

CALENDAR

**2012 N.A.R. News
Release Schedule**

- Jan. 20: December Existing-Home Sales
- Jan. 25: December Pending Home Sales Index
- Feb. 9: 4Q Metro Home Price/State Resales
- Feb. 22: January Existing-Home Sales
- Feb. 24: Commercial Real Estate Report/Forecast
- Feb. 27: January Pending Home Sales Index
- Mar. 21: February Existing-Home Sales
- Mar. 26: February Pending Home Sales Index
- Mar. 29: 2011 Vacation & Investment Homes
- Apr. 19: March Existing-Home Sales
- Apr. 26: March Pending Home Sales Index
- May 9: 1Q Metro Home Price/State Resales
- May 22: April Existing-Home Sales
- May 24: Commercial Real Estate Report/Forecast
- May 30: April Pending Home Sales Index
- June 21: May Existing-Home Sales
- June 27: May Pending Home Sales Index
- July 19: June Existing-Home Sales
- July 26: June Pending Home Sales Index
- Aug. 9: 2Q Metro Home Price/State Resales
- Aug. 22: July Existing-Home Sales
- Aug. 27: Commercial Real Estate Report/Forecast
- Aug. 29: July Pending Home Sales Index
- Sept. 19: August Existing-Home Sales
- Sept. 27: August Pending Home Sales Index
- Oct. 19: September Existing-Home Sales
- Oct. 25: September Pending Home Sales Index
- Nov. 7: 3Q Metro Home Price/State Resales
- Nov. 19: October Existing-Home Sales
- Nov. 26: Commercial Real Estate Report/Forecast
- Nov. 29: October Pending Home Sales Index
- Dec. 20: November Existing-Home Sales
- Dec. 28: November Pending Home Sales Index

For more information visit:
http://www.realtor.org/pressroom/news_release_schedule

Courtside Newsletter

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N.A.R. MAKES CHANGES TO THE CODE OF ETHICS AND MODEL MLS RULES AND REGULATIONS

A BRIEF SUMMARY OF SOME ANNUAL MODIFICATIONS

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CODE OF ETHICS



As with any new year, there are always changes. This year is no different. Some important changes to the National Association of REALTORS® Code of Ethics and Standards of Practice should be noted. This guide outlines REALTORS®' revised duties to their clients, customers, the public, and other REALTORS®.

Changes were made throughout the Code to eliminate the term "competitor" and instead replace it with the broader term "real estate professionals." Specifically, this change is reflected in Article 15, Standard of Practice 15-2, and Standard of Practice 15-3. Article 15 now states, "REALTORS® shall not knowingly or recklessly make false or misleading statements about other real estate professionals, their businesses or their business practices." Standard of Practice 15-2 states:

"The obligation to refrain from making false or misleading statements about other real estate professionals, their businesses, and their business practices includes the duty to not knowingly or recklessly publish, repeat, retransmit, or republish false or misleading statements made by others. This duty applies whether false or misleading statements are repeated in person, in writing, by technological means (e.g., the Internet), or by any other means."

Lastly, Standard of Practice 15-3 is amended to state, "The obligation to refrain from making false or misleading statements about other real estate professionals, their businesses, and their business practices includes the duty to publish a clarification about or to remove statements made by others on electronic media the REALTOR® controls once the REALTOR® knows the statement is false or misleading."

Further changes were made to Article 17 regarding mediation of disputes. In contractual (as well as certain non-contractual) disputes, the Association governing those disputes can require the disputing parties to mediate prior to submitting the matter to arbitration. The Article goes on to afford the clients of REALTORS® the opportunity to mediate in accordance with the Association's legal policies. In the past, NAR required the boards and associations to offer mediation to the members, but participation remained voluntary. With the amendment to Article 17, local boards and associations would be able to require mediation prior to arbitration, if the Board of Directors and/or the membership authorizes it.

However, a provision has been added to Standard of Practice 17-2 to state that "Article 17-2 does not require REALTORS® to mediate...when all parties to the dispute advise the Board in writing that they choose not to mediate through the Board's facilities." The new language does not relieve REALTORS® of their duty to arbitrate but rather correlates with the already existing language in 17-2. Standard of Practice 17-2 continues to state that Article 17 does not require parties to arbitrate when all parties advise the Board (in writing) that they choose not to arbitrate before the Board.

Lastly, a new Standard of Practice has been added to Article 1 of the Code of Ethics. Standard of Practice 1-16 outlines, in no unspecific terms, that REALTORS® are not to access or use, or permit others to access or use, a listed or managed property on any terms or conditions that are not authorized by the owner or seller. This authorization should be in writing.

Any questions regarding the changes to the Code of Ethics or with compliance in general should be directed to the appropriate Board or to qualified legal counsel. ■

MODEL MLS RULES AND REGULATIONS

In November 2011, the National Association of REALTORS® Board of Directors met at the REALTOR® Conference and Expo in Anaheim to discuss changes to the Model MLS Rules and Regulations. As of the first of this year, those changes came into effect, many of which are mandatory on the local MLS in order to maintain compliance with existing, already-mandatory policies and to ensure coverage under the National Association master professional liability insurance policy.

One of the more controversial changes, it seems, is the deletion of Section 18.2.10, as well as the deletion of language in Policy Statement 7.58. Both regard Internet Data Exchange (IDX) listings on franchisor's websites, which gave further rise to questions about social media and IDX. The Board of Directors opted to rescind the language about IDX and franchisors and, according to Robert Freedman at REALTOR.org, "a work group has been tasked to broaden the policy to address listing displays over mobile device and via social media."

Other changes to the MLS Rules and Regulations include an increase in the maximum security deposit that Associations and MLSs can require for lockboxes. Previously, Policy Statement 7.31 stated "the initial deposit shall not be less than \$25 nor more than \$200." The maximum figure has now gone up to \$300 in order to continue to "establish an awareness of personal liability for such key." This change in the lockbox deposit amount is also one of the mandatory changes implemented by the National Association of REALTORS®.

Section 2.5, Report Sales to the Service, was amended to include sale prices as part of the status changes that are reported to the multiple listing service by either the listing or cooperating broker. Additional "notes" were added to the section to address the differences in disclosure states and indicates where sale prices of completed transactions are not accessible. In states where complete transactions are not accessible, failure to report sales or sale prices is subject to disciplinary action if the MLS (1) categorizes the sale price information as confidential, and (2) limits the use of sale price information to specific subscribers, participants, customers, clients and governmental bodies (as detailed in Section 2.5). Further, with regards to Virtual Office Websites (VOWs), sale prices are considered confidential in states where actual sale prices of completed transactions are not a part of public records.

Policy Statement 7.75, Reporting Sales to the MLS, follows the same vein as Section 2.5 by

including sale prices in the information that must be reported. The notes regarding "disclosure" and "nondisclosure" states also contain the same language as that in Section 2.5.

Policy Statement 7.97 was also adopted by the directors. This section give MLSs discretion to requires participants to disclose if a listed property is bank-owned, real estate owned, or a foreclosure.

It is important to be aware of these changes and be on the lookout for any changes in any local MLS Rules and Regulations. Each Association and/or MLS will announce the specific changes to its MLS. All Associations within CARETS affiliated MLS' utilize a uniform set of rules. Keep an eye on future Courtside Newsletters or check out our Facebook for updates. ■



IRS and Social Media

Filing your personal and/or business taxes is something that can be challenging and frustrating. However, the IRS is utilizing various social media avenues in order to assist the public with preparing and filing their taxes. The list below contains different websites and areas where the IRS has provided information to be shared. Pursuant to the request of the IRS, please do not post any personal information on these social media websites. If you have questions relating to any of the links provided below, please contact the IRS directly.

- **IRS2Go** – This new smartphone application allows users to interact with the IRS directly from a smartphone or mobile device.
- **YouTube** – Check out the short, informative videos the IRS provides on YouTube. These videos may be just what you are looking for to get your questions answered. The videos are offered in a variety of languages.
- **Twitter** – Follow the IRS on Twitter to learn about updates, tax-related announcements, and other useful information.
- **Audio files for podcasts** – Find specific information on various tax-related topics and download the audio files right to your iPod or other MP3 Player.
- **Widgets** – Widgets are tools that can be placed on websites, blogs, or social media networks. The IRS widgets will direct users right to the IRS.gov website for more information.
- **RSS** – Really Simple Syndication ("RSS") is a simple way to obtain an assortment of useful information in one location on your computer. RSS feeds allow users to constantly be updated with information from the IRS, even when the user is not on the IRS.gov website.

To find additional information on the various social media tools provided by the IRS, please visit their website at www.irs.gov, and click on "Social Media."

Source: www.irs.gov/newsroom/article

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