



PBBR FRIDAY FLASH



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REALTOR SAFETY
ALERT – WEEK OF
JULY 23 – LEVEL IS
HIGH – WATCH
FORUM FOR MORE
INFORMATION



WE HAVE NOT RECEIVED ANY NOMINATIONS FOR 2007 REALTOR® OF THE YEAR FOR PAUL BUNYAN BOARD 2007 PBBR REALTOR® OF THE YEAR NOMINATIONS

Do you know a fellow member who matches the following qualification requirements?

Takes an active role in community and civic affairs? Whose actions and commitment assist the community and enhance the professional image of the REALTOR® to the public in the performance of those actions and commitment?

Takes an active role as an association leader? Do they offer their time, talent, experience and commitment on behalf of the membership?

If so, and if you would like to nominate them as our REALTOR® of the Year, call Sally at the Board Office for a nomination form. All nominations must be submitted prior to 5 pm, July 6th



PBBR 2007 MEMBER GOLF OUTING Thursday, July 19th Stoney Creek Golf Course, Lake City

One thing we all know for sure - a lot of people had a whole lot of fun out at Stoney Creek Golf Course today! They held up under the brutal winds which blew their balls every which way, and most often not quite landing where they were intended to land.

We never received the list of prize winners, so sorry to say we cannot report the information. However, if you won any of the event challenge prizes, please let us know, and also the 50/50 drawing.

We are looking for:

Longest Drive Men/Women
Closest to the Pin Men/Women
Longest Putt Men/Women
Drive the Marshmallow Challenge Men/Women
Chipping Contest
Putting Contest
50/50 drawing winner

If you have any great golf stories (are these like fishing stories?) from the event day, please send them in an email directly to the attention of Sally, and she will post them in next week's newsletter. We are still getting very positive feedback on the event.

A slide show of photos from Jim Miller and Darlene Clapper has been on the board website, but suggest you do not click on Slide, Make your Own or View All Images. It will take you away from the board's website and you will end up with "hidden cookies" and probably a lot more spam.

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MEMBERSHIP UPDATE

New Members:

Jackie Joria, Coldwell Banker Schmidt
Erica Heis, Exit Realty of Gr. Cadillac
Jason Bartlett, RE/MAX Central

New Affiliate Member:

Missaukee Title - Cathy Molitor

New Secondary Member Firm and Members:

Century 21 Benjamin, St. Helen Realty

Rick Benjamin, Broker
Dave Becker
Sandy Keezer
Ron Clark

If you know of any potential affiliate members in the Roscommon County area that are not aware of their eligibility to become an affiliate member of the REALTOR Association, please contact them and send their contact information to Executive Officer, Sally Baker at sally@pbbr.com

Excerpted from an article by Greg McClelland

SIGNATURES ARE STILL REQUIRED

In the past couple of years, REALTORS® and their lawyers have focused on keeping pace with technology in carrying out their transactions. Change in federal legislation has now made it possible for REALTORS® to begin and close a transaction almost completely electronically. This includes the use of electronic signatures. However, based on several phone calls we have received on the MAR Legal Hotline and other information we have been receiving from the field, it would appear that some members have forgotten the most basic rule in the sale of real estate. That is, a valid purchase agreement must be signed by all the parties.

The factual scenario is typified by the following hypothetical: REALTOR® Jones has listed the Browns' property located at 123 Elm Street. REALTOR® Smith is representing Mr. and Mrs. Green as a buyer's agent. REALTOR® Smith shows the Greens the property at 123 Elm Street. The Greens tell REALTOR® Smith that they must have this property, so REALTOR® Smith prepares an offer to purchase and delivers it to REALTOR® Jones. REALTOR® Jones then proceeds to 123 Elm Street to obtain the signatures of Mr. and Mrs. Brown.

Unfortunately, when he gets there, he learns that Mrs. Brown is at a sales convention in Atlanta and will not be back in town for the next four days. REALTOR® Jones has Mr. Brown sign the offer to purchase, but he needs to find some way to obtain Mrs. Brown's signature before the Greens start looking elsewhere.

REALTOR® Jones is able to contact Mrs. Brown by calling her cell phone. He reads the terms of the offer to her over the phone. He also advises her that Mr. Brown wishes to accept the offer and has already signed it. REALTOR® Jones then asks Mrs. Brown to authorize him to sign the purchase agreement on her behalf. Mrs. Brown authorizes REALTOR® Jones to sign on her behalf. REALTOR® Jones then calls REALTOR® Smith to advise her that the offer has been accepted by Mr. and Mrs. Brown.

Is there a binding purchase agreement in existence between the Browns, as sellers, and the Greens, as buyers? Absolutely not. A party cannot orally authorize someone else to sign a real estate contract on his or her behalf.

Some REALTORS®, in the hypothetical above, believe they can address the problem by having Mrs. Brown authorize her husband to sign on her behalf. This is equally ineffective. Again, there is simply no way for one person to orally authorize another person to sign a real estate contract on her behalf.

PBBR FRIDAY FLASH Page 2

It is not difficult to imagine the position the Browns would take with REALTOR® Jones if the Greens suddenly got cold feet and discovered they could walk away from the deal with impunity. Since most clients are reachable via fax or overnight delivery, a REALTOR® should not run the risk of trying to hold buyers in place through the attempted use of oral authorization for a seller's signature. A seller's fax signature should be sufficient, particularly if the contract includes a provision expressly permitting the use of faxed signatures.

PAUL BUNYAN MLS

Paul Bunyan MLS Committee

Wexford/Missaukee Representatives

Rick Lantz, Committee Chair; Keith Johnson,
Judy Greeley, Jim Meier and Barry Fall

Ros Co Representatives

Jo Ellen Serum, Paul Allen, Dave Becker,
Mike McCullough and Mark Hacker

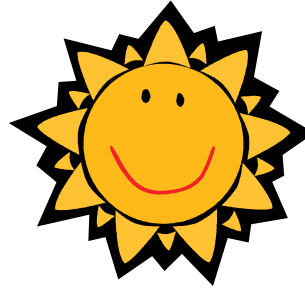
Latest Tips and Tricks for Paragon for Changing Default Double Click View in Paragon is in MLS Docs under July 2007 Tips and Tricks label.

Paragon Online will be upgraded from 3.9 to 4.0 very soon. Watch for updates from the board office in MLS Message of the Day and the PBBRMLSForum. We have placed a document in MLS DOCS under labeled 4 Online User Interface Upgrade Release Notes

Mid Year Statistics for 2007 compared to 2006 is now online at <http://www.pbbr.com> under Consumer Information and also a member link from the front page.

Please move on to Page 3 for a special notice that you should take time to read.

Thanks. Have a great weekend!



Received a special email blast from Jack Miedema, Great Lakes Realty Systems, our online con ed course provider:

7/27/2007

This is simply a courtesy notice to all educators who have licensed Course 800. The notice in no way affects the content of Course 800.

The Michigan Court of Appeals recently rendered a decision stating that, if a corporation can be formed under the Professional Service Corporation Act (PSCA), it may NOT form under the Business Corporation Act (BCA). Stated another way, the Court concluded that a corporation must form as a professional service corporation if it's providing a "professional service" to the public that requires a license. *Miller v Allstate Ins. Co.*, Mich. App. No. 259992, May 31, 2007.

This decision affects all occupations licensed under the Occupational Code that are referred to in the Code as "professions," providing "professional services," or for which rules of "professional conduct" are established. To cut to the chase, this affects real estate brokers and real estate appraisers; it does NOT affect auctioneers and residential builders.

What does this mean for real estate brokers and appraisers? First, if they've incorporated under the BCA, they're "improperly incorporated." Second, to qualify for incorporation under the PSCA, ALL shareholders must be licensed in the profession. In other words, a licensee and a non-licensee can NOT together incorporate a real estate brokerage under the PSCA, and a real estate brokerage already incorporated under the BCA is "improperly incorporated." Not surprisingly, the Court doesn't offer any advice for affected corporations already formed under the BCA. A downside of the PSCA is that companies incorporating as "PCs" and "PSCs" do NOT have the liability protection afforded companies incorporated under the BCA.

In the case referenced above, Allstate Insurance Company argued that it didn't have to pay a physical therapy claim because the company offering the services wasn't "properly" incorporated. What importance does this decision have on real estate brokerage and appraisal? Can you say, "errors and omissions insurance?"

I spoke with attorney Gail Anderson this afternoon. Her firm, McClelland Anderson, represents the Michigan Association of Realtors (MAR). She told me that someone "dumped" this decision on her yesterday afternoon. She also said that MAR is madly attempting to find a legislator who is willing to introduce and fast-track legislation that would amend the Occupational Code to allow licensed occupations to incorporate under the BCA.

Because of this decision, the Department is no longer approving applications by corporate brokers and appraisers who have incorporated under the BCA rather

than the PSCA. Instead, they're recommending that the applicants form LLCs rather than corporations.