



THE MICHAEL GROUP

R e a l E s t a t e & M a n a g e m e n t

Edition 50

June 2010

Volume 60

Another chance to win one free month ! ~\$79 value ~

* Winners will get the month of July free



Send an email to Melissa@themichaelgroup.com to enter the drawing. One person from each office will be chosen.

Messages From Management

Important News and Information from The Michael Group

* Congratulations to our Free Month winners!

Oscar Reyes– Dallas Office

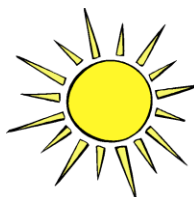
Amy Bower-Hurst Office



* Please remember.....

~All HUD contracts must be signed in the office.

~Checks are ready for pickup after 3 p.m. in the office.



* The most important date on the contract is the Effective Date. This date should be filled in all contracts.

* We do Experian credit reports for \$10 per report. Call the office for details.

* Owner Financing rules have changed...See page three of the newsletter for details.



Training Center

Mobile Agent Marketing

Take control of how you run your business with a product that finally does what technology is supposed to do, save you time and money while increasing your revenue.

Tuesday, June 22nd

NOON to 1 PM

Dallas Office*

Pizza Lunch is included!

*Hurst agents may attend this class in the Dallas office.

Please RSVP



AGENT BOARD

- ◆ Dallas Agent, Lynn Crosby offers published videos for real estate or any event for \$49 + per video . These videos can used in blogs, websites, Facebook, holiday greetings and family events. Direct link to her YouTube site :<http://www.youtube.com/user/DallasRealEstate>. Lynn's email address is 911@lynn911.com.

Do you have a Real Estate Shout-out that you would like to relay to our agents?

Contact carol@themichaelgroup.com and have your idea put in our newsletter for FREE!

Word From The Broker....

~New Copiers coming! Each office will be getting a new copier which will have the ability to scan, save and email documents! They will be installed the first week of June.

~ If you use a DBA or assumed name on signs or other advertising, these names must be registered with TREC. For more info, call the office.

Question and Answer

Q. How do I find a MUD notice?

A.Each municipal utility district is required to maintain the notice to be furnished by a seller to a purchaser of real property in that district. The district is also required, upon a written request from any person, to issue a completed notice. A district can charge a reasonable fee not to exceed \$10 for the issuance of the notice. Water districts are also required to file the required information with the county clerk and the Texas Commission on Environmental Quality.

The property owner should be aware if his property is located in a water district, as he will have been paying a fee to that entity. If a property is located in a water district that does not charge a fee, the seller is not required to provide a water-district notice to a buyer. Once the water district has been identified, the property owner can request the appropriate notice from the water district. Water district notice requirements are found beginning with Section 49.451 of the Texas Water Code.



Important Information Regarding Seller Financing

The SAFE Act requires a license for most seller financing as of 05/31/2010

Once upon a time, in a land far away, there lived real-live people who had liquid assets available to lend to purchasers of their real estate ...

Sounds like a fairytale, doesn't it? Well, it's not fiction at all. Contrary to popular belief, there are property owners in Texas who have assets available to provide seller financing for their real estate transactions. The question is, are they able to seller-finance those properties under the current law?

Playing it SAFE...new licensing requirements

On July 30, 2008, President George W. Bush signed into law the Secure and Fair Enforcement for Mortgage Licensing Act, commonly referred to as the SAFE Act. Contained within the federal statute was a requirement that all states enact uniform legislation implementing the SAFE Act within one year. In Texas, this was done during the 2009 legislative session.

The primary purpose of the SAFE Act is to place minimum licensure requirements on all mortgage-loan originators, and it requires state agencies to participate in the Nationwide Mortgage Licensing System and Registry. However, the SAFE Act also contains a small provision that expands licensing requirements to a larger segment of the population. To seller-finance a one to four family residential transaction involving property other than the seller's primary residence, the seller must now be licensed as a residential mortgage loan originator (RMLO).

The five-transaction exemption is extinct

Under the previous statutory framework, there was something called the *de minimus exemption*. This allowed sellers of one-to-four-family residential properties to seller-finance up to five transactions in a single year without having to be licensed. The new statute does away with that exemption. Now, the only licensing exemptions in this context are for the sale of the seller's primary homestead or if the seller is extending financing to a family member.

To be clear, seller financing is still allowed in Texas. However, now you must be licensed unless you meet one of the exemptions described. According to Texas Savings and Mortgage Lending Department Commissioner Douglas Foster, people who intend to continue seller financing properties other than their homesteads must complete the licensure process prior to May 31, 2010. Seller-financing these transactions without the appropriate license is a misdemeanor offense in Texas.

You will need an RMLO license, too, if you provide seller financing

Becoming licensed as an RMLO entails a process similar to obtaining a real estate license. Applicants must complete education, submit fingerprints for background checks, pay associated fees, sit for an exam, etc. An additional requirement is that applicants must demonstrate some level of credit worthiness. At this time, there is no reciprocity or exemption for other professional licenses, so real estate licensees must also obtain an RMLO license to conduct seller financing.

If you, as a real estate licensee, are representing a seller intent on seller financing, be sure to share this article with your client and refer her to the Texas Savings and Mortgage Lending Department for further information. Otherwise, that seller's hope for a fairy-tale ending could turn into a nightmare.

Source: Edra Anderson is associate counsel for the Texas Association of REALTORS®.



Your Favorite Charity

What is your favorite charity? Every month The Michael Group makes a donation to an agents favorite charity. Email or call us with the name of your favorite charity and we will put it in our drawing.

The charity chosen for June is :

Dallas Parks and Recreation Dept. program to send poor kids to camp.

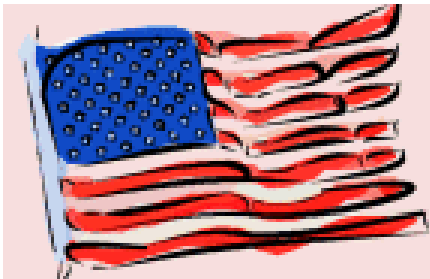
For more info on these charities or to put your favorite charity in our monthly drawing ,
please email carol@themichaelgroup.com.

Thank you to all agents who have responded. Keep sending your nominations!

Did You Know?

A hodgepodge of Travel Trivia

- ⇒ Tennessee is bordered by eight states This is more than any other USA state
KY, MI, AR, MS, AL, GA, NC, VA .
- ⇒ The country with the most number of islands is Finland.
- ⇒ Japanese tourists spend the most money per capita in foreign lands.
- ⇒ The Mediterranean sea gets it's name from the Latin phrase meaning "sea
in the middle of land".
- ⇒ AMERICAN AIRLINES saved \$40,000 in 1987 by eliminating one olive from
each salad served in first class.



Flag day is June 14th