



NATIONAL
ASSOCIATION of
REALTORS®

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February 25, 2013

The Honorable Fred Upton
Chairman, House Energy &
Commerce Committee
2183 Rayburn House Office Building
Washington, DC 20515

The Honorable Henry Waxman
Ranking Member, House Energy &
Commerce Committee
2204 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Upton and Ranking Member Waxman:

As the 113th Congress begins the NATIONAL ASSOCIATION OF REALTORS® (NAR) on behalf of our more than one million members wish to share with you our technology and telecommunications policy priorities that may fall within the jurisdiction of the Commerce Committee.

The real estate industry accounts for 15 percent of the U.S. economy and 2.5 million jobs with its related professions. There are over \$1 trillion of transactions in residential and commercial real estate each year. Housing and other home services account for an additional \$1 trillion. In short, the real estate market is huge and it is innovating.

Over the past decade, our world, and particularly the world of house hunters has become increasingly digital. Consumers are going online at a rapid pace to look for information to support their buying decisions. They watch “how-to” videos on YouTube, they read review sites, look up specific brands on search engines, and even research on the go with their smartphones and tablets. Real estate purchases are no different; nine in 10 home buyers today rely on the Internet as one of their primary research sources, and 52 percent turn to the web as their first step.

NAR, whose members identify themselves as REALTORS®, represents a wide variety of real estate industry professionals. REALTORS® have been early adopters of technology and are industry innovators who understand that consumers today are seeking real estate information and services that are fast, convenient and comprehensive. Increasingly, technology innovations are driving the delivery of real estate services and the future of REALTORS® businesses. For this reason, NAR is keenly interested in public policies that impact the digital tools our members and their consumers use during a real estate transaction.



REALTOR® is a registered collective membership mark which may be used only by real estate professionals who are members of the NATIONAL ASSOCIATION OF REALTORS® and subscribe to its strict Code of Ethics.

NAR's technology and telecommunications policy priorities include:

Broadband

NAR supports policies to encourage the growth of strong, viable communities. Access to and adoption of broadband in every American community will promote economic growth and expand opportunities. A recent Commerce Department study concluded that in communities where there is access to high speed Internet, property values are 6 percent higher. Communities prosper when they gain access to high-speed Internet. Property values increase, businesses grow and jobs are created. Broadband forms the infrastructure for the American economy's digital future. Affordable high-speed broadband will soon become almost as important as water and electricity, and the absence of broadband makes a community a less attractive location for new investment and development. For all of these reasons NAR supports:

- Policies and programs that encourage Americans to adopt broadband Internet
- Increasing rural access to broadband
- Increasing and expediting wireless spectrum transfer for commercial use

Privacy & Data Security

REALTORS® have long been strongly supportive of efforts to protect consumers' sensitive personal information. The REALTOR® code of ethics and Standards of Practice explicitly acknowledge a REALTOR's® obligation to preserve the confidentiality of personal information provided by clients—both during and after the termination of these business relationships. Protection of client personal information is an important part of the trusted relationship our members enjoy with their clients. NAR has produced a number of tools to help its members protect their client information. Our privacy education page can found here: <http://www.realtor.org/topics/data-privacy-and-security/resources>

NAR supports a balanced approach to privacy that respects and encourages informed consumer choices while ensuring industry can continue delivering value to consumers by providing products and services tailored to their specific needs. We support creating flexibility for industry specific responses as legislation that is too prescriptive or cements current practices in place will be outdated even before it becomes law.

Open Internet

Today, the business of real estate is conducted largely online. Streaming video, virtual tours and voice-over-internet protocol are just some of the technologies that are commonly used by REALTORS®. In the future, new technologies will be adopted that will no doubt require unencumbered network access.

NAR believes that broadband-based Internet providers should not be permitted to discriminate against, or in favor of, certain services, applications, or viewpoints on the Web.

Patent Reform

Increasing patent litigation by non-practicing entities or "patent trolls" has dragged unsuspecting REALTORS® into expensive and time consuming law suits. While the recent reforms of the America Invents Act should prove beneficial, NAR supports additional reforms focused on runaway expenses for frivolous patent litigation by non-practicing entities.

Protecting Intellectual Property

REALTORS® create valuable content (intellectual property) that is increasingly distributed on the Internet. This content must be protected from theft in a manner that does not create serious unintended consequences. NAR supports sensible copyright reforms that do not stifle innovation.

Fostering Innovation

NAR recognizes the importance of innovation to the future of the real estate industry. For this reason we created Second Century Ventures, a strategic investment fund focused on promoting innovation in the real estate industry.

This year we are launching the REach™ a real estate focused start up accelerator to find top companies with robust business solutions across multiple industries to help us execute those solutions within real estate. More information about REach and NAR's other innovation solutions can be found here: <http://www.narreach.com>.

NAR is eager to work with you on these priority issues. If you would like additional information or if we can be of any assistance please contact our Senior Technology Policy Representative, Melanie Wyne at (202) 383-1234 or mwyne@realtors.org

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Thomas". The signature is fluid and cursive, with the first name "Gary" being more prominent than the last name "Thomas".

Gary Thomas
2013 President, National Association of REALTORS®

cc: Members of the House Energy & Commerce Committee