

# Garrett County Board of REALTORS®

GCBR News Briefs - January 2009

January 1, 2009

## *Membership Update*

### Drops:

Robert Lindsey – Taylor Properties

Sandra Nesline – Long & Foster Real Estate Inc.

Peter Corum – Wells Fargo Home Mortgage (Affiliate)

Patty Sines – Railey Realty

Jasmine Friend – Coldwell Banker Deep Creek Realty

Angela Blythe – Law Offices of Angela Blythe (Affiliate)

### New Affiliate Members

Cliff Fhron – Wells Fargo Home Mortgage

### Transfers:

Brian Homberg to Railey Realty

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## Board Office Closing Schedule

January 1, 2009

New Year's Day

*Wishing each of you a happy, healthy and  
prosperous New Year!*

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## **REALTOR® DUES are Past Due!**

**Fiscal Year November 1, 2008 – October 31, 2009**

Effective January 1, 2009, dues amount is \$610.92. If you wish to pay your dues online with Visa or MasterCard go to [www.realtor.org](http://www.realtor.org) login and in the center of the home page click "Pay Dues" or you can pay by check, money order or cash at the Board office Monday thru Friday, 8:30 am – 3:00 pm.

**As of February 1, 2009 membership will be automatically terminated to those who have not paid their due and late fees. If after this date you apply to rejoin GCBR,**

**you must do so as a new member and pay dues and a \$250 Application for Membership Fee.**

As per the GCBR Bylaws, Article X, Dues & Assessments, Section 4 Nonpayment of Financial Obligations. If dues, fees, fines, or other assessments including amounts owed to the Board are not paid within one (1) month after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. **Two (2) months after the due date, membership of the nonpaying Member may be terminated at the discretion of the Board of Directors. Three (3) months after the dues date, membership of the nonpaying Member shall automatically terminate unless within that time the amount due is paid.....**

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## **Government Affairs Director Report - Paul Durham**

### **MD. Department of Planning Holds “Listening Session”:**

The MD Department of Planning held a public “Listening Session” at Frostburg State University in the evening of December 11. The session was designed to provide local officials and the public the opportunity to comment on the state’s Smart Growth Task Force efforts and the state’s development plan. Local GAD Paul Durham attended on behalf of the GCBR.

A common theme of the comments that were made, predominantly coming from elected officials and planning commission members, was that there is a need for a rural voice in the task force. Also, the state’s plan needs to balance metro area smart growth controls with the unique needs of rural counties. Commissioner Fred Holliday commented that “You can’t paint everything with one brush.”

It was noted that Allegany County suffers from negative growth and that Garrett County’s growth is primarily centered in the 2<sup>nd</sup> home Deep Creek Lake resort – two very unique situations that depart from the traditional Smart Growth paradigm. The two counties do not have a smart growth problem, but rather one of a lack of growth. The uniqueness of these two counties demonstrates that the state should create a special part of the plan dealing with rural growth and development.

MDP Secretary Richard Hall also commented on his efforts during the upcoming legislative session. The Governor’s office will be introducing legislation to reauthorize the Preservation Tax Credit, which he feels should be of interest to those living in historic towns and municipalities. The most controversial issue could be the Governor’s desire to strengthen the law dealing with how local zoning permits and decisions are required to be consistent with their respective comprehensive plans. This is being driven by a recent court decision involving the Terrapin Run development proposed for eastern Allegany County, in which the county’s zoning decision was upheld. The MDP had intervened to prevent the development – a classic case of state policy in conflict with local land use control.

MAR has identified this legislation as an issue to track during their legislative efforts this coming session.

### **County Commissioners to Vote on Ag Land District Ordinance in January:**

The Garrett County Commissioners held a public hearing on December 23 on a proposed county ordinance that would create the county’s own agricultural preservation district program. The County’s district program is intended to screen and pre-qualify landowners eligible for

participation in the existing state Ag easement program and to encourage landowners to participate in the preservation program by allowing qualifying district owners to participate in the Garrett County Agricultural Tax Credit program adopted July 6, 2000.

A landowner who participates in the program receives the following benefits:

- (1) Direct and indirect support of agriculture;
- (2) Insulation of normal agricultural activities from nuisance complaints;
- (3) Eligibility to apply for an agricultural land tax credit; and
- (4) Eligibility to make an application to sell an agricultural land conservation easement to the Maryland Agricultural Land Preservation Foundation.

The public comment period for this ordinance will remain open until January 6, 2009, at which time the commissioners will vote on it. The ordinance has widespread support in the agricultural community.

The proposed ordinance may be viewed on line at

<http://www.garrettcountry.org/PlanningLand%5CPlanningZoning%5Crslnagdist9-19-08.pdf>

### **DNR Policy Change – Special Permits Now Required for Grandfathered Improvements**

There has been a change in DNR's policy with regard to how older "grandfathered" improvements on the buffer strip will be recognized. Up until now, any improvement that existed with Penelec's or DNR's approval prior to DNR's original management of the lake in 1980, or before DNR's first set of regulations in 1986, did not require a permit. The permits were intended for new improvements only and DNR would simply document the older grandfathered improvement in their site inspection reports.

DNR has not required permits for these improvements for 28 years. DNR Lake Manager Carolyn Mathews has informed us that they are reinterpreting the regulation and are requiring property owners to apply for a Special Permit when DNR identifies a grandfathered improvement during a site inspection. DNR also reserves the right to require the removal or significant alterations to the grandfathered improvement and the permitting process provides the method and leverage to do so.

What does this mean to Realtors®? There are examples where DNR has conducted a buffer strip inspection, either at the request of the property owner, the buyer, or a Realtor® prior to closing and then required significant modifications to or the removal of the formerly grandfathered improvement. Depending on the terms of the contract of sale, and the timing of DNR's inspection, this might impact your closing by introducing unexpected DNR permit issues and the costs of complying with DNR's orders.

### **Garrett County Proposes New Electrical Code Ordinance:**

The Commissioners held a public hearing on December 23 on a new electrical code to be administered by the county and to be effective county-wide. Permits and inspections will apply to all electrical work performed in the county, with few exceptions. This is the first ever electrical code proposed in the county. It is based on the 2005 National Electrical Code and subsequent versions, as amended.

The ordinance was requested by the Garrett County Electrical and Mechanical Association (a private entity) and is intended, according to this association and the county commissioners, to

address a problem of people coming in from out-of-state and doing electrical work without a license.

The draft proposal received mixed reactions from the county commissioners and from those in attendance, including various members of the Electrical and Mechanical Association. Most concerns dealt with the need to require homeowners and businesses to obtain permits and to have work inspected when they do it themselves on their existing property. Examples include the replacement of circuit breakers, light switches, and lighting fixtures. As drafted, this work would now need to be performed by a licensed electrician or, if performed by the owner, it would require an inspection by a county official.

However, exceptions were provided for the following...

- 1) Minor repair work such as the replacement of lamps and fuses.
- 2) The connection of portable electrical appliances to suitable permanently installed appliances.
- 3) Equipment installed or work performed for a public utility.
- 4) Equipment installed or work performed by a railway utility in the exercise of its function as a utility and located in or on its right-of-way.
- 5) Equipment used in connection with commercial radio and television transmission.
- 6) Repair, manufacturing and maintenance work on premises occupied by a firm or corporation, and installation work on existing buildings

Commissioners Holliday and Glotfelty were the most vocal for the need for exceptions for homeowners doing repairs and replacement of existing service. They directed Jim Torrington to redraft the proposal in light of the comments made at the hearing and to return it to the commissioners for reconsideration. The proposal may be modified to reflect the jurisdiction of the county's building code, which applies to new construction and to remodeling of existing buildings.

The public comment period remains open on the proposal. The draft code may be viewed on line at...

[http://www.garrettcountry.org/PlanningLand/PermitsInspect/documents/Draft\\_Electrical\\_Ordinance.pdf](http://www.garrettcountry.org/PlanningLand/PermitsInspect/documents/Draft_Electrical_Ordinance.pdf)

### **Garrett County Board of Realtors® Supports County's Request for Enabling Legislation to Regulate Wind Turbines:**

The Garrett County Commissioners have requested the local legislative delegation (Senator George Edwards and Delegate Wendell Beitzel) to seek legislation this coming session granting them authority to establish setbacks for "commercial grade" wind turbines. The language in the request reads as follows:

*"A request by the Board of County Commissioners that the Maryland General Assembly provide the Board with enabling authority under Article 25 of the Annotated Code of Maryland to adopt a local ordinance to establish minimum set-back requirements for commercial grade wind turbines."*

The GCBR has adopted a policy position in support of the commissioner's efforts and provided them with additional information and comments to consider as they pursue this legislation. Most important is GCBR's recommendation that the legislation delineate the specific impacts that setbacks will be designed to address, including noise, light, health and safety.

The idea of utilizing Article 25 as a way to regulate wind turbines was suggested by the GCBR to the commissioners during the 2008 legislative session. Our support for the current proposal was formally conveyed to the commissioners, who have expressed their appreciation to the GCBR.

GCBR will follow the issue closely when the session arrives in January and will coordinate our response with MAR.

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## CONTINUING EDUCATION

### Upcoming Classes:

#### **EDUCATION PACKAGE**

**January 23, 2009**

**Place: Will O' the Wisp, Sitzmark Room**

**Instructor: Chuck Kasky**

**4.5 hours of Continuing Education**

#### **Morning Beverages**

“Legal/Legislative Update”

9:00 A.M. – Noon

Topic A

#### **12:00 P.M. – Lunch with Assorted Wraps**

“Short Sales & Environment Solutions”

12:30 P.M. – 2:00 P.M.

Topic F

**Cost: Realtor® Member - \$49.00**

**Non-Realtor® Member - \$59.00**

**Registration flyers will be distributed.**

**Registration deadline is Friday, January 12, 2009**

**As of this publication, there are only 15 seats remaining!**

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### Continuing Education Policies:

#### **Attendance Policy**

- According to the guidelines set forth by the Real Estate Commission, you must arrive ON TIME in order to receive Continuing Education Credit or Clock Hours – NO EXCEPTIONS! ON TIME means you must be signed in by the time the class starts.
- There is NO GRACE PERIOD! There are NO EXCEPTIONS to this policy. The Real Estate Commission has the right to rescind

GCBR's authorization to provide Continuing Education if exceptions are made to latecomers.

- If you have registered for a class and arrive late, you may still attend the class but you will NOT receive Continuing Education Credit (Clock Hours).

#### **Classroom Policy**

- Full attention must be given to the instructor and material. Sleeping, reading of non-class related material, use of laptops or anything that would distract or prevent you from learning is prohibited.
- There are breaks. Cell phones/pagers must be turned OFF (not vibrate) while in class. Aside from breaks directed by instructor you are NOT permitted to leave the room during class unless it is an emergency.

**Refund Policy** – Must be requested 48 hours prior to the start of the class.

**Inclement Weather Policy** – During the winter month's classes will not be scheduled at the college, therefore all classes will be held as scheduled unless otherwise notified.

*If any of the policies above are not adhered to, it will result in the loss of Continuing Education Credit (Clock Hours).*

## **MD Real Estate License Renewal Requirements**

### ***Required Topics for ALL Licensees***

1. Topic D – Ethics and Predatory Lending – 3 clock hours
2. Topic A – Federal, state or local legislative issues – 3 clock hours
3. Topic C – Fair Housing Law – 1.5 clock hours

***Total Hour Requirements – 15 clock hours***

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## **Maryland Association of REALTORS®**

**EVEN IN TOUGH TIMES, SCAMS ARE ALIVE AND WELL --** *Be alert for foreclosure "rescue" offers!* Typically, a desperate homeowner who is behind on mortgage payments is contacted by an individual or company that requires an upfront fee to help them get out of foreclosure. Just because a company uses "HOPE" in their name or advertising doesn't mean that they are legitimate. For more information about how to recognize a potential scam, go to:

<http://www.marylandhomeownership.com/SustainingHomeownership/tabid/62/Default.aspx>

***Other helpful websites*** : Violators in Maryland can be prosecuted under the Protection of Homeowners in Foreclosure Act ("PHIFA). For details, go to:

<http://www.dllr.state.md.us/finance/advisories/advisory9-08.doc> Free legal advice for anyone who has received a Notice of Intent to Foreclose from a lender's agent can be obtained from the Pro Bono Resource Center of Maryland by contacting

[www.mdhope.org](http://www.mdhope.org) or 1-877-462-7555. Be alert for credit services business making false promises about repairing your credit! For information about the new Maryland Credit Services Businesses Act, go to: <http://www.dllr.state.md.us/finance/advisories/advisory11-08credit.doc>

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## **NAR – National Association of REALTORS®**

### **Case Studies Interpretation of the Code of Ethics**

CASE STUDIES ARE PULLED FROM “INTERPRETATIONS OF THE CODE OF ETHICS AND ARBITRATION MANUAL” OF THE NATIONAL ASSOCIATION OF REALTORS®

(Originally Case #7-6. Revised May, 1988. Transferred to Article 1 November, 1994.)

Client A gave an exclusive listing on a house to REALTOR® B, stating that he thought \$132,500 would be a fair price for the property. REALTOR® B agreed and the house was listed at that price in a 90-day listing contract. REALTOR® B advertised the house without response, showing it to a few prospective buyers who lost interest when they learned the price. In a sales meeting in his office, REALTOR® B discussed the property, advised his associates that it appeared to be overpriced, and that advertising and showing the property had proved to be a waste of time and money.

After six weeks had gone by without a word from REALTOR® B, Client A called REALTOR® B's office without identifying himself, described the property, and asked if the firm was still offering it for sale. The response he received from one of REALTOR® B's nonmember associates was: “We still have the house listed, but there is little interest in it because, in our opinion, it is overpriced and not as attractive a value as other property we can show you.”

Client A wrote to the Board of REALTOR® complaining of REALTOR® B's action, charging failure to promote and protect the client's interest by REALTOR® B's failure to advise the client of his judgment that the price agreed upon in the listing contract was excessive, and by REALTOR® B's failure to actively seek a buyer.

In a hearing on the complaint before a Hearing Panel of the Board's Professional Standards Committee, REALTOR® B's response was that Client A had emphatically insisted that he wanted \$132,500 for property; that by advertising and showing the property he had made a diligent effort to attract a buyer at that price; that in receiving almost no response to this effort he was obliged to conclude that the house would not sell at the listed price; that in view of the client's attitude at the time of listing, he felt it would be useless to attempt to get Client A's agreement to lower the listed price; and he had instructed his staff not to actively market the property at that price.

The Hearing Panel concluded that REALTOR® B was in violation of Article 1; that he had been unfaithful in his obligations in not advising his client of his conclusion that the

property was overpriced, based on the response to his initial sales efforts; and in withholding his best efforts to bring about a sale of the property in the interests of his client.

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## **QUIZ: NATIONAL DO-NOT-CALL REGISTRY**

Are you doing everything you can to ensure that you are not violating the National Do-Not-Call Registry rules?

Test your knowledge of the federal guidelines by taking this quiz.

**1. What phone numbers are eligible for registration on the Federal Trade Commission's National Do-Not-Call Registry Web site?**

- ☐ Consumer home telephone numbers (landline)
- ☐ Consumer cell phone numbers
- ☐ Office numbers
- ☐ A and B

**2. The National Do-Not-Call Registry:**

- ☐ Only covers intrastate calls
- ☐ Only covers interstate calls
- ☐ Pre-empts less-restrictive state do-not-call rules
- ☐ Includes exemptions for real estate professionals

**3. How often is a business required to scrub its no-call list against the National Do-Not-Call Registry?**

- ☐ Before every call
- ☐ Once a month (every 31 days)
- ☐ Once a quarter (every 90 days)
- ☐ Twice a year (every 180 days)

**4. What kind of call is NOT exempt from the federal no-call rules?**

- ☐ Political solicitations
- ☐ Charitable solicitations
- ☐ Surveys
- ☐ Follow-up calls made to open house attendees

**5. Which statement below is correct?**



☐ Broker A can call any expired listing in the MLS for up to 18 months after the listing expires without checking the federal no-call registry.

☐ Broker B can call his own expired listings for up to 18 months following the expiration without checking the federal registry.

☐ Broker C can call FSBO ads to try to get owners to list with him without checking the federal registry.

☐ Broker D can call his own expired listings for up to 24 months following expiration without checking the federal registry.

**6. Who cannot bring a lawsuit for violations of the National Do-Not-Call Registry rules?**

☐ Federal government

☐ State government

☐ Telephone company

☐ Consumers

**7. A consumer calls my office with a question about a property. How long can I continue to call the consumer with information about other properties, assuming no transaction occurs between the parties?**

☐ Never. You can't call about unrelated properties

☐ 31 days

☐ Three months

☐ 18 months

**8. A former client calls Broker X and asks the broker to call the former client's best friend, who is looking for a real estate professional. The former client assures Broker X that the friend knows Broker X is calling and expects the call. Why does Broker X still need to check the National Do-Not-Call Registry?**

☐ Broker X has not obtained written consent from the friend

☐ Broker X and the friend do not have an established business relationship and the friend has not made a direct inquiry to Broker X

☐ Both A & B

☐ None of the Above

**9. Salesperson A lists a telephone number on his "For Sale" signs. When the number is called, a recorded message is played that allows the caller to obtain more information about Salesperson A's listings. Salesperson A also has a system that captures the caller's telephone number. Assuming Salesperson A has no prior relationship with the caller, what is the permissible time period**

for Salesperson A to call the “captured” number with property information?

- ☐ Three months.
- ☐ 18 months
- ☐ Can't return call without first checking the National Do-Not-Call Registry
- ☐ Call capture is not permitted by the National Do-Not-Call Registry

10. Which of the below is NOT part of a company's do-not-call office policy that qualifies the business for the safe harbor provision?

- ☐ Payment procedures for fines resulting from violations of the National Do-Not-Call Registry rules
- ☐ Training requirements for salespeople on proper cold-calling procedure
- ☐ List of telephone numbers that shouldn't be called
- ☐ Process to ensure that the company and federal no-call lists are not transferred or sold to a third party

## How did you do on the test?

### Answers:

1. **A and B**, The National Do-Not-Call Registry is designed to allow consumers to stop unwanted telemarketing calls to their personal phone numbers, including home phones and cell phones. The Registry does not affect business-to-business calls.
2. **Pre-empts less-restrictive state do-not call rules**, Federal no-call rules cover both interstate and intrastate calls. They also pre-empt all less –restrictive state no-call rules. That means all state no-call laws that have exemptions protecting cold-calling activities of real estate professionals are no longer valid. States that have more restrictive state laws can still enforce the portions of their laws that are more restrictive than the federal law. Examples of more restrictive state laws that are still valid include calling-time restrictions and stricter time periods governing an established business relationship.
3. **Once a month (every 31 days)** Originally, the rules only required a business to check every 90 days in order to qualify for the safe harbor provision, which protects a business against penalty if they inadvertently call someone on the registry. However, new rules which

took effect Jan. 1, 2005, now require a business to check its list every 31 days.

4. **Follow-up calls made to open house attendees,** Political and charitable are exempt from the federal no-call rules. Surveys are also exempt, as long as they do not involve a solicitation. Calls made to open house attendees are not exempt, and so the federal rules would apply to a subsequent call made to these individuals.
5. **Broker B can call his own expired listings for up to 18 months following expiration without checking the federal registry.** Broker B had an established business relationship with the seller and so is permitted to call him/her for up to 18 months. Brokers A and C do not have an established business relationship with the seller, so they will need to consult the federal no-call registry prior to making those calls.
6. **Telephone company,** The federal government, state governments, and consumers can all bring actions for rules violations. The federal government can recover up to \$11,000 per violation, while the states and consumers can recover \$500 per call. Consumers must receive two calls from the same company within a 12-month period before they can bring a lawsuit.
7. **Three months,** A business can continue to call for three months following an inquiry, if the consumer did not request to be placed on the company's own do-not call list.
8. **Both A & B,** A and B are both correct. Since no exception applies, Broker X needs to check the federal no-call registry prior to calling the former client's best friend.
9. **Three months,** The caller is making an "inquiry," and so Salesperson A can call for the next three months, unless the caller requests to be placed on Salesperson A's company-specific no-call list.
10. **Payment procedures for fines resulting from violations of the National Do-Not-Call Registry,** B, C and D are three of the five parts of a policy qualifying for the safe harbor provision.

GCBR had provided all brokers with the National Association of REALTORS® Do-Not-Call \* Do-Not-Fax \* and Do-Not-Email Toolkit Manual. If you have additional questions or concerns about these federal rules, contact your broker or research the issue at the NAR website [www.realtor.org](http://www.realtor.org)

# Garrett County Board of REALTORS®

GCBR News Briefs - February 2009

February 1, 2009

## *Membership Update*

### **New REALTOR® Members:**

Jimmy Dixon – United Country Humberson Homes

Bob Holcomb – Long & Foster Real Estate, Inc.

### **Drops:**

Cindy Corley – Terminix International (Affiliate)

David Monahan – Railey Realty

Winona Thomas – Coldwell Banker Deep Creek Realty

Donald Hodges – Wachovia Mortgage (Affiliate)

Gale Bosley – Susquehanna Bank (Affiliate)

Shane Grady – Grand Central Home Furnishing (Affiliate)

Edgar (Ed) Browning – Railey Realty

Brenda Shields – Coldwell Banker Deep Creek Realty

John DeWitt – Realty Direct DCL Western Maryland

Linda Harr – Coldwell Banker Deep Creek Realty

Bill Franklin – Thousand Acres Real Estate

Mike Dever – Dever Appraisals

Gary Frey – TTR Sotheby's International (Secondary)

### **Transfers:**

Kevin Heselbach – Transferred to Goodfellow Real Estate Services, LLC

Cynthia Heselbach – Transferred to Goodfellow Real Estate Services, LLC

Skitch Richards – Transferred to Wisp Resort Development

### **Changes:**

Name Change Markell Klavuhn to Markell O'Faolean-Fickes of Coldwell Banker Deep Creek Realty

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## **Government Affairs Director Report – Paul Durham**

### **Wind Turbine Setback Legislation Stalls:**

As you may recall, the Garrett County Commissioners had requested our local legislative delegation (Senator George Edwards and Delegate Wendell Beitzel) to seek legislation this session granting the county the authority to establish setbacks for "commercial grade" wind turbines. The language in the request reads as follows:

*"A request by the Board of County Commissioners that the Maryland General Assembly provide the Board with enabling authority under Article 25 of the Annotated Code of Maryland to adopt a local ordinance to establish minimum set-back requirements for commercial grade wind turbines."*

According to the County Commissioners, as late as last week, there have been ongoing discussions between county attorney Mike Getty and the Office of the Attorney General as to whether or not Garrett County presently has the authority to enact such an ordinance. This dialogue was prompted by Senator Edwards and Delegate Beitzel, who want to make sure that such authority is not already in place before submitting legislation.

GAD Paul Durham is in regular communication with the Commissioners on the issue and will monitor it further if it proceeds to legislation. MAR will also monitor it as part of its legislative committee work during the session if indeed a bill is submitted.

GCBR is supporting the idea of enacting a local ordinance that establishes wind turbine siting standards.

### **MAR Now Holding Weekly Legislative Committee Meetings:**

As it does each legislative session, MAR's legislative committee holds weekly meetings in which it monitors pending legislation and develops appropriate policy positions. MAR's lobbying team then interacts with various legislative members and committees to support or seek changes that are in the best interests of the "R" party - REALTORS®.

A number of pre-filed bills are under review and the list steadily grows now that the session is in full swing. GCBR members can view bills currently under consideration on MAR's web site at...

<http://www.mdrealtor.org/LinkClick.aspx?fileticket=uOyRWw%2fhQds%3d&tabid=285>

### **MAR's 2009 Legislative Priorities:**

MAR represents Maryland REALTORS® by making your voice heard in Congress and at the State Legislature. Their primary concern is protecting your professional and business interests. Their Legislative and Public Policy Committees develop a straightforward political agenda to:

- Support and develop legislation that helps our industry, and
- Oppose legislation that hurts the free transfer of real estate.

The Legislative Committee typically reviews over 120 pieces of legislation and regulations each year. Following are MAR's priorities for 2009.

**Foreclosure Law Changes:** MAR recommends two technical changes to the current foreclosure law. The first change would eliminate the tenant lease disclosure when the seller is leasing back his/her property only for a short period of time. When the foreclosure law was drafted, the lease disclosure was intended to protect sellers from predatory practices. However, that provision never exempted traditional, short-term lease-backs that help a seller bridge from the settlement of his/her home to the settlement of his/her purchase.

Secondly, the foreclosure law gives a seller the right to rescind a real estate contract within five days after signing the contract if the seller's mortgage is in default. However, the seller is not required to notify the buyer that the seller is in default. MAR believes the seller should be required to notify the buyer that the seller is in default in order to exercise the right of rescission.

**Brokerage Proposals:** MAR supports two bills requested by the Maryland Real Estate Commission. The first bill provides the first statutory guidance on how real estate teams may operate in Maryland. It requires all real estate teams to designate a team leader who has three year's experience as a licensee. In addition, each team would have to include the name of the team leader in advertisements, and disclose the business relationship between team members when a dual agency situation arises.

The second bill adds a statutory requirement that all brokers and managers take a broker supervisory course as part of the continuing education requirement. This proposal would increase the minimum CE requirement for brokers and managers (though MAR is recommending that the course be provided within the current 15-hour requirement for all course work). The Commission also proposes that all licensees take an agency course as part of the mandated course content.

**Conservation Easements:** MAR supports changing the conservation easement law to clarify that buyers have a rescission right based on the existence of a conservation easement on the property rather than based on whether disclosure occurred or not. The disclosure would also state a buyer's duty to notify an agency holding a conservation easement about the property transfer.

**Nonresident Real Estate Withholding:** MAR supports legislation that would set the rate of the nonresident real estate withholding percentage in state law. The current rate is not fixed and, instead, is calculated based on state and local income tax rates. Unfortunately, when those rates change, all of the real estate contracts must change. In the past year, real estate contracts have been revised twice due to changing income tax rates.

**Growth Policy:** MAR supports greater communication between state and local governments managing growth, but believes local governments should retain authority for local growth decisions.

**Real Estate Taxes:** MAR opposes new real estate taxes. Although the real estate industry generates about one-quarter of economic activity in the state, it generates about 45% of total County/City government revenues. Maryland ranks 13th among U.S. states in terms of absolute real estate tax levels.

*For more information contact MAR Government Relations Staff at 800-638-6425*

### **County to let RFP for Ordinance Changes:**

Part of the implementation of the new county comprehensive plan includes a number of revisions to the county's zoning, subdivision, sensitive area and other ordinances. These were outlined in the specific recommendations found at the end of each chapter in the plan. The county will be letting an RFP for a consultant to do these revisions.

At its regular January meeting, the Planning Commission reviewed an RFP which the Commissioners later approved for procurement. County staff advises that the work on the redrafts of the various ordinances could begin as early as this spring. The GCBR Board and Government Affairs Committee will be monitoring these changes and provide input to the county when needed.

### **County Commissioners Approve Ag Land District Ordinance:**

The Garrett County Commissioners have approved a proposed county ordinance that would create the county's own agricultural preservation district program. This program provides property owners the opportunity to apply for an agricultural land tax credit.

According to John Nelson, director of planning and land development, becoming part of an agricultural land preservation district would be voluntary on the part of the landowner.

The subdivision and development of land in the district would be restricted by the agreement between the landowner and Garrett County for at least three years. There are also various qualifications for the land to be eligible for an agricultural district. These include that the property or properties be 50 contiguous acres or adjoin an existing district.

Participating properties would receive support of agriculture, eligibility to apply for an agricultural land tax credit and to make an application to sell their conservation easement to the Maryland Agricultural Land Preservation Foundation to prevent any future development on the property.

The County's district program is intended to screen and pre-qualify landowners eligible for participation in the existing state Ag easement program and to encourage landowners to participate in the preservation program by allowing qualifying district owners to participate in the Garrett County Agricultural Tax Credit program adopted July 6, 2000.

The ordinance can be viewed on line at:

<http://www.garrettcountry.org/PlanningLand%5CPlanningZoning%5Crslnagdist9-19-08.pdf>

### **Garrett County Tables New Electrical Code Ordinance:**

At their January 6 meeting, the county Commissioners tabled the proposed new electrical code that was to have been administered by the county and effective county-wide. Permits and inspection requirements would have been applied to all electrical work performed in the county, with few exceptions. This is the first ever electrical code proposed in the county and it is based on the 2005 National Electrical Code and subsequent versions, as amended.

The ordinance was requested by the Garrett County Electrical and Mechanical Association and received mixed reactions from the county commissioners during a hearing in December. Most concerns dealt with the need to require homeowners and businesses to obtain permits and to have work inspected when they do it themselves on their existing property. Examples include the replacement of circuit breakers, light switches, and lighting fixtures.

We anticipate that county staff will redraft the ordinance in light of the concerns from the Commissioners and the public. A revised ordinance proposal may be forthcoming later in the year.

The draft code may be viewed on line at:

[http://www.garrettcountry.org/PlanningLand/PermitsInspect/documents/Draft\\_Electrical\\_Ordinance.pdf](http://www.garrettcountry.org/PlanningLand/PermitsInspect/documents/Draft_Electrical_Ordinance.pdf)

### **Garrett County Reports Subdivision and Building Permit Trend Data:**

At a recent meeting of the County Commissioners, county staff members John Nelson and Jim Torrington released their end-year 2009 data for subdivision and building permits, along with trend data going back to 1997 (for subdivisions) and 2004 (building permits). Copies of these reports can be obtained via e-mail by contacting GAD Paul Durham at [pdurham@cebridge.net](mailto:pdurham@cebridge.net).

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## **Mark Your Calendar!**

**Al Monshower, Jr.**

Friday, May 1, 2009 6 hours Continuing Education

Garrett College

**New course - "Maryland Legal Update - Agency Disclosure and Maryland Residential Property Disclosure/Disclaimer Act"**

**Topic A, 3 hours CE**

**and**

**"Advertisement and Advertising Obligations of Real Estate Licensees"**

**Topic A, 3 hours CE**

Cost: Realtor® \$90.00

Non-Realtor® \$99.00

More information will follow

*Continuing Education Credit (Clock Hours).*

## **MD Real Estate License Renewal Requirements**

***Required Topics for ALL Licensees***

1. Topic D – Ethics and Predatory Lending – 3 clock hours
2. Topic A – Federal, state or local legislative issues – 3 clock hours
3. Topic C – Fair Housing Law – 1.5 clock hours

***Total Hour Requirements – 15 clock hours***

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## **Maryland Association of REALTORS®**

The Maryland Association of REALTORS® Legislative Day has been rescheduled for Wednesday, February 25, 2009 at the Loews Annapolis Hotel, 126 West Street, Annapolis, MD.

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## **NAR – National Association of REALTORS®**

**Case Studies Interpretation of the Code of Ethics**

CASE STUDIES ARE PULLED FROM "INTERPRETATIONS OF THE CODE OF ETHICS AND ARBITRATION MANUAL" OF THE NATIONAL ASSOCIATION OF REALTORS®



Case #1-7: Obligation to Protect Client's Interests (Originally Case #7-8. Reaffirmed May, 1988. Transferred to Article 1 November, 1994. Revised November, 2001.)

Client A, an army officer, was transferred to a new duty station and listed his home for sale with REALTOR® B as the exclusive agent. He moved to his new station with the understanding that REALTOR® B, as the listing broker, would obtain a buyer as soon as possible. After six weeks, during which no word had come from REALTOR® B, the client made a weekend visit back to his former community to inspect his property. He learned that REALTOR® B had advertised the house: "Vacant---Owner transferred," and found an "open" sign on the house but no representative present. Upon inquiry, Client A found that REALTOR® B never had a representative at the property but continually kept an "open" sign in the yard. Client A discovered that the key was kept in a combination lockbox, and when REALTOR® B received calls from potential purchasers about the property, he simply gave callers the address, advised that the key was in the lockbox, gave them the combination, and told them to look through the house by themselves and to call him back if they needed other information or wanted to make an offer.

Client A filed a complaint with the Board of REALTORS® detailing these facts, and charging REALTOR® B with failure to protect and promote a client's interests by leaving Client A's property open to vandalism, and by not making appropriate efforts to obtain a buyer.

REALTOR® B's defense during the hearing was that his advertising of the property was evidence of his effort to sell it. He stated, without being specific, that leaving keys to vacant listed property in lockboxes and advising callers to inspect property on their own was a "common local practice."

The Hearing Panel concluded that REALTOR® B was in violation of Article 1 of the Code of Ethics because he had failed to act in a professional manner consistent with his obligations to protect and promote the interests of his client.

# Garrett County Board of REALTORS®

GCBR News Briefs - March 2009

March 1, 2009

## *Membership Update*

### New REALTOR® Members:

### Drops:

### Transfers:

Sandra Bello to Coldwell Banker Deep Creek Realty

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## **Government Affairs Director Report – Paul Durham**

### **MAR Legislative Day Recap:**

MAR held its annual legislative Day on FEB 25 at the Lowes Hotel in Annapolis. It was a great opportunity to catch up on both MAR's and NAR's legislative work. Here are some highlights:

1. NAR is going to look into ways that the new homeowner's tax credit (under the 2009 American Recovery and Reinvestment Act) can be monetized in some way to assist first-time homebuyers with their settlement costs. Evidently, there are some lending rules that may prohibit banks from creating a sort of "bridge loan" to allow homebuyers to take advantage of the credit before actually receiving it.

Realtors® should become familiar with this new credit as it provides great benefits to first time homebuyers. Here is a link to a summary available from NAR [HERE](#) and [HERE](#) .

2. NAR discussed the new Homeowner Affordability and Stability plan designed to help up to 9 million families refinance or modify a home mortgage and avoid foreclosure. The plan provides for Fannie Mae and Freddie Mac refinancing for borrowers with loan to value ratios above 80 percent as well as a \$75 billion Homeowner Stability Initiative and additional Treasury Department investments in Fannie and Freddie to maintain their positive net worth. Click here to read [White House Fact Sheet & NAR's Summary of the President's Plan](#).
3. MAR is reviewing two pieces of legislation that are MD Real Estate Commission related. The first, [HB1408](#) deal with how Realtor® teams and groups are regulated. The other bill, [HB1411](#), adds some additional continuing education requirements. Licensed Realtors will be required to take an additional 3 hours on agency law and brokers will be required to take a supervision class.

MREC also reports significant improvement in the CE compliance rate during their ongoing audit process.

4. MREC asks that we spread the word to agents to check their online records and email addresses as MREC is almost exclusively automated and email based. A recent

announcement about the increase in the MREC license fee resulted in many “bounce backs.” Please also check your spam folders and settings to make sure that MREC email is not automatically redirected there.

5. MAR is targeting a number of [legislative priorities](#) this session. Several received specific mention at Legislative Day:

Septic legislation – several pieces of legislation that will require conversion of new and replacement septic systems to a nitrogen removing technology are being opposed. The cost to homeowners to comply with this requirement is in the neighborhood of \$12,000.00. There is an MDE grant program, but it is woefully insufficient to accommodate the many applications that are anticipated. Additionally, the idea treats all properties the same, even those where no nitrogen discharge problem has been identified. More MAR info [HERE](#) .

Assessment disclosure – [HB233](#), as originally written, would have required disclosure of an estimated amount of property tax that a buyer would probably pay after purchasing a property. MAR has been successful at getting the language amended to simply require a notice on a form to state “DUE TO A VARIETY OF MARYLAND PROPERTY TAX CREDIT PROGRAMS, THE BUYER'S PROPERTY TAX BILL MAY BE SIGNIFICANTLY DIFFERENT THAN THE TAX BILL PAID PREVIOUSLY BY THE SELLER OF THE PROPERTY. BUYERS SHOULD CONTACT THE LOCAL GOVERNMENT FOR AN ESTIMATE OF THEIR PROPERTY TAX OBLIGATION.”

[HB116](#) – MAR is very concerned about this bill. It mandates that 80% of growth in Maryland occur in designated Priority Funding Areas (PFAs) by 2018. Of course, the effects on rural counties like ours are obvious, especially when almost all growth occurs outside of PFAs. The bill also presumes that there are enough marketable properties in PFAs to accommodate the demand for new homes.

The legislation ([HB254](#)) that would have allowed DNR to seize property under certain circumstances has been withdrawn. MAR weighed in on this legislation with concerns about how it might apply to real property. GCBR was able to provide MAR with an interesting perspective on this bill and how it might affect the thousands of lakefront property owners.

### **Ten Facts about Real Estate’s Role in the Maryland Economy:**

MAR has produced a great promotional resource to help you spread the word about how important the real estate industry is to Maryland’s economy. These facts are extremely relevant to our local economy. For example, 23% of the State’s gross product is real estate related! Real estate generates 45% of the total County, City and local government revenues. Over the past five years, the assessable base of real property in Maryland has risen over 90%.

A copy of the brochure is included with this newsletter - please print it out and help spread the word!

A copy of MAR’s 2008 report on the contribution of real estate to Maryland’s economy can be found [HERE](#) .

### **Local Wind Turbine Setback Legislation Submitted – to be amended:**

Delegate Wendell Beitzel and Senator George Edwards submitted identical companion bills, [HB 604](#) and [SB 584](#), both which would establish authority for the county commissioners to “enact ordinances regulating the height, size, location, and setback of commercial wind turbine structures in Garrett County.” After submitting the bills, the county commissioners asked that the bills be amended to delete references to “height, size and location” and to allow for simply establishing “setbacks”. Both Delegate Beitzel and Senator Edwards have advised us that they will be seeking that amendment. The first hearing on these bills was held on FEB 26.

### **MAR Now Holding Weekly Legislative Committee Meetings:**

As it does each legislative session, MAR's legislative committee holds weekly meetings in which it monitors pending legislation and develops appropriate policy positions. MAR's lobbying team then interacts with various legislative members and committees to support or seek changes that are in the best interests of the “R” party - REALTORS®.

A number of pre-filed bills are under review and the list steadily grows now that the session is in full swing. GCBR members can view bills currently under consideration on MAR's web site [HERE](#).

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## **EDUCATION**

### **Mark Your Calendar!**

**Al Monshower, Jr.**

Friday, May 1, 2009 6 hours Continuing Education

Garrett College

**New course - “Maryland Legal Update - Agency Disclosure and Maryland Residential Property Disclosure/Disclaimer Act”**

**Topic A, 3 hours CE**

**and**

**“Advertisement and Advertising Obligations of Real Estate Licensees”**

**Topic A, 3 hours CE**

Cost: **Realtor® \$90.00**

Non-Realtor® \$99.00

Morning refreshments will be served.

Lunch on your own.

Registration flyers will be mailed out the first of April.

*Continuing Education Credit (Clock Hours).*

## **MD Real Estate License Renewal Requirements**

***Required Topics for ALL Licensees***

1. Topic D – Ethics and Predatory Lending – 3 clock hours
2. Topic A – Federal, state or local legislative issues – 3 clock hours
3. Topic C – Fair Housing Law – 1.5 clock hours

**Total Hour Requirements – 15 clock hours**

Effective October 1, 2008 requires licensees to retain documents for 5 years.

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## Maryland Association of REALTORS®

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### MRIS News Update

Helping You to Enter and Find Short Sales

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### RPAC

#### Your Best Real Estate Investment!

The National Association of REALTORS® has set the GCBR 2009 RPAC goal at \$2,910.00. To date we have contributions totaling \$1,347.00 which leaves us \$1,563.00 short of goal.

If you have not made a contribution to RPAC, please consider doing so. No amount is too small. Make your check payable to RPAC or the Board office has forms if you wish to make your contribution using a credit card.

If you are not sure if you have made a 2009 contribution, visit the GCBR website at [www.gcbr.org](http://www.gcbr.org) login to the Member side and click on RPAC.

RPAC 99 Club members will be recognized at the October 2009 GCBR Installation of Officers/Directors Banquet and your name is listed among your peers in the Maryland REALTOR® Magazine.

RPAC does NOT buy votes, it supports positions, not parties. RPAC is BIPARTISAN and supports elected officials who value protecting real estate transactions, homeownership and private property rights.

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# MRIS News Update

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## **NAR – National Association of REALTORS®**

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### *Case Studies Interpretation of the Code of Ethics*

CASE STUDIES ARE PULLED FROM “INTERPRETATIONS OF THE CODE OF ETHICS AND ARBITRATION MANUAL” OF THE NATIONAL ASSOCIATION OF REALTORS®

# Garrett County Board of REALTORS®

GCBR News Briefs - April 2009

April 1, 2009

## *Membership Update*

### **New Affiliate Members:**

Humberson Homes INC., Jerry Humberson

### **New REALTOR® Members:**

Susanne Beeman – Coldwell Banker Deep Creek Realty

### **Drops:**

### **Transfers:**

Jim Wilmot to Goodfellow Real Estate Services

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## **Government Affairs Director Report – Paul Durham**

### **Monthly Report – March 2009**

#### **MAR Active in Legislative Arena:**

MAR has been very busy this legislative session. There are many bills that could have a significant effect on homeowners, planning, zoning and growth. Several would drastically alter the authority of local government to control comprehensive planning, zoning, growth and development.

The GCBR joined forces with MAR, the Garrett County Commissioners, and Mountain Maryland to formally oppose [HB1116](#) and [SB 878](#). These bills would have imposed performance standards to measure the achievement of state mandated planning and growth visions by 2018. The legislation was reviewed by county staff and found to be completely unachievable in rural counties like ours. If the county did not meet the states standards, growth and development could essentially be shut down with a number of punitive measures being imposed by the state.

MAR is very concerned about this bill. It mandates that 80% of growth in Maryland occur in designated Priority Funding Areas (PFAs) by 2018. Of course, the effects on rural counties like ours are obvious, especially when almost all growth occurs outside of PFAs. The bill also presumes that there are enough marketable properties in PFAs to accommodate the demand for new homes.

Recent news indicates that these bills were withdrawn, but that some of the undesirable items may show up as amendment in other legislation. MAR is "hot on it" and working hard to defeat this bad idea.

The legislation ([HB254](#)) that would have allowed DNR to seize property under certain circumstances has been withdrawn. MAR weighed in on this legislation with concerns about how it might apply to real property. GCBR was able to provide MAR with an interesting perspective on this bill and how it might affect the thousands of lakefront property owners.

### **Local Wind Turbine Bills Receive Unfavorable Reports in House Committee:**

A number of bills submitted by Delegate Wendell Beitzel to regulate industrial wind turbines have received an unfavorable report in the House Economic Matters Committee. This includes the bill to give the county authority to establish turbine setback standards. The affected bills are [HB604](#), [HB605](#), [HB749](#), [HB750](#), and [HB753](#). No word yet from the Senate on how the companion bills submitted by Senator Edwards have fared. There is some indication that the legislature may establish a summer study of the issues with consideration given to establish statewide turbine standards.

### **MAR Plays a Full Court Press on SB554:**

As originally written, [SB554](#) would have mandated nitrogen reduction technology on new or repair/replacement septic systems *statewide*. A later amendment reduced the jurisdiction to just the Chesapeake Bay Critical Area.

MAR pressed heavily on Senators through local press articles, ads and direct phone and email contacts by Realtors. A fact sheet from MAR included the following information:

*“ SB 554 will require any homeowner using a septic system and who lives in the Critical Areas to install nitrogen reduction technology when the homeowner’s septic system needs repair or replacement. Although the Maryland Department of the Environment (MDE) administers a grant program to pay for nitrogen technology upgrades, the fund can only pay for about 600 systems a year. However, there are approximately 51,000 homeowners in the Critical Areas, and in the next five years it is likely that most of those homeowners on septic will need some repair which will trigger this new law. Even a minimal repair that costs less than \$200 will require a homeowner to replace and upgrade to a \$12,000 nitrogen reduction system.*

*Given the large number of systems in the Critical Areas, and the small number of grants that MDE will be able to disburse, MAR estimates that most of the homeowners affected by this law will NOT be eligible for any grant money. In addition, if those homeowners are unaware of the new law, or are slow to install a new system, those homeowners will also be subject to fines of \$1,000 a day, up to a maximum of \$50,000. Given that the median household income in Anne Arundel County is \$61,768 (according to the 2000 Census), the cost of installing a new system could easily exceed one-fifth of the household’s annual income. If the household also faces the maximum fine under the bill, the combined cost could exceed that household’s annual income. “*

This is an issue worth monitoring closely as the original intent of the legislation was to affect all septic systems across the state, whether there is a nitrogen load problem or not. Remember the flush tax?

### **Dormant Minerals Act passes in the House:**

Delegate Beitzel submitted legislation to provide a court supervised process to find and terminate certain mineral interests. The bill attempts to address a problem where long held interests go dormant and the current owners cannot be identified or contacted. [HB748](#) received a favorable vote in the House and moves on to the Senate for consideration, where it had been cross-filed with [SB775](#).

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## EDUCATION

### Mark Your Calendar!

Al Monshower, Jr.

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Garrett College

New course – “Maryland Legal Update – Agency Disclosure and Maryland Residential Property Disclosure/Disclaimer Act”

Topic A, 3 hours CE

and

“Advertisement and Advertising Obligations of Real Estate Licensees”

Topic A, 3 hours CE

Cost: Realtor® \$90.00

Non-Realtor® \$99.00

Morning refreshments will be served. Lunch on your own.

Registration flyers will be mailed out the first of April.

*Continuing Education Credit (Clock Hours).*

## MD Real Estate License Renewal Requirements

### *Required Topics for ALL Licensees*

1. Topic D – Ethics and Predatory Lending – 3 clock hours
2. Topic A – Federal, state or local legislative issues – 3 clock hours
3. Topic C – Fair Housing Law – 1.5 clock hours

***Total Hour Requirements – 15 clock hours***

Effective October 1, 2008 requires licensees to retain documents for 5 years.

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## Maryland Association of REALTORS®

THE MARYLAND ASSOCIATION OF REALTORS® AND THE MAR ROOKIE REALTOR SOCIETY ARE PLEASED TO PRESENT A WEBINAR THAT WILL SURELY JUMP START YOUR BUSINESS SUCCESS .

*The link to register is below.*

**“Earn More, Work Less & Enjoy Life – In Any Market!”**

**When: Friday, April 3, 2009 at 10:00 A.M. to 11:00 A.M.**

**Where: Your Personal Computer**

***Presenter: Michael J. Russer***



**Mr. Internet®**

**Mr. Internet will share several powerful online strategies that will make an immediate difference to your business:**

- Thrive, no matter how tough your market is
- Eliminate over 98% of your competition by dominating a specific niche or target market
- Convert far more online leads into new business no matter how slow your market is currently
- Create an “exit strategy” that can pay big \$\$ when you retire

**Reserve your Webinar seat now!-- Space is limited**  
**[CLICK HERE TO REGISTER!](#)**

For any questions, contact 800-638-6425 or email **[Jermaine.hawkins@mdrealtor.org](mailto:Jermaine.hawkins@mdrealtor.org)**

**System Requirements:**

**PC-based attendees**

**Required: Windows® 2000, XP Home, XP Pro, 2003 Server, Vista**

**Macintosh®-based attendees**

**Required: Mac OS® X 10.4 (Tiger®) or newer**

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## Public Relations Committee

The GCBR Public Relations Committee is sponsoring a "Spring Supply/Item Drive" for the Dove Center. Donation boxes have been placed in each broker office as well as the Board office and will be picked up and presented to the Dove Center on April 15<sup>th</sup>.

Please help us support the Dove Center needs with your contribution. There is a "need list" provided on each box.

Any questions, contact Erin Strubin, Chair at 301-616-3907 or the Board office.

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## SentriLock Tips

### Your SentriCard Key

- Do not write your Pin number on your SentriCard Key! This will be a violation of the SentriLock Rules & Regulations you signed and you could be fined for doing so.
- Do not leave your SentriCard on your car's dashboard or any surface that gets hot enough to melt it or bend it excessively.
- Your SentriCard only inserts halfway into the lockbox. Do not try to force it further into the lockbox.
- Never force your SentriCard into the lockbox or reader. If it does not slide in easily, there is a problem with the card.

### Renewing your SentriCard

- Card renewals run midnight to midnight
- If you renew your Smart Card Key prior to 4pm, it will only be good until midnight
- If you renew your Smart Card Key after 4pm, it will be good until midnight the following day

### SentriLock Keybox

- When the lockbox is not in use, it is important to remember that the lockbox keypad is active and the keypad backlight consumes considerable power when illuminated. You should be careful to store

the lockbox such that there is nothing resting against the keypad to activate it to conserve the battery life.

- **Do not put the shackle back into the lockbox until the red light goes out as it will damage the locking features.**

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## **NAR – National Association of REALTORS®**

### **REALTORS® Pay What Lenovo Employees Pay!**

Lenovo, through its partnership in NAR's REALTOR Benefits® Program, is offering Employee Pricing to all NAR members. Great savings on ThinkPad and IdeaPad notebooks along with all computing accessories. Free shipping on all web orders. Hurry, offer expires March 23.

Call 1.800.426.7235, Option 1, Ext 3887, or visit [www.lenovo.com/NAR](http://www.lenovo.com/NAR) today.  
<http://www.realtor.org/mktredir.nsf/pages/LS030409Spons1>

Please note: If you have previously bookmarked our store, please DO NOT use this bookmark as it will not direct you to the You Pay What We Pay Store. Please use the URL shown above, or that found on the NAR member benefits page.

## **EDUCATION ISSUES**

### **NAR is Helping You with the Right Tools, Right Now**

NAR has carefully considered how we can best support our members in these uncertain times. To assist you and your business, we've introduced the Right Tools, Right Now initiative, offering over 300 products, publications and services for free or at-cost to members. Take advantage of the timely tools, tips and strategies you and your business need with NAR's valuable products and resources Right Now. [Read more...](http://www.realtor.org/prodser.nsf/righttools/toolshome?OpenDocument&wt.mc_id=RT0015&WT.mc_id=LS030409&CAT=Educ)  
[http://www.realtor.org/prodser.nsf/righttools/toolshome?OpenDocument&wt.mc\\_id=RT0015&WT.mc\\_id=LS030409&CAT=Educ](http://www.realtor.org/prodser.nsf/righttools/toolshome?OpenDocument&wt.mc_id=RT0015&WT.mc_id=LS030409&CAT=Educ)

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### **Case Studies Interpretation of the Code of Ethics**

CASE STUDIES ARE PULLED FROM “INTERPRETATIONS OF THE CODE OF ETHICS AND ARBITRATION MANUAL” OF THE NATIONAL ASSOCIATION OF REALTORS®

Case #1-12: Presentation of Subsequent Offers to Purchase Had Been Accepted by the Seller (Adopted November, 1987 as Case #7-16. Transferred to Article 1 November, 1994.)

REALTOR® A, the listing broker, presented an offer to purchase to his client, Seller X, which was \$20,000 less than the property's listed price. The property had been on the market for several months and had not generated much interest. In his presentation, REALTOR® A told Seller X that, in his opinion, the offer was a good one and Seller X should consider accepting it. "With interest rates on their way up again," said REALTOR® A, "properties are just not moving the way they did six months ago." Seller X decided to accept the offer and the transaction closed. Several months after the sale, Seller X filed a complaint against REALTOR® A alleging a violation of Article 1, as interpreted by Standard of Practice 1-7. It had come to Seller X's attention that a second offer had been made on the property after Seller X had accepted that first offer but prior to closing. This second offer, alleged Seller X, had not been submitted to him by REALTOR® A and was for \$2,500 more than the first offer. Seller X's complaint stated that by not presenting the second offer to him, REALTOR® A had not acted in his (the seller's) best interest, as required by Article 1.

At the hearing, REALTOR® A produced a copy of the listing contract, which contained a provision reading: "Seller agrees that Broker's responsibility to present offers to purchase to Seller for his consideration terminates with Seller's acceptance of an offer." REALTOR® A told the Hearing Panel that he had explained the provision to Seller X at the listing presentation and that Seller X had agreed to it, as indicated by Seller X's signature on the listing contract.

Seller X admitted that he had understood and agreed to the provision at the time he listed the property, but he felt that REALTOR® A should have advised him of the second, higher offer nonetheless.

The Hearing Panel found REALTOR® A not in violation of Article 1. In their decision, the panel noted that REALTOR® A had explained the contract provision relieving him of the obligation to submit subsequent offers to Seller X; that Seller X had agreed to the provision and had signed the listing contract; and that while it was unfortunate that Seller X had received less than full price for the property, REALTOR® A had fulfilled his obligations under the listing contract once the first offer to purchase had been accepted by Seller X.

Think Spring!

# Garrett County Board of REALTORS®

GCBR News Briefs - May 2009

May 1, 2009

## *Membership Update*

### **New REALTOR® Members:**

Bonnie Butler – Railey Realty

### **Drops:**

ReMax Sails

Sharon Blank – Railey Realty

Lisa Gaither – Long & Foster

### **Transfers:**

Paula Thomas to Coldwell Banker Deep Creek Realty

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## **Government Affairs Director Report – Paul Durham**

### **Public Meeting Scheduled for Garrett County Ordinance Updates:**

The recent revision to the county's Comprehensive Plan calls for major revisions to three of the county's principal land development ordinances. These are the Deep Creek Watershed Zoning Ordinance, the county Subdivision Ordinance, and the county Sensitive Areas Ordinance.

The Garrett County Planning Commission invites the public to a meeting on Tuesday, May 5, 2009 at 7:30 p.m. in the auditorium of Garrett College to participate in a "kick off" for this effort.

The Board of Garrett County Commissioners adopted a new Garrett County Comprehensive Plan on October 7, 2008. This plan established new policy guidelines to manage future growth and development in the County and was prepared with considerable public involvement and assistance. According to county officials, revisions to the zoning, subdivision and sensitive areas ordinances are necessary to ensure healthy and sustained future growth.

GCBR anticipates major changes to how rural agricultural and timber lands will be allowed to be developed in the future, including the potential for mandatory clustering and small lot size with open space requirements. Scenic vista protections in the lake watershed are also on the table, as is an increase in minimum lot size in some Lake Residential zones.

The comprehensive plan may be viewed on the internet at

<http://www.garrettcountry.org/PlanningLand/PlanningZoning/documents/2008GarrettCountyAdoptedPlan-FULL.pdf>

### **Commissioners Propose "No Change" to Real Property Tax Rate:**

The County Commissioners held a hearing on April 21 regarding their proposal to not adopt the constant yield tax rate, and instead to maintain the current rate of \$1.00 per \$100 of assessed value. This “no change” approach would result in an increase in property tax revenue to the county of approximately 5.8%.

For FY09, the current fiscal year, *Garrett County has the highest real property tax rate of the four Western Maryland counties.* Allegheny County's rate is \$0.9829. Washington County comes in at \$0.948 and Frederick at \$0.936. *A constant yield rate would put Garrett County at \$0.946 .*

Approximately 50 people attended the hearing, the most in recent memory. Eight to ten of those in attendance were GCBR Realtors®, with several providing personal testimony against the county's proposal to keep the property tax. These Realtors® did a fantastic job in their testimonies and noted that the result of the commissioner proposal is indeed an increase in property taxes.

All in all, 21 people spoke out against the proposal and nobody was in favor of it. The impact that the tax increase will have on working families in the county was very well articulated, along with the effect of relying too heavily on property taxes to balance the county budget. The effect this would have on homeowners during the current recession was also noted.

The county commissioners will not make a decision on the tax rate until they finalize the county budget and hold a public hearing on it in a few weeks. They will leave the record for this recent hearing open for additional written comments. *All GCBR members are encouraged to take advantage of this opportunity over the next week or so.*

The Board of County Commissioners and the Department of Financial Services have finished compiling the FY 2010 REQUESTED budget. Please see the below .pdf files for details on this coming year's requested budget. The county notes that this information is subject to change.

[Revenue](#)

[Expenditures](#)

[Small Equipment](#)

[Capital Expenditures](#)

[Capital Projects Fund](#)

[Debt Service](#)

Here are the email addresses for the commissioners for those who would like to follow up with a written comment:

Commissioner Glotfelty: [dglotfelty@garrettcountry.org](mailto:dglotfelty@garrettcountry.org)

Commissioner Gregg: [countycommissioners@garrettcountry.org](mailto:countycommissioners@garrettcountry.org)

Commissioner Holliday: [fholliday@garrettcountry.org](mailto:fholliday@garrettcountry.org)

**MAR Government Affairs News – 2009 legislative Session:**

MAR represents Maryland REALTORS® by making your voice heard in Congress and at the State Legislature. MAR's primary concern is protecting your professional and business interests. Their Legislative and Public Policy Committees develop a straightforward political agenda to:

- Support and develop legislation that helps our industry, and
- Oppose legislation that hurts the free transfer of real estate.

### **Septic Legislation**

MAR's top priority was the defeat of HB 176 and SB 554 which require homeowners in Maryland's Critical Areas (1,000 feet of tidally influenced water) to install nitrogen reduction technology when installing or replacing a septic system. Although MAR did not defeat the bill, REALTORS should take some comfort knowing that their vigorous opposition resulted in significant changes to the bill.

As introduced this legislation would have required all 420,000 septic system owners in Maryland to replace their systems with nitrogen reduction technology when those systems failed. Although the Maryland Department of the Environment (MDE) administers a grant program to pay the cost difference between a nitrogen reduction system and a conventional system, the grant funding could not have paid for all of the systems targeted by the original bill. That concern was addressed, in part, by amendments that narrowed the bill so that MDE's grant program would have enough money to pay the cost-differential grants for all homeowners required to install the new technology. Unfortunately, the General Assembly did not guarantee future grants for all homeowners, even though legislators indicated that was MDE's intent. MAR remains very concerned that grant funding remains available for homeowners in future years because the average cost of these systems is \$12,000. The legislation takes effect October 1, 2009 when signed by the Governor.

### **Stormwater Management**

SB 672 would have required all local governments to impose a stormwater management fee on all homeowners and commercial businesses. MAR and a number of like-minded real estate organizations opposed the legislation believing it was nothing more than a property tax increase. The Maryland Senate agreed and defeated the legislation. A similar house bill was never considered in the House Committee.

### **Real Estate withholding Legislation**

MAR also opposed legislation which, among other things, would have extended the nonresident real estate withholding law to Maryland residents who realized more than \$250,000 or \$500,000 in capital gains. Current law only requires withholding for nonresidents who sell residential or commercial property in Maryland. HB 1209 would have required Maryland residents to withhold over 10% of the net proceeds of sale above \$250,000 or \$500,000 depending on their tax filing status. MAR testified that HB 1209 amounted to an interest free loan to the state until a homeowner filed taxes, and that the time period between settlement and filing taxes could be well over a year. This legislation died in the House Ways and Means Committee.

### **Independent Contractor Status**

MAR worked intensely on employee misclassification legislation, HB 819 and SB 909. Both bills create a statutory presumption that an employer-employee relationship exists for certain construction and landscaping services. As initially drafted, these bills were very broad and would have created the same presumption for real estate firms and many other businesses. As amended, the bills exempt real estate firms so that they may still choose to operate as



independent contractors or under an employer-employee relationship. These bills take effect October 1, 2009 when signed by the Governor.

### **Real Estate Continuing Education and “Team” Regulation**

MAR supported two bills introduced by the Maryland Real Estate Commission. The first bill, HB 1408, would have provided the first legal recognition and regulation of real estate teams in Maryland. The legislation would have regulated how real estate teams advertise, conduct in-house transactions, and supervise “team” activities. The second bill, HB 1411, would have required all real estate licensees to take continuing education credits on agency law, and would have required brokers, managers, and “team” leaders to take a broker supervision class. The House of Delegates passed both bills with MAR amendments to clarify that the education bill would not increase the total number of hours of c.e. credit required for most licensees. Unfortunately, both bills had to pass two votes on the final day of the Legislative Session, but each received only one vote before time ran out.

### **Foreclosure Legislation**

MAR sought clarification of the foreclosure law passed last year, and drafted two bills. The first bill, HB 869, would have clarified that post-settlement occupancy agreements were not tenancy agreements under the foreclosure law and thus subject to the law’s requirements regarding disclosure. The second bill, HB 885, would have clarified that certain sellers (of property more than 60 days in default) would have to notify buyers of the default before the sellers could rescind a contract submitted by the buyer. The current law gives sellers in default five days to rescind a contract. Both bills were opposed by the Attorney General and a foreclosure fraud group who feared that the narrowly drawn bills would create new opportunities for foreclosure fraud. With the opposition of these two groups, the bills failed in Committee.

### **Conservation Easement**

MAR also drafted legislation to amend the current conservation easement disclosure law. Those bills, HB 754 and SB 1027, clarify that the conservation easement law works the same way the current seller disclosure works. If disclosure of the easement is made by the seller before the parties enter into a contract, there is no rescission right for the buyer. If, however, the buyer does not receive information regarding the disclosure before entering the contract, the buyer would have five days upon receipt of the easement to rescind the contract. Both of these bills passed the Legislature and will take effect October 1, 2009 when signed by the Governor.

*posted by MAR on Tuesday, April 21, 2009 at*

<http://www.mdrealtor.org/GovernmentAffairs/GovernmentAffairsNews/tabid/239/articleType/ArticleView/articleId/179/2009-General-Assembly-Update.aspx>

### **Update on Planning Legislation From the 2009 Session:**

All of the Administration’s proposals that address Maryland’s local government comprehensive planning procedures and goals passed. The bills directly respond to the recommendations of the Task Force on the Future for Growth and Development in Maryland:

- **SB 273/HB 294** (both passed) (Local Government Planning - Planning Visions) amend the State’s planning visions and require local planning commissions to take these visions into consideration when developing planning documents. The bills authorize local jurisdictions to

establish transfer of development rights programs within Priority Funding Areas (PFAs) and to purchase land for public facilities in PFAs, with some limits, and establish reporting requirements;

- [SB 276/HB 295](#) (both passed) (Annual Report - Smart Growth Measures and Indicators and Implementation of Planning Visions) establish a statewide land use goal that 80% of residential growth be located within PFAs and not more than 5% of new developed areas be located in priority preservation areas and green infrastructure areas. The bills also require local governments to develop a percentage goal for incremental progress towards achieving the statewide land use goal by 2012 and every three years thereafter; and

- [SB 280/HB 297](#) (both passed) (Smart and Sustainable Growth Act of 2009), intending to overturn the Court of Appeals ruling in *David Trail et al. v. Terrapin Run, LLC et al.*, 403 Md. 523 (2008), clarify that special exceptions to a local comprehensive plan must be consistent with that plan, provide a definition of “consistent,” and require members of local government planning commissions and boards of appeal to complete an educational course.

Source: MD General Assembly “Legislative Wrap-up” at [http://mlis.state.md.us/2009rs/Wrap\\_up/](http://mlis.state.md.us/2009rs/Wrap_up/)

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## EDUCATION

*Continuing Education Credit (Clock Hours).*

### MD Real Estate License Renewal Requirements

#### **Required Topics for ALL Licensees**

1. Topic D – Ethics and Predatory Lending – 3 clock hours
2. Topic A – Federal, state or local legislative issues – 3 clock hours
3. Topic C – Fair Housing Law – 1.5 clock hours

**Total Hour Requirements – 15 clock hours**

Effective October 1, 2008 requires licensees to retain documents for 5 years.

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## SentriLock Tips

#### Card Reader:

If your computer is not recognizing the SentriLock Card Reader you will need to shut it down and restart it. Remember the steps to install the SentriLock Card Reader must be done in the following order:

1. Install the SentriLock software
2. Plug in the SentriLock Card Reader
3. Shut down and restart your computer

#### Clearing a Lockbox:

When returning a lockbox to the broker's inventory, you or the broker will need to clear the lockbox so it can be reassigned.

To clear listing address settings from a lockbox when it is returned to the broker you can do this one of two ways:

1. When the agent removes the lockbox from the property by removing the shackle and replacing it in the lockbox, the agent must then update their card in the card reader and it will clear the lockbox and it will be ready for reuse. **or**
2. When the lockbox is returned to the broker, the broker can insert his/her keycard, enter PIN code and press Function 65 and Enter to clear the settings.

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## **Maryland Association of REALTORS®**

"The Future is **GREEN**"

2009 Annual Conference and Tradeshow

September 14 – 16, 2009

Roland Powell Convention Center Ocean City, MD

Register online at [www.mdrealtor.org](http://www.mdrealtor.org)

3-day REALTOR® Registration

April 1 – June 1: \$195    June 2 – August 15: \$245    On-site: \$275

Rookies receive a **\$50 discount** on a 3-day registration

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## **MRIS News Update**

### **Coming Soon: New Matrix Mobile to Replace Matrix Wireless**

Matrix Mobile will provide you with the features that you are accustomed to from your desktop version of Matrix. However, Matrix Mobile has additional features for your convenience such as the ability to click directly on a phone number or email address from the listing.

Matrix Mobile will be available as a member benefit to all MRIS customers and will be accessible on mobile phones, smartphones, PDA's, and other wireless handheld devices with Internet access. Any questions, contact [communications@mrис.net](mailto:communications@mrис.net)

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## **NAR – National Association of REALTORS®**

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## Case Studies Interpretation of the Code of Ethics

CASE STUDIES ARE PULLED FROM “INTERPRETATIONS OF THE CODE OF ETHICS AND ARBITRATION MANUAL” OF THE NATIONAL ASSOCIATION OF REALTORS®

**Case #1-15: Obligation to Advise Client on Market Value** (Originally Case #2-1. Revised and transferred to Article 7 as Case #7-19 May, 1988. Transferred to Article 1 November, 1994.)

Client A went from his hotel to REALTOR® B’s office and advised that he formerly lived in the community, and had kept his home as an income property after he moved away. The house had been vacant for several months and he had decided to sell it. He asked if REALTOR® B could drive him to look at it. As they inspected it, Client A stated that he would be happy to get \$80,000 for it. REALTOR® B listed it at that price and after a few days it was sold to Buyer C.

Six months later, Client A was in town again. Hoping to recover a box of old photographs he had left in the attic, he called on Buyer C, whom he had met in settlement. When he arrived he found that Buyer D then lived in the house. He expressed some surprise that Buyer C had sold it so soon, and learned that Buyer D paid \$140,000 for it. Astonished, Client A then made some inquiries as to market values and learned that he had grossly under priced his house when listing it with REALTOR® B. He went to the Board of REALTORS® office and filed a complaint against REALTOR® B charging him with unethical conduct in not having advised him as to the property’s fair market value.

At the hearing, REALTOR® B’s defense was that he had not been asked to put a price on the house, but had accepted agency on the basis of a price set by the client; that the client had stated he “would be happy” to get \$80,000 for it; that he was glad to get a listing that would move quickly in the market; that he had done nothing unethical since he had not bought it himself; and that while he had honestly pointed out to the buyer that the house was a bargain, he had made no effort to induce relatives or business associates to buy it.

On questioning, he conceded that after looking at the house with Client A, he realized the property was being listed at about half its fair market value, but insisted that was his client’s business; that different owners have different reasons for selling and pricing their property, but acknowledged that Client A had not indicated that he needed a quick sale or that he would make any price concession.

The Hearing Panel pointed out that brokers have no hesitation in advising clients that properties are overpriced when this is the case, and they are obligated to be equally candid in providing their best judgment to clients when properties being offered for sale are obviously underpriced.

The panel concluded that in view of the wide discrepancy between the owner’s asking price and property’s market value, which REALTOR® B conceded was apparent to him,

it was REALTOR® B's obligation as an agent to advise his client that the house was worth considerably more, especially since it was apparent to Client A had been away from the community for years and was out of touch with local values. The Hearing Panel found REALTOR® B was in violation of Article 1.

## Try out the Quiz - See how you do.

### QUIZ: RESPA

The Real Estate Settlement Procedures Act (RESPA) is a consumer disclosure and anti-kickback statute designed to inform consumers of their settlement costs and to prohibit kickbacks that can increase the cost of obtaining a mortgage. Take this quiz to find out how well you know about this important issue to stay on the right side of the law.

1. To combat higher costs in real estate transactions, Section 8 of RESPA makes it a criminal act for settlement service providers to pay fees for the referral of business. One exception to this rule allows a real estate professional to pay a referral fee to:
  - a. A mortgage broker who refers a buyer who has been pre-approved
  - b. A previous customer who refers a neighbor
  - c. Another licensed real estate broker who refers a buyer from another part of the country
  - d. A relative who overhears a customer saying he or she is moving
2. Another exception to the RESPA rules contained in Section 8 allows real estate professionals to receive compensation for:
  - a. Filling out a mortgage application
  - b. Telling the home inspector the address of the property to be inspected
  - c. The reasonable value of goods and services actually provided or performed
  - d. Doing the same thing they have been paid to do as a real estate professional
3. RESPA allows title companies to provide real estate professionals:
  - a. \$50 for every client referred to the title company by the real estate professional
  - b. An entry in a contest to win a car for every \$1,000 in premiums paid by the real estate professional's clients
  - c. Tickets to a baseball game once a week for the entire season
  - d. Notepads that have been imprinted with the title company's name and phone number
4. Two companies that provide settlement services and have some degree of common ownership are considered affiliated businesses under RESPA. When there is a referral from one of these companies to the other, RESPA requires the customer

receive an affiliated business disclosure that contains specific information, including:

- a. A statement that use of referred service is not required
- b. Names of other providers of the same service
- c. A statement that the property is pest-free
- d. The commission being paid by the property seller

## QUIZ RESULTS: RESPA

1. To combat higher costs in real estate transactions, Section 8 of RESPA makes it a criminal act for settlement service providers to pay fees for the referral of business. One exception to this rule allows a real estate professional to pay a referral fee to:

c. Section 8(c) of RESPA includes an exception to the general prohibition on the payment of referral fees for payments pursuant to cooperative brokerage and referral arrangements or agreements between real estate salespeople and brokers.

2. Another exception to the RESPA rules contained in Section 8 allows real estate professionals to receive compensation for:

c. Section 8(c) of RESPA states that nothing in the section prohibiting the payment of referral fees shall be construed as prohibiting the payment to any person of a bona fide salary or compensation or other payment for goods or facilities actually furnished or for services actually performed.

3. RESPA allows title companies to provide real estate professionals:

d. The RESPA provision prohibiting the payment of a referral fee does not include normal educational and marketing activities that are not contingent on the referral of business. Since the notepads were not contingent on the referral of business and are typical marketing materials for a title company, they are not prohibited.

4. Two companies that provide settlement services and have some degree of common ownership are considered affiliated businesses under RESPA. When there is a referral from one of these companies to the other, RESPA requires the customer receive an affiliated business disclosure that contains specific information, including:

a. The disclosure must state the existence of an affiliated business arrangement between you and the company to which you are referring your clients. As part of the disclosure, your clients must be provided a written estimate of the charge or range of charges made by the company to which the clients are being referred and information that makes clear that your clients are not required to use that company.

# Garrett County Board of REALTORS®

GCBR News Briefs - June 2009

June 1, 2009

## *Membership Update*

### **New REALTOR® Members:**

### **New Affiliate Members:**

Ken Witte – First United Bank & Trust

Jeff Gosnell, Builder – Ridgeview Valley, LLC

### **Drops:**

Jimmy Dixon – United Country Humberson Homes

### **Transfers:**

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## **Government Affairs Director Report – Paul Durham**

### **Tax Credit Guidance for FHA Loans Announced by HUD**



**From: NAR Government Affairs**

**Date: 29 May 2009**

In his speech at the National Association of REALTORS® Housing Summit on May 12, 2009, US Department of Housing and Urban Development (HUD) Secretary Shaun Donovan announced a program that allows borrowers to use the first-time homebuyer tax credit for a down payment or closing costs on a FHA-insured mortgage. The Secretary said "We think the policy is a real win for everyone, ensuring that borrowers can tap into the numerous organizations that are already part of the FHA network to receive this additional benefit."

The details of the program were announced today in Mortgagee Letter 2009-15. Government entities and instrumentalities of government may provide a second mortgage. Currently, 10 state housing finance agencies offer a product buyers can use that will effectively monetize the tax credit for down payment purposes. These states are Colorado, Delaware, Idaho, Kentucky, Missouri, New Jersey, New Mexico, Ohio, Pennsylvania, and Tennessee. Get information on these programs at <http://www.ncsha.org/section.cfm/3/34/2920>.. State Associations are encouraged to work with their respective housing finance agency to implement similar programs.

The 3.5 percent down payment may also be a gift from a family member, employer or nonprofit, charitable organization.

The original guidance permitted lenders and HUD-approved nonprofits and lenders to offer bridge loans via second lien financing or short term loans. Guidance released today allows lenders to offer the monetized tax credit for down payments in excess of 3.5 percent, closing costs and interest rate buy downs. Mortgage industry leaders have indicated that this type of product may not be immediately available to consumers. Lenders will need some time to develop documentation for what will effectively be personal loans to the home buyer.

Read the HUD Mortgagee Letter at

[http://portal.hud.gov/pls/portal/docs/PAGE/FHA\\_HOME/LENDERS/MORTGAGEE\\_LETTERS/2009\\_MORTGAGEE\\_LETTERS/09-ML-15%20USING%20FIRST-TIME%20HOMEBUYER%20TAX%20CREDITS.PDF](http://portal.hud.gov/pls/portal/docs/PAGE/FHA_HOME/LENDERS/MORTGAGEE_LETTERS/2009_MORTGAGEE_LETTERS/09-ML-15%20USING%20FIRST-TIME%20HOMEBUYER%20TAX%20CREDITS.PDF)

For information on FHA contact Jerry Nagy at 202.383.1233, [jnagy@realtors.org](mailto:jnagy@realtors.org).

For information on the IRS contact Ken Trepeta at 202.383.1294, [ktrepeta@realtors.org](mailto:ktrepeta@realtors.org).

For information on state issues contact Bill Gilmartin at 202.383.1102, [wgilmartin@realtors.org](mailto:wgilmartin@realtors.org).

### **Commissioners Amend Proposed Real Property Tax Rate Down to \$.99:**

Paul Durham attended the county's budget hearing at Garrett College on May 21. Public attendance was very light. Only four speakers commented on the proposal, three of which were county agency related individuals. There was only one person in opposition, generally to the overall increase in property taxes because of the county not holding the constant yield rate.

The county projects an estimated \$2.6 million in additional real property tax revenue for FY10. The most significant changes in the county budget were from a dramatic reduction in capital project expenditures. The county will also be reducing retiree health benefits, self funding employee health insurance, and granting 3% COLA adjustments to county employees. County staff were on hand to answer any specific questions about various line items and entries in the budget.

The final decision on the budget and tax rate will be made at the June 16 commissioner meeting.

You may view the FY10 budget online at...

<http://www.garrettcounty.org/Commissioners/budget10/budget10.aspx>

### **SYNERGICS Proposes New Wind Farm:**

A new industrial wind farm project is being planned for Garrett County.

The Public Service Commission will be holding a public hearing on a new application made by Synergics Roth Rock Wind Energy, LLC and Synergics Wind Energy, LLC ("Synergics") for a wind turbine project in Garrett County. Synergics plans to install up to 20 turbines along Backbone Mountain in the southern portion of the county.

To access the case file at the PSC, go to <http://webapp.psc.state.md.us/Intranet/home.cfm> and enter 9191 in the case search engine.



## Ordinance Update Process Underway:

The county held a public informational meeting on May 5 to outline the planned changes to three main land development ordinances – the Deep Creek Lake Watershed Zoning Ordinance, the Subdivision Ordinance, and the Sensitive Areas Ordinance. Here are some of the things to expect in the coming months:

1. The county will change the ordinances to implement key recommendations in the comprehensive plan.
2. The county's land Classification map, sensitive areas map, and lake watershed zoning map will receive major revisions.
3. Establish several "scenic protection areas" around Deep Creek Lake.
4. Potential regulation or guidelines to ensure "character compatibility" for new construction.
5. Amend the subdivision ordinance to expand the AR and RR zones, require clustering in these zones with a 1.5 acre maximum lot size, ensure up to an 80% protection rate of agricultural and RR lands.
6. Establish design criteria to protect scenic qualities along SHA scenic byways.
7. Authority to require traffic studies for new development, and sidewalks and pathways.
8. Revise the sensitive areas ordinance to include source water protection areas, a wetland section, revise the floodplain section, and prepare a better quality sensitive areas map.
9. These codes will be renumbered to match the "Amlegal" numbering system.

We anticipate seeing draft proposals near the end of the summer. The county's goal is to hold public hearings with enactment of the changes by the end of the year. The county has posted new information on its web site at...

<http://www.garrettcounty.org/PlanningLand/PlanningZoning/Revisions.aspx>

A list of proposed ordinance changes is available online at...

[http://www.garrettcounty.org/PlanningLand/PlanningZoning/documents/text\\_revision\\_chart5-4-09.pdf](http://www.garrettcounty.org/PlanningLand/PlanningZoning/documents/text_revision_chart5-4-09.pdf)

The new comprehensive plan may be viewed online at

<http://www.garrettcounty.org/PlanningLand/PlanningZoning/documents/2008GarrettCountyAdoptedPlan-FULL.pdf>

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## EDUCATION

*Continuing Education Credit (Clock Hours).*

**MARK YOUR CALENDAR!**

**Al Monshower**

**6 hrs of Continuing Education**

**October 16, 2009**

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# MD Real Estate License Renewal Requirements

## **Required Topics for ALL Licensees**

1. Topic D – Ethics and Predatory Lending – 3 clock hours
2. Topic A – Federal, state or local legislative issues – 3 clock hours
3. Topic C – Fair Housing Law – 1.5 clock hours

## **Total Hour Requirements – 15 clock hours**

Effective October 1, 2008 requires licensees to retain documents for 5 years.

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## SentriLock Tips

When logging into the SentriLock website you should select items in "Manage My Account" to suit your needs.

If you have not done so, login to [www.SentriLock.com](http://www.SentriLock.com) to access the following from the left side of the screen:

### Manage My Account

1. Preferences - customize showing notifications
2. Account - change your password if desired

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## Maryland Association of REALTORS®

"The Future is GREEN"

2009 Annual Conference and Tradeshow

September 14 – 16, 2009

Roland Powell Convention Center Ocean City, MD

Register online at [www.mdrealtor.org](http://www.mdrealtor.org)

3-day REALTOR® Registration

April 1 – June 1: \$195    June 2 – August 15: \$245    On-site: \$275

Rookies receive a **\$50 discount** on a 3-day registration

**MAR LEADERSHIP ACADEMY ACCEPTING APPLICATIONS** . Join colleagues from around the state and learn skills that will enhance your leadership abilities in life and in business. It takes a certain type of person to accept leadership responsibilities – *are you ready for the challenge?* Class starts October 2009. Applications available at <http://www.mdrealtor.org/LinkClick.aspx?fileticket=%2bqBZAGlWn8Q%3d&tabid=75>

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## MRIS News Update

### Coming Soon - Matrix is Getting a New Look and New Features

We are excited to announce that soon we will be unveiling an enhanced look for Matrix that includes a new navigation bar, icons and notification links. In addition, there are some great new features that will make working in Matrix easier and more convenient for your members.

Some of the new enhancements include:

1. **Adding Contacts on the Fly** - Soon your members will have the ability to add a contact directly from the Email screen, the Saved Search screen, and the Watched Listing screen instead of having to jump to their Contacts folder.
2. **Photo Slideshow from the Current Display** - Many of the Matrix displays will soon have a **Slideshow** to display all of the listing's photos in the space occupied by the primary photo. Your members can view multiple photos without leaving the current page!
3. **Calendar Controller** - Soon clicking in any date field in Matrix will open an easy to use calendar (similar to what you see on travel websites). Your members will be able to click on a start date and end date instead of having to manually type in the information.
4. **Email +** (Matrix email is getting better!) - Clients will be able to fully interact with the listings that they receive from Matrix by marking them as Favorites, Possibilities or Discarded. The client will be able to view listings in the email and Virtual Earth maps will be included on the Full - Customer and Synopsis - Customer displays. Listings sent through auto-email that were listed or updated in the past 24 hours will be highlighted in yellow to indicate to clients that they are new. In addition, your members will be able to look at **Email +** to see listings that clients have marked as Favorites, Possibilities, or Discarded to get a better idea of their interest level.

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## NAR – National Association of REALTORS®

Realtors® without health insurance now have an affordable, guaranteed-issue, option for coverage through a new REALTOR Benefits® partner program. Through REALTORS® Core Health Insurance, the National Association of Realtors® is helping make limited medical insurance available for Realtors®, many of whom may not have access to quality, affordable health insurance.

"Given all that they do to build strong, vibrant, healthy communities, it's just not fair that Realtors® have limited choices for health care coverage - if they can get any at all," said NAR President Charles McMillan, a broker with Coldwell Banker Residential Brokerage in Dallas-Fort Worth. "While NAR continues to advocate comprehensive health care reform legislation for small businesses and the self-employed, we are pleased to be able to offer this new member benefit to help Realtors® who can benefit from affordable limited health insurance right now."

More than one out of every four Realtors® have no health insurance, according to a recent NAR survey, and only 17 percent of real estate firms offer health care coverage for independent contractors, who are the largest segment of real estate agents.

RCHI is available to NAR members under age 65. Acceptance is guaranteed - no eligible member will be turned down. Though the plan is available throughout most of the country, Smart and Simple insurance development (SASid) and United States Fire Insurance Company are currently working with the departments of insurance to gain approval in a few states where it is not currently available.

The program's three limited medical plans were designed to meet the diverse needs of Realtors®, whether they don't qualify for major medical health insurance due to pre-existing conditions, are on a limited budget, or need to supplement their current medical plan because of high out-of-pocket costs.

"Affordable health insurance coverage is one of our members' top concerns," said Bob Goldberg, NAR senior vice president of marketing, business development, and commercial services. "Through the pioneering efforts of NAR and its alliance partners, we are proud to be able to offer this program to hundreds of thousands of Realtors® and their families."

The program is underwritten by United States Fire Insurance Company, rated A ("Excellent") by A.M. Best, and includes limited indemnity benefits such as doctor's office visits, hospitalization, surgery, emergency room, accident medical, and a prescription discount card. In many states network discounts are available through a PPO option, providing additional savings to members. Realtors® can enroll by phone or anytime online; next-day coverage is available.

RCHI is offered through NAR's REALTOR Benefits® Program in partnership with United States Fire Insurance Company and SASid. "I've created many insurance programs for many clients, but I've never seen an association so committed to the well-being of its members," said SASid President Shannon Kennedy. "This is a sophisticated, tailor-made, user-friendly solution that benefits Realtors® today."

For more information about the program, visit [www.RealtorsCoreHealthInsurance.com](http://www.RealtorsCoreHealthInsurance.com) or call 877-CORE-PLAN (877-267-3752).

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## Case Studies Interpretation of the Code of Ethics

CASE STUDIES ARE PULLED FROM "INTERPRETATIONS OF THE CODE OF ETHICS AND ARBITRATION MANUAL" OF THE NATIONAL ASSOCIATION OF REALTORS®

**Case #1-2: Honest Treatment of All Parties** (Originally Case 37-2. Revised May, 1988. Transferred to Article 1 November, 1994. Cross-reference Case #2-18.)

As the exclusive agent of Client A, REALTOR® B offered Client A's house for sale, advertising it as being located near a bus stop. Prospect C, who explained that his daily schedule made it necessary for him to have a house near the bus stop, was shown Client A's property, liked it, and made a deposit. Two days later, REALTOR® B read a notice that the bus line running near Client A's house was being discontinued. He informed Prospect C of this, and Prospect C responded that he was no longer interested in Client

C's house since the availability of bus transportation was essential to him. REALTOR® B informed Client A and recommended that Prospect C's deposit be returned.

Client A reluctantly complied with REALTOR® B's recommendation, but then complained to the Board of REALTORS® that REALTOR® B had not faithfully protected and promoted his interests; that after Prospect C had expressed his willingness to buy, REALTOR® B should not have made a disclosure that killed the sale since the point was not of major importance. The new bus route, he showed, would put a stop within six blocks of the property.

In a hearing before a Hearing Panel of the Board's Professional Standards Committee, REALTOR® B explained that in advertising Client A's property, the fact that a bus stop was less than a block from the property had been prominently featured. He also made the point that Prospect C, in consulting him, had emphasized that Prospect C's physical disability necessitated a home near a bus stop. Thus, in his judgment, the change in bus routing materially changed the characteristics of the property in the eyes of the prospective buyer, and he felt under his obligation to give honest treatment, that he should inform Prospect C, and that in so doing he was not violating his obligation to his client.

The Hearing Panel concluded that REALTOR® B had not violated Article 1, but had acted properly under both the spirit and the letter of the Code of Ethics. The panel noted that the decision to refund Prospect C's deposit was made by the seller, Client A, even though the listing broker, REALTOR® B, had suggested that it was only fair due to the change in circumstances.

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## Try out the Quiz - See how you do.

### QUIZ: Listing Presentations

1. You should always use your laptop to help make your presentation.  
☐ True  
☐ False
2. During the presentation, it's OK to ask the sellers what architectural style the home represents.  
☐ True  
☐ False
3. If the sellers are business-like, mirror their behavior. Don't try to overcompensate with overly friendly behavior.  
☐ True  
☐ False
4. If you're expecting an important call about another deal already in the works, it's OK to briefly interrupt the listing presentation.

- ☐ True  
☐ False
5. During a listing presentation, it's better to listen than to talk.  
☐ True  
☐ False
6. You should recommend improvements during the listing appointment that could make the house appeal more to buyers.  
☐ True  
☐ False
7. Now is the time to clue sellers in to some of the inconveniences they'll experience during the listing period.  
☐ True  
☐ False
8. Use black-and-white copies of all your materials.  
☐ True  
☐ False
9. It's best not to bring up your weaknesses during the listing pitch.  
☐ True  
☐ False
10. Suggest sellers conduct a pre-listing inspection.  
☐ True  
☐ False

## QUIZ RESULTS: Listing Presentations

1. False – Find out before the presentation if the sellers use the internet and e-mail. Tech-savvy sellers may appreciate a laptop presentation; others may just find it impersonal.
2. False – Since real estate is your profession and homes are your inventory, you should at least be able to identify common architectural styles. A seller who's proud of the Tudor influences on her home won't be impressed if you know nothing about the style. For an architectural style primer, visit REALTOR® Magazine Online's Architectural Guide.
3. True – Take your cue from the sellers. If they're all business, don't gush about all the wonderful things you'll do together. However, if they're informal and demonstrative, you can respond in kind.

4. False – Your work is about relationships, and the moment your cell phone rings, you telegraph to the seller that they aren't as important as the person calling you on the phone. Turn the cell phone off once you arrive to a listing appointment.
5. True – Don't get so caught up in selling yourself that you don't pay attention to what the sellers want. You'll often find out more information that can help you understand motivations and needs by just letting the prospective client's talk.
6. True – A listing presentation is a great time to demonstrate your expertise in preparing homes for the market. Be ready to counsel sellers on everything from curb appeal to staging the interior.
7. True – You'll do sellers a disservice if you don't prepare them mentally for some of the inconveniences inherent in a sale: broker tours, no-shows, last-minute appointments, open houses, arrangements for their pets, and strangers looking through their closets.
8. False – Black-and-white photocopies may suggest you aren't serious about your work. Make color copies on high-quality paper stock for your presentation and marketing materials. Also, make sure all of your materials have a consistent look and reinforce your brand.
9. False – You can build answers into your presentation from questions you know sellers will have. You'll come across as prepared and straightforward. For example, if you suspect your youth experience may give an older seller pause, proactively address the issue by noting a specific example of your ability. "I realize I'm young (or haven't been in the business very long), but my listings are selling X days faster than other salespeople's listing." You could also quantify and compare your sales volume with other sales practitioners if it's strong, or emphasize that you're working closely with your broker on transactions.
10. True – Pre-listing inspections not only reduce the possibility of last minute surprises but also give seller's homes a marketing edge. The need to make certain repairs and address safety issues almost goes without saying. But the pre-listing inspection can help the owner and practitioner decide which, if any, of the remaining projects to address before putting the house on the market. Even if sellers decide not to make any of the suggested fixes, a pre-listing inspection can still prove beneficial. For example, it allows sellers to obtain cost estimates for needed work, so they can offer potential buyers an appropriate, not excessive, discount off the listing price.

**Source: REALTOR® Magazine Online**

# Garrett County Board of REALTORS®

GCBR News Briefs - July 2009

July 1, 2009

## *Membership Update*

### **New REALTOR® Members:**

Steven Glotfelty – Long & Foster Real Estate Inc.

Don Moreland – United Country Humberson Homes

### **New Affiliate Members:**

### **Drops:**

Michael Lincicome – Wisp Resort Development

### **Transfers:**

### **\*PLEASE BE ADVISED\***

The Board Staff now has new email addresses. Please take the time to update your address books with the following information.

Barbara Butler – [barbara.butler@gcbr.org](mailto:barbara.butler@gcbr.org) & Sherri Heldreth – [sherri.heldreth@gcbr.org](mailto:sherri.heldreth@gcbr.org)

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## **New GCBR Affiliate & Advertisers Website**

Have you checked out the new GCBR Affiliate & Advertisers website? Go to [www.garrettcountyboard.blogspot.com](http://www.garrettcountyboard.blogspot.com) and you will find our complete list of Affiliate Members and their business advertisement as well as the GCBR Directory of Services advertisers.

If you know of a business who would like to advertise in our Directory, please have them contact Board office at 301-334-8405. Advertising costs are \$75 per year which includes a 3-way exposure through this new website, the GCBR website [www.gcbr.org](http://www.gcbr.org) and in the ZipForm program.

Thanks to the following Affiliate member sponsors of the June 24<sup>th</sup> Membership Breakfast meeting:

### **Platinum Sponsors:**

BB&T Bank, [Jerry Merrick](#)

Clear Mountain Bank, [Jonna Frazee](#)

First United Bank & Trust, [Ken Witte](#)



Thrasher Engineering, Denise Homberg  
M&T Bank, Maggie Kroll

**Gold Sponsors:**

Attorney, Craig Ingram  
RSG Title Company, Gary Sabo

**Silver Sponsors:**

Attorney, Gary Harrigar  
Prosperity Mortgage, Mary Lou Rohrbaugh  
First Home Mortgage, Shirley Bernard

\*\*\*\*\*

**Election Results for the 2009-2010 Officers & Directors**

They will assume their position effective November 1, 2009

President	Pat Kane
Vice President	Larry Smith
Secretary	Betsy Spiker
Treasurer	Beverly Everett
3 Year Director	Andrew Eiswert
2 Year Director	Jim Wilmot

Those continuing to serve their terms are:

1 Year Director	Arlene Murray
2 Year Director	Mike Kennedy
Immediate Past President	Doug McClive

**CONGRATULATIONS!**

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**Government Affairs Director Report – Paul Durham**

**GCBR Hosts Government Reps at Breakfast Meeting:**

At our membership breakfast meeting on June 24, we hosted several reps from state and county agencies whose work has a direct influence on the real estate industry in Garrett County.

**John Nelson**, from the Department of Planning and Land Development discussed the proposed changes to various land use, zoning and other county ordinances that will be occurring as a result of the recently updated comprehensive plan. The biggest changes appear to be in the areas of rural land classification, the development of scenic view and design criteria, a “scenic protection

area' in the Deep Creek watershed, and design standards for commercial development and building design.

GCBR will weigh in on these issues as drafts become available. We anticipate seeing draft proposals near the end of the summer. The county's goal is to hold public hearings with enactment of the changes by the end of the year. The county has posted new information on its web site at...

<http://www.garrettcounty.org/PlanningLand/PlanningZoning/Revisions.aspx>

A list of proposed ordinance changes is available online at...

[http://www.garrettcounty.org/PlanningLand/PlanningZoning/documents/text\\_revision\\_chart5-4-09.pdf](http://www.garrettcounty.org/PlanningLand/PlanningZoning/documents/text_revision_chart5-4-09.pdf)

The new comprehensive plan may be viewed online at

<http://www.garrettcounty.org/PlanningLand/PlanningZoning/documents/2008GarrettCountyAdoptedPlan-FULL.pdf>

**Mark Weber**, with the county's Office of Licensing and Enforcement, reviewed the county's TVRU program, which appears to be going well and with almost all TVRU units able to be licensed successfully. Mr. Weber advises that property owners who are considering a home purchase, and who are depending on it being a TVRU, should consult with his office early in the sales process to ensure that the TVRU licensing issues are identified early and that the transition in ownership can proceed as smoothly as possible.

**Carolyn Mathews**, DNR's lake manager, discussed a number of issues and updated those in attendance on DNR's buffer strip inspection program. Lake water quality issues were discussed and also the permitting procedures that flow from the buffer strip inspections. Ms. Mathews also reported that changes to the DNR regulations dealing with how many PWC may be kept at docks and/or on shore will be coming out for comment later this summer.

### **County Commissioners approve FY2010 property tax rate and budget:**

At their regular meeting on June 16, the County Commissioners approved the FY2010 budget and real property tax rate. The real property tax rate will be reduced from the current \$1.00 per \$100 of assessed value to \$0.99. This is above the constant yield rate of \$0.946. This change will result in approximately \$2.6 million in revenue increase.

The county budget was also approved at \$70,986,452. This represents a reduction of almost \$28 million from the amended FY2009 budget YTD. According to the commissioners, the county is conducting a review of its operations and budget and anticipates the need to be conservative over the next few years. According to Commissioner Holliday, "The budget for next year will be as bad, or worse."

The final budget will soon be posted online at the county's web site at [www.garrettcounty.org](http://www.garrettcounty.org)

### **Mountain Maryland Weighs in on Local Smart Growth:**

You may recall that "Mountain Maryland", a joint caucus of tourism and business interests in Garrett and Allegany counties, was very active this past legislative session with regard to a number of Smart Growth bills. From that effort, the Greater Cumberland Committee has engaged 1000 Friends of Maryland in a dialogue about Smart Growth (as it is usually perceived

in Maryland) and how it can affect our two counties, both positively and negatively.

The Greater Cumberland Committee, working with (among others) the Garrett Chamber of Commerce, is hosting a discussion group with Dru Schmidt-Perkins, the Executive Director for 1000 Friends, in Garrett County in July. Ms. Schmidt-Perkins will be touring the two counties and looking at growth and development issues and meeting with a number of interested parties. 1000 Friends is generally pro-smart growth and actively works publicly and behind the scenes in state government to pursue state-wide land use control strategies. Their understanding that a statewide "one-size-fits-all" approach does not necessarily work well in rural counties would be beneficial.

Paul Durham has been invited to participate in the discussion. If it appears that the efforts put forth could result in a communication opportunity for local Realtors® and the GCBR.

\*\*\*\*\*

## **RPAC WORKS WITH HELP FROM REALTORS® LIKE YOU!!!!**

*We are currently \$955 from reaching our 2009 and we only have until August 15, 2009 to do so. If you have not made a contribution this year, please consider doing so.*

Mary Ann Anderson	Debbie Friend	Susan McGreal	Deborah Savage
Dawn Beitzel	Nancy Geisler	Pat McLaughlin	Lydell Savage
Jon Bell	Lisa Goodfellow	Arlene Murray	Ruth Seib
Sandra Bello	Coelian Green	Brad Nesline	Bob Sheetz
Barb Butler	Sam Housely	Larry Nesline	Goldie Shugars
Heather Christner	<b>*Kathy Johnson*</b>	Kym Newmann	Ann Smith
Marcia Collins	<b>*Pat Kane*</b>	Don Nuce	Betsy Spiker
Larry DeBerry	Mike Kennedy	Mary O'Neil	Venus Stark
Paul Durham	<b>*Ed King*</b>	Bob Orr	Erin Strubin
Tracey Espada	Kevin Liller	Denise Perry	Paula Thomas
Andrew Eiswert	Sue Liller	Skitch Richards	Jane Thrush
Jay Ferguson	Lori Malcolm	Barb Rodeheaver	Nancy Trotta
Sandy Flanigan	Pat Malone	Jamie Rodeheaver	Carol Wills
Sandi Flockhart	<b>*Doug McClive*</b>	Cindy Sanders	Jim Wilmot
Nancy Jo Fratz	Elaine McDonald	Carolyn Savage	

***\*\$99 Club Contributor\****

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## **EDUCATION**

***Continuing Education Credit (Clock Hours).***

**MARK YOUR CALENDAR!**

**Al Monshower**

**6 hrs of Continuing Education at Garrett College**

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**October 16, 2009**

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## **MD Real Estate License Renewal Requirements**

### ***Required Topics for ALL Licensees***

1. Topic D – Ethics and Predatory Lending – 3 clock hours
2. Topic A – Federal, state or local legislative issues – 3 clock hours
3. Topic C – Fair Housing Law – 1.5 clock hours

### ***Total Hour Requirements – 15 clock hours***

Effective October 1, 2008 requires licensees to retain documents for 5 years.

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## **SentriLock Tips**

Among the many features of the SentriLock system is the ability to create Agent Teams to better manage the use of lockboxes by multiple agents.

When two or more agents form an Agent Team, they (more times than not) share their lockboxes and listings with each other. This allows them to place each others' lockboxes onto their own listings, while also managing their team members' listings.

An Agent Team is also a one-way street. Simply being on someone else's Agent Team does not mean they are on your team. This allows you to control the flow of information and lockboxes.

Placing another agent on your team is simple. Just log onto [www.SentriLock.com](http://www.SentriLock.com) or through the Card Utility Program. Then click the "Agent Team" button on the left side of the screen.

You will then be brought to the "Agent Team" page which will show you everyone currently on your team.

Above and below is an "Add Team Member" button. It will take you to the "Add Team Member" page. Here, you will see your name listed at the top next to "Agent," and "Unassigned" next to "Team Member."

Click on "Select" next to the "Unassigned" button and a new window will open. Here, you can select the person you wish to add to your Agent Team. At the top is a search bar, so you can easily look up your fellow agent(s).

After selecting the correct agent and clicking the "OK" button, you will now see the agent's name where it once said "Unassigned."

The next option is the “Nominate for Card Team” check box. If you place a check mark in this box, the person will be able to access your lockboxes as though they are you. If you leave it blank, they will only be able to view your listings online.

Finally, click “Save Changes.” After that, have the agent renew their SentiCard and they will now be on your Agent Team.

\*\*\*\*\*

## Maryland Association of REALTORS®

“The Future is GREEN”

2009 Annual Conference and Tradeshow

September 14 – 16, 2009

Roland Powell Convention Center Ocean City, MD

Register online at [www.mdrealtor.org](http://www.mdrealtor.org)

3-day REALTOR® Registration

June 2 – August 15: \$245 On-site: \$275

Rookies receive a **\$50 discount** on a 3-day registration

### Maryland Realtor® Magazine

There is an excellent article titled “Shades of Grey” in the July/July issue of Maryland Realtor® Magazine, beginning on page 42 that details licensees by the Real Estate Commission need to remember; 1] do not act outside the scope of your license, 2] give information, not advice, and 3] let the client make the decisions. Take a moment to read this article and refresh your memory.

**MAR LEADERSHIP ACADEMY ACCEPTING APPLICATIONS.** Join colleagues from around the state and learn skills that will enhance your leadership abilities in life and in business. It takes a certain type of person to accept leadership responsibilities – *are you ready for the challenge?* Class starts October 2009. Applications available at

<http://www.mdrealtor.org/LinkClick.aspx?fileticket=%2bqBZAGIWn8Q%3d&tabid=75>

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### Case Studies Interpretation of the Code of Ethics

CASE STUDIES ARE PULLED FROM “INTERPRETATIONS OF THE CODE OF ETHICS AND ARBITRATION MANUAL” OF THE NATIONAL ASSOCIATION OF REALTORS®

**Case #1-16: Obligation to Advise Client of Market Value** (Originally Case #2-2. Revised and transferred to Article 7 as Case #7-20 May, 1988. Transferred to Article 1 November, 1994.)

REALTOR® A listed Client B's house at \$136,000. The house was sold to Buyer C, who met Client B at a cocktail party a month later and told him that he had just been offered \$148,000 for the house but declined the offer feeling that if he decided to sell, he could do considerably better.

On the basis of this information, Client B charged REALTOR® A with unethical conduct in not having advised him as to fair market value and pointing out that the offering price was considerably below the market value. The Board's Grievance Committee referred the complaint to the Professional Standards Committee for hearing.

The Hearing Panel reviewed the facts. At the time the listing contract was signed, REALTOR® A advised his client that he had not recently been active in the part of the city where the house was located and that before fixing the price definitely it might be well to have an appraisal made, but the client declined saying that he felt \$136,000 was a fair price.

REALTOR® A's defense was that he had indicated the desirability of an appraisal to determine a fair asking price; that he had indicated he was not active in the neighborhood where the home was located; and that while he had a feeling that the client might be placing a low price on his property, he felt his professional obligation to the client was discharged when he suggested having an appraisal made.

It was the finding of the Hearing Panel that REALTOR® A's defense was valid and that he was not in violation of Article 1.

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## **NAR – National Association of REALTORS® REALTOR® Trademark Quiz**

The terms REALTOR® and REALTORS® are trademarks of the NATIONAL ASSOCIATION OF REALTORS®. The trademarks, along with the Code of Ethics and Standards of Practice, set members apart from other real state licensees. NAR has adopted certain rules intended to preserve the value of the REALTOR® trademarks for all members, current and future. Take this quiz to see how much you know about the proper use of the REALTOR® trademark.

**1. Which of the following terms is NOT one of the REALTOR® trademarks owned by NAR?**

- ☐ A. REALTOR®
- ☐ B. REALTORS®
- ☐ C. BROKER-OWNER®
- ☐ D. REALTOR-ASSOCIATE®

CORRECT ANSWER: C BROKER-OWNER®. The NATIONAL ASSOCIATION OF REALTOR® owns numerous trademarks, including but not limited to the terms REALTOR®, REALTORS®, REALTOR-ASSOCIATE®, and the

REALTOR® block “R” logo. These trademarks are not used to identify members of NAR and distinguish them from non-members.

Since 1916, when the unique term REALTOR® was first created, the public has come to recognize those who use the trademarks to be members of NAR and, as such, providers of real estate-related services consistent with the REALTOR® Code of Ethics and Standards of Practice, the highest standard of professionalism in the real estate industry. Member boards, through their use of the trademarks, are recognized as member organizations. In 2005, NAR released a research study that revealed the average member with six to 10 years’ experience realizes \$4,500 a year in incremental income due to the marketplace advantages the REALTOR® brand brings to his or her business.

**2. Which of the following is the incorrect way to write or display the term REALTOR®?**

- ☐ A. REALTOR®
- ☐ B. REALTORS®
- ☐ C. Realtor®
- ☐ D. realtor®

CORRECT ANSWER: D. realtor®. The most preferred form for the term “REALTOR®” is in all uppercase letters with the federal registration symbol ( ® ) following it. Less preferred, but still acceptable, forms would be “REALTOR” in all uppercase letters without the registration symbol or “Realtor®” with an initial uppercase “R” with the registration symbol. Using all lowercase letters in “realtor,” with or without the registration symbol, is not considered proper form for the term REALTOR®.

**3. When the term REALTOR® is used with a member’s name, it should appear as follows:**

- ☐ A. William Smith REALTOR®
- ☐ B. William Smith, REALTOR®
- ☐ C. William Smith, realtor®
- ☐ D. William Smith REALTOR®

CORRECT ANSWER: B. William Smith, REALTOR®. One of the rules governing the proper form for displaying the trademark term is the requirement to separate the trademark terms from the words and phrases that surround it, even when the term appears on separate lines. That means that the trademark terms need to be separated from the name of the member or the member’s firm by commas or other appropriate punctuation.

**4. When the term REALTOR® is used with a member’s name, it should appear as follows:**

- ☐ A. Bob Smith, Your REALTOR® for Life
- ☐ B. Tom Jones – The Commercial REALTOR®
- ☐ C. Mary White/South Dakota’s Top REALTOR®
- ☐ D. Jane Brown – REALTOR® and Lakefront Realty’s top salesperson

CORRECT ANSWER: D. Jane Brown – REALTOR® and Lakefront Realty’s top salesperson. Use of descriptive words or phrases either preceding or following the term REALTOR® or REALTORS® (i.e., “REALTOR® Professional” or “Professional REALTOR®”) is expressly prohibited in Article V, Section 7 or NAR’s Bylaws. Therefore, saying, “Your REALTOR® for Life,” “The Commercial REALTOR®,” or “South Dakota’s Top REALTOR®” are all prohibited uses of the REALTOR® trademarks. But answer choice D is correct because the term “REALTOR®” is used without any descriptive word or phrases.

**5. When an NAR member identifies his or her profession, it is correct to say:**

- ☐ A. I am a commercial REALTOR®
- ☐ B. I am a real estate broker and a REALTOR®

- ☐ C. I am an independent REALTOR®
- ☐ D. I am a top REALTOR®

CORRECT ANSWER: B. I am a real estate broker and a REALTOR®. The term REALTOR® identifies the person's status as a member of NAR. While all REALTORS® are in the real estate business, not all are engaged in the same facet of that business. The term REALTOR® should never be used as a synonym for the services a member provides. A simple test to check whether the term REALTOR® is used correctly is to substitute the phrase "member of the association" for the term REALTOR® and then see if the statement has the intended meaning.

**6. The term REALTOR® when used with a real estate company name should appear as follows:**

- ☐ A. Sunshine Company, REALTORS®
- ☐ B. Sunshine REALTORS® Company
- ☐ C. Sunshine, REALTORS®, Company
- ☐ D. Sunshine Company REALTORS®

CORRECT ANSWER: A. Sunshine Company, REALTORS®. NAR members are authorized to use the term REALTOR® or REALTORS® with the name of their company, but not as a part of the legal name of that company. The term should be separated from the company name with appropriate punctuation (e.g., a comma or a dash) to emphasize that the term is separate from the company name.

**7. Which of the following would be an incorrect use of the term REALTOR® in a Web site domain name?**

- ☐ A. [www.RealtorJohnSmith.com](http://www.RealtorJohnSmith.com)
- ☐ B. [www.NorthShoreRealtor.com](http://www.NorthShoreRealtor.com)
- ☐ C. [www.MaryJonesRealtor.com](http://www.MaryJonesRealtor.com)
- ☐ D. [www.BobSmiththeRealtor.com](http://www.BobSmiththeRealtor.com)

CORRECT ANSWER: B. [www.NorthShoreRealtor.com](http://www.NorthShoreRealtor.com). NAR members may use the term REALTOR® in their domain name or e-mail address provided that the term appears with the member's name or the name of the member's company. So a general descriptive URL that seeks to identify a characteristic of the member, such as where he is located or the type of property she specializes in with the term REALTOR®, like [www.NorthShoreRealtor.com](http://www.NorthShoreRealtor.com), would not be a correct use of the term REALTOR® in a domain name.

**8. How may the principal of a real estate company who is a REALTOR® use the REALTOR® trademarks in company advertisement if the company has both member and non-member salespeople?**

- ☐ A. The REALTOR® trademarks may only be used with the name of the principal of the firm.
- ☐ B. The REALTOR® trademarks may be used with the names of the firm, the principal, and all of the salespeople who hold membership. But the trademarks may not be used in connection with the names of the non-member salespeople.
- ☐ C. The REALTOR® trademarks may only be used with the name of the firm.



- ☐ D. The REALTOR® trademarks may not be used at all in the advertising of the firm.

**CORRECT ANSWER: B. The REALTOR® trademarks may be used with the names of the firm, the principal, and all of the salespeople who hold membership. But the trademarks may not be used in connection with the names of the non-member salespeople.** If the principals of the firm are NAR members, they can use the REALTOR® trademarks with their names and the name of their firm. Similarly, if a salesperson named in the ad is a member, he or she also may use the REALTOR® trademarks with his or her name. The REALOR® trademarks may not, however, be used with or in connection with the names of the non-member salespeople appearing in the same ad.

**9. Which is true with regard to the color of the Block “R” Logo?**

- ☐ A. The official colors of the Block “R” Logo are red and green.
- ☐ B. The color of the block and the term REALTOR® below the block will always be the same.
- ☐ C. When using a single color, the logo may only be printed in blue or black.
- ☐ D. There are no limits on the number of colors that may be used to create the logo.

**CORRECT ANSWER: B. The color of the block and the term REALTOR® below the block will always be the same.** The official colors for the logo when it is reproduced in two colors are blue and gold (or red and gold for commercial members), but there may never be more than the two colors in the logo. When using a single color, the logo may appear in any color that clearly contrasts with the color of the paper or other background on which the logo appears.

**10. Which of the following is a true statement regarding how the Block “R” Logo may be used?**

- ☐ A. Combined with other geometric shapes to provide a more colorful appearance.
- ☐ B. As the first letter in a word beginning with the letter “R”.
- ☐ C. On advertising promotional materials as long as the member’s name and address also appear on those materials.
- ☐ D. On the business card of a non-member salesperson affiliated with a REALTOR® principal.

**CORRECT ANSWER: C. On advertising promotional materials as long as the member’s name and address also appear on those materials.** Members may use the Block “R” Logo in connection with their own name on advertising and promotional materials for their real estate business.

Enjoy your summer!

# Garrett County Board of REALTORS®

GCBR News Briefs - August 2009

August 1, 2009

## *Membership Update*

### **New REALTOR® Members:**

Ed Browning – Railey Realty

### **New Affiliate Members:**

### **Drops:**

Kenny Green – Garrett Land Sales

### **Transfers:**

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## **Government Affairs Director Report – Paul Durham**

### **MAR Monitoring State's Budget Woes – the options, cut deep or raise taxes?**

Maryland's state budget woes have grabbed the headlines in recent weeks. MAR has been closely watching the situation in Annapolis. On July 8, the General Assembly's Director of the Office of Policy Analysis, Warren Deschenaux, wrote to the leadership of the Assembly and said...

*"The present course of State finances is plainly unsustainable. In magnitude and urgency, it is equivalent, if not more substantial, than that which precipitated the special session of 2007. Addressing the immediate problem and the State's underlying structural infirmity will require no less an effort."*

Gene Burner, a fiscal consultant to MAR, provides a very thoughtful evaluation of the political implications of the state's budget problems and their potential effect on real property taxes and the business community at -

<http://www.mdrealtor.org/GovernmentAffairs/GovernmentAffairsNews/tabid/239/articleType/ArticleView/articleId/202/State-Budget-Watch.aspx>

See the full text of the Deschenaux letter online at...

[http://www.mdrealtor.org/Portals/0/docs/GovernmentAffairs/Budget\\_Outlook\\_July-8-2009.pdf](http://www.mdrealtor.org/Portals/0/docs/GovernmentAffairs/Budget_Outlook_July-8-2009.pdf)

Maryland officials typically look, in part, to increases in taxes to solve budgetary woes. MAR will watch this issue closely over the coming months in anticipation of the 2010 legislative session. Remember, only the state legislature can raise taxes. In the interim period, the state Board of Public Works may cut the budget but cannot raise taxes. Is a special legislative session in the picture? Stay tuned.

## **MAR Gearing up for 2010 Legislative Session:**

The Maryland Association of REALTORS® (MAR) Public Policy Committee will be meeting on August 26<sup>th</sup> to consider legislative proposals for the 2010 Maryland General Assembly session. If you have any thoughts regarding potential legislation, please contact a Board member.

## **Garrett County Ordinance Updates:**

According to staff from the Planning and Land Development Office, there is nothing new to report out on the ordinance update project. The county's consultant, ERM, is busy preparing drafts for county and public review, but as if this writing nothing has been released yet.

## **Looking for a Summary of the 2009 Legislative Session?**

Governor Martin O'Malley held his final bill signing of 2009 on Tuesday May 19<sup>th</sup>. Among the hundreds of bills signed by the Governor, are some that will affect real estate licensees and homeowners. Click on the link below for a brief overview.

[LINK TO ARTICLE...](#)

## **More News from MAR:**

### **REVISED TRUTH IN LENDING DISCLOSURE REQUIREMENTS TAKE EFFECT on JULY 30, 2009**

Lenders will be subject to new disclosure requirements for mortgage loans under the Federal Reserve Board Truth in Lending Regulation (Reg Z). **The new requirements apply to loan applications filed on or after July 30, 2009** (about two months earlier than originally planned). The new rules are complex and compliance will be a challenge for lenders. REALTORS® will want to learn the basics so they can discuss potential delays and the new procedures with clients.

[READ MORE...](#)

### **EXPANDED ELIGIBILITY FOR MAKING HOME AFFORDABLE REFINANCING TO 125% LTV**

U.S. Housing and Urban Development Secretary Shaun Donovan announced an expansion of the Obama Administration's Home Affordable Refinance Program to include participation by borrowers who are current but **up to 125 percent underwater** on their mortgage. Under authorization provided by the Federal Housing Finance Agency, borrowers whose mortgages are currently owned or guaranteed by Fannie Mae and Freddie Mac will now be allowed to refinance those loans up to 125% LTV, according to the terms of the Home Affordable Refinance program established earlier this year.

[LINK TO ARTICLE...](#)

### **CLARIFICATION! The REALITY of the American Clean Energy and Security Act**

The House of Representatives recently passed the American Clean Energy and Security Act. The legislation was heavily amended and does **not** mandate energy audits or appliance upgrades for existing homes or buildings.

[READ MORE...](#)

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**RPAC Update**

Thanks to Carol Wills, Ed King, Doug McClive, Pat Kane, Lori Malcolm, Scott Johnson, John Macy, Kathy Johnson, Lisa Goodfellow and Dawn Monahan for participating in the July 21<sup>st</sup> RPAC Open House Challenge. Together these folks brought in \$223.00 in RPAC contributions.

We are currently \$450 from reaching our 2009 and we only have until August 15, 2009 to do so. If you have not made a contribution this year, please consider doing so.

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## EDUCATION

*Continuing Education Credit (Clock Hours).*

### MARK YOUR CALENDAR!

**Al Monshower**

**6 hrs of Continuing Education at Garrett College**

**October 16, 2009**

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## MD Real Estate License Renewal Requirements

### *Required Topics for ALL Licensees*

1. Topic D – Ethics and Predatory Lending – 3 clock hours
2. Topic A – Federal, state or local legislative issues – 3 clock hours
3. Topic C – Fair Housing Law – 1.5 clock hours

***Total Hour Requirements – 15 clock hours***

Effective October 1, 2008 requires licensees to retain documents for 5 years.

\*\*\*\*\*

## SentriLock Tips

### LOCKBOX BATTERY REPLACEMENT

The life of the battery in the SentriLock Lockboxes should be 5-6 years. If there is a battery problem, you will see the "Message" light flash 20 times and hear a series of beeps.

If this happens you should call SentriLock Support so a ticket number can be assigned to the lockbox.

The Board office has replacement batteries for the SentriLock lockboxes and if you receive a low battery warning, **DO NOT REMOVE THE BATTERY FROM THE LOCKBOX!** Bring the lockbox to the Board office as there is a

special tool used for battery replacement. It is important to remember the lockbox has a memory backup circuit that will retain the lockbox settings and timekeeping system while you replace the battery. **This memory backup circuit will only operate for a few minutes after you remove the battery.**

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## **Maryland Association of REALTORS®**

"The Future is GREEN"

2009 Annual Conference and Tradeshow

September 14 – 16, 2009

Roland Powell Convention Center Ocean City, MD

Register online at [www.mdrealtor.org](http://www.mdrealtor.org)

3-day REALTOR® Registration

June 2 – August 15: \$245    On-site: \$275

Rookies receive a **\$50 discount** on a 3-day registration

**REVISED TRUTH IN LENDING DISCLOSURE REQUIREMENTS TAKE EFFECT ON JULY 30, 2009** Lenders will be subject to new disclosure requirements for mortgage loans under the Federal Reserve Board Truth in Lending Regulation. **The new requirements apply to loan applications filed on or after July 30.** The new rules are complex and compliance will be a challenge for lenders. REALTORS® learn the basics so you can discuss the new procedures and potential delays with clients. **For highlights and new requirements visit: REGULATION at [www.mdrealtor.org](http://www.mdrealtor.org).** Questions? ect any questions to Celeste Filoia, Esq., Staff Attorney, Legal Affairs, [Celeste.Filoia@mdrealtor.org](mailto:Celeste.Filoia@mdrealtor.org).

### **MAR Will Offer The Following Classes:**

#### **Thursday, August 20, 2009**

**Credit Smart™ "Train the Trainer"** 9:00 am – 4:00 pm

(No CE, but course counts toward Workforce Housing Certification)

Fee \$15 (lunch included)

MAR, 200 Harry S Truman Parkway, Annapolis, MD 21401

To register, contact [kara.ardison@mdrealtor.org](mailto:kara.ardison@mdrealtor.org)

#### **Friday, August 21, 2009**

**Bridging the Gap From Availability to Affordability** 9:00 am – 11:00 am (2.0 hrs.

CE for Professional Enhancement)

**State and Local Programs** 11:15 am – 1:45pm (2.0 hrs. CE for Professional Enhancement)

**Federal Programs and National Initiatives** 2:00 pm – 4:00 pm (2.0 hrs. CE for Professional Enhancement)

Fee \$15 (lunch included)

MAR, 200 Harry S Truman Parkway, Annapolis, MD 21401

To register, contact [kara.ardison@mdrealtor.org](mailto:kara.ardison@mdrealtor.org)

**Workforce Housing Certified (WHC) REALTORS®** are specially trained to receive customer inquiries on workforce and affordable housing finance programs for selected jurisdictions. Earning this NEW certification requires completion of the following classes in any sequence:

1. **CreditSmart™** (6 hours - no CE), taught by Freddie Mac certified trainers, is a "Training for Trainers" program with a comprehensive curriculum that will prepare you to educate consumers about getting and maintaining good credit, credit scoring and money management towards achieving their financial goals. *Any prior CreditSmart™ certification is counted toward WHC.*
2. **Bridging the Gap between Availability and Affordability** (2 hours CE - Professional Enhancement), taught by WHC REALTORS®, lenders or mortgage brokers, is designed to give practical information about financial products and eligibility standards that may help challenged or first-time homebuyers.
3. **State and Local Programs** (2 hours - CE Professional Enhancement), taught by WHC REALTORS®, directors of local financing programs and/or staff from the Maryland Department of Housing & Community Development, provides fundamentals about state & local programs available for low/no downpayment, closing cost grants, extended term mortgages, as well as other tax credits, plus local government resources for homeownership education and counseling. (Some content may vary by jurisdiction.) Includes instruction on how to best utilize the website [www.MDhomeprograms](http://www.MDhomeprograms).
4. **Federal Programs and National Initiatives** (2 hours - CE Professional Enhancement) includes information on programs and new regulations for HUD/FHA, Veteran's Administration, Rural Housing, as well as national private sector loan/guaranty programs, taught by secondary market reps and lenders.

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## **NAR – National Association of REALTORS®**

### **Tax Credit Reauthorization Faces Timing Crunch**

Members should try to complete transactions involving the First-Time Homebuyer Tax Credit as soon as possible because it's not clear whether Congress will be able to reauthorize the program prior to its expiration Dec. 1. Health insurance efforts are expected to dominate the agenda in the tax-writing committees throughout July, and House and Senate leaders have said expiring tax provisions must wait until after that. That hurts serious prospects for tax credit reauthorization. For more info contact [Linda Goold](mailto:Linda.Goold), 202/383-1083

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## **Case Studies Interpretation of the Code of Ethics**

CASE STUDIES ARE PULLED FROM "INTERPRETATIONS OF THE CODE OF ETHICS AND ARBITRATION MANUAL" OF THE NATIONAL ASSOCIATION OF REALTORS®

**Case #1-22: REALTOR®'s Offer to Buy Property He has Listed** (Adopted May, 1989 as Case #7-26. Transferred to Article 1 November, 1994. Revised November, 2001.)

Doctor A, a surgeon in a major city, inherited a summer house and several wooded acres on the shores of a lake over a thousand miles from Doctor A's home. Being an extremely busy individual, Doctor A paid little attention to his inheritance for almost two years. The, planning a vacation trip, Doctor A and his wife decided to visit their property since it was located in the same part of the country that they had never seen. Doctor A and his wife spent a week in the house during which they concluded that it was too far from their home town to use on any regular basis. Consequently, Doctor A decided to sell the property and made an appointment with REALTOR® B whose office was located in a town nearby.

Doctor A explained that he had inherited the summer house two years earlier and wanted to sell it since it was impractical to keep for his own personal use. Doctor A mentioned that he had no idea what the property was worth since it had not previously changed hands in forty years and that he was not familiar with local property values.

REALTOR® B explained that sales of vacation homes had been slow for a number of months and recommended a listing price of \$75,000. When Doctor A commented that the price seemed low given the house was located on a lake and included several wooded acres, REALTOR® B responded by asking Doctor A what he thought the property was worth. Doctor A repeated that he really had no idea what it was worth since he was completely unfamiliar with the area and concluded that he would have to rely on REALTOR® B's judgment. Doctor A and REALTOR® B executed an exclusive listing on the property and two days later Doctor A and his wife returned home.

Three weeks later, Doctor A received a letter from REALTOR® B to which was attached a purchase contract for \$75,000 less the amount of the listing commission signed by REALTOR® B as the purchaser. REALTOR® B's letter indicated his belief that Doctor A should not expect any offers on the property due to the slow market and that REALTOR® B's "full price" offer was made to "take the property off Doctor A's hands."

Doctor A immediately called REALTOR® B and advised him that while he might agree to sell the vacation house to REALTOR® B, he would not do so until he could have the property appraised by an independent appraiser. Under no circumstances, continued Doctor A, would he recognize REALTOR® B as his agent and pay a commission if REALTOR® B purchased the house.

REALTOR® B responded that there was no reason to obtain an independent appraisal since Doctor A had little choice in the matter. In REALTOR® B's opinion Doctor A could either sell the property to REALTOR® B for \$75,000 less the amount of the commission or, should Doctor A refuse REALTOR® B's offer, REALTOR® B would be entitled to a commission pursuant to the listing agreement.

Believing that he had no choice, Doctor A signed the purchase agreement and returned it to REALTOR® B. Shortly thereafter, the transaction closed.

Several weeks later, reading a local news article, Doctor A learned that Boards of REALTORS® had Professional Standards Committees that considered charges of unethical conduct by REALTORS® and REALTOR-ASSOCIATES®. He wrote a detailed letter to REALTOR® B's Board spelling out all of the details of the sale of his summer house. In his letter, Doctor A indicated that he had no problem with REALTOR® B offering to purchase the property but rather his unhappiness resulted from REALTOR® B's insistence on being compensated as Doctor A's agent even though he had become a principle in the transaction. Doctor A quoted Article 1 questioning how REALTOR® B's duty to promote Doctor A's interests could have been served when REALTOR® B had taken an essentially adversarial role in the transaction. Finally, Doctor A commented, REALTOR® B's "take it or leave it" attitude had certainly seemed less than honest.

The Board's Secretary referred Doctor A's letter to the Grievance Committee which concluded that a hearing should be held. At the hearing before a panel of the Board's Professional Standards Committee, both Doctor A and REALTOR® B told their sides of the story. After all of the evidence and testimony was heard, the Hearing Panel went into executive session and concluded that while the Code of Ethics did not prohibit REALTOR® B's offering to purchase the property listed by him, REALTOR® B had stepped out of his role as agent and had become a principle in the transaction. Article 1 of the Code of Ethics requires the REALTOR® to "protect and promote the interests of the client." Once REALTOR® B expressed his interest in purchasing the property, he could no longer act as Doctor A's agent except with Doctor A's knowledgeable consent. This consent had not been granted by Doctor A. Further, REALTOR® B's advice that Doctor A had no choice but to view REALTOR® B as his agent and to compensate him accordingly had been incorrect and had been a decisive factor in Doctor A's decision to sell to REALTOR® B. The Hearing Panel also found that REALTOR® B had significantly influenced Doctor A's decision as to the listing price, perhaps with knowledge that he (REALTOR® B) would like to purchase the property for himself. Consequently, the Hearing Panel found REALTOR® B in violation of Article 1.



# Garrett County Board of REALTORS®

GCBR News Briefs – September 2009

## Membership Update

### New REALTOR® Members:

### New Affiliate Members:

### Drops:

Vicki Savage, Railey Realty

Eric Espada, Tri-State Home Inspections, Inc.

### Transfers:

Tracey Espada, Long and Foster to Coastal Association of REALTORS®

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## **DUES**

2009-2010 NAR, MAR & GCBR dues will total \$609.00 and notices will be distributed to the membership by the first of October and are due November 1, 2009.

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## **REALTOR® SAFETY WEEK**

September 13 – 19, 2009

**Knowledge Awareness Empowerment**

In this industry, the three keys of staying safe on the job include:

1. knowing how to react appropriately to a dangerous situation
2. being aware of your surroundings, and
3. empowering yourself with careful precautions

More information is provide at [www.REALTOR.org/Safety](http://www.REALTOR.org/Safety)

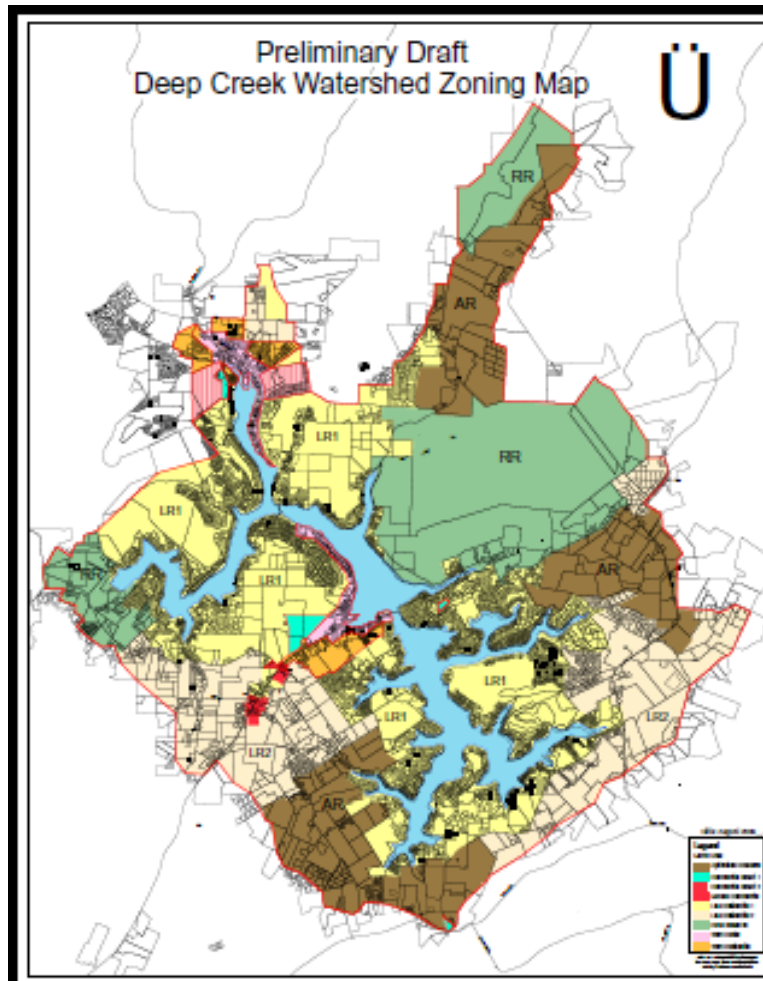
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## **Government Affairs Director Report – Paul Durham**

### **County Releases Lake Area Rezoning Plan – map available online:**

The county's Planning Commission has released a rezoning map that includes significant changes to several land use classifications in the lake watershed zoning district. These include the introduction of LR1 and LR2, AR (Agricultural Resource) and RR (Rural Resource) districts.





The LR1 and LR2 districts come from the existing LR classification. LR1 will have a minimum lot size of 1-acre, and LR2 a minimum lot size of 2-acres. AR and RR are resource preservation zones which will mandate, among other things, lot clustering and the dedication of 80% of a property as agriculture or resource use (e.g. timber). Several new commercial zones have also been added.

**Do you know if you have a listing effected by this rezoning?** GCBR members are encouraged to go online and download the map to see if any of your existing or new listings might be effected by these changes. The map is available on the county's web site at...

[http://www.garrettcounty.org/PlanningLand/PlanningZoning/documents/DCL\\_zoning\\_LU.pdf](http://www.garrettcounty.org/PlanningLand/PlanningZoning/documents/DCL_zoning_LU.pdf)

You can zoom in on the map to locate specific properties. An explanation of the full intent of the county with regard to these new districts is outlined in the new comprehensive plan which can be viewed and downloaded online at...

<http://www.garrettcounty.org/PlanningLand/PlanningZoning/documents/2008GarrettCountyAdoptedPlan-FULL.pdf>

The Planning Commission is accepting comments on the new map. If you would like to provide any input, please email John Nelson, Director of Planning and Land Development at [jnelson@garrettcounty.org](mailto:jnelson@garrettcounty.org)

### **Garrett County Ordinance Updates:**

Now that the rezoning map has been produced, the Planning Commission will start to work on the redraft of the various ordinances as called for in the comprehensive plan. Some of these ordinances focus on the lake watershed and some are countywide. Those that appear to be the most controversial include scenic viewshed protection areas on certain properties around the lake, aesthetic controls on commercial building design, and the implementation of the AR and RR districts. We will keep members informed about the changes as they are released to the public.

### **DNR Personal Watercraft Docking Regulations – changes announced:**

*DNR Lake Manager Carolyn Mathews has released the DNR proposal to change the lake regulations to permit the docking of personal watercraft (PWCs) at docks. The proposal has been submitted to the legislature's AELR (Joint Committee on Administrative, Executive, and Legislative Review) for action. After that, the regulations proceed to a public comment period which will occur from OCT 9, 2009 through NOV 9, 2009.*

*A copy of the proposed changes may be obtained from our Govt. Affairs Director Paul Durham along with direction on how to make comment.*

### **NAR Launching its First Video Contest:**

The 2009 REALTOR Party Video Contest challenges REALTORS to make a short, personal video explaining how the Home Buyer Tax Credit has helped their clients buy their first home.

The contest will run until September 30. The winning entry will receive a \$500 American Express gift card and be shown at the Annual Convention in San Diego in November. Two runners-up will receive Flip UltraHD Camcorders.

During the contest, please help us get as many REALTORS involved as possible by encouraging your members to enter and letting them know how important it is that Congress expands and extends the tax credit.

All of the information about the contest, including the rules and instructions on how to enter, is located at <http://www.realtoractioncenter.com/video>

For badges and other ways to promote the contest, click here:  
<http://www.realtoractioncenter.com/video/get-realtors-involved-in-the.html>

If you have questions about the contest or other suggestions or comments, please feel free to contact Hilary Woodward at NAR at [hwoodward@realtors.org](mailto:hwoodward@realtors.org) or 202-383-1235.

We appreciate your help and hope we can count on your members to take action and participate in the contest!

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### **RPAC Update**

**A BIG Thanks to all who made contributions that enabled us to exceed  
our 2009 RPAC Goal of \$2,910 and our total is \$2,962.00**

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## EDUCATION

**October 16, 2009    Garrett College  
6 hours of CE with Al Monshower**

8:45 – 12:00 “Code of Ethics/Predatory Lending” Topic D

\* required for MD license renewal and also a quadrennial requirement for membership to the National Association of REALTORS® (see notes below)

1:00 – 4:15 “Procuring Cause & Buyer Agency” Topic F

Ask yourself, do you really know what “Procuring Cause” is?

REALTOR® Cost – 6 hours \$90.00    3 hours \$50.00

Non-REALTOR® Cost – 6 hours \$99    3 hours \$59.00

Flyers will be mailed to your home address in early September.

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- NAR and GCBR Bylaws state a member of the association shall be required to complete quadrennial ethics training that meets the learning objectives and minimum criteria established by the National Association of REALTORS®.
  - Be cautious, as most Ethics courses only teach on MD Code of Ethics and not the NAR Code of Ethics and these types of courses will only satisfy the MD Real Estate Commission license renewal requirement.
  - Only Ethics courses that address the NAR Code of Ethics or courses that compare the NAR Code of Ethics with the MD Code of Ethics will satisfy NAR’s requirement of completion.
  - Failure to complete an Ethics course containing the NAR Code of Ethics will result in suspension of your Realtor® membership.
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## MD Real Estate License Renewal Requirements

### *Required Topics for ALL Licensees*

1. Topic D – Ethics and Predatory Lending – 3 clock hours
2. Topic A – Federal, state or local legislative issues – 3 clock hours
3. Topic C – Fair Housing Law – 1.5 clock hours

### *Total Hour Requirements – 15 clock hours*

Effective October 1, 2008 requires licensees to retain documents for 5 years.

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## SentriLock Tips

**It is important to remember, if you access a lockbox to show property, update your SentriCard as soon as you possible after showing the property. Using this courtesy will enable the listing agent to have the most recent access showing report to provide information to the seller.**

**SentriLock Lockboxes are only to be placed on listings that are placed into the MRIS system** where all authorized participants can access the lockbox for showing purposes and these boxes **MUST** all have the MLS Listing Number or Address assigned to the lockbox.

Any “unassigned” lockboxes on the broker report should be what the broker has in his/her locked inventory available for their agents when needed.

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## **Maryland Association of REALTORS®**

“The Future is **GREEN**”

2009 Annual Conference and Tradeshow

September 14 – 16, 2009

Roland Powell Convention Center Ocean City, MD

3-day REALTOR® Registration On-site: \$275

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## **National Association of REALTORS®**

### **What’s your username?**

As social networking websites and blogs continue to gain popularity in the real estate marketing world, real estate professionals are striving to create unique and clever usernames that identify them publicly to others viewing the site. “Number1realtor” or “yourMichiganrealtor” or “jane\_chicago\_realtor” may sound like unique usernames, but each of these examples violates the National Association of REALTORS® trademark usage rules as well as the bylaws of the Garrett County Board of REALTORS®.

The rules governing the use of the REALTOR® marks are the same regardless of the medium in which the marks are being used, i.e., print advertising, web advertising, URLs, e-mail addresses, usernames, and more. These rules require the REALTOR® marks to be used with the name of a member or with the legal name of a member broker’s real estate business. A separate rule prohibits use of REALTOR® with descriptive words or phrases. Because domain names must be lowercase and cannot accommodate the R symbol, the requirements to use capitalization and the registration symbol ® with the REALTOR® marks are relaxed for usernames. Here are some examples of acceptable and unacceptable usernames:

#### **Acceptable usernames**

janesmithrealtor  
jsmithrealtor  
smithrealtor  
jane\_smith\_realtor  
realtorjanesmith  
realtorjsmith

#### **Unacceptable usernames**

realtor  
chicagorealtor  
yourchicagorealtor  
your\_chicago\_realtor  
cyberrealtor  
virtualrealtor

realtorsmith	realtor_mom
realtor_smith	realtorsolution
chicagoassociationofrealtors	localrealtor
illinois_association_of_realtors	top_chicago_realtor
jane_the_realtor	number1realtor
jane_a_realtor	hotshotrealtor
realtorjanechicago	residentialrealtor
chicagojanerealtor	commercial_realtor
realtor_jane_number1	janechicagorealtor

What's your username? Does it comply with the trademark usage rules? To learn more about proper use of the REALTOR® trademarks online, contact the Garrett County Board of REALTORS®. Additional information is also available on the Law & Policy page of Realtor.org at: <http://www.realtor.org/letterLw.nsf/pages/TrademarkLogoRules>

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### Case Studies Interpretation of the Code of Ethics

CASE STUDIES ARE PULLED FROM "INTERPRETATIONS OF THE CODE OF ETHICS AND ARBITRATION MANUAL" OF THE NATIONAL ASSOCIATION OF REALTORS®

**Case #1-17: Listing Property at Excessive Price** (Originally Case #2-3. Revised and transferred to Article 7 as Case #7-21 May, 1988. Transferred to Article 1 November, 1994.0

Mr. A was about to retire and move to a warmer climate, and had discussed the sale of his house with a number of brokers. He dropped in on REALTOR® B to discuss the matter and said that various brokers had told him he should expect to sell the property at from \$150,000 to \$158,000. "Oh, that sounds low to me," said REALTOR® B, "property moves well in that neighborhood and I recall that your house is in good shape and well landscaped. Give us an exclusive on it at \$168,000 and we'll make a strong effort to get you what your property is really worth." REALTOR® B got the listing.

He advertised the property, held it open on weekends, had many inquires about it, and showed numerous prospective buyers through it for a few weeks, but received no offers. When activity slowed, and the client became concerned, REALTOR® B was reassuring. "We'll just keep plugging till the right buyer comes along," he said. When the 90-day exclusive expired, REALTOR® B asked for a renewal. He told the client that new houses coming on the market were adversely affecting the market on resales of existing houses, and recommended lowering the price to \$158,900. Client A ruefully agreed, but the lowered price did not materially increase buyer interest in the property. As the term of the 90-day extension of the listing neared, REALTOR® B brought Client A an offer of \$150,000 and strongly recommended that it be accepted. But the client objected. "You told me it was worth about \$168,000 and sooner or later the right buyer would pay that price. Meanwhile similar houses in the neighborhood have been selling within 30 to 60 days at around \$156,000."

"I know," REALTOR® B said, "but six months ago we had a stronger market and were at the most favorable time of the year and \$168,000 was not an out-of-line price at that time. But now we're in the slow time of the year and the market is off. All things considered, I think \$150,000 offer in hand is a good one. I doubt that a better one will come along."

Client A accepted the offer and complained against REALTOR® B to the local Board of REALTORS®, charging REALTOR® B with misinforming him as to fair market value apparently as a means of obtaining the listing of his property.

At the hearing, the facts as set out above were not disputed. Questioning developed the additional fact that at the time of the original listing REALTOR® B had not gone through the house to make a systematic

appraisal of opinion of value, and that his recommended offering price was not based on a systematic review of sales in the neighborhood. Members of the Hearing Panel pointed out that the neighborhood in question was a development of houses, basically the same in size and quality, that had been put on the market about 10 years earlier at prices varying from \$145,000 to \$150,000; that good location and land development practices had maintained a good market for resales, but there was no indication that any property in the immediate neighborhood had been resold for as high as \$160,000. When told that circumstances tended to bear out the complainant's charge that REALTOR® B's recommended price was a stratagem to obtain the listing, REALTOR® B's defense was that he felt he had a right to take an optimistic view of the market.

It was concluded that REALTOR® B was in violation of Article 1 of the Code of Ethics.

# Garrett County Board of REALTORS®

GCBR News Briefs – October 2009

## Membership Update

### New REALTOR® Members:

Bob Carney, Long & Foster Real Estate Inc. Manager

### New Affiliate Members:

### Drops:

Vicki Savage – Railey Realty

Eric Espada – Affiliate Member

Jerry Gagnon – Custer Realty & Auction Services

Donald Moreland – United Country Humberson Homes

Diana Hanline – Long & Foster Real Estate Inc.

### Transfers:

Carol Wills to Railey Realty

Sam Housley to Railey Realty

Scott Sisler to Offlake Realty & Rentals

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## **DUES**

Dues notices have been sent to all brokers for distribution to the membership. If you have not received your dues notice, please see your broker.

**NAR \$115.00, MAR \$194.00, GCBR \$300.00    Total 2009-10 Dues \$609.00**

**GCBR Bylaws, Article X, Section 3 Dues Payable. Dues for all members shall be payable annually in advance of the first day of November.**

If you would like to pay your dues via credit card, you will be able to do so beginning October 30, 2009 at the NAR website at [www.realtor.org](http://www.realtor.org) click on “Pay Dues Online”

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## **Government Affairs Director Report – Paul Durham**

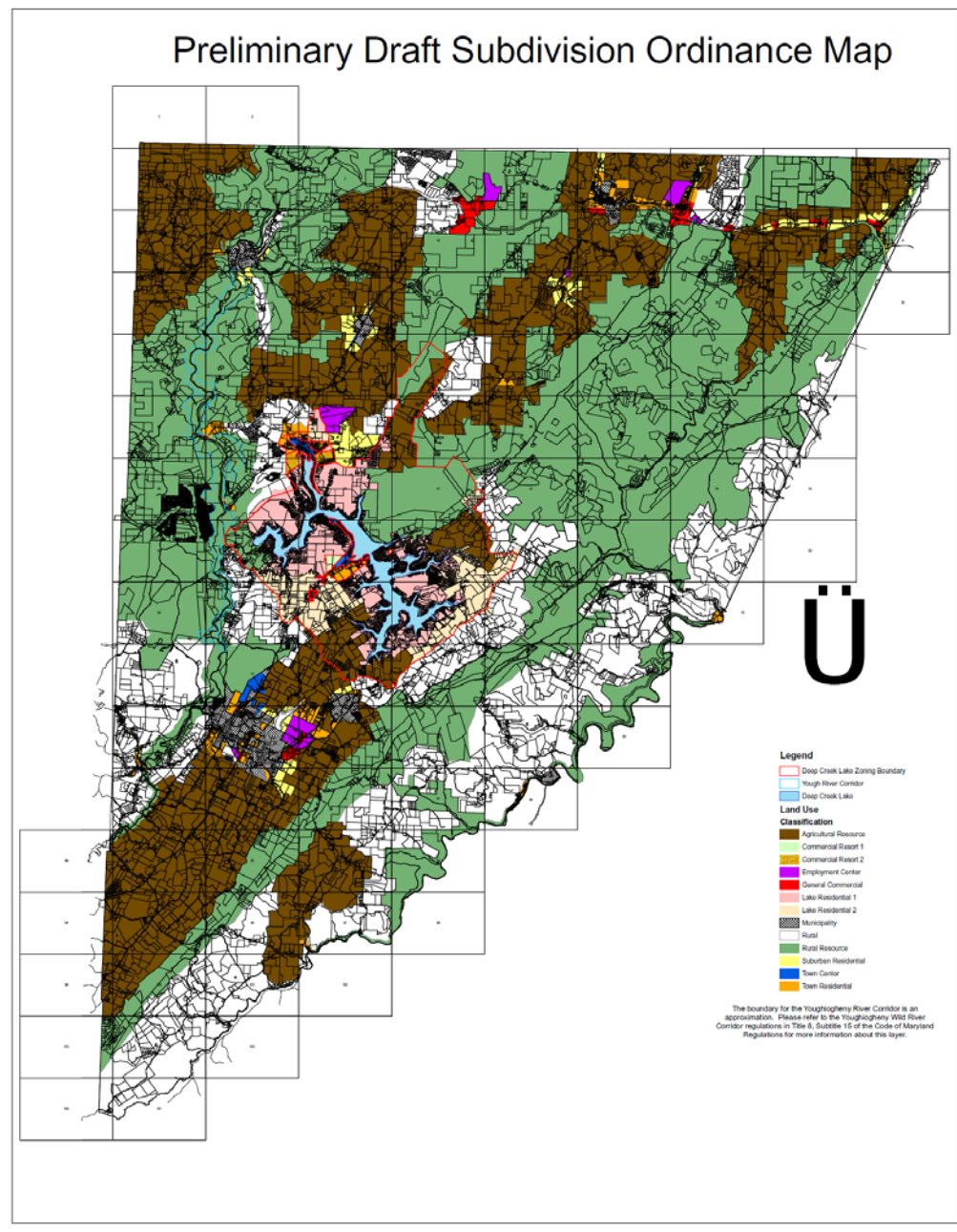
**County Releases REVISED Lake Area Rezoning Plan and County-wide Land Classification Map – available online:**

The county's Planning Commission has released a rezoning map that includes significant changes to several land use classifications in the lake watershed zoning district. These include the introduction of LR1 and LR2, AR (Agricultural Resource) and RR (Rural Resource) districts.









The county-wide subdivision land classification map (above) also shows extensive application of the AR and RR zones. While not subject to zoning, per se, the AR and RR classifications do include mandatory clustering and other restrictions to guide how land is subdivided in the future. These new provisions have a real impact on residential development.

**Do you know if you have a listing effected by this change?** GCBR members are encouraged to go online and download the map to see if any of your existing or new listings might be effected by these changes. The maps are available on the county's web site at...

[http://www.garrettcounty.org/PlanningLand/PlanningZoning/documents/DCL\\_zoning\\_LU.pdf](http://www.garrettcounty.org/PlanningLand/PlanningZoning/documents/DCL_zoning_LU.pdf) or

[http://www.garrettcounty.org/PlanningLand/PlanningZoning/documents/Subdivision\\_000.pdf](http://www.garrettcounty.org/PlanningLand/PlanningZoning/documents/Subdivision_000.pdf)

You can zoom in on the maps to locate specific properties. An explanation of the full intent of the county with regard to these new districts is outlined in the new comprehensive plan which can be viewed and downloaded online at...

<http://www.garrettcounty.org/PlanningLand/PlanningZoning/documents/2008GarrettCountyAdoptedPlan-FULL.pdf>

The Planning Commission is accepting comments on the new maps. If you would like to provide any input, please email John Nelson, Director of Planning and Land Development at [jnelson@garrettcounty.org](mailto:jnelson@garrettcounty.org)

### **Garrett County Ordinance Updates:**

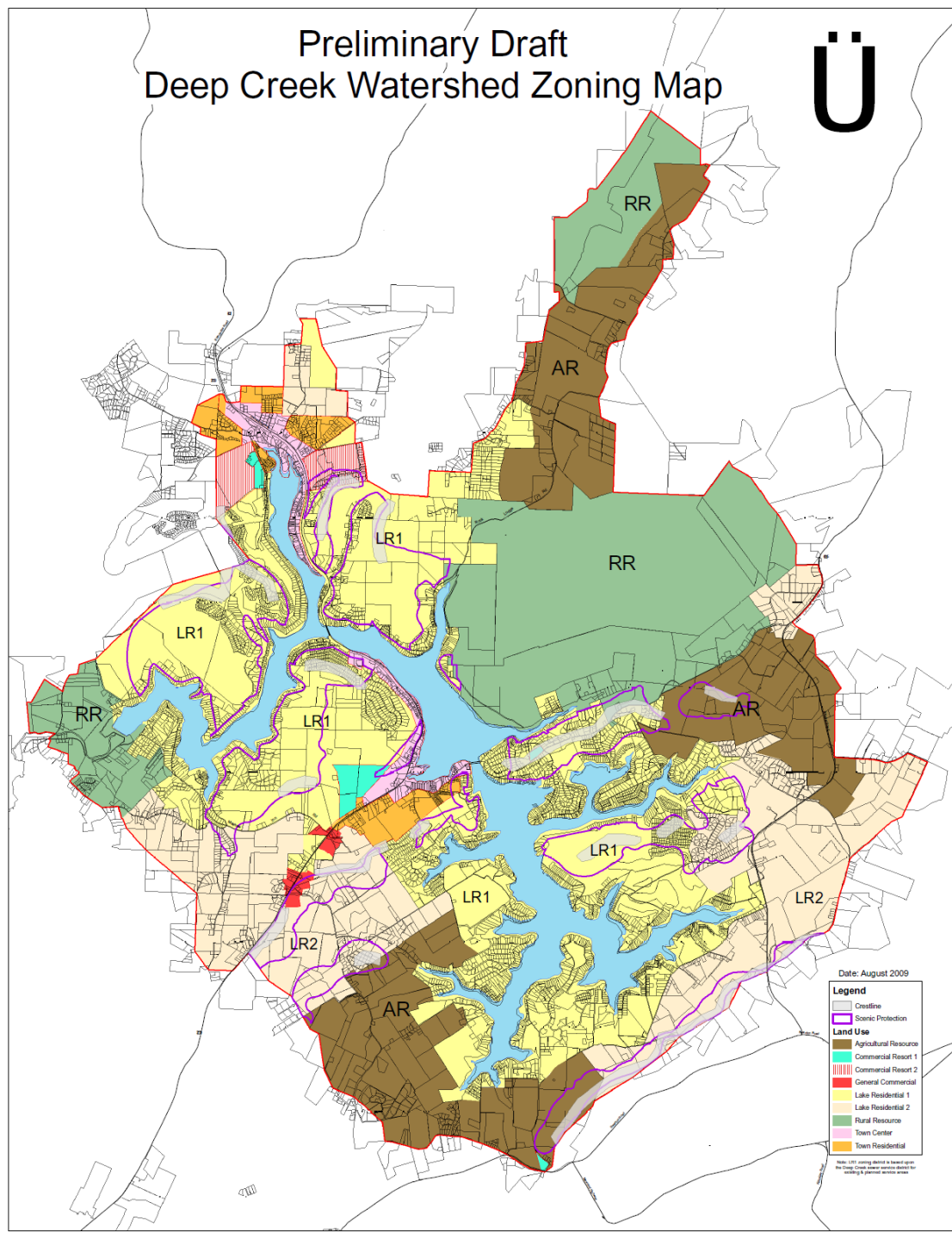
The county anticipates having everything complete on the new ordinance changes and they should be posted on the county web site by October 1. ***All members are encouraged to examine these changes closely as they may relate to a current listing.***

The most significant changes identified by GCBR deals with new regulations establishing "Scenic Protection Overlay Districts" in which the height and visibility of homes will be restricted. For example if a property owner is planning to build a home on a "crestline" identified in the new proposal, there is a strong possibility that the height of the home could be limited to 15" above the highest point on the lot. Also proposed is the replanting of trees to screen the visibility of the home from the lake. These changes will apply to new homes and additions and on existing vacant building lots that will not grandfathered in.

What is not known is how these new regulations will effect the residential lot sale process and how it can or should be disclosed to potential buyers. For example, very often lots are marketed or sold with consideration being given to its potential view. If the new county regulations take away from that perceived value and also restrict the size of house that someone plans to build, it seems to precipitate a conflict, especially if the lot was sold before the regulations were enacted. GCBR has made this point known to the Planning Commission.

**GCBR has submitted comments and concerns to the county on this matter.** Individual members are also encouraged to submit their own comments in writing to the Planning Commission. Here is the address:

John Nelson - Department of Planning and Land Development  
Garrett County Planning Commission  
203 South Fourth Street – Room 210  
Oakland, Maryland 21550



This map shows how the proposed scenic protection districts overlap existing subdivisions. The map can be found online at

[http://www.garrettcountry.org/PlanningLand/PlanningZoning/documents/DCL\\_zoning\\_w\\_SP.pdf](http://www.garrettcountry.org/PlanningLand/PlanningZoning/documents/DCL_zoning_w_SP.pdf)



GCBR has also identified two other areas of interest. Proposed are aesthetic guidelines for new non-residential construction and building height limitations for homes in existing communities with "small lots". The latter may effect listings that members have.

### **DNR Personal Watercraft Docking Regulations – reminder of upcoming public comment period:**

*According to DNR Lake Manager Carolyn Mathews, the public comment period for the new PWC docking regulations will proceed to a public comment period from OCT 9, 2009 through NOV 9, 2009. A copy of the proposed changes may be obtained from our Govt. Affairs Director Paul Durham along with direction on how to make comment.*



**Congress:  
Don't Let America's  
Real Estate Recovery Expire.**

### **Extend the Homebuyer Tax Credit Now**

The tax credit is working, homebuyers are using it, sales have increased and it's helping to move both housing and the economy forward.

But time is running out. Homebuyers have only a few weeks left to put in a contract on a house and benefit from the tax credit—it expires on December 1. Congress should extend the tax credit until December 31, 2010 to allow more homebuyers to take advantage of this incentive and help America's economy continue to recover.

**The first-time homebuyer tax credit is working:**

- Home sales to first-time homebuyers increased by 25% in 2009 and now account for 50% of all sales.
- The tax credit is reducing the inventory of foreclosures that are sitting on the market, helping our neighborhoods and communities recover.

**Extend the Homebuyer Tax Credit to Assure America's Economic Recovery**



**NAR Launches Call for Action on Extending the Homebuyer Tax Credit:**

(From NAR) - REALTORS® from all around the country recently sat down in front of NAR's camera to send Congress an important message: the \$8,000 first time homebuyer tax credit is working. But with the credit set to expire soon, it's not enough. [Watch this video](#) and then tell Congress to extend and expand the homebuyer tax credit.

(From MAR) - **Tell Congress to Extend the \$8,000 First-time Homebuyer Tax Credit.** Without Congressional action this fall, the first-time homebuyer tax credit will expire at the end of November. Because the credit only applies to transactions that settle on or before November 30th, most homebuyers entering into contracts after October 31st will be out of luck. The National Association of REALTORS® (NAR) estimates that over 300,000 homebuyers were assisted by the tax credit in this difficult real estate market. Click on the link below to access NAR's Legislative Action Center and tell Congress to extend the credit.

[http://takeaction.realtoractioncenter.com/campaign/hbtc?qp\\_source=actionsplash](http://takeaction.realtoractioncenter.com/campaign/hbtc?qp_source=actionsplash)

For those members who are interested in staying up to date on what is going on in Congress, NAR has set up a **Realtor Action Center**.

The Realtor Action Center keeps members informed of important bills and legislation in Washington, D.C. that are vital to the Real Estate industry. NAR will send you Calls for Action whenever there are bills under consideration by Congress that we feel require mobilizing the collective power of our 1.3 million members in support of, or in opposition to. NAR's goal is to limit these Calls for Action to only those bills of major importance.

Visit their subscription page at <http://takeaction.realtoractioncenter.com/nar/home.html> to ensure that you receive the information that interests you.

#### **NEWS From MAR:**

##### **New Real Estate Laws Take Effect October 1st**



Several new real estate laws passed by the 2009 Maryland General Assembly will take effect on October 1, including changes to new home construction contracts, disclosure of conservation easements, and the replacement of septic systems in Maryland's Critical Areas. To read a summary of all of the state real estate laws taking effect on October 1, click below.

[LINK TO ARTICLE...](#)

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## **EDUCATION**

**October 16, 2009 Garrett College**

**6 hours of CE with Al Monshower**

**Only a 4 seats remaining!**

**Deadline to register is October 7, 2009**

8:45 – 12:00 “Code of Ethics/Predatory Lending” Topic D

\* required for MD license renewal and also a quadrennial requirement for membership to the National Association of REALTORS® (see notes below)

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1:00 – 4:15 “Procuring Cause & Buyer Agency” Topic F  
Ask yourself, do you really know what “Procuring Cause” is?

REALTOR® Cost – 6 hours \$90.00    3 hours \$50.00  
Non-REALTOR® Cost – 6 hours \$99    3 hours \$59.00

Flyers have been mailed to your home address in early September.

- 
- NAR and GCBR Bylaws state a member of the association shall be required to complete quadrennial ethics training that meets the learning objectives and minimum criteria established by the National Association of REALTORS®.
  - Be cautious, as most Ethics courses only teach on MD Code of Ethics and not the NAR Code of Ethics and these types of courses will only satisfy the MD Real Estate Commission license renewal requirement.
  - Only Ethics courses that address the NAR Code of Ethics or courses that compare the NAR Code of Ethics with the MD Code of Ethics will satisfy NAR’s requirement of completion.
  - Failure to complete an Ethics course containing the NAR Code of Ethics will result in suspension of your Realtor® membership.
- 

## **MD Real Estate License Renewal Requirements**

### ***Required Topics for ALL Licensees***

1. Topic D – Ethics and Predatory Lending – 3 clock hours
2. Topic A – Federal, state or local legislative issues – 3 clock hours
3. Topic C – Fair Housing Law – 1.5 clock hours

### ***Total Hour Requirements – 15 clock hours***

Effective October 1, 2008 requires licensees to retain documents for 5 years.

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## **SentriLock Tips**

### **Lockbox Shackles:**

Please do not try to put the shackle back into the lockbox until all lights have shut off. If you try to replace the shackle while the lockbox is still processing, it will break the spiderblock and make the lockbox unusable.

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## **Maryland Association of REALTORS®**

### **2009-10 Officers**

Stephen F. Meszaros, President  
Cathy Werner, President-Elect  
Patricia Terrill, Secretary  
Carlton Boujai, Treasurer

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## National Association of REALTORS®

Later today (September 30) Federal Political Coordinators, whose Member of Congress sits on the Ways and Means Committee or whose United States Senator sits on the Finance Committee, will be asked to participate in a Washington, DC fly-in to lobby Congress to Extend and Expand the \$8,000 First-Time Homebuyer Tax Credit. Although the number of FPCs participating in this event is limited to certain states, we wanted you to have the information in advance to underscore the importance of NAR's efforts regarding the tax credit issue. As you know, the Ways and Means and Senate Finance Committees are the committees that determine tax policy in Congress. Getting our REALTORS in front of these key legislators is an essential component of NAR's efforts to win approval for an extension. If your state or local association does not have an FPC participating, please circulate this information among your association leadership to help them answer possible "What is NAR doing about the Tax Credit" questions we could face.

States Participating: AL, AZ, CA, CT, DE, FL, GA, IA, ID, IL, KS, KY, LA, MA, MD, MI, NC, ND, NJ, NV, NY, OH, OR, PA, TN, TX, UT, VA, WA, WI

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### Case Studies Interpretation of the Code of Ethics

CASE STUDIES ARE PULLED FROM "INTERPRETATIONS OF THE CODE OF ETHICS AND ARBITRATION MANUAL" OF THE NATIONAL ASSOCIATION OF REALTORS®

**Case #1-19: Knowledge of Proposed Legislation** (Originally Case #2-5. Revised and transferred to Article 7 as Case #7-23 May, 1988. Transferred to Article 1 November, 1994.)

REALTOR® A received a letter from the ABC College in another city stating that one of its old graduates in REALTOR® A's city had willed a vacant property in that community to the college. The letter explained that the college had no use for the property, and wanted REALTOR® A to sell it at its fair market value. The proceeds would go to the endowment fund of the college. REALTOR® A suggested a price for the property, an exclusive listing contract was executed, and in less than a month the lot was sold and settlement made with the college. Two weeks later, a trustee of the college, who handled its investments, filed a complaint against REALTOR® A charging negligence in knowledge of proposed local legislation which had resulted in sale of the property at approximately one-eighth of its fair market value. The Grievance Committee referred it for hearing before a panel of the Professional Standards Committee.

The Professional Standards Committee scheduled a hearing and notified REALTOR® A and the college trustee to be present. The hearing developed these facts:

(1) The client's property was in an area which had been approved for rezoning from residential to commercial use in a general revision of the local zoning map and ordinance that was in preparation. (2) Although specific sections of the revisions, including the section involving the lot in question, had been tentatively approved, final approval had not been given to the complete revision at the time of sale, but this action had been taken a few days following the sale. For several months prior to the sale there had been a public notice of the proposal to rezone affixed to a sign near one corner of the property. (3) In his inspection of the property, REALTOR® A had not noticed the sign. (4) Other sales in the rezoned area



substantiated the client's belief that the shift to commercial zoning supported a value at approximately eight times the price received for the lot.

REALTOR® A's defense was that the ordinance putting the rezoning into effect had not been enacted at the date of his sale of the client's property, and that he had no knowledge at the time of the rezoning proposal.

The Hearing Panel's conclusion was that REALTOR® A had violated Article 1 and was definitely deficient in his professional obligations in this instance; that before suggesting a price to his client he should have checked the property carefully enough to have seen the notice concerning a proposal for rezoning; and that as a REALTOR® active in the area he should have been aware of the extensive changes that were being proposed in his city's zoning ordinance. Such knowledge was within his obligation under Article 1 to protect the best interests of his clients.

# Garrett County Board of REALTORS®

GCBR News Briefs – November 1, 2009

## Membership Update

### New REALTOR® Members:

None

### New Affiliate Members:

None

### Drops:

Mark Russell – Wisp Resort Development  
Heather Bosley – Goodfellow Real Estate Services  
Kym Newmann – Long and Foster Real Estate Inc.  
Rachael Lohr – Goodfellow Real Estate Services

### Transfers:

Karen Doerr – Metro Referrals

### Office Changes:

Sweitzer, Simson and Associates is now:

### **MLend**

John Simson/Dave Sweitzer  
328 Spring Glade Road Unit 1  
Oakland, MD 21550  
Telephone: 301-387-0661  
Cell Phone: 301-501-0676  
Fax Number: 301-387-0665

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## **DUES**

Dues notices have been sent to all brokers for distribution to the membership. If you have not received your dues notice, please see your broker.

**NAR \$115.00, MAR \$194.00, GCBR \$300.00    Total 2009-10 Dues \$609.00**

**GCBR Bylaws, Article X, Section 3 Dues Payable. Dues for all members shall be payable annually in advance of the first day of November.**

If you would like to pay your dues via credit card, you will be able to do so beginning October 30, 2009 at the NAR website at [www.realtor.org](http://www.realtor.org) click on “Login” and “Pay Dues” from the top right corner of the main screen.



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## **Government Affairs Director Report – Paul Durham**

### **Update on the Federal Tax Credit Extension and Expansion:**

The news on this issue changes daily. As of this writing...

Although the Senate was not able to reach a procedural agreement to schedule a vote on the Unemployment Insurance extension, the Dodd-Lieberman-Isakson Amendment to extend and expand the Tax Credit is contained in the bill.

The Senate is expected to vote, Monday evening, for a "Motion to Invoke Cloture" if 60 Senators vote yes on the cloture motion, the Senate will then be able to schedule a vote on the bill that contains the Dodd-Lieberman-Isakson Amendment.

Once the Senate acts, the tax credit must still go to the House of Representatives for action.

GCBR REALTORS® are urged to respond to NAR's Call for Action [www.realtoractioncenter.com](http://www.realtoractioncenter.com) to contact members of Congress to support the tax credit extension. NAR will continue to provide updates on the tax credit as events warrant.

There was an additional development in the Senate on OCT 29:

The FHA, Fannie and Freddie Loan Limits at the \$729,750 level through December 31, 2010 was passed by the Senate and is now being sent to President Obama for his signature into law. Since the provision is part of the Continuing Resolution, which is necessary to keep the government operating, it is expected to be signed into law quickly. This was important victory for market stability across the board.

### **GCBR Members Participate at County Ordinance Meeting:**

The Planning Commission meeting on OCT 14 was very well attended. There were more than two hundred people present and public comments went past 11:00. A number of Realtors spoke individually and we can be proud of their testimony and presentations!

It appears that the most controversial items are the new AR and RR resource protection districts and the new Scenic Protection Overlay districts. Almost all of the folks from the farming community who spoke objected to the mandatory clustering and the 66% to 80% set aside requirements. Lots of passionate comments about the erosion of property rights.

On the Scenic Protection districts issue, people expressed concerns dealing with among other things the lack of grandfathering protection, the idea that the standards may be overkill, or that the standards were difficult to understand or apply.

The Planning Commission will meet next on Thursday NOV 12 to review the comments received and possibly make adjustments to the ordinances. After that, they will hold a public hearing which is slated for some time in December.

Final action by the County Commissioners is slated for some time in late January or February. You may want to convey this information and these dates to your contact lists to encourage maximum participation and comment.

GCBR members are encouraged to talk individually with Planning Commission members to let them personally know your position or thoughts on the changes being proposed.

The current members of the Garrett County Planning Commission are:

Troy Ellington, Chairman  
Ruth Beitzel  
George Brady  
Tim Schwinabart  
Jeff Messenger  
Frederick Holliday, Ex Officio  
Gary Fratz  
Joe McRobie-Alternate  
Tony Doerr-Alternate

### **NAR Conducting Legal Review of Scenic Protection Overlay District Ordinance:**

We are pleased to report that NAR accepted a request from the Garrett County board to conduct a legal review of the county's proposed Scenic Protection Overlay District ordinance. This will be done by the law firm of Robinson and Cole, who are retained by NAR as part of their Land Use Initiative program. This service is offered at no cost to GCBR and the review will be used by the Board to develop further commentary as the proposal moves forward into the public hearing phase.

### **DNR Receiving Comments on Proposed PWC Regulation Changes:**

The DNR is proposing new standards on the number of PWCs that may be moored at Type-A docks and at common docks approved under a Development Permit. If approved, PWCs that weigh 500 pounds or less may still be beached on shore and PWC stands may still be used with a permit. A certain number of heavier PWCs may instead be moored at docks.

*DNR reports "This action is being taken to address the changes in boating trends as observed on Deep Creek Lake. Personal watercraft (PWC) are popular and affordable recreational motorized vessels. They can be docked in a boat slip or secured to cleats at a dock. The convenience of storing a powerboat at a dock overnight is of value to renters, homeowners, and property managers. Of the estimated 3,000 power vessels docked on Deep Creek Lake during the recreational boating season, a conservative estimate of 900 of these are illegally docked overnight. The violation is that the number of power vessels at the docks exceeds the number allowed by the holders of the annual Buffer Strip Use permit. The sales of PWCs has slowed in the past few years as awareness of the restriction of number of power vessels permitted at docks has been raised and that PWCs over 500 pounds cannot be stored on the State-owned buffer strip."*

The proposed regulations were posted in the Maryland Register on October 9 and the DNR is accepting written comments through November 9. You may access the proposal on the Register web site at...

[http://www.dsd.state.md.us/mdregister/3621/main\\_register.htm](http://www.dsd.state.md.us/mdregister/3621/main_register.htm)

The proposal is also posted on the DNR web site at...

<http://www.dnr.state.md.us/publiclands/western/deepcreeklake.html>

Written comments may be sent to Carolyn Mathews, Manager, Deep Creek Lake NRMA, 898 State Park Road, Swanton, MD 21561, or call 301-387-4111, or email to [lakemanagement@dnr.state.md.us](mailto:lakemanagement@dnr.state.md.us), or fax to 301-387-2586.

A public hearing has not been scheduled.

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## **EDUCATION**

### **MD Real Estate License Renewal Requirements**

#### ***Required Topics for ALL Licensees***

1. Topic D – Ethics and Predatory Lending – 3 clock hours
2. Topic A – Federal, state or local legislative issues – 3 clock hours
3. Topic C – Fair Housing Law – 1.5 clock hours
- 4.

#### ***Total Hour Requirements – 15 clock hours***

Effective October 1, 2008 requires licensees to retain documents for 5 years.

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## **Maryland Association of REALTORS®**

### **Legal Hotline**

Free, authoritative legal information is available by calling the MAR Legal Hotline. Questions on all aspects of real estate law are answered. Sales agents may call the hotline up to four times per year; designated REALTORS® have unlimited calls. A written response is provided to the caller and the identified broker or office manager.

**Call 1-800-888-1272**

**Open:** Monday, Wednesday & Friday

#### **Hours of operation:**

10:00 am – 12 Noon

& 2:00 pm – 4:00 pm

OR, you may choose to submit Legal Hotline questions via the Web-Question Form. Simply click go to the MAR website at [www.mdrealtor.org](http://www.mdrealtor.org) access the Legal Affairs tab on the left of the screen and click on the Legal Hotline Web-Question Form, fill out and submit. You will receive a response within 48 business hours.

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## **National Association of REALTORS®**

Federal Political Coordinators (FPCs) from twenty-nine states traveled to Washington D.C. to lobby members of the House Ways and Means and Senate

Finance Committees. The FPCs urged Congress to extend and expand the \$8,000 First Time Homebuyer Tax Credit before it expires on November 30, 2009.

In addition to the Fly-In NAR is employing a comprehensive strategy to ensure our burgeoning housing recovery grows stronger enough to help pull the economy as a whole out the recession.

1. President Charles McMillan has released a podcast highlighting the tax credit and other NAR initiatives in Congress.
  2. [NAR First Vice-President Ron Phipps testified in front of the Senate Banking Committee to highlight the necessity of extending and expanding the tax credit.](http://www.realtor.org/fedistrk.nsf/files/testim_sbhua_102009.pdf/$FILE/testim_sbhua_102009.pdf)[http://www.realtor.org/fedistrk.nsf/files/testim\\_sbhua\\_102009.pdf/\\$FILE/testim\\_sbhua\\_102009.pdf](http://www.realtor.org/fedistrk.nsf/files/testim_sbhua_102009.pdf/$FILE/testim_sbhua_102009.pdf)
  3. NAR members have sent more than 450,000 letters to Congress with our Call for Action.
  4. Additionally NAR has been running print advertising in the influential Capitol Hill Newspapers read by Members of Congress and staff.
  5. NAR has also been running on-line ads in the *Wall Street Journal*, *New York Times*, *Washington Post* and on Google.
- These on-line ads have been viewed more than 25 million times.

Although the current Call for Action is our most successful grassroots effort in NAR history, we are looking for an additional 40,000 NAR members to respond to the Tax Credit Call for Action.

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### **Case Studies Interpretation of the Code of Ethics**

CASE STUDIES ARE PULLED FROM “INTERPRETATIONS OF THE CODE OF ETHICS AND ARBITRATION MANUAL” OF THE NATIONAL ASSOCIATION OF REALTORS®

**Case #1-23: Claims of Guaranteed Savings** (Adopted November, 1993 as Case #7-27. Revised April, 1994. Transferred to Article 1 November, 1994.

In response to REALTOR® A’s advertisement, “Guaranteed Savings! Don’t purchase without representation,” Mr. and Mrs. B signed an exclusive buyer representation contract with REALTOR® A. After viewing several homes accompanied by REALTOR® A, Mr. and Mrs. B decided to make an offer on 1234 Hickory. The seller did not accept the offer. The listing broker explained to REALTOR® A that the sellers were well-situated, spent much of their time at their vacation home, and had determined not to accept anything other than the listed price. REALTOR® A, in turn, explained that to Mr. and Mrs. B. In response to their questions, he indicated that there appeared to be little point in making anything other than a full price offer but that he would be happy to continue to show them other properties. Mr. and Mrs. B responded that they were not interested in other properties and had decided to make a full price offer on the Hickory Street residence. They did and their offer was accepted.

Following closing, and after discussing their transaction with friends, they wrote a letter to the Board of REALTORS® indicating that while they were pleased with the service provided by REALTOR® A, they thought that his claim of “guaranteed savings” was an exaggeration. After obtaining and reviewing a copy of the Code of Ethics, they filed a formal complaint alleging that Article 1, as interpreted by Standard Practice 1-4, had been violated.

At the hearing, REALTOR® A defended his advertisement on the basis that as a buyer’s agent he was able to aggressively negotiate purchase agreements on behalf of his clients whereas the listing broker or subagents, with their loyalty to the seller, could not. He also indicated that, in many instances, his buyer clients paid less, often substantially less, than buyers dealing through listing brokers, subagents, or even through other buyer agents. However, in response to questioning by Mr. B’s attorney, REALTOR® A acknowledged that, while savings were not uncommon, they were not ensured in every instance, particularly in cases where the seller was determined to receive full price. “But I offered to show them other properties and, if we looked long enough, I am sure I could have found them a bargain,” offered REALTOR® A in his defense.

The Hearing Panel disagreed with REALTOR® A’s reasoning, concluding that while savings might be possible, REALTOR® A had been unable to demonstrate them in every instance and that this guarantee of savings was misleading. Consequently, his advertisement was in violation of Article 1.

**Wishing you Thanksgiving Blessings.**

# Garrett County Board of REALTORS®

GCBR News Briefs – December 1, 2009

## Membership Update

### New REALTOR® Members:

#### New Affiliate Members:

Patty Pierleonardi, Pest Management Services Inc.  
19955 Highland Vista Dr. #145  
Ashburn, VA 20147  
703-314-2408  
[Pestpatty20@aol.com](mailto:Pestpatty20@aol.com)

#### Drops:

Bryon Bowman – United Country Humberson Homes

#### Transfers:

#### Office Changes:

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## **2009-10 DUES**

**A 10% compounding late fee for unpaid dues goes into effect on Dec. 1, 2009.**

**NAR \$115.00, MAR \$194.00, GCBR \$300.00 + \$30.00 (10% late fee)  
Total 2009-10 Dues \$639.00**

**GCBR Bylaws, Article X, Section 4. Nonpayment of Financial Obligations. If dues, fees, fines, or other assessments including amounts owed to the Board are not paid within one (1) month after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors.**

If you would like to pay your dues via credit card, go to the NAR website at [www.realtor.org](http://www.realtor.org) click on “Login” and “Pay Dues” from the top right corner of the main screen.

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## **Government Affairs Director Report – Paul Durham**

### **County Commissioners Propose Legislation:**

At its November 17 meeting, the Board of County Commissioners presented four legislative requests to Senator George Edwards and Delegate Wendell Beitzel for submission in the upcoming 2010 General Assembly session.





There are three items from the list that affect the real estate industry in Garrett County.

**1) Hotel/Motel/Accommodations Tax Increase** - Authority to increase the hotel rental tax may be of interest to GCBR members and TVRU property owners. The legislation expands the authority of the county to increase the hotel rental tax to a rate not to exceed 8%. The current rate is 5%. There were a number of comments made at the meeting in opposition to increasing the tax rate. This authority was requested in the 2009 session but it stalled in a House committee, thus it will be resubmitted again for 2010.

**2) Commercial Grade Wind Turbines Setback Standards** - This legislation mirrors a similar one from the 2009 session and again seeks county authority to regulate industrial/commercial grade wind turbine setbacks. At the encouragement of the Delegation, the bill will be modified to also include authority to regulate the decommissioning of turbines. The commissioners unanimously agreed to that change.

**3) Authority to Force the Sale of Real Property for Delinquent DPU Fees** - This bill will give the county authority to place liens on properties that are 60 or more days delinquent in DPU payments/fees ("unpaid benefit assessments"). The county will also have the authority to disconnect service and proceed to a forced sale of the property should the fees not be paid. The county will utilize the same process as a property tax sale, but the time frame will not be the same, i.e. the sale could conceivably occur soon after the 60 day period if the timing of the DPU delinquency coincides with the property tax sale. According to the county, property owners are in arrears as much as \$282,000 in missed payments, most are two to four quarters late. According to DPU there is no mechanism for enforcement.

As is usually done, Senator Edwards and Delegate Beitzel will soon be holding a public meeting to take comment on these and other pieces of legislation. Date and time is still TBA.

### **MAR Preparing for 2010 Legislative Session:**

Paul Durham will attend a meeting of all Maryland GADs on December 1 to discuss the upcoming 2010 Elections and the NAR Electoral Services Program that NAR has available for local and state associations to assist in their electoral activities. Both Gerry Allen and David Watts from NAR will provide an overview of the ESP program as well other programs available to local associations.

MAR will also briefly preview anticipated issues for the 2010 Legislative Session in Annapolis, and the process that Maryland RPAC will be taking regarding open seat and incumbent challenges in the 2010 election.

GCBR has identified Smart Growth legislation as one area of concern, as has the county governments in both Garrett and Allegany Counties. We will be watching closely to see if any new bills come up that would impact us on the local level.

### **County Ordinance Updates – Planning Commission deliberating:**

The Planning Commission met on November 12 and continued its deliberation on the proposed changes to the DCL Zoning Ordinance, the county's Subdivision Ordinance, and the Sensitive Areas Ordinance.

It appears that significant changes have been made to the Scenic Protection Overlay District Standards, and to those that will apply to the AR (Agricultural Resource) and RR (Rural Resource) areas. However, GCBR is waiting to see the language of those specific changes before making further comment.

One area of concern remains - the lack of grandfathering protection for lots of record that will be affected by the scenic protection standards. There are over 100 existing parcels that have been identified as unbuilt and which would come under the requirements of these new standards.

The Commission has asked the county attorney to review the lack of grandfathering and whether it exceeds the recommendation in the Comprehensive Plan, which called for the standards to be applied at the time of plat recordation, i.e. for new development. The Commission meets again on December 9. Public hearings on the proposals should occur in early 2010.

#### **NAR Conducts Legal Review of Scenic Protection Overlay District Ordinance:**

We are pleased to report that NAR's Land Use Initiative program provided GCBR with a timely and thorough brief of the proposed scenic protection standards. While this issue is very much in flux on the county level, GCBR is utilizing the results from the LUI brief in its participation at the Planning Commission meetings. NAR did note the problems associated with the lack of grandfathering protection for existing recorded lots. GCBR used the information in the brief to express to the county that the lack of grandfathering protection exceeds the recommendations of the Comprehensive Plan.

This extremely valuable legal review service is provided at no cost to GCBR.

#### **DNR Reviewing Comments on Proposed PWC Regulation Changes:**

DNR Lake Manager Carolyn Mathews reports that she is reviewing the comments on the proposed new PWC docking standards. Those who provided written comments will receive a written response back from her. The Policy and Review Board will also be reviewing the comments and responses.

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### **Turn Tax Dollars Back Into Your Dollars**

**Find \$100.00 a Minute**

**FREE to GCBR Members**

### **Attend Tax Strategies for the Real Estate Professional**

**This non-credit course was presented at the Maryland Association of REALTORS®  
Conference in September 2009.**

**Coming to GCBR on Wednesday, January 20, 2010**

**10:30 – 11:30 am**

**12:30 – 1:30 pm**

**Held in the GCBR Conference Room**

**Seating limited to 20 members per session**

**An email registration form will be sent to all members by the middle of December.**

**12/01/09 Update – seats are filling up fast, call today if you want to attend!**

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## **EDUCATION FLASH!**

**In an effort to make things more cost effective for both GCBR and its' members, we will be scheduling more continuing education classes and have these classes held in the Board**

Office Conference room. Seating will be limited to 25 students per class and each of the January, February and March sessions will be available on two different dates as follows:

Wednesday, January 6, 2010	1:00 – 2:30	“Maryland Fair Housing” (C)
Wednesday, January 13, 2010	10:00 – 11:30	“Maryland Fair Housing” (C)
Wednesday, February 17, 2010	9:00 – 12:00	“Maryland Legal Update” (A)
Wednesday, February 24, 2010	9:00 – 12:00	“Maryland Legal Update” (A)
Wednesday, March 10, 2010	9:00 – 12:00	“Real Estate Agency in MD” (A)
Wednesday, March 24, 2010	9:00 – 12:00	“Real Estate Agency in MD” (A)

<u>Cost:</u> 1.5 hours	\$10.00 (Realtor®)	\$20.00 (non-REALTOR®)
3.0 hours	\$20.00 (Realtor®)	\$30.00 (non-REALTOR®)

Registration flyers will be emailed to the membership in advance of the scheduled classes.

As per the Maryland Real Estate Commission, you must be signed in and prepared when the class begins. If you arrive late or leave early, you will not get credit for the class. The Commission accepts no excuses at all.

## **MD Real Estate License Renewal Requirements**

### ***Required Topics for ALL Licensees***

1. Topic D – Ethics and Predatory Lending – 3 clock hours
2. Topic A – Federal, state or local legislative issues – 3 clock hours
3. Topic C – Fair Housing Law – 1.5 clock hours

### ***Total Hour Requirements – 15 clock hours***

Effective October 1, 2008 requires licensees to retain documents for 5 years.

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## **MRIS UPDATE and Information**

### **Enhancements to Secure Login are Coming!**

MRIS's Secure Login team continues to make progress towards introducing the new authentication system that will offer you the convenience of not having to use the tokens to login. You have already seen changes to the Secure Login screen. The next step is the launch of the new Secure Login process which is expected to begin by the end of 2009. MRIS customers will be notified on a rolling schedule of when to stop using your token and begin using a self-selected password. For now, continue to use your token.

<b>Some cool products that are worth taking a look at! Offered Through MRIS</b>
---------------------------------------------------------------------------------

**Titan:** Custom CMA's and flyers! This program allows you to make adjustments and is a great listing tool. It also works well when buyers are asking for comps.

**List Hub:** Great Listing Tool! Track web traffic! Impress your sellers.

**Real Ping:** More than just a talk to me service.

**Tools To Help You Succeed.....**

## ***Test Yourself: Do You Know the Compliance Do's and Don'ts?***

11/30/2009\_\_

Reviewing a handy "cheat sheet" on the MRIS website can help you avoid compliance fines. These "do's and don'ts" are based on the inquiries most frequently fielded by the Compliance Department. Think of this document as a refresher on the MRIS Rules & Regulations around Short Sales, entering your Listings, and adding Remarks. [Download the Do's and Don'ts PDF document](#) and post it near your computer.

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## **National Association of REALTORS®**

### **REALTORS Property Resource(TM)**

NAR's Second Century Initiatives include the creation of the REALTORS Property Resource™ (RPR), an online real estate library/archive that will provide real estate professionals with data on every property in the United States.

This initiative will provide access to a national database of real property information and will give real estate professionals the best access to real property information needed to serve their clients and customers. It will include in-depth, trusted information on every parcel of real property including public record information, details of prior transactions, MLS-provided information, zoning information, transfer tax information, and other relevant information.

The initiative will be based on the collaborative efforts of REALTORS® and the real estate community, including MLSs. It will drive development and implementation of data standards and definitions, and will increase the breadth, depth, immediacy and power of real estate information available to REALTORS®

## **New Mobile Site from Lowe's – Exclusively for NAR Members**

REALTOR Benefits® Program Partner **Lowe's now provides a free mobile site** that enables NAR members to send personalized Lowe's direct mail coupons and e-coupons to buyers and sellers from their cell phones or other handheld devices – **FREE!** Check it out today by visiting [Lowe'sRealtorBenefits.com](http://Lowe'sRealtorBenefits.com) on

your cell phone and use the same username and password you created when setting up your account. Don't have an account? [Click here](#) to register online.

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## Case Studies Interpretation of the Code of Ethics

CASE STUDIES ARE PULLED FROM "INTERPRETATIONS OF THE CODE OF ETHICS AND ARBITRATION MANUAL" OF THE NATIONAL ASSOCIATION OF REALTORS®

### **Case #1-25: Disclosure of Latent Defects** (Adopted November, 2000.)

REALTOR® A had listed Seller S's vintage home. Buyer B made a purchase offer that was contingent on a home inspection. The home inspection disclosed that the gas furnace was in need of replacement because unacceptable levels of carbon monoxide were being emitted.

Based on the home inspector's report, Buyer B chose not to proceed with the purchase.

REALTOR® A told Seller S that the condition of the furnace and the risk that it posed to the home's inhabitants would need to be disclosed to other potential purchasers. Seller S disagreed and instructed REALTOR® A not to say anything about the furnace to other potential purchasers. REALTOR® A replied that was an instruction he could not follow so REALTOR® A and Seller S terminated the listing agreement.

Three months later, REALTOR® A noticed that Seller S's home was back on the market, this time listed with REALTOR® Z. His curiosity piqued, REALTOR® A phoned REALTOR® Z and asked whether there was a new furnace in the home. "Why no," said REALTOR® Z. "Why do you ask?" REALTOR® A told REALTOR® Z about the home inspector's earlier findings and suggested that REALTOR® Z check with the seller to see if repairs had been made.

When REALTOR® Z raised the question with Seller S, Seller S was irate. "That's none of his business," said Seller S who became even angrier when REALTOR® Z advised him that potential purchasers would have to be told about the condition of the furnace since it posed a serious potential health risk.

Seller S filed an ethics complaint against REALTOR® A alleging that the physical condition of his property is confidential; that REALTOR® A had an ongoing duty to respect confidential information gained in the course of their relationship; and that REALTOR® A had breached Seller S's confidence by sharing information about the furnace with REALTOR® Z.

The Hearing Panel disagreed with Seller S's contentions. It noted that while REALTORS® do, in fact, have an obligation to preserve confidential information gained in the course of any relationship with the client, Standard Practice 1-9 specifically provides that latent material defects are not considered "confidential information" under the Code of Ethics. Consequently, REALTOR® A's disclosure did not violate Article 1 of the Code of Ethics.

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The GCBR office will be closed on Thursday, December 24<sup>th</sup> and Friday, December 25<sup>th</sup> in observance of the Christmas holiday and on Friday, January 1<sup>st</sup> for the New Year holiday.

Wishing you all a very happy holiday season  
and the very best in 2010!