



welcome

BROKER MEETING

August 6, 2019

BAYEAST
ASSOCIATION OF REALTORS®

Doreen Roberts

Professional Standards Chair

PROFESSIONAL STANDARDS UPDATE

2019 Pro Standards NAR & C.A.R. Updates



Biennial Training Update

Biennial Cycle	If license renewed 2017-2018	If license renews 2019-2020
2017-2018	License renewal/ No COE Class	COE class
2019-2020	COE Class	License renewal/ No COE Class
2021-2022	License renewal/ No COE Class	COE Class
2023-2024	COE Class	License renewal/ No COE Class

NAR Biennial Cycle #2

- Began: January 1, 2019
- Ends: December 31, 2020
- If license renews during this cycle- the Biennial training is NOT required
- Please remind agents that are required to take this cycle to plan for it

Code of Ethics

- Standard of Practice 1-7:
 - When acting as listing brokers, REALTORS® shall continue to submit to the seller/landlord all offers and counter-offers until closing or execution of a lease unless the seller/landlord has waived this obligation in writing.
 - Upon the written request of a cooperating broker who submits an offer to the listing broker, the listing broker shall provide a written affirmation to the cooperating broker stating that the offer has been submitted to the seller/ landlord, or a written notification that the seller/landlord has waived the obligation to have the offer presented.
 - REALTORS® shall not be obligated to continue to market the property after an offer has been accepted by the seller/landlord. REALTORS® shall recommend that sellers/landlords obtain the advice of legal counsel prior to acceptance of a subsequent offer except where the acceptance is contingent on the termination of the pre-existing purchase contract or lease.

Standards of Practice 1.7

When acting as listing brokers, REALTORS® shall continue to submit to the seller/landlord all offers and counter-offers until closing or execution of a lease unless the seller/landlord has waived this obligation in writing. Upon the written request of a cooperating broker who submits an offer to the listing broker, the listing broker shall provide as soon as practical, a written affirmation to the cooperating broker stating that the offer has been submitted to the seller/landlord, or a written notification that the seller/landlord has waived the obligation to have the offer presented. REALTORS® shall not be obligated to continue to market the property after an offer has been accepted by the seller/landlord. REALTORS® shall recommend that sellers/landlords obtain the advice of legal counsel prior to acceptance of a subsequent offer except where the acceptance is contingent on the termination of the pre-existing purchase contract or lease.

MLS 9.5

9.5 Submission of Offers and Counter-Offers. The listing broker shall submit to the seller/landlord all offers until closing unless precluded by law, governmental rule or expressly instructed in writing by the seller/landlord otherwise. **If requested by buyer broker in writing, listing broker shall provide buyer broker with listing broker's written verification that buyer broker's offer was presented (or a written notification that the seller has waived the obligation to have the offer presented), said verification to be provided to buyer broker within 3 days of buyer broker's request.** The cooperating broker acting for buyer/tenant, shall submit to buyer/tenant all offers and counter-offers until acceptance.

MLS 9.4

9.4 Presentation of Offers. The listing broker must make arrangements to present the offer as soon as possible, or give the cooperating broker a satisfactory reason for not doing so. If a seller(s)/landlord(s) has directed that offers are not to be presented for any length of time, seller's direction authorizing such arrangement shall be in writing, and listing broker shall provide clear and accurate notice of the date/time of presentation of offers as set forth in the written instruction to Participants and Subscribers in the MLS. In the event a listing broker will not be participating in the presentation of offers, the listing broker shall clearly indicate this fact in the listing information published by the service.

Changes in Process

Letters of Warning and Letters of Reprimand must now be placed in a violator's file for a minimum of three (3) years.

Statute of Limitations

- **Arbitrations:** A complaint meeting all filing requirements must be filed within one hundred and eighty (180) calendar days after the closing of the transaction, if any, or after the facts constituting the arbitrable matter could have been known in the exercise of reasonable diligence, whichever is later.
- **Ethics:** A complaint meeting all filing requirements must be filed within one hundred and eighty (180) calendar days after the facts constituting the matter complained of could have been known in the exercise of reasonable diligence or one hundred eighty (180) days after the conclusion of the transaction, or event, whichever is later.

Respondent's DR

- Clarification of the role that a respondent's Designated REALTOR® may play at a disciplinary hearing:
 - Without any requirement to provide notice of attendance.
 - The Designated REALTOR® may make opening and closing statements on behalf of the respondent, examine and cross-examine parties and witnesses, introduce affidavits, documents and other admissible relevant evidence, consult with or testify on behalf of the respondent, and respond directly to questions from the Panel.

Complainant's DR

In any proceeding where a REALTOR® principal is not joined in the complaint as a co-complainant, the complainant may, at their sole discretion, allow their REALTOR® principal to receive documentation related to the complaint and participate in the hearing as a witness or as counsel.

Commitment to Excellence



August 6, 2019

That's Who We R



That's Who We R

The Code of Ethics: 1913

REALTORS® defined professionalism in this industry more than 100 years ago when they created the Code of Ethics.

Under all is the land. Upon its wise utilization and wisely directed ownership depend the survival and growth of free institutions and of our civilization.

REALTORS® should recognize that the interests of the nation and its citizens require the highest and best use of the land and the widest distribution of land ownership. They require the creation of adequate housing, the building of functioning cities, the development of productive industries and farms, and the preservation of a beautiful environment.

Such interests impose obligations beyond those of ordinary commerce. They impose grave social responsibility and a patriotic duty to which REALTORS® should dedicate themselves, and for which they should be diligent in preparing themselves. REALTORS®, therefore, are zealous to maintain and improve the standards of their calling and share with their fellow REALTORS® a common responsibility for its integrity and honor.

In recognition and appreciation of their obligations to clients, consumers, the public, and each other, REALTORS® continuously strive to become and remain informed on issues affecting real estate and, as knowledgeable professionals, they willingly share the fruits of their experience and study with others. They identify and take steps, through enforcement of this Code of Ethics and by assisting appropriate regulatory bodies, to eliminate practices which may damage the public or which might otherwise be deemed to be in violation of the real estate profession. REALTORS® having direct personal knowledge of conduct that may violate the Code of Ethics involving misappropriation of client or customer funds or property, willful document fraud, or fraud involving substantial economic harm, bring such matters to the attention of the appropriate Board or Association of REALTORS®.

Recognizing that cooperation with other real estate professionals promotes the best interests of those who utilize their services, REALTORS® urge exclusive representation of clients, do not attempt to gain any unfair advantage over their competitors, and they refrain from making unsolicited comments about other practitioners. In instances where their opinion is sought, or where REALTORS® believe that comment is necessary, their opinion is offered in an objective, professional manner, uninfluenced by any personal inclination or potential advantage or gain.

The term REALTOR® has come to connote competency, fairness, and high integrity resulting from adherence to a lofty ideal of moral conduct in business relations. No achievement of profits and no satisfaction from clients ever can justify departure from this ideal.

In the interpretation of this obligation, REALTORS® can take no safer guide than that which has been handed down through the centuries, embodied in the Golden Rule: "Whosoever ye would that others should do to you, do ye even so to them."

Accepting this standard as their own, REALTORS® pledge to observe its spirit in all of their

activities, through associates or others, or via technological means, and to conduct their business in accordance with the tenets set forth below.

ARTICLE 1
When representing a buyer, seller, landlord, tenant, other client as an agent, REALTORS® pledge themselves to protect and promote the interests of their client. This obligation to the client is primary, but it does not oblige REALTORS® of their obligation to treat all parties honestly. When serving a buyer, seller, landlord, tenant or other party as a non-agency capacity, REALTORS® remain obligated to treat all parties honestly.

ARTICLE 2
REALTORS® shall avoid exaggeration, misrepresentation, or concealment of pertinent facts relating to the property or the transaction. REALTORS® shall not, however, be obligated to disclose latent defects in the property, to advise on matters outside the scope of their real estate license, or to disclose facts which are confidential under the scope of agency or non-agency relationships as defined by state law.

ARTICLE 3
REALTORS® shall cooperate with other brokers except where cooperation is not in the client's best interest. The obligation to cooperate does not include the obligation to share confidential, fees, or otherwise compensate another broker.

ARTICLE 4
REALTORS® shall not acquire an interest in or buy or present offers from (hereinafter, any angles of their immediate families, their firms or any number thereof, or any entities in which they have any ownership interest, any real property without making their true position known to the owner or the owner's agent or broker. In dealing with property they own, or in which they have any interest, REALTORS® shall reveal their ownership or interest in writing to the purchaser or the purchaser's representative.

ARTICLE 5
REALTORS® shall not undertake to provide professional services concerning a property or its value where they have a present or contemplated interest unless such interest is specifically disclosed to all affected parties.

ARTICLE 6
REALTORS® shall not accept any commissions, rebates, or profit or expenditures made for their client, without the client's knowledge and consent.

When recommending real estate products or services (e.g., homeowner's insurance, warranty programs, mortgage financing, title insurance, etc.), REALTORS® shall disclose to the client or customer to whom the recommendation is made any financial benefits or fees, other than real estate referral fees, the REALTOR® or REALTOR®'s firm may receive as a direct result of such recommendation.

ARTICLE 7
In a transaction, REALTORS® shall not accept compensation from more than one party, even if permitted by law, without disclosure to all parties and the informed consent of the REALTOR®'s client or clients.

ARTICLE 8
REALTORS® shall keep in a special account in an appropriate financial institution, separated from their own

funds, monies coming into their possession in trust for other persons, such as escrow, trust funds, client monies, and other like items.

ARTICLE 9
REALTORS® do the protection of all parties, shall advise whenever possible that all agreements related to real estate transactions including, but not limited to, listing and representation agreements, purchase contracts, and leases are in writing in clear and understandable language expressing the specific terms, conditions, obligations and commitments of the parties. A copy of each agreement shall be furnished to each party to such agreements upon their signing or including.

ARTICLE 10
REALTORS® shall not deny equal professional services to any person for reasons of race, color, religion, sex, handicap, familial status, national origin, or marital condition.

REALTORS® shall not be parties to any plan or agreement to discriminate against a person or persons on the basis of race, color, religion, sex, handicap, familial status, national origin, or marital condition.

REALTORS®, in their real estate employment practices, shall not discriminate against any person on the basis of race, color, religion, sex, handicap, familial status, national origin, or marital condition.

ARTICLE 11
The services which REALTORS® provide to their clients and consumers shall conform to the standards of practice and competence which are reasonably expected in the specific real estate disciplines in which they engage, specifically, residential real estate brokerage and property management, commercial and industrial real estate brokerage, land brokerage, real estate appraisal, real estate consulting, real estate mediation, and other services, and substandard real estate.

REALTORS® shall not undertake to provide specialized professional services concerning a type of property or service that is outside their field of competence unless their ongoing the assistance of one who is competent in such type of property or service, or unless the facts are fully disclosed to the client. Any person engaged to provide such assistance shall be identified by the client and their contribution to the assignment should be set forth.

ARTICLE 12
REALTORS® shall be honest and truthful in their real estate communications and shall present a true picture in their advertising, marketing, and other representations. REALTORS® shall ensure that their name is and estate professionals is readily apparent in their advertising, marketing, and other representations, and that the recipient of all real estate communications are, or have been, notified that these communications are from a real estate professional.

ARTICLE 13
REALTORS® shall not engage in activities that constitute the unauthorized practice of law and shall recommend that legal counsel be obtained when the interest of any party to the transaction requires it.

ARTICLE 14
If charged with unethical practice or asked to present evidence or to cooperate in any other way, in any professional standards proceeding or investigation, REALTORS® shall place all pertinent facts before the proper tribunals of the Member Board or affiliated institute, society, or council in which membership is held and shall take no action to disrupt or obstruct such process.

ARTICLE 15
REALTORS® shall not knowingly or recklessly make false or misleading statements about other real estate professionals, their businesses, or their business practices.

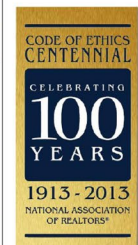
ARTICLE 16
REALTORS® shall not engage in any practice or rate any rates inconsistent with exclusive representation or exclusive brokerage relationship agreements that other REALTORS® have with clients.

ARTICLE 17
In the event of contractual disputes or specific non-contractual disputes as defined in Standard of Practice 17-4 between REALTORS® (principally) associated with different firms, arising out of their relationship as REALTORS®, the REALTORS® shall endeavor the dispute if the Board requires its members to mediate. If the dispute is not resolved through mediation, or if mediation is not required, REALTORS® shall submit the dispute to arbitration in accordance with the policies of the Board rather than litigate the matter.

In the event clients of REALTORS® wish to mediate or arbitrate contractual disputes arising out of real estate transactions, REALTORS® shall mediate or arbitrate those disputes in accordance with the policies of the Board, provided the clients agree to be bound by any resulting agreement or award.

The obligation to participate in mediation and arbitration contemplated by this Article includes the obligation of REALTORS® (principally) to cause their firms to mediate and arbitrate and be bound by any resulting agreement or award.

(12-8-11)



How Agents are Viewed

Why You Can't Trust Real Estate Agents When Buying A House



The Top Lies Told By Real Estate Agents

Why People Don't Trust Real Estate Agents

Why you can't trust a real estate agent.

WHAT DO REAL ESTATE AGENTS REALLY DO ANYMORE?

Troubling Headlines

WHAT DO REAL ESTATE AGENTS REALLY DO ANYMORE?

Will Startups Remove Real Estate Agents From The Transaction Process?

This startup replaces real-estate agents with an app — and says it will save homebuyers lots of money

Why some home buyers are ditching the real estate agent and turning to start-ups

Will Real Estate Agents Be Made Obsolete by 2025?



Consumers & REALTORS® agree:

- Honesty and professionalism are essential
- Tightening licensure requirements is a state-by-state effort, would take years
- Competition is fierce, technology is changing
- C2EX is right now

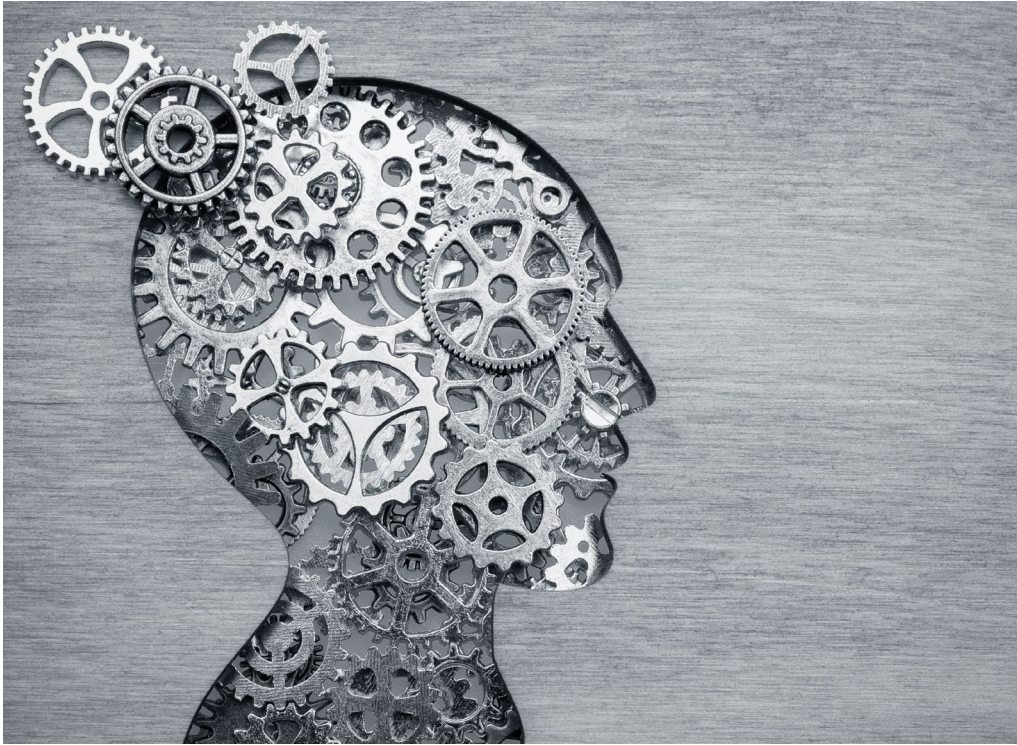


Commitment to Excellence: 2018



C2EX takes professionalism to the next level by enabling NAR members to assess their expertise in 10 (11 for brokers) elements of professionalism ranging from customer service to use of technology.

Goals



- Enhance level of professionalism in the industry by improving:
 - Consumer Perception
 - Peer Interaction

Why C2EX?

A member's Commitment to Excellence is a cultural mindset shift, and a lifelong commitment to becoming the best possible professional and providing superior customer service.



Learning Culture



- Not a course, class, credential
- Set off on a life-long journey of professional growth - new content consistently added

Note to Brokers

- The C2EX platform facilitates meaningful coaching opportunities for brokers.
- They can track an individual agent's progress and share specific pieces of content with them.
- Brokerage branding options are available.

Broker Marketing Edge

Committee is determining the percentage of endorsements required for brokerage to claim market edge of “endorsed brokerage”.



How to Begin

- There are 3 steps to earn your endorsement: www.C2EX.realtor
- Complete the Assessments - There are 10 assessments for agents, and 11 assessments for Brokers
- Complete the Learning Paths assigned to you based on your assessment results
- Complete the Tasks required of you in the program



- www.BayEast.org/C2EX Resources:
 - User Guide
 - FAQ



- Be on the lookout for the competency logos on upcoming events that may assist you in completing one or more of your tasks.
- Bay East would like to celebrate those who have received the NAR C2EX endorsement.
- We will be featuring members who have completed the program on the website and through various marketing vehicles.

Be an advocate for the future of
our industry.





Be Committed to Excellence.

THANK YOU

