

# ARIZONA REALTOR<sup>®</sup>

MAGAZINE



**SECRETS OF  
THE SAVVY REALTOR<sup>®</sup>:  
SPRING CONVENTION  
PREVIEW**      PAGE 2

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# SECRETS OF THE SAVVY REALTOR®: SPRING CONVENTION PREVIEW

BETH ADAMS, 2014 CHAIR SPRING CONFERENCE COMMITTEE, REALTOR® AND CO-OWNER OF THE ADAMS TEAM

There's something to be said for savvy REALTORS®. You know the type. You walk into an agent's office and he's having a conversation via Skype with his digital assistant about the latest bill to pass the legislature and ways to improve the website's SEO, all while adding new listings to Facebook and pulling up contract documents on his fancy new iPad. Your head starts spinning and you ask: What's his secret?

On behalf of the AAR Spring Convention committee, I'd like to invite you to find out [Secrets of the Savvy REALTOR®](#) at our upcoming convention, April 15-18 at the Prescott Resort. This year, the cool pines of Prescott will lend themselves nicely to our white-hot line-up of local and national speakers. We'll also be featuring eight continuing education (C/E) courses that range from Legal Issues to Agency, Commissioner's Standards to Fair Housing. A full list of C/E is available [here](#).

<http://www.aaronline.com/springconvention/>

<http://www.aaronline.com/springconvention/ce-classes/>

In addition to C/E, AAR will also be playing host to an impressive list of panelists and presenters including:

- **No. 1 REALTOR® ranked by *The Wall Street Journal*, Carin Nguyen;**
- **The Good Life Team's Garry Wise;**
- **Legal experts Rick Mack, Scott Drucker and Lisa Robinson;**
- **NAR Director of Digital Engagement Nobu Hata;**
- **Technology presentations from 2014 AAR President Evan Fuchs, Joann Fossland, Bill Risser and more!**

What's the best kept secret of the AAR Spring Convention? I'd have to say the networking opportunities. Nowhere else can you build your referral network and have so much fun doing it. This year, the Women's Council of REALTORS® will hold several meetings, a luncheon and a reception. We're also bringing back



APRIL 15-18

REALTOR® Karaoke on Wednesday night and a “Meet the Candidates” reception on Thursday evening.

A full-convention pass costs \$179 and one-day passes are also available for \$79. For more information, visit [www.aaronline.com/springconvention](http://www.aaronline.com/springconvention). For updates and information on giveaways, follow the hashtag #AARCONV on Twitter and Facebook. ❄



Visit [this article](http://this article) on AARonline.com — comment with your thoughts & share to your social networks.

Beth Adams

2014 Chair Spring Conference Committee, REALTOR® and co-owner of The Adams Team.



## Register by March 11, 2014: Win an Apple TV

Cable TV is so last year! All attendees who register for the AAR Spring Convention by midnight on Tuesday, March 11, will be automatically entered to win an Apple TV. This small device packs a powerful punch! Just plug it in and enjoy a whole world of movies, TV shows, sports, music, and more.

# Legal Hotline Q&A

BY MACK, WATSON & STRATMAN  
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The following is for informational purposes only and is not intended as definitive legal or tax advice. You should not act upon this information without seeking independent legal counsel. If you desire legal, tax or other professional advice, please contact your attorney, tax advisor or other professional consultant.

**Q&As are not "black and white,"** so experienced attorneys and brokers may disagree. Agents are advised to talk to their brokers/managers when they have questions.

## Trustee Generally Has The Authority To Sign On Behalf Of A Trust

### FACTS:

A husband and wife deeded the property into a revocable living trust when they purchased it. The husband died and the death certificate was recorded.

### ISSUE:

Who is the rightful owner of the property entitled to sign the listing agreement?

### ANSWER:

The listing agreement is a contract between the broker and the seller and must be signed by the actual owner of the property. Here, the trust is the owner of the property. Generally, the trustee of a trust is the person with signing authority for a trust. Accordingly the trustee should sign the listing agreement. ❄

Arizona REALTOR® Magazine – March 2014  
*Title & Interest in Property*  
<http://www.aaronline.com/legal-hotline-q-a-title>

## Contract Requiring That Appraisal Fee Be Paid By Seller As Part Of Seller's Concessions Is Enforceable

### FACTS:

The buyer and the seller have entered into an AAR Residential Resale Purchase Contract (the contract). The contract calls for the seller to pay the appraisal fees out of the seller concessions. The buyer is refusing to proceed with ordering the appraisal unless the seller pays for the appraisal up front. The seller refuses to pay for the appraisal up front as the contract calls for payment in the seller concessions.

### ISSUE:

Can the seller refuse to pay for the appraisal fee up front if he agreed to pay for the appraisal fee out of the seller concessions?

### ANSWER:

Yes. The language of the contract executed by the buyer and the seller calls for the seller to pay for the appraisal fee out of the seller concessions, which are included in the closing costs. The buyer agreed to this term in the contract and cannot refuse to perform if the seller does not pay for the appraisal fees up front. ❄

Arizona REALTOR® Magazine – March 2014  
*Contracts (Breach/Damages)*  
<http://www.aaronline.com/legal-hotline-q-a-contracts-breachdamages>

## HAVE YOU SIGNED UP FOR THE LEGAL HOTLINE?

The Legal Hotline provides all AAR broker members (designated REALTORS®) free access to a qualified attorney who can provide information on real estate law and related matters.

### Find out how brokers can access the Legal Hotline

<http://www.aaronline.com/wp-content/uploads/2013/08/3-Legal-Hotline-Access-Process-fillable.pdf>

### Browse more Legal Hotline topics online

<http://www.aaronline.com/manage-risk/legal-hotline/>

## Richard V. Mack

Richard V. Mack is a shareholder at [Mack, Watson & Stratman](http://www.mackwatsonstratman.com), which provides the AAR Legal Hotline service. He is a State Bar of Arizona Board Certified Real Estate Specialist and AV rated by Martindale Hubbell. He has also been designated as a Southwest Super Lawyer. Mr. Mack practices commercial litigation with an emphasis on real estate litigation. He is admitted to practice in the state and federal courts of Arizona and before the 9th Circuit Court of Appeals. Mr. Mack graduated Magna Cum Laude from Southwestern College in Winfield, Kansas with a Bachelor of Business Administration, with an emphasis in economics, and received his Juris Doctor from the University of Arizona.

<http://www.mackwatsonstratman.com>



### Broker May Pursue A Buyer For A Commission With A Properly Executed Buyer-Broker Exclusive Employment Agreement (Buyer-Broker Agreement)

**FACTS:**

The agent agreed to represent the buyer. As part of the representation, the buyer signed a Buyer-Broker Agreement. The agent also signed and delivered a fully-executed copy of the agreement to the buyer. During the term of the Buyer-Broker Agreement, the buyer stopped communicating with the agent and ultimately purchased the property through her sister, who was an agent.

**ISSUE:**

May the agent sue the buyer for the commission based on the Buyer-Broker Agreement?

**ANSWER:**

Yes. Generally, a Buyer-Broker Agreement must be signed by all parties and delivered to be enforceable. Here, the Buyer Broker Agreement was enforceable and the buyer breached the agreement by utilizing the services of her sister to purchase the property. Accordingly, the agent may pursue the buyer for the commission based on the breach of the Buyer-Broker Agreement. ✱

Arizona REALTOR® Magazine - March 2014 | Commissions  
<http://www.aaronline.com/legal-hotline-q-a-commissions>

### The Dodd-Frank Act Does Not Apply To Commercial Transactions

**FACTS:**

The seller is going to provide the financing for a warehouse facility. The seller owns multiple warehouses and will likely engage in several seller financed transactions this year.

**ISSUE:**

Do the seller-financing restrictions imposed by the Dodd-Frank Act apply to commercial transactions?

**ANSWER:**

No. The seller-financed restrictions imposed by the Dodd-Frank Act apply to consumer credit transactions, which 12 CFR § 1026.36(a)(1) defines as credit offered or extended to a consumer primarily for personal, family or household purposes. Because the subject transaction is not a consumer credit transaction, the subject seller-financing restrictions do not apply. ✱

Arizona REALTOR® Magazine - March 2014 | Financing  
<http://www.aaronline.com/legal-hotline-q-a-financing>

CONTINUED



### Watch the Latest #AskScott Video!

AAR General Counsel Scott Drucker, Esq. addresses three member questions this month, all regarding what to include and what to avoid in real estate marketing.

[Watch the video](http://www.aaronline.com/manage-risk/askscott/)  
<http://www.aaronline.com/manage-risk/askscott/>

## Buyer's Agent Should Use Unrepresented Seller Compensation Consent Form While Representing A Buyer In A FSBO

**FACTS:**

The property is listed for sale by the owner, without an agent. The buyer's agent wants to make an offer on the property for the buyer. The buyer's agent has discussed with the parties her potential representation of the seller. The seller has declined and insists that she does not want nor need representation in the transaction, but is willing to pay compensation to the buyer's agent.

**ISSUE:**

Is there an AAR form available to assist the buyer's agent in the transaction?

**ANSWER:**

Yes. The AAR Unrepresented Seller Compensation Consent should be used by the agent. This document will confirm that there is no representation provided to the seller. It also confirms the seller's agreement to pay a commission nonetheless. ❄

Arizona REALTOR® Magazine – March 2014 | Brokerage  
<http://www.aaronline.com/legal-hotline-q-a-brokerage>

## Listing Agreement Should Not Be Incorporated In The Residential Contract

**FACTS:**

A buyer has made an offer on the residential property listed for sale by the agent. As part of the acceptance, the seller wants to attach the listing agreement to the contract and indicate that the listing agreement is incorporated by reference into the contract. The broker is concerned with the seller's request.

**ISSUE:**

Should the listing agreement be attached to and incorporated into the residential purchase contract?

**ANSWER:**

No. The listing agreement is a contract between the broker and the seller. By contrast, the residential purchase contract is an agreement between the seller and a potential buyer. The rights and obligations of the parties under each contract are separate and distinct. Consequently, there is no need to incorporate the listing agreement into the purchase contract. In fact, such a practice would likely lead to confusion and diminish the certainty of the terms in the various contracts. ❄

Arizona REALTOR® Magazine – March 2014 | Contracts  
<http://www.aaronline.com/legal-hotline-q-a-contracts>

## Buyer May Not Submit A BINSR After The Inspection Period

**FACTS:**

The buyer and seller entered into an AAR Residential Resale Purchase Contract (contract) which allowed for a 10-day inspection period. On the 12th day, the buyer submitted a BINSR form requesting that certain repairs be made.

**ISSUE:**

Is the seller obligated to make any of the requested repairs?

**ANSWER:**

No. The contract at lines 252-254 provides that if the buyer does not provide timely notice of items disapproved, that it "shall conclusively be deemed buyer's election to proceed with the transaction without correction of any disapproved items." Significantly, the language in lines 252-254 is in all capital letters. Based on the contract, the buyer has waived his right to cancel or request repairs because the inspection period expired. ❄

Arizona REALTOR® Magazine – March 2014 | Contracts  
<http://www.aaronline.com/legal-hotline-q-a-contracts>

# WHAT'S UP IN HOUSING? A PHOENIX MARKET SNAPSHOT

BY RON LAMEE, SENIOR VICE PRESIDENT OF RESEARCH AND MEMBER VALUE, ARIZONA ASSOCIATION OF REALTORS®

*Is business good or is it poor?  
Is it a buyer's market or a seller's market?*

It all depends on how you look at things, but both agents in the field and my friends at the Cromford Report say we've entered a buyer's market. The concepts are pretty simple: if there are more homes available (supply) than buyers who are shopping (demand), buyers tend to have the upper hand resulting in a buyer's market. When the supply of homes is low and there are a lot of buyers, we have a seller's market. Below, we can see the Cromford Index dashboard for February 23, 2014 indicating a buyer's market, as it has for the past two weeks.

## CROMFORD MARKET INDEX, FEBRUARY 23, 2014



*www.CromfordReport.com, used by permission*

The Cromford report data also shows a balanced Market Index between 90 and 110—the colors aren't "good" or "bad," green simply indicates a seller's market and red means a buyer's market. I should point out that the Cromford Report indices are very complex, and the data reflects many different variables over several years.

Although the greater Phoenix area is made of up of many sub-markets, some general trends appear:

- Active listings have been increasing since the summer of 2013 and are well-above February 2013 levels.
- On the other hand, sales are much lower than (about half) last summer's levels. The picture I get from agents in the field is that sellers are looking at the big run-up in prices over the last 18 months<sup>1</sup> and still have unrealistic expectations—they don't realize demand is weakening.

- It's difficult to convince sellers to lower prices, so many agents are suggesting concessions to attract buyers.

**When will prices be coming down?** In fact, they have already begun to edge down. The recent median price peak of \$185,000 of last summer has edged down to \$180,000, the number of price cuts per week has increased by about 50 percent from February 2013 and the current ratio of final price to list price is 97 percent. It seems a little counter-intuitive that price per square foot continues to creep up, but a look at price ranges reveals most of that increase comes from homes priced over \$500,000. Also, since appraisals tend to look at recent sales and current pricing, valuations will continue to lag the actual market.

**So what's up?** Prices, though with the current trend toward a buyer's market, prices will need to come down some to motivate buyers. Some good news about jobs and consumer confidence would help, too. Most analysts I talk with are saying that Phoenix housing prices are more likely to stabilize or decrease some in 2014, but mortgages will stay affordable. Things aren't great, but they're not bad, either. It'll be an interesting year.

**What do you think? What's it like in your area?** Leave a comment below or email me at [ronlamee@aaronline.com](mailto:ronlamee@aaronline.com). ✱



<sup>1</sup> \$79/square foot in September 2011; currently \$128/square foot; median price \$113,500 in September 2011, currently \$180,000.

Visit [this article](#) on AARonline.com — comment with your thoughts & share to your social networks.

## PRICING INDEX

The Case-Shiller Home Price Index for the end of 2013 came out February 25, 2014. Although the data shows an increase in the Phoenix index of over 15 percent for 2013, it shows a quarter percent decline in the Phoenix index from November to December, the first decline in a couple years. This may give agents a bit more ammunition when approaching their sellers for realistic pricing.

# AAR UPDATES SELLER FINANCING ADDENDUMS

BY SCOTT M. DRUCKER, ESQ., AAR GENERAL COUNSEL

Editor's Note: *This article was originally posted to [www.aaronline.com](http://www.aaronline.com) on February 19, 2014*

Earlier this year, the Arizona Association of REALTORS® (AAR) removed its Assumption/Carryback Addendum from the AAR forms library and replaced it with four new forms that enabled members to better comply with the seller-financing restrictions mandated by the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act).

As explained by the new forms, the Dodd-Frank Act mandates that a loan originator for a consumer credit transaction must, when required by applicable State or Federal laws, be registered and/or licensed in accordance with those laws.

The Consumer Financial Protection Bureau (CFPB) defines a consumer credit transaction as: "credit offered or extended to a consumer primarily for personal, family or household purposes." Exempt from the definition of a consumer credit transaction is: (1) an extension of credit primarily for a business, commercial or agricultural purpose; and (2) an extension of credit to other than a natural person. See 12 CFR § 1026.2(a). As such, business, commercial, agricultural, or organizational credit transactions are not considered consumer credit transactions and are not governed by the Dodd-Frank Act's seller-financing restrictions.

To ensure that its new seller financing addenda reflect the CFPB's definition of a consumer credit transaction, AAR has revised the three seller financing addenda introduced earlier this year and will continue to do so as may be required to comply with newly-issued regulations and policy statements. Following these revisions, the three seller financing addenda have been re-titled as follows:

## 1. [SELLER FINANCING ADDENDUM; CONSUMER CREDIT TRANSACTION SECURED BY A DWELLING](#)

**Seller Providing Financing For Only One Residential Owner-Occupied Property In Any 12-Month Period;**

[http://www.aaronline.com/wp-content/uploads/2014/02/SAMPLE\\_Seller-Financing-Addendum-only1\\_2-24-2014.pdf](http://www.aaronline.com/wp-content/uploads/2014/02/SAMPLE_Seller-Financing-Addendum-only1_2-24-2014.pdf)

## 2. [SELLER FINANCING ADDENDUM; CONSUMER CREDIT TRANSACTION SECURED BY A DWELLING](#)

**Seller Providing Financing For Three or Fewer Residential Owner-Occupied Properties In Any 12-Month Period;**

[http://www.aaronline.com/wp-content/uploads/2014/02/SAMPLE\\_Seller-Financing-Addendum\\_3-or-Fewer-Res-Properties\\_1-27-2014.pdf](http://www.aaronline.com/wp-content/uploads/2014/02/SAMPLE_Seller-Financing-Addendum_3-or-Fewer-Res-Properties_1-27-2014.pdf)

## 3. [SELLER FINANCING ADDENDUM; NON-CONSUMER CREDIT TRANSACTION](#)

[http://www.aaronline.com/wp-content/uploads/2014/02/SAMPLE\\_Seller-Financing-Addendum\\_Non-Dodd-Frank\\_2-6-2014.pdf](http://www.aaronline.com/wp-content/uploads/2014/02/SAMPLE_Seller-Financing-Addendum_Non-Dodd-Frank_2-6-2014.pdf)

## ADDITIONAL CONSIDERATIONS

- ◆ Added to the addenda is a buyer verification, which will assist the seller in determining whether the transaction is for purposes of a consumer credit transaction or for exempt purposes, such as for a business, commercial, agricultural or organizational credit transaction.
- ◆ If the transaction is exempt, the parties should utilize the third form titled SELLER FINANCING ADDENDUM; NON-CONSUMER CREDIT TRANSACTION.
- ◆ If the transaction is considered a consumer credit transaction, the seller must either be registered and/or licensed in accordance with applicable laws or exempt from the definition of a loan originator under: (1) the one property exemption set forth in 12 CFR § 1026.36(a)(5); or (2) the three or fewer properties exemption set forth in 12 CFR § 1026.36(a)(4).

The three revised addenda are also now available in [zipForm®](#). ❄

<http://www.aaronline.com/efficient-business-tools/zipform/>

Visit [this article](#) on AARonline.com — comment with your thoughts & share to your social networks.

### ABOUT THE AUTHOR

*Scott M. Drucker, Esq. is General Counsel to the Arizona Association of REALTORS® (AAR). He serves as the primary legal advisor to the association. Scott oversees AAR's Risk Management Committee, which includes professional standards administration for 20 of the state's local REALTOR® associations, and the development of standard real estate forms. Please note that this post is of a general nature and may not be updated or revised for accuracy as statutes and case law change following the date of first publication. Further, this post reflects only the opinion of the author, is not intended as definitive legal advice, and you should not act upon it without seeking independent legal counsel.*



A portrait of Bob Hertzog, a middle-aged man with short dark hair and a goatee, wearing a light blue button-down shirt. He is smiling slightly and looking towards the camera. The background is a textured, light-colored wall.

## SCOTTSDALE BROKER, BOB HERTZOG, GAINS A NEW PERSPECTIVE BY GIVING BACK

It was about this time last year that REALTOR® Bob Hertzog, a Scottsdale broker and founder of [Summit Home Consultants](http://scottsdaleandbeyond.com/), started volunteering with the Arizona Association of REALTORS® (AAR). Active in social media, Hertzog said he often participated in conversations about the association and the industry. “It was easy to assume that no one was doing anything [on behalf of Arizona REALTORS®],” he said. But, in April 2013, Hertzog attended his first [AAR Spring Convention](http://www.aaronline.com/springconvention/) and he got an entirely new perspective. He said, “It blew me away to see the sheer volume of people that participate [in the association] on a regular basis and try and make a difference.” So, Hertzog took the advice of a colleague and walked up to AAR Vice President of Government Affairs Nicole LaSlavic and asked to join the AAR legislative committee.

<http://scottsdaleandbeyond.com/>  
<http://www.aaronline.com/springconvention/>

Since then, Hertzog says he devotes approximately 10 hours a month to volunteering; most of which is spent participating in meetings and reviewing pending legislation. “It’s tough to be taken away from your business, even for just a few hours,” he said. “But, the payoff is well worth it.” Hertzog, who has had his

broker’s license for 14 years, said, “I’m in this business long-term. I want to sell real estate until I die. I realized that I better jump in and try and make a difference.”

And Hertzog has made a difference. He’s been a part of the AAR legislative committee devoted to maintaining anti-deficiency statutes and has helped to stave off the legislation that would infringe on private property rights. He’s also recently been asked to join the ARMLS rules committee. “When you get in the middle of things, you see so much there than what meets the eye,” said Hertzog.

While Hertzog is definitely gaining new perspective on the inner-workings of Arizona’s real estate industry, there are also residual benefits to his involvement in the association and ARMLS. “Volunteering has been a great networking opportunity for me. I get to work with successful REALTORS® from around the state. And who knows? It might turn into a referral.”

If you’re interested in becoming more involved in the Arizona Association of REALTORS®, take a look at our [four primary committees](http://www.aaronline.com/about-us/leadership/primary-committees/) and contact the vice-chair. ❖

<http://www.aaronline.com/about-us/leadership/primary-committees/>

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# TAX TIPS

## DOES YOUR TAX DEDUCTION LACK “ECONOMIC SUBSTANCE?”

Recently, social media sites frequented by Arizona real estate licensees have been abuzz over the IRS’s ability to disallow certain tax deductions on the basis that they lack “economic substance.” Because the deduction of business expenses is important to REALTORS®, AAR asked Tax Accountant Eric Viavattene of [Dobbins Wealth Management](#) to shed light on this issue.

<http://www.dobbinsfinancial.com/>

Finding ways to limit your tax liability is critical to your business. The key to success lies in understanding the latest rules for what does, or does not, constitute economic substance.

As a judicial concept, the doctrine of economic substance has existed for about as long as people have tried to limit taxation from business pursuits. Economic substance refers to the reasoning behind a business transaction. It asks, “does the transaction have any merit beyond avoiding tax?”

In the past, courts have determined whether a transaction had economic substance based on precedent — with no specific rules involved. The advent of Section 1409 of the Health Care and Education Affordability Reconciliation Act of 2010 changed all this. It requires that a two-part test be run to determine if a transaction qualifies.

To be considered as having economic substance the transaction must:

1. **change the taxpayer’s economic position in a meaningful way apart from any federal income tax effects; and**
2. **the taxpayer must have a substantial purpose for entering into the transaction apart from any federal income tax effects.**

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“these changes require business owners to take more stringent accounting measures and increase the documentation retained for their transactions”

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Additionally, the Act specifies a penalty of 40 percent of the liability for underpayments of tax from transactions that do not meet the qualifications. However, while the Act does create these tests and penalties, it doesn’t say exactly when they should be applied, leaving a wide opening for their application.

For the REALTOR® community, these changes require business owners to take more stringent accounting measures and increase the documentation retained for their transactions. All transactions, including payroll, need to show business and economic merit beyond simply lowering tax liability. Payroll amounts for shareholders must be based on work recorded in time sheets or logbooks, or some other verifiable means, with rates comparable to industry norms. Business expenses need to be reasonable and necessary – no trips to the grocery store on the company dime unless they’re really for company expenses, and even then, only with a receipt noting the reason for the expense.

Be sure to seek the advice of an accounting professional to learn what you can do to improve your process and reduce your liability. ❄

*Eric Viavattene is a partner at Dobbins Wealth Management, PLLC where he specializes in Short Sale/Foreclosure tax analysis and financial planning. As a Registered Investment Advisor and senior Financial Advisor, Eric provides a unique tax perspective during the planning process as he works with individuals and small to medium-sized businesses to help them meet their financial goals.*

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# COMMERCIAL FORMS AT A DISCOUNTED RATE

*As an AAR member, you are entitled to commercial real estate forms at a steep discount. AIR Commercial Real Estate Association (AIR) produces these forms and each one has been “localized” for Arizona law and are utilized by commercial agents and brokers across Arizona.*

## WHERE TO FIND AIR FORMS

You can review [sample AIR forms](#) here. Please note that these forms are “generic”, not the Arizona-specific forms. To review the Arizona-specific forms, you need to [install the AIR program](#). After the program is installed, you may review every AIR form and even print them with the word “DRAFT” across the form. If you want to actually use the form without “DRAFT”, you must use AIR tokens. Depending on complexity, each AIR form costs zero to eight tokens.

<http://www.airea.com/FORMS/SampleForms.aspx>

<http://www.airea.com/FORMS/DownloadPurchaseForms.aspx?v=1&s=AZ>

## HOW TO BUY AIR FORMS AND TOKENS

Typically, agents would be charged \$399 for AIR forms (with 200 tokens). As noted earlier, each form has a certain number of tokens associated with it ranging from zero to eight, depending on the complexity of the form. All lease and purchase agreements are eight-token forms. A user

can create and modify as many “DRAFT” versions of a form as desired, only being charged the appropriate tokens once a “FINAL” copy is created. New tokens are issued at \$.50 each, with a minimum purchase of 100 tokens.

To get started, AAR members may choose from five different pricing tiers:

AAR DISCOUNTED PRICE	QTY OF TOKENS INCLUDED
\$299	200
\$199	155
\$99	100
\$49	40
\$24	15

To purchase a starter package or additional tokens, AAR members should call 866-946-2472. You will need your NRDS number handy to validate your REALTOR® membership. ([Find your NRDS number.](#)) ※

<https://reg.realtor.org/roreg.nsf/retrievalID?OpenForm>

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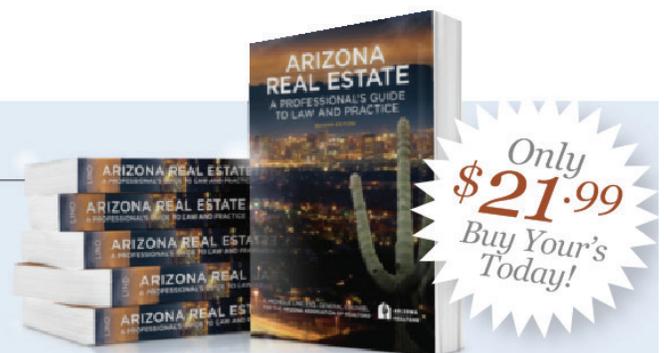
## Arizona Real Estate: A Professional’s Guide to Law and Practice

BY K. MICHELLE LIND, ESQ., AAR CHIEF EXECUTIVE OFFICER

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# WASTEWATER WARRIOR WINS AGAIN!

**Lowell Fagen**, Red Arrow Real Estate, was honored with a “Lifetime Achievement Award” by the Arizona Onsite Wastewater Recycling Association (AzOWRA), at the organization’s recent annual meeting in Scottsdale. AzOWRA is a statewide, non-profit group whose primary mission is to develop and present educational programs relating to the needs of all stakeholders having an interest in onsite wastewater systems. This includes homeowners and real estate agents.

<http://www.aaronline.com/2012/12/wastewater-systems-warrior-lowell-fagen/>

Fagen was presented a plaque by AzOWRA officers Suzanne Ehrlich, president-elect and Lou Brown, treasurer. Ehrlich read Lowell’s profile statement noting that he was a charter member of AzOWRA and a past director. He was cited as instrumental in producing the Homeowner’s Education Program, and developing the first Arizona-oriented Homeowner’s Operation and Maintenance manual for onsite systems.

Fagen said of winning the award, “It was greatly appreciated; and an inspiring day for me to be recognized by an organization such as AzOWRA. It was also unexpected because of how and when the award was presented to me, since I was unable to attend AzOWRA’s annual meeting when it was first announced. I was also unaware of subsequent behind-the-scenes arrangements cooked up by officers of AzOWRA and my broker. This led to the surprise ceremony held at Red Arrow’s Prescott office attended by my associates.”



**Lowell Fagen**  
Red Arrow Real Estate  
*Recipient of AzOWRA's  
Lifetime Achievement  
Award*

Fagen was further recognized for his years of service and reappointment to ADEQ’s State Advisory Committee for Onsite Systems (OWAC). Lowell represents Arizona’s real estate community on the 15 member committee comprised of engineers, designers, educators, installers, inspectors, pumpers and county regulators. This advisory group is currently reviewing onsite regulations to develop recommendations to ADEQ for updates and revisions to existing rules and forms.

It was also noted that Lowell initiated and developed an ADRE-approved C/E Course for real estate agents whose practice includes properties served by an onsite system. This course has been a feature of AzOWRA’s biennial education conferences. ❄

## ***Congratulations, Lowell!***

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