

SOLD

Sara
Alvarado

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The greening of a Realtor

A son's struggle to breathe changed the course of Sara Alvarado's lifestyle and real estate career.

Sara and her husband, Carlos, moved into a 15-year-old house in 2004 and began renovating it. When their year-old son, Leo, became constantly ill and was diagnosed with asthma, the Alvarados worried that the renovation materials could somehow be triggering the symptoms. The more the Alvarados, who were Realtors for Keller Williams at the time, researched the matter, the more captivated they became by environmental issues.

Eventually, they sought professional training; Sara became an EcoBroker in 2006 and Carlos earned the NAR's GREEN designation in 2009.

In expanding their knowledge, the Alvarados also expanded their social and professional network to include the "green" community. Sara says it's a new lifestyle and a new way of doing business—successful business. "It's been our best year ever," she says.

In 2008, the couple opened the Alvarado Real Estate Group, giving it a distinctly green brand. Their goal for 2009 was 52 sales. But the agency grew rapidly to six agents, as green-minded Realtors sought to work there. Through November 2009, the agency closed 83 sales.

Sara offers some advice for Realtors who want to enter this market:

✔ **Market through community events and education:** The Alvarados organized a light bulb exchange, replacing people's incandescent bulbs with compact fluorescent bulbs. These events foster face-to-face contact, Sara says. She also features green-related tips for homeowners in her direct mail and e-mail campaigns. Sara believes these get a better response than recipe cards and similar gimmicks. "We're offering relevant information that adds value," she notes.

✔ **Be authentic:** You can establish yourself in the green community if you know your stuff and believe in it, Sara says. But don't fake it. You'll be pegged for a pretender right away, and you won't earn this movement's powerful word-of-mouth (and social networking) endorsements.

✔ **Be a conduit—not a stand-in—for experts:** As you build your base of general knowledge, build a network of experts in green technology and products such as sustainable flooring, energy efficient heating/cooling, etc. Referrals work both ways.

✔ **Selling green homes isn't enough:** Many of Sara's clients have no interest in environmental issues, and she doesn't push it if they don't. At every final

walk-through, however, the Alvarados give buyers a handsome canvas tote-bag full of green products and tips, which has become quite popular, Sara says. ▶



SARA ALVARADO
EcoBroker

The Alvarado Real Estate Group, Madison

TRACKING THE VALUE OF GREEN

It's difficult to attach a resale value to many green features, such as sustainable building materials. Sara Alvarado asked the South Central MLS in 2007 to add a category for green/energy efficient features, which was done in 2008. This will help buyers search for greener homes. Sara says it will also help answer the question: Are green homes really worth more? "In five years, the goal is to compare sales prices for homes in the green category to similar homes," she says.

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Recommends:
madisongreenagents.com



Tips for smoother online mortgage applications

Online mortgage applications are a terrific convenience for homebuyers. But the complexity of a mortgage transaction can surprise applicants who might be used to applying online for a car loan or a credit card. A mortgage application is another animal altogether.

AnchorBank's mortgage lending staff has come across a few common mistakes made on a variety of online mortgage application systems. Pass along these tips to clients who you know will be using a mouse instead of a pen to apply for a loan:

Apply for the maximum amount.

Even if buyers plan on bidding less for a home than the maximum amount they've qualified for, they should apply for the maximum anyway. Many buyers who don't must return to get a second or third pre-approval letter for different amounts.

Choose a lender that has brick and mortar offices, rather than solely an online presence.

When applicants get stuck, it's best to work with a loan officer assigned to them, who will be

familiar with each applicant all the way through the closing. When you've got a question, navigating a non-local call center can be frustrating.

Before starting an online application, be ready to print.

People who apply on their laptops while sipping a latte in a coffee shop could be caught short when it's time to print a pre-approval letter or other document. Sounds simple, but these documents can be difficult to retrieve by signing on again after the application is submitted. 📄

Homebuyers can check rates, compare accounts, calculate payments and apply online with AnchorBank's SPEED e-App™. Visit anchorbank.com and click on the SPEED e-App icon.

Two ways to prevent delays created by new RESPA rules

Changes in the Real Estate Settlement Procedures Act (RESPA) that took effect on January 1, 2010, can create inadvertent, unexpected delays in loan closings. To prevent this, it's even more important that applicants, Realtors and mortgage lenders communicate closely after a Good Faith Estimate (GFE) is issued and before the closing date.

Realtors can help in two significant ways, says AnchorBank's Vice President-Regional Lending Manager, Terry Plesek:

Remind clients to give the lenders enough time. The new rules allow loan applicants to receive a GFE with no application fee, so they can freely shop among lenders to find the best terms available. This is a good thing for

consumers, Plesek says, as long as they formally agree to accept a GFE (and therefore pay the application fee) soon enough for the lender to order an appraisal and conclude its processing before the closing date.

Before your clients accept a GFE, encourage them to be sure they fully understand and agree with the terms, or to seek clarifications from their lender. "This is more critical now, because the new RESPA rules require the GFE to virtually mirror the new, four-page closing statement," Plesek says. "Before, some differences that showed up on the closing statement could be accommodated at the closing table, as long as all parties agreed. Now, that often won't be the case."

With additional changes to the Truth In Lending rules,

changes to a loan request that cause the Annual Percentage Rate (APR) to increase or decrease by more than one-eighth of one percent require redisclosure. This automatically delays the closing by three days, Plesek cautions. She adds, "When you've got three or more purchase transactions lined up back-to-back-to-back, those dominoes can quickly start falling in the wrong direction."

FOR MORE INFORMATION

Realtors looking for more information on the RESPA rules that took effect January 1 may contact their local AnchorBank mortgage loan officer. Also, HUD has issued a lengthy FAQ document at: hud.gov/offices/hsg/ramh/res/respa_hm.cfm (click "New RESPA rule FAQs" link). 📄