

Greater Binghamton Association of REALTORS®
NYSAR Fall Meetings: September 29 – October 1, 2013
Turning Stone Resort Casino, Verona, New York

Trip Report: Barry V Arnold, Executive Officer

I attended the 2013 NYSAR Fall Meetings from September 29 – October 1, 2013 at the Turning Stone Resort Casino in Verona, New York. Below is a summary of the meetings I attended.

Sunday, September 29, 2013

I. Joint Board Forum

A. Curt Beardsley, VP of Industry and Customer Development for realtor.com was the guest speaker. He began by outlining 5 problems that Zillow, Trulia and other competing websites cause for REALTORS®:

1. “Zestimate” Branding: “Zestimates” are often way too high, giving sellers a false sense of price security which causes problems when a REALTOR® creates a fact and reality-based CMA.
2. Promotion of FSBO’s: Gives the public the sense that it wouldn’t be too hard to sell their house on their own.
3. Brokers have no control over which of their listings appear where.
4. Inaccuracies, including MLS listings appearing as a FSBO, wrong agents on a property, non-existent addresses.
5. Inflated number of listings in a given area. Gives the public the sense that they are not getting the full picture from realtor.com

Actions being taken by realtor.com and NAR to combat these problems;

1. Make sure REALTOR® = Real Estate. Listings from REALTORS® will show the REALTOR® logo on realtor.com, and what that means.
2. Communicate what REALTORS® do for Homeowners (Legislative)
3. Adding rentals, new construction and non-REALTOR® MLS Data.
4. Property History: including buyer agents/brokers, not just the lister.
5. Agent match: Piloting software which helps a seller find the REALTOR® that is right for their specific needs.

II. Medium Board Forum

- A. Like GBAR, many Associations reported seeing an uptick in REALTOR® members and Affiliates.
- B. RPR can work with our MLS to provide a link to RPR on each property. I will investigate.

III. MLS and Policies Committee

- A. MLS Services: There may be an anti-trust issue with our MLS renting Lock Boxes and selling Active Keys or EKeys. I will review our MLS Rules and Regulations to see if we are exposed.
- B. Saul Klein, former CEO of Point2 and current SVP of Yardi discussed issues related real estate portals (e.g., Zillow and Trulia) and their impact on our Industry and REALTORS®. He called the presentation “Future by Design, rather than Future by Default”. Sellers now feel that their listings must be shown on these portals to be successful in selling their property. This is a paradigm shift where we must rethink our entire approach to ensure that REALTORS® are at the center of the real estate conversation rather than just at the center of the transaction.

There is enormous value in the data we provide willingly to these portals, and brokers and MLS’s must put greater restrictions on what content we allow these portals to use. So the mantra must be to “Protect, Control and Monetize” our MLS data.

1. Protect: Restrict the data points that will be provided to the portals, and license the data to be used only in the context of a consumer display. Dictate that the data shall not be used or displayed in any derivative works. Portals shall not be allowed to retain any of our data upon termination of a contract with the portals. No pictures of anyone other than the listing agent shall be allowed on a given listing. Participate in Associations like REDPLAN whose purpose to monitor misuse of data and initiate class action suits against violators.
2. Control: Enlist a vendor like Point2 or ListHub to control what data can go where.
3. Monetize: If portals want more data than what we will provide them for free, charge them for it.

This discussion fits nicely as we near our Southern Tier MLS Strategy Session with Brian Larson on October 25, 2013.

- C. Appraisers raised the issue of consistency in how Days on Market (DOM) are reported in New York State. Out of 31 MLSs, 9 calculate DOM as the time between Listing Date and Closing Date, whereas 22 use the time between Listing Date and Pending Date. FHA guidelines use List to Pend. We need consistency to ensure the validity of our data.

Monday, September 30, 2013

I. Local Board Education Forum:

- A. Kathy McCoy from the DOS Division of Licensing Services provided some statistics, information and answered questions:

1. Statistics: As of 9/13/2013, NYS has the following licensees;
 - a) Brokers/Associate Brokers: 53,009
 - b) Salespersons: 59,264
 - c) Appraisers: 4807
 - d) Inspectors: 2066
2. The New York Real Estate Board is considering adding mandatory courses in Diversity and Agency.
3. Committee Members indicated they would like 1.5 – 2 hour CE courses, instead of the current 3 hour minimum. This will require changes to NYS Regulations, but they will propose it.
4. You may renew your license up to 8 years after it has lapsed, and you don't have to take the 30-Hour Remedial Course.
5. To become a broker, and if you have only taken the 45 Hour Salespersons Course, you must take both the 30-Hour Remedial and the Broker course.

B. Priscilla Toth, NYSAR Director of Education

1. Will send AEs a list of DOS Investigators
2. 2014 Designation Schedule is now available. GBAR has 7 scheduled courses. AHWD now earns 6.5 CE Credit, although GBAR is not offering it in 2014.

II. Association Update – General Session

- A. George K. Wonica was named 2013 NYSAR REALTOR® of the Year.

- B. Elliot Eisenberg, and Economist and President of Graphs And Laughs, outlined his assessment of the national and New York State Economies:
1. Industrial production has recovered.
 2. Short Term rates will stay low for a long time
 3. Corporate Profits are way up.
 4. Consumer Sentiment, while not excellent, is improving
 5. Banks are in great shape and profitable
 6. Housing prices, housing starts and sales are rising, while inventories and vacancies are falling.
 7. Hydrofracking is a great opportunity.
 8. Jobs are starting to grow, but the number of jobs is not back to the 2007 level.
 9. Unemployment rate is falling fast, but that is because fewer people are in the market. Labor force participation has fallen from 67% in 2000 to 63% today.
 10. GDP growth will remain modest (2%) in 2014, but move to 3% in 2015.
 11. No inflation anywhere in sight. No recession anywhere in sight, either.
 12. Problem in New York State is that no one wants to live here because of high taxes. In 1950, New York held 10% of the US population. Today it is 6.5%.

III. Association Executives Forum

- A. Karl Eckhart, NAR Government Affairs Political Representative advised that Tax Reform Bills currently under review will propose changes to MID and Property Tax Deductions. Not time to panic yet, as we are in the early stages of the process.
- B. Anthony Gatto, NYSAR Legal Services, advised that changes may be imminent to Not-For-Profit Regulations, which would affect Associations like GBAR, with respect to conflict of interest reporting, proxies and notices of Bylaw changes. He will send out a summary should it become law.
- C. Patrick Reilly reported that NAR is considering requiring NAR Associations to retain 50% of annual expenses in a separate account, and to conduct an annual audit.

D. I was nominated and confirmed as the Issues Mobilization Committee Liaison from the Association Executive team.

Tuesday, October 1, 2013

- I. Legal Update: Anthony Gatto, NYSAR Director of Legal Services, gave the following updates on key legal issues:
 - A. Corporate Titles: Brokerage Corporate Officers may not hold RE licenses, and Salespersons may not be assigned Corporate titles such a Director, VP, Treasurer, etc.
 - B. Property Managers who collect rent must be Brokers.
 - C. Unlicensed Personal Assistants may not perform activities reserved for licensees, such as making cold calls or providing any real estate advice to clients. They may conduct open houses, but cannot show or describe any features of the property – they can only take attendance and pass out information to attendees.
 - D. Mortgage Forgiveness Debt Relief expires 12/31/13. Sellers will get a 1099 for the forgiven amount. Brokers should avoid dual agency for these transactions.
 - E. FHA Short Sales: FHA allows dual agency, but per the above, this should be avoided.
 - F. Office Managers may manage more than one office, just as Brokers may be the Broker for multiple offices.
 - G. DO NOT solicit fake on-line reviews for your services, paid or otherwise. The DOS may come after you.

H. New Advertising Regulations: Anthony gave a detailed outline of the key elements of the new New York State Advertising Regulations, which become effective on January 1, 2014. At first glance, they are more liberal than you may have thought, but you still need to know the rules to avoid running afoul of the DOS! Always keep in mind, if you have any doubt, that your advertising may not be either misleading or confusing to anyone who might read them. Some highlights include:

1. There really are no “size regulations” as to size of an agent’s name relative to the size of your broker’s name. Just need to include the name of your broker, and their address *or* phone number. However, the broker information is too small, it may be perceived as “misleading”.
2. Nicknames may be used (in parentheses) as long as the name on your license is also included.
3. Identify the type of phone number in your ads, e.g., Cell (C), Office (O), Home (H), etc.
4. Use of your own logo in addition to your Broker’s is fine, as long it does not mislead (i.e., it looks like someone else’s logo).
5. You need to identify your license type (Broker, Associate Broker, Salesperson), but you do not necessarily have to include the word “Licensed” (although you may wish to do so).
6. Teams: One Team member has to be licensed. You can work together but you don’t necessarily have to be a Team
7. For Sale Signs: Only need name of the Broker or Brokerage, not their phone number. You can use your own.

This is only a summary of some of the key elements of the new regulations. To get a full briefing, you should attend Anthony Gatto’s presentation at our Association Offices on Monday, October 21, from 10 to 12. To register, email Barry Arnold at the Association Offices (executive@gbingar.com).

II. Technology Forum:

A. Presentations: Prezi software. Need to explore this.

B. Apps:

1. Slydial – you can call and bypass the phone ringer and go straight to voice mail.
2. FCM – Fake Call Me – you can arrange to receive a fake phone call at a specified time to allow you to tell someone on the phone that “I’ve gotta take this one”.

C. Social Media:

1. Facebook = Backyard BBQ. Twitter = Cocktail Party. Post accordingly. But on-line should be the best version of you, especially if you are using these media professionally.
2. Remember, Uncle Al (bany) is always watching.

D. Video:

1. Agents *and* Brokers should create a branded channel in YouTube
2. No video longer than 5 minutes
3. View and Edit your video before posting (duh).

III. Southern Tier Regional Meeting

A. Update on RVP Meeting – Amy Wood Gonzalez

1. \$2 million is available from the NYSAR Issues Mobilization Fund, designed to support political issues.
2. NYSAR will not facilitate consolidation of Association or MLS services in New York State.
3. No NYSAR dues increase in 2014.

B. Association/Board Updates

1. Ithaca sales up 3% YTD. 81 DOM.
2. Otsego is booming. Chenango not so much. Delaware sale prices rising quickly. Membership has grown.
3. Elmira-Corning sales up for August. Corning is trying to charge for putting up For Sale signs. Has been put on the back burner for now after the Board complained.

4. Cortland Membership up by 10 members. Sale prices are rising. DOM is 113.
- C. MLS Strategy Session: I gave an update on our MLS Strategy Session to be held on October 25.