

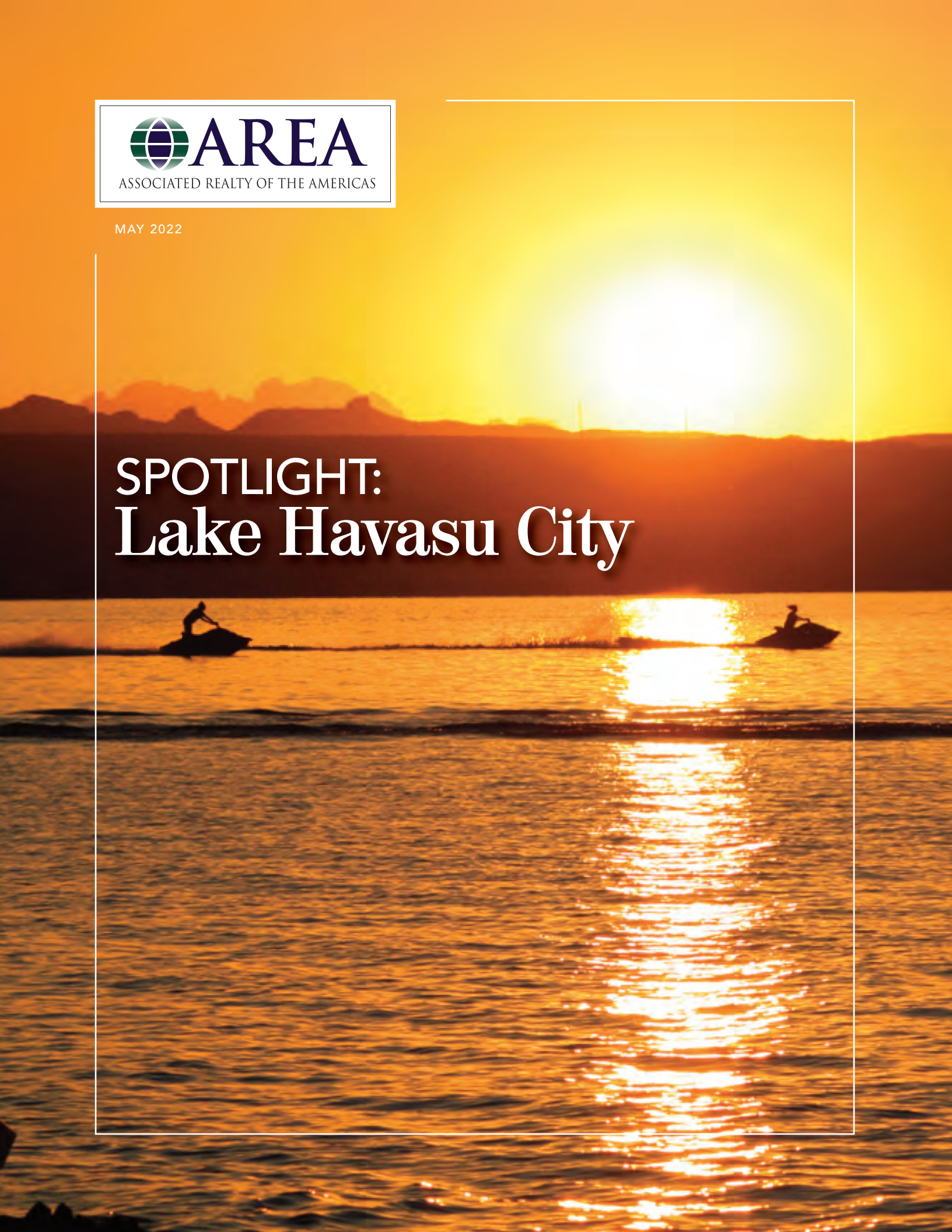


**AREA**

ASSOCIATED REALTY OF THE AMERICAS

MAY 2022

# SPOTLIGHT: Lake Havasu City



*"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

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**Bill Milliken**, Ann Arbor

**Linda Jones Neil**, Los Cabos

**Craig Sanford**, Phoenix

**Hagan Stone**, Nashville

**Seth Task**, Cleveland

COMMENTS FROM

## Jeanne Radsick



**Jeanne Radsick**  
Bakersfield, CA  
jeanne@radsick.com  
661-319-6555

Dear Fellow AREA Members:

It was so nice to meet up with so many at the AREA Gathering in during the D.C. Convention this month. I don't know about you, but, as for me, I just light up when I am around my fellow AREA members. We laugh and enjoy while knowing that each of us is so very fortunate to be in the company of the other. How profoundly wonderful! And a very special thanks to **Leslie Rouda Smith** who made it happen and the awesome team led by **Len Tover** of the NAR, behind the scenes, and for the coordination of **Suzanne Cooper** and **Carl** as well.

Now it is time to get serious about Cleveland. If you have not made your reservations, please do so. The entire cost of the event is underwritten by AREA and your attendance, at an event done at cost, is part of your membership unless other issues, beyond your control, intervene. Please make sure you get your room and register today, because we will be having loads of fun together while enjoying an a very special event hosted by **Seth** and company including a dinner cruise, visit to the Rock N Roll Hall of Fame and a few other surprises.

Also, there are some very interesting and highly informative and, perhaps, controversial articles in the newsletter. Read, absorb and comment, as you wish, because we would love to hear from you.

Thanks, Jeanne

### Quote of the Month

A HAPPY BIRTHDAY SONOTA

"It has been an amazing day...ice cream with Grandkids, watching & listening to the songs of an incredible group of birds out my back door, hummingbirds, cardinals, orioles, & even a bluebird. I think Iowa is at its best in May filling our senses...all green, blue skies, with the amazing beauty & fragrance of flowers. I'm smelling my lilacs now & down the hill, my birth month flower "Lilly of the Valley". There's no place like home!"



**Jo Jenkins**  
Newton, IA  
jojenkins@realestateconcepts.net  
641-521-0302



Comments  
from Jeanne

Quote of the Day  
Jo Jenkins

Here's Whats Happening  
by George  
Cleveland Retreat 2022

Member Shout Out  
Mike McGraw

A Gift of Glaab  
John Glaab

In Case You Missed It:  
Andy Twisdale

Forum

Carl Bosse

Spotlight  
Lake Havasu City

On the Lighter Side  
with Trinkie

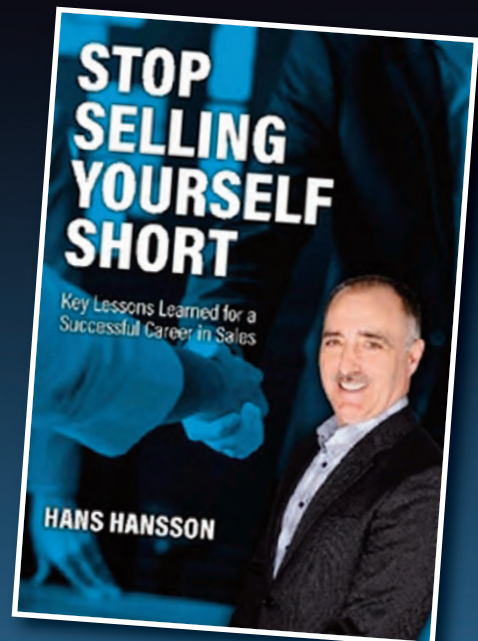
Legal Update  
Dennis Badagliacco

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Hans Hansson's new, highly recommended, book for newcomers and everyone else. "Great read!"  
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# Here's What's Happening by George



## Commercial Real Estate in the United States:

The pandemic caused turmoil in the national real estate market. With a tremendous amount of office workers working from home for over two years, a lot of offices are still sitting empty. At least nine markets from New York to Los Angeles and in between have a lot of empty offices which are prime for conversion to residential housing. NAR commissioned a study that concluded that 43,500 residential units of approximately 1,000 square feet can be created in nine major metropolitan cities of dormant office space that will deliver a better return than the old office space uses. Big change creates big opportunities.



**George Harvey**  
*Telluride, CO*  
[george@theharveyteam.net](mailto:george@theharveyteam.net)  
970-729-0111

## Fun Facts, mostly about real estate

1. Nationally, 223,972 bridges need major repair or replacement. Colorado has 469 of them.
2. According to Airbnb CEO, they will increase their inventory by 25% in 2022.
3. Land sales in the U.S. had its best year in 2021 with sales increasing 6% year over year.
4. Residential rents increased 40% in Austin, Texas last year, the highest increase in the nation. San Francisco wasn't even in the top ten.
5. Employers hired 431,000 workers in March. The U.S. economy has recuperated 90% of the 22 million jobs lost due to the pandemic.
6. Prior to Russia's invasion of Ukraine, Russia only exported 5% of the world's total oil consumption.
7. Residential real estate prices in the U.S. are estimated to increase about 5% this year, compared to about 20% last year mostly due to lack of inventory.
8. Increase in interest rates will mostly affect first time home buyers who have been hit the hardest with the decrease in inventory during the last two years.
9. Portland home prices rose 200% since 2020, among the highest hikes in the U.S.
10. Pending homes sales in the U.S. decreased 4.1% from January to February of this year.



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Yours to see and do while we honor Jay West and  
Leil Koch for their personal contributions to  
Rock N Roll throughout the years!



**A Gala Dinner/River Cruise  
Aboard the Good Times III**



### EVENT INCLUDES:

#### Saturday, July 23rd

Optional, Barbecue at the residence of Mr. and Mrs. Seth Task

#### Sunday, July 24th

Registration and No-Host Cocktail Party  
Followed By  
A Gala Dinner Cruise and Party

#### Monday, July 25th

Breakfast, Lunch, Meetings  
Dinner Pairing that Evening (on your own)

#### Tuesday, July 26th

Breakfast, Lunch, Meetings  
then on to the  
Rock N Roll Open House

Followed by Our  
Evening No Host Cocktail Reception  
and  
Gala Awards Banquet

**TICKETS INCLUDE ALL TAX AND GRATUITIES \$595 PER PERSON**

**TO REGISTER:** Go to the AREA website [areamericas.com](http://areamericas.com)

Enter your username and password | Go to MAKE PAYMENT

Or Send Your Check to: Associated Realty of the Americas P.O. Box 2109 Green Valley, AZ 85622

Questions: 520-625-9335

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Covid Protocols will be in place

### TO BOOK A ROOM

1. Click on the link below
2. On the first page it brings you to, select your dates of stay on the calendar under "Dates"
3. Click the "Check Availability" button
4. Select Your Room Type
  - a. If the room types do not appear, and it says no availability, go back and modify the stay dates as one (or more) of the nights selected is sold out.
5. Fill out your reservation information

**BOOK YOUR GROUP RATE FOR THE ASSOCIATED REALTY OF THE AMERICAS 2022**



## Something big is happening in the housing market

BY LANCE LAMBERT, EDITOR FORTUNE MAGAZINE

The most competitive housing market ever is finally showing signs of breaking.

As data trickles in for April, it's becoming clear that the historically hot housing market has flipped trajectories. It's now in cooling mode. The number of homes listed for sale is rising again. Fewer shoppers are scheduling tours. And Redfin reports 15% of home sellers in April cut their asking price—up from 9% a year ago.

"The red-hot housing market's days are numbered. While I don't anticipate a collapse à la the Great Recession, rising mortgage rates and inventory are sure to cool what has been an unprecedented time for the U.S. housing market," says Ralph McLaughlin, chief economist at Kusun, a real estate data and analytics company.

This softening is by design. The Federal Reserve is done watching inflation run away, and has made it a priority to cool down one of its biggest drivers: the housing market. To do so, over the past few months, the Fed has put upward pressure on mortgage rates. In December, the average 30-year fixed mortgage rate sat at 3.11%. As of last week, that rate is up to 5.27%—its highest level since 2009.

As mortgage rates rise, of course, it puts downward pressure on the housing market. If someone took out a \$500,000

mortgage at a 3.11% fixed rate, that borrower would owe a monthly principal and interest payment of \$2,138 on a 30-year loan. However, at a 5.27% rate, that payment would jump to \$2,767. Not only are those higher rates pricing out some would-be homebuyers, but it also means some borrowers—who must meet lenders' strict debt-to-income ratios—have lost their mortgage eligibility.

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## About: Changing (your) Perspective “There is Nothing to Fear but Fear Itself”

*“So first of all, let me assert my firm belief that the only thing we have to fear is fear itself in the form of—nameless, unreasoning, unjustified, terror which paralyzes needed efforts to convert retreat into advance.”*

Franklin Roosevelt 1933

The sometimes, unspoken, words I have heard over the last 16 years as President of AREA have indicated a belief on the part of some that doing business in Mexico was difficult to say the least. I have sat back and not spoken out, allowing those who represent that fine country and are members of AREA to do it for us. It is time, though, that we come to a reckoning. So, let me begin by saying this: If, indeed, one believes that chicanery will be involved, then it probably will. However, if one enters a market with confidence in whom one is working and believes all will be fine, then, more than likely, it will. I know this for a fact because I have had a long and very wonderful relationship with Mexico dealing with the heads of government (national, state and local) down to the street cop, on line customs and immigration officials, building inspectors, custom house brokers, transporters, labor officials and not once, was I ever, or any member of my company of U.S. owners of an industrial park in Mexico, asked for a payoff. However, I do well remember getting as ass-chewing from the President of Samsonite the night we all met in Nogales, Sonora (including the Governors of the State of Sonora and Arizona and other dignitaries), to cut the ribbon on their new 50,000 square foot facility in our industrial park.

Just prior to going on stage, he told me and my boss, in no uncertain terms, that his company would never have chosen Nogales had he had any inclination of the graft and corruption they would encounter.

My boss, Richard Campbell stopped him dead. “King”, he began as he addressed King Shwayder, President of Samsonite, “this is all your fault. You sent the dregs of your company, whore mongers, alcoholic’s and incompetents, all the folks you and your staff

wanted to get rid of, to Nogales because, after all it was a bunch of untrained Mexicans who know nothing, with whom you were dealing and while they whiled their time away in bars and bordellos, when it came time to import or export they were not prepared and



so, they would pull out a \$100 bill and give it to an officer making the equivalent of seventy five cents an hour to expedite the event, telling you he was forced to do that.

“This, and I paraphrasing what I heard Mr. Campbell say, is a mega million-dollar development, a joint venture by and between a 100% U.S. owned company and the State of Sonora only made possible because of the need to supply jobs to those masses living

here, while requiring a Constitutional Amendment to the Federal Constitution in order to allow a form of foreign ownership within the prohibited zone to accomplish it. And, not once, ever, were we asked to nor did we volunteer to pay mordida to get this done. Now, clean up your own house and I let’s get on stage and congratulate one another, for you, saving such incredible sums while producing a wonderful product and both Arizona and Sonora that worked to allow this happen while providing an economic boon to occur on both sides.”

Fear is our enemy. Do the right thing and have faith. It will all work out, because you have nothing to fear but fear itself. And, I might add, if you work within the AREA network in Mexico, you will have the best possible resources available to guide you along the way.

Respectfully Submitted, Carl Bosse  
President of Associated Realty of the Americas



# Member Shout Out

BY MIKE MCGRAW



**Mike McGraw**

*Orlando, FL*

[mikemcgrawrealestate@gmail.com](mailto:mikemcgrawrealestate@gmail.com)

407-399-4823

One of my favorite movies is "A Few Good Men". The scene I will always remember is when Jack Nicholson's character, Colonel Nathan R. Jessup, was on the witness stand: He snapped and told lieutenant Daniel Kaffee (Tom Cruise) "You can't handle the truth!". One of the great lines of all time, in my opinion.

As REALTORS® we use words like fair (housing), code (of ethics) and equal (housing). We use these words defending our value proposition to our members and the consumers we serve. We just raised our consumer ad campaign assessment because we want the public to know "that's who we 'R". We are constantly challenging our members to "be prepared", "be professional" and "get another designation". But when it comes to our national elections and the endorsement process: in my opinion it is less than fair, doesn't follow any code and is far from equal.

Each year at NAR, I am amazed at the high quality of candidates that are deemed qualified and the tremendous amount of time, energy and money that each candidate invests into running for office.

However, we have states and regions "endorsing" candidates without the members truly understanding who, how, why and when each of these decisions were made. We have endorsements coming out within weeks of the start of official campaign season but, some of the actual directors who will be voting, were not a part of the endorsement process because they were not even directors when the endorsements were made.

Then, once these decisions are made, they are paraded around as "the gospel" and if anybody goes against the endorsement that person might receive threats of not receiving his or her next committee appointment or chairmanship.

Personally, I think it is high time for the NAR to ban ALL local, state and regional endorsements except for the candidates primary local, state and or regional board where they conduct their business.

(Too be clear: If an individual wants to sign his or her name on the dotted line and personally endorse a candidate then I am all for that.)

Why am I against these endorsements? Because I think we allow our individual directors to "take a hall pass" and, instead of doing

their homework and research on each individual candidate; these directors rely on the established directors to make recommendations without much substance and reason.

As each candidate travels the country campaigning hopefully, they are becoming a better candidate and more informed about the members and their needs. In other words, the candidate a director saw in the first few months of the campaign is probably not the same candidate they will see in the last few days of the campaign.

To further exacerbate this problem, it encourages a culture of bullying and peer pressure. To be honest and transparent: I have experienced more bullying and peer pressure in my REALTOR® leadership role than I have in any other time of my life including middle school, high school and college. And, as we watch our national political landscape become more dysfunctional, on a daily basis, it appears to me that the NAR national politics might be starting to follow suit.

NAR has more than 1.5 million members and out of all of these members, approximately 1000 are honored to be national directors. I consider this to be a very high honor and privilege. These positions carry a lot of responsibility and I believe most of my fellow directors feel the same way.

I believe there are efforts to distance or remove the human touch of a REALTOR® from the real estate transaction; but I also believe that now more than ever the bulk of the consumers want a professional REALTOR® in the center of their transactions. When we tell our stories properly, the consumers are very happy to engage our services in order to make their transactions go smoother.

I would love to see an open dialogue on the national level that brings more human engagement into the role of the NAR director. Followed up by a vote that removes the board endorsement.

The members and consumers, we serve, deserve better and there is no better time than now to do it.

Respectfully Submitted,  
Mike McGraw



John Glaab and Linda Neil  
Mexico, Home-Sweet-Home

## Are you considering a **Change in Lifestyle?** Are you now free to **Work from Wherever?** **Consider Mexico!**

**As the leading Spanish speaking country in the world, Mexico encourages and welcomes foreign investment. Let us share some facts:**

1. The economy is the 13th largest in the world in Nominal terms and the 11th largest by purchasing power parity (PPP), according to the International Monetary Fund.
2. Mexico is a young country with an average age of 27.....bodes well for the future.
3. Mexico is the 8th most visited country in the world.
4. Mexico has 11 Free Trade Agreements covering 45 countries, it also has 9 Economic Complementation Agreements, has signed Investment Promotion and Protection Agreements with 2 countries and has negotiated Double Taxation treaties with more than 31 countries
5. Mexico, Canada and the US joined together in 1994 to create a continent-wide free trade zone with a population of 439 million people and a combined GDP of 14 trillion USD. This has recently been re-negotiated and is beneficial to all three countries.
6. Mexico is California's main trading partner and 31% of all Californians are of Mexican descent.
7. 10,000 baby boomers are turning 65 every single day, according to AARP. This is expected to continue into the 2030s. Easy access, great weather, lively lifestyle and caring and welcoming Mexicans make this an attractive option for retirement and long-term care in the country.
8. Younger people, thinking ahead to retirement, buy homes to provide rental income now, appreciation for the future retirement. This provides great vacation rentals.
9. It is 40% less expensive to live in many parts of Mexico than it is to live in many parts of the US and Canada

**Whatever your needs are: Travel, Accommodations, Vacation Rentals or Housing, Retirement Housing, Healthcare, Mexico welcomes you! And your fellow members of AREA can help. Just ask!**

Hi, I am Mary Roberts, 2021 President of the Arizona Association of REALTORS® and a ten year member of AREA. Welcome to my home town!



**Mary Roberts**  
*Lake Havasu City, AZ*  
maryrobertshavas@gmail.com  
928-486-3570

## SPOTLIGHT: Lake Havasu City

Lake Havasu is a city in Mohave County, Arizona, United States. According to 2010 census, the population of the city was 52,527 people.] It is served by Lake Havasu City Airport. Lake Havasu City is geographically isolated from the other cities in Mohave County and is the southernmost community of the Las Vegas–Henderson, NV–AZ CSA. The community first started as an Army Air Corps rest camp, called "Site Six" during World War II on the shores of Lake Havasu. In 1958, American businessman Robert P. McCulloch purchased 3,353 acres

After four years of planning, McCulloch Properties acquired another 13,000 acres of federal land in the surrounding area.

The city was incorporated in 1978.

London Bridge crosses a narrow channel that leads from Lake Havasu (a segment of the Colorado River) to Thompson Bay (also on the river). Hoping to attract tourists and prospective buyers of residential lots, McCulloch bought it for 2.5 million dollars from the City of London when the bridge was replaced in 1968. The bridge was disassembled on contract with Sundt Construction, Tucson, Arizona, and the marked stones were shipped to Lake Havasu City and reassembled by Sundt for another US\$7 million. The construction took three years to complete.

Originally, McCulloch gave an acre of land in Lake Havasu City to the City of London. When Lake Havasu City wanted to use this land for a visitors' center, London leased it back for a quit rent of a Hopi Kachina figure.

Since its inauguration on October 5, 1971, London Bridge has become the second-largest tourist attraction in Arizona, after the Grand Canyon.

### Events

Lake Havasu City is an active event destination for a wide range of people.

For boaters, March to September are the prime months on Lake Havasu. The city is also home to the International World

Jet Ski Final Races, multiple professional fishing tournaments, custom boat regattas, the Western Winter Blast pyrotechnics convention, Havasu 95 Speedway, the "Chilln-n-Swlln" Beer Festival annual charity event, the Havasu Triathlon, and the Havasu Balloon Festival & Fair.

During the winter months, the community is joined by retirees from colder regions of the country and Canada. During this period, multiple events are held on McCulloch Boulevard. Typically, during the second weekend of February, McCulloch Boulevard is home to Winterfest, an annual event which draws thousands of visitors and residents for two days of food, activities, entertainment, and products from over 200 vendors from across the United States.

### Transportation

The only surface access to Lake Havasu City is by road via Arizona State Route 95, which meets Interstate 40 to the north of the city and Interstate 10 to the south. C.V. Wood, who designed Disneyland, was hired by Robert McCulloch to lay out Lake Havasu's unique road system.

Vegas Airport provides service from Lake Havasu City to McCarran International Airport in Las Vegas (165 miles). Havasu Landing Resort and Casino provides a ferry to Havasu Lake, California.

Lake Havasu City has a hot desert climate, with extremely hot summers, mild winters, and very little rainfall. And has become a winter time Mecca for all of North America's cold country. Easy accessibility, great recreation including boating, fishing golf and much more. Fine hotels and wonderful locale cuisine.

Come join with me, Mary Roberts, and get that Lake Havasu Smile on those cold wintery days!! I'd love to have you and when you know someone who simply needs to get out of the cold, let's work together to solve their problem.





**Trinkie Watson**  
*Lake Tahoe, CA*  
 twatson@chaseinternational.com  
 530-582-0722

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

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

To steal ideas from one person is plagiarism.  
To steal from many is research.

I didn't say it was your fault, I said I was blaming you.

I'm supposed to respect my elders, but it's getting harder  
and harder for me to find one now.

License Plate Holder: Car is unlocked.  
Keys are under the German Shepherd.

I was reading in the paper today that Congress wants  
to replace the dollar bill with a coin. They've already  
done it. It's called a nickel." Jay Leno

"Inflation is taxation without legislation." Milton Friedman

Alcohol is not in my vodkabulary, but I looked it up on  
whiskeypedia and found out if you drink too much  
it's likely tequilya.



**AT HOME WITH  
DIVERSITY®**

## It's finally here!

RPR has launched a completely revamped website, with easier access to an array of data, tools and reports. The new RPR is cleaner, simpler, and offers users a more overall intuitive experience. It's also been reorganized to help you find your most-used features and saved items.

We hope you love it! And as you get familiar with it, we want you to know that you have access to various types of learning resources:

Want to sign up for a live class to strengthen your knowledge of the new RPR? Check out our new set of webinars.

Is an at your-own-pace, video tutorial more your speed? We've got those, too: for Residential and for Commercial.

RPR's Printable Guides are laser-focused, step-by-step walkthroughs to a specific subject. They're easy to follow and apply.

A "refreshed" RPR blog with articles, announcements, and news you can use.

Have a question or need quick help? The Knowledge Base area of our blog is a great resource for FAQs, popular articles, product release updates and more.

Go to our website for Featured Webinars – It's very good for business!

NARRPR.com



And remember, RPR is a member benefit offered by the National Association of REALTORS®. You've already paid for it—you should be using it!

If you have questions or need any help, reach out to our Member Support team at 877-977-7576.

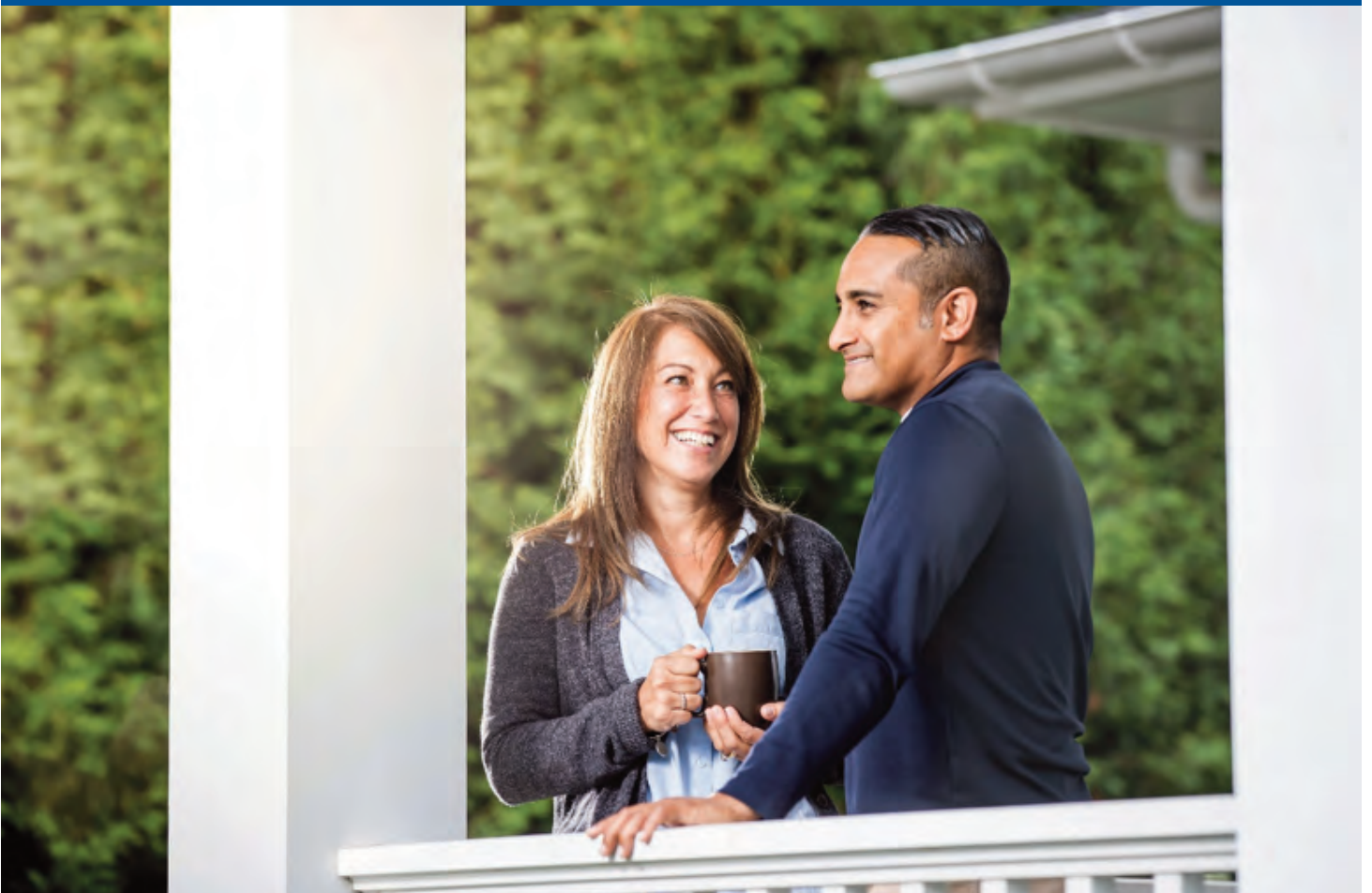


As an independent contractor with HelmsBriscoe, I can help you streamline the meeting planning process by managing the time-consuming task of researching, contracting, and evaluating venues for your organization's events!



**Ali McQueen Cannon**  
 Manager, Global Accounts  
 615.364.8041  
 acannon@helmsbriscoe.com

Contact me for more information,  
and let us put our buying power to  
work for you!



## Technology Transforms the Home Inspection

Ensuring confident home ownership and adding value to the client experience underpin the latest innovative features from Pillar To Post Home Inspectors. 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.

Virtual tours are a growing 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 virtual visual inspection record? Areas of concern indicated during the home inspection can be highlighted visually so clients are able to clearly see and understand conditions that need to be addressed. These visuals can also be easily shared with qualified professionals for estimating recommended repairs. You will also save time by reducing the need to make repeated visits to the property.

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

*For your clients' peace of mind, don't skip the home inspection. Pillar To Post can inspect homes even after closing. Contact your local Pillar To Post Home Inspector to learn more.*

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





Dennis Badagliacco  
San Jose, CA  
dennisb@alterasv.net  
408-218-1800

# Legal Update

by Double Aces Dennis and Diana

## Here are a few of the legal issues for your thoughts

**Status of NAR Suits:** 3 years ago, NAR was sued along with 4 corporate defendants in class action suits in Missouri and Illinois alleging home sellers have been damaged because their listing broker compensates buyers' representatives. The update: A Missouri judge granted class action certification to the case. NAR feels the ruling was only procedural and was wrong. It means NAR will have to spend time and money defending the case.

**Status of NAR Suit #2:** The 9th Circuit court of appeals reversed a lower court decision to grant NAR a dismissal of a case covering clear cooperation. Clear cooperation is the issue of putting all listings on the public MLS to generate more offers and interest for the seller. This means NAR will have to spend time and money defending the case.

**Status of the REX case against NAR:** At issue is NAR's IDX display rules which require MLS Listings be displayed separately from non-MLS Listings. REX claims the NAR policy has damaged its reputation and

business model. The Plaintiff's motion (REX's) was denied. The NAR motion to dismiss was denied, but the false advertising or deceptive practices claims were dismissed against NAR. Since these rulings REX has closed up shop, but now is claiming NAR forced them to go under. NAR will have to spend time and money defending the case.

Now for the really bad news: NAR's insurance policy will no longer cover the related suits because the insurance policy has a \$1,000,000 limit on any case or related case. This means the future litigation is now on NAR's expense sheet. Member money has to be spent to defend the cases.

NAR has petitioned the US Supreme Court on the Missouri "floor plan case". This case has been going on for years and if lost would have very bad consequences. The plaintiff claimed agents putting a copy of a floor plan they drafted into the MLS violated his copyright.

## 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.**

