News You Can Use
September 2017

News

New NAR CEO Invites Members to Connect
Bob Goldberg became chief executive officer of NAR on Aug. 1, vowing to “embrace disruption” in the real estate industry and emphasize communication with REALTORS®. Members can connect with Goldberg via the REALTORS® CEO Facebook page and his LinkedIn profile.

Commercial Members See Income Increase
Commercial REALTORS® saw their income and sales volume increase in 2016, while the median number of transactions these real estate professionals completed decreased, according to NAR’s just-released 2017 Commercial Member Profile. “A stronger commercial market is a good indicator of a growing economy, so the outlook is positive for commercial members in the year ahead,” says NAR President William E. Brown.

Candidates for 2019 NAR Elected Offices Named
NAR’s Credentials and Campaign Rules Committee has issued a list of eligible candidates for NAR elected office in 2019. The election will be held at the May 2018 NAR Board of Directors meeting in Washington, D.C.

Pending Home Sales Rise
After declining for three straight months, pending home sales reversed course in June as all major regions, except for the Midwest, saw an increase in contract activity, NAR says.

Foreign Investment in U.S. Real Estate Surges
Investment in U.S. residential real estate from outside the country surged to a new high last year, according to NAR’s just-released 2017 Profile of International Activity in U.S. Residential Real Estate. Foreign buyers spent $153 billion on U.S. residential property between April 2016 and March 2017, an increase of 49 percent over the prior year. Nearly half of all foreign sales were in three states: Florida, California, and Texas.
Michael Phelps will talk about inspiration and giving back at the general session of the 2017 REALTORS® Conference & Expo in Chicago in November. Phelps has won 23 Olympic gold medals, the most of any athlete.

Beware of Text Message Scam
If you receive a text message asking for payment of a fine or sales tax on a prize, it is not from NAR. Learn about ways to protect yourself against online fraud.

Median Home Price Rises to $255,600
The national median existing single-family home price in the second quarter was $255,600, up 6.2 percent from the second quarter of 2016, when the median price was $240,700. The new median surpasses the third quarter of last year ($241,300) as the new peak quarterly median sales price. More.

Fla., Texas, Calif. Tops With Foreign Buyers
Five states accounted for slightly more than half of all foreign buyers who purchased U.S. residential property between April 2016 and March 2017: Florida (22 percent), Texas (12 percent), California (12 percent), New Jersey (four percent), and Arizona (four percent), according to NAR’s recently released 2017 Profile of International Activity in U.S. Residential Real Estate. Other preferred destinations were Illinois, North Carolina, Georgia, and New York.

Survey Reveals Top Challenges for Real Estate
Keeping pace with technology, maintaining sufficient inventory, and dealing with nontraditional competitors are among the biggest challenges for real estate companies, according to NAR’s 2017 Profile of Real Estate Firms.

Help Texas Flooding Victims
The REALTORS® Relief Foundation is accepting contributions to help victims of flooding in Houston, Corpus Christi, and other Texas areas submerged by flood waters from Hurricane Harvey. NAR covers administrative costs of the foundation so 100 percent of contributions go to help victims. Share with your members.

After Disaster: Transaction Guidance
A list of best practices by NAR General Counsel Katherine Johnson, for keeping a property transaction on track during and after a natural disaster like the flooding in Texas. Access and share.

Safety Concern Common Among Agents
Almost 45 percent of female real estate practitioners in suburban areas say they’ve experienced concern over their safety, a report from NAR finds. Other findings: 57 percent of women and 52 percent of men carry something to protect themselves. For women, pepper spray is the most common. For most professionals, actual safety incidences are rare, with 95 percent of men and
women saying they have not been a victim of crime on the job. Access the 2017 Member Safety Report.

Existing-Home Sales Slide 1.3 Percent
Sales fell to a seasonally adjusted annual rate of 5.44 million in July from 5.51 million the previous month, NAR says. “Buyer interest in most of the country has held up strongly and homes are selling fast, but the negative effect of not enough inventory and its pressure on affordability put the brakes on what should’ve been a higher sales pace,” says NAR Chief Economist Lawrence Yun.

UPDATES

NAR Praises Flood Insurance Cooperation
The latest Voice for Real Estate news video from NAR looks at close cooperation between House Financial Services Committee members and NAR in getting improvements made to flood insurance reauthorization. The insurance program expires at the end of September, and lawmakers took an important step toward renewing it by protecting homeowners from big rate increases should the flood map in their area change. They also capped how much rates can go up at any one time. The bill still needs to be taken up on the House floor. The video also looks at NAR’s sustainability summit, the latest home sales figures, NAR’s commercial member profile, and a call by new NAR CEO Bob Goldberg to get member input as he leads the association into the future. Access and share the video.

NAR: Permit Private Flood Insurance
NAR has joined a broad coalition of housing, lending, insurance, and consumer groups to oppose a Federal Housing Administration regulation barring lenders from accepting private flood insurance on FHA-insured loans. Separately, NAR wrote the full Senate to request support for a bill that would remove barriers to the private flood insurance market. Details.

Proposal to Rescind Water Rule Released
The Environmental Protection Agency and the U.S. Army Corps of Engineers have released a proposal to rescind a controversial rule that expanded federal jurisdiction under the Clean Water Act. The next step in the process is a reevaluation by the agencies of the way they define “waters of the United States.” Details.

NAR Stays Vigilant on Health Care Reform
Following the Senate’s July 28 vote to not advance legislation to repeal the Affordable Care Act, NAR will continue to monitor the health care reform landscape with a particular focus on provisions that impact the self-employed and small businesses. More.
Blog Post Focuses on Smart Home Resources
A post on the Center for REALTOR® Technology’s blog lists resources you can use to help answer questions from clients about smart home devices and trends.

NAR Extends Smithsonian Sponsorship
NAR has extended and expanded its sponsorship of “Within These Walls,” an exhibition at the Smithsonian’s National Museum of American History in Washington, D.C., that chronicles the story of one home and five families whose lives intersected with American history at different crossroads. NAR, which has supported the exhibition since 2001, will be its exclusive sponsor from September 2018 through 2030. Details.

Senate Panel Approves Cyber Security Bill
The Senate Small Business Committee on Aug. 2 approved a bill supported by NAR that, if it becomes law, would provide important resources to help improve cyber security for small businesses in real estate and other industries. The bill would authorize the Small Business Administration to fund cyber security training for small business development centers that receive grants from the agency. More.

Sponsor Webinar: Use Advanced Tools to Win Listings
You can learn how to win more listings using 3D virtual tours in an on-demand webinar sponsored by Matterport, which offers an all-in-one 3D solution designed for real estate professionals. The webinar features Mark Tepper, vice president of Matterport, and Paul Grasshoff, a senior account manager for the company. REALTOR® Magazine is promoting the webinar but has not participated in the development of the content. Share registration link.

Develop a Successful Farming Strategy
A post on the RPR® blog describes how real estate professionals can use farming techniques to raise brand awareness, capture leads, earn referrals, and gain listings. The article discusses topics including targeting and analyzing the marketability of potential neighborhoods, and explores resources to help “break the ice” with homeowners.

Webinar: Flood insurance Status
Ken Wingert and Austin Perez of NAR Government Affairs walk through the status of flood insurance reauthorization in a webinar hosted last week. Access recording.

Money-Laundering Program Expanded
Honolulu has been added to the federal government’s program for catching people and organizations using high-end home sales to launder money. About a dozen areas in all are part of the program, including parts of New York City, Miami, several California cities, and Bexar County, Texas. The program imposes requirements on title agents, not real estate professionals, but there’s a
cooperative role agents can play. The government is also expanding the program to include wire transfers. Prior to that change, it just involved all-cash transactions that meet a certain dollar threshold. More.

**Voice for Real Estate: Tech Disrupters**
How should organized real estate respond when tech giants like Amazon and Facebook pour billions of dollars into creating real estate platforms? NAR leadership wants to ensure REALTORS® stay well ahead of where technology is going. The latest Voice for Real Estate video looks at that and also NAR’s Call for Action on flood insurance, the growth of virtual brokers, the latest scam to hit real estate, and how REALTORS® can be heroes to homebuyers who are looking for green home features. Access and share video.

**Reminder: Flood Ins. Call for Action**
If you haven’t sent a letter to your member of Congress, time is running out for renewal of federal flood insurance. The program is the main provider of flood insurance and it expires at the end of September. Without it, thousands of transactions a day won’t be able to close. Some 22,000 communities across the country have flood zones requiring insurance before lenders can provide financing. Share REALTOR® Action Center link. More in the latest Voice for Real Estate news video.

**Hurricane: Regulators Urge Forbearance**
Federal financial regulators are urging mortgage lenders to work with home owners affected by Hurricane Harvey while they deal with fallout from historic flooding in parts of Texas. More in a REALTOR® Magazine Online news piece, which also looks at the percentage of affected owners who have flood insurance. News reports say only 15 percent do. Also, Freddie Mac is making available disaster relief options, including forbearance programs, for borrowers living in places that have officially been declared major disaster areas.

**Rule Confirms Sharing of Closing Disclosure**
The Consumer Financial Protection Bureau’s final rule to amend closing procedures instituted four years ago confirms its customary for title agents and lenders to share the closing disclosure with real estate professionals. The affirmation addresses a concern raised by NAR after agents reported finding it difficult in some cases to obtain the form so they could advise their clients. The rule addresses many aspects of the new closing procedures, referred to as “Know Before You Owe” by the CFPB and as “TRID” by industry analysts. TRID stands for TILA-RESPA Integrated Disclosure. The rule takes effect Oct. 10 and mandatory compliance, which affects mostly lenders and title professionals, takes effect Oct. 1, 2018.
Sustainability Taking Hold in Real Estate
The United States is going through an energy revolution that promises to reshape people’s homes and communities in the coming years, but convincing home buyers that energy efficiency boosts the value of a home remains challenging, experts said at NAR’s 2017 Sustainability Summit last week.

Video Highlights Key Housing Data
NAR’s latest “Housing Minute” video provides a high-level summary of housing market conditions in June in an animated format. Access and share video.

Using RPR® to Increase Referrals
A REALTOR® shares how she uses data in her RPR® reports to strengthen her customer relationships and grow new clients and referrals on Facebook and in other social media.

Test New RE Technology
Be among the first to try out new technologies in real estate by signing up for the REach® Insight Panel. REach® is NAR’s technology accelerator program. Its purpose is to guide the development of startups and new technologies that will impact REALTORS® and their businesses. The program has been recognized as one of the top accelerators in the country.

Free Professional Websites for REALTORS®
Professionally designed real estate websites from Placester are available for free to members under a new REALTOR Benefits® Program offer. NAR Edition sites include everything that’s needed to build an online presence without requiring members to have technical or programming skills.

Don’t Miss Year-Round Savings
NAR members save up to 25 percent year-round on car rentals. Take advantage of your benefits the next time you rent a car through REALTOR Benefits® Program partners Avis®, Budget® and Hertz®. Look out for special coupon codes; when available, they can be good for additional discounts or upgrades. More.

Motivational Pro to Keynote CRS Meeting
Mel Robbins, a popular TV talk show guest for her motivational insights, will talk about ways agents can up their business at Sell-a-bration® 2018, the real estate conference hosted by the Council of Residential Specialists. The conference is Feb. 5-6, 2018, at the Gaylord Texan Resort & Convention Center in Dallas. Early bird member rate is $579 until Nov. 15.
Free Webinars Focus on Selling
Complimentary education, training materials, and networking are available in five webinars during the Council of Residential Specialists’ CRS Week, Sept. 11-15. Topics are “How to Differentiate Yourself Using Brand Experience,” “Video Marketing: No More Vanilla,” “How to Create an Email Newsletter that Brings in the Business,” “Choosing the Right Photos to Market Your Properties,” and “Making Social Media Work.”

Idea Sharing at 2018 REALTOR® Broker Summit
Save the date: Join NAR in Nashville, April 4-5, for the 2018 REALTOR® Broker Summit. At the event, you will learn from and collaborate with industry experts, tech entrepreneurs, and top brokers to position their brokerage for success.

Software Helps Agents Compute Estimated Taxes
The next quarterly tax deadline is Sept. 15. QuickBooks® Self-Employed, available through the REALTOR Benefits® Program, can help you determine if you need to file by taking the guesswork out of calculating earnings and taxes. The software also allows users to easily capture receipts and track mileage and expenses. Learn more.

How Open Software Architecture Can Benefit Real Estate
A post on the Realtors Property Resource® blog examines how using application program interfaces can make it easier and more efficient for multiple listing services to supply information to brokers and agents.

RPR®: Must-Have Agent Apps
The RPR® blog lists 14 apps that are either free or inexpensive that are useful to real estate professionals. RPR® lists its own app in the group.

LEGAL

Enter 'Don't Risk It' Video Awards Contest
As part of its effort to encourage the creation of video-based risk management resources for members, NAR Legal Affairs has launched its second annual "Don’t Risk It" video awards. Newly produced and existing videos are eligible, and will be judged on educational value, clarity of message, technical execution, and creativity. Winners will be announced during the Nov. 2 Legal Seminar at the 2017 REALTORS® Conference & Expo in Chicago, and posted on nar.realtor. Entry deadline is Oct. 6. Contact Jessica Edgerton, 312-329-8373, with questions. Rules. Submission form.

Court to Reconsider Brokerage’s Liability
A Florida appellate court has reversed a lower court’s decision that a brokerage was not vicariously liable for the conduct of a real estate salesperson who allegedly took advantage of an elderly client and used her money to purchase a condominium unit for himself. The trial court had ruled that the brokerage was not
responsible for the conduct of its salesperson even though it facilitated the salesperson’s actions and collected commissions from the transaction, but the District Court of Appeals of Florida, Fourth District, ruled that there were fact issues in the case and sent it back for further proceedings. More.

Video: Social Media’s Biggest Risks
You can learn about the legal risks you may face when using social media to communicate about your real estate business in the latest Window to the Law video from NAR Legal Affairs.

Good Practices Best Bet Against Scams
As eager as brokers and agents are to purchase a firewall system or other software to fully protect themselves from security breaches, NAR associate counsel Jessica Edgerton says, “there is no magic bullet. Breaches begin with human error—when someone clicks on something they shouldn’t or fall for a well-crafted email.” NAR Legal Affairs has a trove of online resources available to help keep real estate professionals, their staff, and clients from becoming victims of cybercrime. Edgerton spoke at the 2018 Leadership Summit in Chicago. More on the Leadership Summit.

Legal Summaries Available
Access the latest case summaries from NAR Legal Affair. The most recent summary looks at whether a brokerage was vicariously liable for a salesperson’s conduct.

Live Video: Spotting and Avoiding Cyberattacks
NAR Associate Counsel Jessica Edgerton will provide an update on the types of cybercrime that are impacting the real estate industry and explain how to identify and avoid online attacks in a Facebook Live video on Tuesday, Sept. 19, at 2 p.m. Central time.

Large Verdict Entered Against Brokerage
A New York jury has awarded $4.75 million in damages to a real estate brokerage that sued a competitor for allegedly hiring one of the competitor’s managers and asking the manager to take listings and recruit salespeople to accompany her when she moved to her new position. Details.

Broker Didn’t Use Required Noise Disclosure
The Court of Appeals of Washington, Division 1, reversed a lower court ruling and sent a noise disclosure case back for more proceedings. The court said a broker’s use of a general noise notice rather than a county-mandated noise disclosure could potentially constitute a violation of deceptive trade practices law.
Webcast: Avoiding Cyberattacks
In case you missed it: NAR Associate Counsel Jessica Edgerton will provide an update on the types of cybercrime that are impacting the real estate industry and explain how to identify and avoid online attacks in a Facebook Live video on Tuesday, Sept. 19, at 2 p.m., Central time.