



## President's Message



I don't know about you, but I am much happier these days now that temperatures are above 20 degrees and the sun is making more of an appearance in our hemisphere.

### Mission

*We are a network of successful REALTORS® advancing women as professionals and leaders in business, the industry and the communities we serve.*

### Chapter Leadership

#### President

Ellen Atlas, CRS, ABR, ,e-Pro, SFR, SRES  
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#### President-Elect

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#### Membership Chair

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#### Secretary

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#### Past President

Carrie Healy, ABR, CRS, e-Pro  
GREEN, GRI  
Jean Wright Real Estate  
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Our March 12 joint meeting with the WCR Northwest Chapter at Old Orchard Country Club in Mount Prospect was a huge success. Everyone really enjoyed our panel of speakers: Commissioner Dan Patlak of the Cook County Board of Review; Martin Paulson, Chief County Assessment Officer of Lake County; Hector Dominguez, Outreach Specialist of Cook County Assessor's office; moderator Howard Handler, political liaison of NSBAR. Thanks to Bonnie Wilson, our program chairperson, for coordinating this well-received program. It appears as though it was very fortunate for both chapters that Old Orchard Country Club was willing to allow us to take reservations all the way up to the very last minute. Thank you also to Aaron Masliansky of First Class Moving and Storage for sponsoring our chapter at this event. And I want to be sure to thank all of our affiliates who have signed up to sponsor programs this year. If anyone else wishes to be listed as a sponsor for this year or next year, please contact Jerry Lazar: [JerroldLazar@comcast.net](mailto:JerroldLazar@comcast.net) or Verra Rudolfi [verra@proptitle.com](mailto:verra@proptitle.com).

April 9 we will meet at Happ Inn Bar and Grill in Northfield where Nobu Hata, Director of Digital Marketing at NAR will speak on "Building Trust in the On-Line Real Estate World For Your Business."

April 23 WCR Illinois is hosting a PMN designation course, "Effective Negotiating for Real Estate Professionals," with International Trainer Robert Morris as the Speaker. The class is offered at Wintrust mortgage, 9700 W Higgins Rd, Rosemont, IL. It meets the elective course requirement for the ABR Designation awarded by the Real Estate Buyer's Agent Council (REBAC). Registration is due by April 13. If you did not receive an email from WCR State of Illinois Chapter regarding this class let me know and I will have it forwarded to you.

This month our Governing Board meeting is a little earlier than usual. Feel free to join us on March 31 at 3PM at NSBAR, 450 Skokie Blvd, Suite 1200, Northbrook, Illinois.

Come early to each monthly meeting to take advantage of our organization's networking opportunities. To see upcoming programs, go to [www.wcr.org/chapter-sites-illinois/north-shore](http://www.wcr.org/chapter-sites-illinois/north-shore).

**Ellen Atlas, President 2015**

## 2015 Meeting Sponsors

### January

Wayne Paprocki.  
NSBAR

### February

Erin Marcus  
Caring Transitions

### March

Aaron Masliansky  
First Class Moving and  
Storage

### April

Brian Jessen  
Guaranteed Rate

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### May

Russ Gelberg  
Homebridge Financial

### June

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### August

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### September

Aaron Masliansky  
First Class Moving and  
Storage

### October

Chris Mostyn,  
Brook Furniture

Carolyn J. Gallagher

### November

Wayne Paprocki.  
NSBAR

### December

Brian Jessen  
Guaranteed Rate



## POINTS TO PONDER Marilyn D. Glazer, AHWD, GRI, M.S.Ed.

Previous to the passage of the Dodd-Frank Consumer Protection Act, two federal statutes, the Truth in Lending Act (TILA) and the Real Estate Settlement Procedures Act of 1974 (RESPA), governed two agencies that required forms when a mortgage loan was originated.

### Say good bye to the Good Faith Estimate

The two sets of forms have now been combined into the TILA-RESPA forms. The first form is known as the **“loan estimate”** and is “designed to provide disclosures that will be helpful to consumers in understanding the key features, costs, and risks of the mortgage loan for which they are applying. This form will be provided to consumers within three business days after they submit a mortgage loan application.”

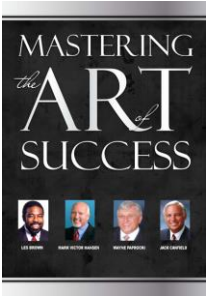
### Say good bye to the HUD-1

The second form is the **“closing disclosure”** and is designed to “provide disclosures that will be helpful to consumers in understanding all of the costs of the transaction. This form will be provided to consumers three business days before they close on the mortgage loan.”

The new forms use clear language and are designed to make it easier for the consumer to understand and locate key information, such as the interest rate, monthly payments, and costs to close the loan.

Last minute changes to the closing documents could delay the closing. NAR is advising real estate professionals to be sure that everything is ready for closing a good week before the actual closing date.

The Integrated Disclosure Rule takes effect on **August 1, 2015**.



*\* Wayne Paprocki,*

*DREI, GRI, MCNE*

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**At the risk of being too focused or too serious, this month's negotiating tip will be short and sweet. I just don't want a lot of extra verbiage to dilute this key concept.**

**Simply put, good negotiators are adept at distinguishing between interests and positions. With this distinction known, these negotiators routinely put better deals together.**

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**Negotiating Tip: Interests vs. Positions**  
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Positions are the offers, bids and terms a negotiating party brings to the table.

Interests are the motivations and priorities that underlie those positions.

Positions are always shared, communicated and even defended.

Interests are typically held in confidence, at least initially.

If, in a negotiation, the interests of your opponent is known then counter offers to their positions can be creatively constructed that meet their interests.

An example might prove helpful.

The Wilson's are finally getting some offers on their listed home.

While the current offer is from a strong buyer, the Wilson's feel the price is 'just not quite enough'. It is common knowledge in the neighborhood that the Wilson's are moving to a new house currently under construction. At the current pace it probably won't be ready for 3 more months. The buyers would like to close at the earliest opportunity, but do have some flexibility as to occupancy.

After asking some questions, doing some research and employing some creative thinking, the buyer agent suggests that the buyers increase their offered price by a very minimal amount but add provisions that would allow for a delayed closing by a month or two or proceed with a closing sooner with possession delayed a month or two. Upon receiving the offer, the Wilson's immediately agree.

What happened here? The buyers with the help of their agent focused more on appealing to the interests of the sellers than on the sellers' position. The initial position of the Wilsons was that they wanted a significantly larger amount. Their interest, however, was that they didn't want to 'move twice' or worry about the new home being done on time. The delayed closing or possession allowed them some time and offered convenience.

How many times do we focus too much on our negotiating opponent's position and pay too little attention to their interests. Interests are always there. It takes effort to uncover them. Good negotiators become adept at learning interests and reacting less to positions.

PROBE-PROBE-PROBE with open-ended questions (WOPENS) and close-ended questions (YEZNOS) to bring out the areas of concern and the real motivators and be a great COLLABORATIVE NEGOTIATOR



## **EIGHT THINGS TO KNOW WHEN REPRESENTING BUYERS ON A BANK OWNED (REO) PROPERTY**

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Lenders have begun to exercise control over the sales of Bank owned property in a way that we have not seen before. Attorney reviews and inspections are often denied, usual Seller costs are passed to the Buyer and provisions that protect only the Seller are the norm. You can best represent your client, if they are buying a bank owned property, if you take the following steps:

1. Run the contract by a real estate attorney before the Buyer makes the offer. If the contract does not provide for an attorney review, at least the contract will have been reviewed and issues raised so that the Buyer can at least make an informed decision.
2. If the Seller counters with an Addendum, that is a counter-offer, so if it deletes things important to the Buyer (like the Attorney Review and Inspection) understand that you are not in contract – you are still negotiating.
3. When the Listing Agent tells you that the Buyers have to sign the offer “exactly” as it is written (by *them*) insist on an Addendum or Rider that corrects the errors that are in the draft offer. (I’ve seen contracts prepared with the Buyers names spelled wrong).
4. Review the contract to determine what, if any, costs are being transferred to the buyer so that their offer contemplates the full cost of the purchase.
5. If the property is under a homeowner’s association, check to see whether there will be a six month dues liability to the Buyer on closing. The way to check this is to find out whom the foreclosed owner was and see if there were any civil suits for collection brought against them. If so, you are likely going to be looking at this additional cost. Worst case, take the dues amount, multiply by six and have your Buyer assume this cost will be added to their purchase price. (Best case – there is no liability).
6. Have the attorney check on how the foreclosure was completed: a. Did the defendant file an appearance? (If so, then the likelihood of there being a claim that due process was not used to gain title over the property through the foreclosure.)

- b. If the Defendant did not file an appearance, see if service was made by publication. If so, the ability of the Defendant to overturn the foreclosure is higher.
- c. If the Defendant did not file an appearance, but appears to have been served, the likelihood of the sale being left undisturbed is higher.
7. Make sure there is some provision for the property being inspected. Remember, many of these contracts state that the Buyer presumptively had the opportunity to inspect the property before putting in the contract. Make sure you know how getting an inspection done will be handled.
8. Make sure there is some contingency, so if there is a problem the Buyer can get out of the contract. You may want them to use a mortgage contingency, even if they are planning on paying cash. If there is no attorney review, the only way an attorney will be able to get them out of the contract if it turns out there was something wrong with the property, is by claiming the contingency was not met.

The nature of REO transactions has changed since the end of 2014. The contracts have become very one sided and buyers are being told to shoulder more of the costs and liability while still being asked to pay market value for the property. An REO transaction is the purchase of distressed property and it is a purchase “as is”. It can very often be a good deal for the Buyer. But, the Broker must be prepared to protect the Buyer before the contract is even submitted.

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I would like to thank our contributing authors of newsletter articles. Thank you to Marilyn Glazer, Wayne Paprocki, and our newest author Erica Minchella. Are you interested in submitting an article for consideration for a future newsletter?

**If so, please contact Ellen Atlas at [eatlas@koenigrubloff.com](mailto:eatlas@koenigrubloff.com)**

**Save the date:**

- May 21      Curing Negotiaphobia - Collaborative Negotiations and the CNE NEGOTIATION DESIGNATION  
Wayne Paprocki, DREI, GRI, MCNE President NSBAR, State Director & Master Trainer  
Hackney's on Lake, Glenview, IL- Sponsored by Russ Gelberg, Homebridge Financial**
- June 18      Healthy Meals by Design for Busy Professionals- Dietrich Horsey, Health and Fitness Professional  
Birchwood Tennis Club, Highland Park, IL – Sponsored by Diane Falk, The Private Bank**