

WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS® NEW MEMBER ORIENTATION

PART 1

I. THE PURPOSE OF ORGANIZED REAL ESTATE

A. STATEMENT OF PURPOSE

1. The purpose of organized real estate at all levels, from the local level, state level and national level is to:
 - a. Promote good fellowship and fair dealing.
 - b. Protect the members of the Association, and the general public from irresponsible, unprincipled, or dishonest licensees.
 - c. Promote high standards through the Code of Ethics.
 - d. Promote legislation for the protection of property rights.
 - e. To designate, for the benefit of the public, those individuals within the state of California authorized to use the term REALTOR® as licensed, prescribed, and controlled by N.A.R.
2. Organized real estate consists of: (Dues Include)
 - a. Local Level: Membership in the West San Gabriel Valley Association of REALTORS® (WSGVAR)
 - b. State Level: Membership in the California Association of REALTORS® (C.A.R.)
 - c. National Level: Membership in the National Association of REALTORS® (NAR)
3. WSGVAR is a voluntary, non-profit organization of independent and competing business persons and firms formed to aid in:
 - a. Solving problems
 - b. Promoting progress
 - c. Enhancing service
4. It is important to recognize the voluntary nature of ORGANIZED REAL ESTATE and the importance of each person becoming actively involved in the operation of the WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS®.
 - a. You need to attend Association meetings on Thursday mornings.
 - b. Join a committee.
 - c. Become familiar with Association services.
5. Organized real estate exists to serve your professional needs. The local Association is the foundation of organized real estate.
 - a. Educational classes offered by WSGVAR
 - b. Computer training for California Regional Multiple Listing Services (CRMLS) usage

6. The difference of a MLS-Only (MLO) membership vs. REALTOR® membership
 - a. Ability to call themselves REALTOR®
 - b. Ability to be on committees at WSGVAR
 - c. Ability to serve on the Board of Directors
 - d. Voting rights
 - e. Ability to earn the REALTOR® of the year award
 - f. Discounts at the store
 - g. Free and low-cost live education classes

When Is a Real Estate Agent a REALTOR®?

A real estate agent is a REALTOR® when he or she becomes a member of the NATIONAL ASSOCIATION OF REALTORS®, *The Voice for Real Estate®*, the world's largest professional association. The term REALTOR® is a registered collective membership trademark that identifies a real estate professional who is a member of the NATIONAL ASSOCIATION OF REALTORS® and subscribes to its strict Code of Ethics. The Code is also available in the following foreign languages: Chinese, Korean, Spanish, Tugaloo, and Vietnamese.

Founded in 1908, NAR has grown from its original nucleus of 120 members, to more than 1 million members today. NAR is composed of REALTORS® who are involved in residential and commercial real estate as brokers, salespeople, property managers, appraisers, counselors and others who are engaged in all aspects of the real estate industry.

Members belong to one or more of 1,400 local associations/boards and 54 state and territory associations of REALTORS® and can join one of our many institutes, societies and councils. Additionally, NAR offers members the opportunity to be active in our appraisal and international real estate specialty sections. REALTORS® are pledged to a strict Code of Ethics and Standards of Practice.

Working for America's property owners, the NATIONAL ASSOCIATION OF REALTORS® provides a facility for professional development, research and exchange of information among its members.

New National Ads

The National Association of Realtors Public Awareness Campaign enters its eighth year in 2005, continuing to help millions of potential homebuyers and sellers understand the value a REALTOR provides. On the campaign's Web page at REALTOR.org, associations can find new campaign materials for download beginning in March.

NAR's 2005 campaign, "Ask If Your Agent Is a REALTOR®, a member of the National Association of REALTORS®," will be prominently featured on prime-time network television and XM satellite radio.

Also new in 2005, NAR will increase and strengthen its Hispanic marketing approach. For the first time, NAR will extend Hispanic marketing efforts to television. The inaugural television campaign will be concentrated in early morning and evening news programs, and will air, in conjunction with the Hispanic network radio effort, on premier Spanish-language networks, like Univision.

This year's commercials help potential homebuyers and sellers understand how they will know their agent is a REALTOR®, a member of the National Association of REALTORS®. They'll know by looking for the REALTOR® "R" on business cards, yard signs and when members are wearing their REALTOR® pin.

II. STRUCTURE OF ORGANIZED REAL ESTATE

- A. The WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS® IS AFFILIATED WITH THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.) AND THE NATIONAL ASSOCIATION OF REALTORS® (NAR).
1. When you become a member of the WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS®, you automatically become a member of both CAR and NAR.
 3. The NATIONAL ASSOCIATION OF REALTORS® is composed of real estate Association or Boards throughout the United States plus Guam and Puerto Rico. Membership is over a million!
 4. The term REALTOR® - REALTOR-ASSOCIATE® and the logo REALTOR® are registered trademarks owned by the NATIONAL ASSOCIATION OF REALTORS®.
 5. Only members of the NATIONAL ASSOCIATION OF REALTORS® are allowed to use the name REALTOR® and the related trademarks.
 6. The WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS® is an ALL REALTOR® Association and no longer uses the term REALTOR-ASSOCIATE®. Other Association/Boards in Los Angeles make a distinction between a salesperson and broker and make the distinction between REALTOR® and REALTOR-ASSOCIATE®.
 7. The NATIONAL ASSOCIATION OF REALTORS® defines a REALTOR® as a "person engaged in the real estate business, who is subject to its rules and regulations, observes its standards of conduct and is entitled to its benefits.
 8. The NATIONAL ASSOCIATION OF REALTORS® provides members with a monthly magazine, newspaper, educational programs, news releases and legislative alerts and updates concerning all types of events on the national level.

B. The CALIFORNIA ASSOCIATION OF REALTORS®, which is part of the NATIONAL ASSOCIATION OF REALTORS®, has 105 Association/Boards and is divided into two areas, North and South, and is made up of 32 Regions

1. We belong to the 16th Region.
2. Each local Association/Board is made up of REALTORS® within local Association/Boards and each within defined cities.

3. Two Associations make up the 16th Region.
4. The Citrus Valley Association of REALTORS®, who services Azusa, Baldwin Park, Charter Oak, Claremont, Covina, El Monte, Glendora, Irwindale, La Verne, La Puente/Valinda, Pomona, San Dimas, South El Monte, West Covina and part of Rosemead and Walnut.
5. The West San Gabriel Valley Association of REALTORS®, services five specific cities and the county areas within those cities: Alhambra, Monterey Park, Rosemead, San Gabriel, and Temple City.
6. The purpose and objectives of the CALIFORNIA ASSOCIATION OF REALTORS® which WSGVAR has adopted as their BYLAWS are in your New Member Orientation packets.
7. The CALIFORNIA ASSOCIATION OF REALTORS® offers its members as part of their annual dues:
 - a. zipForm® is FREE software for California REALTOR® members. It is worth the cost of membership just by itself! MLS-only Members can buy zipForm® Desktop and zipForm® Plus products for \$999.00 each year. zipForm® offers 150+ standard real estate contracts and forms. The standard forms conform to current legislation and court decisions and carry the approval of C.A.R. legal counsel. They are constantly updated and hard copies are available for sale through the Association Office in the Real Estate Service Center.
 - b. zipFormTMS® is FREE Transaction Management software for California REALTOR® members. Formerly known as relay®, zipTMS™ allows a broker, agent or transaction coordinator the ability to have a higher degree of consistency in transaction management and a greater degree of transparency. The platform tracks and manages all transaction information and activities from listing through closing, including: listing and sale information, transaction contacts, documents, client satisfaction and all communication.
 - c. The Legal Hot Line benefit is worth the cost of being a member just by itself.
 - d. Continuing Education Courses of live and online offered at very reasonable costs.
 - e. Speakers for the Association's MLS Breakfast meetings or other special programs.
 - f. The ability to apply for committee appointments at the state level meetings, where three times a year REALTORS® from all over the state attend to share ideas, concerns, and strength.
 - g. Mid-year meeting in Sacramento where C.A.R. Directors and members get the opportunity to meet with their state legislators to discuss real estate related issues.

C. WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS®

1. Direct member contact takes place at the local level.
2. The state and national Associations serve in support and advocacy roles.
3. TO REPEAT: The jurisdictional territory of the WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS® consists of the following cities and the unincorporated areas: Alhambra, Monterey Park, Rosemead, San Gabriel, and Temple City.
4. The objectives of the WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS® set forth in Article II on Page 1 of the Bylaws in your packet.
5. The WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS® subscribes to the Code of Ethics and Professional Standards of the NATIONAL ASSOCIATION OF REALTORS®. A copy is in your packet.
6. You should review this packet carefully, discuss it with your Broker, and understand its applications.
7. Review the ability to input your listings in more than one MLS system. A fee schedule is included in your packet.

D. ORGANIZED STRUCTURE OF THE WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS®

The WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS® (WSGVAR) is a corporation governed by a Board of Directors which includes a President, President-elect, Vice President, Treasurer, Secretary, 10 Directors who serve terms of one or **two** years, plus a Parliamentarian. The Immediate Past President shall serve as one of the 10 Directors. The Executive Officer supervises the corporate employees. The Board of Directors is voted on by the WSGVAR REALTOR® members.

1. In the Bylaws you will find a section dealing with the Officers and Directors.
2. The WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS® has an outstanding professional and clerical staff.
3. Albert Tran is the Executive Officer commonly called the "EO", and Chief Administrative Executive of the Association whose very important function is to implement the policy decisions of the Association, fulfill the directives of the Board of Directors, and supervises the staff.

4. The staff members are the people who serve you at the counter and answer your calls to the Association Office. They are not REALTORS® and they do not make policy.
5. IF YOU SHOULD HAVE SOME REASON TO BE UNHAPPY WITH AN ASSOCIATION ACTION, DECISION, OR POLICY, PLEASE TAKE IT UP WITH AN ASSOCIATION DIRECTOR, OFFICER, OR THE EXECUTIVE OFFICER. DO NOT TAKE IT UP WITH THE ASSOCIATION STAFF!!
6. Schedule of dues, fees, and charges applicable to your joining the Association and to your day-to-day real estate practice is included in your packet.
7. If any applicant for membership in the WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS® fails to complete the New Member Orientation course, the initiation fee and dues are considered "earned" and are not refundable to the applicant. The applicant has 60 days from joining to complete the "ETHICS" training and a live orientation class.

E. COMMITTEE STRUCTURE

THE COMMITTEE STRUCTURE OF THE WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS® IS YOUR OPPORTUNITY TO PARTICIPATE. A sophisticated committee structure exists at all levels of organized real estate. This structure is necessary to identify the needs of our members. The MLS Committee is the most visible.

1. You will find a list of all of the Committees and their current Chairpersons in your packet.
2. A quick review of the Committees will provide you with some idea of the scope of involvement of our members! Not only in the functions of the Association but also in a broad range of matters affecting our professional and personal lives.
3. Committee members are volunteers who are involved in sustaining and, where possible, improving the quality of services provided by our Association: policy decisions, rules and regulations and how we conduct our real estate business are discussed in committee meetings and forwarded to the Board of Directors for approval and implementation.
4. IF YOU ARE NOT WILLING TO VOLUNTEER TO SERVE ON A COMMITTEE AND HELP MAKE THE POLICIES, THEN SOMEONE ELSE WILL DO IT FOR YOU.

5. Call on one of the Committee Chairpersons and offer your services. At the end of the year sign-up sheets are passed around for members to place their names on a committee that they are interested in for the following year, but you can usually join a committee anytime throughout the year.
6. Political involvement within our local governments, state, and national governmental issues.
7. Local Association service traditionally is a steppingstone to Region, State, and National Committee appointments.

F. ASSOCIATION SERVICES

The WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS® offers many services to its members, supplementing those provided by the CALIFORNIA ASSOCIATION OF REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®.

Included in the many services the Association offers are:

1. Multiple Listing Service.
2. Alliance Service.
3. Publication of weekly bulletins with special topics, MLS Breakfast topics, educational calendar, caravan listings, etc.
4. A Web Site is provided which contains a President's message, the weekly bulletins, and other information and topical articles.
5. Two computers are available for agents to use at the Association Office.
6. Education and training seminars.
7. Featured speakers at our weekly MLS meetings.
8. Real Estate Service Center.
 - A. Current Real Estate forms which have been developed by active REALTORS® and reviewed by the C.A.R. Real Estate Attorneys.
 - B. Books, home study programs, and other products that are designed to assist you with your real estate practice.
 - C. Signs, brochure holders, Supra products, etc.
 - D. Gift items for clients.

We will now take a few minutes and visit the real estate service center, tour the association office and at the same time, I will introduce you to each of our staff who will explain their functions at the association. Our staff is available to help you with any questions or assistance you may need.

- **Albert Tran** - Executive Officer
- **Barbara Yelinek** – Director of Operations.
- **Susan Krogstad** – Membership Services & SUPRA Coordinator
- **Elizabeth Gonzalez**– Executive Assistant / Event Planner
- **Phillip Lopez** – Technology Coordinator
- **David Liu** – Education and Events Coordinator.
- **Karen Snow** – Bookkeeper
- **Phong Ton** – Education & Store Specialist
- **Belen Berrios** – Communications Coordinator

Staff can be found at <http://wsgvar.com/AboutUs/WSGVARStaff.aspx>.

OFFICE HOURS ARE: MONDAY THROUGH FRIDAY 9 A.M. TO 5 P.M. EXCEPT THURSDAY FROM 8 A.M. TO 5 P.M.

PHONE: 626-288-6212. EMAIL: info@wsgvar.com WEBSITE: www.wsgvar.com.

III. ETHICS, PROFESSIONAL CONDUCT AND LEGAL ASPECTS

See the section "The Code of Ethics - De-Mystified!" by Greg Haas that has been reprinted for you on the last page.

You are required as part of your full membership, to take an Ethics class, within the next 60 days on line. The WSGVAR has provided the Ethics class to you free as part of your membership.

A. Duties Owed to All Persons

1. [Easton v. Strasburg, 1984, 152 C.A. 3d 90](#)
Facts materially affecting value, or the desirability of the property that are known or should have been known with the exercise of reasonable diligence.
2. Real Estate Licensee's Inspection Law, effective Jan. 1, 1986 (2079 Civil Code):
Duty of the Agent to conduct a reasonably competent and diligent visual inspection of all accessible areas of the property, and to disclose to the prospective purchaser all facts affecting the value or desirability of the property revealed by the agents investigation. Includes probates and foreclosures and applies to manufactured homes, leases, options, ground leases, real property

sales contracts on 1 to 4 units.

3. Real Estate Transfer Disclosure Law, called the "TDS", effective Jan 1, 1987, (1102 Civil Code): Duty of the Transferor (Seller) of real property improved with less than four dwelling units to provide the prospective Transferee (Buyer) with a written disclosure statement of the property.

B. Duties owed to the Principal:

Written Law Requirements:

1. Duty to make full and complete disclosure of all material facts, which might influence the principal.
2. Duty to submit **all offers** to the principal in a timely manner.
3. Duty to disclose comparable prices to the principal.
4. Duty to disclose tax consequences to the principal. Overview, then direct them to a CPA
5. Duty to disclose purchase of principal's property by an agent
6. Duty to disclose ownership in an Escrow, Lender, or Title Company.
7. Duty not to discuss price-or-terms with Buyers when not authorized.
8. Duty to disclose relationships with other parties.
9. Dual Agency representation agreement by both parties.
10. Duty to exercise skill, care, and diligence (BP 10177)
11. Duty to provide a full accounting of all monies.

C. Special Ethics Notations

1. Only members of the National Association of REALTORS® are allowed to use the term REALTOR® and its trademarks.
2. The Rules and Regulations of the WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS® are found in the Bylaws and MLS Rules and Regulations.

3. The WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS® uses the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®. Within 60 days of joining the Association, you are required to take the Ethics class on line in order to qualify for a refund of your Orientation fee.
4. Regulations of the California Real Estate Commissioner take precedence over regulations of the National Association of REALTORS®.
5. A licensee MAY NOT misrepresent the value of property in order to get a listing or sale.
6. All real estate sales commissions are negotiable and paid to the Broker, including any bonus offered.
7. You may not represent yourself as a specialist without training experience or education in that area.
8. Know and understand Equal Opportunity Housing laws.
9. Know the difference between an appraisal and a market analysis.
10. Only a licensed Broker can be paid a commission or fee.
11. ALL LICENSEES AFFILIATED WITH A BROKER OR OFFICE THAT IS A MEMBER OF THE WEST SAN GABRIEL VALLEY ASSOCIATION OF REALTORS® INC. ALSO MUST JOIN THE ASSOCIATION. IF THEY DO NOT WISH TO, THEN THAT BROKER MUST PAY AN ADDITIONAL FEE TIMES THE NUMBER THOSE LICENSEES EMPLOYED BY OR AFFILIATED WITH THE BROKER.
12. Review "Step Up to Professionalism" provided in your packets.
13. Grievance Committee.
14. Professional Standards Hearings.
15. Review the "Procuring Cause Guidelines" provided in your packet.
16. Review the "C.A.R. Leading the Way in Member Benefits" brochure in your packet

IV. MLS Rules and Regulations of the Multiple Listing Service will be discussed in Part II of the Orientation.

REMEMBER: Directors of the Association are volunteer members. They serve in order to keep you informed, to bring professionalism to our trade, and help you succeed.

Welcome to the West San Gabriel Valley Association of REALTORS®!

Wear your REALTOR® pin proudly! Make sure you check in with staff at the next Thursday meeting in the Auditorium prior to 8:30 AM. You will be presented a beautiful certificate suitable for framing.

The Code of Ethics - "DE-MYSTIFIED!"
By Greg Haas

Re-Printed by C.A.R. with permission

A. Duties to Clients/Customers (Articles 1-9)

- Article 1. Fiduciary Duties, Agency - put your client first!
- Article 2. Disclosure Issues – exaggeration, misrepresentation, concealment
- Article 3. Cooperation and Compensation - REALTORS® shall not misrepresent the availability to show
- Article 4. Self-Dealing - disclose you are licensed
- Article 5. Self-Dealing - prior to rendering opinion of value or other service, inform seller of your interest to purchase
- Article 6. Self-Dealing - no secret profit
- Article 7. Dual Compensation - disclose to all, client consent
- Article 8. Trust Account Records
- Article 9. Clear Written Documentation - give copy at signing)

B. Duties to the Public (Articles 10-14)

- Article 10. Fair Housing - provide equal professional services and information
- Article 11. Professional Competency - meet the standard of care for each specialization in which you provide service
- Article 12. Truth in Advertising - true and accurate picture
- Article 13. Unauthorized Practice of Law - just don't do it!
- Article 14. Duty to Cooperate with Professional Standards

C. Duties to other REALTORS® (Articles 15-17)

- Article 15. Disparaging Competitors - false or misleading statements
- Article 16. Interference in Agency/Client Relationship of another REALTOR®
- Article 17. Duty to Arbitrate Commission Disputes