

GMNBR NEWS

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NAME THE NEWSLETTER

This month's suggestions
with a name for the
newsletter are:

- ® News
- REALTOR® Update
- GMNBR Messenger
- GMNBR Signals
- Home Spun Newsletter
- GMNBR HUB

Register your vote, or if
you have suggestions
please email:
info@gmnbr.org

PUBLIC POLICY COMMITTEE REALTOR® ACTION ALERT

In recent weeks members have received several Call to Action requests from both NHAR and NAR. The intent behind these requests is to urge members to contact their elected officials on both a state and national level. By doing so members are able to convey to elected officials that they are in support of, or against, a particular piece of legislation. When REALTORS® express their concerns our message resonates with the elected officials. As a result, the Calls to Action are oftentimes very successful in letting the REALTORS® voice be heard loud and clear. Our efforts have effectively stopped legislation in its tracks as well as helped it garnish enough support for passage.

The Calls to Action on the state and national level are very important, but as members of a board representing 16 cities/towns in New Hampshire it is crucial that we are also aware of what is happening on a local level. The GMNBR Public Policy committee makes every attempt to be aware of local issues that could have an impact on our livelihood, but recognizes that sometimes there may be some oversight. We need your help, if you are aware of any local government, town issues or zoning changes please let us know so that we can institute a proactive Call to Action on a local level.

To notify us please fill out the INFOSHARE CARD below and return it to the GMNBR Office, Attn: Public Policy Committee, 166 South River Road, Bedford, NH 03110 / email: info@gmnbr.org / phone: (603) 668-1054.

Name: _____
Contact #: _____
Source: _____
Info: _____

Thank you!

The GMNBR Public Policy Committee is very appreciative of your help!

GMNBR LEGAL CORNER

Let's see how well you know your REALTOR® Code of Ethics
Good Luck to All!

- 1. The Code of Ethics is based on the concept of:**
 - A. Let the buyer beware
 - B. Let the seller beware
 - C. Let the public be served
 - D. Let the public fend for themselves

- 2. The Code of Ethics was adopted:**
 - A. To establish standards of conduct for the industry
 - B. only as a "recommendation" for proper conduct
 - C. In 1931
 - D. Long after real estate licensing laws were in existence

- 3. The Preamble to the Code:**
 - A. Sets out aspirational ideals that REALTORS® should strive to attain
 - B. Can be used as the basis for disciplinary action against a REALTOR®
 - C. Requires REALTORS® to meet the standards set forth in the Preamble
 - D. Is a summary of all the articles included in the Code

- 4. The Code is primarily enforced through:**
 - A. The NATIONAL ASSOCIATION OF REALTORS®
 - B. State association of REALTORS®
 - C. Local associations of REALTORS®
 - D. None of the Above

- 5. The two basic types of complaints that are handled by local associations are:**
 - A. Ethics complaints and license law complaints
 - B. License law complaints and mediation matters
 - C. Ethics complaints and requests for arbitration
 - D. License law complaints and requests for arbitration

- 6. The three committees or groups that are involved in the Code enforcement process are:**
 - A. Grievance Committee, Appeals Committee and Board of Directors
 - B. Professional Standards Committee, Arbitration Committee and Mediation Committee
 - C. Professional Standards Committee, Mediation Committee, and Board of Directors
 - D. Grievance Committee, Professional Standards Committee and Board of Directors.

- 7. A request for mandatory arbitration is based on:**
 - A. A monetary dispute between REALTORS® (principals) in different firms
 - B. A legal claim for damages between REALTORS® in different firms
 - C. A monetary dispute between salespersons in different firms
 - D. A legal claim for damages between a salesperson and his/her broker

- 8. A request for arbitration is most commonly based on a dispute about:**
- A. A listing commission
 - B. A Cooperative (selling) commission
 - C. An earnest money dispute
 - D. A claim for damages
- 9. The concept of procuring cause is used to decide commission disputes in arbitration cases. Which of the following statements is true about the concept of procuring cause?**
- A. No predetermined rules of entitlement are allowed to be used by a hearing panel
 - B. A hearing panel should not consider the entire course of conduct in the transaction and should decide the case on one factor
 - C. Whether an agent abandoned or estranged a buyer is not an important factor in determining which party will receive an award
 - D. Generally, a hearing panel should split an award and should not make the award all to one party or the other
- 10. REALTORS® have an obligation to protect and promote the interests of their clients but also have an obligation to treat all parties:**
- A. Fairly
 - B. Honestly
 - C. Fairly and Honestly
 - D. Politely
- 11. If a listing broker tells another broker, “I’ll cooperate with you,” the other broker:**
- A. May assume that the listing broker will pay him/her a cooperative commission
 - B. May not assume that the listing broker will pay him/her a cooperative commission
 - C. Has an arbitration claim against the broker if the listing broker fails to pay a cooperative commission
 - D. Has a legal claim for the cooperative commission against the listing broker if the listing broker refuses to pay a cooperative commission
- 12. A cooperating broker in a transaction may:**
- A. Claim to have “sold” the property involved in the transaction
 - B. Post a “sold” sign on the property involved in the transaction after the closing (with the buyer’s permission)
 - C. Not claim to have “sold” the property but may state that they have “participated” or “assisted” in the transaction
 - D. Both A and B
- 13. Disciplinary action in an ethics complaint may NOT include:**
- A. A fine not to exceed \$5,000
 - B. A letter of reprimand
 - C. A requirement that the respondent attend a course of education
 - D. A written apology

Answers on Page 7

Code of Ethics test can be found online at: <http://www.realtor.org/rmoquiz2.nsf/Ethics?OpenForm>

WELCOME NEW REALTORS®

Please take a moment to recognize and congratulate the newest members of the Greater Manchester/Nashua Board of REALTORS® All of the people listed below have completed both the GMNBR and the NHAR Orientations and are scheduled to be inducted at the Membership Meeting to be held on Wednesday, June 8, 8:30 a.m. at the Manchester Country Club.

Lisa Marie Blevins

Bridgeman Realty Group

Donald P. Bourque

Choice Realty

Christopher J. Coakley

Keller – Williams / Nashua

Michael A. Coulters

CB / Coulters Realty

Kim Daneault

Imagine Realty World Realty, LLC

Joshua M. Denapoli

DesRochers Real Estate

Joseph Drapeau

Verdy Realty

Nicholas J. Drew

C21 / Dick Cardinal Associates

Linda S. Ellis

Parade Properties

William R. Falgares

Keller – Williams / Nashua

Jane R. Fournier

RE/MAX Country Properties

Amie M. Guay

Innovative Realty / Manchester

Deirdre A. Hewett

Carlson GMAC / Amherst

Karen Langelier

Prudential Verani – Foster

Louis A. Lapointe

Martel Realty Group

Jennifer L. Lemire

RE/MAX Area Real Estate Network

Michael Loughlin

CB Residential Brokerage / Manchester

Robert J. Marino

Keller – Williams / Nashua

Jeffrey L. Mead

Warren Cass Real Estate

Scott B. Mosher

RE/MAX Country Properties

Robin Lee Osgood

RE/MAX Country Properties

Diane H. Pinard

ERA The Masiello Group / Bedford

Brittany R. Poulin

CB Residential Brokerage / Manchester

Michael J. Price

Prudential Verani / Bedford

Michelle E. Quadros

Prudential Verani / Nashua

Nancy E. Reynolds

Help-U-Sell Hendrick Realty

Armand Santacoloma

NO OFFICE AFFILIATION

Christopher Wilbur

CB / Ashton – Kilgore Realty

Jay J. Sibulkin

Carlson GMAC / Manchester

AFFILIATE MEMBERS**Eric L. Smithson**

Carlson GMAC / Manchester

Ken Garceau

Fred Garceau Real Estate Appraisals, LLC

Lisa B. Stempler

Carlson GMAC / Nahsua

Peter D. Frank, P.G.

Geolnsight, Inc.

LEGAL LIABILITY TRAINING

In July 2004 the GMNBR Board of Directors voted on and approved changes to the GMNBR Bylaws. As a result of these changes all REALTOR® members will be required to complete a course on Legal Liability Training within two years of becoming a member, and every two years thereafter. The change in the bylaw became effective January 1, 2005, and therefore begins the first two year requirement for all active REALTOR® members of GMNBR.

Currently there are four classes offered that will satisfy the requirement and they are as follows: Legal Liability; Professional Standards; Risk Management; What's Happening in our Courts. Although the GMNBR will make all efforts to offer these courses throughout the year, it is also possible to attend these classes when they are being offered through other boards within the state. Risk Management is offered by Charlene Mason, 772-1400; Carl Repaldi, 329-0145; Alan Rice, 591-5506; Kathy Roosa, 595-0418; Roger Turcotte, 746-5705. Legal Liability is taught by Charlene Mason and Carl Repaldi. What's Happening in our Courts is offered by Kathy Roosa.

The new language adopted to the Bylaws regarding the Legal Liability Training is as follows:

SECTION 13. LEGAL LIABILITY TRAINING. Effective January 1, 2005, within two years of the date of election to membership, and every two years thereafter, each REALTOR® Member of the Board shall be required to demonstrate that they have completed a course of instruction in risk management, i.e. anti-trust laws, agency laws, civil rights laws or the REALTORS® Code of Ethics, its interpretation and meaning and/or the procedures related to its enforcement. (This course can be included in the nine (9) hours required for New Hampshire licensing.)

This requirement will be considered satisfied upon presentation of evidence that the member has completed an educational program conducted by another Member Board, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS® or any of its affiliated institutes, societies or councils, or any other recognized educational institution which, in the opinion of the Board of Directors, is an adequate substitute for the training programs conducted by the Board.

Failure to satisfy this requirement biennially will result in a fine of twenty-five dollars (\$25). (Adopted 7/2004)

NOTE: Any education requirement must comply with Interpretation No. 37 of Article I, Section 2, Bylaws, NATIONAL ASSOCIATION OF REALTORS®: Mandatory attendance should only be required at programs related to matters that, if education were not provided, might result in a significant legal vulnerability and possible liability to the Board and its members, such as violations of anti-trust laws, agency laws, civil rights laws, the Code of Ethics of the National Association, or other similar public policies.

If you have any further questions regarding this, or other changes to the GMNBR Bylaws please contact the Board office: (603) 668-1054 / info@gmnbr.org.

ETHICS QUIZ ANSWERS

1. The Code of Ethics is based on the concept of:

ANSWER: C. When the Code of Ethics was adopted in the early 1900s, the rule of law was "caveat emptor" ("Let the buyer beware"). The Code took a different approach, based on the motto "Let the public be served." One of the foundations of the Code is protection of the public. Many of the Articles (e.g., 1, 2, 8, 9) are founded on protecting the consumer.

2. The Code of Ethics was adopted:

ANSWER: A. There were no real estate licensing laws when the Code was adopted in 1913. One of the primary purposes of the Code was to establish professional standards of conduct for the real estate industry.

3. The Preamble to the Code:

ANSWER: A. The Preamble to the Code is the aspirational basis for the ethical concepts that REALTORS® believe in. Included are the core concepts of honesty, integrity, fairness, and moral conduct in business relations. Near the end of the Preamble, the timeless, universal principle of the Golden Rule is cited. Because the Code sets the ideals that we strive to attain, it is subjective in nature. As such, it cannot be used as a basis for disciplinary action against a REALTOR®. Only the Articles of the Code are used as the basis for discipline of REALTOR® membership.

4. The Code is primarily enforced through:

ANSWER: C. The enforcement of the Code is handled mainly by the local REALTORS® associations. Real estate is one of the few industries that have a Code of Ethics that is enforced. Many industry codes of ethics are aspirational in nature and are not enforced by the organization sponsoring the code. The REALTOR® Code of Ethics has an enforcement process available to anyone who believes a REALTOR® has violated the Code of Ethics.

5. The two basic types of complaints that are handled by local associations are:

ANSWER: C. An ethics complaint is a complaint about a REALTOR®'s conduct that has allegedly violated one of the Articles of the Code of Ethics. Under Article 17 of the Code, REALTORS® are required to arbitrate certain types of monetary disputes they have with other REALTORS®. So, a second type of matter handled most frequently by local associations is a request for arbitration falling under Article 17 of the Code.

6. The three committees or groups that are involved in the Code enforcement process are:

ANSWER: D. The Grievance Committee is a screening committee that initially reviews ethics complaints and requests for arbitration. The Grievance Committee does not hold hearings but simply determines, on the basis of the written information presented in the complaint/request, whether a possible violation of the Code may exist or whether the request for arbitration presents a matter that can be arbitrated within Article 17. If the Grievance Committee believes that a possible violation may exist or that a matter can be arbitrated, it forwards the complaint/request to the Professional Standards Committee. The Professional Standards Committee appoints a hearing panel (usually three or five members of the Committee) to conduct a hearing. The hearing is a "due process" hearing similar to a court proceeding. The hearing panel decides whether a violation of the Code occurred and makes a recommendation for discipline, if any. In an arbitration request, the hearing panel decides which party is entitled to the monetary award. In either case, a right of appeal or review exists to the Board of Directors.

7. A request for mandatory arbitration is based on:

ANSWER: A. Generally, a request for mandatory arbitration is based on a monetary dispute. The dispute must be of a contractual or specific non-contractual nature, and it must be between REALTORS® (principals) in different firms arising out of their relationship as REALTORS®. Article 17 specifies the types of disputes that are required to be arbitrated.

8. A request for arbitration is most commonly based on a dispute about:

ANSWER: B. The most common type of monetary dispute between REALTORS® (principals) in different firms relates to a cooperative (selling) commission, sometimes also known as a co-brokerage commission. In the residential field, the offer of compensation is most commonly made by a listing broker in the context of filing listings with the MLS. In the commercial field, offers of compensation are often made directly among brokers in a market.

9. The concept of procuring cause is used to decide commission disputes in arbitration cases. Which of the following statements is true about the concept of procuring cause?

ANSWER: A. The concept of procuring cause is the basis upon which the typical commission dispute about a cooperative commission is decided. The "Arbitration Guidelines" in the *Code of Ethics and Arbitration Manual* (Appendix II to Part 10) set out a comprehensive set of guidelines by which hearing panels decide a commission dispute. All of the concepts are from the "Arbitration Guidelines."

10. REALTORS® have an obligation to protect and promote the interests of their clients but also have an obligation to treat all parties:

ANSWER: B. Article 1 of the Code sets out these fiduciary concepts. The obligation to protect and promote the client's interests is balanced by the obligation to treat all parties honestly.

11. If a listing broker tells another broker, "I'll cooperate with you," the other broker:

ANSWER: B. Article 3 clearly states, "The obligation to cooperate does not include the obligation to share commissions, fees, or to otherwise compensate another broker." The cooperating broker must ascertain the terms of compensation, if any, before beginning efforts to cooperate.

12. A cooperating broker in a transaction may:

ANSWER: D. According to the Standard of Practice 12-7, "Only REALTORS® who participated in the transaction as the listing broker or cooperating broker (selling broker) may claim to have 'sold' the property. Prior to closing, a cooperating broker may post a 'sold' sign only with the consent of the listing broker." Thus, a cooperating broker involved in a transaction may claim to have sold the property in the transaction. The only time limitation in the Standard of Practice relates to the cooperating broker posting a "sold" sign before closing. After closing, permission of the listing broker is not necessary for a cooperating broker to post the "sold" sign.

13. Disciplinary action in an ethics complaint may NOT include:

ANSWER: D. The *Code of Ethics and Arbitration Manual* lists the appropriate sanctions that a hearing panel may recommend to discipline a REALTOR® who has violated the Code of Ethics. Only those authorized sanctions are permissible. All of the disciplinary actions noted above other than the written apology are on the list of authorized sanctions. An apology of any sort cannot be mandated by a hearing panel or association.

Code of Ethics Quiz taken from REALTOR® Magazine Online and submitted to GMNBR News by Dawn Herman, Chair of the GMNBR Legal Committee.

RECERTIFICATION COURSES AT GMNBR

In accordance with the NHREC requirement of 9 educational hours, the GMNBR will be offering core courses and electives at the GMNBR Office. Licensees are required to take one 3 hour core course and 6 hours of electives. All classes have been approved by the Real Estate Commission and will be taught by accredited instructors. You must register for any of the classes, please contact GMNBR at (603) 668-1054 or register online at www.gmnbr.org. Fees will be paid to the instructor at the time of the class. Below is a list of the courses that will be offered during the month of May. For a complete list please use the interactive calendar on the GMNBR website.

Date	Time	Course	Instructor	Cost
May 4, 2005	9:00 a.m. to Noon	Core	Neal Barrett	\$35
May 18, 2005	9:00 a.m. to Noon	Elective <i>What Would You Do In This Situation?</i>	Kathy Roosa	\$40
May 19, 2005	10:00 a.m. to 1:00 p.m.	Elective <i>Intro to Commercial Real Estate</i>	Alan Rice	\$40

REALTOR® of the YEAR AFFILIATE of the YEAR HONOR SOCIETY

Don't miss the annual REALTOR® / Affiliate of the Year and Honor Society celebration!

On Wednesday, May 18 at the Bedford Village Inn

Registration will begin at 11:30 and lunch will served at Noon. Award ceremony to follow

Please watch your email for more information, including how to register.

DO YOU HAVE SOMETHING TO CONTRIBUTE?

If you have something you would like to appear in the newsletter please contact Charity Ross at the GMNBR Office to submit your entry charity@gmnbr.org / (603) 668-1054

Newsletters are published on the last day of each month. Please have your submission to Charity no later than Noon on the Wednesday prior to publication

REALTOR® to REALTOR®

The next REALTOR® to REALTOR® will be held on May 17 from 12:30-2:00 p.m. in the GMNBR Classroom. The topic of discussion will be "Drug Awareness and Real Estate" and will be in the form of a presentation by Captain Richard Crate of the Enfield Police Department. Captain Crate will highlight the dangers of homes that have housed Crystal Meth labs and will review safety procedures for when REALTORS® encounter these homes. The workshop will be sponsored by National City Mortgage.

Registrations for the REALTOR® to REALTOR® will begin one week prior to the date, no advance registrations are accepted. Please watch your email for more information on this, and other sessions, in the weeks to come!



**GREATER
MANCHESTER/
NASHUA
BOARD OF
REALTORS®**

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Bedford, NH 03110**

**Phone: (603) 668-1054
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**Email: info@gmnbr.org
Web: www.gmnbr.org**

GMNBR PRESIDENT'S MESSAGE

Dear GMNBR Members,

It has recently come to our attention that our former Executive Vice President of NHAR, Ashton Welch has had open heart surgery and his wife has been hospitalized with a broken shoulder. As a result, the Welch's have accumulated some hefty medical bills and both of them are without medical health insurance. At the last GMNBR Board of Directors meeting many of our Officers and Directors made personal donations to the fund that has been set up for Ashton and his wife. We'd like to encourage you to do the same and help a fellow REALTOR® family in their time of need. A donation of any amount will be appreciated. Checks can be made out to "Friends of Ashton Welsh" and sent to:

Tia Therien
c/o Centrix Bank
PO Box 10454
Bedford, NH 03110-0454.

For those who wish to send cards directly to Ashton his home mailing address is:
100 School Street
Concord, NH 03301

Thank you for your support,
Susan Pendleton
GMNBR President

CONTACT INFORMATION

Are you receiving all of the GMNBR notices?

If you think we need to update our records on you please fill out the form below and return to the GMNBR Office by fax: (603) 627-0936 or mail: 166 South River Road, Bedford, NH 03110

Name: _____

Email: _____

Company Name & Address: _____

Company Phone #: _____

Company Fax #: _____

Home Address: _____

Home Phone #: _____

Cell Phone #: _____



**EMAIL FOR THE
GMNBR STAFF**

**SUSAN AFFLERBACH:
susan@gmnbr.org**

**JOAN BALDESSARI:
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**CAROLINE HERRON
caroline@gmnbr.org**

**CHARITY ROSS:
charity@gmnbr.org**