



the REALTOR[®] Report

News for you from the ND Association of REALTORS[®]
May 18, 2015

Below is an update that NAR has done following the meetings last week in DC and action that the NAR Board of Directors took at their meeting on Saturday morning:

NAR Board Approves Nationwide Broker Data Entry System

The NAR Board of Directors at its 2015 meeting May 16 in Washington, D.C., approved a partnership between NAR and its wholly owned subsidiary Realtors Property Resource[®] and another company, UpStream RE, LLC, to create a data entry and collection system for the brokerage community using the RPR[®] advanced Multi-list platform (AMP[™]). The system will give brokerages a single place to input their listing data for distribution on multiple platforms online, including Realtor.com, local MLSs, and broker websites. The initiative will be funded using NAR operating reserves over 36 months, at a net amount not to exceed \$12 million.

The Board of Directors meeting closed out the 2015 REALTORS[®] Legislative Meetings & Trade Expo, attended by 8,000 REALTORS[®] and guests. The weeklong meetings included hundreds of visits by REALTORS[®] to their members of Congress to advocate on behalf of the real estate industry.

Prior to the vote on the data entry system, NAR CEO Dale Stinton described this latest initiative as an important strategic “pivot” for NAR and RPR[®] that helps brokers maintain control of their listing data while accomplishing long-sought technology objectives of real estate brokerage companies, MLSs, and associations by creating a single back-end entry point for all listing data that is then distributed to all the end-points identified by the broker.

The data entry system is explained in a video on REALTOR.org. [Access that now.](#)

Commitment to Excellence

In other actions, the Board adopted the REALTORS[®] Commitment to Excellence under which NAR members strive for excellence in a number of competencies, including the NAR Code of Ethics, the laws and regulations affecting real estate, and one’s advocacy efforts on behalf of strong real estate markets and healthy communities. The Commitment to Excellence also extends to the way REALTORS[®] interact with one another and with consumers and to the need to maintain one’s professional education. The Commitment also requires broker-owners and principals of real estate companies to maintain an environment that promotes excellent customer service, consistent with the new standards.

To help oversee the Commitment, the Board created an advisory board comprised of nine members of the Professional Standards Committee. The board will develop systems to ensure the competencies remain relevant and to provide the tools to administer the Commitment.

‘Boomerang Buyers’

The Board adopted a plan to support lending, counseling and other programs intended to help so-called boomerang buyers enter the home buying market with confidence and the resources to succeed. Boomerang buyers are households that lost their home during the Great Recession and are now considering entering the market again.

Community Outreach Awards

To recognize associations doing an exemplary job using resources from NAR's housing opportunity, smart growth, and diversity programs, the Board created the Community Outreach Awards, to be given out every other year.

Core Standards

To help ensure new associations of REALTORS® are prepared to meet NAR's Core Standards, the Board amended the member association application form to address their obligation to meet the standards. Associations are also required to sign a new Core Standards Certification.

MLS Policy

The Board amended the MLS Policy Statement to ensure timely implementation of MLS changes by requiring their implementation by January 1 of the following year, and for associations and MLSs to implement them within 60 days of their effective date, unless the NAR Board of Directors allows a different timeline.

In other changes, the Board passed provisions to allow MLS participants to augment IDX displays with property information from an outside source as long as the source is identified in immediate proximity to the data. The other changes help ensure that MLSs timely process requests for IDX data feeds and clarify the term "publicly accessible" sold information. The term, as it applies to IDX policy and model IDX MLS rules, refers to data available electronically or in hard copy to the public from city, county, state, and other government records.

Professional Standards

The Board made a number of changes to the NAR Code of Ethics and Arbitration Manual to improve the arbitration process, among other things. They would—

- Shift the burden of initiating litigation from the prevailing party to the non-prevailing party. The goal is to reduce instances of REALTORS® refusing to pay arbitration awards. The change also requires adoption of state association recommended arbitration award enforcement procedures that maximize enforcement and payment under state law.
- Establish that complainants and hearing panels cannot bar each other from adding Articles of the Code of Ethics or respondents to a pending complaint before or during a hearing.
- Establish that directors hearing an ethics appeal, if concerned with a substantial procedural will be required to refer the decision to the association's professional standards committee for a new hearing and recommendation by a different hearing panel.
- Provide guidance and shorter time frames for arbitration case administration.
- Clarify that the citation process is confidential, and ensure consistency with Professional Standards Policy Statement #19, Confidentiality of determinations rendered in ethics and arbitration hearings, Code of Ethics and Arbitration Manual.
- Ensure consistency between the NAR Model Citation Policy and Sections 7 and 32, Notices, Code of Ethics and Arbitration Manual, which provides that notice is deemed given, served, or filed when handed to a party, mailed to a party, or sent to a party via email. These amendments also reference "transmission", as email service of notices is strongly recommended in Sections 7 and 32, Notices, Code of Ethics and Arbitration Manual.

- Clarify that the ombudsman process is confidential, and ensure consistency with Professional Standards Policy Statement #19, Confidentiality of determinations rendered in ethics and arbitration hearings, Code of Ethics and Arbitration Manual.
- Ensure that parties concerned with interpretation of settlement agreements that include stipulations on withdrawal of pending ethics complaints must enforce the agreement in court rather than rely on associations to dismiss the complaint.
- Require a shorter time frame for implementation of new and amended policies in order to ensure timely, efficient responses to changes in professional standards policy.

Advocacy Grants

The Texas and Missouri associations were given grants of \$3 million and \$500,000, respectively, to advocate for ballot measures prohibiting any future imposition of sales tax on real estate transactions.

Patent Trolls

The Board approved \$180,000 in legal assistance to help two real estate companies fight a patent troll's effort to extract licensing fees from them for their use of certain online search technology. Other brokerages receiving a licensing demand letter are encouraged to let NAR know.

2016 Membership Statistics

The association is budgeting for a membership of 1,080,000 members in 2016 and will keep its annual dues at \$120.

Realtor.com

The Board heard a report from NAR Senior Vice President Bob Goldberg on the progress Realtor.com has made since the acquisition of its parent company, Move, Inc., by News Corp. "The management and ownership is committed to bringing Realtor.com back to number one," he said.

D.A.N.G.E.R. Report

The Board also heard a report from Strategic Thinking Committee Chair Colleen Badagliacco on the committee's recently released D.A.N.G.E.R. Report, which covers 50 issues that keep brokers, sales associates, associations, and MLSs up at night, including loss of listing data control, new regulations, and dilution of the REALTOR® brand by substandard performance.