

MLS & Rules Committee

MEETING MINUTES

September 21, 2018
10:00am

Chairperson Tanya Kulaga called the meeting to order at 10:00am. Present were Tanya Kulaga, Cheri Drake, Cheryl Puentes, Chris Earl, Diane Kennedy, Lindsay Landis, John Green, Mary Jones, Nicholas Lerner, Shelly Doris & Toby Gallegos – Toby & John Green left early. President Elect Greta Carter-Wilson was in attendance for observation.

Meeting Minutes from September 7, 2018 were reviewed. After review, **it was moved to accept the minutes from the previous meeting; seconded and passed.**

The Committee resumed their work on LBOR Sales Contract revision and spent this meeting time discussing the Inspection Paragraphs in LBOR Contract. From the prior meeting, Committee members were asked to come forward with specific proposals with their desired changes to the Inspection Paragraphs in the Contract. Two Committee members have officially proposed a new draft of the Inspection Paragraphs for consideration by the Committee.

A matrix (table) was provided by a Committee member which outlined the provisions in the existing LBOR Inspection Paragraphs, as compared to two newly submitted proposals, which are labeled as Current Version, NL/DS Proposal, and CE Proposal. This matrix was especially helpful and allowed the Committee to move through and discuss how each proposal addressed each component within the Inspection Paragraphs. Each proposal, as well as the Matrix, can be found attached to these minutes.

First - The Committee questioned if the Lead Based Paint Disclosure addendum on its own satisfies the mandate that Lead Based Paint Disclosure language be included in all sales contracts. Board Staff will ask the LBOR Attorney if this the case, of if the language needs to remain in the body of the Sales Contract as well as in the addendum.

Next – it was suggested that the Committee use the Matrix to work through each section of the Inspection section. The Committee agreed to use the Matrix to move ahead.

Using the Matrix, the Committee agreed on 5 items in which the Current Version, Proposal NL/DS, and Proposal CE each align. These are:

1. Establishes a time frame for inspections.
2. Access for Inspections.
3. Exclusions from Inspection.
4. Quality of Repairs.
5. Buyer contributes toward repairs.

Understanding that each proposal is aligned on these 5 items, the Committee began discussing the items in which there are differences.

1. Who pays for Inspection – The Committee discussed whether or not the phrase “unless prohibited by Buyer’s loan requirements” was necessary in Proposal CE. After discussion, the Committee voted 6-5 to strike this language from Proposal CE in the first sentence in Paragraph 10, a., aligning Proposal CE with Proposal NL/DS.
2. Defines who can inspect – After discussion the Committee felt it was necessary to include that “Independent Qualified Inspectors” be included, which is aligned with Proposal NL/DS.

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<i>Tanya Kulaga, Chairperson</i>	<i>HRE</i>
<i>Erin Morgan, Vice-Chairperson</i>	<i>McGrew</i>
Bev Hill	KWI
Cheri Drake	McGrew
Cheryl Puentes	McGrew
Chris Earl	Stephens
Diane Kennedy	McGrew
Drew Deck	RN Pref
Linda Trotter	McGrew
Lindsay Landis	HRE
Jake Forbes	HRE
John Evans	KWI
John Green	CB G&B
Mary Jones	McGrew
Nicholas Lerner	McGrew
Shelly Doris	Stephens
Toby Gallegos	KWI

3. Inspection Reports – After discussion, the Committee modified both Proposal NL/DS and Proposal CE as follows: Inspection Reports will be provided at the earliest of 3 options – at the end of inspection period, at the time inspection requirements are made, or at cancellation of the contract.
4. Potential for the Buyer to make multiple requests/requirements – After discussion, the Committee agreed that a Buyer should NOT be able to make multiple requests, and is aligned with Proposal NL/DS.
5. Addresses Property Insurability – After discussion, the Committee agreed to leave the contract as it is on this item, and strike paragraph D in Proposal NL/DS.
6. Inspection requests due by – After discussion, the Committee agreed with both Proposal NL/DS and Proposal CE, that Inspection Requirements be due “Within the Inspection Period.”
7. Inspection Negotiations – After discussion, the Committee modified both Proposal NL/DS and Proposal CE as follows: Absent of a Seller’s response to a Buyer’s Inspection Requirement Request, that one (1) additional day be added to allow a Buyer to accept the property in it’s “as is” condition. Additionally, in Proposal NL/DS and Proposal CE, the time frame to negotiate repairs will be expressed as a blank line “_____”, followed by “(5 days if left blank)”.

During this final discussion of items #6 and #7 above, the meeting time originally scheduled to end at 11:30am came to an end. **It was moved to extend the meeting, seconded and passed.**

Next, it was moved that the Committee agree on all of the changes discussed during today’s session, and to task Committee members Chris Earl & Nicholas Lerner to work together to incorporate today’s changes, and to work on merging Proposal NL/DS and Proposal CE together prior to the next Committee meeting. The motion was seconded and passed.

Next Meeting Scheduled for Friday, September 28st at 10:00am

Meeting was adjourned at 12:00pm.

Respectfully submitted,

Rob Hulse
Executive Officer

Leah Kohlman
MLS Coordinator