



AREA

ASSOCIATED REALTY OF THE AMERICAS

APRIL 2023

Welcome New Members

SPOTLIGHT ON:

The Long Game— Some Thoughts On The Essence of AREA

Plus

COMMENTS FROM
DEBORAH

NEWS FROM KEN LIBBY

LETTERS TO THE EDITOR

THE MARKET
BY GEORGE HARVEY, JR

THE FORUM
BY ALEX BIKOV

ON THE LIGHTER SIDE
WITH TRINKIE WATSON

DENNIS BADAGLIACCO
LEGAL UPDATE

2023 RETREAT OVERVIEW



ASSOCIATED REALTY OF THE AMERICAS

"All the news that fits."

Our members are 110% committed to excellence in our real estate profession. Our mission encompasses: Sharing BEST Practices with our colleagues; treating all referrals with the utmost of care, honesty and integrity; and being involved in organized real estate for the betterment of our profession."

A R E A B O A R D

Carl A. Bosse, Green Valley;
President

Suzanne Cooper, Ridgewood;
Executive Vice President

ADVISORY BOARD MEMBERS:

Deborah Baisden, Virginia Beach;
Chair

Meri Crandall, St. George;
Vice Chair

Sharon Bowler, Chino Hills

Diana Bull, Santa Barbara

Gloria Cannon Hilliard, Columbus

Gail Hartnett, Boise

Ken Libby, Stowe

Andrea McKey, Baton Rouge

Bill Milliken, Ann Arbor

Linda Jones Neil, Los Cabos

Jeanne Radsick, Bakersfield

Craig Sanford, Phoenix

Hagan Stone, Nashville

Seth Task, Cleveland

A R E A M E R I C A S . C O M

COMMENTS FROM DEBORAH



Hello everyone. I am pleased to introduce a new column for our newsletter penned by **Ken Libby**, who will assume the role of Chair of our Group at our Annual Retreat in Nashville this coming July. Please be sure to read it as it follows directly after my comments.

We will be enjoying another AREA Gathering this May at a time place TBD sponsored by the State of North Carolina's Association. Carl will send a notice to us all about the exact time, day and location of the event. Hope to see you there. Also, a big thanks to Utah Real Estate for once again becoming a Sponsor. So much appreciated.

If you didn't catch **Han's Hansson's** Commercial "ZOOM" call this month, you missed something truly eye-opening as he discussed some very key issues looming, not only in San Francisco, but also, nationwide regarding the effects that Covid has had on office buildings but also the entire housing market and other sub markets as well as the financial community. Watch the newsletter for more discussion on this important topic.

Sincerely,
Deborah



News from Ken Libby



Last month it was announced that Carl will be relinquishing the helm of AREA in the next few months.

I have reached agreement with Carl to purchase the assets of AREA and have commenced the paperwork, application to the IRS and drafting of By-Laws, to form a 501C6 private, non-profit to ensure the future of AREA. An initial Board of Directors for the required formation of the non-profit has agreed to serve, made up of **Ron Phipps, Vince Malta, Deborah Baisden, Cindy Bull, Hagan Stone** and **Nate Johnson**. I will Chair for the first year.

Suzanne Cooper has agreed to continue as staff and Carl will assist as he is able. **Gail Hartnett** has agreed to continue as the Membership Chairperson. Many thanks to **Diana Bull** for putting the idea of a non-profit on the table a few months ago, it got me thinking.

I am grateful to all members of this organization and proud to have been able to assist Carl in its formative years. I hope 100% of you will join with us as we embark

on the future. I will prepare a short column each month to keep you aware of the progress.

The transition from Carl to Ken should happen around August 31. This will require a little change of format for those that pay dues in September but that information will be forthcoming.

The official formation of the non-profit will depend on the timing of the IRS approval letter which my attorney says could take 6 months.

For now, please pay your dues as always if yours are due at this time.

Our pledge is to keep us as we are: a relatively small group of highly involved real estate professionals in North America who understand that value of giving and sharing; where one's word is their bond all for the betterment of ourselves and our businesses.

I am proud to be a part of you as we transcend to the next chapter. If you have any questions, please feel free to reach out, Ken@KenLibby.com, 802-793-2002.

DID YOU KNOW?

American Home Shield® home warranty is **28x** more likely to be used than homeowners insurance.

It's true! This is coverage your clients will use. Now more than ever, be sure your buyers have the protection they need on their new home.

**For more information, contact
an AHS team member today.**



Welcome

New Members



JAMES RUSS II

Ruidoso, NM

james@ruidosohomesandland.com

575-257-6000

Born in Mountain View, California, James grew up in South Lake Tahoe. He transitioned his career into real estate and joined Coldwell Banker Sacramento, working out of the McKinley Park office in Alhambra. His parents owned a real estate company since the early 1970's; not to mention, his grandfather was even a REALTOR. James is adept to all the latest market trends and technology, and he implements a number marketing strategies. His natural ability with people, extensive knowledge of the industry, high level of integrity, patience, and strong work ethic have all attributed to James' immeasurable success. James has been involved with the Ruidoso/Alto/Lincoln County NM real estate market since 2004.

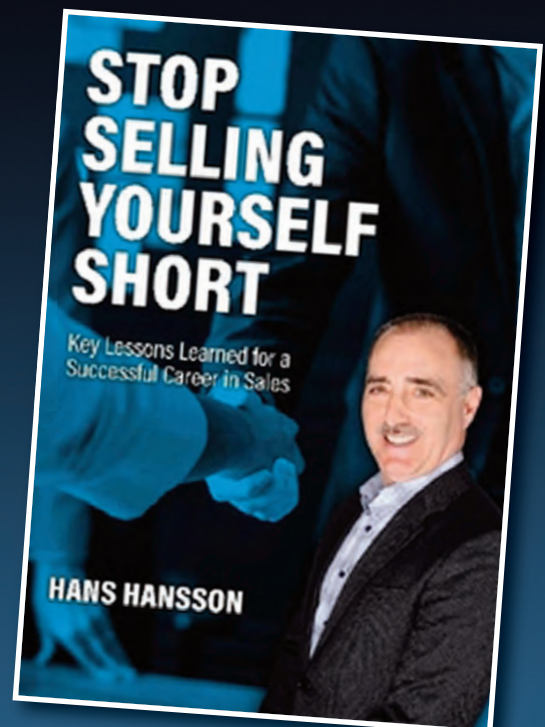
James has a solid reputation and continues to increase his involvement to share his extensive knowledge and expertise. He has served as the Secretary/ Treasurer of the Ruidoso Lincoln County Association of REALTORS and was a Director of the Ruidoso Lincoln County Association of REALTORS. James was named 2013 REALTOR of the year by the Ruidoso Lincoln County Association of REALTORS, President for the Ruidoso Lincoln County Association of REALTORS in 2014, Chairman of the Finance Committee for the Ruidoso Association, Co-Chair of the Fundraiser Committee, and has been President of Aspen Run HOA for multiple years. James was the 2019 for the New Mexico Association of REALTORS, where he is also on several committees including: Legislative, Benevolent & Budget Finance. He also serves on the Village of Ruidoso Affordable Housing Committee, the Lincoln County Road Review Commission, and the Property Tax Protest Board.

STOP SELLING YOURSELF SHORT

Now available!

Hans Hansson's new, highly recommended, book for newcomers and everyone else. "Great read!"
"Perfect for new agents!"

PURCHASE YOUR COPY HERE





My team and I are here to lend a hand with your client's pre-approval, closing, and everything in-between. Let's get connected!



Emil Kokolari
Senior Purchasing Specialist
(216) 390-3123
myccmnow.com/purchase
emil.kokolari@ccm.com
NMLS #187977

CrossCountry Mortgage, LLC
2217 E. 9th Street, First Floor
Cleveland, OH 44115
Branch NMLS2247119
Company NMLS3029

Equal Housing Opportunity. All loans are subject to underwriting approval. Certain restrictions apply. Call for details. CrossCountryMortgage, LLC NMLS3029 (www.nmlsconsumeraccess.org). TE00686. CrossCountry Mortgage, LLC is an FHA Approved Lending Institution and is not acting on behalf of or at the direction of HUD/FHA or the Federal government.



Letter to the Editor

Dear Editor:

This is an article I wrote late last year. Thank you for publishing it, as it deals with an issue of national concern that should be of interest to our entire membership.

Sincerely, Hans Hansson

TCN Starboard CRE, San Francisco Of National Concern



There's been a lot of media attention around what technology companies are doing to get their employees back into the office. According to a recent report by the City's Controller's office, more than 20 percent of office space is sitting empty in San Francisco as compared to two years ago.

Many businesses have decided to surrender their current office space altogether and have put them up for sublease, while some have downsized, and some have moved into a more temporary coworking space until the market has a chance to stabilize.

Still, further attention has been placed on the hybrid work model where firms are asking employees to come into the office only two or three days a week, and in some cases—only two to three times a month. All of which does not help San Francisco's office market in its dire need to recover from the pandemic. However, tech firms still only represent less than 30% of all office tenants in San Francisco. Conventional businesses are still the majority and are having the most difficult time getting employees to show up to the office at all.

Law firms and accounting firms for instance were the first in January to ask employees to come back to work and they simply said “no.” From senior attorneys to clerical staff, the response was the same. If you require them to come back to the office full time, they will simply quit.

Unlike the allure of working in tech, conventional businesses pre-covid were already having a hard time recruiting younger candidates to choose a career in an older, well-established industry.

For example, accounting firms in the city simply cannot find help partly because very few college graduates are becoming accountants and if they are, they prefer to work in-house for a tech firm and get paid a generous salary than work for entry level salaries at a big accounting firm.

Earlier this year, conventional businesses received major push back from their employees when asking them to come back to the office. In order to maintain talent, most have allowed their employees to continue working remotely.

As a result, since April San Francisco's office market began to flatten out again. It became very apparent that those firms that reopened their doors had brought all the employees that they were going to be able to bring back by then and that has left San Francisco's downtown office market in the toilet.

With a flatten office market service retail operators expecting to see their businesses finally reopen quickly learned that the market is still not attracting enough foot traffic to entice their businesses to reopen or new businesses to open in our numerous vacant storefronts.

The dead office market has had a devastating impact on retailers in Union Square as pedestrian traffic still only trickles in.

There are no clear solutions here. Conventional businesses had still found a way to operate remotely and remain efficient. It's now been over two years and workers simply have found a new work environment that they have adapted and obviously like.

Elon Musk tweeted recently about a luring recession, saying it will actually be a good thing. “It has been raining money on fools for too long. Some bankruptcies need to happen. Also, all the Covid stay-at-home stuff has tricked people into thinking that you don't actually need to work hard. Rude awakening inbound!”

He may be onto something. Until employers gain the edge over their workers again, I don't see our office market rebounding anytime soon.

Hans Hansson
hans@starboardcre.com

Some Thoughts On The Essence Of AREA

BY
CARL BOSSE

As I prepare to step down as the founder and CEO of AREA, I would like to share some things aside from what a great honor it has been being in the company of such a wonderful, accomplished and trustworthy group of human beings such as you, who make up our membership. So, some thoughts as we move forward.

The foundation of AREA is the character and positive attitude of its members, as individuals and, as a group, have achieved over the very short 18 years of our existence.

I attribute our good fortune to the serendipitous way people like you, including, early on: Gary Brasher, Hans Hansson, Ken and Bunny Libby, Jay West, Don and Katy Bullock, Diana Bull, Gail Hartnett, Leslie Rouda Smith, Pat Fitzgerald, Ron Phipps, Deborah Baisden, Wes Graham and Pat Pipkin; Linda Neil and John Glaab, Jo Kenney, Sharon Cohan,

Miriam Dunn, George Harvey, Jr., Chris McElroy, Gary Nelson, Jeanne Radsick, Mary Roberts, Pat Ohmberger, Fiona Theseira, Bill Millikin, Meri Crandall, Kaki Lybbert, Suzanne Cooper ... and so many other wonderful Realtors®, just like you, came together ... one at a time, to help form the core of our organization.

Ron wrote, and I agree, our Membership consists of top 1% of the top 10% of the leadership of the world's finest real estate organization: The National Association of REALTORS®.

That happened, not by design ... just because of who you have chosen to be in your lives.

In summary, the essence of AREA is that our members understand that the value of sharing and of giving is our life blood ... May that ring true as we continue. God bless you and yours.





SALLY SPARKS AND HAGAN STONE INVITE YOU TO

2023 AREA INFORMATION

NASHVILLE, TENNESSEE • JULY 16-18, 2023

Cindy Bulla is leading the program development team along with Carlos Gutierrez, Miami; Bill Milliken, Ann Arbor; Kitty Wallace, Cle Elum; Jennifer Wauhob, Katy; Hagan Stone, Nashville, and Deborah Baisden, Virginia Beach that not only promises to be very informative but also highly entertaining.

The program includes:

1. No host cocktail party, with canapes, during registration on Sunday beginning at 4:00. (Later that evening all registrants will be paired, ala Cleveland, for a no host dinner (groups of 10-12) at some very special locations within easy Uber reach of the Graduate Hotel.)
2. Two breakfast and lunches and the Gala Awards dinner on Tuesday evening preceded by a no-host cocktail party, canapes, and reception.
3. Two special planned events during your free time, including music as the theme of each.
4. Meeting rooms for programs including all the trimmings and, of course, coffee breaks on both Monday and Tuesday
5. All hand outs and materials, capped off by a drawing awarding one attendee a free one-year membership and full registration for the 2024 Retreat to be held in St. George, Utah in 2024.

We will be staying at the wonderful 4-Star **Graduate Hotel** just off the campus of Vanderbilt University, close to all the action in downtown Nashville, which like Cleveland, is within walking distance to many attractions and events.

And for early attendees, Sally Sparks and Hagan Stone will be hosting a pre-event party on Saturday the 16th within walking distance of the hotel.

Sally, Hagan and Dolly are looking forward to being with you in Nashville

.....

Cindy Bulla is leading the program development team along with **Carlos Gutierrez**, *Miami*; **Bill Milliken**, *Ann Arbor*; **Kitty Wallace**, *Cle Elum*; **Jennifer Wauhob**, *Katy*; **Hagan Stone**, *Nashville*, and **Deborah Baisden**, *Virginia Beach* that not only promises to be very informative but also highly entertaining.

For reservations or issues with your current reservation, please contact me directly – Thanks, Carl
carl@areamericas.com



On the **Lighter Side** with **Trinkie**

Featuring Tahoe's Trinkie Watson and her wit and wisdom.

"If you're the smartest person in the room, you're in the wrong room". Billionaires World

Signs: Toilet out of order. Please use floor below.

Signs: (In Safari Park) Elephants, please stay in your car.
Signs: (Notice in farmer's field) The Farmer allows walkers to cross the field for free, but the bull charges.

SGV Tribune: Man Kills Self Before Shooting Wife and Daughter

"There's more to life than increasing its speed". Ghandhi

Gold is the only metal that doesn't rust, even if it's buried in the ground for thousands of years.

Mother taught me about Stamina: "You'll sit there until all that spinach is gone."

Father taught me the Circle of Life: "I brought you into this world, and I can take you out."

Mother taught me about Anticipation. "Just wait until we get home."

The tongue has no bones, but it is strong enough to break a heart....so be careful with your words.

Actions prove who someone is, words just prove who they pretend to be.

At CrossCountry Mortgage, we've been helping people get home since the very beginning.

On an icy, blustery winter night in our first year, our CEO and a colleague were headed to a meeting with a hopeful entrepreneur in search of a property loan. On the way, they spotted an elderly couple whose car had swerved off the road and was stuck in the snow.

Even though they were in their suits and dress shoes, they stopped to help. Their appointment was important, but this was more important. Together, they pushed the car out of the snowbank, returning the couple to the safety and comfort of their

home. Then they proceeded to the meeting to provide support and service to a new customer, who remains a successful entrepreneur to this day.

Helping the couple get safely home and the customer achieve his dreams set the foundation for our company. By caring for everyone we encounter like family, we're able to truly serve our communities with kindness and forge lifelong relationships with people like you.

Our Vision — Then and Now

CrossCountry Mortgage began solely as a mortgage broker in Cleveland, Ohio in 2003. Our President and CEO Ronald J. Leonhardt, Jr. had the vision to become a nationwide full-service lender that could provide more to customers — match them up with the perfect mortgage to suit their needs, provide knowledge and support every step of the way, and make their homeownership dreams possible and affordable.

Through superior customer service and a full range of loan products and programs, we've been able to achieve that vision and build upon it by helping more people each year buy homes from coast to coast. We're continuing to expand our nationwide footprint, and we're not stopping any time soon.

Today, we have headquarters in Brecksville, Ohio and branch offices across the country. We have been a Freddie Mac, Fannie Mae and Ginnie Mae Approved Seller/Servicer since 2012 and have greatly expanded our mortgage-based solutions into a wide portfolio of home purchase, refinance, and home equity products. We are licensed in all 50 states and have earned a number of awards and accolades along the way:

- Smart Culture Award, Smart Business: 2022
- Best Workplace, NorthCoast 99: 2021 (5 times since 2016)
- Inc. 5000 List of America's Fastest Growing Companies: 2021 (8 times since 2012)
- Top Workplaces, The Plain Dealer & Cleveland.com: 2021 (5th consecutive year)

Our team is dedicated to making the mortgage process easy, stress-free and rewarding. Our culture is based on honesty, humility, integrity, and service — whether you're stuck in the snow on a cold winter night or seeking to achieve the American dream of homeownership.

Our Mission and Goal

Our mission is simple: to provide you with the best possible advice and benefit to your financial needs while facilitating a straightforward, transparent mortgage process for buyers, sellers and realtors.

Our goal is to be recognized as the leading and most reputable mortgage company in the nation. We begin that process by earning your trust through knowledge and communication. You are our first priority and we pride ourselves on developing rewarding, long-term customer relationships. We can close your housing loan quickly and help you save money because we empower our loan officers with advanced mortgage technology that enhances their customer service and industry expertise.

Experience the CrossCountry Mortgage Difference

Navigating the mortgage loan process is exciting and easy with the right home financing partner. When you work with us, you'll collaborate closely with a licensed professional who is crazy good at making sure you receive a competitive rate and an exceptionally fast and simple housing loan experience.

When it's all said and done, we strive to be your mortgage lender of choice for years to come, wherever life takes you. Our loan officers, branch managers and support staff are always available to assist you from application to closing and beyond. Anytime you need a property loan, or even if you just need a helping hand out of a snowbank, we'll be there for you.



James Fiore
Executive Vice President
M 440.478.0887
D 216.877.0950

E james.fiore@myccmortgage.com

Technology Transforms the Home Inspection



Ensuring confident home ownership and adding value to the client experience inspire the latest innovative features from Pillar To Post Home Inspectors. This reflects the fact that buyers who are more informed about the home they're considering are more likely to be comfortable with their decision in both the short and long term.

For example, virtual tours have become a standard part of the buying and selling experience for good reason. But what if the concept of a virtual tour is applied to the home inspection to create an enhanced visual inspection record? With PTP360, Pillar To Post's Interactive Visual Summary, areas of concern indicated during the home inspection are visually highlighted so clients can clearly see and understand conditions that need to be addressed. These visuals can also be easily shared with qualified professionals for estimating recommended repairs. It's also a time-saver for you, reducing the need to make repeated visits to the property.

Enhanced knowledge about a home is good for your clients and good for you. Knowledgeable clients have greater peace of mind which reflects well on you, too. Applying new technology to the home inspection process and reporting helps clients get to know their home and provides information and resources they can use now and long into the future.

Contact your local Pillar To Post Home Inspector to learn how our latest innovations can help save you time, get to closings faster and delight your clients. It's the Ultimate Home Inspection!



*Stephanie Bowling
Director of Marketing, Pillar To Post Home Inspectors Inc.*



This is a place to share your thoughts and ideas. Please feel free to send a commentary to THE FORUM to Carl at carl@areamericas.com to be published exactly as received.

THE FORUM

Presented by Alex Bikov

Commercial – Insider DST – Delaware Statutory Trust

Editor's Note:

This article may seem out of context with your business model. So, here is a question that may help you put it into context! How many of us run across a situation where someone, nearing retirement age, is ready to move into more amenable accommodations and still has commercial real estate to unload before making the transition? Sometimes folks get the cart before the horse and call you before thinking it through. And when that happens, wouldn't it be helpful to understand their predicament and be able to offer a suggestion or two? So, this is nothing more than a thoughtful primer to get you thinking. One doesn't need to know how to pilot a plane to take a flight. You only need to know where to buy the ticket.

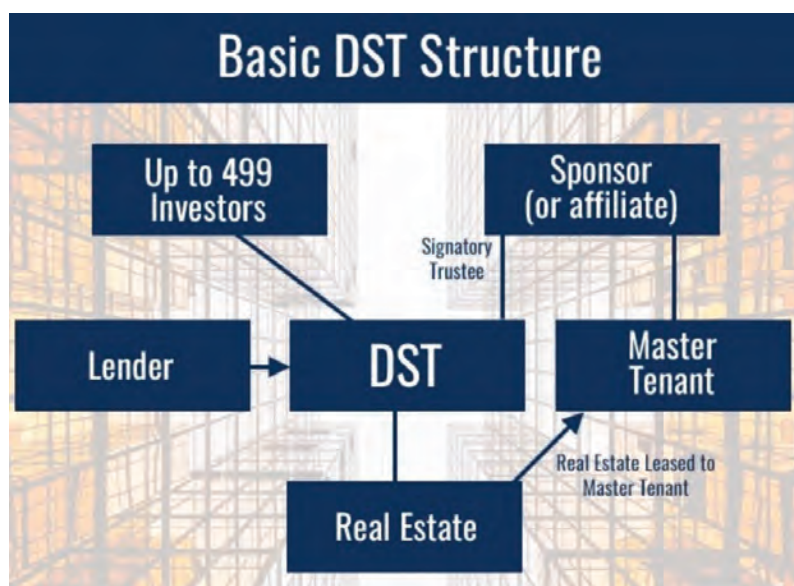
A Delaware Statutory Trust is a legal entity formed under Delaware State law that allows investors to own undivided fractional ownership interests in professionally managed, institutional grade real estate offerings around the United States. The interests can be owned by individuals or by certain entities.

Section 1031 programs have been in existence for a hundred years, but were structured such that they were easier to utilize by large corporations, high-net-worth individuals and family trusts and offices - those commanding large blocks of investment dollars. However, Section 1031 programs were restructured by the IRS in the early 2000's to make them far easier to implement by most all regular investors as well to invest and protect assets.

Many Sponsors are offering replacement properties for 1031 exchanges, typically through a Delaware Statutory Trust (DST) structure. Section 1031 exchange transactions make quality multiple-owner real estate solutions available to every-day investors. Given the restrictions on their activities, DST investment programs may contain properties subject to a long-term lease to a creditworthy tenant on a triple-net basis, or can also have a master-lease structure to hold multifamily, student and senior housing, hospitality, commercial and self-storage facilities.

Some of the Reasons to Consider DST's No Management (Headaches)

The property is professionally managed in a DST-structured 1031 exchange. The investors are NOT responsible for management of the assets. Carefully selected professional managers conduct all aspects of property management and includes, but is not limited to: rent collection, repair, and maintenance. Monthly distributions to the investors are made via Direct Deposit or check. Ongoing monthly/ quarterly reporting and annual financial tax reporting through Substitute 1098/1099s.



Institutional-Quality Properties

Many Sponsors of DST's can have access to a diversified portfolio of properties across the United States, and a wide variety of property types and leverage options. This wide range of opportunities enables investors to select a high-quality, institutional-grade private placement programs that best suit their unique financial needs.



BY ALEX BIKOV
alexdst@asherb.com
562-728-3138

Avoid Financing Obstacles – Lower Personal Liability

Property owners may run into road blocks when they try to get new financing on replacement properties they are trying to acquire. When a replacement property is owned in a DST, the DST will be the borrower and all investors in that DST will get allocated a portion of the debt on a non-recourse basis (no need to be individually qualified or to guarantee the loan. In a 1031 exchange transaction, the debt placed on the replacement property must be equal to or greater than the debt relieved in the relinquished property.

45 Days - Identification Back up

The rule is to Identify replacement property(s) within 45 days. Identifying only one property may be dangerous because a property can fall out of escrow for many reasons: financing, inspections, etc. To secure an opportunity to execute a successful 1031 exchange, the exchanger must identify the first property as defined by the investor/commercial real estate broker. The exchanger can then identify up to two additional properties owned by DSTs. It costs the exchanger no extra money to identify additional properties. Taking this precaution ensures that the exchanger has a backup plan or in case the originally selected property has already been purchased.

Diversification

Investing in a DST can provide portfolio diversification. For instance, an investment could be made in a single DST that owns multiple properties in several states across the United States. It would be practically impossible for a broker to identify three replacement properties in three different states within the allowed 45-day timeframe. Fundamentally, no matter what your situation DSTs can be an optimal way to achieve diversification.

Estate Planning

Everyone wants the best possible scenario for their heirs before they pass. Investing in a DST can eliminate the opportunity for heirs to argue over what to do with an investment property when the owner passes away. The investment position in the DST can be split

(bifurcated) between the heirs after death or liquidation of the owner(s) and they can continue to receive distributions from the investment, if any, and upon the sale of the property owned by the DST, each of the heirs can choose what to do with their inherited portion. One heir can continue to exchange the investment, while another can sell and receive cash proceeds.

Lower Minimum Investment. An investor can exchange as little as \$100,000 into a sponsored DST. This can include the remaining assets leftover from a property exchange.

"What's the catch?"

DSTs are not for everyone. First of all, they are for Accredited Investors only, which means that investors have to meet a certain income or demonstrate the net worth requirements.

Owning DSTs involves many of the same risks that are common to any real estate investing. Investors should carefully and thoroughly research the risks associated with these transactions, and consider discussing it with their tax and legal advisors.

The DST investments are not liquid and are typically held anywhere from two to seven years or more, and so an investor is in effect a minority partner and cannot obtain liquidity except for from the income distribution. The return of the investment and the potential growth happens when the real estate sponsor decides the time is right to sell the property.

DSTs as an investment are regulated by the Securities and Exchange Commission and therefore must be accessed by Broker Dealers or Registered Representatives who have been approved and vetted by the different real estate sponsors to offer their investments. The sponsors are the firms that put the real estate offerings together and are in many cases national firms with a history of expertise in this type of real estate.

In the meantime, if you have any questions on comments, please feel free to reach out. There is a lot of business out there. Let's make sure we are involved.



Here's What's Happening

BY GEORGE HARVEY
george@theharveyteam.net

Ten Fun Facts Mostly About Real Estate:

1. Forty percent of baby boomers expect Social Security to be their primary source of income in retirement.
2. In the year 2000, there were nearly six million surviving WWII veterans alive. Now there are fewer than 200,000.
3. The most ethical and honest profession is nursing according to national polls. Members of Congress are just above used car salespeople.
4. This year prices of homes have dropped 20% to 25% in Austin, Texas one of the hottest real estate markets in the U.S. for the last three years.
5. The snowpack in the San Juan Mountains (Telluride area) is 181% above normal. I've never seen it this high in my 38+ years living here.
6. The wealthiest people in the world UHNWI lost a combined \$10 trillion last year.
7. In 2022, the average amount that the tooth fairy left under the pillow per tooth was \$6.23. My tooth fairy gave me a quarter per tooth.
8. In 2021, 77% of global energy was sourced from coal, oil and gas.
9. The first restaurant to allow drivers to take meals 'to go' was in In-N-Out Burger that opened in 1948.
10. By 2034, seniors will outnumber children for the first time in U.S. history.



Technology Developed -BY & FOR- **Multiple Listing Services**



**A new showings and messaging
platform that will be available to
MLSs around the country**

- Owned by 6 of the largest and most forward-thinking Multiple Listing Service organizations in the country
- Innovative tools and technology that better the real estate experience for MLS members and consumers
- Industry leading APIs to deliver data to MLS members and the technology companies they work with

For more information on MLS Aligned, visit www.mlsaligned.com

If your association/MLS is interested in learning more about MLS Aligned or providing Aligned Showings to agents in your markets, please contact us at info@mlsaligned.com



Legal Update

BY DENNIS BADAGLIACCO
dennisb@alterasv.net



1. Moehri vs the NAR, Realogy, HomeServices of America, RE/MAX, & Keller Williams

Judge Andrea Wood just gave the plaintiffs class action status. Inman calls the ruling a serious blow to the NAR and the other

plaintiffs. The California Association of Realtors issued this statement: The Northern Illinois U.S. District Court has certified the class action of sellers suing NAR and seven corporate real estate brokerages that operate in 20 MLSs in 13 states across the country. The case does not include MLSs in California. The plaintiffs allege that the MLS structure and rules inflate commissions paid by sellers due to MLS rules. NAR vigorously contests the allegations and maintains the MLSs are very procompetitive benefiting the public as well as the real estate professionals that serve them.

The court's ruling denied the request to exclude the plaintiffs' experts' testimony. Of course, NAR and others will also have the opportunity to produce experts indicating the procompetitive nature of the real estate industry and individually negotiated commissions that are beneficial to both home buyers and sellers. The case has yet to be tried before a jury.

The NAR issued the following statement:
What this means for the litigation:

This is not a victory for the plaintiffs and does not change the facts of the case. The ruling was only procedural and now allows others who have allegedly been impacted to join the litigation as plaintiffs. It is expected that it will be a lengthy process before the case is fully resolved.

What this means for you:

This decision does not require any action or comments on the part of members. We will keep you informed of any notable litigation milestones and reach out to associations in markets affected by the litigation ahead of any consumer notifications, which will not be for many months at the earliest.

Translated: All of the above is certainly not good for the NAR and its case, but was not a shock either.

2. Burnett et al. vs the NAR, Realogy, HomeServices of America, RE/MAX & Keller Williams

This is the copycat case to the Moehrl case. No class action status has been ruled on this case yet.

3. Top Agent Network v. NAR, CAR & SF Association of Realtors: (Good News)

The 9th Circuit would not allow TAN to modify its complaint (good news). The DOJ sent an amicus brief arguing the NAR rules on buyer's agent commissions violate antitrust laws and harm competition in real estate and cause higher prices.

(Bad news)

The DOJ is attempting to put its finger on the scale of justice here.