

# Garrett County Board of REALTORS® News Briefs

## January 2017



### Membership Update

#### New REALTOR® Members:

Richard Zimmerman, Coldwell Banker Deep Creek Realty  
John Pierce, Railey Realty  
Lynne Storey, Coldwell Banker Deep Creek Realty

#### New Affiliate Members:

#### Drops:

Susanne Beeman, Coldwell Banker Deep Creek Realty  
Melissa Long, Coldwell Banker Deep Creek Realty  
Sandi Flockhart, Coldwell Banker Deep Creek Realty

#### Transfers:

#### Changes:

F.J. Grady has been promoted with Farm Credit and moved out of the area and the Oakland representative is now:

Casey Hayes

Email: [chayes@fcvirginias.com](mailto:chayes@fcvirginias.com)

Phone: 301-334-8542 ext. 2314

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### **REALTOR® Dues Reminder**

If your 2016-17 dues are not paid by January 31, 2017 a 10% late fee will be added and the amount owed is \$801.87. **Effective February 1, 2017 any members who have not paid their dues will automatically be terminated from membership. If terminated and you want to rejoin, you must do so as a new member, submit application and pay application fee plus dues and late fees.**

If you wish to pay via credit card online go to the NAR website at [www.realtor.org](http://www.realtor.org)  
Login and click on Pay Dues.

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## **Government Affairs Report, Paul Durham G.A.D.**

### **Garrett County Commissioners Present “State of the County” Report at Garrett College – video available online:**

The Garrett County Commissioners presented their annual State of the County report to a very light crowd on the evening of December 20<sup>th</sup> at Garrett College. The presentation included individual reports from various county department heads, including County Roads, Economic Development, Finance, and Planning and Land Development.

The Finance Department’s presentation may be of particular interest to our members because it helps to understand demands on the county’s budget and the real property tax revenue stream.

GCBR is experimenting with making digital video recordings of local government presentations and meetings, and we are making the videos available to our members online. Your feedback on this service is welcome.

The video can be found online at:

<https://drive.google.com/open?id=0B9JmKnU5hrOkTTFqSjFDNXJJZU0> and

<https://drive.google.com/open?id=0B9JmKnU5hrOkdDR0c1ZZbm5QcW8>

The presentation is viewable in two video streams due to connection issues at the college.

### **Garrett County Planning Commission Reviewing Comprehensive Plan – working on update:**

On December 7, 2016, the Garrett County Planning Commission began their review of the 2008 Garrett County Comprehensive Plan. At each meeting they will set aside an hour to discuss the document, starting with Chapter 1 and proceeding through the document in order. At the December 7th meeting they reviewed both Chapter 1 and Chapter 2 and discussed the methodology for projecting growth in the county.

The Planning Commission will meet again on January 4 at 1:30 PM at the County Commissioners’ meeting room at the courthouse. The public is encouraged to participate at the Commission’s monthly meetings and to provide input during this review phase. The public may read the entirety of the [2008 Comprehensive Plan](#)

The Planning Commission is reviewing the chapters to determine which sections need updated, edited, deleted or added. At the end of the review, all minutes and recordings of the meetings, all public comment received, and all related pertinent information will be given to a contractor, whose job it will be to perform the update to the document. Once the contractor is hired a draft document will be written that will then go through a series of public meetings and review processes before a final draft will be written.

To comment on any of the chapters during the review and contribute your suggestions please fill out the [Public Comment Form](#) provided. The public is also invited to attend any of the Planning Commission meetings, which are held the first Wednesday of every month at 1:30 p.m. in the Commissioners Meeting Room. All meeting minutes, agendas, and recordings of the meetings are posted on the [Planning Commission's Web Page](#).

### **Legislative AELR Committee Reacts to Proposed Fracking Regulations:**

The long awaited draft fracking regulations were finally released by the Maryland Department of the Environment (MDE) on November 14. The public had been patiently waiting for the releases after the October 1 deadline for adoption had passed without action on the part of MDE. Legislation passed in the 2015 General Assembly requires MDE to adopt regulations to manage the industry.

The legislature's AELR (Administrative, Executive, and Legislative Review) Committee held a hearing on the proposed regulations on December 20 in Annapolis. After the hearing, they sent a letter to both Governor Hogan and MDE Secretary Grumbles expressing concerns about the regulations that MDE developed over the past year and a half. This brings an additional dimension to the debate over fracking during the 2017 General Assembly session, which begins on January 11. It is expected that a debate between regulating fracking or banning it will receive a lot of attention, both locally and in Annapolis.

The letter from the AELR can be viewed online at:

<https://drive.google.com/open?id=0B9JmKnU5hrOkLXU2bDNfZVVfZEK>

The proposed regulations can be viewed online at:

<http://www.dsd.state.md.us/MDR/4323.pdf>

In many respects, the proposed regulations are similar to those proposed by the O'Malley administration in December 2014. Some changes to the regulations tightened certain standards while others relaxed administrative requirements. There are differing opinions as to whether the regulations are adequate to properly regulate the extraction of natural gas using hydraulic fracturing methodologies. The state maintains that the regulations will be the strictest in the nation, while anti-fracking activists condemn any form of regulation as being inadequate to regulate what they view as an otherwise dangerous and unhealthy industry.

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### **2017 Winter Continuing Education Schedule**

There is now a link on the Public side of the GCBR website [www.gcbr.org](http://www.gcbr.org) where you can access the CE Shop to take online CE classes if needed.

Wednesday, January 18, 2017

**"Contracts"**

**9:00 a.m. - 12:00 noon Topic F**

**Gary Sabo, Instructor**

**Course ID#094-0709**

Wednesday, February 15, 2017      **"Risk Management"**  
10:00 a.m.-11:30 a.m. Topic F  
Gary Sabo, Instructor  
Course ID-TBA

Wednesday, March 29, 2017      **"Solving Seller Issues"**  
10:00 a.m.-11:30 a.m. Topic F  
Bob Carney, Instructor  
Course ID-TBA

Thursday, April 20, 2017      **"Legislative/Legal Update"**  
9:00 a.m.- 12:00 p.m. Topic A  
Chuck Kasky, Instructor  
Course ID-TBA

Registration flyers will be faxed or emailed upon request.

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.

- 48-hour cancellation notice required for a refund.

## MD Real Estate License Renewal Requirements

### *Required Topics for ALL Licensees*

1. Topic A – Federal, state or local legislative issues – 3 clock hours
2. Topic C – Fair Housing Law – 1.5 clock hours
3. Topic D – Ethics and Predatory Lending – 3 clock hours
4. Topic H – MREC – Agency-Residential – 3 clock hours
5. Topic I - MREC Supervision, Broker, Branch Office Manager & Team Leader – 3 clock hours  
(this is required for all Brokers, Office Managers & Team Leaders but is available to anyone needing CE hours)
6. Topic E and F – Elective – 4.5 hours

*Total Hour Requirements – 15 clock hours*

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## National Association of REALTORS®

### Follow-Up Info Homeowners Want From You

DAILY REAL ESTATE NEWS | WEDNESDAY, DECEMBER 07, 2016

Are you trying hard enough to keep in touch with past clients? You may want to reassess your efforts, as nearly half of homeowners say they don't have a "go-to" real estate agent, according to the 2016 Homeowners Survey conducted by Happy Grasshopper, an email

marketing software company. The survey, based on responses from 300 homeowners, suggests many real estate pros are leaving future business on the table by failing to follow up with clients. Furthermore, 70 percent of survey respondents say they did "very little" or "some" research before selecting a real estate agent.

"The study shows a large percentage of the market is up for grabs, not only because many homeowners do not have a preferred agent, but also the fact that most homeowners aren't doing heavy research before hiring one," says Dan Stewart, CEO and co-founder of Happy Grasshopper. "This suggests communication initiated by an agent might be enough to turn a lead into a sale, even if it takes years before the client is ready to buy or sell. Agents are missing opportunities to cultivate relationships with past and potential clients so when it is time to move, they know who to call."

Thirty-six percent of homeowners say they find it beneficial to receive communication from a real estate professional, even if they aren't in the market to buy or sell, according to the survey. They say they are particularly interested in receiving information such as listings and open houses in their neighborhoods. Forty percent say they would like to receive home maintenance tips and information on neighborhood events.

But only 19 percent of homeowners say they actually receive such communication from their real estate professional. The study found that homeowners overwhelmingly prefer to receive information via email instead of text message, phone call, or social media communication.

"Staying in touch is possibly the most underrated and underused tactic that I see from my colleagues in the industry, despite the fact that it's as easy as sending an email," says Matt Bohanon, ABR, SRS, a team leader at Keller Williams Realty Select in Sarasota, Fla.

"Keeping frequent communication, even with the people who seem like they'll never buy or sell, will eventually pay off — maybe not through a transaction, but they'll most likely refer you to their friends."

*Source: Happy Grasshopper*

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## **Maryland Real Estate Commission**

Recently they have received over 300 emails bounced back. It is important that you maintain a current email address with the Commission.

To update your email address, please to <https://www.dllr.state.md.us/cgi-bin/ElectronicLicensing/RE/interim/REInterim1.cgi>

If you have trouble logging in to your account, scroll down the page and click on "forgot password." If you need assistance, please give them a call 410-230-6230 or email at [d1mrec-d1lr@maryland.gov](mailto:d1mrec-d1lr@maryland.gov)

Maryland REALTOR® December/January 2017 Magazine

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## Maryland Association of REALTORS®

Free, authoritative legal information is available by calling the MAR Legal Hotline. Questions on all aspects of real estate law are answered, including license law, agency, contracts, deposits and disclosures. An appropriate written response may be provided to the caller and the identified broker or office manager.

*Call 1-800-888-1272*

**Open:** Monday, Wednesday, and Friday

**Hours of operation:**

10:00 a.m. - 12 Noon  
& 2:00 p.m. - 4:00 p.m.

**OR,**

You may choose to submit Legal Hotline questions via the [Web-Question Form](#).

Simply click on the link to the left, fill out the form and submit.

We make every effort to respond within 2 business days.

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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 #10-4: Use of "Choose Your Neighbor" Marketing Letters** (Adopted November, 1987.)

REALTOR® A listed a property in a new subdivision. At the instruction of his client, Seller X, REALTOR® A did not file information on the listing with his Board's MLS, did not place a "For Sale" sign on the property and did not advertise the property in the local newspaper. Seller X had told REALTOR® A that he wanted the sale handled quietly, with the new purchasers being people who would "fit into the neighborhood – people with the same socioeconomic background" as the other residents of the subdivision.

Based on his conversation with Seller X, REALTOR® A's only marketing effort was mailing a letter to the other residents of the subdivision, inviting them "... to play a part

in the decision of who you would like to live in the neighborhood, please let them know of the availability of this home, or call me and I will be happy to contact them and arrange a private showing.”

REALTOR® A’s marketing strategy came to the attention of REALTOR® B, whose mother lived in the subdivision REALTOR® B filed a complaint charging REALTOR® A with a violation of Article 10 of the Code of Ethics.

At the hearing, REALTOR® B told the Hearing Panel of receiving a copy of the marketing letter from his mother, who had recently moved to the subdivision. REALTOR® B advised the panel that he had checked the Board’s MLS for information on the property, had driven past the house to look for a “For Sale” sign and had scanned the Sunday real estate section of the local newspaper for information on the property. Finding no mention of the property in either the MLS or the newspaper and noting that absence of a sign on the property, REALTOR® B concluded that REALTOR® A’s marketing strategy was to limit access to the property to individuals preselected by the current residents. “In my mind,” said REALTOR® B, “this could only mean one thing. REALTOR® A was deliberately discriminating against home seekers from other areas, or those of different backgrounds, who would never have the opportunity to learn about the house’s availability. Obviously, REALTOR® A was directing all of his marketing energies into finding purchasers who would not disrupt the ethnic and economic character of the neighborhood.”

REALTOR® A defended his actions by advising the panel that he was acting on Seller X’s instructions. Seller X appeared as a witness for REALTOR® A and confirmed the fact, adding that he and the other residents of his block had an informal agreement that they would try to find “suitable” purchasers for their homes if they ever decided to sell. Seller X felt that by broadening the marketing campaign to include all residents of the subdivision he had increased the chances of finding such potential purchasers.

The Hearing Panel found REALTOR® A in violation of Article 10 of the Code of Ethics. In their decision, the panel advised REALTOR® A that no instruction from a client could absolve a REALTOR® from the obligation to market properties without regard to race, color, religion, sex, handicap, familial status, or country of national origin, as expressed in Article 10. There was no doubt, in the panel’s opinion, that the exclusive use of “Choose Your Neighbor” letters to market the property was designed to circumvent the requirements of Article 10.

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### **ODDS ‘n ENDS**

Remember – the **HOA Contact** list is kept current and available to you on the GCBR website – member side at [www.gcbr.org](http://www.gcbr.org) if you obtain new contact information for any of





# Garrett County Board of REALTORS® News Briefs

## February 2017



### Membership Update

#### **New REALTOR® Members:**

Remington Friend, 1 Real Estate Source

Adam Conrad, Broker (Secondary Member)

Perry Wellington Realty, LLC

1103 N. Juniata Street

Hollidaysburg, PA 16648

814-695-5323

[adam@perrywellingtonrealty.com](mailto:adam@perrywellingtonrealty.com)

Jason Hightower, Broker (Secondary Member)

Lake Homes Realty

107 Hayesbury Drive, Suite 202

Pelham, AL 35124

866-525-3466

[jhightower@lakehomes.com](mailto:jhightower@lakehomes.com)

#### **New Affiliate Members:**

#### **Drops:**

Robin Moreau, Coldwell Banker Deep Creek Realty

Mark Utterback, Taylor Made Deep Creek Vacations & Sales

Jeff Gosnell, Railey Realty

Bob Stuck, Taylor-Made Deep Creek Vacations & Sales

#### **Transfers:**

Venus Stark to Perry Wellington Realty, LLC

[venus@perrywellingtonrealty.com](mailto:venus@perrywellingtonrealty.com)

#### **Changes:**

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## **Government Affairs Report, Paul Durham G.A.D.**

### **UPDATE - Garrett County Planning Commission Review of Comprehensive Plan:**

In December 2016, the Garrett County Planning Commission began their review of the 2008 Garrett County Comprehensive Plan. At each meeting they set aside an hour to discuss the document, proceeding through the document in order.

The Planning Commission will meet again on Wednesday February 1 at 1:30 PM at the County Commissioners' meeting room at the courthouse. The public is encouraged to participate at the Commission's monthly meetings and to provide input during this review phase. The public may read the entirety of the [2008 Comprehensive Plan](#) online.

At the February meeting the Commission will probably finalize its review of Chapter 2 and move on to Chapter 3.

To comment on any of the chapters during the review and contribute your suggestions please fill out the [Public Comment Form](#) provided. The public is also invited to attend any of the Planning Commission meetings, which are held the first Wednesday of every month at 1:30 p.m. in the Commissioners Meeting Room. All meeting minutes, agendas, and recordings of the meetings are posted on the [Planning Commission's Web Page](#).

### **Several New Bills in Legislative Session Affect Garrett County:**

The legislative session is in full swing and GCBR will be reviewing several new bills that have a direct effect on Garrett County. These bills will be reviewed at the Board's February 1 meeting.

#### **[SB0273](#) – Senator George Edwards, *State Forest, State Park, and Wildlife Management Area Revenue Equity Program***

This bill provides for a mechanism to distribute a portion of the revenue received on public lands located in a jurisdiction back to the local government. Local government will receive \$250,000 for each open space land unit in the county. This proposal helps to restore funds that were once provided to counties, but which had been redirected back to the state when the recession hit and there occurred a shortfall in state revenues. Restricting this revenue stream to the county will help to relieve pressure to increase the real property tax rate.

#### **[SB0396 / HB0477](#) – Senator George Edwards and Delegate Wendell Beitzel, *Natural Resources - Protection and Restoration of State-Owned Lakes***

This bill would benefit the Deep Creek lake area. Currently, there is no dedicated state funding source for the protection and restoration of state owned lakes. Deep Creek Lake has experienced several localized water quality issues in recent years and this bill would provide a funding mechanism to help the state address those issues.

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(this is required for all Brokers, Office Managers & Team Leaders but is available to anyone needing CE hours)
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**National Association of REALTORS®**

## Video Instructs on Use of NAR Marks

Are you and your members using NAR marks properly? A [video](#) explains their proper use..

NAR's [REALTOR Benefits® Program](#) with your members. This free and automatic benefit for REALTORS® provides savings and offerings from industry-leading partners including FedEx, FCA US LLC (formerly Chrysler Group LLC), REALTORS® Insurance Marketplace, and more.

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## Maryland Real Estate Commission

### MD Real Estate Commission makes changes to its fees



The MD Real Estate Commission has made some changes to its fees, effective January 2, 2017.

Here's the explanation from the Maryland Register: "The purpose of this action is to reduce the amount charged by the Real Estate Commission for license reactivation fees and eliminate the fee charged for a duplicate license. The fee for license reactivation has been reduced from \$50 to \$25."

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## Maryland Association of REALTORS®

### 132 Things Maryland REALTORS Can Do For Their Clients



Learn more about what Maryland REALTORS can do for their clients with this new brochure, "132 Things Maryland REALTORS Can Do For Their Clients". It's a great resource for consumers and your clients and customers.

[LINK TO ARTICLE...](#)

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## Case Studies Interpretation of the Code of Ethics

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### **Case #12-3: Exaggeration in Advertising**

In his efforts to sell a furnished apartment building, REALTOR® A, the listing broker, used newspaper advertising describing the property, including such phrases as “modern furnishings.... most units newly equipped with ranges and refrigerators...excellent earnings record.” Buyer B saw the ad, called REALTOR® A, was shown the property, signed an offer to buy, and wrote a check for a deposit. A few days later, he made a more careful inspection of the property and its earnings statements, and filed a complaint against REALTOR® A with the Board of REALTORS® charging misleading and exaggerated advertising.

The complaint was referred to the Grievance Committee which, after its review and evaluation, referred it to the Secretary directing that a hearing be scheduled before a Hearing Panel of the Professional Standards Committee.

At the hearing, Buyer B stated that because of certain pressures on him at the time, prudently or not, he had acted hurriedly in his business with REALTOR® A; that if the principle of caveat emptor governed the situation, he recognized the weakness of his position; that he also understood that his legal recourse was questionable; but that from the standpoint of ethical conduct he felt he had a grievous complaint against REALTOR® A that should be addressed.

He explained that he had been looking for just such an investment property in the general location; that the price appealed to him; that he had only a very limited time available on the day he was shown the property; that the three apartments which he was shown were attractively furnished and obviously had nearly new equipment in excellent condition; and that he had thought it advisable to make an offer, feeling that he could place full reliance on REALTOR® A’s representation of the property both in his oral statements and his newspaper advertising.

His second, and more thorough, inspection revealed that the three apartments shown to him were the only apartments in the building with modern furnishings; the other nine had unattractive, badly worn and outmoded furnishings, with kitchen ranges and refrigerators more than ten years old. Moreover, he said, the earnings record of the building, which by ordinary standards was satisfactory for the two years immediately preceding, had shown high vacancy and a loss in two of the ten years of the building’s life, had shown a definitely low return in three years, and had never show an earnings record that could be described as “excellent”.

Upon questioning as to whether full records of income and expenses had been submitted to him before he signed the contract, Buyer B said he was shown only the statements for the two proceeding years by REALTOR® A, who said that the other statements could be obtained for him, as was later done.

Responding to Buyer B's specifics, REALTOR® A pointed out that the complaint did not charge him with misrepresenting anything in his oral statements to Buyer B; that the complaint, therefore, was based solely on his advertisement which he felt did not depart from accepted standards in advertising; that since the building was about ten years old, he felt free to say that all of its features, including the furnishings, were "modern"; that when he stated "most units newly equipped with ranges and refrigerators" he based that, too, on the fact that the building was about ten years old; and that, in his opinion, the earnings record of the building for its entire operating life, since it had shown a loss in only two of its ten years, could reasonably be described as "excellent".

Questioning of REALTOR® A revealed that the three apartments shown to Buyer B were, in fact, furnished with better and more modern furniture than the other nine apartments, and that these three were the only apartments in which the original ranges and refrigerators had been replaced. REALTOR® A's comment on this was, "Naturally, in showing the building, I directed attention to the most attractive features. This is just ordinary competence in selling."

It was the conclusion of the Hearing Panel that REALTOR® A's advertising used exaggeration and had not presented a true picture in his representations to the buyer. REALTOR® A was found in violation of Article 12.

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### **ODDS 'n ENDS**

Remember – the **HOA Contact** list is kept current and available to you on the GCBR website – member side at [www.gcbr.org](http://www.gcbr.org) if you obtain new contact information for any of the HOA properties, please email Barb the updated information so the list can be kept current.

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# Garrett County Board of REALTORS® News Briefs

## March 2017



### Membership Update

#### New REALTOR® Members:

#### New Affiliate Members:

#### Drops:

Jerry Thayer, Garrett Land Sales

#### Transfers:

#### Changes:

Paul Macy, Broker for Garrett Land Sales

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### **Government Affairs Report, Paul Durham G.A.D.**

#### **MAR Call for Action – PLEASE READ AND RESPOND!:**

Thank you if you took action before, however, we are NOW targeting both Senate and House Members, so please take action again to include additional target recipient(s). As always, thank you for your advocacy efforts.)

*Please review background information below and [Take Action Here Urging your Delegate\(s\) and Senator to OPPOSE SB 266/HB 281.](#)*

**Background.** Currently, both the House and Senate are considering proposed legislation (SB 266/HB 281) that would significantly impact housing affordability on new construction throughout most of Maryland. The bill requires expensive septic systems costing \$10,000 more than conventional systems! The legislation reverses a regulation just passed in November that limited these systems to areas close to the Bay where they work more efficiently. MAR has issued an All-Member Call for Action opposing SB 266/HB 281, urging

REALTOR and/or homeowner constituents to email their Delegates to OPPOSE SB 266/HB 281.

Please review [MAR's SB 266/HB 281 Questions & Answers](#) before contacting your Delegate(s)/Senator to better understand this somewhat complex issue. Also, please review [MAR's Testimony Opposing SB 266/HB 281](#).

### **Why is Opposition to SB 266 and HB 281 so important?**

In 2012, Maryland passed a regulation expanding BAT (Best Available Technology) systems to the Chesapeake and Coastal Bay Watersheds (almost the entire State). BAT systems are septic systems that partially treat the effluent in the tank before it is released to the drain fields.

The 2012 regulation conflicted with legislation the Maryland General Assembly passed in 2009 which required BAT systems only in Maryland's Critical Areas (land that is within 1,000 feet of tidally influenced water). As introduced, that 2009 legislation would have required BAT systems throughout Maryland much like the 2012 regulation, but the Legislature rejected a far-reaching requirement like that.

This year Maryland passed a regulation that repeals much of the broad expansion included in the 2012 regulation. However, MAR expects there will be legislation this year attempting to reestablish the broader requirement of the 2012 regulation.

### **Why This is Important:**

BAT systems are 2-3 times the cost of normal septic system and many have a service maintenance contract that adds additional costs. In fact, the costs are so high that the Legislature mandated a grant program for existing property to cover the cost differential between the new technology and a standard septic system. Unfortunately, that grant money is not available for most new homes that were subject to the 2012 regulation. The Legislature determined that the grant money should be prioritized and guaranteed for existing homes rather than new construction, and targeted to homeowners.

The requirement for these new systems hurts housing affordability and does not significantly improve Bay health. That is why the original legislation passed in 2009 focused the BAT requirement on properties closest to tidal waters where it is most effective. In fact, when measuring the cost of the BAT systems and the impact they have on reducing pollutants, it is one of the most expensive per pound pollutant reduction efforts.

### **MAR Position:**

MAR opposes [HB 281/SB 266](#) that would again extend the BAT requirement to new housing outside of the Critical Areas.

### **Bills with GCBR Support:**

[SB0273](#) – [Senator George Edwards](#), *State Forest, State Park, and Wildlife Management Area Revenue Equity Program*

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&tab=subject3&id=sb0273&stab=01&ys=2017RS>



**STATUS – Hearing held in committee on January 25**

This bill provides for a mechanism to distribute a portion of the revenue received on public lands located in a jurisdiction back to the local government. Local government will receive \$250,000 for each open space land unit in the county. This proposal helps to restore funds that were once provided to counties, but which had been redirected back to the state when the recession hit and there occurred a shortfall in state revenues. Restricting this revenue stream to the county will help to relieve pressure to increase the real property tax rate.

**SB0396 / HB0477 – Senator George Edwards and Delegate Wendell Beitzel, *Natural Resources - Protection and Restoration of State-Owned Lakes***

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&tab=subject3&id=sb0396&stab=01&ys=2017RS>

**STATUS – hearing held in committee on FEB 14 – passed out of committee with favorable report**

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&tab=subject3&id=hb0477&stab=01&ys=2017RS>

This bill would benefit the Deep Creek lake area. Currently, there is no dedicated state funding source for the protection and restoration of state owned lakes. Deep Creek Lake has experienced several localized water quality issues in recent years and this bill would provide a funding mechanism to help the state address those issues.

**STATUS – hearing held in committee on January 22**

**Bills in the House and Senate with Local Impact:**

**SB 640 and HB 930 - Municipalities and Counties - Local Roads - Regulation of Travel by Heavy-Weight Vehicles**

**Companion bills by Senator Edwards and Delegate Beitzel.** If passed, the law would provide the county commissioners with the ability to regulate and manage heavy truck traffic on county roads. The bill was initiated by the commissioners in response to being prepared for truck traffic related to natural gas development.

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&tab=subject3&id=sb0640&stab=01&ys=2017RS>

**STATUS – hearing in committee on February 22**

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&tab=subject3&id=hb0930&stab=01&ys=2017RS>

**STATUS – hearing in committee on February 21**

**SB 787 and HB 973 - Garrett County Commissioners - Marijuana Facilities – Location**

### **STATUS – Withdrawn in Senate after unfavorable report by committee**

**Companion bills by Senator Edwards and Delegate Beitzel.** This bill would give the county commissioners the authority to enact a local law and adopt regulations related to siting medical marijuana facilities in the county. The bill appears to be a response to an issue over the location of a state licensed growing operation near the town of Accident. First reading – in committee.

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&tab=subject3&id=sb0787&stab=01&ys=2017RS>

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&tab=subject3&id=hb0973&stab=01&ys=2017RS>

### **SB 740 - Oil and Natural Gas - Hydraulic Fracturing – Prohibition**

This bill was introduced by Senator Bobby Zirkin and has 27 sponsors. If passed it would ban hydraulic fracturing for natural gas development in Maryland.

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&tab=subject3&id=sb0740&stab=01&ys=2017RS>

**STATUS – hearing in committee on February 28**

**Companion bill in House HB 1325**

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&tab=subject3&id=hb1325&stab=01&ys=2017RS>

**STATUS – hearing in committee on February 22**

### **SB 862 - Environment - Hydraulic Fracturing - Moratorium and Referenda**

Introduced by Senator Joan Carter Conway with 28 sponsors, **including Senator Edwards**, a majority in the Senate. An alternative to SB 740 calling for extending the existing regulatory moratorium and providing for local referenda to decide whether hydraulic fracturing may occur in local jurisdictions.

**STATUS – hearing in committee on February 28**

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&tab=subject3&id=sb0862&stab=01&ys=2017RS>

### **SB 980 - Environment - Natural Gas and Oil Interest Restitution Fund**

**Introduced by Senator Edwards.** This bill appears to provide a mechanism to compensate landowners for loss of income if there is a fracking ban or delay in permitting. The revenue for the compensation fund would come from a “tax” of 25% of the income derived from renewable energy companies. First reading – in committee.

**STATUS – hearing in committee on March 7**

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&tab=subject3&id=sb0980&stab=01&ys=2017RS>

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## **2017 Winter Continuing Education Schedule**

There is now a link on the Public side of the GCBR website [www.gcbr.org](http://www.gcbr.org) where you can access the CE Shop to take online CE classes if needed.

**Wednesday, March 29, 2017**

**"Solving Seller Issues"**

**10:00 a.m.-11:30 a.m. Topic F**

**Bob Carney, Instructor**

**Course ID-102-0709**

**Thursday, April 20, 2017**

**"Legislative/Legal Update"**

**9:00 a.m.- 12:00 p.m. Topic A**

**Chuck Kasky, Instructor**

**Course ID-103-0709**

**Registration flyers will be faxed or emailed upon request.**

**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.**

- 48-hour cancellation notice required for a refund.

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

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

1. Topic A – Federal, state or local legislative issues – 3 clock hours
2. Topic C – Fair Housing Law – 1.5 clock hours
3. Topic D – Ethics and Predatory Lending – 3 clock hours
4. Topic H – MREC – Agency-Residential – 3 clock hours
5. Topic I - MREC Supervision, Broker, Branch Office Manager & Team Leader – 3 clock hours  
*(this is required for all Brokers, Office Managers & Team Leaders but is available to anyone needing CE hours)*
6. Topic E and F – Elective – 4.5 hours

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

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**National Association of REALTORS®**

**Residential Deals Drive Land Sales**

A newly released survey conducted by the REALTORS® Land Institute and the NAR research department revealed that residential land sales made up 25 percent of all closed land transactions in 2016, second only to recreational land deals. [View survey results.](#)

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## Maryland Real Estate Commission

### Do's and Don'ts for Teams and Groups - Real Estate Commission

#### Teams

☒ A Team must consist of two or more Associate Brokers or Salespersons or a combination of the two who:

1. Work together on a regular basis;
2. Represent themselves to the public as being part of one entity; AND
3. Designate themselves by a collective name such as "Team or Group."

☒ All licensed team members must be affiliated with the same broker; and, if applicable, offer brokerage services at the same branch office.

☒ A licensed broker may **NOT** be a member of a Team.

☒ The name of the Team may **NOT** contain the terms "Real Estate," "Real Estate Brokerage," "Realty," or any other term that would lead the public to believe that the Team is offering real estate brokerage services independent of the Broker.

☒ Team members must conduct all real estate brokerage activities from the broker's office or the branch office where their licenses are displayed.

☒ A Team may **NOT** operate out of an office or location other than the broker's office or the branch office where their licenses are displayed.

#### Advertising

☒ All Team advertising must contain:

1. The full name of the brokerage displayed in a meaningful and conspicuous way;
2. The name of at least one of the licensee members of the Team; and
3. The telephone number of the broker or the branch office manager.

✓ The Team name in the advertisement must be directly connected to the name of the brokerage.

✓ "Advertise" means the use of any oral, written, or visual advertisement by a licensed real estate salesperson, licensed real estate broker, licensed associate real estate broker, or other person on behalf of a licensed real estate salesperson, licensed real estate broker, or licensed associate real estate broker. "Advertisement" means, unless the context requires otherwise, any oral, written, or printed media advertisement. "Advertisement" includes any correspondence, mailing, newsletter, brochure, business card, for sale or for lease sign and sign rider, promotional item, automobile signage, telephone directory listing, television announcement, radio announcement, telephone solicitation, and World Wide Web and Internet voice-overs. (§17-527.2 Annotated Code of MD)

### **Team Leaders**

✓ A Team must designate a team member as its Team Leader. The Team Leader must be an Associate Broker or a Salesperson with at least three years' experience.

✓ The Team Leader must maintain a current list of all members and employees of the Team.

✓ The Team Leader must provide the list and any revisions to the list to the Broker or the Branch Office Manager where the Team Members' licenses are displayed.

✓ The Team Leader must exercise reasonable and adequate supervision over the provision of real estate services by members of the Team.

### **Brokers and Branch Office Managers**

✓ The Broker or Branch Office Manager must maintain copies of the lists of Team Members and Employees, and make the copies available to the Commission on request.

✓ The Broker and Branch Office Manager must supervise the Team Members, and this supervision is in addition to the supervision responsibilities of the Team Leader.

✗ The Broker and Branch Office Manager may not delegate their supervisory responsibilities over Team Members to the Team Leader.

### **Team Leaders and Members**

✓ The Team Leader and all Team Members must adhere to all office rules, practices, and procedures established by the Broker and the Branch Office Manager.

### **Dual Agency**

✓ The Broker may designate two members of a team as intra-company agents for the Buyer and the Seller in the same transaction if the parties have **FIRST** been advised in writing that the Licensees are part of the same team and the team could have a financial interest in the outcome of the transaction. The Buyer and Seller must complete the ["Notification for Dual Agency within Team" form](#) (Word) required under existing law before Dual Agency may occur.

✗ The Team Leader may **NOT** designate Team Members as intra-company agents. Only the Broker may make this designation.

✓ The Broker must ensure that both parties have acknowledged in writing receipt of a "Notification of Dual Agency within a Team" form **PRIOR** to designating two Team Members as intra-company agents in a transaction.

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## Maryland Association of REALTORS®

### Top Negotiating Tips Webinar Recording



Click [here](#) to view the Top Negotiating Tips Webinar recording. Hand outs can be found [here](#).

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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 #1-1: Fidelity to Client** (Originally Case #7-1. Revised May, 1998. Transferred to Article 1 November, 1994.)

Client A complained to a Board of REALTORS® that two of its members, REALTORS® B and his sales associate, REALTOR-ASSOCIATE® C, had failed to represent the client's interests faithfully by proposing to various prospective buyers that a price less than the listed price of a house be offered. His complaint specified that REALTOR® B, in consultation with him, had agreed that \$137,900 would be a fair price for the house, and it had been listed at that figure. The complaint also named three different prospective buyers who had told Client A that while looking at the property, REALTOR-ASSOCIATE® C, representing REALTOR® B, when asked the price had

said, “It’s listed at \$137,900, but I’m pretty sure that an offer of \$130,000 will be accepted.”

REALTOR® B and REALTOR-ASSOCIATE® C were notified of the complaint and requested to be present at a hearing on the matter scheduled before a Hearing Panel of the Board’s Professional Standards Committee.

During the hearing, REALTOR® B confirmed that he had agreed with Client A that \$137,900 was a fair price for the house, and that it was listed at that figure. He added that he had asked for a 90 day listing contract as some time might be required in securing the full market value. Client A had agreed to do this but had indicated that he was interested in selling within a month even if it meant make some concession on the price. The discussion concluded with an agreement on listing at \$137,900 and with REALTOR® B agreeing to make every effort to get that price for Client A.

REALTOR-ASSOCIATE® C said in the hearing that REALTOR® B had repeated these comments of Client A and he, REALTOR-ASSOCIATE® C, had interpreted them as meaning that an early offer of about 10 percent less than the listed price would be acceptable to the seller, Client A. Questioning by the Hearing Panel established that neither REALTOR® B nor REALTOR-ASSOCIATE® C had been authorized to quote a price other than \$137,900.

It was the Hearing Panel’s conclusion that REALTOR® B was not in violation of Article 1 since he had no reason to know of REALTOR-ASSOCIATE® C’s actions. The panel did find REALTOR-ASSOCIATE® C in violation of Article 1 for divulging his knowledge that the client was desirous of a rapid sale even if it meant accepting less than the asking price. The panel noted that such a disclosure was not in the client’s best interest and should never be made without the client’s knowledge and consent.

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### **ODDS ‘n ENDS**

Remember – the **HOA Contact** list is kept current and available to you on the GCBR website – member side at [www.gcbr.org](http://www.gcbr.org) if you obtain new contact information for any of the HOA properties, please email Barb the updated information so the list can be kept current.

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# Garrett County Board of REALTORS® News Briefs

## April 2017



### Membership Update

#### **New REALTOR® Members:**

Rebecca Matthews, Garrett Land Sales

David Meyer, Coldwell Banker Deep Creek Realty

#### **New Affiliate Members:**

#### **Drops:**

#### **Transfers:**

#### **Changes:**

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### **Government Affairs Report, Paul Durham G.A.D.**

#### **IMPORTANT REQUEST FROM DNR – Property Eligibility Reports:**

In late March, I met with DNR regarding several items related to member interaction with lake management staff. Lake Manager Eric Null asked me to share with all our members that it is very important to secure a “letter of eligibility” from their office at the time of listing. Evidently, they have experienced several instances where the listing did not match the dock eligibility of the property listed for sale. This resulted in complaints to DNR.

There were also several cases where a property inspection would have prevented after-sale conflict when violations on the buffer strip were present. Our recommendation for all listings – communicate, communicate, and then communicate again with DNR. Mr. Null reiterated his desire to work closely with our members to avoid any conflicts at or after closing.



## **Update on Bills in Legislative Session That Affect Garrett County:**

### **GCBR Position of SUPPORT:**

#### **SB 273 - State Forest, State Park, and Wildlife Management Area Revenue Equity Program**

This is similar to the bill formally referred to as PILOT. The bill received a favorable report and UNANIMOUS vote in the senate with amendments on how the payment to the counties is calculated. The calculation would be based on the assessed value of the DNR lands. A hearing in the House was held on March 29.

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&tab=subject3&id=sb0273&stab=01&ys=2017RS>

#### **SB 396 and HB 477 - Natural Resources - Protection and Restoration of State-Owned Lakes Fund**

Both bills passed in their respective committees and crossed over to the other side without amendments. Still in committee as of March 30.

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&stab=03&id=sb0396&tab=subject3&ys=2017RS>

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&tab=subject3&id=hb0477&stab=01&ys=2017RS>

### **GCBR No Position:**

#### **SB 640 and HB 930 - Municipalities and Counties - Local Roads - Regulation of Travel by Heavy-Weight Vehicles**

Both bills appear to have died in committee without any committee action occurring

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&tab=subject3&id=sb0640&stab=01&ys=2017RS>

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&tab=subject3&id=hb0930&stab=01&ys=2017RS>

### **MAR- Septic Legislation (oppose)**

#### **SB 266 - Environment - On-Site Sewage Disposal Systems - Best Available Technology for Nitrogen Removal**

This bill came out of the senate and has crossed over to the House. A hearing was held in the House on March 29.

<http://mgaleg.maryland.gov/webmga/frmMain.aspx?pid=billpage&stab=03&id=sb0266&tab=subject3&ys=2017RS>



## **Septic Tank (On-site Sewage Disposal Systems) Legislation HB 281/SB266**

### **Background:**

In 2012, Maryland passed a regulation expanding BAT (Best Available Technology) systems to the Chesapeake and Coastal Bay Watersheds (almost the entire State). BAT systems are septic systems that partially treat the effluent in the tank before it is released to the drain fields.

The 2012 regulation conflicted with legislation the Maryland General Assembly passed in 2009 which required BAT systems only in Maryland's Critical Areas (land that is within 1,000 feet of tidally influenced water). As introduced, that 2009 legislation would have required BAT systems throughout Maryland much like the 2012 regulation, but the Legislature rejected a far-reaching requirement like that.

This year Maryland passed a regulation that repeals much of the broad expansion included in the 2012 regulation. However, MAR expects there will be legislation this year attempting to reestablish the broader requirement of the 2012 regulation.

### **Why This is Important:**

BAT systems are 2-3 times the cost of normal septic system and many have a service maintenance contract that adds additional costs. In fact, the costs are so high that the Legislature mandated a grant program for existing property to cover the cost differential between the new technology and a standard septic system. Unfortunately, that grant money is not available for most new homes that were subject to the 2012 regulation. The Legislature determined that the grant money should be prioritized and guaranteed for existing homes rather than new construction, and targeted to homeowners.

The requirement for these new systems hurts housing affordability and does not significantly improve Bay health. That is why the original legislation passed in 2009 focused the BAT requirement on properties closest to tidal waters where it is most effective.

In fact, when measuring the cost of the BAT systems and the impact they have on reducing pollutants, it is one of the most expensive per pound pollutant reduction efforts.

### **MAR Position:**

MAR opposes HB 281/SB 266 that would again extend the BAT requirement to new housing outside of the Critical Areas.

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## 2017 Winter Continuing Education Schedule

There is now a link on the Public side of the GCBR website [www.gcbr.org](http://www.gcbr.org) where you can access the CE Shop to take online CE classes if needed.

Thursday, April 20, 2017

**"Legislative/Legal Update"**

9:00 a.m.- 12:00 p.m. Topic A

Chuck Kasky, Instructor

Course ID-103-0709

**Registration flyers will be faxed or emailed upon request.**

**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.**

- 48-hour cancellation notice required for a refund.

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

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

1. Topic A – Federal, state or local legislative issues – 3 clock hours
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3. Topic D – Ethics and Predatory Lending – 3 clock hours
4. Topic H – MREC – Agency-Residential – 3 clock hours
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(this is required for all Brokers, Office Managers & Team Leaders but is available to anyone needing CE hours)
6. Topic E and F – Elective – 4.5 hours

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

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## **National Association of REALTORS®**

### **Designations and Certifications**

The National Association of REALTORS® and its affiliated Institutes, Societies, and Councils provide a wide-range of programs and services that help members increase their skills, proficiency, and knowledge. Designations and certifications acknowledging experience and expertise in various real estate sectors are awarded by NAR and each affiliated group upon completion of required courses.

To view courses offered by NAR go to <https://www.nar.realtor/designations-and-certifications>

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## Maryland Real Estate Commission

### Return of Deposit - Real Estate Commission

The Maryland law that regulates real estate brokers, associate brokers, and salespersons requires that trust money be deposited in the broker's trust account promptly after both parties accept the contract of sale.

Although most contracts contain a provision governing the disposition of the deposit money if the property does not go to settlement, disputes often arise as to the underlying facts as well as the specific reasons for the cancellation. For this reason, brokers are often unwilling to release the funds on the request of a party claiming the right to them.

The law directs the broker to retain the funds in a trust account until one of the following four circumstances occurs:

1. The transaction for which the money was entrusted is consummated or terminated;
2. The broker receives proper written instructions from both parties directing withdrawal or other disposition of the money;
3. A court orders disposition of the money in an interpleader case filed by the broker; or
4. The broker has followed a specific procedure of notification to both parties giving them an opportunity to contest the broker's good faith determination of proper distribution after one of the parties has failed to complete the transaction.

The Real Estate Commission does not have the authority to order a broker to release trust money. If you are a party to a real estate transaction and believe that you are entitled to deposit monies, you should first contact the broker holding the funds to determine his/her position on the matter.

If the other party will not agree to sign a written release, you may ask the broker to file an interpleader case in court requesting the judge to determine who is entitled to the deposit.

If the other party failed to complete the transaction, you may ask the broker to initiate the notification process provided that the broker agrees with you that you are entitled to the money. If the broker is not willing to pursue either of these options, you may need to file a claim for the funds in court.

You should also be aware that some real estate contracts contain a provision that all disputes between the parties must first be submitted to mediation. You should read this part of your contract carefully, and check with the broker to see if it applies to this situation.

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## Maryland Association of REALTORS®

The **Maryland Mortgage Grant Assist Program** gives eligible home buyers a grant valued at 4% of the first mortgage to help pay closing costs. Get more information [here](#).

The Maryland REALTOR® Magazine, March 2017, page 4 offers "The ABC's of Drones" a good article that you may want to read before using a Drone for photography of your listings.

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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 # 16-19: Continued Contact With Potential Seller Who Enters Into an Exclusive Listing With Another REALTOR® (Adopted November, 2011)**

After a decade s-long career as a noted researcher and teacher, Professor Y decided to sell his home near the university campus in anticipation of his retirement to the northwoods. Having lived in the home for over thirty years and realizing that the proceeds from its sale would constitute a significant part of his retirement funds, Professor Y made appointments with several potential listing brokers, including REALTOR® P and REALTOR® Q. During each appointment, Professor Y asked extensive questions hoping to get a clear idea of his property's market value and each broker's proposed marketing strategies.

REALTOR® Q was familiar with Professor Y's home, having grown up on the same block and having gone to elementary and high school with Professor Y's children. Consequently, REALTOR® Q was not surprised when she received a call asking for a meeting to discuss a possible listing of Professor Y's home. The appointment had gone well and REALTOR® Q was confident she would get the listing. To her surprise, just three days later the property came onto the market listed with REALTOR® P. REALTOR® Q was taken aback and spent considerable time pondering what she had done or said – or failed to do or say – that had led Professor Y to choose to list with REALTOR® P. Several times she was tempted to call Professor Y and ask why she hadn't been chosen, but she never made the call.

Several weeks later Professor Y's daughter-in-law hosted a retirement party for Professor Y. Their friend REALTOR® Q was among the invited guests. At the party, Professor Y approached REALTOR® Q and, after exchanging pleasantries, commented, "You're probably wondering why I didn't list my home with you." "The thought crossed my mind," admitted REALTOR® Q, "but you made a good choice with REALTOR® P. I'm certain he'll do a fine job and get a fair price for you." Then, since Professor Y had raised

the issue, REALTOR® Q asked, “Why didn’t you give me the listing?” Professor Y explained that while he thought highly of REALTOR® Q, he had been very impressed with REALTOR® P’s marketing strategies, and his choice was a business decision and not one influenced by friendships. REALTOR® Q accepted Professor Y’s explanation and their conversation turned to other topics. A month later, REALTOR® Q was surprised to receive notice from the local association of REALTORS® advising she had been named in an ethics complaint alleging that her conversation with Professor Y, after Professor Y had listed his home with REALTOR® P, had violated Article 16 of the Code of Ethics.

At the hearing, REALTOR® Q had acknowledged she had been surprised – and disappointed – when Professor Y listed his home with REALTOR® P instead of with her. She also acknowledged she discussed Professor Y’s choice of listing broker with him at the party. In her defense, she called Professor Y as a witness. Professor Y testified that he had in fact told REALTOR® P, his listing broker, about his conversation with REALTOR® Q, adding that he had no idea that REALTOR® P would file an ethics complaint. He also noted he – and not REALTOR® Q – had raised the subject of why he had chosen to list with REALTOR® P. “REALTOR® Q is a longtime friend of my family and I felt I owed her an explanation about why I listed with REALTOR® P instead of with her.”

REALTOR® Q concluded her defense noting that while Standard of Practice 16-13 requires REALTORS® to conduct dealings related to exclusively listed property with the client’s agent, there is an exception in cases where dealings are initiated by an exclusively-represented client. She pointed out that her conversation with Professor Y could fairly be characterized as a “dealing” related to Professor Y’s exclusively listed home, and that her conversation with Professor Y, since it was initiated by Professor Y, did not violate Article 16 of the Code of Ethics.

The Hearing Panel concurred with REALTOR® Q’s defense, and found no violation of Article 16.

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## **ODDS ‘n ENDS**

### **Upcoming Meetings:**

**GCBR Board of Directors - Wednesday, April 5th - 9:00 a.m. GCBR Office**

**Strategic Planning Committee - Wednesday, April 12th - 9:00 - 11:00 GCBR Office**

**Professional Standards Mandatory Training - Thursday, April 27th at GCBR Office**

**GCBR Board of Directors - 10:30 - 11:30 a.m.**

**GCBR Grievance Committee - 12:30 - 1:30 p.m.**

**GCBR Professional Standards Committee - 1:45 - 3:15 p.m.**

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Remember – the **HOA Contact** list is kept current and available to you on the GCBR website – member side at [www.gcbr.org](http://www.gcbr.org) if you obtain new contact information for any of the HOA properties, please email Barb the updated information so the list can be kept current.

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# Garrett County Board of REALTORS® News Briefs

## May 2017



### Membership Update

#### **New REALTOR® Members:**

Ally Litten, Taylor-Made Deep Creek Vacations & Sales

Julie Mead, Taylor-Made Deep Creek Vacations & Sales

#### **New Affiliate Members:**

#### **Drops:**

#### **Transfers:**

Sheila Howell to Lake Homes Realty

#### **Changes:**

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### **Government Affairs Report, Paul Durham G.A.D.**

#### **Legislative News from MAR – 2017 Key Issues:**

##### **Open House Policies – HB 760**

MAR supports [HB 760](#) that would allow an agent sitting at an open house to discuss other properties with consumers when they are not interested in the open house property and if the agents have the consent of the seller.

**STATUS: Passed. Signed by Governor and effective October 1, 2017.**

##### **First-Time Homebuyer Savings Account -- HB 230**

MAR supports tax free homebuyer savings accounts which help first-time homebuyers. Like a tax-free education account, a tax-free homebuyer savings account would allow first-time homebuyers to deposit money in an investment account without paying state taxes. The interest earned by that account would also be exempt from state taxes if the money is used in the first-



time purchase of a Maryland home. If the money is not used for a first-time home purchase, the holder of the account would be subject to the state tax and penalties.

**STATUS: Not Passed**

#### [Mortgage Forgiveness Tax Relief – HB 1155/SB 267](#)

HB 1155/SB 267 extend Maryland mortgage forgiveness tax relief legislation through 2018. If the federal law is not extended, this legislation will provide some limited relief against state taxes.

**STATUS: Passed. Signed by Governor and effective July 1, 2017.**

#### [Septic Tanks – HB 281/SB 266](#)

The Maryland Department of the Environment (MDE) passed a regulation to limit the requirement for Best Available Technology (BAT) septic systems to Maryland's Critical Areas (land that is within 1,000 feet of tidally influenced water). Prior to this regulatory change, most new construction outside of Maryland's Critical Areas were mandated to have BAT systems. MAR opposes [HB 281/SB266](#) to reinstate a BAT system requirement for new construction outside of Maryland's Critical Areas.

**STATUS: Not Passed**

#### [Automatic Fire Sprinklers -- HB 1623/SB 1103](#)

All new residential home construction in Maryland is mandated to have expensive sprinkler systems. MAR supports efforts to ease the impact that this requirement has on housing affordability across the state. The Legislature will be considering [HB 1623](#) and [SB 1103](#) which establish a grant program to assist affordable housing subject to the sprinkler mandate.

**STATUS: Not Passed**

### **Garrett County – Comprehensive Plan Update:**

(From the Department of Planning and Land Development)

The Garrett County Planning Commission began their review of the 2008 Garrett County Comprehensive Plan on December 7, 2016. At each meeting, they will set aside an hour to discuss the document, starting with Chapter 1 and proceeding through the document in order.

Meeting summaries with associated documents are available at the [Meeting Summaries link](#). The December 7, 2016 meeting completed edits for Chapter 1. Review began on Chapter Two on January 4, 2017. That review will conclude on February 1 and the review of Chapter 3 will begin.

The public is encouraged to participate. The public may read the entirety of the [2008 Comprehensive Plan](#) or view the individual chapters below.

[Chapter One - Introduction](#)

[Chapter Two - Background](#)

[Chapter Three - Land Use](#)

[Chapter Four - Deep Creek Lake Influence Area Master Plan](#)

[Chapter Five - Water Resources Element](#)

[Chapter Six - Transportation Element](#)

[Chapter Seven - Sensitive Areas](#)

[Chapter Eight - Community Facilities](#)

[Chapter Nine - Housing](#)

[Chapter Ten - Mineral Resources Element](#)

[Chapter Eleven - Economic Development](#)

[Chapter Twelve - Implementation](#)

Please bear in mind that the Planning Commission is reviewing the chapters to determine which sections need updated, edited, deleted or added. At the end of the review, all minutes and recordings of the meetings, all public comment received, and all related pertinent information will be given to a contractor, whose job it will be to perform the update to the document. Once the contractor is hired a draft document will be written that will then go through a series of public meetings and review processes before a final draft will be written.

To comment on any of the chapters during the review and contribute your suggestions please fill out the [Public Comment Form](#) provided. The public is also invited to attend any of the Planning Commission meetings, which are held the first Wednesday of every month at 1:30 p.m. in the Commissioners Meeting Room.

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## National Association of REALTORS®

### Fewer Vacation-Home Buyers

Last year there were fewer second-home purchases by vacation buyers than in the previous year but more purchases by investors, an NAR survey shows. Vacation home purchases dropped to an estimated 721,000, down 21.6 percent from 920,000 in 2015, while investment-home sales rose 4.5 percent to 1.14 million from 1.09 million. [More from NAR's 2017 Investment and Vacation Home Buyers Survey.](#)

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## Maryland Real Estate Commission

### IMPORTANT !!

There are many educational programs offered to the public by individuals, other licensees, seminar companies, corporations, brokerages, etc. Will all programs provide you with CE hours to renew your real estate license? NO, not all. Before signing up, check it out. If the individuals or entities are not listed on MREC's website, you are still free to attend the program if it interests you but it WILL NOT count toward your renewal. Specific laws and regulations apply to courses intended to count towards renewal.

### CLASSROOM COURSES:

- Contact an approved provider for the schedule and to verify that the course is approved to renew a MD real estate license; learn the provider's policy, approved hours, title, and topic; be sure you agree with all conditions before enrolling.
- Courses approved for CE are open to all licensees until enrollment limit is reached.
- Attendance is monitored at the beginning and end of the course by sign in/out sheet which identifies the CE provider.

- Turn off **ALL** electronic devices; also, do not bring unrelated reading material during the course.
- Students must be physically present during ALL of the offering time - no certificate is given when a student arrives late, leaves early or steps out to answer a phone call.
- No partial credit is allowed (no 3-hour credit for one session of a 6-hour offering).
- Disputes about registration fees, cancellation or refund policies are resolved by the provider, not the Commission.
- If special arrangements are needed under the Americans with Disabilities Act, contact the provider in advance with the required documents.
- Instructors may not promote their company, solicit or gain business advantage, hold drawings, collect business cards, or interrupt class time for meals. Violators should be reported to MREC.
- A licensee who is also an instructor of CE courses may receive CE credit if eligible. Contact the provider for instructions to apply in advance of your renewal.

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## **Bright MLS**

The Bright Customer Support Center officially launched in early April. This change is the result of the merger of the MRIS and TREND Support Centers. It creates one place for you to call when you convert to the new system.

For TREND and MRIS subscribers this means that now there is a new phone number to call for support (1-844-55-BRIGHT) and a new greeting, "Thank you for calling Bright MLS!" In addition, there is now one platform to update contact information and pay bills.

### **Schedule: When will you transition to the new MLS system?**

2017 is a year of transition, where Bright will continue to combine resources, launch the new system and convert subscribers from each organization. As you may recall, initially, the MLS search and report system will be the CoreLogic Matrix 360 platform. In addition, the standard MLS subscription will provide much of the data and tools MLS subscribers know and use today, like public records, schedule a showing through Showing Time, a mobile app for search and add/edit, foreclosure information and Drive-Time search.

Of course, the question on everyone's mind is, when will I begin using the new system? While planning is still underway and dates are subject to change, a tentative schedule has been finalized.

- September: Lancaster (LCAR) and Lebanon (LCAR)
- October: Greater Harrisburg (GHAR)
- November: York and Adams (RAYAC), Sussex (SCAOR)
- December: Coastal (CAR), Cumberland (CCBOR)

- Q4-2017 through Q1-2018: MRIS and TREND

### **Get to know the Bright MLS Board of Directors**

The Bright MLS board was chosen from primarily broker-owners, with a track record for visionary thinking, good decision making, and proven business success. The directors were selected with consideration to a mix of small and larger brokerages, a balance of geographic representation from within the service area, and from a broad array of franchises and firms.

Members of the Bright MLS Board include:

- Chairman: Jon Coile, Champion Realty, Inc., a Berkshire Hathaway Affiliate
- Vice Chairman: Joan Docktor, BHHS Fox & Roach
- Secretary: Jack Fry, RE/MAX of Reading
- Treasurer: Cindy Ariosa, Long & Foster Real Estate, Inc.
- Association Executive Director: Kathy Ludwig CEO of the Greater Harrisburg Association of REALTORS®

View the full list of the Bright Board of Directors here:

<http://www.brightmls.com/index.php/2017/03/29/board-of-directors-officers-announced/>

### **Government affairs funds support local REALTOR® efforts**

A large part of local Association of REALTORS® activities is legislative monitoring of public policy decision that affect housing, and advocating for the real estate professionals and the consumers they serve. When Bright MLS was formed, the participating associations and leadership agreed it was very important to contribute to these efforts.

A new program was launched in March to assist Bright's 43 stakeholder associations with the costs associated with their local government affairs efforts. These efforts can range from dedicated government affairs staff to programs and activities that advocate for real estate-related policies that support a healthy climate for housing. Associations are already taking advantage of this program.

You can learn more about this new program

here: <http://www.brightmls.com/index.php/2017/03/16/bright-provides-funds-for-local-government-affairs-efforts/>

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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 # 12-5: True Picture in Use of "Sold" Sign** (Revised Case #19-7 May, 1988. Transferred to Article 12 November, 1994.)

REALTOR® A, the listing broker, was charged by REALTOR® B with giving a false picture in his advertising by putting up a “sold” sign on the property that had not been sold. REALTOR® A was notified of the complaint and of the date of a hearing on it scheduled before a Hearing Panel of his Board’s Professional Standards Committee.

Undisputed testimony offered during the hearing revealed that REALTOR® A was an exclusive agent, offering Client C’s home for sale. An offer to buy was obtained from Prospect D and a counter proposal by Client C was accepted. An earnest money deposit was made, and a date for settlement was agreed upon. At that point, REALTOR® A put up his “sold” sign. Several days later, Prospect D received an unexpected notice from his employer that he was to be transferred to another city. Prospect D immediately contacted REALTOR® A and Client C about his predicament. In an amicable discussion it was agreed that everyone had acted in good faith; the property was readily marketable; that the earnest money deposit would be refunded; and that REALTOR® A would put the property on the market again. A week later, when REALTOR® B was showing a number of houses to a prospective buyer, they drove by Client C’s property, and the prospect casually said that she didn’t understand the “sold” sign, since she had been taken to see the house that morning by REALTOR® A.

REALTOR® B contended that a “sold” sign is a measure of a REALTOR®’s advertising, and that it cannot give a true picture if it is put up prior to the settlement and actual transfer of ownership.

The Hearing Panel’s decision agreed with REALTOR® B’s contention that the use of a “sold” sign constitutes advertising by a REALTOR® but did not agree that a “sold” sign could be put up only after the actual settlement and transfer of ownership. The decision indicated that after the client’s acceptance of a bona fide offer, REALTOR® A could consider that he had brought about a sale and would not be a violation of the requirement to give a “true picture” by putting up a “sold” sign. However, once it was clear that the sale had fallen through; the “sold” sign should have been immediately removed since allowing the sign to remain in place no longer provided a “true picture.”

REALTOR® A was found by a panel to have violated Article 12.

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## ODDS ‘n ENDS

### Upcoming Meetings/ Events:

GCBR Board of Directors - Wednesday, May 3, 2017 - 9:00 a.m.

MAR Summer Meetings in Annapolis - Monday, June 12, 2017, 10:30 a.m.  
GCBR President, Vice President, DVP and Executive Officer

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**REALTORS® Public Open House Weekend - Saturday, May 27th and Sunday, May 28th - use the blue REALTOR® balloons on your signs. Each office has been given balloons.**

Remember – the **HOA Contact** list is kept current and available to you on the GCBR website – member side at [www.gcbr.org](http://www.gcbr.org) if you obtain new contact information for any of the HOA properties, please email Barb the updated information so the list can be kept current.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500 501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524 525 526 527 528 529 530 531 532 533 534 535 536 537 538 539 540 541 542 543 544 545 546 547 548 549 550 551 552 553 554 555 556 557 558 559 560 561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607 608 609 610 611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693 694 695 696 697 698 699 700 701 702 703 704 705 706 707 708 709 710 711 712 713 714 715 716 717 718 719 720 721 722 723 724 725 726 727 728 729 730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763 764 765 766 767 768 769 770 771 772 773 774 775 776 777 778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800 801 802 803 804 805 806 807 808 809 810 811 812 813 814 815 816 817 818 819 820 821 822 823 824 825 826 827 828 829 830 831 832 833 834 835 836 837 838 839 840 841 842 843 844 845 846 847 848 849 850 851 852 853 854 855 856 857 858 859 860 861 862 863 864 865 866 867 868 869 870 871 872 873 874 875 876 877 878 879 880 881 882 883 884 885 886 887 888 889 890 891 892 893 894 895 896 897 898 899 900 901 902 903 904 905 906 907 908 909 910 911 912 913 914 915 916 917 918 919 920 921 922 923 924 925 926 927 928 929 930 931 932 933 934 935 936 937 938 939 940 941 942 943 944 945 946 947 948 949 950 951 952 953 954 955 956 957 958 959 960 961 962 963 964 965 966 967 968 969 970 971 972 973 974 975 976 977 978 979 980 981 982 983 984 985 986 987 988 989 990 991 992 993 994 995 996 997 998 999 1000 1001 1002 1003 1004 1005 1006 1007 1008 1009 1010 1011 1012 1013 1014 1015 1016 1017 1018 1019 1020 1021 1022 1023 1024 1025 1026 1027 1028 1029 1030 1031 1032 1033 1034 1035 1036 1037 1038 1039 104

# Garrett County Board of REALTORS® News Briefs

## June 2017



### Membership Update

#### New REALTOR® Members:

#### New Affiliate Members:

Mark Watkins  
Hot Shotz Thermal Imaging Service, LLC  
132 Mayhew Inn Rd  
Oakland, MD 21550  
Cell: 240-321-5050  
Email: [mark@hotshotzinspections.com](mailto:mark@hotshotzinspections.com)  
Website: [www.hotshotzinspections.com](http://www.hotshotzinspections.com)

#### Drops:

Barbara Rodeheaver, Railey Realty

#### Transfers:

Dick Zimmerman to 1 Real Estate Source, LLC

#### Changes:

### **New GCBR Staff Person and New Office Hours**

Amy Lowdermilk was recently hired as Administrative Assistant to Barb. Amy will be working Monday through Friday, 8:30 a.m. - 3:30 p.m. Amy will be in training with Barb over the next 18 months so she can move into the Executive Officer position upon Barb's retirement on December 31, 2018.

Amy's email address is [amy.lowdermilk@gcbr.org](mailto:amy.lowdermilk@gcbr.org)

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## **Government Affairs Report, Paul Durham G.A.D.**

### **MAR – new website!**

If you haven't yet done so, check out MAR's new website at <http://www.mdrealtor.org/>

MAR's latest legislative news and updates can now be found at <http://www.mdrealtor.org/Legislative/Current-Session/Legislative-News>

### **What Does RPAC do for You?:**

<http://www.mdrealtor.org/Legislative/RPAC/General-RPAC-Info>

#### **RPAC is:**

- A legal means by which REALTORS® band together for the purpose of political action.
- Voluntary contributions made by members throughout the state.
- Contributions given to candidates who support housing and real estate issues.
- Bipartisan; both Republicans and Democrats buy and sell property.
- One of the largest and most successful PAC's in the state.

#### **A contribution to RPAC is an investment in your future. RPAC dollars are used at the federal level to:**

- Preserve the mortgage interest deduction.
- Reduce capital gains taxes.
- Protect private property rights.
- Work to increase the VA/HUD Loan limit.

#### **At the State level, RPAC works to:**

- Change the agency laws to benefit both REALTORS® and consumers.
- Reduce closing costs for 1st-time homebuyers.
- Protect commercial real estate commissions through the broker lien law.
- Decrease liability in property disclosure suits.
- Reduce liability from lead paint hazards.
- Streamline wetlands policy.

#### **At the Local level, RPAC has:**

- Reduced impact fees.
- Reduced piggy-back taxes.
- Fought to prevent anti-sign legislation.



## **WHAT HAS RPAC SAVED YOU FROM...**

- Getting caught in the middle of property defect disclosure suits between buyers and sellers.
- Unreasonable regulations to implement the provisions of the "Lead Paint Law".
- Losing your commission for commercial real estate deals by securing passage of the commercial lien law.
- Bureaucratic rules and regulations which would have raised the cost of owning or constructing a single family house.
- Losing your home mortgage interest deductibility.
- MORE TAXES ON YOUR COMMISSION (on top of the income tax you already pay.)
- Getting charged with criminal penalties for landlord/tenant obligations.
- Having to disclose every airport within a 5 mile area.
- Tripling the cost of phone calls due to the phone company's attempt to mandate "measured time".

## **How RPAC works with you:**

**RPAC works with you to support elected officials who support real estate!**  
**The process works like this:**

- Maryland's RPAC Trustees determine - with local REALTORS® input - which candidates receive RPAC support.
- Their decisions are non-partisan, and reflect simple criteria. The Candidate must support REALTORS® on real estate issues.
- RPAC follows specific Maryland Election Laws and Federal Election Commission guidelines that maintain it as a legitimate, voluntary expression of democracy.
- RPAC is a voluntary program for all members.
- RPAC is and always will be a fair, bipartisan and legal way for REALTORS® to speak in a unified voice.

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

### **Garrett County Comprehensive Plan Review- update:**

(From the Department of Planning and Land Development)

The Garrett County Planning Commission began their review of the 2008 Garrett County Comprehensive Plan on December 7, 2016. At each meeting, they will set aside an hour to discuss the document, starting with Chapter 1 and proceeding through the document in order.

Meeting summaries with associated documents are available at the [Meeting Summaries link](#). The December 7, 2016 meeting completed edits for Chapter 1. Review began on Chapter Two on January 4, 2017. That review will conclude on February 1 and the review of Chapter 3 will begin.

The public is encouraged to participate. The public may read the entirety of the [2008 Comprehensive Plan](#) or view the individual chapters below.

#### **[Chapter One - Introduction](#)**

[Chapter Two - Background](#)  
[Chapter Three - Land Use](#)  
[Chapter Four - Deep Creek Lake Influence Area Master Plan](#)  
[Chapter Five - Water Resources Element](#)  
[Chapter Six - Transportation Element](#)  
[Chapter Seven - Sensitive Areas](#)  
[Chapter Eight - Community Facilities](#)  
[Chapter Nine - Housing](#)  
[Chapter Ten - Mineral Resources Element](#)  
[Chapter Eleven - Economic Development](#)  
[Chapter Twelve - Implementation](#)

Please bear in mind that the Planning Commission is reviewing the chapters to determine which sections need updated, edited, deleted or added. At the end of the review, all minutes and recordings of the meetings, all public comment received, and all related pertinent information will be given to a contractor, whose job it will be to perform the update to the document. Once the contractor is hired a draft document will be written that will then go through a series of public meetings and review processes before a final draft will be written.

To comment on any of the chapters during the review and contribute your suggestions please fill out the [Public Comment Form](#) provided. The public is also invited to attend any of the Planning Commission meetings, which are held the first Wednesday of every month at 1:30 p.m. in the Commissioners Meeting Room.

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## **Garrett County Board of REALTORS®**

### **Continuing Education Schedule Fall 2017**

All classes will be held at Garrett College, 687 Mosser Road, McHenry, MD 21541- ***CE Room 111 in Garrett Enterprise Information Building*** next to CE building. No credit is given for late arrivals.

#### **Photo ID Required**

**Wednesday, September 20, 2017**

#### **"Maryland Fair Housing"**

Topic C

Course ID# 104-0709

Instructor: Attorney, Gary Sabo

**Thursday, October 5, 2017**

#### **"MREC Agency Residential"**

Topic H

Course ID# 097-0709

Instructor: MAR Attorney, Kathleen Dartez

**Wednesday, November 8, 2017**

#### **"MD Code of Ethics/Predatory Lending"**

Topic D

Course ID#098-0709

Instructor: Bob Carney

**For Registration Flyers:**    **Seating is first-come, first-served basis.**

Call GCBR 301-334-8405 or email Barb [barbara.butler@gcbr.org](mailto:barbara.butler@gcbr.org)

15 hours of Continuing Education for license renewal: ***Bold indicates required courses.***

**3 hours Topic A – Legislative Legal Update**

**1.5 hours Topic C – Fair Housing**

**3 hours Topic D – Maryland Code of Ethics/Predatory Lending**

**3 hours Topic H – MREC Agency Residential**

4.5 hours in electives (Topics E & F)

**Broker, Managers & Team Leaders – 3 hours in Topic I – MREC Supervision**

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## **National Association of REALTORS®**

### **Social Media Trademark FAQ**

#### **FAQs - Social Media Use**

##### **What is a Facebook username?**

Facebook is for the first time allowing users to register a custom username. Each Facebook account can only have one username and you can never change nor can you transfer it to someone else. In fact, even if you delete your Facebook account, your username will not go back in the pool of available usernames. As of now, Facebook usernames are only being used for custom URLs, but the uses for usernames might change in the future. Choosing a Facebook username is optional and having a username will not change the name that appears on your profile or anywhere else on the site.

##### **Can I use the REALTOR® marks with my username on social networking sites such as Facebook or Twitter?**

The same rules governing the use of the REALTOR® marks apply on the internet. In a username, members are authorized to use the REALTOR® marks only to indicate membership to NAR by using the marks with a member's name or with the legal name of a member broker's real estate business.

##### **Do I need to use punctuation to separate the REALTOR® marks from my name in a username, email address, or domain name?**

The REALTOR® marks do not need to be separated from a member's name or real estate business name with punctuation in usernames, email addresses, or domain names.

##### **In a username, do I still need to capitalize the REALTOR® marks or use the trademark registration symbol?**

The requirements to use capitalization and the registration symbol with the REALTOR® marks are relaxed since such formalities either cannot or are not normally observed on the Internet including on social media sites.

##### **Why do the rules prohibit the use of descriptive words or phrases with the REALTOR® marks (e.g. hotshotrealtor or floridarealtor)?**

The term REALTOR® was created by a member to identify members and distinguish them from non-members. When the REALTOR® marks are used with a descriptive word

or phrase it does not identify a person as a member but is most likely to be understood to be referring to a type or service that might be provided.

**Is it okay for me to use the REALTOR(R) block R logo as the icon for a mobile device application, such as an iPhone App?**

The rules for using the REALTOR(R) logo as an icon for an application are the same ones which govern its use in any other medium. The logo is intended to identify the user as a member of the Association. A Member may use the REALTOR (R) logo as an icon for an App if (i) the App is provided in connection with the Member's real estate business and (ii) the logo appears in the icon adjacent to the Member's name or the name of the member's real estate business. A Member Board may use the REALTOR(R) as an icon for an App if (i) the App is provided in connection with the Member Board's publications, or its educational courses, clinics and similar service projects produced or sponsored by the Member Board and (ii) the logo appears adjacent to the Member Board's name. Please note, acronyms and abbreviations are not permitted.

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## **Maryland Association of REALTORS®**

**REGISTRATION IS NOW OPEN** for the **MAR ANNUAL CONFERENCE BUSINESS AND TECHNOLOGY EXPO**, September 11-13, 2017 in Ocean City, MD. [Register now!](#)

MAR Member Benefits -

[http://www.mdrealtor.org/Portals/0/Documents/AssociationInfo/01-27-17\\_MAR\\_MemberBenefits.pdf?ver=2017-05-03-100339-920](http://www.mdrealtor.org/Portals/0/Documents/AssociationInfo/01-27-17_MAR_MemberBenefits.pdf?ver=2017-05-03-100339-920)

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## **Maryland Real Estate Commission**

### **How to check your CE credits at the MREC website**

Go to the MREC website <http://www.dllr.state.md.us/license/mrec/mreceduc.shtml> from the left side menu click on Education & For Educators tab, click on Verify Credits Earned, enter your Registration Number (license number) and PIN/Password

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## **Bright MLS**

Training classes at GCBR - June 14, 2017:

**10:00 a.m. - 11:30 a.m. - Comparative Market Analysis (CMA)**

Learn how to build, research, and customize a Matrix Comparative Market Analysis (CMA), and also be introduced to additional resources that can be powerful additions to your CMA tool-kit.

**12:30 p.m. - 2:00 p.m. - Maximize Your Listing Exposure in Keystone**

Gain tips about managing listing images, adding open houses, explore the enhanced photo management, learn about virtual tours, Marketing Center and more!

**2:30 p.m. - 4:00 p.m. - Why ShowingTime?**

Learn about ShowingTime features and options such as scheduling showings, showing types, ShowingTime mobile, calendar sync and CSS integration.

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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 # 16-14: Dealings Initiated by Another Broker's Client** (Adopted May, 1999)

REALTOR® X, a residential broker, had recently listed a home. REALTOR® X's marketing campaign included "open houses" on several consecutive weekends.

One Sunday afternoon Buyer B came to the open house. REALTOR® X introduced herself to Buyer B and asked whether Buyer B was working with another broker. Buyer B responded that he was, in fact, exclusively represented but went on to add that he was quite familiar with the property as it had been previously owned by a close personal friend. REALTOR® X told Buyer B that she would be happy to show Buyer B through the home and answer any questions he might have, but added that she represented the seller and not Buyer B.

After viewing the home, Buyer B indicated that he was seriously interested in the property and intended to discuss a possible purchase offer with his buyer representative. REALTOR® X responded that there were several other buyers interested in the property and this it would likely sell quickly. "I can't tell you what to do, but if it were me, I would make an offer today," REALTOR® X told Buyer B. "You can go back and discuss this with your broker if you like or I can help you write a purchase contract. It's your choice." With REALTOR® X's words in mind, Buyer B decided to make an offer. REALTOR® X assisted Buyer B in filling out a standard form purchase contract which was accepted by the seller later that day.

REALTOR® X was subsequently charged with violating Article 16 for dealing and negotiating with a party who had an exclusive relationship with another REALTOR®.

At the hearing, REALTOR® X defended her actions noting that she had told Buyer B that she was the seller's exclusive agent and, as such, would not and could not represent

Buyer B's interests. She pointed out that Buyer B had asked for her help in writing a purchase offer and had not sought the counsel and assistance of his exclusive representative. She concluded her defense noting that Standard of Practice 16-13 authorizes dealings with the client of another broker when those dealings are initiated by the client.

The Hearing Panel disagreed with REALTOR® X's reasoning. They concluded that REALTOR® X's inducement of Buyer B by emphasizing that the property might sell quickly (which might well have been true), coupled with her offer to prepare a purchase contract on Buyer B's behalf, constituted an initiation of dealings on the property by REALTOR® X, not by Buyer B. As a result, REALTOR® X was found in violation of Article 16.

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## ODDS 'n ENDS

### Upcoming Meetings/ Events:

**NEW YPN Kick-Off Event** - Friday, June 2, 2017, 10:00 - 11:00 a.m. at Traders's Coffee House, refreshments and pastries provided by Clear Mountain Bank, Alex Stuck. **YPN (Young Professionals Network) is geared toward young, new and those that just want join in with us. Please join us on this date!**

**GCBR Board of Directors Meeting** - Wednesday, June 7, 2017, 9:00 a.m. at GCBR office

**MAR Summer Meetings in Annapolis** - Monday, June 12, 2017, 10:30 a.m. - ?  
(Bob, John, Larry and Barb)

**MRIS Training Classes at GCBR** - Wednesday, June 14, 2017  
10:30 - 11:30 a.m. - Comparative Market Analysis (CMA)  
12:30 - 2:00 p.m. - Maximize Your Listing Exposure in Keystone  
2:30 - 4:00 p.m. - Why Showing Time?

**GCBR Annual Membership Breakfast Buffet Meeting & Event** - sponsored by GCBR Affiliate Members - Wednesday, June 21, 2017, 8:30 a.m. at Garrett Enterprise Information Center Room 111  
Election of 2017-18 Officers & Directors  
2017 REALTOR® of the Year  
RPAC 99 Club Members Recognition  
Voting on GCBR Bylaw change

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*If you have not sent in your reservation form please do so before the June 14th deadline!*

Remember – the **HOA Contact** list is kept current and available to you on the GCBR website – member side at [www.gcbr.org](http://www.gcbr.org) if you obtain new contact information for any of the HOA properties, please email Barb the updated information so the list can be kept current.

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## **REALTORS® Federal Credit Union, a Division of Northwest Federal Credit Union**



**Who:** Created by NAR, the Credit Union is available to address the unique savings, lending and credit needs of REALTORS®, who may be self-employed.

**What:** Offering a variety of banking services for business or personal banking, Credit Union members have access to over 30,000 ATMs and more than 5,000 Shared Branch locations nationwide, as well as checking and savings accounts, Mobile Banking, the REALTOR® Credit Card, competitive rates on auto, home and business loans and more. Services for associations and brokerages including commercial real estate loans, business lines of credit and escrow accounts are also available. [Learn the top ten reasons to join the Credit Union \(link is external\)](#).

**How:** Membership is available to eligible NAR Members, including REALTORS®, Association/Board staff and family members. Join online today (with your NRDS ID) at [REALTORSFCU.org](http://REALTORSFCU.org).

### **Refinance Your Auto Loan Now and Pay Later**

Bring your car loan from another lender to the Credit Union, and enjoy low loan rates\*, flexible terms, and make no payments for 90 days. Refinancing is easy - view requirements and details at [REALTORSFCU.org](http://REALTORSFCU.org). Offer ends June 30, 2017.

Before you refinance, learn more about [current loan rates](#).

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# Garrett County Board of REALTORS® News Briefs

## July 2017



### Membership Update

#### New REALTOR® Members:

#### New Affiliate Members:

Humberson Homes LLC

#### Drops:

John Forman, Custer Realty and Auction Service

#### Transfers:

#### Changes:

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### **Government Affairs Report, Paul Durham G.A.D.**

#### **NEWS FROM MAR: Congress Moving Flood Insurance Reauthorization**





The House of Representatives is moving seven different flood insurance reform bills. The National Association of REALTORS® supports some of the bills but is concerned about a provision that would end the grandfathering of some properties. Click on the link below to the Flood Insurance Information page for the most up to date information on the status of flood insurance reform.

<https://www.nar.realtor/topics/national-flood-insurance-program-nfip/legislative-analysis?cid=GA0023>

### **Tri-County Council Invites GCBR Members to Participate in Survey:**

GCBR members have been invited to participate in a survey being conducted by the Tri-County Council regarding economic development in Western Maryland.

The Council's "Comprehensive Economic Development Strategy (CEDS)" will serve as the fundamental plan for the agency's economic development efforts for the communities it serves for the next five years. As part of this process, CEDS committee members have developed an online survey. The survey seeks to understand the views of community members on the opportunities and threats associated with the region's economic growth and development.

Tri-County Council wants the regional community to have strong and substantive input in the process. Specifically, TCCWMD asks the region to guide its economic development efforts by helping to prioritize issues that affect Western Maryland.

This is an excellent opportunity for the REALTOR® voice to be heard! Follow this link to learn more <http://www.tccwmd.org/programs/eda/ceds-online-survey.html>

### **Garrett County Commissioners Hold the Line on Real Property Tax Rate:**

The Board of Garrett County Commissioners adopted the Fiscal Year 2018 Garrett County Government Budget during their Monday, June 5, 2017 Public Meeting.

The real property tax rate will remain at \$.99 per \$100 of assessed value. This represents 53.41% of the county's revenue, or approximately \$42 million dollars.

To view the Garrett County Government Fiscal Year Budget click on the link below:

<https://www.garrettcountry.org/resources/commissioners/pdf/Budgets/budget18/FY18-Approved-Budget.pdf>

## **Garrett County Comprehensive Plan Review- update:**

(From the Department of Planning and Land Development)

The Garrett County Planning Commission began their review of the 2008 Garrett County Comprehensive Plan on December 7, 2016. At each meeting, they will set aside an hour to discuss the document, starting with Chapter 1 and proceeding through the document in order.

Meeting summaries with associated documents are available at the [Meeting Summaries link](#). The December 7, 2016 meeting completed edits for Chapter 1. Review began on Chapter Two on January 4, 2017. The Commission recently reviewed Chapter 3.

The public is encouraged to participate. The public may read the entirety of the [2008 Comprehensive Plan](#) or view the individual chapters below.

[Chapter One - Introduction](#)

[Chapter Two - Background](#)

[Chapter Three - Land Use](#)

[Chapter Four - Deep Creek Lake Influence Area Master Plan](#)

[Chapter Five - Water Resources Element](#)

[Chapter Six - Transportation Element](#)

[Chapter Seven - Sensitive Areas](#)

[Chapter Eight - Community Facilities](#)

[Chapter Nine - Housing](#)

[Chapter Ten - Mineral Resources Element](#)

[Chapter Eleven - Economic Development](#)

[Chapter Twelve - Implementation](#)

Please bear in mind that the Planning Commission is reviewing the chapters to determine which sections need updated, edited, deleted or added. At the end of the review, all minutes and recordings of the meetings, all public comment received, and all related pertinent information will be given to a contractor, whose job it will be to perform the update to the document. Once the contractor is hired a draft document will be written that will then go through a series of public meetings and review processes before a final draft will be written.

To comment on any of the chapters during the review and contribute your suggestions please fill out the [Public Comment Form](#) provided. The public is also invited to attend any of the Planning Commission meetings, which are held the first Wednesday of every month at 1:30 p.m. in the Commissioners Meeting Room.

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## Garrett County Board of REALTORS® Continuing Education Schedule Fall 2017

All classes will be held at Garrett College, 687 Mosser Road, McHenry, MD 21541-  
***CE Room 111 in Garrett Enterprise Information Building*** next to CE building. No  
credit is given for late arrivals.

### Photo ID Required

Wednesday, September 20, 2017

#### **"Maryland Fair Housing"**

Topic C

10:00 a.m.-11:30 a.m.

Course ID# 104-0709

Instructor: Attorney, Gary Sabo

Thursday, October 5, 2017

#### **"MREC Agency Residential"**

Topic H

9:00 a.m. - 12:00 p.m.

Course ID# 097-0709

Instructor: MAR Attorney, Kathleen Dartez

Wednesday, November 8, 2017

#### **"MD Code of Ethics/Predatory Lending"**

Topic D

9:00 a.m.-12:00 p.m.

Course ID#098-0709

Instructor: Bob Carney

**For Registration Flyers:**    **Seating is first-come, first-served basis.**

Call GCBR 301-334-8405 or email Barb [barbara.butler@gcbr.org](mailto:barbara.butler@gcbr.org) or Amy  
[amy.lowdermilk@gcbr.org](mailto:amy.lowdermilk@gcbr.org)

15 hours of Continuing Education for license renewal: ***Bold indicates required courses.***

**3 hours Topic A – Legislative Legal Update**

**1.5 hours Topic C – Fair Housing**

**3 hours Topic D – Maryland Code of Ethics/Predatory Lending**

**3 hours Topic H – MREC Agency Residential**

4.5 hours in electives (Topics E & F)

**Broker, Managers & Team Leaders – 3 hours in Topic I – MREC Supervision**

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# National Association of REALTORS®

## Are You Using the Membership Marks Correctly?

### Use on the Internet

When surfing the Web for real estate homepages, it's quite common to come across sites belonging to REALTORS®. If you are looking to add your own electronic presence on the Internet, it is easy to get caught up in designing your own web page and choosing a domain name which will capture the attention of surfers and make you easily identifiable. Whether it is the domainname of your home page or other domain names you use to point to your home page, REALTORS® often want to use the REALTOR® marks as part of a domain name or address to distinguish themselves, but they must keep in mind that there are rules governing proper use of the REALTOR® marks that must be adhered to at all times regardless of the media used. These rules are found in the National Association's Membership Marks Manual, a reference manual available on-line at REALTOR.org, explaining proper use of the REALTOR® marks including examples of correct and incorrect uses. Here is a brief list of the principal rules affecting use of the REALTOR® marks in domain names:

1. The term REALTOR®, whether used as part of a domain name or in some other fashion must refer to a member or a member's firm.
2. The term REALTOR® may not be used with descriptive words or phrases. For example, Number1realtor.com, numberone-realtor.com, chicagorealtors.org or realtorproperties.com are all incorrect.
3. For use as a domain name or e-mail address on the Internet the term REALTOR® does not need to be separated from the member's name or firm name with punctuation. For example, both johndoe-realtor.com and johndoerealtor.com would be correct uses of the term as a part of domain names and jdoe\*realtors@webnetservices.com and jdoerealtors@webnetservices.com are both correct uses of the term as part of an e-mail address.
4. The REALTOR® block R logo should not be used as hypertext links at a web site as such uses can suggest an endorsement or recommendation of the linked site by your Association. The only exception would be to establish a link to the National Association's web site, REALTOR.org, or its official property listing site, REALTOR.com.

The public has adopted the use of all lower case letters when writing domain names, even those containing trademarks. Therefore, for purposes of domain names and internet addresses only, there is an exception to the rule on capitalization of the term REALTOR® and it may appear in lower case letters.

Whether you use traditional print media or the Internet, it is essential to use the REALTOR® marks in accordance with the rules and guidelines of the National

Association. The REALTOR® marks should only be used to denote membership in the NATIONAL ASSOCIATION OF REALTORS®. **Proper Use of term REALTOR® on the Internet**

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More information can be found at [www.realtor.org](http://www.realtor.org) search under REALTOR® Trademark

## **REALTORS® Property Resource (RPR)**

About 98 percent of multiple-listing services now provide data to Realtors Property Resource® (RPR®), according to RPC® CEO Dale Ross. About 700,000 real estate professionals now use RPR® on an annual basis, and 158,000 "power users" tap the service regularly.

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## **Maryland Association of REALTORS®**

**REGISTRATION IS NOW OPEN** for the **MAR ANNUAL CONFERENCE BUSINESS AND TECHNOLOGY EXPO**, September 11-13, 2017 in Ocean City, MD. [Register now!](#)

**GRI 200 Starts July 11th.** Click [here](#) for further information. To register click [here](#).

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## **Maryland Real Estate Commission**

### **How to check your CE credits at the MREC website**

Go to the MREC website <http://www.dllr.state.md.us/license/mrec/mreceduc.shtml> from the left side menu click on Education & For Educators tab, click on Verify Credits Earned, enter your Registration Number (license number) and PIN/Password

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## **Bright MLS**

### **INDUSTRY NEWS**

[Fannie Mae To Raise Debt-To-Income Ratio Limit This July](#)

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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 # 8-2: Request for Investigation Filed by Board with the Real Estate Commission** (Originally Case #15-7. Revised and transferred to Article 18 as Case #18-4 May, 1988. Transferred to Article 8 November, 1994. Revised November, 2001.)

REALTOR<sup>®</sup> A listed Client B's residential property and sold it to Buyer C, who made a substantial deposit subject only to Buyer C's obtaining a mortgage on terms and conditions not exceeding a specified rate of interest within 60 days.

REALTOR<sup>®</sup> A assisted Buyer C by introducing him to officials of a lending institution, and after processing his application for a mortgage, a written mortgage commitment was made by the lending institution which met the terms and conditions of the sales agreement. However, shortly after the mortgage commitment was received by Buyer C, REALTOR<sup>®</sup> A received a certified, return receipt requested letter from Buyer C, advising that Buyer C had changed his mind and would not go through with the sale. REALTOR<sup>®</sup> A discussed the matter by phone, but Buyer C would not complete the sale, even at the risk of the seller suing for specific performance.

REALTOR<sup>®</sup> A then advised Client B of Buyer C's refusal to go through with the sale and Client B told REALTOR<sup>®</sup> A that he did not wish to sue buyer C, but would just accept a portion of the forfeited deposit as specified in the listing agreement between Client B and REALTOR<sup>®</sup> A.

REALTOR<sup>®</sup> A then obtained a written release from the sale from Client B and Buyer C, and promised to send Client B a check for the portion of the forfeited deposit due to Client B as specified in the listing agreement. However, REALTOR<sup>®</sup> A failed to send Client B a check and Client B filed a complaint with the Executive Officer of the Board alleging a violation of Article 8 of the Code of Ethics.

At the hearing, Client B stated that he had no complaint about REALTOR<sup>®</sup> A's services to him except REALTOR<sup>®</sup> A's failure to provide Client B with the portion of the forfeited deposit due him, and that after several telephone calls and letters, REALTOR<sup>®</sup> A had told Client B that he would provide the forfeited monies due Client B "just as soon as he could." Client B said REALTOR<sup>®</sup> A told him he had some unexpected expenses and therefore Client B would have to wait until REALTOR<sup>®</sup> A obtained other funds which he expected to receive shortly.

REALTOR<sup>®</sup> A admitted the facts as related and further admitted that he had not placed the deposit received from Buyer C into an escrow account, but had placed it in his general funds. He said that unexpected expenditures had caused a deficit balance in these funds, and he would pay Client B as soon as he could.

The Hearing Panel concluded that REALTOR<sup>®</sup> A was in violation of Article 8 of the Code of Ethics and recommended that the decision, when final, be forwarded to the State Real Estate Commission as a possible violation of the public trust.





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## In-depth reports

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<http://www.getsmartcharts.com/sites/default/files/15thingsyoucandowithSmartCharts.pdf>

\*\*\*\*\*Members please go to [www.getsmartcharts.com/pricing](http://www.getsmartcharts.com/pricing) and select the pink box to sign up at no cost.

Remember – the **HOA Contact** list is kept current and available to you on the GCBR website – member side at [www.gcbr.org](http://www.gcbr.org) if you obtain new contact information for any of the HOA properties, please email Barb or Amy the updated information so the list can be kept current.

[illegible]

# Garrett County Board of REALTORS® News Briefs

## August 2017



### Membership Update

#### New REALTOR® Members:

#### New Affiliate Members:

#### Drops:

Kelsey Meyers, Taylor-Made Deep Creek Vacations & Sales  
Shelia McCracken, Taylor-Made Deep Creek Vacations & Sales

#### Transfers:

#### Changes:

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### **Government Affairs Report, Paul Durham G.A.D.**

#### **Lakefront Property Buydown Program to Expire on October 31, 2017:**

The State of Maryland, Department of General Services, Office of Real Estate is close to finalizing the Deep Creek Lake Buy-down Project per House Bill 356 approved in the 2015 legislative session. This project gives owners of certain properties adjoining Deep Creek Lake the right to purchase land lying contiguous to their properties and Deep Creek Lake, subject to a conservation easement. The re-opened project will be administered in a manner similar to the program previously authorized by the Board of Public Works on February 9, 2000 as Agenda Item 39-RP.

A portion of the proceeds received from any buy-down sale will be used to reimburse the State for reasonable costs and expenses incurred. All proceeds in excess of the reimbursement amount will be credited to the Deep Creek Lake Recreation Maintenance and Management Fund. The project is in effect from October 1, 2015 through October 31, 2017.

For additional information about the project, please contact Ms. Tanja Rucci, Buy-down Coordinator, at 410-767-4303 or [tanja.rucci@maryland.gov](mailto:tanja.rucci@maryland.gov). Property owners interested in purchasing a buy-down parcel must download an "Intent to Purchase Buy-down" form from the DGS web-site (see link below) and then complete and return it to Ms. Rucci at the specified e-mail address.

[www.dgs.maryland.gov/Documents/RealEstate/DeepCreekLakeProject/IntentToPurchaseForm.docx](http://www.dgs.maryland.gov/Documents/RealEstate/DeepCreekLakeProject/IntentToPurchaseForm.docx)

### **Garrett County Comprehensive Plan Review- update:**

The county is currently crafting an RFP for use in seeking a consulting firm to assist the county in its rewrite of the Comprehensive Plan. The Commission will be reviewing the RFP at its August meeting and will then continue its review of the existing plan in the coming months. It appears that the contract timeline will allow for community meetings in early or mid 2018.

### **NAR Update on National Flood Insurance Program:**

NAR has made enacting a five-year reauthorization of the NFIP a legislative priority for 2017. On July 19, 2017 NAR was able to reach an agreement to move one-step closer to realizing this goal.

House Financial Services Chairman Jeb Hensarling has agreed to key changes to H.R. 2874, "The 21<sup>st</sup> Century Flood Reform Act", that now allow NAR to support the bill. NAR had previously opposed this legislation.

These two significant changes removed the objections NAR had to the bill.

- **The bill now contains no changes to current grandfathering rules**
- **Additional changes were made to address NAR's affordability concerns**

As a result:

- **NAR has pledged to support H.R. 2874, as amended, when it comes to the floor**
- **H.R. 2874 would reauthorize the NFIP for five years**
- **H.R. 2874 incorporates six other NFIP reform bills NAR previously supported in committee**
- **NAR staff and the Leadership of the NAR Insurance Committee are confident that the final version of H.R. 2874 will address the goals of all six of [NAR's Flood Insurance Principles](#).**

NAR is hopeful that a vote in the House of Representatives could be scheduled as early as next week.

NAR will communicate its support directly to Members of Congress once the final bill text is available and NAR has reviewed it. The compressed timeline, due to both the September 30<sup>th</sup> deadline and the looming August Congressional Recess, will not leave time for a full NAR Call For Action. If you receive inquiries from your Member of Congress, you can express NAR's support and the [press release](#) linked below.

The Senate Banking Committee is expected to markup its own flood legislation before it leaves in August. NAR is hopeful that this movement on NFIP Reauthorization in both chambers will lead to a long-term reauthorization bill before September 30<sup>th</sup>.

Thank you for your help in educating Congress on NAR's concerns and the need to reauthorize and reform this vital program for REALTORS® and property owners.

Look for more updates from NAR as developments on the Hill warrant.

**Press release:** <https://www.nar.realtor/news-releases/2017/07/realtors-house-financial-services-committee-reach-agreement-to-move-key-flood-insurance-legislation>



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***CE Room 111 in Garrett Enterprise Information Building*** next to CE building. **No credit is given for late arrivals.**

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**Wednesday, September 20, 2017**

#### **"Maryland Fair Housing"**

Topic C

10:00 a.m.-11:30 a.m.

Course ID# 104-0709

Instructor: Attorney, Gary Sabo

**Thursday, October 5, 2017**

#### **"MREC Agency Residential"**

Topic H

9:00 a.m. - 12:00 p.m.

Course ID# 097-0709  
Instructor: MAR Attorney, Kathleen Dartez

Wednesday, November 8, 2017

**"MD Code of Ethics/Predatory Lending"**

Topic D  
9:00 a.m.-12:00 p.m.  
Course ID#098-0709  
Instructor: Bob Carney

Wednesday, January 17, 2018

**"MREC Broker, Branch Office Manager,  
& Team Leaders Supervision"**

Topic I  
9:00 a.m.-12:00 p.m.  
Course ID#100-0709  
Instructor: Pat Kane

**For Registration Flyers:** Seating is first-come, first-served basis.  
Call GCBR 301-334-8405 or email Barb [barbara.butler@gcbr.org](mailto:barbara.butler@gcbr.org) or Amy  
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4.5 hours in electives (Topics E & F)

**Broker, Managers & Team Leaders – 3 hours in Topic I – MREC Supervision**

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**National Association of REALTORS®**

## **CFPB Finalizes Updates to "Know Before You Owe" Mortgage Disclosure**

Changes Will Provide More Clarity, Preserve Protections for Consumers

**July 7, 2017 - WASHINGTON, D.C.** – The Consumer Financial Protection Bureau (CFPB) today finalized updates to its “Know Before You Owe” mortgage disclosure rule with amendments that are intended to formalize guidance in the rule, and provide greater clarity and certainty. The changes will facilitate implementation of the Know Before You Owe rule by the mortgage industry. The CFPB is also releasing a limited follow-up proposal to address an additional implementation issue.

“A mortgage is one of the largest financial decisions a consumer will ever make, and CFPB’s rules help ensure consumers have the easy-to-understand information they need before making a decision that will significantly impact their financial lives,” said CFPB Director Richard Cordray. “Our updates will clarify parts of our mortgage disclosure rule to make for a smoother implementation process for lenders and consumers.”

The Know Before You Owe mortgage disclosure rule took effect Oct. 3, 2015. The CFPB’s rule created new, streamlined forms that consumers receive when applying for and closing on a mortgage. In addition to clarifications and technical corrections, the amendments that the Bureau is finalizing today address a handful of other issues within the rule, including:

- **Tolerances for the total of payments:** Before the Know Before You Owe mortgage disclosure rule, the total of payments disclosure was determined using the finance charge as part of the calculation. The Know Before You Owe mortgage disclosure rule changed the total of payments calculation so that it did not make specific use of the finance charge. The Bureau is now finalizing updates to include tolerance provisions for the total of payments that parallel the tolerances for the finance charge and disclosures affected by the finance charge.
- **Housing assistance lending:** The Know Before You Owe mortgage disclosure rule gave a partial exemption from disclosure requirements to certain housing assistance loans, which are originated primarily by housing finance agencies. The Bureau’s update, as finalized, promotes housing assistance lending by clarifying that recording fees and transfer taxes may be charged in connection with those transactions without losing eligibility for the partial exemption. The update also excludes recording fees and transfer taxes from the exemption’s limits on costs. Through the update, more housing assistance loans will qualify for the partial exemption, which should encourage these loans.
- **Cooperatives:** The Bureau is finalizing updates to extend the rule’s coverage to include all cooperative units. Currently, the rule only covers transactions secured by real property, as defined under state law. Cooperatives are sometimes treated as personal property under state law and sometimes as real property. By including all cooperatives in the rule, the Bureau is simplifying compliance and ensuring that more consumers benefit from the rule.
- **Privacy and sharing of information:** The Know Before You Owe mortgage disclosure rule requires creditors to provide certain mortgage disclosures to the consumer. The Bureau has received many questions about sharing the disclosures provided to consumers with third parties to the transaction, including the seller and real estate brokers. The Bureau understands that it is usual, accepted, and appropriate for creditors and settlement agents to provide a Closing Disclosure to consumers, sellers, and their real estate brokers or other agents. The Bureau is finalizing additional commentary to clarify how a creditor may provide separate disclosure forms to the consumer and the seller.

**The finalized amendments are available at:**

[http://files.consumerfinance.gov/f/documents/201707\\_cfpb\\_Final-Rule\\_Amendments-to-Federal-Mortgage-Disclosure-Requirements\\_TILA.pdf](http://files.consumerfinance.gov/f/documents/201707_cfpb_Final-Rule_Amendments-to-Federal-Mortgage-Disclosure-Requirements_TILA.pdf)

In addition to the final rule, the CFPB is issuing a proposal addressing when a creditor may use a Closing Disclosure, instead of a Loan Estimate, to determine if an estimated closing cost was disclosed in good faith and within tolerance. Comments are due 60 days after the proposal's publication in the Federal Register and will be weighed carefully before a final regulation is issued.

**The proposal is available at:**

[http://files.consumerfinance.gov/f/documents/201707\\_cfpb\\_Proposed-Rule\\_Amendments-to-Federal-Mortgage-Disclosure-Requirements\\_TILA.pdf](http://files.consumerfinance.gov/f/documents/201707_cfpb_Proposed-Rule_Amendments-to-Federal-Mortgage-Disclosure-Requirements_TILA.pdf)

## **REMINDER: Pathways to Professionalism**

[Download](#) (PDF: 62 KB)

While the Code of Ethics and Standards of Practice of the National Association establishes objective, enforceable ethical standards governing the professional conduct of REALTORS®, it does not address issues of courtesy or etiquette.

Based on input from many sources, the Professional Conduct Working Group of the Professional Standards Committee developed the following list of professional courtesies for use by REALTORS® on a voluntary basis. This list is not all-inclusive, and may be supplemented by local custom and practice.

Also available: [A Pathway to Professional Conduct](#), a video which articulates key concepts and courtesies.

### **I. Respect for the Public**

1. Follow the "Golden Rule": Do unto other as you would have them do unto you.
2. Respond promptly to inquiries and requests for information.
3. Schedule appointments and showings as far in advance as possible.
4. Call if you are delayed or must cancel an appointment or showing.
5. If a prospective buyer decides not to view an occupied home, promptly explain the situation to the listing broker or the occupant.
6. Communicate with all parties in a timely fashion.
7. When entering a property ensure that unexpected situations, such as pets, are handled appropriately.
8. Leave your business card if not prohibited by local rules.
9. Never criticize property in the presence of the occupant.
10. Inform occupants that you are leaving after showings.

11. When showing an occupied home, always ring the doorbell or knock—and announce yourself loudly before entering. Knock and announce yourself loudly before entering any closed room.
12. Present a professional appearance at all times; dress appropriately and drive a clean car.
13. If occupants are home during showings, ask their permission before using the telephone or bathroom.
14. Encourage the clients of other brokers to direct questions to their agent or representative.
15. Communicate clearly; don't use jargon or slang that may not be readily understood.
16. Be aware of and respect cultural differences.
17. Show courtesy and respect to everyone.
18. Be aware of—and meet—all deadlines.
19. Promise only what you can deliver—and keep your promises.
20. Identify your REALTOR® and your professional status in contacts with the public.
21. Do not tell people what you think—tell them what you know.

## **II. Respect for Property**

1. Be responsible for everyone you allow to enter listed property.
2. Never allow buyers to enter listed property unaccompanied.
3. When showing property, keep all members of the group together.
4. Never allow unaccompanied access to property without permission.
5. Enter property only with permission even if you have a lockbox key or combination.
6. When the occupant is absent, leave the property as you found it (lights, heating, cooling, drapes, etc.) If you think something is amiss (e.g. vandalism), contact the listing broker immediately.
7. Be considerate of the seller's property. Do not allow anyone to eat, drink, smoke, dispose of trash, use bathing or sleeping facilities, or bring pets. Leave the house as you found it unless instructed otherwise.
8. Use sidewalks; if weather is bad, take off shoes and boots inside property.
9. Respect sellers' instructions about photographing or videographing their properties' interiors or exteriors.

## **III. Respect for Peers**

1. Identify your REALTOR® and professional status in all contacts with other REALTORS®.
2. Respond to other agents' calls, faxes, and e-mails promptly and courteously.



3. Be aware that large electronic files with attachments or lengthy faxes may be a burden on recipients.
4. Notify the listing broker if there appears to be inaccurate information on the listing.
5. Share important information about a property, including the presence of pets, security systems, and whether sellers will be present during the showing.
6. Show courtesy, trust, and respect to other real estate professionals.
7. Avoid the inappropriate use of endearments or other denigrating language.
8. Do not prospect at other REALTORS®' open houses or similar events.
9. Return keys promptly.
10. Carefully replace keys in the lockbox after showings.
11. To be successful in the business, mutual respect is essential.
12. Real estate is a reputation business. What you do today may affect your reputation—and business—for years to come.

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## **Maryland Association of REALTORS®**

**Annapolis, MD, (July 7, 2017) -**

The Maryland Association of REALTORS®, the largest Maryland professional trade association, serving over 24,000 members, which is dedicated to preserving the vitality of the real estate market, is pleased to announce it has completed its rebranding, establishing itself as Maryland REALTORS®.

"We are excited about this change that we thought necessary because of the value of the REALTOR® brand," said President Shelly Murray. "It's important to capitalize on the power of the brand, and the word 'REALTOR®' needs to be front and center in our name. In addition, to reinforce the power of our voice throughout the state, the word 'MARYLAND' needs to be prominent."

REALTOR® is a registered collective membership mark, which may only be used by those real estate professionals who subscribe to the REALTOR® organization's strict Code of Ethics, and who are members of the National, State, and Local REALTOR® organizations. All REALTORS® are licensed real estate agents, but not all real estate agents are REALTORS®.

Maryland REALTORS® also unveiled a new logo and website ([www.mdrealtor.org](http://www.mdrealtor.org)) while incorporating the tagline, "Voice of Real Estate in Maryland".

Established in the 1930's, Maryland REALTORS® connects 16 local real estate associations/boards throughout the Old Line State—from Garrett County in western

Maryland to Wicomico County on the Atlantic Ocean and everywhere in between. From their headquarters in Annapolis, Maryland REALTORS® serves as the Voice for Real Estate in Maryland, providing a full range of member services and benefits, professional-development opportunities, legislative and regulatory advocacy, and timely communications to keep their members informed.

**REGISTRATION IS NOW OPEN** for the **MAR ANNUAL CONFERENCE BUSINESS AND TECHNOLOGY EXPO**, September 11-13, 2017 in Ocean City, MD. [Register now!](#)

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## Maryland Real Estate Commission

[Open House Disclosure Sign](#) - THIS DOCUMENT MAY NOT BE ALTERED, MUST BE DISPLAYED IN AT LEAST 8.5" X 11" SIZE, IN COLOR, AND REMAIN ON THE MARYLAND REAL ESTATE COMMISSION LETTERHEAD.

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## Bright MLS

### BIG News about Smaller Fees!

**Your quarterly fees have decreased by 25%! Starting this quarter, current REALTOR stakeholder quarterly fees have decreased from \$165 to \$123, and for non-REALTOR stakeholders, quarterly fees have decreased from \$284 to \$213.**

This fee reduction is an immediate benefit of consolidation that we can offer you now, thanks to economies of scale. Our plan is to eventually transition all members of our REALTOR stakeholder associations to a standard rate of \$35 per month (\$105/quarter) by 2019.

Additional changes to fees will occur in the coming months as we continue to transition to the Bright fee structure.

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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 # 1-4 Fidelity to Client** (Originally Case #7-5. Revised May, 1988. Transferred to Article 1 November, 1994. Cross-reference Case #4-5)

Client A contacted REALTOR® B to list a vacant lot. Client A said he had heard that similar lots in the vicinity had sold for about \$50,000 and thought he should be able to get a similar price. REALTOR® B stressed some minor disadvantages in location and grade

In two weeks, REALTOR B came to Client A with an offer at the listed price of \$32,500. The client raised some questions about it, pointing out that the offer had come in just two weeks after the property had been placed on the market which could be an indication that the lot was worth closer to \$50,000 than \$32,500. REALTOR® B strongly urged him to accept the offer, stating that because of the sluggish market, another offer might not develop for months and that the offer in hand simply vindicated REALTOR® B's own judgment as to pricing the lot. Client A finally agreed and the sale was made to Buyer C.

Client A outlined the facts in a complaint to the Board of REALTORS®, charging REALTOR® B with collusion in betrayal of a client’s confidence and interests and with failing to disclose that he was buying the property on his own behalf.

The Hearing Panel concluded that REALTOR® B had deceitfully used the guise of rendering professional service to a client in acting as a speculator; that he had been unfaithful to the most basic principles of agency and allegiance to his client's interest; and that he had violated Articles 1 and 4 of the Code of Ethics.

## ODDS 'n ENDS

### Upcoming Meetings/ Events:

**Budget/Finance Committee Meeting -** Wednesday, August 16, 2017, 9:00 a.m. at GCBR

[illegible]

## "Why are you the REALTOR® better off with GCBR than without GCBR"

### Your Value Proposition

an influential voice in the political process  
a valued partner & contributor in the community  
high ethical and professional conduct standards that ensure integrity

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**Showing Time - Smart Charts** - Smart Charts are a free membership benefit and if you have not signed up for Smart Charts following the link below

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sign up at [getsmartcharts.com/pricing](https://getsmartcharts.com/pricing) and click the Pink Box*

### Announcing a NEW GCBR Member Benefit!

The Board of Directors is pleased to inform you of a new member benefit that can save you up to \$270 a year!

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Market data displayed in easy-to-grasp visuals that will help you help your clients with pricing, offers and counteroffers.

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**In-depth reports**

Local market reports give you an accurate view of conditions your clients will appreciate.

Here's 15 things you can do with SmartCharts Pro:

<http://www.getsmartcharts.com/sites/default/files/15thingsyoucandowithSmartCharts.pdf>

**\*\*\*\*\*Members please go to [www.getsmartcharts.com/pricing](http://www.getsmartcharts.com/pricing) and select the pink box to sign up at no cost.**

Remember – the **HOA Contact** list is kept current and available to you on the GCBR website – member side at [www.gcbr.org](http://www.gcbr.org) if you obtain new contact information for any of the HOA properties, please email Barb or Amy the updated information so the list can be kept current.

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# Garrett County Board of REALTORS® News Briefs

## September 2017



### Membership Update

**New REALTOR® Members:**

**New Affiliate Members:**

**Drops:**

**Transfers:**

**Changes:**

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## Government Affairs Report, Paul Durham G.A.D.

### **Call for Action: Reauthorize the National Flood Insurance Program (NFIP)**

The National Association of REALTORS (NAR) needs your help to drive messages to Members of Congress urging them to support H.R. 2874, "The 21st Century Flood Reform Act."

H.R. 2874 reauthorizes the NFIP and makes a number of critical improvements to the NFIP including increased funds for mitigation activities, caps on overall premium increases, improved claim and mapping processes, as well as removing hurdles for more private market participation in the flood insurance market. Reauthorization of the NFIP will help over 5 million homeowners in 22,000 communities around the country, so it is critical Congress acts now.

If Congress fails to take action to reauthorize the NFIP, it will expire by September 30, **2017**.

**[Click here to take action.](#)**

More information:

[Key Talking Points](#)

[HR 2874 Bill Summary on Congress.gov](#)

[NAR Section-By-Section Analysis of HR 2874](#)

[NAR Flood Insurance Portal](#)

### **McHenry/Thayerville Water Service Area Changes Adopted:**

The Board of Garrett County Commissioners conducted a Public Hearing on August 7 for a proposed boundary change of the McHenry Water Service Area and the Thayerville Water Service Area that would combine McHenry and Thayerville with an additional area located along Deep Creek Drive between Gravelly Run Road and US 219 Bridge over Deep Creek Lake. This would result in a single, new service area to be known as the Deep Creek Lake Water Service Area.

The new district proposal was approved by the Commissioners at their August 22 meeting.

The proposed system will provide a back-up to the proposed Hoyes Run supply. A plat showing the boundary lines of the proposed Service Area can be viewed at the office of the Garrett County Department of Public Works - Utilities Division at 2008 Maryland Highway - Suite 2, Mountain Lake Park, Maryland, weekdays between the hours of 8:30 a.m. and 4:30 p.m.

### **MAR Participates in Legislative Committee Septic Discussion:**

A key Committee in the Maryland Legislature discussed septic tank regulation, including the expansion of Best Available Technology (BAT) systems throughout Maryland. Below is the Maryland REALTORS® written statement.

#### ***Interim Study on Septic Systems House Environment and Transportation Committee***

*Maryland is a leader on septic regulation in the country, passing many laws and regulations to address septic pollution.*

<b>YEAR</b>	<b>ACTION</b>
1999	<i>Maryland increased septic inspection requirements</i>
2004	<i>Passed the Bay Restoration Fee to fund wastewater treatment plant and septic upgrades</i>
2009	<i>Required Best Available Technology (BAT) septic systems within Maryland's Critical Areas</i>
2012	<ul style="list-style-type: none"><li>• <i>Expanded the BAT septic requirement outside of the Critical Areas by regulation</i></li><li>• <i>Doubled the Bay Restoration Fee</i></li><li>• <i>Limited new development on septic systems</i></li></ul>
2016	<i>Passed a regulation removing the mandate for BAT systems outside Maryland's Critical Areas except for large systems with a design flow of 5,000 gallons per day or more (counties continue to have the authority to impose more extensive BAT requirements locally)</i>

The debate over the measures implemented above was lengthy and, at times, contentious. Throughout, the Maryland REALTORS® advocated for actions that balanced septic pollution control measures with housing affordability and other more efficient pollution control measures. The Maryland REALTORS® continues to believe the State must find balance between these different and important policy priorities.

With that background, the Maryland REALTORS® offers the following comments.

### **Expanding the BAT System Mandate Outside the Critical Areas**

The Maryland REALTORS® opposed legislation HB 281/SB 266 this past session which would have reimposed a Best Available Technology (BAT) septic requirement on most new residential and commercial construction in Maryland outside Maryland's Critical Areas. The Maryland REALTORS® continues to oppose such a requirement.

- The State already imposes a BAT requirement on large systems outside the Critical Areas.
- Local Counties already have authority to expand the BAT mandate outside the Critical Areas.
- The current BAT requirement imposes an additional \$8–12 thousand cost on septic systems.
- BAT systems are one of the least cost-effective strategies for reducing pollution.

### **Prioritization of BAT Grants**

The Maryland REALTORS® continues to support the BAT grants offered by the State of Maryland. The grants should prioritize individuals required to use BAT technology rather than individuals who are not required to install a BAT system but who voluntarily choose such a system. Some will be mandated to use BAT systems because they live in the Critical Areas, some outside the Critical Area may be required to use a BAT system because a conventional system is incompatible with their property.

### **Septic Pump-Outs and other Maintenance Issues**

The necessity for pump-outs varies widely due to many factors, including: how many people use the system; the types of material deposited in the system; and the types of soils on the property.

The Maryland REALTORS® recognizes there are benefits to septic pump-outs, and outreach/education efforts with homeowners, and incentives like those in Howard County can make a difference. Howard provides a tax incentive for homeowners who pump-out their systems and the county receives credit for such pump-outs that can be applied to the county's stormwater control permit.

### **County Compliance with Watershed Implementation Plans**

Maryland Counties are already charged with developing and enforcing Watershed Implementation Plans (WIPs) to meet the pollution reduction goals set for the Chesapeake Bay. Given the diversity of Maryland's counties, different counties take different approaches to maximize their overall pollution reduction. It makes sense to continue to give counties flexibility in designing the most cost-effective strategies to reduce pollution goals as quickly as possible.

**For more information, contact Bill Castelli, Susan Mitchell, or Mark Feinroth at 800-638-6365**



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## Garrett County Board of REALTORS® Continuing Education Schedule Fall 2017

All classes will be held at Garrett College, 687 Mosser Road, McHenry, MD 21541-  
***CE Room 111 in Garrett Enterprise Information Building*** next to CE building. No  
credit is given for late arrivals.

### Photo ID Required

Wednesday, September 20, 2017

#### **"Maryland Fair Housing"**

Topic C

10:00 a.m.-11:30 a.m.

Course ID# 104-0709

Instructor: Attorney, Gary Sabo

Thursday, October 5, 2017

#### **"MREC Agency Residential"**

Topic H

9:00 a.m. - 12:00 p.m.

Course ID# 097-0709

Instructor: MAR Attorney, Kathleen Dartez

Wednesday, November 8, 2017

#### **"MD Code of Ethics/Predatory Lending"**

Topic D

9:00 a.m.-12:00 p.m.

Course ID#098-0709

Instructor: Bob Carney

Wednesday, January 17, 2018

#### **"MREC Broker, Branch Office Manager, & Team Leaders Supervision"**

Topic I

9:00 a.m.-12:00 p.m.

Course ID#100-0709

Instructor: Pat Kane

For Registration Flyers: Seating is first-come, first-served basis.

Call GCBR 301-334-8405 or email Barb [barbara.butler@gcbr.org](mailto:barbara.butler@gcbr.org) or Amy  
[amy.lowdermilk@gcbr.org](mailto:amy.lowdermilk@gcbr.org)

15 hours of Continuing Education for license renewal: ***Bold indicates required courses.***  
**3 hours Topic A – Legislative Legal Update**

**1.5 hours Topic C – Fair Housing**  
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**3 hours Topic H – MREC Agency Residential**  
**4.5 hours in electives (Topics E & F)**  
**Broker, Managers & Team Leaders – 3 hours in Topic I – MREC Supervision**

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## National Association of REALTORS®

### NAR CEO Invites You to Connect

Discovery, innovation, and progress will mark the tenure of Bob Goldberg, NAR's new CEO, according to NAR President Bill Brown. Watch Goldberg discuss NAR's and the industry's future in [this video](#), including the tools he's already implemented to broaden communication with members like you.

### When Clients Don't Want You to Text

It's faster and simpler to communicate with customers by text. But put your device down for a sec: There are certain times during the transaction when they need to hear your voice.

### *REALTORS® Dental Insurance Plans Upgraded*

NAR's group dental plans for AEs, association staff, and members now offer 100 percent coverage for preventive in-network care. REALTORS® Dental Insurance is available through REALTORS® Insurance Marketplace, a proud partner in the REALTOR Benefits® Program, with three plans (Platinum, Gold, and Value) and benefits for more than 370 procedures. SASid, Inc., the administrator of REALTORS® Dental, has licensed benefit specialists available to answer your questions. For more details, call 877-433-5845 or visit [realtorsinsurancemarketplace.com/dental](http://realtorsinsurancemarketplace.com/dental).

\*\*\*\*\*

## Maryland Association of REALTORS®

7 Important Things Home Sellers Often Forget to Do. Read [more](#).

Facebook unveils first ad product for real estate. Read [more](#).

### \*8 Safety Tips\*

1

Avoid meeting prospective clients while alone in the office. If you must, make sure a “buddy” knows who you are meeting and when.

2

Ask each new client or prospect to come into the office to fill out a “Prospect Identification” form and ask to make a copy of his or her driver's license—preferably during business hours or in the presence of an associate.

3

Open House: Check all of the rooms prior to locking the house. If the house is in a remote area, have an associate accompany you.

4

Try to meet the client at the home you're showing. Leave your wallet and any valuables locked in your car, and don't park in such a way that it's possible to be blocked in.

5

Have a code word or code phrase to use when calling your office to serve as an alert that you are potentially in danger, but don't want to alarm a would-be assailant.

6

Before attending a listing appointment, research how to make sure those you are meeting are actually the owners of the home and that it seems like a legitimate prospect.

7

When in a vacant house, leave the front door open if possible and let the client lead the way. Don't put yourself in a position to be trapped in an enclosed area like a basement.

8

Go with your gut—if something doesn't feel right about a particular person or situation, have an excuse ready to leave or find a more comfortable location for your meeting.

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## Bright MLS

### *Bright MLS Rules and Regulations: 6 Important Changes*

Every participating organization helped create the Bright rules, through a collaborative process. The rules follow the NAR model rules, so they will be very familiar to many. Of course, there are some details that may be different, based on which MLS you currently use.\* Here are the top 6 most notable changes:

1. All changes to listings, including initial entry, status changes, and price changes, must be completed within 3 business days of the effective date, which is the date the listing agreement is executed.
2. Every listing must include at least one listing photo. This is across all property types, but must include a curbside photo (for residential – non-new construction), an architectural rendering (for new construction) or a plat/survey (for unimproved non-residential).

3. If requested, you must provide copies of listing agreements and all related addenda to Bright within 3 business days.
4. A transaction that is not marketed in Bright may be added to the MLS after it has sold in 3 instances: if the property wasn't listed or was listed with a non-Bright participant but sold by a Bright participant; or if it was subject to an open listing agreement.
5. Cooperative Compensation may not be based upon Net Sales Price. Cooperative Compensation must be offered as a percentage of the Gross Sales Price, as a flat dollar amount, or combination of the two. For new construction only, cooperative compensation may be offered as a percentage of the base sales price, which is defined as the price before any buyer upgrades.
6. Since Bright MLS allows non-REALTORS®, if deemed necessary non-REALTOR® participants will be required to participate in the REALTOR® complaint and arbitration process, and may have their MLS access suspended if they refuse to pay an award as the non-prevailing party in an arbitration decision.

\* These rules only apply once you have converted to Bright MLS, later this year or next. A document will be created for each market that outlines these and other significant Bright changes from your current rules.

Did you know you can access all of your MLS data, plus search for listings by school attendance zone when you use Homesnap Pro, the app provided to you for FREE from MRIS/Bright MLS

You can also easily see all of the local schools that the property is zoned for - all based on accurate third-party data.

[Register now »](#)

To get free access to this feature and many others, register for Homesnap Pro today!

Don't miss out on what Inman News calls "the app that every agent is asking their MLS to build and provide for them."

## Maximize Energy Data When Selling To Eco-Friendly Clients

If you have clients selling eco-friendly homes, you'll want to check out this free resource with tips on how best to market these 'green' features to your prospective buyers.

[Read More ►](#)



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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 #3-8: Misrepresentation** (Reaffirmed Case #9-14 May, 1988. Transferred to Article 2 November, 1994.)

REALTOR® A listed a motel for sale and prepared a sales prospectus setting out figures reporting the operating experience of the owner in the preceding year. The prospectus contained small type at the bottom of the page stating that the facts contained therein, while not guaranteed as to accuracy, were “accurate to the best of our knowledge and belief,” and carried the name of REALTOR® A as the broker.

Buyer B received the prospectus, inspected the property, discussed the operating figures in the prospectus and other features with REALTOR® A, and signed a contract.

Six months after taking possession, Buyer B ran across some old records that showed discrepancies when compared with the figures in REALTOR® A’s prospectus. Buyer B had not had as profitable an operating experience as had been indicated for the previous owner in the prospectus, and the difference could be substantially accounted for by these figures. He filed a charge of misrepresentation against REALTOR® A with REALTOR® A’s Board.

At the hearing, REALTOR® A took responsibility for the prospectus, acknowledging that he had worked with the former owner in its preparation. The former owner had built the motel and operated it for five years. REALTOR® A explained that he had advised him that \$10,000 in annual advertising expenses during these years could reasonably be considered promotional expenses in establishing the business, and need not be shown as annually recurring items. Maid service, he also advised, need not be an expense item for a subsequent owner if the owner and his family did the work themselves. REALTOR® A cited his disclaimer of a guarantee of accuracy. Buyer B testified that he had found maid service a necessity to maintain the motel, and it was apparent that the advertising was essential to successful operation. He protested that the margin of net income alleged in the prospectus could not be attained as he had been led to believe by REALTOR® A.

The Hearing Panel concluded that REALTOR® A had engaged in misrepresentation in omitting from the prospectus information which he reasonably should have known to be relevant and significant and that the disclaimer did not, in any respect, avoid his obligation of full disclosure.

REALTOR® A was found in violation of Article 2.

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## ODDS ‘n ENDS

**Upcoming Meetings/ Events:** The Board Office will be closed Monday September 4<sup>th</sup> for Labor Day.

**GCBR Board of Directors Meeting** - Wednesday, September 6, 2017, 9:00 a.m. at GCBR office

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**Showing Time - Smart Charts** - Smart Charts are a free membership benefit and if you have not signed up for Smart Charts following the link below

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# Garrett County Board of REALTORS® News Briefs

## October 2017



### Membership Update

#### New REALTOR® Members:

Angie Meyer, Coldwell Banker Deep Creek Realty

#### New Affiliate Members:

#### Drops:

#### Transfers:

#### Changes:

\*\*\*\*\*

## REALTOR® Dues Reminder

The 2017-18 dues invoice will be posted to the GCBR ListServ and a copy will be given to your broker for distribution. Per the GCBR Bylaws Article X Section 3 this is due and payable on November 1, 2017 in the amount of \$708.00 (no increase in GCBR dues since 2009).

If you wish to pay via credit card online you may do so on October 31<sup>st</sup> when they will be released for payment on the NAR website.

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## Government Affairs Report, Paul Durham G.A.D.

# NEWS FROM NAR:

### **Mortgage Interest Deduction – NAR Increases its Lobbying Efforts:**

NAR has been actively engaged in the long-developing tax reform debate in Washington, D.C. This update outlines NAR's increased advocacy profile in anticipation of tax reform developments.



NATIONAL ASSOCIATION  
OF REALTORS®  
*The Voice for Real Estate®*

### **Upcoming Congressional Actions:**

On Wednesday, September 27, 2017 the "Group of Six" consisting of Treasury Secretary Steven Mnuchin, Senate Majority Leader Mitch McConnell, Speaker of the House Paul Ryan, Senate Finance Committee Chairman Orrin Hatch, House Ways and Means Committee Chairman Kevin Brady and National Economic Council Director Gary Cohn released a broad tax reform outline.

The plan is expected to double the standard deduction and eliminate all personal deductions except the Mortgage Interest Deduction and the deduction for Charitable Contributions. The plan eliminates the deduction for State and Local Taxes. This one-two punch will deliver a crippling blow to middle class homeowners by removing economic incentives for homeownership and raising taxes by an average of \$851. By doubling the standard deduction, the Mortgage Interest Deduction would only be available to the top 5% of taxpayers.

### **NAR Messages to Congress**

On Tuesday, September 25, 2017, NAR will launch a \$6.5 million Public Issue Advocacy plan to highlight NAR opposition to any proposal that results in higher taxes on middle class homeowners.

[Click here to view first print ad.](#)

<http://narfocus.com/billdatabase/clientfiles/172/5/2980.pdf>

### **NFIP Update - Statement From NAR President William E. Brown:**

"Extending the National Flood Insurance Program was a must-do item, and Congress delivered. That's good news for consumers, as well as an opportunity for proponents of meaningful reform. With a short extension on their side, leaders in the House and Senate should continue work on the 21<sup>st</sup> Century Flood Reform Act to strengthen the NFIP and ensure the long-term certainty that current and future homeowners demand."

## **National Flood Insurance Program (NFIP) Extended:**

On Thursday, September 7, the Senate voted to pass a three-month extension of the National Flood Insurance Program (NFIP). The House of Representatives passed the legislation on Friday, September 8, 2017, and the President signed the bill into law later that day.

This legislation ensures that the NFIP will not lapse on September 30, 2017, and will be extended until December 8, 2017.

The NAR Call for Action concluded Friday, September 8, 2017 at 5:00 p.m. eastern time. NAR will continue our legislative advocacy efforts for the 21<sup>st</sup> Century Flood Reform Act until this long-term reauthorization and reform bill is enacted.

## **Garrett County 2012 Land Preservation, Parks and Recreation Plan (LPPRP) GARRETT COUNTY 2017 LPPRP PUBLIC HEARING:**

The State of Maryland requires that counties update Land Preservation, Parks and Recreation Plans (LPPRPs) every five years. The LPPRPs qualify local governments for State Program Open Space (POS) grants and other programs related to three land resource elements: recreation and parks; agricultural land preservation; and natural resource land conservation. The latest update is in final draft form.

**The Board of Garrett County Commissioners will conduct a Public Hearing on Monday, October 2, 2017, in conjunction with their regularly scheduled meeting at 4:00 pm., in the County Commissioners Meeting Room, 203 South Fourth Street, Courthouse Annex, Oakland, MD. The Board will review a proposal by the Garrett County Planning Commission to adopt the Garrett County 2017 Land Preservation, Parks and Recreation Plan. A copy of the final draft of this document and Appendix D can be viewed by following the links below.**

### **[Garrett County 2017 Land Preservation, Parks and Recreation Plan Appendix D](#)**

The main purpose for the Garrett County LPPRP is to identify future needs and priorities for parks, recreation and open space acquisition, facility development and rehabilitation in the County and its eight incorporated towns. These needs and priorities serve as a guide for land acquisitions and capital investments in the County's and towns' Capital Improvements Programs. This 2017 LPPRP draft describes progress made since the 2015 LPPRP and identifies needs and priorities of current and future County residents and visitors for parks and recreation.

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Course ID# 097-0709

Instructor: MAR Attorney, Kathleen Dartez

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15 hours of Continuing Education for license renewal: ***Bold indicates required courses.***

**3 hours Topic A – Legislative Legal Update**

**1.5 hours Topic C – Fair Housing**

**3 hours Topic D – Maryland Code of Ethics/Predatory Lending**

**3 hours Topic H – MREC Agency Residential**

**4.5 hours in electives (Topics E & F)**

**Broker, Managers & Team Leaders – 3 hours in Topic I – MREC Supervision**

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## National Association of REALTORS®

### REALTORS® Dental Insurance Plans Expanded

**NAR's group dental plans for members and their families now offer 100 percent coverage for preventive in-network care. REALTORS® Dental Insurance is available through REALTORS® Insurance Marketplace in three plans—Platinum, Gold, and Value. Next-day coverage is available, and benefits are available for more than 370 procedures. If you currently have a REALTORS® Dental plan, you can keep your plan. SASid Inc., the administrator of REALTORS® Dental and a proud partner in the REALTOR Benefits® Program, has licensed benefit specialists available to answer your questions at 877-433-5845, or you can visit [realtorsinsurancemarketplace.com/dental](http://realtorsinsurancemarketplace.com/dental) for more details.**

## Growing Pains in the Gig Economy

Brokerages find trade-offs as they outsource more of their workload.

Article by Erica Christoffer from the Sept/Oct 2017 REALTOR® Magazine.

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## Maryland Association of REALTORS®

MAR offering **GRI 300 & 400** starting October 12th and November 7th respectfully.  
See details [here](#)

The **Maryland Mortgage Grant Assist Program** gives eligible homebuyers an outright grant valued at 4% of the first mortgage. Learn more [here](#).

The **RPR app has been upgraded** to now include Comps Analysis Express--a simple, intuitive interface to create an on-the-go CMA using a phone or tablet. Learn [more](#)

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## Bright MLS

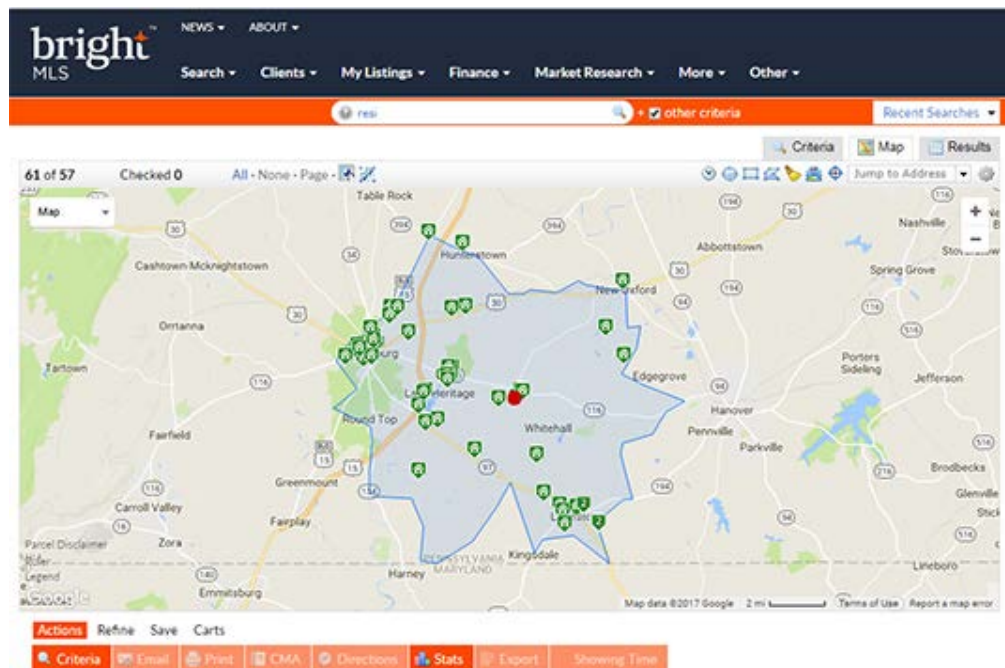
### Search by Commute Time with Drive Time Search

Real Estate has always been about “location, location, location.” And, in the past people considered the miles between their home and frequented places when looking at new homes. However, what has become critically important about home location is minutes not miles. Homeowners want to know exactly how long it will take to commute home from work, daycare, shopping, etc. Drive Time makes it easy to find this information through a search available in Bright MLS.

#### Here's how Drive Time search works!

INRIX, the company that powers Drive Time search, collects data from almost 100 million GPS-enabled vehicles and devices. They then take this data and turn it into searchable information you can use to help your clients find their next home.

The Drive Time search in Bright is available within the map. Simply enter the location(s) your clients commute to regularly, the time(s) of day they travel, and their preferred commute time. View the results that fall within those commutes and share the results with your clients.



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

## Case #1-20: REALTORS® Buying and Selling to One Another are Still Considered

**REALTORS®** (Originally Case #7-24. Revised May, 1988. Transferred to Article 1 November, 1994. Cross-reference Case #2-13.)

REALTOR® A owned a home which he listed through his own brokerage firm. The property listing was with the Multiple Listing Service of the Board. REALTOR® B called REALTOR® A and told him of his interest in purchasing the home for himself. REALTOR® A suggested a meeting to discuss the matter. The two agreed upon terms and conditions and the property was sold by REALTOR® A to REALTOR® B.

A few months later, during hard rains, leakage of the roof occurred with resultant water damage to the interior ceilings and side walls. REALTOR® B had a roofing contractor inspect the roof. The roofing contractor advised REALTOR® B that the roof was defective and advised that only a new roof would prevent future water damage.

REALTOR® B then contacted REALTOR® A and requested that he pay for the new roof. REALTOR® A refused, stating that REALTOR® B had had a full opportunity to look at it and inspect it. REALTOR® B had then charged REALTOR® A with violation of Articles 1 and 2 of the Code of Ethics by not having disclosed that the roof had defects known to REALTOR® A prior to the time the purchase agreement was executed.

At the subsequent hearing, REALTOR® B outlined his complaint and told the Hearing Panel that at no time during the inspection of the property, or during the negotiations which followed, did REALTOR® A disclose any defect in the roof. REALTOR® B acknowledged that he had walked around the property and had looked at the roof. He had commented to REALTOR® A that the roof looked reasonably good, and REALTOR® A had made no comment. The roofing contractor REALTOR® B had employed after the leak occurred told him that there was a defect in the way the shingles were laid in the cap of the roof and in the manner in which the metal flashing on the roof had been installed. It was the roofing contractor's opinion that the home's former occupant could not have been unaware of the defective roof or the leakage that would occur during hard rains.

REALTOR® A told the panel that he was participating only to prove that he was not subject to the Code of Ethics while acting in principle as compared with his acts as an agent on behalf of others. He pointed out that he owned the property and was a principle, and that REALTOR® B had purchased the property for himself as a principal. The panel concluded that the facts showed clearly that REALTOR® A, the seller, did have knowledge that the roof was defective, and had not disclosed it to REALTOR® B, the buyer. Even though a REALTOR® is the owner of a property, when he undertakes to sell that property he accepts the same obligation to properly represent its condition to members of the public, including REALTOR® who are purchasers in their own name, as he would have if he were acting as the agent of a seller.

The panel concluded that REALTOR® A was in violation of Articles 1 and 2 of the Code.

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## ODDS 'n ENDS

### Upcoming Meetings/ Events:

The Board Office will be closed Thursday, October 5<sup>th</sup> until 1:00 pm for the CE class.

The Board Office will be closed Monday, October 9<sup>th</sup>, for Columbus Day.

The **2017-18 Installation of Officers & Directors Luncheon** will be held on Tuesday, October 31, 2017, 12:00 noon at Dutch's of Silver Tree. This is free to all members unless you make a reservation and do not attend then you will be billed for the lunch. Please get your registration form in at your earliest convenience due to limited seating.

## GCBR Board of Directors Meeting

Wednesday, October 4<sup>th</sup>, 2017, 9:00 a.m. at the GCBR office

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**Showing Time - Smart Charts** - Smart Charts are a free membership benefit and if you have not signed up for Smart Charts following the link below



SmartCharts Pro is a **Now a GCBR Member Benefit!**  
sign up at [getsmartcharts.com/pricing](https://getsmartcharts.com/pricing) and click the Pink Box

## Announcing a NEW GCBR Member Benefit!

The Board of Directors is pleased to inform you of a new member benefit that can save you up to \$270 a year!

SmartCharts Pro delivers accurate, timely market data in easy-to-understand charts and reports. Show clients and prospects exactly what's happening with pricing, sales, time on market and other points of interest that will help them make smarter decisions.

## What you get with SmartCharts Pro?

## Beautiful charts



**Abstract**



# Garrett County Board of REALTORS® News Briefs

## November 2017



### Membership Update

#### New REALTOR® Members:

#### New Affiliate Members:

David Savage, Savage Home Inspections, LLC

#### Drops:

Matt Krimm, MLEND

Carl Martirano, Taylor-Made

Stephen Bortz, Taylor-Made

Ally Litten, Taylor-Made

#### Transfers:

Mike Wallace, Railey Realty

#### Changes:

Email address for Ken Witte, First United, [kpwitte@mybank.com](mailto:kpwitte@mybank.com)

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## REALTOR® Dues Reminder


If your 2017-18 dues are not paid by November 30, 2017 a 10% late fee will be added and as of December 1, 2017 the amount owed is \$742.70

If you wish to pay via credit card online go to the NAR website at [www.realtor.org](http://www.realtor.org)  
Login and click on Pay Dues.

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## Government Affairs Report, Paul Durham G.A.D.

### NEWS FROM NAR:



The graphic features an aerial view of a suburban neighborhood with houses and trees. Overlaid on this is a blue banner with white text that reads: "Tell Congress Don't Let Tax Reform Become a Tax Increase For Middle Class Homeowners". Below the banner is the NAR logo and the text "NATIONAL ASSOCIATION of REALTORS®". A small text at the bottom left of the graphic says "REALTORS® is a registered trademark that identifies members of the National Association of REALTORS®". A YouTube logo is in the bottom right corner. Below the graphic is a "Take Action" button. To the right of the graphic is a sidebar with the heading "DID YOU KNOW?", a large "95%" figure, and the text "Pending tax reform plans threaten to wipe out the tax benefits of owning a home for 95% of American families." Below this is another "Take Action" button.

Tell Congress: Reform our tax code AND protect middle class homeowners.

Take Action

DID YOU KNOW?

95%

Pending tax reform plans threaten to wipe out the tax benefits of owning a home for 95% of American families.

Take Action

### TAX REFORM - What is the fundamental issue?

Over the past five or six years, the growing federal debt, weak economic recovery, and continued growth of tax complexity have kept tax reform near the top of the national agenda. Members of Congress from both Houses and both parties have expressed a high level of interest in reforming the tax system. However, former President Obama expressed only limited support, and only for corporate or business tax reform. Moreover, the two parties have been quite far apart in their visions for what tax reform should accomplish. This resulted in many congressional hearings and much talk about tax reform, but little real action.

In late 2013, Former Senate Finance Committee Chairman Max Baucus (D-MT) released a series of staff discussion drafts on tax reform. Each draft covered a different topic of tax reform, and included some specific proposals to repeal certain tax benefits available under the current tax code. Important to commercial and rental real estate were proposals to increase the depreciable lives of real property used in business or held for investment to 43 years (from the current periods of 39, 27.5, and 15 years), to raise the tax rate on gain from depreciation recapture from the current 25% to the ordinary income tax rate (now as high as 39.6%), and to repeal the tax rules that allow taxpayers to exchange like-kind real estate on a tax-deferred basis. In February 2014, Former House Ways and Means Chairman Dave Camp (R-MI) released a comprehensive draft tax reform plan that included many of the same provisions as the Baucus plan that would be negative to commercial and investment real estate, as well as some different ones that would be devastating to residential real estate.

Many stakeholders in the real estate community, including NAR, viewed these proposals as a significant threat, even though there was little chance of the bills advancing in the near-term. NAR, together with other groups, sent a detailed letter to the Finance Committee in January 2014, which outlined the many reasons why adoption of the Baucus proposals would be a major step in the wrong direction for the nation's economy, for job growth, and for tax reform. NAR also expressed grave concern with the Camp plan.

Both Senator Baucus and Representative Camp have now retired, but their tax reform ideas are still considered by many current policymakers to be viable ideas from which to draw for future tax reform plans. This is especially true when tax reform is considered in a revenue-neutral environment, such as still the case now. This means that revenues lost from tax rate reduction would have to be made up or offset by the removal or dilution of tax benefit provisions in the tax code.

The new leaders of the tax-writing committees, Ways and Means Chairman Kevin Brady (R-TX) and Finance Chairman Senator Orrin Hatch (R-UT), have each expressed a strong desire to accomplish tax reform. And now that President Trump has taken office and has made it clear that he shares the goal of modernizing the tax code, we are facing an environment that is more friendly to the possibility of big changes being enacted to the tax law than we have seen in a long time.

Until the last election put control of both Houses of Congress and the White House in the hands of the Republicans, there was a significant divide between the parties, who shared power, as to what tax reform should look like. Generally speaking, Democrats were in favor of increasing the perceived level of fairness of the tax burden in our society. Republicans, on the other hand, were more concerned about economic growth and job creation. It is this divide that effectively prevented tax reform from moving toward enactment over these past few years.

While the two sides of the political aisle still have major differences in their general views of what tax reform should look like, it now appears much more possible that Republican preferences could prevail, especially if a handful of moderate Democrats can be persuaded to join in.

The path forward to tax reform is still quite cloudy, both as to timing and what might be successfully brought to the finish line.

However, with policymakers of all stripes expressing a willingness to simplify the tax law and to broaden the base and lower the tax rate, a very real possibility exists that common ground on tax reform can be found. Along with this possibility is the danger that the tax incentives for owning a home could be diminished for the majority of Americans, and that vital provisions for commercial real estate could be repealed or limited in order to “pay for” lowering the tax rates.

### **I am a real estate professional. What does this mean for my business?**

Tax reform carries high stakes for real estate professionals and those who own real estate. The current system is very efficient and generally favorable for real estate. Alterations to that system would change -- likely to the detriment -- the economics of homeownership and of real estate investment. Any modification of real estate-related tax benefits in the current fragile economy could do serious damage and would create uncertainty for prospective purchasers.

Also, tax reform based on a goal of lowering the tax rates as much as possible could mean that policymakers ignore the societal and economic benefits of important and long-standing deductions, such as the mortgage interest deduction, in favor of reaching the ultimate low tax rate. While lower rates could help take some of the sting out of lost tax benefits, and generally be positive for the economy, the trade-offs would create many winners and losers among individuals, businesses, and entire industries. There is no assurance that tax reform would result in a net positive for real estate or for the economy. Indeed, the real estate sector could take a big hit, as it did in 1986, the last time tax reform was successfully undertaken.

### **NAR Policy:**

NAR embraces no single tax reform model such as a flat tax or a retail sales tax. Similarly, NAR does not adhere to any specific schedule of tax rates as a primary goal. Rather, NAR policy acknowledges the complexity of the current tax system and seeks tax reforms that support the goals of homeownership and freedom to buy, maintain and sell real estate.

The current real estate tax provisions are among the most widely used and most readily understood tax provisions. Homeownership is not a special interest, nor a loophole. Nearly two-thirds of Americans own their homes, and a high percentage of tax benefits go to households with less than \$200,000 of income. Many real estate investment decisions have been made with the current tax law factored in. Changing the rules on existing investments could harm the economic recovery and future job creation. Moreover, homeowners already pay 80 to 90 percent of all federal income taxes, and it would be unfair to increase the tax burden on this segment of the population.

### **Legislative/Regulatory Status/Outlook**

Over the past five or six years, both of Congress's tax-writing committees (House Ways and Means Committee and Senate Finance Committee) have been active in holding hearings and developing draft tax reform plans. However, most of these draft plans have not moved beyond the discussion draft stage.

Until late 2013, most of the tax reform discussion was mostly focused on rate reduction, but no details were provided that would suggest which deductions and tax credits would be reduced or eliminated in order to "pay for" deep rate cuts. However, this changed with the release of the Camp plan in 2014 and a more recent tax reform "Blueprint" released by the House Republican leadership in the summer of 2014. NAR is particularly concerned about the mortgage interest deduction (MID) and the deduction for state and local taxes (including property taxes), as well as its commercial real estate provisions.

The reason for this concern is that a central feature of both the Camp and Blueprint plans is the elimination of all itemized deductions, except the mortgage interest deduction and the deduction for charitable contributions. Along with these changes, the standard deduction would be nearly doubled under these plans. While at first glance, it may seem that retaining the MID would hold homeownership tax incentives harmless, this would be far from the case.

In reality, a plan that eliminates most itemized deductions while doubling the standard deduction would mean that only about 5 percent of taxpayers would claim itemized deductions, down from about a third under the current law. In essence, this would mean that for the great majority of Americans, there would no longer be a tax difference between owning a home and renting one.

The Blueprint tax reform plan also presents some challenges on the commercial real estate side, as well as some potential opportunities. For example, under the plan, interest expense would no longer be deductible, to the extent that it exceeds interest income. This is particularly troubling for an industry as highly leveraged as is real estate. On the other hand, the Blueprint provides that most productive assets, including buildings, would be eligible for immediate expensing, or being written off fully in the first year. This could effectively do away with the need for depreciation schedules. However, there are many unanswered questions about how such a plan would work, and whether all real estate investors would be able to take advantage of these potential benefits.

On the Senate side of the Capitol, it is unclear what direction the Finance Committee might take in developing tax reform in 2017. Last year, the Committee's chairman, Senator Orrin Hatch (R-UT), developed a complex and somewhat controversial tax reform plan designed to change the current-law requirement that corporations be subject to two layers of taxation. It is unclear how

much support this plan might garner even among Committee Republicans, or if Chairman Hatch will pursue this plan in 2017 or develop something closer to the House Republican Blueprint plan.

President Trump has endorsed tax reform as a major goal of his new Administration. And having a Republican-controlled House and Senate in place, many are convinced that 2017 could be the year when some version of tax reform might finally get enacted. However, much work remains to be done before any tax reform plan comes up for any votes.

Real estate has much at stake with tax reform. While there is potential for simplicity and economic growth from a plan such as the Blueprint, there is also potentially much to lose, and the basic tax benefits of owning a home, which have been in place for over a century, are at risk.

NAR has already expressed major concerns through letters and high-level meetings with congressional leaders about the Blueprint and its possible effects on the tax incentives for owning a home. Further, NAR has commissioned economic studies by PwC (PricewaterhouseCoopers) to help assess the impact of this kind of tax reform plan on both the housing market and the commercial real estate sector as a part of its advocacy efforts.

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## **Garrett County Board of REALTORS® Continuing Education Schedule Fall 2017**

**All classes will be held at Garrett College, 687 Mosser Road, McHenry, MD 21541-  
*CE Room 111 in Garrett Enterprise Information Building* next to CE building.  
No credit is given for late arrivals.**

### **Photo ID Required**

**Wednesday, November 8, 2017**

**"MD Code of Ethics/Predatory Lending"**

Topic D

9:00 a.m.-12:00 p.m.

Course ID#098-0709

Instructor: Bob Carney

**Wednesday, January 17, 2018**

**"MREC Broker, Branch Office Manager,  
& Team Leaders Supervision"**

Topic I

9:00 a.m.-12:00 p.m.

Course ID#100-0709

Instructor: Pat Kane

**Thursday, February 15, 2018**

**"MD Contracts"**

Topic F

9:00 a.m.-12:00 p.m.

Course ID#105-0709

Instructor: Kathleen Dartez

Wednesday, March 14, 2018

**"Risk Management"**

Topic F

10:00 - 11:30 a.m.

Course ID#101-0709

Instructor: Gary Sabo

Thursday, April 19, 2018

**"Legal Legislative Update"**

Topic A

9:00 a.m. - 12:00 p.m.

Course ID#103-0709

Instructor: Kathleen Dartez

**For Registration Flyers:**    **Seating is first-come, first-served basis.**

Call GCBR 301-334-8405 or email Barb [barbara.butler@gcbr.org](mailto:barbara.butler@gcbr.org) or Amy [amy.lowdermilk@gcbr.org](mailto:amy.lowdermilk@gcbr.org)

15 hours of Continuing Education for license renewal: ***Bold indicates required courses.***

**3 hours Topic A – Legislative Legal Update**

**1.5 hours Topic C – Fair Housing**

**3 hours Topic D – Maryland Code of Ethics/Predatory Lending**

**3 hours Topic H – MREC Agency Residential**

4.5 hours in electives (Topics E & F)

**Broker, Managers & Team Leaders – 3 hours in Topic I – MREC Supervision**

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## National Association of REALTORS®

[Register](#) now for **NAR's The Sky's The Limit Conference and Expo, November 3-6** in Chicago.

**Text REALTORS® to 30644** to sign up for **REALTOR® Party Mobile Alerts**. Join by Nov. 30th to enter to win a \$500 Amazon gift card.

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## Maryland Association of REALTORS®

**Mid- Atlantic CCIM is offering a variety of classes** in October and November. Learn [more](#).

Maryland REALTORS® is offering **GRI 300 & 400** starting November 7th . See details [here](#).

Watch our [New](#) and [Revised](#) Forms Video, Colette Messengale, Staff Attorney for the Maryland REALTORS® updates us on the new and revised forms, effective October 1, 2017.

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## Bright MLS

### Search across the Bright footprint in the Homesnap Pro app

As of September, you can view the entire Bright footprint unified in one place - the Homesnap Pro app. Early in the formation of Bright we partnered with Homesnap to provide a world class mobile experience. It is the first place where you can receive the benefit of accessing all listings over the entire 40,000 square mile Bright footprint, while also ensuring cooperation and compensation.

Don't have the Homesnap Pro app? Start using Homesnap Pro, powered by Bright MLS today! To download the app: visit the [Apple App](#) store or the [Google Play](#) store.

### IDX Vendors given access to Bright production feed.

IDX vendors that provide services to subscribers across the Bright footprint were recently given login credentials in order to complete preparations for using the Bright database. The database will include listings and historical information from the Central Pennsylvania MLSs, as well as TREND and MRIS. Live data will be available for use on October 23.

If you have a website or tool that relies on MLS data, this new feed should not impact you in any way. Your vendor is receiving all of the information needed to make the necessary transitions.

## Pricing for Bright IDX/VOW Data

Bright's philosophy is to provide a standard MLS product that includes the expanded geography and core tools needed by most agents for a competitive price, while offering premium products at an additional cost for those who wish to provide enhanced services to clients. IDX or VOW data is one of these premium products. The following is the pricing and breakdown of the Bright IDX and VOW data subscription options.

### Individual IDX or VOW data license – \$120 per year

- An individual license for a broker or agent website.
- Fee will be per website feed. There will be no discount for multiple websites.

### Enterprise IDX or VOW data license – \$500 per year

- A brokerage website that also provides search functionality for URL's unique to each agent in the brokerage, for example, joerealtor.abcrealty.com.
- Includes licensing for up to four additional brokerage-wide products, such as CMA or CRM.

Subscribers in all Bright markets, including TREND and MRIS will begin paying the new Bright rate for all IDX feeds in January, 2018.

As part of the overall transition plan, we will communicate to all subscribers about the Bright products and fees for IDX, as there are several changes that will require specific information and instructions.

[YourMLSsearch.com](http://YourMLSsearch.com) has just become an approved vendor of BrightMLS, and they can now offer you IDX property search and real estate websites. Here is what they have to say:

Vision Lead Intelligence + IDX Search is now available for Garrett County REALTORS® for the first time!

GCBR members can now track, analyze, communicate and convert 100% of their website traffic into actionable leads with Vision.

Learn more by visiting <http://www.yourmlssearch.com> or email [gcbr@yourmlssearch.com](mailto:gcbr@yourmlssearch.com).

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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 #6-5: Advertising Real Estate-Related Products and Services (Adopted November, 2006)

REALTOR® X, a principal broker in the firm XY&Z, prided himself on his state of the art website that he used both to publicize his firm and to serve the firm’s clients and customers electronically. REALTOR® X maintained positive business relationship with providers of real estate-related products and services including financial institutions, title insurance companies, home inspectors, mortgage brokers, insurance agencies, appraiser, exterminators, decorators, landscapers, moving companies, and others. Given the volume of business REALTOR® X’s firm handled, several of these companies advertised on the XY&Z home page and some of them, including the Third National Bank, included links to their own websites.

Buyers B, who had earlier entered into an exclusive buyer representation agreement with XY&Z, received frequent, automated reports from REALTOR® X about new properties coming onto the market. Hoping to purchase a home in the near future, he took advantage of REALTOR® X’s rich website to familiarize himself with the real estate-related products and services advertised there. Hoping to expedite his purchase experience by pre-qualifying for a mortgage loan, Buyer B went to REALTOR® X’s website and clicked on the Third National Bank’s link. Once at the bank’s website, he found a mortgage to his liking, completed the on-line application process, and learned in a matter of days that he was qualified for a mortgage loan.

In the meantime, Buyer B’s property search guided both by REALTOR® X personally and through periodic updates from REALTOR® X’s Web site, proved fruitful. REALTOR® X and Buyer B visited a new listing on Hickory Street several times. Buyer B decided it met his needs and made an offer which was accepted by the seller.



A few weeks after the closing, Buyer B hosted a housewarming attended by his friend D, a website designer who had, coincidentally been instrumental in developing REALTOR® X's website. Buyer B told D how helpful the information from REALTOR® X's website had been. "You know, don't you, that each time a visitor to REALTOR® X's website clicks on some of those links, REALTOR® X is paid a fee?" asked D. "I didn't know that" said Buyer B, "I thought the links were to products and services REALTOR® X was recommending."

Buyer B filed an ethics complaint against REALTOR® X alleging a violation of Article 6 for having recommended real estate products and services without disclosing the financial benefit or fee that REALTOR® X would receive for making the recommendation. At the hearing, REALTOR® X defended himself and his website, indicating that the advertisements for real estate-related products and services on his website were simply that, advertisements, and not recommendations or endorsements. He acknowledged that he collected a fee each time a visitor to his website clicked on certain link, regardless of whether the visitor chose to do business with the "linked to" entity or not. "In some instances I do recommend products and services to clients and to customers. In some instances I receive a financial benefit; in others I don't. But in any instance where I recommend a real estate-related product or service, I go out of my way to make it absolutely clear I am making a recommendation, and I spell out the basis for my recommendation. I also disclose, as required by the Code, the financial benefit or fee that I might receive. Those advertisements on my website are simply that, advertisements, no different than classified ads run in the local newspaper."

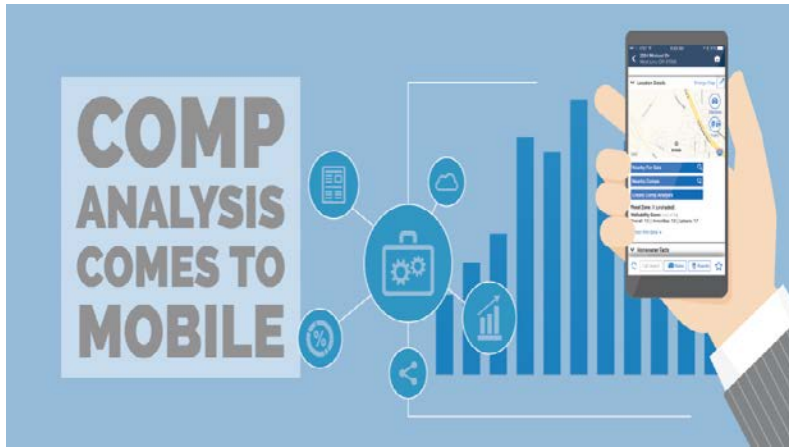
The hearing panel agreed with REALTOR® X's rationale, concluding that the mere presence of real estate-related advertisements on REALTOR® X's website did not constitute a "recommendation" or "endorsement" of those products or services, and that the "click through" fee that REALTOR® X earned when visitors to his website linked to certain advertisers' sites was not the type of financial benefit or fee that must be disclosed under Article 6.

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## **REALTOR® Property Resource (RPR)**

# Anytime, anywhere CMAs with RPR's new Comps Analysis Express

[RPR's app](#) is a must have tool for real estate agents who rely on instant access to information while on the road with prospects and customers. With more than 338,000 downloads to date, the app provides REALTORS® with hundreds of real estate data sets



ranging from property characteristics, photos, tax and mortgage history and valuations to neighborhood and school information, and more.

Now, the app's offerings have been expanded to

include Comps Analysis Express—a simple, intuitive interface to create an on-the-go CMA using a phone or tablet. Update or install RPR Mobile™ to see for yourself.

## *How-to create a CMA on your mobile device*

### **Step #1: Confirm Home Facts**

View the subject property's public and listing facts. Then use the Your Changes tab to input any missing or incorrect data. Once complete, press Save.

### **Step #2: Choose Comparable Properties**

Using either the Map or List interface, choose the comparable properties for your CMA. Tap one of the comparable properties to learn more about it. Select Filter to show or hide properties based on their type, status, property characteristics, and even keywords.

### **Step #3: Review Selected Comparable Properties**

The comparable properties you've selected are now arranged in a row. Swipe to review and confirm each.

### **Step #4: Confirm Price, Price Range, & Report Delivery**

On the last step of the Comp Analysis the app will present both a Recommended Price and Recommended Price Range for the property. Tap the pencil icon to edit either of these fields, or leave the field blank to not display. Now press Get Report to generate the Seller's Report. You'll then receive a prompt when report is ready. From there, a few quick clicks will instantly send the report to your clients via email or text.

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## ODDS 'n ENDS

### Upcoming Meetings/ Events:

The GCBR Office will be closed Thursday, November 23<sup>rd</sup>, for Thanksgiving Day.

### GCBR Board of Directors Meeting

Wednesday, November 1<sup>th</sup>, 2017, 9:00 a.m. at the GCBR office

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**Showing Time - Smart Charts** - Smart Charts are a free membership benefit and if you have not signed up for Smart Charts following the link below

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sign up at [getsmartcharts.com/pricing](http://getsmartcharts.com/pricing) and click the Pink Box*

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What you get with SmartCharts Pro?

#### **Beautiful charts**

Market data displayed in easy-to-grasp visuals that will help you help your clients with pricing, offers and counteroffers.

#### **Mobile access**

Access SmartCharts Pro on the go for convenient market insight when you need it most.

## Market gauges

Get a high-level view of regional, county and ZIP code level market conditions.

## In-depth reports

Local market reports give you an accurate view of conditions your clients will appreciate.

## Here's 15 things you can do with SmartCharts Pro:

<http://www.getsmartcharts.com/sites/default/files/15thingsyoucandowithSmartCharts.pdf>

\*\*\*\*\*Members please go to [www.getsmartcharts.com/pricing](http://www.getsmartcharts.com/pricing) and select the pink box to sign up at no cost.

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Remember – the **HOA Contact and Subdivision Dock Reference List** is kept current and available to you on the GCBR website – member side at [www.gcbr.org](http://www.gcbr.org) if you obtain new contact information for any of the HOA properties, please email Barb or Amy the updated information so the list can be kept current.












































































































# Garrett County Board of REALTORS® News Briefs

## December 2017



### Membership Update

#### New REALTOR® Members:

Aaron Newcomb, Taylor-Made

#### New Affiliate Members:

#### Drops:

#### Transfers:

#### Changes:

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## **REALTOR® Dues Reminder**

If your 2017-18 dues have not paid you now owe \$742.70. If your dues are not paid by December 31, 2017 an additional 10% late fee will be added and as of January 1, 2018 the amount owed is \$780.87.

If you wish to pay via credit card online go to the NAR website at [www.realtor.org](http://www.realtor.org) Login and click on Pay Dues.

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## Government Affairs Report, Paul Durham G.A.D.



NATIONAL  
ASSOCIATION *of*  
REALTORS®

**NEWS FROM  
NAR:**

### **NAR is OPPOSED to the "Tax Cuts and Jobs Act" tax reform plan released by the Senate Finance Committee, and its companion legislation H.R. 1 passed by the House of Representatives on November 16.**

For more than a century American tax policy has recognized the value of homeownership to American middle-class wealth creation, strong and stable communities, and as a driver of our nation's economy. Homeownership is not a special interest, it is our common interest, yet Congress would place the American Dream further out of reach for millions of Americans at a time when our homeownership rate is at a 50 year low. In short, the Tax Cut and Jobs Act is a serious step in the wrong direction.

#### **The Tax Cuts and Jobs Act, the Senate Tax Reform Plan**

This plan, like its companion in the House of Representatives, is a direct threat to homeowners and consumers. Not only will millions of homeowners not benefit from the proposal, many will get a tax increase. Additionally, homeowners could lose substantial equity from the more than 10 percent drop in home values likely to result if the bill is enacted.

The companion legislation unveiled by the Senate includes changes to the exemption on Capital Gains Tax from the sale of a primary residence, elimination of the deduction for state and local taxes, elimination of the Home Equity Loan Interest Deduction, restricts the deduction for moving expenses to only active duty military, restricts the deduction for personal casualty losses to Presidentially declared disasters. All this from a bill that is supposed to improve the current system.

#### **H.R. 1, The Tax Cut and Jobs Act**

As currently written, [H.R. 1 \(link is external\)](#) would eviscerate the current-law tax incentives for purchasing and owning a home for all but a small percentage of Americans (6 percent, according to the Joint Committee on Taxation).

By nearly doubling the standard deduction while eliminating most itemized deductions, the bill would destroy or at least cripple the incentive value of the mortgage interest deduction (MID) for the great majority of current and prospective homebuyers, and sap the incentive value of the property tax deduction for millions more.

The direct result of these changes would be a plunge in home values across America in excess of 10 percent, and likely more in higher cost areas. Provisions in the bill that limit the deductibility of interest on new mortgage loans to \$500,000, cap property tax deductibility at \$10,000 for those

who can still itemize, eliminate the deduction altogether for second homes, and restrict the utility of the exclusion of gain on the sale of a home would exacerbate the effect. Many of these changes are not indexed for inflation, increasing the pain on more and more homeowners over time.

NAR's research indicates that the average first-time homebuyer makes a down payment of less than 10 percent, meaning that millions of owners of recently-purchased homes would go "under water" on their mortgages, and they would owe more than the homes are worth. This, of course, could lead to devastating results for families that must sell, as well as damage neighborhoods, communities, and the economy itself.

The hard-won equity of millions more homeowners could be ravaged as well. Parents planning to use the value of their homes to help finance the higher education costs of children could find their resources shot, and baby-boomer homeowners nearing retirement who hoped to use their home's equity to pay for a portion of their retirement may have to delay or revise their plans.

The bottom line is that for tax purposes, owning a home would make less financial sense than renting for the great majority of Americans. This would reverse more than a century of pro-homeownership tax policy and result in untold negative economic and social implications.

While this tax reform legislation is being promoted as a tax cut for middle-income families, the reality is that millions of middle-class homeowners would immediately face tax increases, while those who see a tax cut will see significantly less tax relief if they own a home than if they are a renter.

H.R. 1 uses a "typical family of four" making \$59,000 a year as an example of middle-class tax relief delivered by the bill. The family is renting a home, based on the facts presented, and is to receive a tax cut of \$1,182 the first year after enactment. If the family owned a home with a typical mortgage for their income level, the tax savings would be 36 percent less.

This may seem a minor difference to some, but the difference grows quickly as income rises. Consider again this same "typical family of four," but this time assign them a median family income of \$73,000 rather than the median household income of \$59,000 as per the Ways and Means example. In this case, the renting family receives a tax cut of \$1,478 under the bill, but the home owning family would get a refund less than half what the same family would receive as renters.

Finally, looking at this same family, but with an income of \$120,000, as renters, they would receive a tax cut under H.R. 1 of \$3,408. However, as homeowners with a typical mortgage in a typical average-cost state, they would have a tax increase of \$226. This hidden "homeowners penalty" would be an astounding \$3,634. Further, the Tax Cuts and Jobs Act not only eliminates the current tax advantages of homeownership, and thus discourages homeownership for many, it would actually encourage renting by allowing investors in residential property to continue to be eligible for full deductions of all interest and property taxes.

To make things worse, the relatively small tax cuts that many middle-class homeowners receive from this proposal would vanish after just a few years. Based on the Congressional Budget Office forecast of inflation, income growth, and 10-year Treasury rates, coupled with the expiration of the family flexibility credit, most middle class families would see their modest tax cuts transform to tax increases under the plan compared to current law after five years. NAR does not believe vanishing tax cuts, coupled with vanishing home equity, is a formula for growing our economy.

Homeowners currently pay 83 percent of all Federal income taxes. This percentage is likely to increase significantly under the Tax Cuts and Jobs Act. At the same time, long standing federal

tax policy that recognizes the importance of homeownership to our nation would be eliminated for all but a fortunate few. NAR cannot support these changes because REALTORS® know that tax reform can be better than this. A tax reform bill that is projected to add \$1.5 trillion to our national debt should produce very few losers. Unfortunately, it appears America's homeowners and owner-occupied real estate in general are by far the largest losers in this legislation.

#### **Additional Information**

[U.S. House of Representatives Tax Reform Talking Points](#)

[U.S. Senate Tax Reform Talking Points](#)

[Side-by-Side Comparison of House and Senate Tax Reform Legislation](#)



**NEWS FROM  
MAR:**

#### **Facts on the Mortgage Interest and Real Estate Tax Deductions in Maryland**

Of the approximately 1,427,000 owner-occupied houses in Maryland in 2014, 1,049,000 or 74% had a mortgage.

In 2014, 951,300 taxpayers in Maryland claimed a deduction for mortgage interest (MID). The total amount deducted was \$9,491,666,000. This means that the average taxpayer claiming the MID subtracted \$10,000 from taxable income in 2014 as a result of the MID.

At a marginal rate of 25 percent <sup>1</sup>, this means that the average taxpayer saved \$2,490 in taxes as a result of the MID. The total tax savings from the MID in Maryland in 2014 was \$2,372,916,500.

In 2014, 1,066,300 taxpayers in Maryland claimed a deduction for real estate taxes. The total amount deducted was \$4,555,078,000. This means that the average taxpayer claiming the real estate tax deduction subtracted \$4,250 from taxable income in 2014.

At a marginal rate of 25 percent <sup>2</sup>, this means that the average taxpayer saved \$1,070 in taxes as a result of the real estate tax deduction. The total savings from the real estate tax deduction in Maryland in 2014 was \$1,138,769,500.

If the MID and real estate tax deductions were eliminated, the loss would not be a one-year event; homeowners lose out on these potential savings each and every year. The present value <sup>3</sup> of these lost savings could total \$90,043,230,800. The value of all owner-occupied real estate in Maryland in 2014 was \$497,365,946,200. If the lost tax savings are fully capitalized into the price of houses, the average decline in value in Maryland could be 18%. From the individual



perspective, the median priced home in Maryland in 2014 was \$259,300. A decline in value as projected could mean a loss in home value of \$46,950 for the typical home owner.

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<sup>1</sup> Marginal rates range from 10 to 35 percent.

<sup>2</sup> Ibid.

<sup>3</sup> Present value calculation assumes 3.9 percent discount rate and 1000 year time horizon.

Sources for the data above include: Internal Revenue Service 2014, American Community Survey 2014, National Association of Realtors® 2014; All calculations are by the National Association of Realtors® Research Division, July 2017.

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## **Garrett County Board of REALTORS® Continuing Education Schedule Fall 2017**

All classes will be held at Garrett College, 687 Mosser Road, McHenry, MD 21541-  
***CE Room 111 in Garrett Enterprise Information Building*** next to CE building.  
**No credit is given for late arrivals.**

### **Photo ID Required**

**Wednesday, January 17, 2018**

**"MREC Broker, Branch Office Manager,  
& Team Leaders Supervision"**

Topic I

9:00 a.m.-12:00 p.m.

Course ID#100-0709

Instructor: Pat Kane

**Thursday, February 15, 2018**

**"MD Contracts"**

Topic F

9:00 a.m.-12:00 p.m.

Course ID#105-0709

Instructor: Kathleen Dartez

**Wednesday, March 14, 2018**

**"Risk Management"**

Topic F

10:00 - 11:30 a.m.

Course ID#101-0709

Instructor: Gary Sabo

**Thursday, April 19, 2018**

**"Legal Legislative Update"**

Topic A

9:00 a.m. - 12:00 p.m.

Course ID#103-0709

Instructor: Kathleen Dartez

**For Registration Flyers:** Seating is first-come, first-served basis.  
Call GCBR 301-334-8405 or email Amy [amy.lowdermilk@gcbr.org](mailto:amy.lowdermilk@gcbr.org)

15 hours of Continuing Education for license renewal: ***Bold indicates required courses.***

**3 hours Topic A – Legislative Legal Update**

**1.5 hours Topic C – Fair Housing**

**3 hours Topic D – Maryland Code of Ethics/Predatory Lending**

**3 hours Topic H – MREC Agency Residential**

4.5 hours in electives (Topics E & F)

**Broker, Managers & Team Leaders – 3 hours in Topic I – MREC Supervision**

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## National Association of REALTORS®

### Explore Your Open Enrollment Options

The open enrollment periods for qualified major medical plans and Medicare supplemental insurance options are going on now. Find the right coverage for your needs through REALTORS® Insurance Marketplace, a partner in NAR's REALTOR Benefits® Program. Licensed benefit specialists are available to help.

### Frazzled? Try Holiday Stress Busters

The REALTORS® Land institute has pulled together a quick list of ways for you to beat the stress that often turns the most wonderful time of the year into the most stressful time of the year. Check it out.

### No Duty Owed for Replacement Tenant

A California appellate court has affirmed a verdict in favor of a real estate professional. It found that the pro, who'd represented the seller in the initial transaction, didn't have an agency relationship with the seller in the subsequent lease transaction.



The advertisement features the NAR logo at the top. Below it, a purple banner contains the text "800,000 REALTORS® HAVE \$74 MILLION REASONS TO LOVE THIS PROGRAM!". Underneath the banner is a pink piggy bank icon. To the right of the piggy bank, the text reads "Leverage your NAR membership and save!".

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## Maryland Association of REALTORS®

Read the latest issue of the **Maryland REALTOR Magazine**

Register NOW for **Cyber and Data Breach Webinar on December 7th**- learn more about how you can determine your current level of cyber risk, take steps to help prevent a data breach and protect your business.

Register now for Taxbot's **Turn Your Home Office, And Everything In It, Into A Heap Of Cash Webinar** Wednesday, December 8th 2017, 10:00AM EST.

Visit our new **Member Benefits Webpage** and take advantage of a variety of savings and discounts. Learn [more](#).

The Outdoor Power Equipment Institute has developed a [winter-themed infographic](#) to help homeowners keep everyone in the family - including the family pets - safe during the winter months.

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## Bright MLS

Continue to watch for upcoming changes and information as Bright moves toward complete unification of 7 MLS systems. We in the MRIS footprint are currently scheduled to convert in early 2018.

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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 #16-7: REALTOR®'S Refusal to Disclose Nature and Current Status of Listing to Another REALTOR® (Revised Case #21-13 May, 1988. Transferred to Article 16 November, 1994.)

Client X listed his home with REALTOR® A under an exclusive right to sell listing agreement negotiated for a period of 90 days. During the first 75 days, REALTOR® A attempted various marketing strategies, but none were successful. Client X expressed disappointment and told REALTOR® A that he might seek another agency when the listing expired.

That same day, Client X expressed to a friend his dissatisfaction with REALTOR® A's lack of results, and mentioned that he might employ another agent. The friend, in turn, related this information to his friend, REALTOR® B, and suggested that REALTOR® B contact Client X. Aware that the property was currently listed with REALTOR® A, REALTOR® B called REALTOR® A, explained the information passed on to him, and inquired about the nature and current status of Client X's listing with REALTOR® A. Specifically, REALTOR® B asked REALTOR® A when the listing would expire and whether the listing was an "exclusive right to sell" or "open listing". REALTOR® A responded that the listing was his and refused to discuss the matter further.

REALTOR® B then contacted Client X and explained that their mutual friend had informed him that Client X might be seeking another agent to sell his property. REALTOR® B told Client X that he did not wish to interfere in any way with Client X's present agency agreement with REALTOR® A, but that if Client X intended to seek another agent when his present listing agreement with REALTOR® A terminated, he would like to discuss the possibility of listing Client X's property. Client X invited REALTOR® B to his home that evening, and there they discussed the term and conditions under which REALTOR® B would list the property upon termination of

REALTOR® A's listing. REALTOR® B and Client X did not enter into any written agreement at that time. However, Client X requested REALTOR® B to meet with him the day following the expiration of REALTOR® A's listing, and Client X said that at that time he would execute a new listing agreement with REALTOR® B. The property did not sell before REALTOR® A's listing expired, and on the day following the expiration of REALTOR® A's listing, Client X listed the property with REALTOR® B. Upon learning of REALTOR® B's listing, REALTOR® A filed a complaint with the Board alleging that REALTOR® violated Article 16 of the Code of Ethics.

At an ethics hearing duly noticed and convened after all due process procedures of the Board were followed, REALTOR® A presented his complaint that REALTOR® B had contacted REALTOR® A's client during the unexpired term of the client's listing agreement with REALTOR® A and had, therefore, violated Article 16 of the Code of Ethics.

REALTOR® B defended his action by pointing out that when he was informed that Client X was seeking another broker, he sought to respect the agency of REALTOR® A by calling him to inquire about the type and expiration date of the listing. He said he told REALTOR® A he would respect REALTOR® A's agency agreement, but that he needed to know this information to determine when, and under what circumstances, Client X would be free to list the property with another broker. REALTOR® A refused to discuss the listing status, stating that "it was none of his business." REALTOR® B cited Standard Practice 16-4 in defense of his direct contact with Client X.

The Hearing Panel concluded that REALTOR® B had adequately respected the agency of REALTOR® A as interpreted by Standard of Practice 16-4. The panel's decision indicated that a listing broker should recognize that his refusal to disclose the type and expiration date of a listing to an inquiring broker frees the inquiring broker to contact the seller directly. If the contact with the seller is made under the provisions of Standard of Practice 16-4, the REALTOR® is also able to discuss the terms of a future listing on the property or may enter into a listing to become effective upon the expiration of the current listing.

The panel found REALTOR® B not in violation of Article 16.

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## REALTOR® Property Resource (RPR)

Click here for 5 ["From the trenches tips on get the most out of RPR"](#)



If you haven't already done so, download the [free RPR app](#) today. It's an unparalleled platform of property and market data, as well as a reporting tool that allows you to create and send customized client-friendly reports ... anytime, anywhere.



device to build a CMA, then create and share a client-friendly Seller's report. Best of all, if comps have been selected on the website, they can be viewed on mobile and vice versa.

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## ODDS 'n ENDS

### Upcoming Meetings/ Events:

The GCBR Office will be closed Monday, December 25<sup>th</sup>, for Christmas.

### GCBR Board of Directors Meeting

Wednesday, December 6<sup>th</sup>, 2017, 9:00 a.m. at the GCBR office

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**Showing Time - Smart Charts** - Smart Charts are a free membership benefit and if you have not signed up for Smart Charts follow the link below

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*SmartCharts Pro is a Now a GCBR Member Benefit!  
sign up at [getsmartcharts.com/pricing](http://getsmartcharts.com/pricing) and click the Pink Box*

### **Announcing a NEW GCBR Member Benefit!**

The Board of Directors is pleased to inform you of a new member benefit that can save you up to \$270 a year!

SmartCharts Pro delivers accurate, timely market data in easy-to-understand charts and reports. Show clients and prospects exactly what's happening with pricing, sales, time on market and other points of interest that will help them make smarter decisions.

What you get with SmartCharts Pro?

**Beautiful charts**

Market data displayed in easy-to-grasp visuals that will help you help your clients with pricing, offers and counteroffers.

**Mobile access**

Access SmartCharts Pro on the go for convenient market insight when you need it most.

**Market gauges**

Get a high-level view of regional, county and ZIP code level market conditions.

**In-depth reports**

Local market reports give you an accurate view of conditions your clients will appreciate.

Here's 15 things you can do with SmartCharts Pro:

<http://www.getsmartcharts.com/sites/default/files/15thingsyoucandowithSmartCharts.pdf>

**\*\*\*\*\*Members please go to [www.getsmartcharts.com/pricing](http://www.getsmartcharts.com/pricing) and select the pink box to sign up at no cost.**

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Remember – the **HOA Contact and Subdivision Dock Reference List** is kept current and available to you on the GCBR website – member side at [www.gcbr.org](http://www.gcbr.org) if you obtain new contact information for any of the HOA properties, please email Barb or Amy the updated information so the list can be kept current.

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