul Pastore





**A special 25th anniversary edition
State CRS directory is being published.**

**A copy of this directory will be distributed
to all active CRS Arizona chapter members.**

**Information for this directory will be taken
from the www.arizonacrs.com website.**

**Please go to the CRS website
arizonacrs.com
and verify that your information
listed is correct.**

**If you need any corrections made,
please send an email to
azcrschapter@aol.com
as soon as possible.**

Tips for CRS

1. The 25th edition of "Who's Who in Arizona Real Estate" has begun. Pat Tiehl at US Inspect is heading this task force. If any friends of the chapter want to be in this issue or take part, have them contact Pat at:

480/213-8197 or pthiel@usinspect.com

2. I belong to the real estate cyberspace society (RECS). They have a guru helpline. Check out their website at recyber.com. What about a tab on our website that says 'GURUS'? It would allow members to ask questions of seasoned CRS agents that are knowledgeable in residential fields.

3. What about a monthly online email blast to members? It could be a question of the month, or a monthly discussion. For example: If a buyer is getting an 80% first loan and a 20% second loan. They qualify for the first, but not the second; are they entitled to a refund of their earnest money? *(I bet you don't know!)*

A Note from the Chapter Administrator

By Jeanie Merideth



The Fall season will be upon us before we know it and not too soon for some of who are ready for the weather to cool off a bit.

With the Fall comes many changes. The Arizona CRS Chapter will be celebrating our 25th Anniversary. Please take advantage of the gift certificate that has been posted on the web site at <http://www.arizonacrs.com>. This is an opportunity that doesn't happen often.

While you're at the web site at www.arizonacrs.com, check out your member record to make sure all the information listed for you is correct. In this fast paced world we live in, things are always changing and sometimes we forget to let everyone know our changes (ie: phone numbers, email address, company, etc.). To send in your updated information click on the chapter office email address listed under my name as the Chapter Administrator. Remember, you can have your picture posted with your record. If you have a picture already posted check it out. Do you have one that is more current? Either email a digital copy or snail mail a photograph and it will be posted with your record. Also, take a look around the website and let us know what you think. The Chapter is considering changing the overall look of the site. Any suggestions you might have would be welcome. If you have visited other sites that you think are great let us know.

With the 25th Anniversary the chapter will be publishing a printed directory so it is even more important that all your information be correct. There is nothing worse than getting a membership directory that you're listed in and all the information is not correct. We rely on what you tell us so make sure your info is correct.

This year I will have the opportunity to attend the CRS Day at the Annual NAR Convention in Orlando, Florida. This takes place in late Fall. I hope to have the opportunity to meet some of you there. By the way, be sure to visit the chapter web site at:

www.arizonacrs.com.

Oh! I said that already, didn't I.

**Jeanie Merideth, Chapter Administrator
PMB #139; 3305 N. Swan Rd., #109
Tucson, Arizona 85712
(520)299-6787 • Fax: (520)299-6431
azcrschapter@aol.com**



Providing Shelter
for Homeless
Women with Children

Become a PROUD SPONSOR and help put an end to the fear and anxiety so many homeless women with children live with every day.

Since 1987, THE HEARTH FOUNDATION has been providing temporary shelter for homeless women and children. Thru the combined efforts of New Beginnings for Women and Children, and the Our Town Family Centers program called Common Unity, these families receive the counseling and job training necessary for them to become permanently independent and self-sufficient. The HEARTH FOUNDATION is a non-profit, non-sectarian organization managed by volunteers from the Arizona Chapter of Residential Specialists and The Tucson Association of Realtors, and many REALTOR(R) Affiliate organizations. Everyone works extremely hard to help eliminate the helpless feelings and fears of these homeless women with children.

Now, we need to rebuild our 9th transitional housing unit and secure the property with proper fencing. WE NEED YOUR HELP! For as little as \$120.00 per year, YOU CAN BECOME A PROUD SPONSOR and help put an end to homelessness. Please make your checks payable to:

HEARTH FOUNDATION, INC.



Jill B. Knox, ABR, CRS, SRES
Board of Directors Hearth Foundation
Secretary Arizona State Chapter CRS



**Arizona CRS's
Annual Shopping Spree!**

*What a
Happy Day!*

A Letter of Thanks From Casa Esperanza Para Niños

June 7, 2004

Paul Pastor
Re/Max Achievers
1600 W. Chandler Blvd.
Suite #180
Chandler, AZ 85224

Dear Paul,

Words are inadequate to express my appreciation for your generous donation and support to the kids at Casa. I was so honored to once again be a part of your "Duel in the Desert". It was also a joy to share the donations with Sunshine Acres. They have been for many years a mentor and encouragement to me in the development of our home.

It is through the generosity of friends like you that we have been able to equip our home and provide the resources that are vital to our orphanage. I am excited about the continuing and expanding opportunities to move forward and meet the overwhelming needs of our precious children.

Each one of our children has a story that will touch your heart. Two of our older girls, after living on the streets with schizophrenic mothers, are graduating at the top of their classes with honors. A year ago we brought a one-year old girl into our home. The authorities told us that she had many problems. She did not attempt to talk, would not make eye contact and had a difficult time with food. Now, as a two-year old, she is talking, eating us out of house and home, and is happy and secure. All of our kids have similar stories. There are hundreds of children who need our home, but we are limited by our current space and financial resources.

Our purpose will continue to be: providing an atmosphere that will not only house, feed, and cloth children, but will nurture, educate and love those who would not otherwise have a safe environment for development. Our goal is to empower each child for a future of health, spiritual wholeness and excellence.

It is my opinion that never before has it been more possible for one person to make a difference in our world. You are sharing in this challenge -thank you.

Sincerely,



Adonna Cullumber

MEMO

To: Chapter Officers
From: Rachel Tristano, Manager of Chapter and Regional Programs
Date: August 25, 2004
Regarding: 2005 Chapter Half Price Sell-a-bration Registration Offer

We are pleased to present you with the 2005 Chapter Half Price Sell-a-bration Registration Offer!

This email will outline the terms of the program being offered to the current active CRS Chapters in return for their promotion of the event. The purpose of offering this discounted registration to the chapters is not only to engage their assistance in promoting the event but also to increase Sell-a-bration attendance.

Here is what you will need to do to be eligible for this offer:

1. Complete the attached Chapter Prize Order Form and send it in with your payment for \$272.50 (your check made payable to CRS, or your credit card information). Upon receipt, the Chapter will be sent a Prize Certificate for the half price 2005 Sell-a-bration Registration.
2. Promote the event in three different ways.

Examples include:

- a blurb in the chapter newsletter,
- an announcement posted to the chapter website,
- an email announcement to chapter members,
- posting of the Sell-a-bration banner ad with link to CRS Sell-a-bration site on your Chapter Website*
- Distribution of Sell-a-bration flyers*

**provided by National and sent to all Chapter Presidents.*

Please note: Proof of each Chapter promotion MUST be sent to the Council.

3. Use the half price registration Prize Certificate in a drawing or raffle that includes all paid chapter members and chapter officers that wish to participate.
4. Award the Prize Certificate to the winner so that they can attach it to their registration form when registering for the event. Please let us know the winner's name as soon as it becomes available.

IMPORTANT THINGS TO REMEMBER

- You **must** send in the completed Chapter Prize Order Form with payment **before** you can be considered eligible to participate in this offer.
- You **must** send in proof of at least three Chapter promotions of the event. If we do not receive documentation of at least three types of evidence of the Chapter's promotion of the event the chapter will not be eligible to receive the discounted registration.
- If the registration is not awarded in a raffle or drawing it will be forfeited and the chapter will be charged the full amount for this registration (\$545.00).
- If you would like to request the Sell-a-bration banner ad for your website (with the link to Sell-a-bration information) and/or flyers promoting the event, please email me with your request.

Please mail your Chapter Prize Order Form with payment to:

Attn: Rachel Tristano ~ Council of Residential Specialists
1-800-462-8841 - www.crs.com
430 North Michigan Avenue, Chicago, IL 60611

The deadline to purchase this reduced registration is Dec. 31, 2004. No exceptions can be made to this deadline date.

If you have any questions or concerns, please contact me.

Thank you in advance for your time and cooperation.

Rachel Tristano, Manager of Chapter and Regional Programs
1-800-462-8841 ext. 4424 OR by email at: rtristano@crs.com

CHAPTER PRIZE ORDER FORM



2005 Sell-a-Bration: Las Vegas, February 8-10, 2005

CRS Chapter Name: _____

Contact Person: _____

Address: _____

City, State, Zip: _____

Prize used for (raffle, drawing, etc.): _____

All CRS Chapters have the opportunity to purchase one reduced price Sell-a-bration ticket for only \$272.50.

To receive your 2005 Sell-a-Bration Prize Certificate, please submit this completed form along with a check for \$272.50 (made payable to the Council of Residential Specialists) to:

Attention: Rachel Tristano **1-800-462-8841 - www.crs.com**
Council of Residential Specialists
430 North Michigan Avenue
Chicago, IL 60611

OR, fill in your credit card information below:

_____ Visa _____ MasterCard _____ American Express

Name on Card: _____

CC# _____ Exp. _____

Please note: The deadline to purchase a reduced registration is: December 31, 2004.
NO EXCEPTIONS CAN BE MADE.

REGISTER EARLY AND SAVE ON SELL-A-BRATION 2005

There are many real estate seminars, conferences, trade shows and expos you can choose to attend, but if you attend only one real estate education event next year, make sure its
Sell-a-bration 2005 in Las Vegas, February 8-10, 2005.

For the past 16 years top-producing sales agents and brokers from across the country have used Sell-a-bration as a forum to discuss the latest trends in residential real estate and learn new systems and techniques that will immediately impact their businesses. For 2005, Howard Brinton, founder of STAR POWER systems, has created a dynamic program that will feature top keynote speakers and panel discussions with successful CRS Agents and Star Power Stars. For more details, visit www.sellabration.com.

EARLY REGISTRATION DISCOUNTS

Register before Nov. 19, 2004, and receive discounts off registration fees.

<http://www.sellabration.com/05/registration.html>

SPECIAL ONE-DAY COURSE OFFER

Come in early for Sell-a-bration and attend
"Driving Prospects to Your Web Site Made Simple"

http://www.sellabration.com/05/one_day.html

TRY BEFORE YOU BUY

Listen to a sample of the information-rich sessions that are the hallmark of Sell-a-bration education. Download tax expert Chris Bird's session from Sell-a-bration 2004.

<http://www.sellabration.com>

Be One of the Top 4%

in the USA!

***Network with
Your Peers.***

1-800-462-8841

www.crs.com





CRS Officers and Chairs get together for CRS Luncheon
 (left to right) Benny Zenner, Jill Knox, Sarah Frese, Paul Pastore, Sharon Hildebrand, Sharon Ellsworth, Claire Jean Prager, and Christine Moore.

Schedule Your 2005 Classes Now!

"Knowledge Is Power"

The Arizona CRS Chapter has six CRS courses tentatively scheduled for 2005. We look forward to welcoming you to a 2005 class!

TENTATIVE CRS 2005 COURSE SCHEDULE

- **March 17-18, 2005 ~ Scottsdale, AZ**
CRS 202 "Effective Buyer Sales Strategies"
- **June 9-10, 2005 ~ Scottsdale, AZ**
CRS 200 "Business Planning and Marketing for the Residential Specialist"
- **July 29, 2005 ~ Prescott**
NEW CLASS: "Personal Assistant-Finding, Hiring, Training"
- **September 7, 2005 ~ Tucson, AZ**
CRS 150 "Ninja Selling"
- **September 8-9, 2005 ~ Tucson, AZ**
CRS 201 "Listing Strategies for the Residential Specialist"
- **October 20-21, 2005 ~ Scottsdale, AZ**
CRS 210 "Building an Exceptional Customer Service Referral Business"

If you would like to be included on a special preregistration mailing list to have a better opportunity to enroll in any of these classes, please contact:

SARAH FRESE, CIPS, CRS

Fax: (520) 577-1654 Email: sarah@sarahfrese.com

*Thank You to All
 Affiliates for Their
 Continuous Support!*



EARN THE CRS® DESIGNATION

The CRS® Designation, awarded by the Council of Residential Specialists, is the highest professional designation awarded to REALTORS® in the residential sales field. Less than 4% of all REALTORS® hold the CRS® Designation. CRS® Designees earn an average of \$155,876 annually - three times as much as the typical REALTOR® who sells residential real estate. **Call 1-800-462-8841**

THE REQUIREMENTS FOR THE CRS DESIGNATION

There are two options to choose from. Choose the option that matches your level of experience.

OPTION 1

- Education** Any four different CRS two-day courses
- You may use up to two CRS approved distance-learning courses.
 - In addition, you may use two CRS approved one-day courses for credit in place of one CRS two-day course.
- Course Substitutions** You may substitute one of the following for one CRS two-day course:
- Bachelor's Degree
 - Any of the following Designations: ABR, ALC, CIPS, CPM, CRB, CRES, CCIM, FRI and GRI
 - e-PRO Certification
- Production** Either a total of 75 transactions within any five years
OR \$25 million within any five years

OPTION 2

- Education** Any five different CRS two-day courses
- You may use up to two CRS approved distance-learning courses.
 - In addition, you may use two CRS approved one-day courses for credit in place of one CRS two-day course.
- Course Substitutions** You may substitute one of the following for one CRS two-day course:
- Bachelor's Degree
 - Any of the following Designations: ABR, ALC, CIPS, CPM, CRB, CRES, CCIM, FRI and GRI
 - e-PRO Certification
- Production** Either a total of 25 transactions within any two years
OR \$8 million with a minimum of 10 transactions within any two years

Approved distance-learning, CRS Approved one-day courses and additional substitutions will be listed at: www.crs.com. All Designation programs required membership in the Council of Residential Specialists. All members are required to submit a letter from his or her Local Board or State Association verifying active REALTOR or REALTOR ASSOCIATE membership. A \$75 processing fee applies to all designation applications. **THERE ARE NO EXCEPTIONS TO THE REQUIREMENTS STATED ABOVE.**



Earning a Commission

By
K. Michelle Lind

There can be three separate and independent contracts for the payment of a commission in a real estate transaction: a listing agreement, a co-brokerage agreement and a buyer-broker agreement. To earn a

commission, a broker must perform the acts required by the commission agreement.

Commission Agreements Between Listing Brokers & Sellers

The listing agreement is an employment agreement between the seller and the listing broker. This agreement establishes the terms under which the listing broker has earned a commission. Some agreements provide that the broker is entitled to a commission when the broker has procured a ready, able, and willing buyer to purchase the property on the terms and conditions specified. For example, the Arizona Regional Multiple Listing Service ("ARMLS") Exclusive Right To Sell/Rent (Listing Contract Legal Language) states the seller agrees to compensate the broker:

If Broker produces a ready, willing and able purchaser or tenant in accordance with this Listing...

Thus, pursuant to the ARMLS listing agreement, and other similarly worded listing agreements, the seller is obligated to pay the broker a commission if the broker produces a buyer "ready, willing and able" to buy on the listed terms with no material contingencies, regardless of whether a contract is subsequently executed. See, *Trimmer v. Ludtke*, 105 Ariz. 260, 462 P.2d 809 (1969). Other agreements provide that the broker is entitled to a commission only when the broker produces a ready, willing, and able buyer who enters into a contract with the seller and completes the transaction by closing escrow.

Commissions Agreements Between Brokers and Buyers

A buyer-broker employment agreement is used when a buyer employs a broker to work with the buyer exclusively to locate property and negotiate terms acceptable to the buyer for the purchase of the property. Generally, by executing a buyer-broker agreement the buyer agrees to work exclusively with the broker and to compensate the broker. Oftentimes, the compensation the buyer is obligated to pay to the broker is offset by any compensation the broker receives from the listing agent. However, the rights and obligations that arise from the buyer-broker agreement are not affected by the listing agreement or any offer of compensation through the MLS. Thus, if the buyer's broker is not the procuring cause of the sale and is not compensated by the listing broker, the buyer is obligated to pay the commission to the buyer's broker.

MLS Co-Brokerage Commission Agreements Between Brokers

A co-brokerage commission agreement between a listing broker and cooperating broker can be created through the MLS. After a listing broker enters into a listing agreement with the seller, the broker generally enters the listing information in the Multiple Listing Service ("MLS") of which the broker is a participant. The MLS is a means by which broker participants make blanket unilateral offers of compensation to other broker

participants. The NAR *MLS Handbook* states at Statement 7.56: Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of the sale (or lease). (Amended 11/94).

See also, *Arizona Regional Multiple Listing Service Rule 12.01; Northern Arizona Multiple Listing Rule, Section 5.*

Therefore, a cooperating broker is entitled to a commission from the listing broker pursuant to the MLS offer of compensation when the cooperating broker is the "procuring cause of the sale."

In regard to what constitutes "procuring cause," the Code of Ethics and Arbitration Manual, Appendix II, Part 10 states: Procuring cause disputes between sellers and listing brokers are often decided in court. The reasoning relied on by the courts in resolving such claims is articulated in Black's Law Dictionary, Fifth Edition, definition of procuring cause:

The proximate cause; the cause originating a series of events which, without break in their continuity, result in the accomplishment of the prime object. The inducing cause; the direct or proximate cause. Substantially synonymous with "efficient cause."

A broker will be regarded as the "procuring cause" of a sale, so as to be entitled to commission, if his efforts are the foundation on which the negotiations resulting in a sale are begun. A cause originating a series of events which, without break in their continuity, result in accomplishment of prime objective of the employment of the broker who is producing a purchaser ready, willing, and able to buy real estate on the owner's terms. *Mohamed v. Robbins*, 23 Ariz. App. 195, 531 P.2d 928, 930.

However, the Code of Ethics and Arbitration Manual distinguishes what constitutes "procuring cause" in seller/listing broker disputes from "procuring cause" in listing broker/cooperating broker disputes. The Manual states:

While guidance can be taken from judicial determinations of disputes between sellers and listing brokers, *procuring cause disputes between listing and cooperating brokers, or between two cooperating brokers, can be resolved based on similar though not identical principles.* While a number of definitions of procuring cause exist, and a myriad of factors may ultimately enter into any determination of procuring cause, *for purposes of arbitration conducted by Boards and Associations of REALTORS®, procuring cause in broker to broker disputes can be readily understood as the uninterrupted series of causal events which results in the successful transaction.* Or, in other words, what "caused" the successful transaction to come about. "Successful transaction," as used in these Arbitration Guidelines, is defined as "a sale that closes or a lease that is executed." Arbitration Guidelines (Appendix II to Part Ten).

Therefore, no commission is earned by a cooperating broker, unless the cooperating broker caused a sale that closed escrow.

Michelle is General Counsel to the Arizona Association of REALTORS® ('AAR') and a State Bar of Arizona board certified real estate specialist.

Note: This information is of a general nature and may not be updated or revised for accuracy as statutory or case law changes following the date of first publication. Further, this information is not intended as definitive legal advice and you should not act upon it without seeking independent legal counsel.



*Winner of the Hearth Foundation's Play House
 Kay West, CRS
 2005 CRS First Vice President*



**Arizona CRS Chapter
 2004 Calendar**



September 16, 2004

Board will meet at 10:00 am

Luncheon at 12:00 noon

Arizona CRS Meeting ~ Tucson-PF Changs

Sponsor: Ticor Title (Pam Neal)

October 21-22, 2004

CRS 206

*"Using Today's Technology
 to Capture Your Market"*

Scottsdale Association of Realtors

Scottsdale, Arizona

December 9, 2004

Board will meet prior to Mixer

Arizona CRS Meeting

Installation of Officers ~ Mixer format

Location & Sponsor TBA

RETURN SERVICE REQUESTED

Arizona CRS Chapter
 Jeanie Merideth, Chapter Administrator
 PMB #139, 3305 N. Swan Rd., #109
 Tucson, Arizona 85712



PRSR STD
 U.S. Postage
PAID
 Tucson, AZ
 Permit #820