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# PRINCIPAL *Broker*

The Independent Trade Magazine For The Professional Real Estate Industry

Oregon & Washington

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## DIRECTORS MORTGAGE A CUT ABOVE

Kelly Lee,  
Executive V.P.  
Directors  
Mortgage

NEW RESPA LAWS  
HOW THEY AFFECT YOUR BUSINESS

7 RISK REDUCTION LESSONS FOR A NEW YEAR

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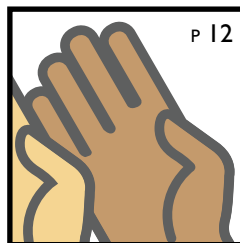
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# CORE VALUES KEEP Directors



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# Mortgage

## A CUT ABOVE

By Megan Wilber

Over the past year, Directors Mortgage Inc., has seen something many lenders – locally, regionally and nationally – have not seen in light of the current real estate market: **GROWTH**.

In fact, Directors Mortgage issued more than \$950 million in loan volume in 2009 – a record-setting year for the locally owned and operated mortgage company.

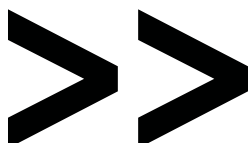
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Founded in 1998 in Lake Oswego, Oregon, by CEO and owner Mark J. Hanna, Directors Mortgage has expanded its service area over the past decade to 12 offices throughout Oregon and Washington. Over the past few months, Directors Mortgage has hired more than 20 employees and recently announced plans to open two new Washington offices in 2010.

Hanna attributes the company's growth and success during a market slowdown to the development of a business model that offers a full-service mortgage banking platform. This model allows Directors Mortgage to fund and underwrite all of its loans locally, providing clients and Realtor partners with a seamless transaction every time. Additionally, Directors Mortgage is not shy when it comes to paying its loan officers and employees. On average, the company pays 20 percent more than standard mortgage companies and it also shares company profits with its employees. Spending more than \$60,000 per month on behalf of its loan officers, the marketing support Directors Mortgage provides is also unparalleled in today's market.

In developing this model, Directors Mortgage attracts quality individuals who share the company's core values of integrity and a superior work ethic. Two of these select people include Kelly Lee, Executive Vice President at Directors Mortgage and Kevin Hanna, the company's Vice President.

"We have such a great management team," says Mark J. Hanna. "These department heads are the engines behind the CEO."





**Kelly Lee**  
**Executive Vice President**

With 17 years experience in the mortgage industry and eight years working with Directors Mortgage, Kelly Lee is known for his excellent execution when it comes to the business.

"Kelly is highly disciplined, has an extremely high work ethic and is a man of integrity," says Mark J. Hanna.

Lee's military background and strong work ethic have allowed him to help keep Directors Mortgage at the top of the industry. He believes that part of this success is the fact that the company never lost its true identity along the way.

"Over the years, the industry has seen so many changes," says Lee. "Other companies changed their core values and philosophies to adapt. It's truly a testament to Mark; we could have done it cheaper or differently, but adversity was our opportunity to stand out amongst our competitors."

Validation of the strategy and business model that Directors Mortgage developed has come from a variety of third parties. In 2009, Directors Mortgage ranked amongst "The Portland Business Journal's" top corporate philanthropists, donating \$530,000 to charitable causes such as Providence Hospital, Special Olympics and various educational institutions.

The fact that Directors Mortgage maintains its commitment to giving back to the communities in which it does business is significant during a time when many companies are cutting salaries or expenditures. As with its business model, the company's dedication to philanthropic endeavors has remained steady through the ups and downs of the turbulent economic climate.

"Our core values allow us to be proud of our achievements," says Lee. "When you believe in your core values, you attract people who share the same values. It makes it a great place to work."

# DIRECTORS MORTGAGE:



**Kevin Hanna**  
**Vice President**

Following in his older brother's footsteps, Kevin Hanna left Oregon to attend the University of San Diego where he became interested in finance and technology. When he graduated from college, he knew there was to tremendous opportunity to return to the state he grew up in and work at Directors Mortgage.

As Vice President, Kevin Hanna's role revolves around a multitude of behind-the-scenes

- 115 EMPLOYEES
- 12 OFFICES IN OREGON AND WASHINGTON (2 MORE SCHEDULED TO OPEN MARCH 1<sup>ST</sup> 2010)
- \$950 MILLION IN LOANS ISSUED IN 2009
- 80% OF PROFIT REINVESTED IN THE COMPANY EVERY YEAR
- FUNDS MORE THAN 90% OF ITS LOANS IN-HOUSE
- CAPACITY TO FUND UP TO \$300 MILLION IN LOANS PER MONTH
- RANKED AMONGST TOP CORPORATE PHILANTHROPISTS BY *THE PORTLAND BUSINESS JOURNAL*
- \$530,000 DONATED TO AREA CHARITIES IN 2008
- MARK J. HANNA, CEO/OWNER

facets within the business. In his words, he has his "hands in everything", committed to operating the company's wholesale division, streamlining internal systems and processes and offering marketing expertise and support.

"With all the regulations in the industry, a lot of systems don't have the checks and balances managed," says Kevin. "Our system does. These processes allow us as a company to take a step back and look at everything, hire great people and focus on growth."

Kevin Hanna is responsible for implementing the Customized Sales and Service Automation Program at Directors Mortgage. The company's new drip email system sends automated, personalized messages to loan officers, clients, processors, Realtor partners and others. These personalized emails include loan status updates sent to the borrowers and both Realtors at key milestones during a transaction, including: (1) Appraisal ordered; (2) Lock confirmation; (3) Final approval; (4) Loan docs sent; and (5) Loan funded.



WHEN YOU BELIEVE IN YOUR CORE VALUES,  
YOU ATTRACT PEOPLE WHO SHARE THE SAME VALUES.  
IT MAKES IT A GREAT PLACE TO WORK.

Additional campaigns include:

birthday greetings, loan anniversary greetings and ARM adjustment milestones. This system allows loan officers at Directors Mortgage to stay in front of their clients.

8 “Kevin is extremely smart, passionate, and has a nose for technology,” says Mark J. Hanna. “He brings excitement and technology skills that keep us on the cutting edge of streamlining our mortgage systems.”

Further evidence of Kevin’s focus on helping Directors Mortgage stay at the forefront of technology is his development of the company website, which is a valuable resource for Realtors and other industry professionals. The Real Estate Connection section of the Directors Mortgage website is filled with neighborhood information, including statistics on local schools and crime rates.

“Technology allows you, as a company, to be as efficient as possible in order to make that personal touch and to spend more time with your clients,” says Kevin. Indeed, Directors Mortgage is dedicated to taking care of its clients and Realtor partners above all else.

In looking forward, Mark J. Hanna predicts Directors Mortgage will underwrite \$1.5 billion in loans in 2010. Over the next year, his goal

is to continue to gain market share in Oregon and Washington. By continuing to take advantage of marketing and other opportunities in accordance with its business model and core values, Directors Mortgage will remain on the leading edge of the industry.

**For more information about Directors Mortgage, visit [www.directorsmortgage.net](http://www.directorsmortgage.net). Realtors interested in learning more about real estate partnerships and working with the experienced loan officers at Directors Mortgage, call the company’s corporate office at 503.636.6000.**



**Mark J. Hanna  
CEO & Owner**

# RESPA

## **New RESPA Law Changes Lending as You Know It**

As of January 1, 2010, new Real Estate Settlement Procedures Act (RESPA) laws took effect nationwide, changing how lenders disclose real estate loans. It is important that you, the real estate sales professional community, understand the new rules and what they dictate so you can better help your clients. If you do not stay informed, you could hit snags you may not have had to deal with during previous transactions.

I am writing this article to touch on some of the most obvious changes in the RESPA laws. It is prudent to research classes that will teach you the facts and prepare you for various components of the law as they affect your real estate transactions.

Created in the spirit of consumer protection and disclosure, RESPA came into being in 1974

to mandate disclosure terms in mortgage lending. The Good Faith Estimate (GFE) form and the Truth in Lending form were standardized and mandated at this time. These forms were required to be provided within 72 hours of a loan application, disclosing to the consumer what the closing costs were projected to be, the Annual Percentage Rate (APR) and terms of the loan. The quoted APR was believed to be an accurate way of expressing certain loan fees paid at loan closing as if they were part of the interest charges projected during the life of the loan.

Loan originators and consumers alike would often be confused since the APR was many times different than the actual rate of the loan. RESPA remained in effect in its original form effectively until 1992 when it added Regulation X, which



# A little hint on one major item of interest

required Affiliated Business Relationships (AFBA) to be included in disclosure of the loan. AFBAs consist of companies or individuals with legal relationships to each other that provide service or proposed service to a given transaction. An example of an AFBA is a real estate company that is also in the business of loan origination and offers the buyer a referral or incentive to use both services.

In 2004, the U.S. Department of Housing and Urban Development (HUD) started a program called RESPA Reform. HUD hired an individual who specialized in negotiation to review and offer advice on how to reform consumer disclosure so that consumers could understand the disclosure being provided. The early Good Faith, Truth in Lending and HUD-1 settlement statements were the topics of heated debate and numerous lawsuits.

In the original version, escrow companies were required to read scripts to borrowers at closing, which effectively took 30 minutes to read. As you can imagine, the title industry, lending industry and real estate sales industry became heavily involved in blocking the law and attempting to affect change that made sense to all parties in a transaction. Hearing after hearing was held, comment periods created and lawsuits filed. Amendments and more amendments were enacted.

After much debate, the new RESPA rules, forms and timelines were finalized and went into effect the first of this year. I will touch on some of those changes briefly in this article.

New amendments to RESPA were enacted on November 13, 2008 to further enhance consumer rights related to settlement services.

The most significant revised amendments under RESPA include the following:

- A newly defined GFE application.
- RESPA has implemented "changed circumstance" rules, which mandate the rules under which a GFE once issued, and unless it has expired, may NOT be re-issued unless there is a "changed circumstance."
- Fee limitations and/or tolerances for categories of fees which include: fees that may not be changed by any amount; fees that may not exceed a 10 percent tolerance; and/or fees that are not subject to a tolerance.
- The GFE disclosure, HUD-1 and HUD-1A are revised under the new rule and must be used by all lenders. No other versions of these disclosures may be used.
- RESPA limits the collection of upfront fees to the cost of a credit report.
- Title agents may use a new average cost pricing method for disclosing costs.
- A new provision allowing E-Sign documents.
- A revised Servicing Disclosure Statement and new timing rules for the disclosure.

On the surface, the above changes do not appear to be significant. However, you only need to look at the forms to start realizing this is MAJOR CHANGE. The Good Faith Estimate for instance, is no longer a form projecting closing cost estimates. It does not show the payment on it anywhere. In fact, it bears no resemblance to the Good Faith form you have known pre-

is that you should no longer send the earnest money agreement to an identified lender upon notice of where a borrower is going to apply.

viously. That form is not mandated, although lenders will be providing a “worksheet” with fees on them so that the borrower has a form to refer to that does include all the costs.

Fees that are shown on the new Good Faith form present certain fees lumped together without a fee breakdown. Fees fall into three categories: (1) zero tolerance, (2) 10 percent tolerance and (3) unlimited change tolerance. Simply put, once zero tolerance fees are disclosed they can NOT change. If a lender makes a mistake, they must pay out of their own funds, and in some cases the loan will not be able to close at all. The loan would then need to be placed with another lender and the entire process must start over. Frightening, right? All parties in a transaction will find changes that will tie their hands if they do not do things EXACTLY right.

A little hint on one major item of interest is that you should no longer send the earnest money agreement to an identified lender upon notice of where a borrower is going to apply. The reason for this advice is that the property address is one of the important factors that triggers disclosure and could result in fees being quoted with zero tolerance before the lender can do all the steps necessary to quote accurately. Another item of interest is that you can no longer direct the title company that will be doing the work. Guess what? Now the borrower does the shopping and makes the choice by law.

Need I say that before you write an offer in 2010 you should learn how to make out the Earnest Money Agreement in accordance with the new RESPA rules.

If you wish to become conversant in this subject you may visit [www.hud.gov](http://www.hud.gov) and study the law, read the questions and answers, read the new HUD Settlement Cost Booklet and try to read between the lines as to how all this change affects how you do your job and how to answer your clients’ questions if they arise. There are numerous companies, from title to lending, that will freely go over their own policies with you. We at the National Academy of Financial Literacy offer a course on the subject that is created to address the law as it is as well as from the Realtors’ perspective. The instructors will include Richard Uffelman, real estate attorney with Buckley LeChavalier, and myself. You will need to unlearn some of the ways you work with lenders and learn new ways of doing business.

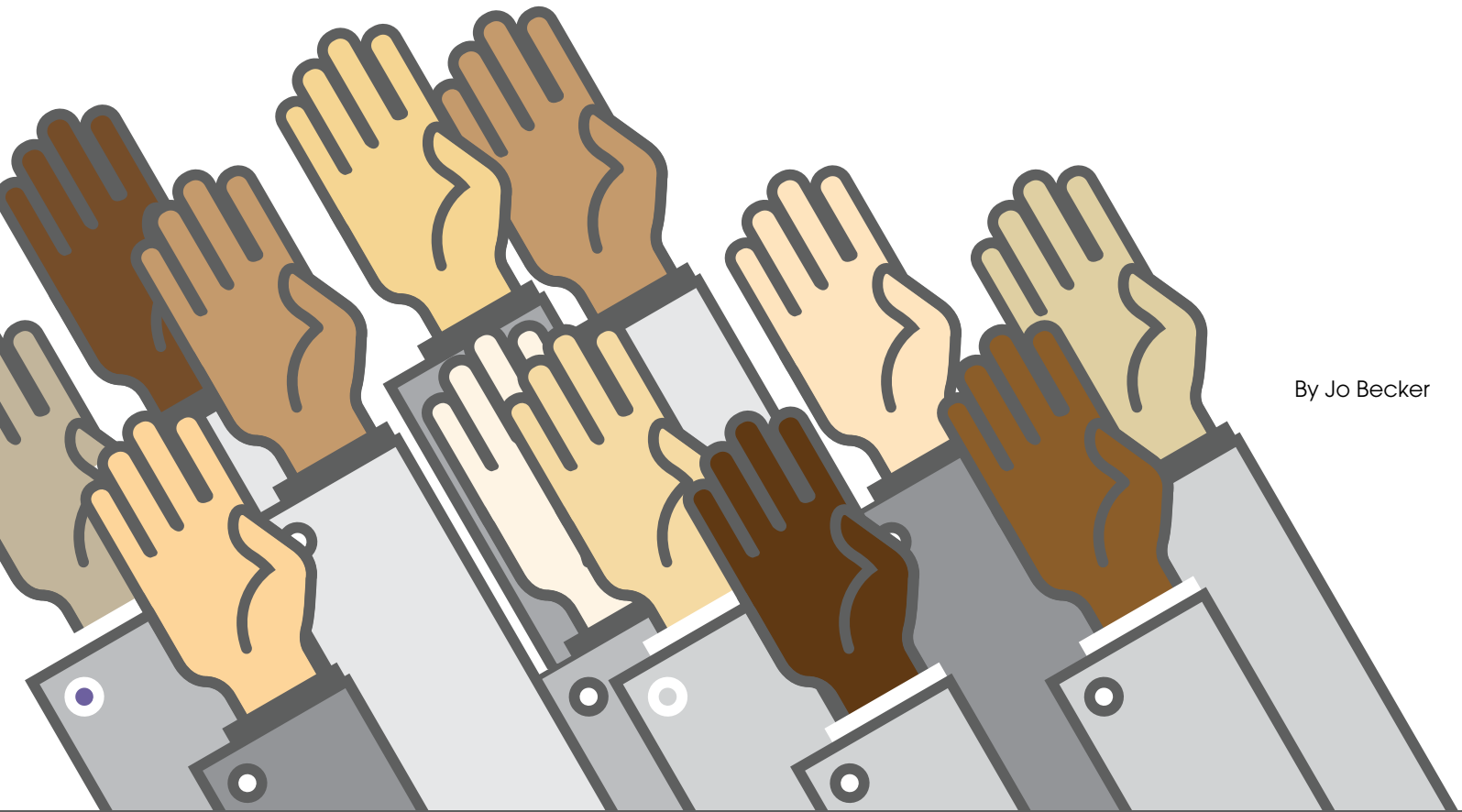
Over the past couple months, I have taught classes in Oregon and Washington for mandatory licensing hours of continuing education for loan originators. For many, the new law is still very foggy; it has been a very confusing process. It is important to become educated from a reliable source in the new RESPA rules as soon as possible. The phrase “Time is money” once again proves to be accurate in this case.



*Linda Moore MacCoy is the President of the National Academy of Financial Literacy, an Oregon Career College, and approved school with the National Mortgage Licensing and Registry (Federal Banking Regulatory Board and State Financing Agencies). For more information, email Linda at*

*[linda@academyoffinance.org](mailto:linda@academyoffinance.org) or visit [www.academyoffinance.org](http://www.academyoffinance.org).*

# HOW WELL DO YOU KNOW THE FAIR HOUSING COUNCIL?



By Jo Becker

In the last edition of *Principal Broker Magazine* I (re)introduced myself and shared some information about the Fair Housing Council and fair housing laws. This month, I'd like to share a few more tidbits before we launch into some detailed articles on fair housing law as it affects your practice as well as articles on housing industry resources.

## **WHO IS THE FAIR HOUSING COUNCIL (FHCO)?**

The Fair Housing Council is a private nonprofit organization. At FHCO, we promote equal access to housing by providing education, outreach, technical assistance and access to enforcement related to federal, state and local fair housing laws.

We are not a government agency, although we receive some of our funding from federal, state

and local jurisdictions. We are not a housing authority and do not administer Section 8 or other housing assistance programs. We are not a housing provider and do not have units available for rent or for sale; nor do we have shelter services or provide crisis housing.

## **WHAT'S THE FAIR HOUSING COUNCIL'S SERVICE AREA?**

We serve the entire state of Oregon and Clark County, Washington.

### **WHAT IS THE HISTORY OF FHCO?**

The FHCO was founded in 1990 as the first, and only, organization dedicated solely to furthering and enforcing the Fair Housing Act's protections across Oregon.

### **WHAT SERVICES DOES THE FAIR HOUSING COUNCIL OFFER?**

Through comprehensive community education and individual counseling, the Fair Housing Council works to eliminate housing discrimination across Oregon and Southwest Washington and to guarantee the rights of all people to freely choose housing in the area they desire to live and for which they are financially qualified. Services provided by the Fair Housing Council include access to fair housing enforcement as well as education and outreach about federal, state and local fair housing laws.

### **HOW CAN I CONTACT THE FAIR HOUSING COUNCIL?**

Anyone with a fair housing question may contact us at:

The Fair Housing Hotline: 503/223-8197 Ext. 2  
800/424-3247 Ext. 2 (outside Portland metro)  
information@FHCO.org or www.FHCO.org

This is a toll-free call and there is no fee associated with the Hotline service, nor is there any income qualification for Hotline assistance. If a staff member is not immediately available to assist by phone, please leave a message and we will return your call as soon as possible.

### **DOES THE FAIR HOUSING COUNCIL OFFER ASSISTANCE IN LANGUAGES OTHER THAN ENGLISH?**

Yes, for any languages we cannot accommodate with bilingual staff, we utilize the services of a three-way translation service over the phone or another translation service that makes more than 160 languages available to us. Historically, 4 percent of the calls to our Fair Housing Hotline have come from non-English speakers.

### **DOES THE FAIR HOUSING COUNCIL OFFER ASSISTANCE TO THOSE WITH LIMITED VISION OR HEARING ABILITIES?**

Yes, our Fair Housing Hotline staff can assist call-

ers with a hearing impairment. In addition, upon request, we can provide literature and materials in Braille.

### **DOES THE FAIR HOUSING COUNCIL OFFER FURTHER ACCOMMODATIONS?**

Yes. If you need assistance utilizing our services (the Hotline, our website, our literature, the classes we offer, etc.) based on a physical or mental disability, please let us know how we can be of assistance.

### **WHO GOVERNS THE FAIR COUNCIL?**

The Fair Housing Council is governed by a volunteer Board of Directors, which establishes and oversees all policies. The background of the Board is broad and diverse providing guidance and perspective from attorneys, leaders in the real estate industry and varied housing providers, business professionals and individuals from the nonprofit sector. Get to know our Board at [FHCO.org/bod.htm](http://FHCO.org/bod.htm). You can also learn more about our staff by visiting [FHCO.org/staff.htm](http://FHCO.org/staff.htm). Read our mission at [FHCO.org/mission.htm](http://FHCO.org/mission.htm).

### **Questions about your rights and responsibilities under fair housing laws?**

Visit [FHCO.org](http://FHCO.org) or call 1-800-424-3247 Ext. 2.

### **Questions about this article? Want to schedule an in-office fair housing training program or speaker for corporate or association functions?**

Contact Jo Becker at [jbecker@FHCO.org](mailto:jbecker@FHCO.org) or 503.453.4016.

Have property to promote?

Advertise vacancies or homes for sale free across the Portland/Vancouver market at [HousingConnections.org](http://HousingConnections.org).



*This article brought to you by the Fair Housing Council; a nonprofit serving the state of Oregon and Southwest Washington. Learn more and/or sign up for our free, periodic newsletter at [FHCO.org](http://FHCO.org). Jo Becker is an Education/Outreach Specialist with the Fair Housing Council of Oregon.*

# TOP RISK REDUCTION LESSONS OF 2009



At the end of every year, we reflect back on the types of claims we've seen involving real estate brokers. Although 2009 was a challenging year in the real estate market, we saw many of the same types of claims as in years past. This article will outline some interesting and/or recurring claims we saw in 2009, as well as how the real estate brokers involved could have reduced or avoided the risks relating to the claims.

## SELLER FINANCING

Not surprisingly, seller financing was popular in 2009. Although rates were favorable, many buyers were not able to qualify for conventional financing due to tightened lending policies. As a result, many sellers allowed buyers to purchase their properties via trust deeds or land sale contracts. Despite a happy ending for sellers, who may not have otherwise been able to sell their properties, some buyers have been placed in undesirable situations. For instance, some buyers may not have understood that the sellers' underlying loans had due on sale clauses that were triggered by the buyers' purchases on contract. If the sellers were unable to refinance or pay off their underlying loans upon acceleration by their lenders, and the buyers did not have the ability to do so, the underlying lenders would foreclose on the properties. As a result, the buyers would lose the properties and potentially any down payments or other funds they have paid the sellers.

Although real estate brokers do not make purchase and financing decisions on behalf of their clients, brokers should ensure that their clients understand the types of issues that should be considered before entering into a transaction. For instance, a buyer may not understand that a seller offering


to finance his or her purchase may have underlying financing that contains a due on sale clause. In addition, a buyer may not understand the importance of determining the amount of the seller's underlying debt, and ensuring that the seller is making timely payments to his or her underlying lender so that the property does not go into foreclosure. Brokers who understand how underlying encumbrances impact seller financing are able to provide better service to their clients (whether they be sellers or buyers) and reduce their risk by encouraging their clients to consider the complexities of seller-financed transactions.

## SHORT SALES

Short sales have become a reality of our market, and we've talked about them frequently over the past several years. We continue, however, to see issues arise between short sale buyers or sellers and their brokers, and thought it was worth mentioning them in this article. One of the best pieces of advice we can give brokers regarding short sales is to know what you're doing, and know how to protect your clients. No commission is worth the risk inherent in providing representation in a transaction in which you don't have the necessary expertise or support. Many brokers seek the advice and involvement of their prin-

cipal brokers, whereas others may refer short sale transactions to brokers who are more familiar with them.

Another issue we have seen arise with respect to short sales relates to education of short sale buyers. As most real estate brokers know, although a seller may accept a primary offer to send to the lender for consideration, the lender may decide to instead select a backup offer as a primary offer. For buyers, this may be disconcerting, as the fact that a buyer's offer was the first short sale offer accepted by a seller does not necessarily mean that either a) the lender will agree to a short sale at all, or b) the lender will accept the buyer's offer over subsequent offers. Brokers are well served by educating their buyers on the fact that short sales are complex, and that buyers may not be successful in having their accepted short sale offers approved by lenders. In essence, buyers should be coached to have realistic expectations about whether they will ultimately be able to purchase short sale properties they are considering. Brokers who manage their clients' expectations, and ensure that their clients are realistic given the marketplace, will reduce the risk of having unhappy clients claiming that the brokers misrepresented the facts of a short sale to them.



many claims against brokers could have been resolved by clear, written communication between brokers & their clients

### CONDOMINIUM LITIGATION

Brokers who assist clients in buying and selling condominiums are at greater risk for claims due to an increase in condominium litigation. The fact scenario typically involves a condominium buyer who does not learn of potential defects and/or litigation involving the condominium until after his or her purchase is closed. The seller and brokers involved had a duty to disclose any known, material defects to the buyer, and the buyer's broker should have prompted the buyer to request and review any and all condominium documents, including but not limited to meeting minutes, newsletters and budgets. Perhaps the buyer did not request documents, or perhaps the buyer only requested certain documents that did not disclose the material defects. Either way, in our experience, both the listing and selling brokers are drawn into claims involving unhappy buyers faced with a potential special assessment.

Prudent listing brokers should ensure that, upon listing a condominium for sale, they have collected all relevant condominium documents and make them available to buyers and their brokers. Such documents should include condominium association meeting minutes and newsletters that date as far back as possible, and at a minimum, at least two years back. Selling brokers should make certain that their buyer clients both request and review all documents to ensure they are satisfied with the state of the condominium and its association. Brokers can avoid some of the risk inherent in listing and selling condominiums by ensuring that their sellers provide detailed information about the relevant condominium association and that their buyers request and review such information. Additionally, brokers should consider using appropriate condominium addendums to address these issues.

### DUE DILIGENCE FOR CLIENTS

Many clients may ask brokers to assist them in conducting due diligence prior to finalizing

their purchase of property. Such due diligence may include visits to county or city offices, or researching zoning and related uses of properties. Although brokers may be tempted to provide their clients with a high level of service, which may include providing additional information on the zoning of property or the ability to subdivide a parcel, they may face a much higher risk of later being blamed by clients should the information be inaccurate.

Instead of conducting due diligence on behalf of clients, brokers should encourage their clients to visit relevant offices and look to sources for such information on their own. Should clients insist that they are not qualified to search for and comprehend such information, brokers may wish to refer their clients, in writing, to professionals who may be able to do conduct such due diligence for them.

### INVESTMENTS

We have continued to handle claims being made by buyers who insist that their brokers have sold them investments rather than solely real estate. Some brokers may advertise their listings as "investments", suggesting that buyers may

make significant profits on such properties. Although such a description may sound innocuous, it can have grave consequences. For instance, a buyer who claims a broker sold them an investment may also claim that the broker did so without a securities license. Liability and associated penalties for securities law violations can be significant. For this reason, brokers should be very careful about how they advertise their listings, and not characterize them as "investments."

### PROTECTING BUYERS

Other claims we've seen made against brokers in 2009 have involved brokers' failure to protect their own clients. One such circumstance involved a selling broker failing to request a property disclosure statement on behalf of the buyer. As the buyer was not familiar with real property sale requirements, and therefore did not know about the presence of a property disclosure statement, the buyer did not know to ask for one. Had the buyer asked for one, the buyer may have learned of material defects that could have impacted the buyer's decision to move forward with his or her purchase. Although the seller and listing broker should have provided the disclosure statement to the selling broker, the selling broker should have been prompted to request a copy when one was not provided. Regardless of their level of experience, brokers should ensure that they protect their clients by checking that all aspects of a transaction are appropriately documented and handled.

### CONTRIBUTING TO CLIENTS' DEALS

Some brokers, when faced with situations in which their clients have not been able to secure funds for earnest money deposits or other fees and costs, have either lent their clients money or contributed their own funds to pay for things such as home inspections. A broker should not contribute money to a client's transaction as such a contribution could constitute a conflict of interest. In addition, a client could blame the broker for either forcing the client into a transaction that was not right for him or her, such as the purchase of a home that a buyer could not afford, or for a negligent service that was paid for by the broker, such as a home inspection. Brokers may want to educate their buyers in advance about the risks involved in failing to close a transaction, such as loss of earnest money. Brokers would also be prudent to refrain from going too far in assisting their clients, such as contributing any sums to a transaction, regardless of whether it's a gift or loan.

### CONCLUSION

The above constitutes only a small but important subsection of the types of claims faced by brokers during 2009. In our experience, many claims against brokers could have been resolved by clear, written communication between brokers and their clients, brokers working within their expertise, and brokers making referrals to experts when appropriate.

This column contains general information only and must not be construed as legal advice. Questions may be submitted directly to Maylie & Grayson by fax at 503.775.1765, by email at joelgrayson@mayliegrayson.com, or by mail at 7959 SE Foster Road, Portland, Oregon 97206.

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*Maylie & Grayson is a full-service law firm providing representation to real estate brokerages, brokers, REALTOR® associations, developers, builders, lenders and investors, providing services in all aspects of real estate including transaction review, land use planning, licensing, mediation, arbitration and court matters in Oregon and Washington.*



THE  
TWISTS & TURNS  
IN THE ROAD

By Steve Nassar



As we travel along our road in life or business there will always be those long, lazy straight-aways where it's easy to build forward momentum. However; there will also be the tight, hairpin turns—sometimes many in a row. What defines us will seldom be how we handle our time while on the straight-aways; most everyone does well there. It's learning to effectively navigate the sharp turns that will ultimately make us better drivers.

When one has a full charge of momentum behind them, it is typically the result of many well-executed, good decisions in consecutive order. Probability suggests that the next action in this pattern also stands a good chance of succeeding. This is especially true since the action will very likely be combined with the secret ingredient that almost always accompanies forward momentum: positivity.

For most, good momentum naturally embeds positivity, leading to confidence and poise, allowing one the ability to think clearly while envisioning and planning a successful outcome. The combination of all these ingredients in turn increases the likelihood that the next action will also be successful, allowing this entire cycle to perpetuate itself. Unfortunately, the reverse of this cycle is also true and can spiral negatively if one allows themselves to focus on thoughts that create fear and a lack of confidence.



Look no further than the sports world for countless examples of this. It's much easier for a professional golfer to hit a great shot after he or she has successfully executed multiple shots in a row. Much more difficult (and defining of the round) is how that same golfer will recover after choking on multiple shots in a row. Or watch an NBA star's statistical probability of making a basket after connecting on two consecutive three pointers, versus that same player after two air balls.

Similarly, in sales, we all have those days when we are on top of our game. We feel it in our step, our voice, and it shows on our face as we smile. As wonderful as those days are, and as much as we should appreciate them, there is little need to speak of them further. Our performance is already likely to be excellent on those days and the days directly following. What will define us, and what this article is about, are the times when we feel the exact opposite. The times when we are either in—or heading into—the “curves”. These curves can be anything from a small setback like getting a parking ticket or losing the business of a potential client, to something as gigantic as coping with a personal tragedy. Every road is riddled with big and small curves in one way, shape or form. Those who master the navigation of those curves in general (not necessarily any particular one) are most likely

# Every road is riddled with big and small curves in one way, shape or form.



to get where they want to go and emerge victorious.

When we leave our starting point, we have a direction we are heading. We may not, however, always have choices about the road or its condition. As we navigate that road, we will encounter sharp curves that will slow down our momentum. Like a car heading into a sharp corner, we have choices about what we focus our attention on. We can keep our eyes, attention and focus to the center of the road or we can start looking out at the steep ravine looming at the edge of it. Wherever our attention is directed, is most likely where we will end up. With that simple fact in mind, here are a few tips that will help you navigate life's corners in a manner that will allow you to retain maximum momentum:

**1.** The center of the road reflects a best case scenario that can occur given the immediate realities of your situation. The positive factors of your situation (and there always are some) are the lines in the center of the road that guide you toward this. Focusing on them, perhaps even writing them down, will help you strategize the best possible outcome.

**2.** The steep ravine off to the side represents a worst case scenario. The most looming negative factors (which may oftentimes only exist in one's imagination) are like the solid white line on the outside

of the road. Focusing your mind on these is likely to pull you in the direction of a worst case scenario.

**3.** At times, our eyes will need to scan the road to that exterior white line in order to evaluate the negatives of our situation. It is then, however, important to focus on the solutions to these challenges, not the actual problems themselves. This attention to the negatives should be quick, precise and purposeful, leading to decisive action. As soon as that assessment is made, our eyes and mind should return to the center of the road—to the positive factors—in order to keep moving toward the next best case scenario.

**4.** It is possible to be so overly positive, that we lose sight of reality and become oblivious to danger. This would be similar to crossing the center line and overlooking the possibility of traffic approaching from the opposite direction. Being too unrealistically positive can be just as fatal as being overly negative. Eventually, if ignored, reality will hit you as hard as a head-on collision with a Mack truck.

**5.** Whether deliberate or not, if another car alongside you bumps into you or cuts you off, removing your focus from your own driving and placing it on returning the aggression, is just as likely to result in wrecking your own car.

**6.** Sometimes roads will be washed out or blocked. In these types of unexpected situations it is very important to continue moving. Make the best decision about which direction to head but don't give up and just sit there. You are guaranteed to get absolutely nowhere doing that. Sometimes this may even mean turning around and backtracking to find an alternative route. In order to turn a negative experience into some type of a positive one, you must keep moving beyond the experience. Sometimes you'll see the positive in the situation almost immediately and other times it can take years. In either case, continuing on in the best possible direction is the only way to receive any chance at such a conversion.

When times are good it's easy to become complacent and slow to make decisions. On the other hand, when the corners are thrust upon us, we have to move quickly, remain sharp and be focused. The fact is: Facing corners has that built-in positive. If we have an exceptionally long straight-away, then the next set of curves can really throw us off as our reflexes will be out of practice. For this same reason those who faced and conquered the corners early on will typically have an advantage over those who started the race on a long straight-away.

Embrace the corners. They are inevitable, and fighting them will accomplish nothing. Use the corners to make yourself a better driver. Use the same energy that most people waste on fighting the actual existence of a particular corner, to help power you through it. Remember, the curves are the only place that you can truly set yourself apart from the rest of the pack. The higher the mountain (your goal), the more curves there will usually be along the way and the sharper the angles.

After all, if this weren't the case, imagine how crowded it would be at the top.

To learn further on the importance of attitude read "The Difference Maker" by John Maxwell.



*Steve Nassar is a mortgage advisor at Alpine Mortgage Planning as well as chairman of Alpine's marketing committee. Alpine has proven itself*

*to be a leader in every aspect of the mortgage banking business; from its utilization of the latest technology and cutting-edge marketing to the Core Values that are clearly visible in the attitude of every employee. The above article was written with one of these core values in mind - Positivity. The firm adherence by all Alpine employees to this core value is only one of the many reasons why Alpine has thrived during one of the worst housing downturns in recent history. For further information, please email [SNassar@alpinemc.com](mailto:SNassar@alpinemc.com).*

## REALTORS:



### HASSON DONATES FURNITURE TO FIRE-RAVAGED MARYSVILLE SCHOOL

Hasson Company Realtors donated used office furniture, including 50 chairs from its Uptown Portland office, to Marysville Elementary School, which was heavily damaged in a fire on Nov. 10, 2009. The leading real estate brokerage even paid for O'Neill Transfer & Storage to deliver the furniture to Portland Public School District. Hasson's donation helped benefit the more than 500 teachers and students in kindergarten through eighth grade at Marysville Elementary School who were displaced due to the fire.

### HASSON'S DRESS FOR SUCCESS CLOTHING DRIVE HELPS WOMEN GET BACK ON THEIR FEET

Hasson Company Realtors held its 9th Annual Send-in-One-Suit Week benefiting Dress for Success at its five branches throughout the Portland/Vancouver metropolitan area in November. Hasson agents, employees and metro area residents donated more than 1,700 pieces of clothing to the nonprofit organization, helping low-income women prepare to enter the workforce. In light of today's current economic climate, the success of Hasson's clothing drive is a testament to the support and community involvement people are showing for those in need.

### HASSON REALTORS EARN CDPE DESIGNATION

Marty Wells, Principal Broker with The Hasson Company's Lake Oswego office, and Karen Malanga of the company's Bend office, earned the Certified Distressed Property Expert (CDPE) designation, completing extensive training in foreclosure avoidance and short sales. The CDPE is the premier designation for Realtors helping homeowners in distress and handling short sales. Wells and Malanga join other Hasson Realtors Steve and Scott Ticknor with the company's Portland West branch, who also hold the CDPE designation.

### HASSON RECEIVES 2009 BEST OF VANCOUVER AWARD

Hasson Company Realtors announced that its Vancouver office received the 2009 Best of Vancouver Award in the Real Estate category by the U.S. Commerce Association (USCA).

The USCA "Best of Local Business" Award Program recognizes outstanding local businesses throughout the country. Each year, the USCA identifies companies that it believes have achieved exceptional marketing success in their local community and business category. These are local companies that enhance the positive image of small business through service to their customers and community.



### PRUDENTIAL WELCOMES NEW AGENTS: OREGON:

Diana Gates - Hillsboro  
Bruce Lindberg - Clackamas  
Holly Ratliff - Clackamas  
Tremaine Thomas - Gresham  
Malcolm Ash - Lake Oswego  
Julie Stephens - Lake Oswego  
Quinn Crandell - Metro  
Valerie Schumann - Netarts  
Mardi Wing - Netarts  
Matt Meinert - Newberg  
Christy Maciel - Bend

### WASHINGTON:

Bruce Lindberg - Clark County NW  
Heather Wilkinson - Clark County NW  
Jill Burlison, Tina Paul, Sarah Ruddell & Josiah Ruth (TeamBuilder) - Columbia Tech Center

### BERT WAUGH JR. NAMED DISTINGUISHED ALUMNUS OF THE YEAR

Bert Waugh Jr., President/Broker Owner of Prudential Northwest Properties, was honored as the Distinguished Alumnus of the Year by his alma mater, Linfield College, in recognition of his humanitarian work with homeless youth and his volunteer efforts worldwide. Waugh is the founder of Transitional Youth, a nonprofit organization that provides support to homeless youth in the greater Portland/Vancouver area. He also serves as Chairman on the board of Medical Teams International, a global health organization that gives aid and empowers communities in conflict and poverty.

### ROBERT SMITH BECOMES EXCLUSIVE MEMBER OF THE CDRS

America's Home Rescue announced that Robert Smith of Prudential Northwest Properties' Bend branch became an exclusive member of the Certified Default Resolution Specialist (CDRS) Program, a national network of licensed real estate professionals equipped with the knowledge and skills necessary to better educate homeowners about their options and be a resource in helping them avoid the devastation of foreclosure.

### PRUDENTIAL AGENTS EARN GRI

Prudential Northwest Properties brokers Laura Sheldon, Cynthia Westfall and Vicki Gile, all of the company's West Portland branch office, received the professional designation, GRI, (Graduate, Realtor Institute) by the Oregon Association of REALTORS®. The Realtor Institute is a program of the National Association of REALTORS® administered by the State Associations.

### PRUDENTIAL'S CHRISTOPHER VOIGT EARNS ABR DESIGNATION

Prudential Northwest Properties broker Christopher Voigt of the company's McMinnville Branch received the distinguished Accredited Buyer Representation (ABR®) designation by the Real Estate Buyer's Agent Council.

### PRUDENTIAL SANDY BRANCH CELEBRATES ANNUAL TOY DRIVE

Prudential Northwest Properties' Sandy branch saw a great outpouring of support during its 29th Annual Cheer a Child Toy Donation and Customer Appreciation Lunch in December. Agents and customers brought in a total of nine large bags of unwrapped toys suitable for boys and girls under the age of 18. The toy donations in addition to food baskets were distributed by the Sandy Kiwanis Club to the children in the Sandy, Boring and Mt. Hood corridor areas.



**MEADOWS GROUP INC., REALTORS WELCOMES BROKER STEPHEN WEBER AND HIS EXECUTIVE ASSISTANT DALE DOAN TO ITS EASTSIDE OFFICE.**



### JOHN L. SCOTT FOUNDATION RAISED MONEY FOR CHILDREN'S HOSPITAL

John L. Scott Real Estate announced that the more than \$2,700 it raised at the Midsummer Night's Dream charity event in 2009 will go directly to the Children's Hospital at Legacy Emanuel.

The John L. Scott Foundation was named one of the beneficiaries of the Midsummer Night's Dream event which was held July 31, 2009 in Portland's Pearl District. Oregon Foundation participants chose to direct all funds raised to the Children's Hospital at Legacy Emanuel. The event was produced by the Home Builders Association (HBA) of Metropolitan Portland as the opening of the 2009 Street of Dreams. John L. Scott brokers and staff helped sell tickets to maximize the donation.



### OREGON FIRST WELCOMES NEW AGENTS:

Lisa Curry, Lisa Kugiya, Rebecca Lyons, Seth Robbins, Laura Landi-Smith & Jonah Smith - Eastside  
Judith Martin - Gresham  
Veery Harper - Northeast  
Timothy McBride - Northeast  
Kimberley Harrington - Columbia  
Elaine Lehman - Columbia  
Kelly Bankes, Bill Beecher, Patrick Morrissey, Sheena McLean & Barbee Randall - Westside



### CBSEAL REALTORS AWARDED CRS DESIGNATION

Coldwell Banker Barbara Sue Seal Properties (CBSeal) Realtors Joan Elliott-Barclay and Rose Anderson both the company's Uptown branch received the prestigious Certified Residential Specialist (CRS) Designation by the Council of Residential Specialists, the largest not-for-profit affiliate of the National Association of REALTORS®.

### CBSEAL REALTORS GO GREEN WITH NEW CLASS

Coldwell Banker Barbara Sue Seal Properties (CBSeal) hosted one of the first classes taught in the state of Oregon featuring the National Association of REALTORS® (NAR) GREEN designation program. The program is designed to equip Realtors with advanced knowledge on green building practices and green property features.

CBSeal Realtors completing the recent GREEN designation program in Portland included:

Linda Cohn, Amanda Haworth, Jenny Johnson & Chris Kuehl - Portland-Uptown  
Sharon Dawson, Dylan Hereth, Vera Lupinek, Nathan Neubauer, Howard Page & Michael Rupp - Beaverton  
Marilyn Cooley, Jennifer Dilfer, Jason Duddington & Kristie McDonald - East Metro  
Jean Ashby, Fransisca Dijk & Jake Goldberg - Lake Oswego  
Helen Klopp, Travis Newton & Taylor Vilhauer - Vancouver Square

### GAIL FISHER TO REMAIN PRINCIPAL BROKER OF CBSEAL IN 2010

Coldwell Banker Barbara Sue Seal Properties (CBSeal) announced that Gail Fisher, Principal Broker, agreed to stay on past her previously announced retirement date of December 31, 2009.

Fisher, who became president of CBSeal in 2000, has been an integral part of CBSeal's success over the years. Fisher had originally planned to retire at the end of this year, but has agreed to continue on in her part-time leadership role.



### REALTH TRUST GROUP OFFERS RELOCATION SERVICES

Realty Trust Group is proud to offer relocation services for the first time via its new business associate Worldrelo, Inc. Worldrelo offers Realty Trust Group clients the expertise of nearly two decades of global relocation experience. Worldrelo owners, brokers Paul and Lori Tydeman, specialize in assisting clients with finding suitable housing and providing a bridge for cultural acclimation both within the United

States and internationally. Worldrelo is also a full-service real estate company in the state of Washington for Realty Trust Group clients who need real estate services in South-west Washington.

### REALTH TRUST GROUP WELCOMES NEW AGENTS:

Jessica Karman - Pearl District  
Patty Millspaugh - Hollywood

### BUILDERS:



### COSTA PACIFIC'S VILLEBOIS FINALIST FOR COMMUNITY OF THE YEAR

Costa Pacific Homes recently announced that its latest community, Villebois in Wilsonville, is a silver award winner in nine categories at this year's National Association of Home Builders' (NAHB) The Nationals<sup>SM</sup> Awards. These awards include The Nationals top award: the Community of the Year along with Best Product Design of an Attached Home Plan for two homes, Best Interior Merchandising of a Model Priced under \$500,000 as well as several awards for both internet and print marketing. Silver Award Winners are the top vote recipients in each category and are the finalists for the Gold Award.

Villebois offers area homebuyers a broad assortment of home styles and amenities from which to choose. Based on the intimacy and character of traditional European villages, the Villebois Village Center features everything from condominiums and row homes to apartments and mixed use buildings with ground level retail, residential or office space above. The Piazza Villebois, a dedicated community space and plaza, will serve as the heart of the Villebois Village Center and will be the future site of community events and other activities.

For more information about Villebois, visit: [www.ChangeHowYouLive.com](http://www.ChangeHowYouLive.com) or contact Sales and Marketing Manager Andy Green at 503.855.4661 or [andy@costapacific.com](mailto:andy@costapacific.com).



# Alpine Mortgage Planning

Your Dreams. Our Expertise.

You Need to Work with an Expert  
Now More Than Ever



The Real Estate and Mortgage Industry has been continually changing with the current state of the economy. These changes are implemented to *protect our clients*.

Therefore, it is important that you work with an expert who has been greatly educated and trained on these new regulations, so that you have the *peace of mind* knowing your clients will be taken care of.

At Alpine Mortgage Planning, *we want to be your resource for education and financing.*

Alpine Mortgage Planning offers valuable materials to help you and your business succeed! *The Pathway to Your New Home* book and New Home Postcards are just a sample!

Go to [www.alpinemc.com](http://www.alpinemc.com) for more information, and contact one of our advisors today!

