

NAR Board of Directors Meeting – May 22, 2012

Rally to Protect the American Dream

President Moe Veissi recounted the success of the May 17 Rally to Protect the American Dream, at which 13,800 REALTORS® gathered at the Washington Monument to celebrate home ownership. The rally showed consumers that, when it comes to something as important as home ownership, “you're in it with them and for them. Whenever you do those things in life, you know you've accomplished something great.”

In addition to the members and others who attended the rally, 13,600 people attended virtually, at RealtorRally.org, and more continue to experience the rally online. Twelve members of Congress attended, including Sen. Johnny Isakson (R-Ga.) and Rep. Steny Hoyer (D-Md.), both of whom spoke at the rally, and 29 major media outlets, including CNN and CNBC, covered the event. And in a satellite media tour one day earlier, Veissi spoke with another 24 media outlets.

Competitiveness in commercial property data

To increase competition in the commercial property data arena, an NAR subsidiary sold eProperty Data to real estate data company Xceligent. The combined company will provide a competitive alternative to CoStar/LoopNet, whose merger was recently approved by the Federal Trade Commission, positioning it to be the dominant provider in the market. Xceligent's standard rate will be 25 percent below that of CoStar/LoopNet, and NAR negotiated REALTOR® discounts for both services. Rollout is targeted in the next few months.

NAREB congratulations

In recognition of African Americans' historic struggles for equality in housing markets and for recognition as professionals in the real estate industry, the board passed a resolution congratulating the National Association of Real Estate Brokers on its 65th anniversary. “It's extremely important for our members to remember our past and how we connect,” said Julius Cartwright, president of NAREB and a member of NAR.

REALTORS® Federal Credit Union

Members of the REALTORS® Federal Credit Union approved the merger of the \$75 million, 8,000-member REALTORS® FCU, launched in 2008, with the \$2.1 billion, 100,000-member Northwest Federal Credit Union, with the goal of expanding services and products. Under the merger, the credit union remains virtual, but members gain access to 4,600 branches across the country. The name REALTORS® Federal Credit Union remains unchanged.

Real estate–related visa

A new set of policy principles were approved, advocate for the creation of a non-immigrant, real estate–related visa. The visa would be intended to encourage foreign nationals to buy homes in the United States. It would be good for at least five years and have rules that are reciprocal to rules in other countries that give favorable treatment to U.S. citizens. In the event Congress creates such a visa, NAR would provide training to help make members aware of visa and immigration rules so they can avoid liability.

IDX policy changes

The board approved a set of comprehensive amendments to NAR's Internet Data Exchange (IDX) policy

and MLS rules to clarify that “participant websites” are those in which MLS participants have actual and apparent control of the sites. The changes also recognize the growth in the use of mobile devices by permitting IDX information to be displayed in mobile devices as long as MLS participants control the displays. “Control” means participants can add, delete, modify, or update their information, and a reasonable consumer would recognize the information as the participant’s.

Separately, the board acknowledged the growing complexity of MLS technology issues by creating an MLS Technology and Emerging Issues Subcommittee, which will anticipate and analyze MLS technology issues. The subcommittee will have a chair and 15 members, at least eight of which will be REALTORS® with experience in governance or operation of a local or regional MLS, and the rest will be MLS administrators or MLS technology or administrative staff.

Professional standards

The board took a number of actions related to the association’s Code of Ethics and its enforcement.

- Approved a pilot program by the California Association of REALTORS® to apply “lateral discipline” to members who belong to two or more local associations and are suspended or expelled from one of them. Under the “lateral discipline” idea, members could be subject to the same discipline in all of the associations to which they belong. The pilot will run until the end of 2014, at which time CAR will file a report on it with the Professional Standards Committee.
- Amended Professional Standards Policy Statement 52 to require associations to offer mediation to disputants before review of arbitration requests.
- Changed Standard of Practice 12-10 to make it clear that the “true picture” mandate applies to different types of Internet content and prohibits REALTORS® from presenting content developed by others without attribution or permission.
- Amended Section 21(f)(3) of the *Ethics Hearing, Code of Ethics and Arbitration Manual* to clarify that an ethics complaint gets sent back to the Grievance Committee if the consumer filing the complaint doesn’t show up for the hearing and hasn’t requested a continuance in writing.
- Stated that the ethics training program for new members, called “Required Learning Objectives for New Member Orientation,” and the program for continuing members, called “Required Learning Objectives for REALTORS®,” will satisfy the ethics training obligation for the current four-year cycle, which ends at the end of this year.

Other actions

- The board gave MLSs discretionary authority to require placement of an MLS-approved lock box/access device on listed property if any device giving access to real estate professionals and service providers is authorized by the seller and any occupant. This discretionary authority is intended to ensure reasonable and timely access to listed properties by other MLS participants and subscribers.
- Approved \$1,614,372 to the Oregon Association of REALTORS® to support its campaign to win voter support for a constitutional amendment banning a state real estate transfer tax.
- Approved \$161,667 in legal assistance for seven cases, involving 1) allegations of commission-fixing against brokerages, 2) application of a statute of limitations on a state arbitration requirement, 3) ending an old state injunction against an MLS, 4) challenging misappropriation of MLS data by a third-party Web site, 5) defending farm owners against a disputed pollution

charge, 6) appealing a duty-to-arbitrate decision, and 7) fighting a conservation effort that could hurt property owners in a flood plain.

Treasurer's report

For 2013, the board is budgeting for 960,000 members, down 5 percent from 2012 budgeted number, and it voted to keep annual dues per member at \$120, of which \$40 is for REALTOR® Party activities.

2013 officers

Elected the association's 2013 leadership: Gary Thomas, Orange County, Calif., president; Steve Brown, Dayton, Ohio, president-elect; Chris Polychron, Hot Springs, Ark., first vice president; Bill Armstrong, Damascus, Md., treasurer.

Thomas's appointed vice presidents are Leslie Rouda Smith, Plano, Texas, vice president and liaison to committees, and Bill Brown, Oakland, Calif., vice president and liaison to government affairs.