STEAMBOAT REALTOR® THE VOICE FOR REAL ESTATE IN STEAMBOAT www.ssbr.org

October 28, 2008 MEGA-WEST

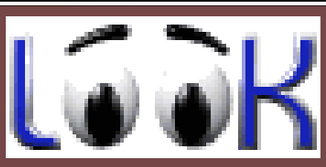
#	Address	MLS	Agent	Seller	Price	New
1.	46275 Rock Springs Lane [Hayden]	122448	Vonnie Frentress	Baum	$795,000	Rep
2.	142 4th St. [Hayden]	122033	Vonnie Frentress	Bullard	$129,000	Rep
3.	118 S. Walnut Street [Hayden]	123183	Vonnie Frentress	Johnson	$269,000	Rep
4.	304 Vista Verde Dr. [Hayden]	123448	Amy J. Williams	Kent	$195,000	Rep
5.	965 Dry Creek S. Road [Hayden]	120956	Amy J. Williams	Vlg. @ Dry Crk., LLC	$82,900	Rep

Technology Tip:

Agents, Staff,
DocCentral has been designed as a simple, intuitive and cost-effective tool that allows real estate professionals to manage and organize their documents. Documents are stored on secure servers and accessible online 24/7 by agents and the clients and vendors they authorize. By taking transaction documentation off agent laptops and out of filing cabinets, DocCentral eliminates redundancy, safeguards information, and ensures there will always be enough space for even the largest document files. The training resource material is located in Paragon MLS Docs under the Doc Central Folder. Training sessions for MLS members starts Wednesday and Thursday, November 29th and 30th: 9am, 10am, or 11am. Sessions will last 30 minutes to an hour.

I hope you enjoy this great new functionality!!

Notice of Steamboat Springs Board of REALTORS® 2009 Dues Billing:



To preview and print your Dues Billing Statement:
Logon: https://ssbr.getlamps.net ("pay dues online")

NAR - $80.00
CAR - $130.00
SSBR (local)- $225.00
NAR Assessment - $35.00
RMRA (Rocky Mountain Resort Alliance)- $6.00
Sub total **- $476.00**

RSDC (Voluntary) - $10.00
PSF (Voluntary) - $20.00
Community Fund - $100.00
Voluntary for Scholarships

TOTAL - $606.00

DUE AND PAYABLE: December 31, 2008

Late Fee for all payments received after January 31, 2009 is $25.00.

Credit Card On-Line Payment by Individual Members:

Logon to: https://ssbr.getlamps.net and "Pay Dues" (left side of page). Login using your 9-digit NRDS # and secure password, your last name initial caps (i.e., Jones).

Or

"Print" the invoice and pay by check, payable to SSBR, P.O. Box 775103, Steamboat Springs, CO 80477

Steamboat Springs Board of Realtors, Inc.
Box 775103 625 South Lincoln Ave., #202
Steamboat Springs, Colorado 80477

Other News - MLS Reminders - Education

MEMBERabilia

Membership Summary as of October 28, 2008

***REALTOR® Members:* 414**
***SECONDARY Members:* 10**
***MLS Only Members:* 20**
***Total Affiliate Members:* 45**

Tax Changes:

By - Kennen S. Cohen

Housing Assistance Act of 2008: "Reduced §121 Gain Exclusion in Some Circumstances"

Internal Revenue Code (IRC) Section 121 permits a taxpayer to exclude gain in the amount of $250,000 or $500,000 for married couples filing jointly on the sale of the a principal residence. A residence is a principal residence if the taxpayer has owned and used the residence as the taxpayer's residence for any two (2) years during the five year period ending on the date the residence is sold. The Housing Assistance Tax Act of 2008, signed by President Bush on July 30, 2008, amends §121 and may reduce the exclusion available to taxpayers who initially acquired the principal residence in a §1031 tax deferred exchange or used the property as a rental property before converting the rental property into a principal residence. As of January 1, 2009, the exclusion must be allocated between the period the principal residence was used as an investment property or second home, and the period of time the residence was used as the taxpayer's principal residence. Any portion of the exclusion amount that is allocable to the period the property is not used as the taxpayer's principal residence is eliminated.

How does this change affect §1031 tax deferred exchange planning? Suppose a single taxpayer exchanges into a rental property which is rented for four (4) years, and then moves into this former property and lives in it for two (2) years as a principal residence. The taxpayer then sells the principal residence and realizes $300,000 of gain. Under prior tax law, the taxpayer would be eligible for the full $250,000 exclusion and would pay tax on the $50,000 remainder. Under the new law, the exclusion would have to be prorated as follows (Note: This example does not take into account deprecation taken after May 1997, which is taxable at 25%).

Two-thirds (4 out of 6 years) of the gain, or $200,000, would be ineligible for the $250,000 exclusion. One-third (2 out of 6 years) of the gain, or $100,000, is eligible for the exclusion. [This example was changed to show that the allocation formula takes into account years before the 5 year look back period in §121(a).]

Non-qualified use prior to January 1, 2009 is not taken into account in the allocation for the non-qualified use period (but is taken into account for the ownership period). Suppose the taxpayer had exchanged into the property in 2007, and rented for 3 years until 2010 prior to the conversion to a principal residence. If the taxpayer sold the residence in 2013, after three years as a principal residence, only the 2009 rental period would be considered in the allocation for the non-qualified use. Thus, only one-sixth (1 out of 6 years) of the gain would be ineligible for §121 tax exclusion.

In general, the allocation rules only apply to time periods prior to the conversion into a principal residence and not to time periods after the conversion out of principal residence use. Accordingly, if a single taxpayer converts a principal residence into a rental property and never moves back in, and otherwise meets the two out of five year relinquished under §121, the taxpayer is eligible for the full $250,000 exclusion when the rental property is sold. This rule only applies to non-qualified use periods within the 5 year look back period of §121 after the last date the property was used as a principal residence. Therefore, if the taxpayer used the property as a principal residence in year one and year two, then rented the property for years three and four, and then used it as a principal residence in year five, the allocation rules would apply and only three-fifths (3 out of 5 years) of the gain would be eligible for the exclusion under §121.

2008 Education Advertising:

The Ethics Update

course is available on-line at **www.vaned.com,** or Free of Charge at **www.realtor.org**. The Steamboat Board will offer the live course on; **November 14, 2008 ; 8-12noon or 1-5pm. / SSBR / $50.00 members / 4 CE Credits / Instructor: J. McGee**

To register, go to **www.CARedservices.com or Call Sallie Arnold: 1-800-944-6550 for help.**

To view and print a transcript of CAR courses you have taken, go to: **www.caredservices.com**, and login. The local Steamboat Springs Board does not retain copies of course certificates, transcripts, or member education records on file. The Real Estate Commission requires that **ALL LICENSEES take class, and** retain course certificates for **four** years in order to provide proof of Continuing Education Credits when audited.

stewart title of colorado

Dec. 5 / 9am-1:00pm

***The Power of Exchange* (4 Hour Introductory Class Approved CE) This accredited class teaches introductory concepts, plus goes into more detail on the background of exchanges, introduces the student to the exchange variations available to investors, shows how to use exchanges as a listing and selling tool, illustrates how to calculate capital gain, and reviews common exchange terminology and closing procedures.**

{Register with SSBR K. Cohen form—$10}

Class sponsored by Stewart Title

Kennen Cohen

Asset Preservation Inc.

(866)-601-1031 [ph]

L O O K

FIND YOUR TOUR:

UPCOMING TOURS:

November 4 - North / Downtown
November 11 - Mountain / South
November 18 - Downtown / West
November 25 - Mountain / South
December 2 - North/Downtown
December 9 - Mountain/South
December 16 - Downtown/West
December 23 - Mountain/South
December 30 - North/Downtown

All tour information can be found on SSBR.org website. Agents, if you do not know your password, please ask…