

REGION 6 DIRECTOR REPORTS



CALIFORNIA
ASSOCIATION
OF REALTORS®

2021 VIRTUAL WINTER
MEETINGS



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Business Technology Forum

Joe Annunziato III

The discussion continues from this group to help make sense and use of all the real estate data out there. An area of focus over the last year or so has been gaining information based on REALTOR forms usage. This is an ongoing process of gathering data, analyzing it and eventually providing easy to use reports and potential programs for use by REALTORS. For example, the gathering of such data has yielded that approximately 750,000 PEAD-V forms have been used so far!

There were two presentations – both explaining programs that are available which are using some of the above mentioned “big” data to provide products for REALTORS:

1. Climate Check – www.climatecheck.com

This is a program that gathers multiple types of data to help determine the effects of climate change on any given address in the country. The presentation was informative as it discussed short and long term assessments of climate change as well as the effects of “extreme” events (i.e. heavy precipitation, extreme heat, etc....)

2. TopHap (Top Homes and Properties) – www.tophap.com

This is a program that allows access to multiple data sets (including but not limited to those provided by MLSs) for agents and investors to use for analysis and research to provide data driven information and insights to clients. There is a free version with 3 additional paid tiers to unlock additional information and research tools.

Communications Advisory

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NRDS #**Association**

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Phone**Committee**

Communications Advisory

Meeting Day/Time

Thurs. Feb 11th 9:30 am

Action Items

Vote on one of three upcoming commercial videos presented for the new campaign Champions of Home to launch in April
1. California Proud, 2. The Door is Open, 3. Totally Possible. Number 1 was voted in

Discussion Items

Viewing each commercial and discussing likes and ways to improve each. Introduce next campaign and commercial using various mediums, social media, on demand engagement with youtube and pinterest. The goal is to hit the right audiences by leveraging those targeted capabilities.

Realtor.com is creating a First-Time Home Buyers Guide specifically for California.

Discussed the California Dreaming launch on ABC

Upload Attachments**Date Completed**

CREPAC

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Committee

CREPAC

Meeting Day/Time

Feb 5. 9am - 5pm

Action Items

None

Discussion Items

Cannot report as this is a closed meeting other then the road to listening is important to get through the division our country.

Upload Attachments

Defense Strategy Advisory

Name

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Committee

Defense Strategy Advisory

Meeting Day/Time

Tuesday, Feb 9 @ 2:30 pm

Action Items

None

Discussion Items

C.A.R. E & O Insurance report: Carriers are dwindling in the California E & O market leaving fewer providers- Hudson is now providing similar coverage as the Navigators program provided and those that deal with high-end properties, significant property management businesses, flips, and those that act as dual agents should be prepared for increased premiums.

Legal Hotline Report- these are trends that hotline attorneys are seeing with some regularity as potential issues for particular attention:

1) REALTORS® that are "assisting" owners of rental property with various tenant notices while federal, state & local eviction moratoriums are in place. This is risky under both Code of Ethics (Article 13) & law- rental property owner clients should be advised to seek legal advice before notices regarding tenancy changes are given to tenants- especially during COVID with so many different levels of regulations that may apply- please note that the strictest of protections would apply.

2) Drafting clauses regarding appraisals, escalation clauses without legal advice can be risky and a potential for "practicing law" without a license (and a violation of Article 13)

3) Buyers' love letters and REALTORS® encouragement of them are risking fair housing actions for their clients- for the first time there are more fair housing issues coming up regarding purchases than rental transactions.

4) REALTORS® that engage unlicensed vendors to do work on listed properties or that do not warn their clients from hiring unlicensed individuals to do work without the protections that follow licensed contractors will assume the risk for those decisions.

DRE has new website with consumer/senior rental resources: <http://www.housingiskey.org>

Federal

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Committee

Federal

Meeting Day/Time

2-10-21 3pm

Action Items

1. FHFA Request for Information of Appraisal-Related Policies, Practices, and Processes. Should C.A.R., in conjunction with NAR, "SUPPORT" "appraisal bifurcation" also known as a hybrid appraisal. On December 28, 2020, the Federal Housing Finance Agency put out a Request for Information (RFI) on how the appraisal process may be improved. Included in the RFI was a proposed hybrid appraisal. The concept would be for someone in the real estate industry, such as a real estate agent, appraiser trainee, home inspector, or even insurance agent, to go to the property to collect specific information that may be sent either directly to the lender, or to a certified appraiser who can then complete an appraisal at home.~ Approved to support~

2. Fannie Mae and Freddie Mac Risk Based Pricing Working Group*-At the Fall C.A.R. Business Meetings the Transaction and Regulatory Committee looked at the question of whether the Enterprises (Fannie Mae and Freddie Mac) should eliminate risk-based pricing based on FICO and LTV. The Enterprises guarantee payment of principal and interest on mortgage backed securities (MBS). To do this, the Enterprises charge a fee to the loan originator, known as a guarantee fee (g-fee). Fannie Mae and Freddie Mac do not charge a single g-fee for all borrowers. Instead, they have risk-based pricing known as loan level price adjustments (LLPA). LLPA's will vary based on borrower FICO and loan-to-value (LTV).

Discussion Items**Upload Attachments****Date Completed**

Forum on Forms

Name

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REALTY EXPERTS

Association

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Phone**Committee**

Forum on Forms

Meeting Day/Time

2/9/2021 9am - 12pm

Action Items

None

Discussion Items

There was open forum discussion and suggestions on likes and dislikes on revised and new forms, but overall consensus was new rpa contract form was received well. Attached is the Forum on Forums talking points on New and Revised forms from December 2020

Upload Attachments

Forum on Forms Feb21.pdf

1.27 MB



Talking Points for Forum on Forms

February 9, 2021

Introduction –

William Chea

Introduction of Vice Chairs (Joe Annunziato III and Linda Wilcox), Executive Committee Liaison (Tica O'Neill), and the C.A.R. staff (Neil Kalin, Howard Fallman, Justin Murakawa, and Doug Kikuta).

zipForm/Glide tips – Ed Charboneau

December 2020 New Form –

Linda Wilcox

HHDA – Home Fire Hardening Disclosure and Advisory

The HHDA satisfies the disclosure requirements starting January 2021, concerning home fire hardening. This form should be used if the property is located in a high or very high fire hazard severity zone when a TDS is required. Buyer has same cancellation right as with TDS.

December 2020 Revised Forms –

Joe Annunziato III

COP – Contingency For Sale of Buyer's Property

This form went through an overhaul to make the form easier to use. The form starts by clearly identifying exactly what the contingency is for – either entering into contract to sell buyer's property or closing escrow on buyer's property or both. The form defaults to both. A section was added regarding the current status of the other transaction, including what is or will be happening with the MLS. The buyer agrees to keep the seller informed of the status of the other transaction. The procedures for obtaining a backup has been moved up to the first page and the time frames for which it will apply, if it does at all, has been made easier to understand. Finally, the Buyer and Seller's cancellation rights have been more clearly defined.

CR – Contingency Removal

This form was updated to reflect the changes made to the COP form, including the paragraph references and potential contingency removal situations contemplated in the revised COP.

NBP – Notice to Buyer to Perform

Just like the CR, this form needed to be updated to reflect the changes in the COP.

RCJC – Rent Cap and Just Cause Addendum

This form was reorganized to place the exemption for single family residences or condos not owned by a corporation at a more prominent place at the beginning of the form so that it is more easily found for those that are exempt.

SFLS – Square Footage and Lot Size Disclosure and Advisory

This form was reorganized to clarify each party's representations and acknowledgements before the signature lines.

**Open Forum Comments and Suggestions for Existing
and New forms – William Chea**

2020 RPA – David Kerr

History:

The last significant revision to the RPA was released in November 2014. A new RPA was approved by C.A.R. officers in 2019 for a December 2020 release. But after a unanimous vote, the launch was delayed until December 2021. This was to allow members some breathing room to regroup and recover from the COVID-19 pandemic. There are 16 members in the Study Group, including the chair, that were approved by C.A.R. officers. Committee members span from Northern, Central and Southern California. The first meeting to begin drafting the new RPA took place in May 2019. To date, there were a total of 14 meetings. We are currently nearing completion of the final draft of the 2021 RPA and the goal is to have final version available for presentation to Forum on Forms at C.A.R. Business Meetings in April 2021.

Thank You Team Members:

First and Foremost: Sheri Fejeran who chaired this taskforce for over a year.

- Cameron Platt
- Colleen Wiginton
- Dan Hershkowitz

- Jeff Kahn
- Joe Annunziato III
- Larry Spiteri
- Lisa Schulz
- Melrose Forde
- Robert Morel
- Sandra Deering
- Sheri Anthes
- Vickie Naidorf
- West J De Young
- William Chea

Attorney
 { Neil
 Howard
 Justin } Doug
 STAFF

Noteworthy Modifications:

The Grid addresses all the significant deal points: Price, COE, Offer-Expiration, deposits, financing, contingencies, possession, items included and excluded, allocation of costs, occupancy and possession, all with fill-in or optional time periods

Specialty situations by addendum: — Paragraph 4

We will be retiring the various different specialty contracts, the Probate, manufactured home, tenant-occupied property, tenancy in common and Co-ops will now be incorporated into the new purchase agreement by property type Addenda

Loans: — Paragraph 5C.3

A new paragraph on Loan Status has been added which authorizes the seller to contact the buyer's lender as well as requiring the buyer to update the seller on changes of lenders within one day of a seller's request.

EVA form will be retired. Paragraph 5C.4
 Language for FHA and VA Loans has been added into Form RR and form AEA (Amendment of Existing Agreement Terms).

Paragraph 6.
Verification of funds and down and loan application default to attached to offer

Occupancy and Possession: Paragraph 7

Occupancy defaults to primary but there are options for secondary or investment

Contingencies and Removal of Contingencies:

Paragraph 8

Loan Contingency defaults to 17 days as almost all other contingencies

Appraisal report that has to be delivered to seller if buyer uses appraisal as excuse to cancel under appraisal contingency

Items Included have more options: wine refrigerators, microwave, security alarms, video doorbells, security cameras, wall mounted brackets, bathroom mirrors pre-checked, above-ground pool and spas, electric car charging stations, light bulbs including "smart" bulbs

Reinspection fees to be paid for by seller if smoke alarm, CO detectors, water heater not done in time specified

Home Warranty: Buyer chooses plan and pays for any excess cost beyond agreed-to limit

Buyer Investigation: Distinguishes between investigating physical attributes of property (such as home inspection, wood pest inspection), other investigations (such as off-site conditions or permits), and review of reports. These distinctions are relevant to contingency removal and request for repairs.

Title: Buyer agrees to cooperate with title company regulatory obligations for all-cash purchases

Assignments:

Assignment request to be made within 17 days or seller disapproval reasonable but no Assignment request is needed to assign to wholly owned entity or trust OR Purchaser

Definitions: Includes a paragraph on how to count days. Delivery includes possession by authorized agent (even for acceptance). Delivery includes sending an electronic document to the authorized agent's designated electronic delivery address. Authorized agent defined by looking to the real estate broker box. "As-is" has a definition but substance the same. Acceptance means all signatures executed and "delivered."

Mediation and Arbitration: Each has its own numbered paragraph. 29, 30, 31

Paragraph 37B Representative Capacity: Signature blocks now incorporate RCSD language into an optional "entity" buyer or seller section. RCSD form is no longer required if completed. Person signing is referred to as the legally authorized signer, which is defined.

Broker signature box allows space to identify phone, email, text and "Alternate Designated Electronic Delivery Address." Fax line removed

Page 16 Confirmation of Acceptance ^{Whole paragraph removed} initials have been removed. (This is becoming a global change for most forms)

Release and Training Schedule:

- April 27-30, 2021, C.A.R. Business meetings (present final draft to members— combined with or separate from FOF)
- August 2021 – launch training, deliver to printers, zipForm®, update Forms Tutor, send to legal to update Guide to RPA book
- October and November 2021 – Hold Certified Forms Trainer sessions

• **Comments from the floor – David Kerr**

Car-forms@car.org

along with CAR
all other RPA's vacant land etc will be updated.

Global Real Estate Forum

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Committee

Global Real Estate Forum

Meeting Day/Time

2/11/2021

Action Items**Discussion Items**

The Global Real Estate Forum is not a committee therefore our time together is various topics. We had four speakers. The overall discussion was the Global market has declined due to COVID-19 travel restrictions. See attached for list of speakers. Oscar Wei presented an overview of the economic impact due to the travel restrictions on tourist.

Upload Attachments

GlobalForum.pdf
251.58 KB



AGENDA



Global Real Estate Forum

February 11th, 10am – 12pm

https://carorg.zoom.us/webinar/register/WN_-LJmSff3SRedHoG72FhFZA

PRESIDING: CHAIR, EVA GARCIA

VICE-CHAIR, COLLEEN CHATOFF

VICE-CHAIR, KATHERINE ARONSSON

STAFF LIAISON, LISETTE TORRES

- I. Welcome Remarks with Eva Garcia, C.A.R. Global Real Estate Forum Chair;
- II. Measuring the Pulse of Global Real Estate with Hanne Sagalowsky, NAR Global Real Estate Chair;
- III. COVID-19 Real Estate, Restrictions and Opportunities in Europe with Ekaterina Nikitina, International Real Estate Professional;
- IV. Real Estate Transactions in Mexico during COVID-19 with Harriet Murray, President of AMPI, Puerto Vallarta, Mexico;
- V. Migration Patterns in California and COVID's Impact with Oscar Wei, Chief Deputy Economist at C.A.R.;
- VI. Q&A + Networking;
- VII. Adjourn.

• Western Europe - 1/2 million death / Closing again

Homeownership Housing

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Committee

Homeownership Housing

Meeting Day/Time

Monday, February 8, 2021, 9am-11:30am

Action Items

(Amended) That C.A.R. sponsor legislation in 2022 to: (1) Conform to Federal regulations, and provide owner-occupants and public entities with an opportunity to purchase GSE backed REO properties for 20 days (e.g. federal "First Look" program; (2) Require lenders to receive and provide written acknowledgment of all offers during that 20 day period to the potential owner occupant purchaser and public entities; (3) Require financial institutions to respond to offers made pursuant the "First Look" program prior to considering any offer from investor purchasers; (4) Prohibit a Government Sponsored Entity (GSE) from conducting "bulk sales" in California. Motion passed with 80% yes vote

Discussion Items

Section 4 of the above motion was heavily debated as opposers thought the prohibition of bulk sales could (1) prevent small investors or investor groups who might be planning to convert older obsolete properties to new housing from purchasing and (2) prevent the types of bulk sales that are used to offset a rapid market decline such as the one in 2008 which would have a negative effect on the economy. It was decided to let the Legislative Committee debate these issues if they arose in the Leg Committee meeting. There was also discussion of ACA 1-Lowering the bond vote requirement from 2/3 to 55% to fund housing and public infrastructure. A motion was passed to recommend to Taxation and Government Finance Committee to oppose unless amended to limit the lowering of vote requirement only for Affordable Workforce Housing construction.

Upload Attachments

Housing Affordability Fund

Name

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Committee

HAF

Meeting Day/Time

February 8, 2021 / 8:30 AM to 11:30 AM

Action Items

No Action Items

Discussion Items

It was noted that the two long-time members including the Founding Member Toby Bradley and John Scholte had passed away since our last meeting and a \$500 donation was made to HAD in honor of Toby by one of the associations. Farah Wilder, VP-Chief Diversity Equity and Inclusion Officer made a lengthy presentation about HAF & Fair Housing. In the presentation, Farah explained the homeownership "gap" is LARGER today than in 1960. Farah explained that we need more and better Downpayment Assistance Programs as well as Closing Cost Grants like programs similar to "HELLO Housing" and Bridge Housing Committee. These programs are the key piece of assistance to people of color and the underserved and underrepresented communities.

We must commit to educating our local and state legislators and officials and perhaps provide funding through HAF to get them educated,

Share, support, and connect all local associations on all of these programs

Financial Update by CAR Staff Rizwan Uraizee. As of 12/31/2020 (not audited), HAF Balance is \$1,907,040 YTD

Investment Returns are about 7.3% Fees were \$2537/in 2020.

REVIEWED Committee Objectives and Responsibilities. As we continue to search for a funding source for the long-term vitality of HAF it was discussed that HAF will move toward less fundraising and put our combined energies into more promotion of Housing and Homeownership, especially in the underserved communities.

We are also looking for ideas and will hold special ZOOM meetings to discuss possible new statewide programs and new ideas to create new homeownership opportunities.

We heard from 3 associations who made grant requests and all 3 grant requests were granted at a total cost of \$150,000 Presentation from Eugene Pac CAR Committee Liaison

SPECIAL REPORTS: See "SnapShot" attached of our progress throughout the years HAF has been in existence

You will also see the Regional Contest Flyer attached. If you have not done so please go to www.CARHAF.com and make your donation to keep our region 100% once again in 2021. We ask that you contribute \$100 or more but the Region is considered 100% as long as every director makes at least a \$25 yearly donation.

PLEASE ASK AND ENCOURAGE ANYONE YOU KNOW TO ALSO MAKE THEIR TAX DEDUCTABLE DONATION TO the HOUSING AFFORDANILTY FUND (HAF) www.CARHAF.org "EVERY \$DOLLAR\$ MAKES A DIFFERENCE

Upload Attachments

Region Contest Flyer FINAL 01-21.pdf
326.97 KB



HAF-Snapshot - 2021 - Final.pdf
140.64 KB





CALIFORNIA
ASSOCIATION
OF REALTORS®



2021

Region Contest



Get 100% of Directors in your Region to donate to HAF by April 16th, and your Region could win BIG!

100% C.A.R. Directors donating to HAF at the Bronze Pin level or higher, your region receives a recognition at the April Board of Directors Meeting and 4 tickets to a 2021 virtual event of your choice

100% of C.A.R. Directors at any pin level, your region wins a recognition at the April Board of Directors Meeting

Is this your region's lucky year?

Win region recognition and virtual passes!

HAF Donor Levels

Founders \$1500 (\$500 Renewal)
Gold \$1000 (\$350 Renewal)
Silver \$500 (\$250 Renewal)
Bronze \$100
Ambassador \$25



To pay online, visit:

www.carhaf.org

or scan the QR code with your phone

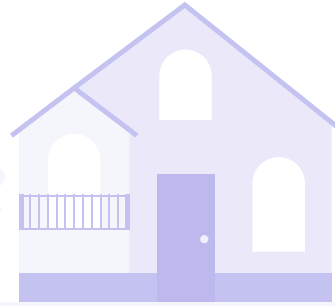
Questions?

Alma Menchaca

213.739.8352 | almam@car.org

This solicitation is intended to target California residents only. It is not intended to solicit donations outside of California.

Snapshot of Our Progress



2020 GRANTS OFFERED

Lodi AOR

Program to promote homeownership for first-time buyers by providing them with \$500 grant after closing escrow.

Nevada County AOR

Program offers \$1,000 grants for a fire insurance premium to first-time homebuyers.

Pacific Southwest AOR

Closing cost assistance offers \$1,500 to help veterans & active duty personnel.

Southland Regional AOR

Down payment assistance to first-time homebuyers, \$2,000 per family.

Bakersfield AOR

Offered qualified first-time homebuyers up to \$2,000 each to help with closing costs following the close of escrow.

Bridge AOR

Closing Cost Assistance grant that will provide qualified public employee homebuyers an additional source of funding for their closing costs.

Northern Solano County AOR

A Hometown Hero's grant program to provide \$1,000 grants to active duty military, teachers, health care workers, fire and police personnel who are first-time buyers.

2019 GRANTS OFFERED

Southland Regional AOR

Homeownership Association Program to assist with 6 months of HOA dues to first-time homebuyers.

East Valley AOR

Closing costs or down payment assistance to help buyers transition from renting to owning.

San Benito County AOR

Program to assist with recurring and nonrecurring closing costs for first-time homebuyers in San Benito County.

Southwest Riverside County AOR

Program for military personnel who are first-time homebuyers, offering a voucher for either a washer, a dryer or a refrigerator from their local Lowes.

Pacific West AOR

Down Payment Assistance Program to help fund our Opening Doors First-Time Homebuyers Program.

The Inland Gateway AOR

Payment assistance that helps lower the upfront cost of Split Mortgage Insurance.

2018 GRANTS OFFERED

Oakland / Berkeley AOR

Down Payment Assistance Program that will provide qualified first-time homebuyers in the San Francisco East Bay with an additional source of funding for their down payment.

Ventura AOR / Santa Barbara AOR / Ojai AOR

Down Payment Assistance Program to provide housing assistance to low and moderate income families victimized by the Thomas fire and Montecito debris flow.

Fresno AOR

Veterans & Workforce Housing Opportunity Program which will assist veterans and workforce housing buyers to be more competitive by creating incentives for sellers.

San Mateo County AOR

Down Payment Assistance Program that will assist HEART (The Housing Endowment and Regional Trust of San Mateo County) in their pursuit of helping to get more buyers' offers accepted by sellers.

Northern Solano AOR

Promote homeownership for first-time buyers by providing them with a \$1,000 grant after closing escrow.

IMPAC Trustees

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Committee

IMPAC Trustees

Meeting Day/Time

2-8-21 8:30

Action Items

It was reported for information only that the following IMPAC requests were approved:

--\$20,000 to the California Association of REALTORS® (C.A.R.) and Southern California Association of NonProfit Housing (SCANPH) to place a measure on the November 2022 ballot to repeal Article 34 of the California Constitution.

--\$80,000 to AEC Government Affairs to implement a Member Driven Public Policy Development program for local associations seeking to better engage membership in the development and implementation of public policy initiatives to be advanced (or opposed) at local levels of government.

It was reported for information only that the following IMPAC request was denied funding:

--Californians For Balanced Energy Solutions to advocate for policies that protect the use of natural gas in homes and a balanced approach to energy policy in California.

It was reported for information only that Katherine Beacock and Leigh Rutledge were appointed from among the IMPAC Alternate Trustees to serve as voting IMPAC Trustees for a two year term beginning in November of 2020 to fill vacancies on IMPAC.

Discussion Items**Upload Attachments**

Investment Housing

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Committee

Investment Housing

Meeting Day/Time

12/9/2021

Action Items

There were 3 bills the committee recommended CAR take a support position.

1. AB 15 (Chu) COVID-19: Evection Moratorium.
2. SB 64 (Leyva) Mobile homes: COVID-19: Eviction Moratorium
3. COVID-19 Federal Rental Assistance

There was 1 bill the committee recommended CAR take an oppose unless amended position.

1. AB 16 (Chiu) COVID-19: Small Landlord/Tenant Relief Program.

See the attached for full information.

Discussion Items

See attached agenda items.

Upload Attachments

InvestementHousing.pdf

1.11 MB



AGENDA

Winter 2021

INVESTMENT HOUSING COMMITTEE

955 1549 4519

MISSION STATEMENT

The Investment Housing Committee is a Policy Committee. Its mission is to develop C.A.R.'s housing policy in the rental segment of California's housing opportunities. It has original jurisdiction to evaluate housing legislation and regulation in the following issue areas: Fair Housing/Equal Opportunity, Multifamily, and Property Management.

PRESIDING

Karen Trolan, Chair
Kathryn Burdett, Vice Chair

ISSUE CHAIRS

Crystal West, Fair Housing/Equal Opportunity
Malcolm Bennett, Multifamily Housing
Kathy Oliver, Property Management

LIAISONS

Melanie Barker (Executive Committee)
John Wong (NAR Representative)
Wayne Woodyard (NAR Representative)

STAFF

Karim Drissi, Legislative Advocate

I. OPENING REMARKS - Karen Trolan, Chair

A. "Obstacles are those frightful things you see when you take your eyes off your goals." - Henry Ford

II. PRESENTATION: "WHAT'S HAPPENING WITH C.A.R.'S GRASSROOTS EFFORTS?" - Julissa Gomez

III. UPDATES AND REPORTS

A. FAIR HOUSING AND EQUAL OPPORTUNITY - Crystal West, Issue Chair

1. **Bans Discrimination in Mixed-Income Multifamily Development Planning** - This C.A.R.-sponsored bill eliminates discrimination in the development planning of a mixed-income multifamily structure, ensuring the occupants of the affordable housing units have the same access to the common entrances, common areas, and amenities as the occupants of market-rate housing units.

Position: Sponsor

Status: Pending Introduction

AB491

2. **Consumer Financial Protection Bureau (CFPB): Request for Information on Equal Credit Opportunity Act and Regulation B** - In August 2020, CFPB issued a request for information and solicited comments on "identifying opportunities to prevent credit discrimination,

encourage responsible innovation, promote fair, equitable, and nondiscriminatory access to credit, address potential regulatory uncertainty, and develop viable solutions to regulatory compliance challenges under the Equal Credit Opportunity Act (ECOA) and Regulation B." C.A.R. supports efforts to fight discrimination and increase access to mortgage capital. To that end, C.A.R. submitted comments asking CFPB to broaden its scope beyond ECOA to actively address inequities in access to credit.

Position: Monitor

Status: Pending Adoption

CRYSTAL WEST

B. PROPERTY MANAGEMENT - Kathy Oliver, Issue Chair

1. AB 15 (Chiu) COVID-19: Eviction Moratorium - Under AB 3088 (Chiu, Statutes of 2020), a housing provider is prohibited from evicting a tenant due to nonpayment of rent accrued between September 1, 2020 and January 31, 2021 if the tenant pays at least 25% of those monthly rental payments on or before January 31, 2021 and provides the required declaration. AB 15, among other things, extends this time period until December 31, 2021, harming rental housing providers by ensuring they go the entirety of 2021 without receiving any rent. (1)

Position: Oppose

Status: Assembly Housing and Community Development Committee

2. AB 255 (Muratsuchi) Commercial Leases: COVID-19 Rent Relief - This bill states the intent of the Legislature to enact legislation that would provide commercial rent relief protections for small businesses affected by the COVID-19 pandemic. As introduced, AB 255 is a "spot bill." C.A.R. will consider adopting a position on AB 255 as soon as substantive language is amended into the bill.

Position: Not Rated

Status: Pending Committee Assignment

3. SB 3 (Caballero and Bradford) COVID-19: Eviction Moratorium - Under AB 3088 (Chiu, Statutes of 2020), a housing provider is prohibited from evicting a tenant due to nonpayment of rent accrued between September 1, 2020 and January 31, 2021 if the tenant pays at least 25% of those monthly rental payments on or before January 31, 2021 and provides the required declaration. SB 3 seeks to extend this time period until March 31, 2021. As introduced, SB 3 is considered a "spot bill." C.A.R. will consider adopting a position on SB 3 as soon as substantive language is amended into the bill.

Position: Not Rated

Status: Senate Rules Committee

4. SB 64 (Leyva) Mobilehomes: COVID-19: Eviction Moratorium - This bill prohibits the management of a mobilehome park from attempting to terminate the tenancy of a resident who is impacted by the COVID-19 crisis until 120 days after the state of emergency is terminated. (2)

Position: Oppose

Status: Senate Rules Committee


5. COVID-19: Temporary Nationwide Eviction Moratorium - On September 1, 2020, the Centers for Disease Control and Prevention and the Department of Health and Human Services issued an order temporarily halting residential evictions through December 31, 2020 to prevent the further spread of COVID-19. The President has extended this order through March 31, 2021.

Position: Monitor

Status: Adopted



HOUSING IS KEY.COM

C. MULTIFAMILY - Malcolm Bennett, Issue Chair

1. AB 16 (Chiu) COVID-19: Small Landlord/Tenant Relief Program - This bill creates the COVID-19 Tenant, Small Landlord, and Affordable Housing Provider Stabilization Program (Program). The Program will be administered by the Department of Housing and Community Development (Department), and funding for the Program is subject to appropriation by the Legislature. However, the bill exempts the Department from the Administrative Procedures Act (APA), thereby allowing it to promulgate regulations related to the Program behind closed doors and without any input from the public. C.A.R. will oppose AB 16 until the APA exemption is removed and more details regarding the Program are provided. 

Position: Oppose Unless Amended

Status: Assembly Housing and Community Development Committee

2. COVID-19 Federal Rental Assistance - In December 2020, Congress passed another stimulus package that includes \$25 billion for rental assistance. Governor Newsom has indicated that California is in the process of receiving \$2.6 billion of this federal stimulus money. Language in the federal stimulus bill states that assistance payments shall be made to the housing provider unless the housing provider does not agree to accept such payments.  

Position: Support

Status: Signed into Law

IV. OTHER BUSINESS

V. ADJOURNMENT

Land Use & Environmental

Name

Lisa Dukellis-Mitchener

NRDS #

161504001

Association

Bridge

Email

Lisa@Dukellis.com

Phone

(925) 775-8060

Committee

Land Use & Environmental

Meeting Day/Time

Tuesday, 2/9/21 1:00-2:30

Action Items

1. C.A.R. SUPPORT SB63 (Stern) on the expansion of mapped fire zones and expanding fire protection requirements. Passed
2. C.A.R. WATCH SB83 (Allen) Sea Level Rise Revolving Loan Program.
3. Prop (number pending) Single Use Plastic - NOT REAL ESTATE RELATED

Discussion Items

Updates on

SB 55 (Stern) - pending referral

See Level Rise Guidance- Pending final draft

National Flood Insurance - still unknown when or if HUD will issue a final rule

Continuing to watch California Energy Commission and California Public Utilities Commission

AB 59 (Gabriel) Mitigation Fee Act - Assembly Local Government

Smart Coast California - BOD and Mission Statement were introduced

Upload Attachments

CAR 2-2021 Plastic-Packaging-and-Waste-Ballot-Prop-IBP---Winter-2021-(1).pdf
56.40 KB



CAR Land USE 2-2021 Agenda.pdf
243.48 KB



ISSUE BRIEFING PAPER



Winter 2021

BALLOT PROPOSITIONS

THE QUESTION:

What position should C.A.R. take on the upcoming ballot propositions?

ACTION REQUIRED?

Yes.

OPTIONS:

1. **FOR:** This ballot measure is real estate related and consistent with C.A.R. policy and its passage could be beneficial to the real estate industry.
2. **AGAINST:** This ballot measure is real estate related and conflicts with C.A.R. policy and its passage could have a harmful effect on the real estate industry.
3. **NEUTRAL:** This ballot measure may be real estate related, but C.A.R. has chosen not to take a position.
4. **NOT REAL ESTATE RELATED:** This ballot measure may be significant, but it is deemed to not be related to property or real estate transactions.

November 1, 2022, General Election Ballot

PROPOSITION NUMBER PENDING: REQUIRES STATE REGULATIONS TO REDUCE PLASTIC WASTE, TAX PRODUCERS OF SINGLE-USE PLASTICS, AND FUND RECYCLING AND ENVIRONMENTAL PROGRAMS. INITIATIVE STATUTE.

Committee: Land Use and Environmental Committee

Summary: This proposition would authorize the California Department of Resources Recycling and Recovery to adopt regulations to limit the use of single-use plastic packaging and single-use plastic foodware by imposing a fee that shall not exceed one cent (\$0.01) per item to producers by 2022. Beginning January 1, 2030, the Department shall adjust annually thereafter the fee for inflation based on the California Consumer Price Index. Furthermore, the moneys collected from the California Plastic Pollution Reduction Fee would establish a California Plastic Pollution Reduction Fund to assist local governments in abatement activities, composting, recycling, reuse, and environmental restoration.

Among provisions, the proposition also requires that producers by 2030 to use single-use products that are recyclable, reusable, refillable, or compostable and reducing the amount of single-use plastics sold in California by at least 25 percent by 2030. Additionally, the producers of the products will be required to submit data to the State for reporting.

From the moneys collected from the California Plastic Pollution Reduction Fee it will be distributed as follows:

- (20%) of the moneys deposited into the California Plastic Pollution Reduction Fund shall be transferred quarterly by the Controller to the Local Government Fund in the California Plastic

Pollution Reduction Fund, which is hereby created in the State Treasury to be provided to local governments, upon appropriation by the Legislature in the annual Budget Act;

- (50%) shall be transferred quarterly by the Controller to the Recycling, Composting and Reuse Fund in the California Plastic Pollution Reduction Fund, which is hereby created in the State Treasury for use by the Department to implement and enforce this Act and to specifically support statewide reduction, recycling, and composting efforts and create a supply of recycled materials to support manufacturing of products made from recycled materials;
- (30%) of the moneys deposited into the Fund shall be transferred quarterly by the Controller to the Environmental Mitigation Account, which is hereby established in the State Treasury, and shall be available to the Natural Resources Agency for grants to state and local public agencies to mitigate the impacts of plastic pollution, and to protect and restore wildlife and the environment including coastal and ocean ecosystems, streams, rivers, and beaches.

Pro: Supporters of the measure argue that this will help to reduce the amount of single-use plastic packaging and provide funding resources to assist in mitigating the impacts of plastic pollution in California.

Against: Opponents argue that this measure will increase the cost for several businesses who require the use of this packaging and force them to transfer this cost to the consumer.

Position: ___ FOR ___ AGAINST ___ NEUTRAL ___ NOT REAL ESTATE RELATED

AGENDA



Winter 2021

LAND USE & ENVIRONMENTAL COMMITTEE

Tuesday, February 9, 2021

1:00 PM to 2:30 PM

MISSION STATEMENT

The Committee is a Policy committee. Its mission is to develop C.A.R.'s land use and environmental policy agenda. It has original jurisdiction to evaluate legislation and regulation in the following issue areas as they relate to real estate: Environmental, Land Use and Zoning, Property Rights, Resources, Subdivision and Development.

PRESIDING

Jeremy Stanfield, Chair

Teresa Dietrich, Vice Chair

ISSUE CHAIRS

Steven Huang, Environmental Issue Area

Reyne Stapelmann, Land Use & Zoning Issue Area

Linda Carroll, Property Rights Issue Area

David Kerr, Resources Issue Area

Steven Small, Subdivision Development Issue Area

LIAISONS

Jill Furtado, C.A.R. Executive Committee

Richard Snyder, NAR Liaison

STAFF

Jeli Gavric, Legislative Advocate

I. OPENING REMARKS – Jeremy Stanfield, Chair

II. DIRECTION REQUESTED

1. SB 63 (Stern) Fire prevention: vegetation management: defensible space: fire hazard severity zones – Reyne Stapelmann, Land Use & Zoning Issue Chair

This bill, amongst other provisions, clarifies defensible space expectations, makes significant changes to existing fire mapping criteria, and as a result will expand defensible space and home hardening requirements to a larger portion of the state.

First the bill adds ember vulnerability to the factors to be considered in defensible space creation for vegetation modification, asking that property owners prune or manage vegetation to interrupt the advance of embers toward a structure. The bill also clarifies defensible space does not imply areas must be taken down to bare dirt. Instead, by replacing “clearance” in the code with “vegetation modification,” the bill notes that properly maintained vegetation can be fire resilient.

Second, the bill requires that the state identify areas as “Moderate” and “High” fire hazard severity zones in addition to the current “Very High” fire hazard severity zones. With these new areas mapped, the bill then requires an expanded application of fire zone building standards to

“High” fire hazard severity zones and consider expanding the building standards to “Moderate” fire hazard severity zones.

C.A.R. already supports local Fire Safe Councils and other efforts to ensure fire safety, and as of July 1, 2021, sellers of real property in high or very high fire hazard severity zones will be required to provide statements that the property is in compliance with [defensible space requirements](#) or local vegetation management ordinances. While C.A.R. does not have policy on fire safety standards for new construction, C.A.R. does oppose any proposals that would mandate “[Low Cost Home Hardening](#)” at time of sale .

The Question: What position, if any, should C.A.R. adopt on SB 63 (Stern) on the expansion of mapped fire zones and expanding fire protection requirements?

2. SB 83 (Allen) Sea Level Rise Revolving Loan Program – Linda Carroll, Property Rights Issues Chair

This bill creates a revolving loan program for local governments to access to a low-interest loan program to purchase “vulnerable coastal property” or properties through a “fair and transparent purchase process”. In addition, the bill specifically states that the program funds cannot be used by local governments using eminent domain to acquire vulnerable coastal properties included in this program.

The term “vulnerable coastal property” is not yet defined. The bill directs the California Coastal Conservancy to determine the criteria for qualification, prior to implementation of this program.

With ongoing coastal erosion and increased coastal flooding due to storms and king tides, many property owners will find that their home or property is either no longer suitable for habitation or resale. This revolving fund would enable local governments to buy out willing sellers.

The law would not mandate the homeowners sell their property nor utilize eminent domain to seize the property. It would be completely voluntary for the coastal homeowner to sell their property.

C.A.R. has existing policy to oppose any proposals that increase a government’s ability to seize private property or expand the use of eminent domain. Additionally, C.A.R. has the following existing policies regarding homes and land use planning in the coastal zone. C.A.R.:

- Disagrees with the Coastal Commission’s definition of an “existing structure” being limited to only structures built prior to January 1, 1977.
 - Many homeowners have already received Commission approval for shoreline protection for homes built after January 1, 1977. Maintaining that all currently existing homes are “existing structures” will ensure the consistent application of rules to coastal property owners.
 - Creating a ceiling date for shoreline protection is unfair to coastal landowners who currently need or will need to protect their homes and have time to plan for rising sea levels.
- Opposes requiring homeowners to remove existing, functioning shoreline protections.
- Opposes limiting the ability of a homeowner to update, redevelop, or expand an existing home.
 - A homeowner’s right to remodel and redevelop should not be limited if the house is habitable.
- Opposes mandatory participation in a Managed Retreat Program that would force the removal and relocation of houses that are still habitable.

- Opposes any proposal in which a homeowner must pay to have their own home and appurtenant structures condemned and removed.
- Opposes the use of new “Overlay Zones” that impose land use restrictions not directly relevant to an existing and immediate hazard.
 - Zones prematurely impose private property rights restrictions.
 - Zones stigmatize properties and potentially make them uninsurable.
- Oppose government-imposed deed restrictions.

The Question: What position, if any, should C.A.R. adopt on SB 83 (Allen) a program aimed at buying out coastal homeowners willing to sell their property?

3. Proposition (Number Pending): Single Use Plastics— David Kerr, Resources Issue Chair
This initiative requires State regulations to reduce plastic waste, tax producers of single use plastics, and fund recycling and environmental programs. Initiative Statute. * (See Issues Briefing Paper for details)

The Question: What position should C.A.R. adopt on this single use plastic waste initiative?
___ FOR ___ AGAINST ___ NEUTRAL ___ NOT REAL ESTATE RELATED

III. UPDATES AND REPORTS

A. ENVIRONMENTAL – Steven Huang, Issue Chair
(No Items to Report)

B. LAND USE & ZONING - Reyne Stapelmann, Issue Chair

1. SB 55 (Stern) Very high fire hazard severity zone: state responsibility area: development prohibition. – This bill would prohibit all commercial and residential development in Very High Fire Hazard Severity Zones and State Responsibility Areas. This measure is identical to the unsuccessful SB 474 (Stern) that C.A.R. strongly opposed in the previous legislative session.

Position: Oppose

Status: Pending Referral

2. Sea Level Rise Guidance Document for Residential Developments - A guidance document aimed at providing model ordinances that local governments can cut and paste into their Local Coastal Programs.

History of Sea Level Rise Consideration in Land Use Planning:

- **November 2008:** Governor Schwarzenegger signs Executive Order S-13-08 directing state agencies to plan for sea-level rise and coastal impacts.
- **January 2009:** Local governments begin *voluntarily* including Sea Level Rise/Climate Adaptation strategies into their Local Coastal Programs.
- **May 2015:** Coastal Commission prepares *Sea Level Rise Policy Guidance* (for all land use planning).
- **July 2015:** C.A.R. submitted comments.
- **August 2015:** *Sea Level Rise Policy Guidance* adopted without addressing our concerns.
- **October 2015:** SB 379 (Jackson) signed into law. Local governments are now *required* to add climate change planning to the safety element of a general plan or a local hazard mitigation plan.

- **July 2017:** Coastal Commission releases first draft of the *Sea Level Rise Guidance Document for Residential Developments*.
- **September 2017:** C.A.R. submitted comments.
- **March 2018:** Revised Draft of the guidelines was released.
- **March 2018:** C.A.R. submitted comments on the Revised Draft.
- **July 2018:** Coastal Commission releases a **new** document called the *Draft Science Update of the Sea Level Rise Policy Guidance*. This report expands upon scientific findings upholding sea level rise and any policy recommendations prepared by the Commission, including the proposed Residential Development Guidelines (found in Chapter 7). All but one of C.A.R.'s concerns were addressed in this document. Still outstanding is the recommendation that homes built after January 1, 1977 do not qualify for shoreline armoring and protection.
- **September 2018:** C.A.R. submitted comments on the *Draft Science Update of the Sea Level Rise Policy Guidance*.
- **November 2018:** The Coastal Commission unanimously adopted the *Science Update to the Sea Level Rise Policy Guidance*.
- **April 2019:** Coastal Issues Working Group begins.
- **April 2019** C.A.R. Launched Talking Points campaign to highlight remaining concerns with language in *Sea Level Rise Guidance Document for Residential Developments*, which was still not adopted.
- **April 2019** C.A.R. sent an email to Coastal Commissioners and Coastal Commission staff regarding REALTOR Concerns with the Draft Residential Adaptation Guidelines which included a list of outstanding concerns.
- **June 2019:** Anticipated release of another draft of the *Sea Level Rise Guidance Document for Residential Developments* did not occur. Additional public meetings scheduled instead.
- **June 2019:** C.A.R. prepared and distributed oral and written public comments templates for REALTORS® and coastal property owners to use as a grassroots effort to communicate concerns to Coastal Commissioners and their staff.
- **December 2019:** The Legislative Analyst's Office releases the report *Preparing for Rising Seas: How the State Can Help Local Coastal Adaptation Efforts*. The report recommends that the legislature mandate a new real estate disclosure on Sea Level Rise.
- **2020:** No New Actions Taken and No New Materials or Reports Released
- **2021:** Monitoring Coastal Commission Agendas and Website for Potential Actions.

Position: Oppose Unless Amended

Status: Pending Final Draft

3. National Flood Insurance Program (NFIP)

On November 23, the Department of Housing and Urban Development (HUD) issued a proposed rule (PR) that would allow FHA mortgages to accept private flood insurance in place of flood insurance policies issued under the National Flood Insurance Program. Under current rules, FHA loans are only allowed to accept NFIP flood insurance policies. HUD is making this proposed rule to broaden flood insurance coverage beyond the government backed NFIP and promote a broad private market for flood insurance.

It is often the case for incoming administrations to stop or reverse the previous administrations proposed or final rules that have not yet been implemented. Increasing the private flood insurance market has been a bipartisan effort, so it is unknown if this proposed rule will be stopped under the incoming Biden administration.

Position: C.A.R. supports the FHA accepting private flood insurance.

Status: The proposed rule's comment period ended on January 22. It is unknown when, or if, HUD will issue a final rule.

C. PROPERTY RIGHTS – Linda Carroll, Issue Chair

(No Items to Report)

D. RESOURCES - David Kerr, Issue Chair

1. California Energy Commission and California Public Utilities Commission:

Electrification - Since California has adopted aggressive greenhouse gas emission reduction targets in 2006, several additional bills have been passed to make renewable electricity the primary source of energy for the state. To meet this objective, proponents of an all-electric California are seeking legislative and regulatory programs that will mandate retrofits to all existing housing using gas or other non-electricity energy sources. The goal is to have all buildings upgraded and converted by 2045 to help meet the goal of being Carbon Neutral in the same year.

C.A.R. has existing policy to Oppose any policies that mandate conversions to all-electric homes. In fact, C.A.R. is part of a large coalition of interests that are also opposing the switch, called [Californian's For Balanced Energy Solutions](#).

Regarding new homes and buildings, recent laws require that buildings constructed after 2030 must be all-electric, and that by 2045, all the electricity used in the state must come exclusively from solar, wind or other emission-free sources. Thus, gas-generated electricity and natural gas appliances are being phased out entirely as we move forward.

It should be noted that several local jurisdictions throughout the state have already or are currently seeking to accelerate the all-electric housing new construction mandate as well as the mandated retrofit/conversion of existing homes to all-electric.

Position: Oppose Conversions/Retrofits for Existing Housing

Status: Continue to Watch Statewide Rulemaking Efforts

E. SUBDIVISION DEVELOPMENT – Steven Small, Issue Chair

1. AB 59 (Gabriel) Mitigation Fee Act: fees: notice and timelines. This bill increases the public notification and protest filing times for fees or other exactions placed on development projects.

Position: Support

Status: Assembly Local Government

III. SMART COAST CALIFORNIA UPDATE

IV. OTHER

V. ADJOURN

Legal Action Fund Trustees

Name

Cameron Platt

NRDS #

183503580

Association

Bridge AOR

Email

cameron@abioproperties.com

Phone

(510) 708-4137

Committee

Legal Action Fund Trustees

Meeting Day/Time

February 9, 9am

Action Items

No action items

Discussion Items

We have heard 5 cases since October 2020, and have granted funding/help for three, detailed in my attached report.

Upload Attachments

LAF BOD Report February 2021 (Draft).docx
24.65 KB



Legal Action Fund Trustees

It was reported for information only that, since the October 2020 meetings, the Trustees have reviewed five cases and have taken action in the following three cases:

AAGLA v. City of Los Angeles, et a. The Apartment Owners Association of Greater LA filed a suit challenging the City of Los Angeles' Eviction ordinance on various constitutional grounds including impairment of contracts, including the elimination of interest and late penalties, and the Ellis Act. C.A.R. filed an amicus brief supporting the challenge in the U.S. Ninth Circuit Court of Appeals, highlighting the struggles of small landlords and the constitutional issues, particularly those more onerous than the state eviction moratorium law. The case has caught nationwide attention with amicus filed by many groups, almost all in support of the Los Angeles' ordinance's constitutionality.

Peng v. Tarbell. The Trustees authorized filing a request for publication in a case favorably upholding the independent contractor status of a real estate salesperson in the California Court of Appeal. The Court did not authorize publication.

Emery v. Marchick. A seller who owned two adjoining properties sold one to the buyer and included in the counter offer an agreement, drafted by an attorney, that there would be a lot line adjustment to the property enlarging the seller's property. After several years, the lotline adjustment was not resolved and a lawsuit ensued. There was no mediation but the court still awarded attorneys fees to the prevailing party. The Trustees authorized an amicus brief supporting the issue that the RPA mediation clause requires mediation prior to filing a lawsuit in order to collect attorneys fees.

Legislative

Name

Dorothy Jackson

NRDS #

Property Care Inc.

Association

Bay East

Email

dorothyjacksonpci@gmail.com

Phone

(510) 494-9025

Committee

Legislative

Meeting Day/Time

2/10/2021 1:00to 3:00

Action Items

Approved action items coming from other committees. Took a 'Not Real Estate Related' position to a not yet numbered proposition for November 2021 entitled in part as 'Requires State Regulations To Reduce Plastic Waste'.

Discussion Items

Much discussion on almost every motion coming for other committees. This committee always runs over or late due to the amount of discussion. See attached agenda.

Upload Attachments

Leg Agenda FWinter 2021_POSTING.pdf
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AGENDA



Winter 2021

LEGISLATIVE COMMITTEE

Wednesday, February 10th

1:00 PM to 3:00 PM

Remote via Zoom: <https://bit.ly/2YjWcOJ>

MISSION STATEMENT

The mission of the committee is to monitor and supervise the state implementation of C.A.R. public policy in legislation and regulation, and to evaluate policy recommendations that arise in C.A.R.'s five public policy committees: Transaction and Regulatory, Taxation and Government Finance, Land Use and Environmental, Investment Housing, and Home Ownership Housing. The Legislative Committee reports to the Executive Committee and the Board of Directors.

PRESIDING

Adam A. Ruiz, Chair

Kimberly Di Benedetto, Vice Chair

Craig Ragg, Vice Chair

LIAISONS

Melanie Barker, C.A.R. Liaison

Jill Furtado, C.A.R. Liaison

STAFF

Sanjay Wagle, Sr. Vice President of Governmental Affairs

John Scribner, Manager of Public Policy

I. OPENING REMARKS

II. Legislative Update - Sanjay Wagle/John Scribner

III. REPORTS OF POLICY COMMITTEES

A. HOME OWNERSHIP HOUSING – Phil Schaefer, Chair

B. INVESTMENT HOUSING – Karen Trolan, Chair

C. TRANSACTION AND REGULATORY – Sandy Darling, Chair

D. TAXATION AND GOVERNMENT FINANCE – Michael G. Verdone, Chair

E. LAND USE AND ENVIRONMENTAL – Jeremy Stanfield, Chair

IV. UPDATES AND REPORTS

STATUS OF C.A.R. SPONSORED LEGISLATION - 2021

AB 44 (Petrie-Norris) Business Dealings: Use of Prior Surname

Currently, a real estate licensee cannot transact business using a former legal name (including a "maiden" name). C.A.R. is sponsoring legislation to ensure that a real estate licensee who is a natural person may use their former surname to conduct business so long as both names are filed with the Department of Real Estate. This measure will ensure that REALTORS® can continue to benefit from their name brand, recognition, and community status despite a legal name change.

Status: Assembly Business and Professions Committee

AB 119 (Salas) Special Districts: Fee Transparency

Direct fees on residential parcels of land has been a growing local government finance tool since the creation of Mello-Roos and the establishment of benefit assessment districts, which allow special taxes to be imposed on property owners to finance public improvements like park maintenance, water, electricity, sewage and drainage, infrastructure and more. While direct fees are required to be disclosed by a seller to a buyer, prospective buyers cannot readily access such information until a transaction has already been entered into. Prospective purchasers can generally access the contact information for each direct levy on the County Auditor/Controller's website, however, those listing do not include a range of fees charged to individual parcels or homes. In order to obtain this information, potential buyers are encouraged to call each individual special assessment district, which creates significant barriers for potential homebuyers. AB 119 requires a County Auditor/Controller to post a range of combined direct levies assessed on real property along with the current tax rate area information on their internet website. Additionally, if a County Auditor/Controller posts the contact information for each direct levy assessed within their jurisdiction, that notice shall also include a range of fees assessed on individual parcels of real property subject to the special district's assessment.

Status: Assembly Local Government Committee

AB 244 (Blanca Rubio) Updating California's Affordable Housing Cost Study

Production cost increases are often passed along to buyers in the form of higher home prices or can increase the amount of subsidy needed to build affordable housing units. Transparency on the costs associated with housing production for both affordable and market rate construction is crucial to solving the state's housing supply crisis. In fact, according to a recent report by the State Auditor, California "does not currently have a sound, well-coordinated strategy or plan for how to most effectively use its financial resources to support affordable housing. . . The State's lack of a coordinated housing plan is also evident in the four agencies' misaligned and inconsistent requirements for the affordable housing programs they administer." (<https://www.auditor.ca.gov/reports/2020-108/summary.html>)

C.A.R. is sponsoring AB 244 which would require the state's housing agencies to update the California Affordable Housing Cost Study, which was last released in October 2014, to better understand the cost difference between constructing affordable and market rate housing and will require the Department of Housing and Community Development to prepare an annual addendum to the State's housing plan that, consistent with the state auditor's recommendations identifies: (1) All of the financial resources the State possesses for the development of affordable housing; (2) The number of affordable units those resources are expected to help build; (3) The amount the State will need to obtain from other sources to construct those units; (4) Where the State's resources will have the most impact, and; (5) Outcomes to measure the success of its investments.

Status: Assembly Housing and Community Development Committee

SB 6 (Caballero) Conversion of Commercial Property into Housing

In 2020, SB 1385, by Senator Caballero, sought to enact the Neighborhood Homes Act which mandated that a local government ministerially approve housing developments of at least 20 units per acre on lots zoned for office, retail or commercial use on a neighborhood lot. These proposed housing developments would have been subject to all local zoning, parking, and design ordinances, as well as any design review or other public notice, comment, hearing, or procedure applicable to a housing development. This measure died in the Assembly Local Government Committee. SB 6 was introduced on the first day of the 2021 session and is a re- introduction of SB 1385, with one amendment to satisfy the Building Trades concerns related to prevailing wage. This bill is again included as a priority in the Senate Housing package. C.A.R. is a strong support/co-sponsor of SB 6 and is working with the author on language to make as many changes to allow for flexibility in use of commercial property to include residential development where it makes the most sense (i.e. not in hazard zones) as possible.

Status: Senate Governance and Finance Committee

SB 263 (Susan Rubio) Implicit Bias Training for Real Estate Licensees

00C.A.R. is sponsoring legislation to require all real estate licensees to have implicit bias, equality, and fair housing training as part of their pre-licensing DRE requirements, renewal requirements, and to make the current fair housing training more robust and relevant.

Status: Senate Rules

SCA 2 (Allen & Wiener) Public Housing Projects

Enacted by voters in 1950, Article 34 of the California Constitution requires that any development comprised of “low-rent” dwellings, financed in whole or in part by federal, state or local government be approved by a vote of the people in the jurisdiction where the project is located. Article 34 does not just apply to “public housing”, but also affects mixed income developments which often contain units partially “subsidized” by local government. Since 1992, C.A.R. has had policy supporting affordable workforce housing and has sought to advance policies seeking to increase the state’s housing supply. C.A.R. is a co- sponsor of SCA 2 which seeks to repeal Article 34 in its entirety.

Status: Senate Desk

Mandating HOA’s Maintain Websites & Email Communications

Existing law permits homeowners to opt-into electronic delivery for Homeowner’s Associations (HOA) communications and reports. C.A.R. is sponsoring legislation to require HOAs with 50 or more units to deliver documents by electronic delivery, unless the recipient has revoked their consent to electronic documents in writing or by email. This measure will also require an HOA to maintain a website where general information (i.e. newsletters, maintenance scheduling notices, governing documents, etc.) is provided. HOAs will be permitted to opt out of these provisions if two-thirds of the owners agree to exempt the association from these requirements.

Status: Pending Introduction

Density Bonus: Fee Reduction to Construct Below Market Rate Unit

Fees and costs associated with the construction of affordable units are often passed along to buyers in the form of higher home prices or can increase the amount of subsidy needed to build affordable housing units. Affordable deed restricted housing should not be required to pay a fee intended to construct other affordable housing as it simply increases the cost of the affordable housing being built. C.A.R. is sponsoring legislation to prohibit local governments from assessing affordable housing fees on the deed restricted affordable units contained within a density bonus application. This fee only increases costs to construct deed restricted affordable housing, making it less likely that developers maximize the affordable unit set aside within their density bonus application.

Status: Pending Introduction

Implementation: Uniform Partition of Heirs Property Act

C.A.R. is co-sponsoring legislation to add California to the list of states that utilize the Uniform Partition of Heirs Property Act (UPHPA). Currently, 18 states have enacted the model law which seeks to preserve family wealth passed onto the next generation in the form of real property in cases where there is no will or trust or title method of transferring property at the time of the owner’s death.

Status: Pending Introduction

Redaction/Removal: Restrictive Covenants

C.A.R. is co-sponsoring legislation to mask or redact illegal restrictive covenants in real property records. Additionally, any masked or removed statements will be replaced with a cover sheet stating that the removal of offensive and discriminatory historical documents that resulted in the denial of purchase, ownership, wealth building, and housing of non-white people has occurred.

Status: Pending Introduction

Increasing the Statutory Limit on Unlicensed Handyperson Services

Under current law, a handyperson who is not licensed shall not perform any work on a home whose total value (labor and materials) exceeds \$500. C.A.R. is sponsoring legislation to increase the current \$500 per project limit allowed for unlicensed handypersons.

Status: Pending Introduction

Prohibition of Development Planning Discrimination

Current law allows for the construction of a mixed-income multifamily residential structure wherein the occupants of the affordable units do not have the same access to the common entrances, common areas, and amenities of that structure as the occupants of the market-rate units. C.A.R. is sponsoring legislation to prohibit this discriminatory housing practice.

Status: Pending Introduction

Statutory Implementation - Proposition 19: The Home Protection for Seniors, Severely Disabled, Families, and Victims of Wildfire or Natural Disasters Act

C.A.R. is sponsoring legislation to implement the statutory provisions of the C.A.R.-sponsored Proposition 19 ballot measure, which was approved by the voters during the general election held in November 2020. Under Proposition 19, the Home Protection for Seniors, Severely Disabled, Families, and Victims of Wildfire or Natural Disasters Act, it allows eligible homeowners, as well as the disabled and wildfire victims, to among other things, transfer their property tax base to any home in the state while preserving the ability of parents to transfer the family home to a child who will occupy the residence as their primary dwelling.

Status: Pending Introduction

Funding for the Construction of Accessory Dwelling Units

Recent legislation has eliminated many of the zoning and building code obstructions placed by local governments on homeowners who want to construct an accessory dwelling unit (ADU). This measure seeks to provide financing for the construction of an ADU.

Status: Pending Introduction

Ministerial Approval of Simple Lot Splits

C.A.R. will sponsor or support legislation to allow ministerial approval for simple lot splits and duplexes in urbanized areas if: (a) One of the units will be owner occupied for 3 years after construction; (b) Owners are permitted to apply for a simple lot split OR a permit to construct a duplex, but not both; and, (c) The state's accessory dwelling unit (ADU) law is limited to the single-family detached units that are located on the lots resulting from a simple lot split.

Status: Pending Introduction

V. OTHER REPORT ITEMS

VI. OTHER BUSINESS

IX. ADJOURNMENT

*Note: the symbol * if next to an item indicates that it is accompanied by Issues Briefing Paper contained in the committee meeting materials.*

MLS Committee

Name

Ed Gomes

NRDS #

206502769

Email

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Committee

MLS Committee

Association

Bay East Association of Realtors

Phone

(510) 579-8616

Meeting Day/Time

Feb 9, 2021

Action Items

Revise CAR Model MLS Rules to comply with newly mandated NAR policy by ((1) adding proposed rule addressing fair housing and (2) revising rules of enforcement and citation policy provisions.
Motion Passed

For a full rundown of all NAR MLS policy changes adopted in 2020 which go into effect for 2021, please see NAR's Summary of 2021 MLS Changes at the following link: <https://www.nar.realtor/about-nar/policies/summary-of-2021-mls-changes>.

Discussion Items

Coming Soon Workgroup Recommendations: For the report please see attached Documents entitled "Regional Rep Report MLS CAR Committee 2-9-2021. Take a few minutes to read this. Coming Soon is a complex subject and everyone should be familiar with the complexities

Upload Attachments

Regional Rep Report MLS CAR Committee 2-9-2021.pdf
204.09 KB



IBP-Coming Soon Recommendations - Sent back to Workgroup.pdf
177.07 KB



ACTION ITEM

Subject : MLS NAR LMS Standards re: Fair Housing & Citations

Motion:

Revise CAR Model MLS Rules to comply with newly mandated NAR policy by ((1) adding proposed rule addressing fair housing and (2) revising rules of enforcement and citation policy provisions.

Motion Passed

For a full rundown of all NAR MLS policy changes adopted in 2020 which go into effect for 2021, please see NAR's Summary of 2021 MLS Changes at the following link: <https://www.nar.realtor/about-nar/policies/summary-of-2021-mls-changes>.

Subject: Coming Soon Workgroup Recommendations

I have attached a PDF file that covers the entire Issues Briefing Paper

The following is a summary:

C.A.R. MLS Committee formed a Coming Soon Work Group to look into developing recommended guidelines and terminology for the listings that are increasing common in a "Coming Soon" or similar alternative status.

WORK GROUP: The Work Group members are from differing areas throughout the State and belong to a variety of MLSs. Our own, Joe Annunziato is on this Work Group

BACKGROUND: The Work Group examined the "Coming Soon" policies of many MLSs. Some were simple and others lacked clarity. In either case they created a labyrinth of differences. In areas where MLSs served overlapping geographies, or licensees typically practiced across MLS lines, it was difficult to decipher the applicable rules. Inconsistent terminology also created inefficiencies and difficulty in compliance but also inadvertently incentivize "forum shopping."

OPTIONS FOR CONSIDERATION:

1. Recommend that NAR consider adopting all of the proposed definitions above and protocols for MLSs.
2. Recommend that NAR consider adopting some of the proposed definitions and protocols as selected by the Committee.
3. Amend some or all of the recommendations for referral to NAR.
4. Refer the matter back to the Working Group for more study.
5. Take no action.

NOTE: This is a recommendation to NAR for policy consideration for efficiency and clarity of understanding of the public and real estate agents.

After a lengthy discussion the Committee voted to send this back to the Work Group for further review on the many issues that fall within the following 13 items. If you want to give input to the group you can contact Joe Annunziato.

This is what committee sent back to Work Group

WORK GROUP RECOMMENDATIONS: “Coming Soon” status applies to a specific and narrow set of circumstances, and “Coming Soon” terminology should be used consistently across various MLSs. C.A.R. should recommend that NAR consider adopting a policy relating to making terminology consistent. Such consistency would assist brokers, particularly when sharing data amongst different MLSs, as well as clarify meanings to the public. Specifically, the Work Group recommends that C.A.R. forward the following recommendations to NAR as potential NAR policies for consideration:

1. **Definition. “Coming Soon”** is defined as a temporary, one-time starting status that can be selected by listing agent, with consent by the seller, for when the property is not ready for marketing under Active status within the one business day required under CCP (ex: initial staging, professional interior photos, repairs, etc. are pending).
2. **Written Listing Required.** Listing agent must have a signed written listing agreement in place to enter a “Coming Soon” listing which explains the limitations of the “Coming Soon” status.
3. **Unilateral Offer of Compensation.** The MLS requirement of a unilateral offer of compensation still applies while in “Coming Soon” status.
4. **Time Limit of 21 days.** Listing can remain in “Coming Soon” no more than 21 days after the beginning date of the listing with that broker.
5. **No Showings.** Showings are not permitted for any agent nor by listing agent. Showings occur where an agent and/or client is present in-person for viewing or presenting the property (ex: in-person agent/client showings, agent on-site live conferencing (Facetiming, Zooming, etc.) a buyer for the property, agent only showings); virtual tours or static images in the MLS are permitted and not considered showings. Should the listing agent or seller permit a showing of the property, then the status shall convert from “Coming Soon” to Active, with DOM commencing, at that time.
6. **Offers May be Presented.** Since agents have a duty to present all offers, buyers can make offers on properties in a “Coming Soon” status, and all offers must still be presented as soon as possible, unless seller has directed otherwise in writing.
7. **Days on Market.** DOM does not run during the “Coming Soon” status.
8. **Access to all MLS Participants.** “Coming Soon” listings will be viewable to all MLS participants.
9. **Included in Data Shares with other MLSs.** “Coming Soon” listings will be included in MLS data-sharing feeds with other MLSs and thus viewable to all other MLS participants privy to those data-sharing arrangements.
10. **No IDX or Syndication of “Coming Soon”**.a. “Coming Soon” listings will not be included in the IDX feed. b. “Coming Soon” listings will not be syndicated by the MLS to thirdparty portals.
11. **Public Marketing.** Any broker public-facing marketing (ex: sign, broker website, social media, etc.) during this time must be clearly marked as “Coming Soon.”
12. **One time only.** Once a listing has been moved from “Coming Soon” to Active status by the agent, it cannot revert to “Coming Soon” with that same broker. However, a new listing with a different agent from a different brokerage may use a one- time only “Coming Soon” status if the conditions of it not being ready for marketing still apply.
13. **Active Status at the end of “Coming Soon”**. The listing automatically changes to Active status at the end of the “Coming Soon” period if not previously changed to Active status before the end of the period.



**C.A.R. MLS Policy Committee
“Coming Soon” Work Group Recommendations
February 9, 2021**

This Issues Briefing Paper is for Study only and has not been approved by the MLS Policy Committee, Executive Committee, or the Board of Directors.

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INTRODUCTION:

NAR’s mandated Clear Cooperation Policy (“CCP”) created a “1 business day” listing submission standard. MLSs have put in place “Coming Soon” statuses with inconsistencies that result in confusion. Different rules, terminology and time frames make it difficult for practitioners to decipher the varying MLS rules and terminology. The differing definitions and standards also create complications due to MLS data-sharing arrangements. Agents working in multiple MLSs with differing rules must deal with the confusion about which rules apply.

C.A.R. MLS Committee formed a Coming Soon Work Group to look into developing recommended guidelines and terminology for the listings that are increasing common in a “Coming Soon” or similar alternative status.

WORK GROUP:

The Work Group members are from differing areas throughout the State and belong to a variety of MLSs. Work Group Members are as follows:

Joseph Prian, 2021 Chairman (Scenic Coast)
Gaye Rainey, 2021 Vice Chairman (Southland Reginal)
Stephen Meade, 2021 Vice Chairman (Pacific West)
Tica O’Neill, 2021 Committee Liaison (Greater Los Angeles)
Peter Greer – Conejo Simi Moorpark
Sandra Miller – Greater Los Angeles
Joe Annunziato – Bay East
Steve Fraioli – San Diego
Anna Grahn-Nilsson – Tahoe Sierra
Donna O’Donnell – Inland Valleys
Marilyn Cunningham, 2020 Chairman (Contra Costa)
Jim Keith, 2020 Vice Chairman (Ventura County Coastal)
Ted Loring, 2020 Committee Liaison (Humboldt)

BACKGROUND:

The Work Group examined the “Coming Soon” policies of many MLSs. Some were simple and others lacked clarity. In either case they created a labyrinth of differences. In areas where MLSs served overlapping geographies, or licensees typically practiced across MLS lines, it was difficult to decipher the applicable

rules. Inconsistent terminology also created inefficiencies and difficulty in compliance but also inadvertently incentivize “forum shopping.”

There were several issues noted:

1. Showing the property during the “Coming Soon” period;
2. The time a property could be termed “Coming Soon” (ex: 14-21-30 days or no expiration);
3. Inconsistent use of whether “Coming Soon” counted towards Days on Market (DOM);
4. Whether the application of “Coming Soon” and “DOM” accurately portray a true picture of the status of the property to the public and other agents.

The Work Group assessed the following considerations:

- Why is there a “Coming Soon” status?
- What does “Coming Soon” mean both to the public and to other licensees?
- Should showings be allowed in “Coming Soon”?
- If properties are shown and marketed, should DOM reflect this?
- Should offers be allowed to be presented during “Coming Soon”?
- MLS data issues including:
 - Syndication
 - IDX data feeds
 - VOW data feeds
 - Internet portals
- Time limits for “Coming Soon”
- Should days in “Coming Soon” be included in DOM?
- Is DOM accurate to the public and other agents if limited marketing has been occurring during this time?
- Privacy listing: if NAR approves the practice, does it impact other statuses?
- Would standardizing the “Coming Soon” status allow for more efficient understanding and accurate MLS data-sharing arrangements?

DISCUSSION:

MLS Policy Committee Leadership and the Work Group met and came to the following consensus:

1. “Coming Soon” status should be materially different from an Active status.
2. “Coming Soon” should be reserved for when a property is (1) not ready (clean up, repairs, etc.) or (2) needs marketing materials such as photographs/staging which cannot be done within the one business day required in Clear Cooperation rules.
3. “Coming Soon” should have a maximum time to be consistent with the “soon” terminology and accuracy.
4. The applicability of DOM should not count during “Coming Soon” and be consistently applied across all MLSs.

5. Showings, including by the listing agent, should not be allowed during “Coming Soon.”

The group acknowledged that practices and rules vary locally and that C.A.R. does not and cannot compel any particular standard and that NAR makes MLS policies, not C.A.R. Nonetheless, the Work Group believed that a “Coming Soon” status should have a consistent meaning to MLSs, the agents they serve, and the consuming public. Such a definition should reflect that a “Coming Soon” is an interim time when marketing exposure is gearing up and limited to such an extent as to justify time not counted as days on market. Allowing showings, is an indication of further marketing and readiness – it is conduct demonstrating that the listing is no longer “coming soon” but “here.”

WORK GROUP RECOMMENDATIONS:

“Coming Soon” status applies to a specific and narrow set of circumstances, and “Coming Soon” terminology should be used consistently across various MLSs. C.A.R. should recommend that NAR consider adopting a policy relating to making terminology consistent. Such consistency would assist brokers, particularly when sharing data amongst different MLSs, as well as clarify meanings to the public. Specifically, the Work Group recommends that C.A.R. forward the following recommendations to NAR as potential NAR policies for consideration:

1. **Definition.** “Coming Soon” is defined as a temporary, one-time starting status that can be selected by listing agent, with consent by the seller, for when the property is not ready for marketing under Active status within the one business day required under CCP (ex: initial staging, professional interior photos, repairs, etc. are pending).
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OPTIONS FOR CONSIDERATION:

1. Recommend that NAR consider adopting all of the proposed definitions above and protocols for MLSs.
2. Recommend that NAR consider adopting some of the proposed definitions and protocols as selected by the Committee.
3. Amend some or all of the recommendations for referral to NAR.
4. Refer the matter back to the Working Group for more study.
5. Take no action.

NOTE: This is a recommendation to NAR for policy consideration for efficiency and clarity of understanding of the public and real estate agents.

Nominating

Name

Mike Fracisco

NRDS #

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Association

Bay East

Email

mike@FraciscoRealty.com

Phone

(925) 998-8131

Committee

Nominating Committee

Meeting Day/Time

Feb 10, 2021/ 1-3 p.m.

Action Items

None

Discussion Items

This is a closed meeting. The only information that is public to the CAR Directors is the Candidate List:
Introduction of Candidates for 2022 CAR Office:

1. Jennifer Branchini-President Elect 2022
2. Jill Furtado-Treasurer 2022-2023
3. Heather Ozur-Treasurer 2022-2023
4. Tica O'neil-Treasurer 2022-2023
5. Joel Singer-State Secretary 2022

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Professional Development and Education Forum

Name

Janine Hunt

NRDS #

159521224

Association

Bridge

Email

janine.hunt@bhghome.com

Phone

(510) 409-6266

Committee

Professional Development & Education Forum

Meeting Day/Time

2/9/ @1:30pm

Action Items

No action items.

Discussion Items

Below are the discussion items, calls to action and suggestions made during the meeting.

Your C.A.R. Education Experience

C.A.R. wants to hear how you feel about C.A.R. Education and what they can do to improve our programs. If interested, please complete the new Education Experience Survey and share with your colleagues. Survey found @ <https://www.car.org/education/EducationExperienceSurvey>

Know Your Contracts!

During the meeting, our esteemed panel fielded questions about "Creating a Culture of Professionalism" and it was brought up several times that at least part of that idea revolves around being educated on the C.A.R. forms - specifically the RPA. A reminder the new RPA is coming!

While Regional Representatives were giving their reports there were other relative points about contracts and practices raised such as:

- Agents may not be familiar with counter offers and how they work
- Multiple offer scenarios
- PEAD confusion
- COVID-19 guidelines not being taken seriously and in some cases ignored

While there are several paid classes and free webinars available on most of these topics, C.A.R. Education will make efforts to create some more awareness around these offerings. Other suggestions are welcomed at the same Education Experience Survey mentioned above.

Other Highlighted Courses

ALL the FREE CE Classes Needed for Your License Renewal – 13 FREE classes-

<https://www.car.org/en/education/licenser renewal-https://www.car.org/en/education/licenser renewal/Ethics-Requirement>

FREE 2021 Ethics Course Renewal – Ethics!-

<https://www.car.org/en/education/licenser renewal/Ethics-Requirement>

All About Disclosures – Learn about the top reasons transactions end up in litigation and how to avoid them.-

https://store.car.org/products/all-about-disclosures-online-anytime?_pos=1&_sid=3dcb88484&_ss=r

Succession Planning for Brokers – Secure your firm's legacy after you've left the business.-

https://store.car.org/products/succession-planning-for-brokers-online-anytime?_pos=1&_sid=d1f5ae4be&_ss=r

C2EX – NAR's Commitment to Excellence-

<https://www.c2ex.realtor/>

How to Raise a REALTOR® - Submit Your Videos Now!

What if you asked your child to perform the same tasks new REALTORS® perform? In the same spirit of "professionalism," we are asking for volunteers to submit videos of themselves asking young humans (or pets) they live with about tasks/rules as if the young humans were new, practicing REALTORS®. Some of these videos will be collected and cut together in a compilation similar to Jimmy Kimmel's I Ate All Your Halloween Candy-https://www.youtube.com/results?search_query=i+ate+all+your+halloween+candy+jimmy+kimmel.

PLEASE KEEP IN MIND THAT ALL COVID-19 PRECAUTIONS SHOULD BE OBSERVED. THIS ACTIVITY WOULD BE APPROPRIATE FOR PEOPLE LIVING IN THE SAME HOUSEHOLD.

HOW IT WORKS:

Record your video and notify nateo@car.org by email.

I will send you the appropriate details to upload your video.

Professional Standards

Name

Sandi Gomes

NRDS #

206529341

Association

Bay East

Email

sandigomes1@gmail.com

Phone

(510) 364-9421

Committee

Professional Standards

Meeting Day/Time

Thursday, Feb 11, 8:00am

Action Items

That a work group composed of C.A.R. Professional Standards Committee members be created to explore methods to encourage REALTORS to report unethical behavior and pursue professional standards disciplinary processes to conclusion.

Motion was approved unanimously

Discussion Items

- * New Standard of Practice 10-5
- * Peer to Peer Ethics Hotline will go live in April, 2021 and there will be training for participants in March

Upload Attachments

Professional Standards Committee - 2-11-21 - Full Presentation.pptx
1.75 MB



Public Policy

Name

Tracey Esling

NRDS #

206514614

Association

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Phone

(925) 366-8275

Committee

Public Policy

Meeting Day/Time

2/5/2021

Action Items

none

Discussion Items

The Ladder to housing stability:

highpoints of this forum:

we are in need of 1.2 million houses.

state use to invest 2 billion dollars a year in 2012 that was cut in half and has never been made up.

Bay Area: 2010-2020 442,000 jobs added and 55,000 homes added creating a huge off balance.

housing costs are higher then the income.

it costs appx 700,000 to build a home which makes it difficult to build affordable housing.

those that were struggling before COVID are still struggling.

local government needs to take a stand on affordable housing

parking spots cost around 60-80,000 each

many MISCONCEPTIONS concerning affordable housing and the homelessness issue.

visions are created with no follow through.

1/4 of homelessness is mental illness.

government intervention hasn't solved the problem it maintains the problem.

zoning needs to be improved.

The ask of the real estate community is, the more eyes on the problem will help with ideas and possible solutions.

This was a very opening forum that felt as if it had little hope and solutions, the positive is we didnt get here overnight and wont get out overnight, but their are many people and ideas with focus on the problems

Upload Attachments

REALTOR Action Fund

Name

Janine Hunt

NRDS #

159521224

Association

Bridge

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Phone

(510) 409-6266

Committee

RAF

Meeting Day/Time

2/8 @ 1:30pm

Action Items

No action items.

Discussion Items

Call to action-Red Alerts

More than 2/3 membership answer the call for C.A.R. Red Alerts

3/4 of our members prefer to be contacted via email reminding them to act

C.A.R. Advocation

84% ethnic/other than white feel they are being advocated for

95% Whites feel they are being advocated for

Advocation is a Membership Benefit

89% of our members realize this is a benefit

2020 Results

47,057 RAF participants

\$3,551,474 in contributions

24% member participation

2021 RAF Goals

Educate 40,380 members of the importance of RAF

20% voluntary RAF participation

Raise \$3,390,000 in voluntary contributions

Achieve 100% C.A.R. Directors contributing \$148 or more

Upload Attachments

REALTOR Risk Management and Consumer Protection Forum

Mission Statement

To provide a forum to identify trends and issues that may be, or are, putting REALTORS® and/or their clients at risk, to educate REALTORS®, and to provide information to other C.A.R. Committees as appropriate.

Discussion Items:

There are 3 sections to this report

- 1) Report of Affiliates
- 2) Report from the 32 Regions Reps of Calif
- 3) Legal Update

Report of Affiliates

Home Warranty Company Issues:

- a) Incident Reports have double during COVID. More claims are being filed most likely due to the “work from home” situation
- b) Homeowners are doing a lot of home improvements which results in difficulties by the Home Warranty Companies to find Contractors to perform the repairs needed to be done as a result of a Home Warranty Claim
- c) New appliance shortages due to the home improvement trend

Regional Rep Reports- 32 Regions

- 1) Buyer Letters to Sellers > Confusion on this practice: Gov Hutchinson responded to this Gov stated that is not illegal it could present liability to the seller of possible discrimination
- 2) Covid Compliance Issues
- 3) Appraisal Delays
- 4) Low appraisals
- 5) Lender reviews & funding taking up to 7-10 days causing COE delays
- 6) Coming Soon Issues
- 7) High cost of Fire Insurance
- 8) Agents doing Open Houses
- 9) Zillow Sale transactions: Must use the Zillow contract documents in lieu of CAR forms
- 10) County Recorder delays in recording documents ... Could delay the COE
- 11) Escalation Clause Issues: This is where the offer contains a clause stating that the offer can be increased to an amount higher than the highest offer submitted by another agent.
Here is the link to CAR info > <https://www.car.org/riskmanagement/tools/escalationclauses>

Legal Update – Guv Hutchinson

- 1) Property Management – For the latest on the COVID issues here is the link to CAR COVID info
<https://www.car.org/en/riskmanagement/covidlegaldocs>
- 2) Home Hardening Disclosure (HHDA)
A-When is the home hardening disclosure required: Beginning January 1, 2021.
B- When is a seller required to provide the home hardening disclosure:
The seller will be required to provide the home hardening disclosure if:
 - The property was constructed **prior to 2010**
 - The property is located in a **high or very high fire hazard severity zone**
 - The property is residential one to four; a common interest development unit such as a condominium; or a manufactured home <https://www.car.org/RISKMANAGEMENT/QA/DISCLOSURE-FOLDER/HOME%20HARDENING>
- 3) Prop 19 Effective Date still has uncertainties

Standard Forms Advisory Committee

1. 12 new/modified Covid 19 forms related to property management, tenants, and evictions
2. 1 new form released 12/20
3. 5 revised forms released 12/20

New/Revised COVID-19 Eviction forms

1. NTRA-2 – 2021 Notice of Tenant of COVID-19 Tenant Relief Act
2. PMC-CPP-2 – Notice to Cure Covid Protected Period Monetary Covenant or Quit
3. PMC-TP-2 – Notice to Cure Covid Transition Period Monetary Covenant or Quit
4. PRQ-CPP-2 – Notice to Pay Covid Protected Period Rent or Quit
5. PRQ-TP-2 – Notice to Pay Covid Transition Period Rent or Quit
6. CRFP – Coronavirus Rent Forgiveness, Termination of Tenancy and Possession of Premises Agreement
7. CRRRA – Coronavirus Unpaid Rent Repayment Agreement
8. CURC – Coronavirus Unpaid Rent Calculation
9. NTT-CTRA – Notice Of Termination Of Tenancy: COVID Tenant Relief Act
10. PCQ – Notice to Cure or Perform Covenant or Quit (Non-COVID version)
11. PCQ-CTRA – Notice to Cure or Perform Covenant or Quit: COVID Tenant Relief Act
12. PEAD-S – Coronavirus Property Entry Advisory and Declaration- Seller/Occupant
13. PRQ – Notice to Pay Rent or Quit (Non-COVID version)

December 2020 New form

HHDA – Home Fire Hardening Disclosure and Advisory

The HHDA satisfies the disclosure requirements starting January 2021, concerning home fire hardening. This form should be used if the property is located in a high or very high fire hazard severity zone when a TDS is required. Buyer has same cancellation right as with TDS.

December 2020 Revised forms

COP – Contingency For Sale of Buyer's Property

This form went through an overhaul to make the form easier to use. The form starts by clearly identifying exactly what the contingency is for – either entering into contract to sell buyer's property or closing escrow on buyer's property or both. The form defaults to both. A section was added regarding the current status of the other transaction, including what is or will be happening with the MLS. The buyer agrees to keep the seller informed of the status of the other transaction. The procedures for obtaining a backup has been moved up to the first page and the time frames for which it will apply, if it does at all, has been made easier to understand. Finally, the Buyer and Seller's cancellation rights have been more clearly defined.

CR – Contingency Removal

This form was updated to reflect the changes made to the COP form, including the paragraph references and potential contingency removal situations contemplated in the revised COP.

NBP – Notice to Buyer to Perform

Just like the CR, this form needed to be updated to reflect the changes in the COP.

RCJC – Rent Cap and Just Cause Addendum

This form was reorganized to place the exemption for single family residences or condos not owned by a corporation at a more prominent place at the beginning of the form so that it is more easily found for those that are exempt.

SFLS – Square Footage and Lot Size Disclosure and Advisory

This form was reorganized to clarify each party's representations and acknowledgements before the signature lines.

2021 RPA

History:

The last significant revision to the RPA was released in November 2014. A new RPA was approved by C.A.R. officers in 2019 for a December 2020 release. But after a unanimous vote, the launch was delayed until December 2021. This was to allow members some breathing room to regroup and recover from the COVID- 19 pandemic. There are 16 members in the Study Group, including the chair, that were approved by C.A.R. officers. Committee members span from Northern, Central and Southern California. The first meeting to begin drafting the new RPA took place in May 2019. To date, there were a total of 14 meetings. We are currently nearing completion of the final draft of the 2021 RPA and the goal is to have final version available for presentation to Forum on Forms at C.A.R. Business Meetings in April 2021.

Noteworthy Modifications:

The Grid addresses all the significant deal points: Price, COE, Offer-Expiration, deposits, financing, contingencies, possession, items included and excluded, allocation of costs, occupancy and possession, all with fill-in or optional time periods

Specialty situations by addendum:

We will be retiring the various different specialty contracts, the Probate, manufactured home, tenant-occupied property, tenancy in common and Co-ops will now be incorporated into the new purchase agreement by property type Addenda

Loans:

A new paragraph on Loan Status has been added which authorizes the seller to contact the buyer's lender as well as requiring the buyer to update the seller on changes of lenders within one day of a seller's request.

FVA form will be retired. Language for FHA and VA Loans has been added into Form RR and form AEA (Amendment of Existing Agreement Terms).

Verification of funds and down and loan application default to attached to offer

Occupancy and Possession:

Occupancy defaults to primary but there are options for secondary or investment

Contingencies and Removal of Contingencies:

Loan Contingency defaults to 17 days as almost all other contingencies

Appraisal report that has to be delivered to seller if buyer uses appraisal as excuse to cancel under appraisal contingency

Items Included have more options: wine refrigerators, microwave, security alarms, video doorbells, security cameras, wall mounted brackets, bathroom mirrors pre-checked, above-ground pool and spas, electric car charging stations, light bulbs including “smart” bulbs

Reinspection fees to be paid for by seller if smoke alarm, CO detectors, water heater not done in time specified

Home Warranty: Buyer chooses plan and pays for any excess cost beyond agreed- to limit

Buyer Investigation: Distinguishes between investigating physical attributes of property (such as home inspection, wood pest inspection), other investigations (such as off-site conditions or permits), and review of reports. These distinctions are relevant to contingency removal and request for repairs.

Title: Buyer agrees to cooperate with title company regulatory obligations for all- cash purchases

Assignments:

Assignment request to be made within 17 days or seller disapproval reasonable but no Assignment request is needed to assign to wholly owned entity or trust

Definitions: Includes a paragraph on how to count days. Delivery includes possession by authorized agent (even for acceptance). Delivery includes sending an electronic document to the authorized agent’s designated electronic delivery address. Authorized agent defined by looking to the real estate broker box. “As- is” has a definition but substance the same. Acceptance means all signatures executed and “delivered.”

Mediation and Arbitration: Each has its own numbered paragraph.

Representative Capacity: Signature blocks now incorporate RCSD language into an optional “entity” buyer or seller section. RCSD form is no longer required if completed. Person signing is referred to as the legally authorized signer, which is defined.

Broker signature box allows space to identify phone, email, text and “Alternate Designated Electronic Delivery Address.” Fax line removed

Confirmation of Acceptance initials have been removed. (This is becoming a global change for most forms)

Release and Training Schedule:

- April 27-30, 2021, C.A.R. Business meetings (present final draft to members– combined with or separate from FOF)

- August 2021 – launch training, deliver to printers, zipForm®, update Forms Tutor, send to legal to update Guide to RPA book
- October and November 2021 – Hold Certified Forms Trainer sessions

Strategic Planning and Finance

Name

Michael Tessaro

NRDS #

206508212

Association

Bay East AOR

Email

mtessaro@intero.com

Phone

(925) 519-9099

Committee

SPF-Strategic Planning and Finance

Meeting Day/Time

February 10, 2021 / 8:00 AM to 12 PM

Action Items

All Action Items can be found in the BOD Member Packet for the BOD Meetings held on February 11 starting at 1:30 and moved and approved by the BOD

Discussion Items

Many of the items we discuss are considered confidential but again the ones we are currently dealing with can be found in your BOD Packets or the follow-up email from Rick Schumacher.

If anyone has any questions or concerns please feel free to call, text, or email me as well as Treasurer Jennifer Branchini

Upload Attachments

Taxation and Government Finance

Name

William Doerlich

NRDS #

Realty ONE Group Today

Association

Bay East AOR

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Phone

(415) 860-3609

Committee

Taxation & Government Finance

Meeting Day/Time

Wednesday, 2/10/2021

Action Items

Taxation and Government Finance

1. That C.A.R. "OPPOSE UNLESS AMENDED" ACA 1 (Aguiar-Curry), a measure that seeks to reduce the vote requirement from 2/3 to 55% for affordable workforce housing construction and public infrastructure, so that the amendments would limit the vote requirement reduction from 2/3 to 55% to apply ONLY to bonds funding affordable workforce housing construction.

Discussion Items

This is the primary action & discussion item that required a vote and proceeded through Federal to the BOD meeting. The discussion at BOD centered on the amendment to oppose unless amended.

Other updates at the committee meeting included:

STATE - CAR

- 1) Proposition 19 statutory implementation in process of being introduced in the legislature - CAR sponsor;
- 2) ADU construction financing to be introduced - CAR Co-Sponsor; Note - municipalities, e.g., Pleasanton, are attempting to modify the ADU legislation through local restrictive language and requirements; this is a "watch list" item;
- 3) SB 219 - Property Tax delinquent penalty waiver - COVID-related financial hardship - CAR -Support;

FEDERAL - NAR

- 1) Tax provisions were missed in the most recent stimulus package from 2020 - mortgage debt forgiveness ceiling, mortgage insurance premium deduction, and a variety of energy tax credits that are extended;
- 2) HR 202 - introduced 01/05/2021, to repeal the SALT limitation for deduction of state and local taxes. CAR supports; bill is currently referred to the House Ways and Means Committee.

Transaction and Regulatory

Name

Anne McKereghan

NRDS #

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Association

5104070175

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Phone

(510) 407-0175

Committee

Transaction and Regulatory

Meeting Day/Time

Monday February 8, 2-5:30

Action Items

C.A.R., in conjunction with NAR, "SUPPORT" "appraisal bifurcation" also known as a hybrid appraisal. Passed 96% - Sent to Federal - Note - Doug Sager serves as License Issues Chair and presented background

C.A.R. sponsor legislation to state that whenever any statute requires a seller in a real estate sale transaction to deliver to the buyer in that transaction any disclosure, notice, advisory or other document, that requirement shall only apply to a real estate sale transaction where, unless otherwise stated in the bill, the purchase and sale agreement between the parties is ratified after the effective date of that legislation? Passed 93% Sent to Legislative

C.A.R. to support the elimination of Fannie Mae's and Freddie Mac's risk-based pricing. Passed 66% Sent to Legislative

Discussion Items

The committee received updates on CAR sponsored legislation:

AB 44 (Petrie-Norris) Business Dealings: Use of Prior Surname - Status: Assembly Desk

AB XX (McCarty) Removal/Redaction of Restrictive Covenant Language - Status: Pending Introduction

SB XX (Rubio) Implicit Bias Training for Real Estate Licensees - Status: Pending Introduction

SB XX (Archuleta) Unlicensed Handyperson Job Fee Increase - Status: Pending Introduction

AB/SB XX (XXXX) Implementation of the Uniform Partition of Heirs Property Act

(UPHPA) - Status: Pending Introduction

As it is early in the session, sponsored legislation is moving through the process. We anticipate assignment of legislation and progress during spring meetings

Wildfire Insurance Working Group Update- De Wayne Mortensen, Issues Chair reported the group with members of the insurance industry and Dept of Insurance. These groups will attempt utilization of the regulatory rule making process and the Commissioner's broad administrative authority in place of attempting to navigate the legislative process again. The Working Group intends to create a list of transactions related priorities and work closely with both the Industry and the Department to ensure those priorities are taken into account during the administrative process.

Larry Black, Real Estate Finance Issues Chair reported on several items:

U.S. Treasury Department and the Federal Housing Finance Agency (FHFA) agreed to amending the Preferred Stock Purchase Agreements of Fannie Mae and Freddie Mac.. While C.A.R. supports increasing the capital reserves of the Enterprises, we strongly oppose a provision of the amendment that would cap how many loans the Enterprises could guarantee that are Investment or second homes, and those that include two or more of the following characteristics:

- o Loan-to-value ratio exceeding 90 percent,
- o Debt to income ratio exceeding 45 percent, or
- o FICO score lower than 680.

NAR supported the December 27 \$900B stimulus package

CFPB Finalizes Replacement for the Market-Wide QM Rule -NAR took a position supportive of eliminating a hard DTI, but did raise some concerns with the final rule that may be improved upon.

Status: The new rule is final; however, it is unknown what impact the incoming administration will have on this rule.

HUD Proposed Rule on Accepting Private Flood Insurance to broaden the FHA flood insurance coverage rule beyond the government backed NFIP and promote a broad private market for flood insurance. C.A.R. supports the FHA accepting private flood insurance.

Status: The proposed rule's comment period ended on January 22. It is unknown when, or if, HUD will issue a final rule.

FHA Performing Well Above Requirement - In November 2020, the FHA released its annual report to Congress on the financial status of the Mutual Mortgage Insurance Fund. For the sixth year in a row, the Fund is well above its statutory minimum of 2% capital reserve ratio, more than 83% of its homebuyers were first-time buyers, and the number of minority borrowers increased by roughly 30,000. With the reserve ratio stronger than ever, FHA is now providing income to the US Treasury, and funding other non-housing related programs.

Upload Attachments



Trans Reg winter 2021 agenda.pdf
379.32 KB



Risk based pricing workgroup report.pdf
556.60 KB



Hybrid appraisal briefing report.pdf
138.82 KB



Bulk Sale briefing paper.pdf
206.30 KB

AGENDA



Winter 2021

TRANSACTIONS AND REGULATORY COMMITTEE

Meeting via Zoom

<https://carorg.zoom.us/meeting/register/tJ0pdOGsqDkuHdekTRUo2Uy8S976TMHnuQY2>

February 8, 2021

2:50 PM – 5:30 PM

MISSION STATEMENT

The committee is a policy committee. Its mission is to develop C.A.R.'s overall policy agenda as it relates to the practice of real estate. It has original jurisdiction to evaluate transactional issues, legislation, and regulation in the following areas:

Licensing

Liability and Risk Management

Real Estate Finance

Transactional

PRESIDING

Sandy Darling, Chair

Jeffrey R. Phillips, Vice Chair

ISSUE CHAIRS

Christopher Duff, Liability and Risk Management Issues

Doug Sager, License Issues

Larry Black, Real Estate Finance Issues

De Wayne Mortensen, Transactional Issues

LIAISONS

Jill Furtado, Executive Committee Liaison

Carl San Miguel, NAR Liaison

Don Faught, NAR Liaison

STAFF

Anna Buck, Legislative Advocate

Matthew Roberts, Federal Government Affairs Manager

I. OPENING REMARKS – Sandy Darling, Chair

II. ACTION REQUIRED

A. REAL ESTATE FINANCE- Larry Black, Issues Chair

1. FHFA Request for Information of Appraisal-Related Policies, Practices, and Processes*

On December 28, 2020, the Federal Housing Finance Agency put out a Request for Information (RFI) on how the appraisal process may be improved. Included in the RFI was a proposed hybrid appraisal. The concept would be for someone in the real estate industry, such as a real estate agent, appraiser trainee, home inspector, or even insurance agent, to go to the property to collect specific information that

may be sent either directly to the lender, or to a certified appraiser who can then complete an appraisal at home.

QUESTION: *Should C.A.R., in conjunction with NAR, “SUPPORT” “appraisal bifurcation” also known as a hybrid appraisal.*

2. WORKING GROUP REPORT- Fannie Mae and Freddie Mac Risk Based Pricing Working Group *

At the Fall C.A.R. Business Meetings the Transaction and Regulatory Committee looked at the question of whether the Enterprises (Fannie Mae and Freddie Mac) should eliminate risk-based pricing based on FICO and LTV. The Enterprises guarantee payment of principal and interest on mortgage-backed securities (MBS). To do this, the Enterprises charge a fee to the loan originator, known as a guarantee fee (g-fee). Fannie Mae and Freddie Mac do not charge a single g-fee for all borrowers. Instead, they have risk-based pricing known as loan level price adjustments (LLPA). LLPA's will vary based on borrower FICO and loan-to-value (LTV).

The Transaction and Regulatory committee did not take policy at those meetings. However, the Federal Committee directed the Transaction and Regulatory Committee Leadership to create a Working Group to review the issue again. Specifically, to take into consideration the impact the LLPAs have on underserved communities, such as the Black and Latinx communities and low-income households.

Question: *Should C.A.R. support the elimination of Fannie Mae's and Freddie Mac's risk-based pricing?*

III. DIRECTION REQUESTED

A. TRANSACTIONS – De Wayne Mortensen, Issues Chair

1. Effective date of delivery for real estate disclosures and other documents

Frequently a new statute will require a seller to deliver a document to the buyer. For example, the Home Hardening disclosure notice provided for in SB 1371 requires sellers to deliver the specified notice to buyers after the effective date of 1/1/21. However, the legislation failed to answer the question of whether the notice is required for sales transactions ratified in 2020 but closing in 2021. To avoid confusion and potential TDS right to cancel claims, it has been proposed by a committee member that C.A.R. address this issue legislatively.

QUESTION: *Should C.A.R. sponsor legislation to state that whenever any statute requires a seller in a real estate sale transaction to deliver to the buyer in that transaction any disclosure, notice, advisory or other document, that requirement shall only apply to a real estate sale transaction where, unless otherwise stated in the bill, the purchase and sale agreement between the parties is ratified after the effective date of that legislation?*

IV. UPDATES AND REPORTS

A. STATE UPDATES AND REPORTS

1. C.A.R. Sponsored Legislation

a. **AB 44 (Petrie-Norris) Business Dealings: Use of Prior Surname**

Currently, a real estate licensee cannot transact business using a former legal name (including a “maiden” name). C.A.R. is sponsoring legislation to ensure that a real estate licensee who is a natural person may use their former surname to conduct business so long as both names are filed with the Department of Real Estate. This measure will ensure that REALTORS® can continue to benefit from their name brand, recognition, and community status despite a legal name change.

Status: Assembly Desk

b. **AB XX (McCarty) Removal/Redaction of Restrictive Covenant Language**

C.A.R. is co-sponsoring legislation to mask or redact illegal restrictive covenants in real property records. Additionally, any masked or removed statements will be replaced with a cover sheet stating that the removal of offensive and discriminatory historical documents that resulted in the denial of purchase, ownership, wealth building, and housing of non-white people has occurred.

Status: Pending Introduction

c. **SB XX (Rubio) Implicit Bias Training for Real Estate Licensees**

C.A.R. is sponsoring legislation to require all real estate licensees to have implicit bias, equality, and fair housing training as part of their pre-licensing DRE requirements, renewal requirements, and to make the current fair housing training more robust and relevant.

Status: Pending Introduction

d. **SB XX (Archuleta) Unlicensed Handyperson Job Fee Increase**

Under current law, a handyperson who is not licensed shall not perform any work on a home whose total value (labor and materials) exceeds \$500. C.A.R. is sponsoring legislation to increase the current \$500 per project limit allowed for unlicensed handypersons.

Status: Pending Introduction

e. **AB/SB XX (XXXX) Implementation of the Uniform Partition of Heirs Property Act (UPHPA)**

C.A.R. is co-sponsoring legislation to add California to the list of states that utilize the Uniform Partition of Heirs Property Act (UPHPA). Currently, 18 states have enacted the model law which seeks to preserve family wealth passed onto the next generation in the form of real property in cases where there is no will or trust or title method of transferring property at the time of the owner’s death.

Status: Pending Introduction

2. Wildfire Insurance Working Group Update- De Wayne Mortensen, Issues Chair

Despite there being no legislative proposals to review and provide suggested positions on, the Wildfire Insurance working group met twice during the legislative recess. Once with the Insurance Industry representatives and once with representatives from the Department of Insurance. Through the conversations with both the Department and the Industry, the Working Group learned that the two groups intend to attempt to utilize the regulatory rule making process and the Commissioner's broad administrative authority in place of attempting to navigate the legislative process again. The Working Group intends to create a list of transactions related priorities and work closely with both the Industry and the Department to ensure those priorities are taken into account during the administrative process. The Group will submit a formal report to the Committee again at the Spring Meetings.

B. FEDERAL UPDATES AND REPORTS

REAL ESTATE FINANCE – Larry Black, Issues Chair

1. Fannie Mae and Freddie Mac Preferred Stock Purchase Agreement – On January 14 the U.S. Treasury Department and the Federal Housing Finance Agency (FHFA) agreed to amending the Preferred Stock Purchase Agreements (PSPA) of Fannie Mae and Freddie Mac (Enterprises). In 2008 when Fannie Mae and Freddie Mac were at risk of financial collapse, the Treasury purchase preferred stock of the Enterprises. Part of the purchase was an agreement that limited what the Enterprises could and could not do; the PSPA. The PSPA has been amended a few times, including changing the original 10% dividend payment to a sweep of the Enterprises' profits to the Treasury. Under the new amendment Fannie Mae and Freddie Mac would begin to raise capital again by halting the profit sweep to Treasury until they are fully capitalized. It is unlikely the Enterprises will be fully capitalized for over a decade absent raising capital from outside sources.

While C.A.R. supports increasing the capital reserves of the Enterprises, we strongly oppose a provision of the amendment that would cap how many loans the Enterprises could guarantee that are:

- Investment or second homes,
- Include two or more of the following characteristics:
 - Loan-to-value ratio exceeding 90 percent,
 - Debt to income ratio exceeding 45 percent, or
 - FICO score lower than 680.

Position: C.A.R. supports the Enterprises building a capital reserve but opposes the proposed hard limits on the mortgage products.

Status: It is unknown what the incoming administration will do regarding the PSPA.

2. Stimulus - On December 27, the President signed the most recent stimulus package. The nearly \$900 billion proposal includes provision for small businesses, landlords, tenants and tax provisions. Included in the bill was:

- \$600 stimulus payments for most Americans and dependents
- Extended unemployment bonus of \$300, including the Pandemic Unemployment Assistance
- \$284 billion for the Paycheck Protection Program (PPP)
- Allowing for a second PPP loan
- \$25 billion in rental assistance

Position: Support

Status: Signed into law on December 27

3. CFPB Finalizes Replacement for the Market-Wide QM Rule - The Government Sponsored Enterprises Patch (GSE Patch), which gave all loans eligible for GSE financing QM status, was set to expire on January 10th of 2021. The CFPB was opposed to extending the patch arguing that it created an unlevel playing field in favor of the GSEs. However, the GSEs would have reverted to the market-wide QM rule which has a hard 43% debt-to-income (DTI) and might exclude nearly 20% of the market from access to mortgage credit.

The CFPB's solution was to replace the market-wide rule by:

- Eliminating the DTI limit
- Replacing it with a cap on lenders' pricing above the average prime offer rate (APOR).
- The cap for a mortgage to be a safe harbor, with the best legal defense for lenders, is 150 basis points over APOR.
- There is a legal rebuttable presumption of compliance up to 225 basis points over APOR.
- Anything above 225 over APOR is non-QM.

The CFPB also adopted a "seasoning" element where loans that are held in portfolio by a lender for 3 or more years gain QM status. The idea is that most losses occur during the initial 3 years after origination so lenders are incented not to write bad loans. This was expanded to allow for 1 sale during the 3-year period so long as the total time the mortgage is held by both lenders is 3 years. Thus, a mortgage banker could originate a mortgage, hold it for 3 months and then sell it to a bank who holds it for 33 months and the loan then gains QM status after the combined 36 months.

Position: NAR took a position supportive of eliminating a hard DTI, but did raise some concerns with the final rule that may be improved upon.

Status: The new rule is final; however, it is unknown what impact the incoming administration will have on this rule.

4. HUD Proposed Rule on Accepting Private Flood Insurance - On November 23, the Department of Housing and Urban Development (HUD) issued a proposed rule (PR) that would allow FHA mortgages to accept private flood insurance in place of flood insurance policies issued under the National Flood Insurance Program. Under current rules, FHA loans are only allowed to accept NFIP flood insurance policies. HUD is making this proposed rule to broaden flood insurance coverage beyond the government backed NFIP and promote a broad private market for flood insurance.

It is often the case for incoming administrations to stop or reverse the previous administrations proposed or final rules that have not yet been implemented. Increasing the private flood insurance market has been a bipartisan effort, so it is unknown if this proposed rule will be stopped under the incoming Biden administration.

Position: C.A.R. supports the FHA accepting private flood insurance.

Status: The proposed rule's comment period ended on January 22. It is unknown when, or if, HUD will issue a final rule.

5. FHA Performing Well Above Requirement - On Friday, November 13, 2020, the Federal Housing Administration (FHA) released its annual report to Congress on the financial status of the FHA Mutual Mortgage Insurance Fund. This report is based upon the findings of an independent actuarial audit. For the sixth year in a row, the Fund is well above its statutory minimum of 2% capital reserve ratio at 6.10%, an increase of 1.26% from last year. More than 83% of its homebuyers were first-time buyers, an increase from 2019. The number of minority borrowers increased by roughly 30,000. With the reserve ratio stronger than ever, FHA is now providing income to the US Treasury, and funding other non-housing related programs.

Position: C.A.R. supports a strong well-funded FHA program

Status: This is an annual report required by law

V. OTHER BUSINESS

A. Member Mobilization Update - DeAnn Kerr

VI. ADJOURNMENT

*Note: the symbol * next to an item indicates that it is accompanied by Issues Briefing Paper contained in the committee meeting materials.*

WORKING GROUP REPORT



Fannie Mae and Freddie Mac Risk Based Pricing Working Group

Winter 2021

Risk Based Pricing: Evaluate C.A.R.'s Position on Fannie Mae and Freddie Mac's Risk Based Pricing

The Fannie Mae and Freddie Mac Risk Based Pricing Working Group was appointed by the Transaction and Regulatory Committee with the following charge:

MISSION STATEMENT:

The Fannie Mae and Freddie Mac Risk Based Pricing Working Group will examine Fannie Mae and Freddie Mac risk-based pricing, also known as loan level price adjustments (LLPAs), that are based on a borrower's credit score and loan-to-value. The Working Group will determine:

- The need for the LLPAs
- The impact on the cost of mortgages to borrowers,
- The impact on low- and moderate-income borrowers,
- The impact on Black, Latinx and other underserved borrowers.

The Working Group will come back to the Transaction and Regulatory Committee with a final recommendation on what policy C.A.R. should take towards LLPAs by the Winter 2021 meetings.

MEMBERS:

Sandy Darling, Chair
Paula Johnsen
Nick Solis

Larry Black
Charleen Nagata-Newhouse

Barbara Clemons
Richard Pisani

MEETINGS:

The Working Group held three Zoom calls:

- January 7
- January 12
- January 21

STAFF:

Matt Roberts; Federal Government Affairs Manager

DISCUSSION

The WG reviewed the original background information (provided at the end of this paper) from the Fall 2020 Issues Briefing Paper. Following the review of that information, the WG then looked at additional information specific to how the LLPAs impacted underserved communities, specifically Black, Latinx, and low- and moderate-income homebuyers. This information was not included in the original paper.

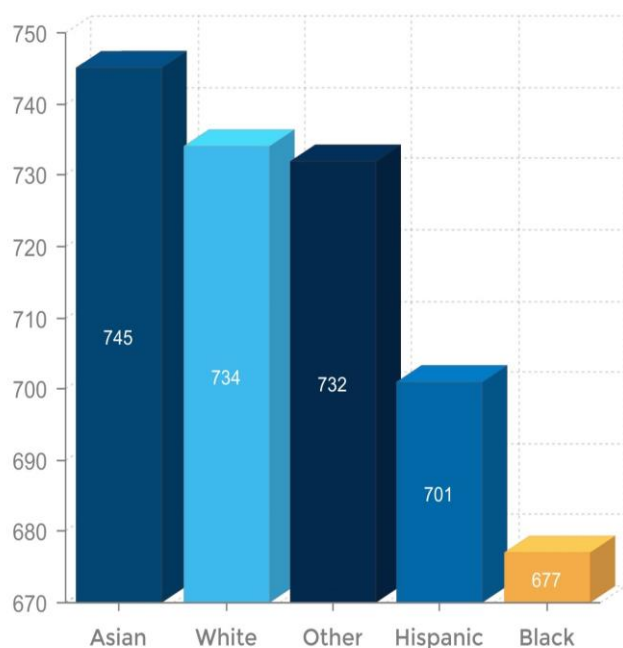
The WG reviewed how the LLPA, which were implemented in 2008 have impacted the availability of mortgage credit.

<u>Year</u>	<u>Average Fannie Mae FICO</u>	<u>Average Freddie Mac FICO</u>
	<u>Score</u>	<u>Score</u>
2002	714	718
2012	761	755
2019	749	751
July 2020 Combined Average Purchase Loans	758	758

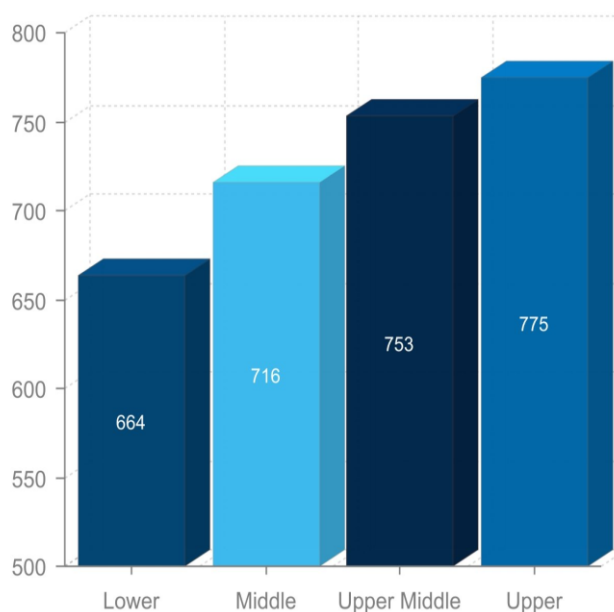
The chart above demonstrated the impact of the LLPAs—which prices Fannie and Freddie mortgages higher for homebuyers with lower FICO scores and lower debt-to-income (DTI) ratios—have pushed buyers with lower FICO scores to either FHA or out of the mortgage market all together.

The WG then looked at how this might disproportionately impact Black, Latinx, and low- and moderate-income homebuyers. The first statistic was from the Urban Institute which reported 50 percent of White households have a FICO score of 700, compared with only 21 percent of Black households. The WG were also provided with the charts below:

Average Credit Score by Race



Average Credit Score By Economic Class



Looking at this data, the WG agreed there was a disproportionate impact on Black, Latinx, and low- and moderate-income homebuyers. The LLPAs are forcing a larger percentage of their communities into higher priced conforming mortgages, or the FHA loan product. To quantify this into dollars, an October Bloomberg Government article reported Black borrowers pay \$13,464 over the life of their home loan more than their White counterparts primarily because of risk-based pricing.

The WG also asked, is this having an impact on homeownership rates? To begin to look at this the WG was provided current homeownership rates by ethnicity and household income.

Year/Quarter	United States	White	Black	Asian/Native/Hawaiian/Pacific Islander	Hispanic
2020/3Q	67.4%	75.8%	46.4%	61.0%	50.9%

Year/Quarter	United States	Income Greater than or Equal to Median Family Income	Income Less than the Median Family Income
2020/3Q	67.4%	80.2%	54.7%

The WG recognized that there were many reasons for the difference in homeownership rates and that the elimination of LLPAs would not by itself solve the homeownership gap. However, the WG did not believe there was one single solution to the homeownership gap and that many actions would be required. They do believe the elimination of the LLPAs is one of those steps.

The WG also believes C.A.R. should continue to look at other policy proposals to support that will increase homeownership opportunities for underserved communities.

Lastly, the WG discussed the position of other organizations on this issue. Specifically, the National Association of REALTORS, the National Association of Real Estate Brokers, the California Association of Real Estate Brokers, and the California Association of Mortgage Professionals were just some of the groups supporting the elimination of the LLPAs.

Downside – The greatest concern the WG raised about eliminating the LLPAs was the possibility the Enterprises would roll back underwriting and lending guidelines that allow for thin to no credit files. Or the regulator would create other mechanisms for offsetting the risk.

The WG was specific in its instructions that if C.A.R. were to move forward with supporting the elimination of LLPAs, then the Association must watch and protect against efforts to limit mortgage credit availability.

RECOMMENDATION

That C.A.R., in conjunction with NAR, “SUPPORT” the elimination of Fannie Mae and Freddie Mac risk-based pricing.

ISSUE BRIEFING PAPER



Fall 2020

Lead Committee: Transaction and Regulatory
Information Committee: Homeownership Housing
Level of Government Committee: Federal

FANNIE MAE AND FREDDIE MAC RISK BASED PRICING

THE QUESTION:

Should C.A.R. support the elimination of Fannie Mae's Loan Level Price Adjustments and Freddie Mac's Credit Fees?

ACTION REQUIRED?

Staff is seeking policy direction at this time to determine if C.A.R. should bring its policy in line with NAR's. Additionally, this issue has gotten more attention recently in light of the impact the fees are having on credit availability.

OPTIONS:

1. That C.A.R., in conjunction with NAR, "SUPPORT" eliminating Fannie Mae Loan Level Price Adjustments and Freddie Mac Credit Fees.
2. That C.A.R., in conjunction with NAR, "OPPOSE" eliminating Fannie Mae Loan Level Price Adjustments and Freddie Mac Credit Fees.
3. Take no policy.
4. Other.

DISCUSSION

Background

Fannie Mae and Freddie Mac (Enterprises) guarantee payment of principal and interest on mortgage backed securities (MBS). To do this, the Enterprises charge a fee to the loan originator, known as a guarantee fee (g-fee). The lender passes this fee onto the buyer through upfront fees and increases in the buyer's interest rate. The g-fee covers the cost of the Enterprises operations, credit risk for guaranteeing the loans, and return on capital. While guarantee fees can be both upfront and ongoing, many borrowers will choose to not pay the fee at closing. In this instance, the lender will roll the upfront fee into the interest rate; thus increasing the interest rate.

Fannie Mae and Freddie Mac do not charge a single g-fee for all borrowers. Instead they have risk based pricing; Loan Level Price Adjustments for Fannie Mae and Credit Fees for Freddie Mae. Most people will simply use Loan Level Price Adjustments (LLPA) for both Fannie and Freddie. LLPA's will vary based on borrower FICO and loan-to-value (LTV). There are other LLPA's based on property type and loan type; such as second home, manufactured home, investment property, cash-out refinancing, 2-4 unit properties and others.

For the purpose of this paper, C.A.R. is focused on the FICO and LTV LLPAs. These LLPAs were introduced in 2007/2008 as a way to increase the capital of the Enterprises as the housing market was beginning to show signs of a downturn.

Table 1: All Eligible Mortgages – LLPA by Credit Score/LTV Ratio

Representative Credit Score	LTV Range									
	Applicable for all mortgages with terms greater than 15 years									
	≤ 60.00%	60.01 – 70.00%	70.01 – 75.00%	75.01 – 80.00%	80.01 – 85.00%	85.01 – 90.00%	90.01 – 95.00%	95.01 – 97.00%	>97.00%	SFC
≥ 740	0.000%	0.250%	0.250%	0.500%	0.250%	0.250%	0.250%	0.750%	0.750%	N/A
720 – 739	0.000%	0.250%	0.500%	0.750%	0.500%	0.500%	0.500%	1.000%	1.000%	N/A
700 – 719	0.000%	0.500%	1.000%	1.250%	1.000%	1.000%	1.000%	1.500%	1.500%	N/A
680 – 699	0.000%	0.500%	1.250%	1.750%	1.500%	1.250%	1.250%	1.500%	1.500%	N/A
660 – 679	0.000%	1.000%	2.250%	2.750%	2.750%	2.250%	2.250%	2.250%	2.250%	N/A
640 – 659	0.500%	1.250%	2.750%	3.000%	3.250%	2.750%	2.750%	2.750%	2.750%	N/A
620 – 639	0.500%	1.500%	3.000%	3.000%	3.250%	3.250%	3.250%	3.500%	3.500%	N/A
< 620 ¹	0.500%	1.500%	3.000%	3.000%	3.250%	3.250%	3.250%	3.750%	3.750%	N/A

The question before the committee today is, should the LLPAs for FICO and LTV be eliminated so there is one fee for all borrowers? This would make it so all conforming homebuyers purchasing similar products (e.g. primary residence purchase mortgage) would receive the same interest rate, similar to how the FHA loan product works.

The concern with the current risk-based structure is data suggests qualified buyers are either being forced into other costlier loan products or not entering the housing market. The chart below shows the average FICO of borrowers before and after the introduction of the LLPAs.

<u>Year</u>	<u>Average Fannie Mae FICO Score</u>	<u>Average Freddie Mac FICO Score</u>
2002	714	718
2012	761	755
2019	749	751
July 2020 Combined Average Purchase Loans	758	758

What are the current fees?

An annual report on g-fees is published by the FHFA. In December of 2019, the FHFA issued the 2018 report stating:

- The average single-family guarantee fee in 2018 was 55 basis points.
 - The average upfront g-fee was 15 basis points.
 - The average ongoing portion of the g-fee was 40 basis points.
- The average g-fee for the 30-year fixed rate mortgage was 56 basis points.
- Average g-fee for FICO:
 - FICO <660 was 81 basis points,
 - FICO 660-719 was 64 basis points,
 - FICO ≥720 was 50 basis points.

- Average g-fee for LTV:
 - LTV ≤ 70 was 50 basis points,
 - LTV 70.1 – 80 was 62 basis points,
 - LTV 80.1 – 90 was 50 basis points,
 - LTV > 90 was 48 basis points.

The interest rate difference between two borrowers with different FICO scores can vary by as much as 150 basis points (1.5 percent).

C.A.R. POLICY

C.A.R. has advocated for lower LLPA's but does not have policy specific to the elimination of them.

NAR POLICY

NAR has existing policy to oppose the LLPA's.

Should C.A.R. support the elimination of Fannie Mae's Loan Level Price Adjustments and Freddie Mac's Credit Fees?

ISSUE BRIEFING PAPER



Winter, 2021

Lead Committee: Transaction and Regulatory Committee

Level of Government Committee: Federal Committee

Hybrid Appraisal; FHFA Request for Information of Appraisal-Related Policies, and Practices, and Processes

THE QUESTION:

Should C.A.R., in conjunction with NAR, “SUPPORT” the hybrid appraisal?

ACTION REQUIRED?

Yes, Direction is required for staff to respond to a Request for Information (RFI) from the Federal Housing Finance Agency (FHFA).

OPTIONS:

1. That C.A.R., in conjunction with NAR, “SUPPORT” the use of hybrid appraisals.
2. That C.A.R., in conjunction with NAR, “OPPOSE” the use of hybrid appraisals.
3. Take no policy.
4. Other

DISCUSSION

On December 28, the FHFA issued its RFI, on “Appraisal-Related Policies, Practices, and Processes.” In the RFI, the FHFA proposes a hybrid appraisal as part of its modernization of the appraisal process. The concept of a hybrid appraisal would be for a real estate professional, such as a real estate agent, appraiser trainee, home inspector, or insurance agent to perform a physical inspection of the property collecting key data points. This information would either be submitted to a certified appraiser who would then complete a desktop appraisal. Or the information would be submitted directly to the lender which would use Fannie Mae’s or Freddie Mac’s automated underwriting systems to determine if the information is sufficient or if it needs to be forwarded to a certified appraiser who would then complete the desktop appraisal. The focus of the proposal is to “bridge the gap between appraisal waivers and traditional appraisals.”

The FHFA is trying to address current problems in the appraisal industry. These include:

- A growing shortage of certified appraisers, a shortage that is magnified in rural and high-volume areas.
- New opportunities for appraiser trainees.
- Reducing costs in the appraisal industry.
- Expanding coverage in rural areas.

The FHFA believes this may also assist in reducing appraisal bias by separating the inspection process from the valuation process.

Diversity Equity and Inclusion Impacts

The hybrid policy could have positive impacts on fair housing. There have been problems with discrimination by appraisers against persons from historically disadvantaged or discriminated groups. Such

appraisals appear to have been driven, for example, by the race of the occupants rather than the property. The combination of the automated valuation with a “human element” could help identify situations where appraisals were influenced by improper bias.

C.A.R. POLICY

C.A.R. does not have policy that would specifically apply to this proposal. C.A.R. has a history of supporting easing appraisal requirements to lower costs to consumers and reduce delays to the real estate transaction.

NAR POLICY

At the NAR San Francisco meetings in 2019, NAR adopted policy to support this proposal:

“That NAR support regulations for bifurcated/hybrid valuations under these guidelines:

- Selection of a third-party property data collector should be based on criteria and due diligence that will assure proper training, liability coverage, and access to necessary data. The individual must be able to provide unbiased information, and there should be enforcement to ensure proper performance.
- There must be transparent disclosure to consumers regarding the bifurcated/hybrid valuation process.
- Accurate data obtained through uniform collection methods must be provided to the appraiser to perform a credible appraisal. The appraiser should be able to communicate with the property data collector as necessary. The appraiser(s) must have geographic competency to complete the assignment.
- Uniform Standards of Professional Appraisal Practice (USPAP) requires the appraiser to determine the scope of work necessary for each appraisal. The appraiser must be allowed to provide supplemental information in the report to address aspects of the assignment necessary to comply with USPAP. All data provided to the appraiser, including the report, must be available for retention in the appraiser’s workfile.”

Should C.A.R., in conjunction with NAR, “SUPPORT” the hybrid appraisal?

ISSUE BRIEFING PAPER



Winter, 2021

Lead Committee: Homeownership Housing Committee

Information Committee: Transaction and Regulatory Committee

Level of Government Committee: Legislative Committee

PROHIBITION OF GOVERNMENT SPONSORED ENTITY (GSE) “BULK” SALES

THE QUESTION: Should C.A.R. sponsor legislation that conforms to federal regulations by mandating lenders give potential owner occupants (i.e. buyers) a mandated “first look” at GSE backed foreclosed properties and prohibit GSEs from conducting “bulk sales” in California?

ACTION REQUIRED?

Optional

OPTIONS:

1. That C.A.R. sponsor legislation to: (1) Conform to federal regulations, and provide owner-occupants and public entities with an opportunity to purchase GSE backed REO properties for 20 days(e.g. federal “First Look” program); (2) Require lenders to receive and provide written acknowledgment of all offers during that 20 day period to the potential owner occupant purchaser and public entities; (3) Require financial institutions to respond to offers made pursuant the “First Look” program prior to considering any offer from investor purchasers; and, (4) Prohibit a Government Sponsored Entity (GSE) from conducting “bulk sales” in California.*

*The REO seller is at no time obligated to sell the property to the potential owner occupant buyer or public entity

2. That C.A.R. sponsor legislation to ONLY prohibit a Government Sponsored Entity (GSE) from conducting “bulk sales” in California.

3. No Change in Existing Policy

4. Other

DISCUSSION

Fall 2020 Board of Directors Action

During the Fall 2020 Board of Director Meeting, a motion was referred back to the Home Ownership Housing Committee for further study, that C.A.R. “SPONSOR” legislation to: (a) Provide owner-occupants and public entities with an opportunity to purchase REO properties for 20 days, similar to the federal “First Look” program, and require real estate licensees (AKA: listing agent) to present offers to the seller within two business days of receipt from the buyer’s agent; and, (b) Prohibit a Government Sponsored Entity (GSE) from conducting “bulk sales” in California. (*Note: “Bulk sale” was defined as the sale of two or more real estate properties, at the same time, which have nothing in common except that they are sold in the same transaction as if they were one unit.*)

Background

Since the Great Recession we have seen an unprecedented shift in the ownership of houses, from homeowners to large corporate investors and from “mom and pop landlords” to Wall Street landlords. In the post foreclosure-crisis landscape, Wall Street has provided private equity firms with a foundation that has

established a new kind of rental housing market — one that affects the ability of moderate-income persons to obtain a home, transforms what had been neighborhoods with primarily owner-occupied homes into rental home communities and harms vulnerable renters and communities in unprecedented ways.

Potential low-and moderate-income homeowners are at a massive disadvantage when they compete against private-equity firms, institutional investors and Blackstone's Invitation Homes REIT who have developed new ways to secure credit, which enables them to leverage their equity and acquire an astonishing number of homes.

While C.A.R. doesn't often align with ACCE, Americans for Reform or Public Advocates Making Rights Real, we do agree with the following statements contained within their recent report entitled "Wall Street Landlords turn American Dream into a Nightmare":

"When houses are sold to cash-carrying investors for conversion into rentals, prospective homeowners and "mom and pop" landlords are crowded out of the market, and communities suffer — particularly communities of color."

Since the Great Recession we have seen "an unprecedented shift in the ownership of houses, from homeowners to mega-corporate investors and from "mom and pop landlords" to Wall Street landlords. In the post foreclosure-crisis landscape of America, Wall Street private equity firms with the explicit support of the federal government are laying the foundation for a new kind of rental housing market — one that harms vulnerable renters and communities in unprecedented ways."

Further proof of our shift from an ownership market to a renter's market is also the subject of particular focus in a recent New York Times Magazine article, entitled "A \$60 Billion Housing Grab by Wall Street" on March 4, 2020, which explains the massive impact large scale investment firms have had in our communities.

"Wall Street's latest real estate grab has ballooned to roughly \$60 billion, representing hundreds of thousands of properties. In some communities, it has fundamentally altered housing ecosystems in ways we're only now beginning to understand, fueling a housing recovery without a homeowner recovery."

"Neighborhoods that were formerly ownership neighborhoods that were one of the few ways that working-class families and communities of color could build wealth and gain stability are being slowly, or not so slowly, turned into renter communities, and not renter communities owned by mom-and-pop landlords but by some of the biggest private-equity firms in the world," says Peter Kuhns, the former Los Angeles director of the activist group Alliance of Californians for Community Empowerment."

"During one of the greatest recoveries of land value in the history of the country, from 2010 and 2011 at the bottom of the crisis to now, we've seen huge gains in property values, especially in suburbs, and instead of that accruing to many moderate-income and middle-income homeowners, many of whom were pushed out of the homeownership market during the crisis, that land value has accrued to these big companies and their shareholders."

Federal Action in Response to Large Corporate Investor Purchases of REO Market

In response to concerns raised by the real estate industry as a result of the disadvantage potential owner occupant buyers face against large corporate investors, FHA, Fannie Mae, and Freddie Mac (aka: Government Sponsored Entities or GSEs) established a "First Look" program in 2010 that allows potential owner occupant buyers and affordable housing entities an opportunity to make an offer on properties re-entering the real estate market after a foreclosure.

The "First Look" program restricts offers on all real estate owned (REO) properties that were owned by a GSE to potential owner-occupants — rather than investors — during the first 15-20 days on the market. The GSEs "First Look" marketing period was created to promote homeownership and contribute to

neighborhood stabilization by allowing homebuyers to negotiate and purchase foreclosed properties before they are made available to investors. (More information on Fannie Mae's HomePath program can be found at: <https://www.homepath.com/firstlook-program.html>)

Recent Legislation Pertaining to Bulk Sale Limitations

In 2020, Senator Skinner amended, SB 1079 to provide potential owner-occupant buyers and public entities with an opportunity to make offers on REO properties for 20 days, after which the property would have been made available to any purchaser, similar to the federal "First Look" program. SB 1079 also sought to limit "bulk" sales of foreclosed properties to a maximum of 3 residential parcels. The author of SB 1079 argued that the state needs to provide its working families with an opportunity to be able to purchase REO properties, which were a lost opportunity to many low-income families during the last downturn.

While C.A.R. is generally supportive of policies seeking to allow potential owner-occupant buyers a fair opportunity to make offers on REO properties, we requested that SB 1079 be amended to apply to only those REO properties which are backed by a Government Sponsored Entity (GSE) and not include portfolio or privately held properties.

Unfortunately, SB 1079 was amended in the Assembly Judiciary Committee to instead establish a lengthy process by which affordable housing providers and potential owner occupants can purchase properties during the foreclosure process, further complicating market recoveries in down markets.

Potential Fair Housing Impact

As pointed out above, the increase of corporate ownership has generally occurred in what were previously owner-occupied single-family homes. These homes, which were previously available as naturally occurring affordable ownership housing within our urban communities, are now held as commodities by large corporations and are now used instead as income properties. The emergence of corporate ownership has severely limited the ability of low- and moderate-income working family's ability to successfully obtain home ownership opportunities during market downturns – effectively denying lower income and lower resourced families an opportunity to purchase homes during a time that will most likely result in long term equity gains.

Due to the legacy of discriminatory policies and practices, people of color have less access to inherited wealth and, therefore, are more impacted by the continued lack of supply which more often denies families of color of the opportunity to own homes. . In California, the emergence of corporate real estate investors greatly impacted these historically disadvantaged groups who were deprived of the opportunity to achieve their dream of home ownership, as well as the attendant community stability and wealth gains. Therefore, the adoption of this motion would likely reduce wealth and homeownership disparities.

Conclusion

In recent years we have seen an unprecedented shift in the ownership of houses, from homeowners to mega-corporate investors and from "mom and pop landlords" to Wall Street landlords. In the post foreclosure-crisis landscape, Wall Street has provided private equity firms with foundation that has established a new kind of rental housing market — one that harms vulnerable renters and communities in unprecedented ways. By prohibiting "bulk sales", especially in high-cost areas, our states working families would again have an opportunity to be able to purchase REO properties. The states working-class families and communities of color deserve to once again have the ability to build wealth and gain stability within the communities in which they live.

What's next?

Staff is aware of several authors who have shown interest in re-introducing concepts from SB 1079 (Skinner, 2020) during this legislative session, however, there is no confirmation that this concept will be introduced in 2021. Additionally, given the timing of our Board Meetings and the legislative deadline to introduce measures for consideration in 2021 being a week apart, it may be best to delay introduction of such a measure until 2022.

THE QUESTION: Should C.A.R. sponsor legislation to conform to federal regulations by mandating lenders give potential owners occupant (i.e. buyers) a mandated “first look” at GSE backed foreclosed properties and prohibit GSEs from conducting “bulk sales” in California?

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Committee

Young Professionals Network

Meeting Day/Time

Tuesday February 2 at 1:00 pm

Action Items

N/A

Discussion Items

YPN plans to put an emphasis on educating YPNers on the other CAR committees and encouraging them to get involved in leadership. To help with this goal, we invited Otto Catrina and Kevin Brown to share information on their experiences serving with C.A.R. We also had a panel with YPN members from around the country to share their YPN-related ideas, mostly virtual events.