



## NAR Midyear: Board of Directors Meeting

### NAR Board Passes “Second Century Initiative,” Dues Increase

At their meeting, the National Association of REALTORS® (NAR) directors voted to fund the association’s “Second Century Initiative” with a **\$16 per member national dues increase**, the first such increase since 1994. **Dues for NAR will be \$80 a year beginning in 2008.** Among the programs that are part of the initiative:

- A major consumer outreach effort that will allow NAR to leverage the natural alliances that exist between REALTORS® and real property owners.
- Planning for a national property data “gateway,” a repository containing detailed current and historical information on all real property in the United States.
- A credit union for NAR members.
- Creation of an investment company that would fund technology initiatives that would benefit REALTORS®.

For more information on the Second Century Initiative, [click here](#). (Log-in required)



### Directors also voted to:

- Extend the 10-year-old public awareness campaign for three years and **increase the special assessment to \$35 in 2009 and 2010.** The assessment will remain at \$30 for 2008.
- Allocate \$250,000 to sponsor an exhibition at the National Building Museum (Washington, D.C.) on the central place of homeownership in the United States called House and Home: 400 Years of the American Dream.

### 2008 Officers Elected

President - Dick Gaylord of Long Beach, California  
 President-Elect - Charles McMillan of Irving, Texas  
 First Vice President - Vicki Cox Golder of Tucson, Arizona  
 Treasurer - James Helsel Jr. of Lemoyne, Pennsylvania

*McMillan, who ran against Chris McElroy of Fort Collins, Colorado, for the president-elect spot, will be the first African-American president of NAR.*

[Click here for more on NAR’s Midyear Meeting.](#)

### Legal Support

Directors approved \$559,000 to fund 10 legal cases. Among the cases is one involving alleged patent infringement by an online mapping technology and one testing the constitutionality of a municipal requirement for a property inspection at the point of sale. The funds will also be used to help defray costs incurred by local associations involved in federal antitrust action against them or against NAR.

## NAR Midyear: Board of Directors Meeting (cont.)

### Association Policy

Directors stiffened qualification criteria that boards may consider for membership. New language was added enabling boards to consider certain criminal convictions in assessing a membership applicant. The policy applies equally to principals in a real estate company and non-principal licensees.

A new Standard of Practice was added to Article 12 of the Code of Ethics to clarify that the obligation to present “a true picture in advertising, marketing, and representations” includes the proper use and display of certificates, designations, and other REALTOR® credentials.

Directors called for more transparency in the arbitration process. They required that grievance committees, when dismissing arbitration requests, explain the basis for dismissals and enable complainants to initiate meaningful appeals.

An amendment to MLS policy establishes the requirement that listing brokers report status changes (including sales) to the MLS, even when direct negotiations are conducted - with the listing broker’s consent - between the seller and the cooperating broker. The amendment addresses concerns that MLS status changes weren’t always being made in a timely manner where cooperating brokers weren’t authorized to change listing broker-loaded listings.

The directors approved a plan by the Association Executives Committee Mediation Work Group to implement a three-tiered dispute resolution process. The process will replace existing Standards of Conduct for REALTOR® Associations, Unacceptable Business Practices, and related mandatory mediation procedures.

### Other Reports

The directors heard reports from the REALTORS® Political Action Committee, the treasurer, and representatives of Move.com and REALTOR.com.

RPAC is poised to surpass its \$6.1 million fair-share goal for 2007. As of April 30, RPAC had reached \$4.4 million in donations, and committee chair Carol Frick of Michigan said she expects to reach \$7 million by the end of the year. Sixteen states and territories have already met their RPAC goal for the year.

Treasurer Bruce Wolf gave an upbeat report, noting that NAR is approaching \$340 million in assets. Membership for 2007 is 1.321 million members, a small retreat from 2006, when membership reached 1.357 million members, an all-time high, he said.

Under REALTOR.com President Errol Samuelson, NAR’s property listing Web site is unveiling a number of innovations, including new mapping and satellite imaging capabilities; an increase in the maximum number of photos per enhanced listing to 25 from six; and the addition of videos. The site will also have detailed neighborhood information and will provide a blog platform free to all REALTORS®. Samuelson also demonstrated how consumers can now download to their computer desktops a window into REALTOR.com that will allow consumers to continually monitor the latest listings that meet their criteria.

### Awards

The 2007 Distinguished Service Award recipients are Henry Ray of Birmingham, Ala., and George Peek of Reno, Nev. The DSA recipients will accept their awards at the 2007 Annual Conference in Las Vegas in November.

Benny McMahan, president and CEO of the Texas Association of REALTORS®, was named the 2007 winner of the William R. Magel Award of Excellence in association management. His award will also be officially presented in Las Vegas.

## NAR Midyear: Board of Directors Meeting (cont.)

### National Policy Issues

The directors positioned NAR as an advocate for:

- Competitive, “net neutral” telecommunications legislation before Congress.
- More open and transparent patent application processes to help ensure that patents are issued only for truly unique ideas.
- Tax incentives that encourage owners to make properties more energy efficient or satisfy other environmental goals and mitigate potential damage from natural disasters.
- Enhancements to federal housing programs that encourage financing of manufactured, modular, and other systematically built housing.

The board also took a position opposing a “blind draw” selection system for choosing property appraisers in federal housing programs, but supported stronger penalties for those who improperly influence the appraisal process.

## NAR Responds to 60 Minutes

On May 13, 2007, the CBS news magazine show 60 Minutes broadcast a segment on the real estate industry. This specific segment gave the National Association of REALTORS® (NAR) the cold shoulder in the segment that examined the impact of online brokerages on the real estate industry. The show featured interviews with the founder of now-defunct eRealty and the president and CEO of Redfin, but no one was represented from NAR, even though NAR offered and prepared several Association spokespersons for interviews with Leslie Stahl. As many of you know, NAR staff spent nearly a year working with CBS, briefing producers on the issues involved. You may also know the producers of this segment attended the REALTORS® Annual Conference in New Orleans and met with NAR's legal counsel for half a day in Chicago. Even still, the segment was full of major errors.

Below is an email which was sent to all members from NAR President Pat V. Combs the day after the show aired:

Dear Fellow REALTOR®:

I am disappointed and dismayed at the biased story that 60 Minutes aired on Sunday evening (May 13, 2007). I want to let you know that we've been working to stay on top of this story.

One of the most difficult challenges we face is educating the news media about today's real estate industry. There's no better example than this 60 Minutes show. For more than a year, NAR worked with the producers who put the segment together and offered several spokespersons to be interviewed for the show, including myself. Yet, NAR's voice was strangely and noticeably absent from the segment, though CBS gave time to two critics who disagree with our policies on the display of listings on the Internet.

At times, NAR and REALTORS® have often been the subject of less than accurate news coverage. Your association and its professional staff are making every effort to get the REALTOR® message out to the news media. The result is that only a fraction -- less than 5 percent -- of the vast news media we receive is negative.

We encourage all of you to contact CBS to voice your concerns - maybe have some of your satisfied customers do the same.

Thank you for your support,  
Pat V. Combs  
2007 NAR President

**[Click here to see all the correspondance between NAR and CBS as well as the errors contained in the show.](#)**



"REALTORS® helping to rebuild the Gulf Coast"

## KY Global Village **AUCTION** at Belterra

Join us at KAR's Summer Business Meeting at the Belterra Casino Resort & Spa, June 19-21, for an auction to help raise money for the Global Village Trip and the 20 Kentucky REALTOR® members who are donating their time to make a difference in Mobile, Alabama.

We are actively looking for auction items (\$20 or more value) to use in the auction. If you, another member or organization would like to donate an item to the auction, please contact Hunt Cooper at (800) 264-2185 or bring the item to the meeting and drop it off at registration.

Depending on the number and types of items we receive, the auction will be held throughout the entire meeting as a silent auction and/or on Thursday night as a live auction event. Details will be finalized as we get closer to the meeting.

*\*financial contributions for the Global Village Trip are also being accepted!*

For more information on the KY Global Village Trip, visit [www.kar.com](http://www.kar.com).

**Help KAR raise money to benefit the victims of the Gulf Coast disaster!**

## REGISTER NOW for the KAR Summer Business Meeting

**Belterra Casino Resort & Spa**

**June 19 - 21, 2007**

**Belterra, Indiana**

**CLICK HERE  
to Register**



**(registration is FREE!)**

- **FREE CE Course**
- **GREAT Location**
- **Statewide NETWORKING**
- **2007 RPAC Derby**
- **KY Global Village AUCTION**
- **COMMITTEE & BOD Meetings**
- **LOADS of FUN**
- **FIND OUT the latest from the REAL ESTATE industry!**



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NAR's Midyear Meeting.**

