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AFFIRMATIVE  
MARKETING AGREEMENT  
FOR

VOLUNTARY USE  
BY  
BOARDS OF REALTIST  
MEMBERS AND AFFILIATES

APPROVED BY THE NAREB BOARD OF DIRECTORS, MAY 25,1990  
AND EFFECTIVE NOVEMBER 14,1990 THROUGH NOVEMBER 14,1995

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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
AND  
NATIONAL ASSOCIATION OF  
REAL ESTATE BROKERS

VOLUNTARY AFFIRMATIVE MARKETING AGREEMENT  
NATIONAL ASSOCIATION OF REAL ESTATE BROKERS, INC.

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VOLUNTARY AFFIRMATIVE MARKETING AGREEMENT

PREAMBLE

WHEREAS, the United States Department of Housing and Urban Development (hereafter referred to as "HUD") has as its mandate the assurance of free fair housing choice to all Americans as expressed in Title VIII of the Civil Rights Act of 1968 (the "Fair Housing Act"): "It is the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States", 42 U.S.C. 3601;

AND WHEREAS, based on the premise that a free housing choice is a choice free of practices or influences that would limit that choice because of race, color, religion, sex, handicap, familial status, or national origin, the more specific goal of HUD is to provide assurances, information and services that will enable all buyers and renters to have a free housing choice;

AND WHEREAS, the object of affirmative marketing, is to provide free housing choice, noting that marketing of housing is not limited to the circumscribed arena of just buyer and seller, but is more pervasive in that suitable conditions must be had in all sectors of the real estate industry, including but not limited to: brokerage, management, financing, appraising, construction, insurance, regulation and education;

AND WHEREAS, the National Association of Real Estate Brokers, Inc. (hereafter referred to as "NAREB"), organized and existing under the laws of the State of Michigan, has been a minority organization, born from necessity out of the vestiges of segregation and discrimination some 40 years ago when its membership was denied entrance into the industry which controls the very essence of free housing, the land;

AND WHEREAS, NAREB has been like a metronome in America, constantly beating out the rhythm of "Democracy in Housing" for

all Americans, regardless of race, color, religion, sex, handicap, familial status, or national origin, and its members have been the victims of past acts of abuse which the Fair Housing Act was designed to eradicate in the sale of housing and throughout the housing industry in sales, marketing, construction, management, insurance, lending practices, appraising, and development, both commercial and residential;

AND WHEREAS, NAREB has not only been on the battle front for its members, "Realists," but has represented a greater constituency, all minorities, in pursuit of a portion of the American Dream, by constantly fighting oppressive legislation, oppressive regulation, and oppressive practices that pervade the housing industry and have made and continue to make fusion into this industry difficult; in spite of limited fiscal resources, NAREB has continued to be a stalwart partner with HUD in implementing the policy of the Fair Housing Act, fairness in housing choice and equality in the housing industry;

AND WHEREAS, NAREB and HUD have been partners for many years and are both desirous that an end come to all acts of discrimination in the housing industry, including but not limited to lending, insurance, appraising, development, sales, management or any other sector that impacts upon housing, wherein all Americans can participate as first class members of a great society and realize the vitality of the true meaning of "Democracy In Housing," NAREB and HUD hereby enter into this Agreement voluntarily.

Voluntary Affirmative Marketing Agreement  
National Association of Real Estate Brokers

I. Parties

The parties to this Agreement are:

- A. The United States Department of Housing and Urban Development (referred to herein as "HUD")
- B. The National Association of Real Estate Brokers, including its members, affiliates and divisions as established by its constitution and by-laws

(collectively referred to herein as "NAREB").

ii. Definitions

For the purposes of this Agreement, the following terms shall have the meanings set forth below, unless the context indicates otherwise:

- A. Member means a realtist member of NAREB.
- B. HUD means the U. S. Department of Housing and Urban Development.
- C. Secretary means the Secretary of HUD.
- D. Assistant Secretary means the HUD Assistant Secretary for Fair Housing and Equal Opportunity.
- E. NAREB means the National Association of Real Estate Brokers, Inc.
- F. Board means a local Board of Realtists, comprised of NAREB members.
- G. Associate means a sales employee of a member or a salesperson associated with a member in an independent contractor status.
- H. 1968 Act means Title VIII of the Civil Rights Act of 1968, as amended, 42 U. S. C. 3601-3619, popularly known as the Fair Housing Act.

- I. 1866 Act means 42 U. S. C. 1982, first enacted as Section 1 of Chapter 31, Act of April 9, 1866. The 1866 Act was construed by the U. S. Supreme Court, in Jones v. Mayer Co., 392 U. S. 409 (1968), to prohibit racial discrimination, private as well as public, in the sale or rental real property.
- J. Fair Housing laws include both the 1968 Act and the 1866 Act.
- K. Effective Date means the date on which this Agreement is approved by the Secretary.

III. Goals, Purposes, and Authority

A. The goal of HUD and NAREB in entering into this Agreement is to implement, through voluntary action, the policy

expressed by Congress in the first sentence of the 1968 Act: "It is the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States." 42 U. S. C. 3601.

B. Based on the premise that a free housing choice is a choice free of practices or influences that would limit that choice because of race, color, religion, sex, handicap, familial status, or national origin, the more specific goal of HUD and NAREB is to make information and technical assistance available to the real estate industry to assist the industry in providing service which will enable all buyers and renters to have a free housing choice. The objective of marketing is to sell or rent; the objective of "affirmative marketing" is to provide the assurance of free housing choice.

C. The purpose of the affirmative marketing program undertaken by the parties to this Agreement is to achieve a condition in which individuals with similar financial resources and interests in the same housing market area have a like range of housing choices available to them regardless of their race, color, religion, sex, handicap, familial status, or national origin. A further purpose is to bring into the real estate industry those individuals and entities which have been discriminated against because of race, color, religion, sex, handicap, familial status, or national origin, making them full-fledged participants at every level of the real estate industry from conception to closing. Participation in the program signifies a commitment by NAREB not only to assure that properties listed for sale or rental are available to all

individuals but also to point out the business advantages and opportunities of fair housing. Each of the parties seeks to assure that all individuals with similar financial resources and interests feel welcome to apply for purchase or rental of homes to which a NAREB member has access, as well as other real estate services provided by NAREB members, and have a free opportunity to buy or rent or enjoy other real estate services, regardless of their race, color, religion, sex, handicap, familial status, or national origin. In dealing with prospects, each member must make sure that his or her conduct does not impede, delay, discourage or otherwise limit or restrict a homeseeker's choice so as to make any housing "unavailable" to a prospective buyer or renter on account of race, color, religion, sex, handicap, familial status, or national origin.

D. In order to further the purposes of this Agreement, NAREB will cooperate with HUD in the promotion of affirmative marketing programs, including educational programs to teach the

meaning of "affirmative marketing" in housing and the meaning of "Democracy in Housing" (as NAREB has traditionally used that term). HUD will provide technical assistance and NAREB will provide human resource capabilities in this effort. Seminars, achievement programs, educational materials, and classes are examples of the cooperative ventures that the parties intend to undertake pursuant to this Agreement.

E. The authority for HUD to enter into this Agreement is provided in the Congressional directive set forth in Section 809 of the Fair Housing Act: " The Secretary of HUD shall call conferences of persons in the housing industry and other interested parties to acquaint them with the provisions of this title and his suggested means of implementing it, and shall endeavor with their advice to work out programs of voluntary compliance and enforcement." 42 U. S. C. 3609.

#### IV. AFFIRMATIVE MARKETING PROGRAM

A. NAREB and HUD believe that there are certain office management procedures which constitute sound business practices for all real estate brokers and also would be beneficial to the parties in furthering the goals and purposes set forth in Part III of this Agreement. In many cases, NAREB members already use such office management procedures in their operations. However, to assure both continuity and a degree of uniformity in the practices of all NAREB members, NAREB agrees to disseminate to its members, affiliates and divisions a statement that NAREB's commitment to this Agreement includes assurances by members that prospective homeseekers are:

1. made aware of the full range of housing locations available to a member, consistent with the financial resources of, and the area of interest to, the homeseeker;
2. provided with information relevant to a purchase or rental decision, such as the location of schools, transportation and services in the area being considered;
3. provided with accurate information relating to available financing for a dwelling.

Additionally, members must continue to record the names of homeseekers and addresses of homes and apartments shown to them.

B. NAREB and HUD also agree to take the following affirmative steps to further the goals and purposes of this

Agreement.

1. NAREB will develop programs and advertisements jointly with HUD to educate and bring to the awareness of the general public the advantages of fair housing and affirmative action. To further this goal, NAREB specifically agrees to:
  - a. participate in media or other programs to inform the public about NAREB's commitment to fair housing;
  - b. develop public seminars and programs for the celebration of each anniversary of the enactment of the Fair Housing Act, wherein both NAREB and HUD can participate; and
  - c. utilize the unique qualities of its resources and talent to educate the public on the negatives of housing discrimination and promote the advantages of fair housing.
2. NAREB also agrees to encourage others to enter into voluntary affirmative marketing agreements, by use of seminars and through participation jointly with HUD in shaping and achieving the commitment of others to the importance of fair housing to the real estate industry. To promote VAMA involvement, NAREB specifically agrees to:

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- a. assure that its officers, members, affiliates and divisions are committed to fair housing and the promotion of, and education of others about the benefits of, fair housing;
- b. assist HUD in encouraging members of the community to comply with the requirements of the Fair Housing Act and in promoting affirmative action, to the extent that the fiscal resources of NAREB are available and to the extent that NAREB receives technical support from HUD; and
- c. assist HUD in identifying others, including industry, public sector and governmental groups, that need to be educated about or brought into compliance with the Fair Housing Act, and suggest to HUD, others who might become party to an affirmative marketing agreement.

3. HUD agrees to use the resources of NAREB to promote education of the real estate industry as to the requirements of the Fair Housing Act. To this end, HUD, or HUD in conjunction with NAREB, will take the following steps:
  - a. HUD will encourage majority industry groups and all HUD program participants to do business with minorities and minority firms in the real estate industry, including lawyers, insurance salespersons, managers, appraisers, lenders, consultants, developers, salespersons, real estate brokers, accountants, and other persons who have a service to offer to the real estate industry.
  - b. NAREB will provide to HUD a list of minority individuals and entities available to provide professional services needed in HUD program areas.
  - c. HUD Regional Office and Headquarters staff will participate in NAREB regional and national seminars and programs and other activities designed to carry out the goals of this Agreement. These activities include, but are not limited to:
    - i) joint seminars for State, local, and Federal government agencies and minority groups and organizations, to show how they can cooperate to promote fair housing;

- ii) seminars and events for housing industry groups, including but not limited to financial institutions, industry associations, developers, commercial users of real estate, and insurance companies; and
    - iii) seminars and events with social organizations which seek to promote fair housing.
4. HUD and NAREB will develop materials to assist in the implementation of the objectives of this Agreement, showing the rights and duties of persons under the Fair Housing Act and encouraging affirmative action in the housing industry.

C. NAREB members will adopt fair housing advertising techniques to assist in carrying out the provisions of this Agreement, as follows:

1. Each member will display, in a prominent place at each of its offices, the Fair Housing Poster prescribed by HUD in 24 CFR Part 110.
2. Each member will use the HUD Equal Housing Opportunity logotype or slogan in all space advertisements in accordance with the HUD Fair Housing Advertising Regulations as set forth in 24 CFR Part 109, where its inclusion does not significantly increase the cost of such advertising, and in all brochures, circulars, billboards, and direct mailing advertising.

D. HUD agrees to provide technical assistance to NAREB on fair housing advertising techniques, and to provide Fair Housing Posters and camera-ready copy and stick-ons of the Equal Housing Opportunity logotype, in sufficient quantities and appropriate sizes, for use of members.

E. Recognizing the limited amount of NAREB funds available for affirmative marketing, as well as the impact that NAREB has had and continues to have in this important aspect of fair housing, NAREB agrees to authorize reasonable expenditures, as needed, to carry out effectively the affirmative marketing program as set forth in this Agreement.

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## V. IMPLEMENTATION

NAREB agrees to form an Equal Opportunity Committee (NAREB EOC) composed of members of each of its affiliates, with a chairperson to be designated by the NAREB president, to carry out the following responsibilities:

A. To explain to the NAREB constituency, and to assure that they understand, the requirements and provisions of this Agreement;

B. To publicize the purposes of this Agreement and to establish a program to implement its provisions; and

C. To establish a liaison with designated HUD staff for the implementation of the terms and conditions of this Agreement, and to meet no more than twice a year to review with HUD implementation progress, the effectiveness of existing programs, and development of new programs in accordance with the intent of

this Agreement.

## VI. MONITORING

A. The NAREB EOC will establish procedures to monitor each NAREB member, affiliate, and division for progress in achieving the program commitments set forth in Part IV of this Agreement. To assure proper monitoring of progress under this Agreement, the NAREB EOC will request annually, from each member, affiliate, and division, a progress report on the efforts of each to achieve the program commitments set forth in part IV of this Agreement.

B. Each member, affiliate, and division must submit its report, including evidence of reported accomplishments, within sixty (60) days after the request by the NAREB EOC.

C. The NAREB EOC will provide HUD's Office of Voluntary Compliance with copies of each such report at least thirty (30) days prior to any scheduled HUD/NAREB meeting on this Agreement. NAREB's monitoring reports will be a major agenda item for discussion at these meetings.

D. HUD will, from time to time, forward copies of sections of the NAREB report to relevant HUD field offices for verification and comment.

E. HUD will provide to NAREB, through the NAREB EOC, an annual report on NAREB's progress and efforts to achieve the program commitments set forth in Part IV of this Agreement. Evidence of reported accomplishments must accompany this report at least thirty (30) days prior to any scheduled HUD/NAREB meeting on this Agreement. HUD's progress reports will be a major agenda item for discussion at these meetings.

F. Reports obtained through monitoring will be used in conjunction with the meetings prescribed in Parts V.C. and XI.C of this Agreement.

## VII. COMMITMENT OF NAREB

Following an affirmative vote of the NAREB Board of Directors and upon the execution of this Agreement by the NAREB president as so authorized, this Agreement shall become binding upon all members, affiliates, and divisions of NAREB.

## VIII. ACCEPTANCE OF SIGNATORY STATUS OF NAREB MEMBER IN LIEU OF INDIVIDUAL AFFIRMATIVE FAIR HOUSING MARKETING PLAN

A. During the effectiveness of this Agreement, any member of NAREB who hereafter applies for participation in any HUD/FHA program and would otherwise be subject to the requirements of the HUD Affirmative Fair Housing Marketing Regulations or to the joint HUD-VA Non-Discrimination Certification may, in lieu of submitting an individual Affirmative Fair Housing Marketing Plan or executing the Certification, reference its status as a member of NAREB bound under the terms of this Agreement.

B. Further, no NAREB member shall be required to participate in any other affirmative marketing seminar, execute any other documents, or in any way participate in any other affirmative marketing agreement, as long as this Agreement is in full force and effect and it remains in good standing with NAREB and bound under this Agreement.

IX. TECHNICAL ASSISTANCE FROM HUD

HUD agrees to designate specific field office personnel to provide NAREB, its realtist members and its EOC with technical assistance, information and advice in implementing the provisions of this Agreement.

X. SUSPENSION OF REALTIST MEMBERS

A. Whenever there is reasonable cause to believe that a member has failed to make a good-faith effort to fulfill its responsibilities under this Agreement, the following procedures shall be employed:

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1. The NAREB EOC shall contact the member, identify and discuss the area(s) of non-compliance, and request appropriate corrective action.
2. The NAREB EOC shall document, in writing, the member's non-compliance with the Agreement and provide the member and HUD with copies of the documentation.
3. The member shall have fifteen (15) days, from receipt of the written documentation of non-compliance, to take corrective action and to provide written notice and/or other material in support of its position to the NAREB EOC and to HUD of all corrective action taken to be in compliance with this Agreement.
4. Upon a finding by the NAREB EOC of continued non-compliance, the NAREB EOC shall arrange for a joint meeting with representatives of the NAREB EOC, HUD and the member to discuss the steps necessary for effecting compliance with this Agreement.

5. Subsequent to the joint meeting referred to above, the NAREB EOC shall provide the member, in writing, with a "Second Notice of Non-Compliance," stating that the member has fifteen (15) days to take corrective action or face suspension as a party to this Agreement.
6. If compliance with this Agreement is not secured within the time stated in the Second Notice of Non-Compliance, the NAREB EOC and HUD shall jointly notify the member in writing that it is suspended as a party to this Agreement and is no longer eligible for participation in the Voluntary Affirmative Fair Housing Marketing Program.
7. Any member suspended from this Agreement shall have ten (10) days from the effective date of the suspension to present to HUD an individual Affirmative Fair Housing Marketing Plan, in full conformity with applicable regulations, for each of the member's HUD-assisted projects.

B. The suspension of a member as a party to this Agreement will remain in effect until the NAREB EOC and HUD have determined that the member should be reinstated.

#### XI. EFFECTIVE DATE AND TERM OF AGREEMENT

A. This Agreement will become effective upon approval and execution by the HUD Secretary.

B. This Agreement will be in effect for a term of five (5) years.

C. During the sixty day period prior to the expiration of each calendar year during the term of this Agreement, NAREB and HUD representatives will meet to evaluate the effectiveness of the Agreement. If the evaluation reveals that progress is not being made toward achieving its objectives, the Agreement may be modified upon mutual consent of NAREB and HUD. If NAREB and HUD are unable to agree upon the terms of a modification, either NAREB or HUD may terminate the Agreement upon written notice to the other party.

XII. HUD SIGNATORIES

This Agreement has been approved by the U.S. Department of Housing and Urban Development. Signed and effective this 14th day of November, 1990 in Washington, D.C.:

\_\_\_\_\_  
Jack Kemp, Secretary

\_\_\_\_\_  
Gordon H. Mansfield, Assistant  
Secretary for Fair Housing  
and Equal Opportunity

XIII. NAREB SIGNATORIES

This Agreement was adopted by the Board of Directors of the National Association of Real Estate Brokers, Inc. at a meeting held on May 25, 1990, and the officers whose names are set forth below have been duly authorized to execute this Agreement on behalf of the National Association of Real Estate Brokers, Inc.

\_\_\_\_\_  
Evelyn Reeves, President

\_\_\_\_\_  
Equal Opportunity Chairman

The following affiliates and divisions of NAREB have endorsed the principles set forth in this Agreement, as evidenced by the signatures of their duly authorized representatives:

NAREB Affiliate/Division:

Representatives:

National Society of  
Real Estate Appraisers

\_\_\_\_\_

\_\_\_\_\_  
DATE

Real Estate Management  
Brokers Institutes

\_\_\_\_\_

\_\_\_\_\_  
DATE

United Developers  
Council

\_\_\_\_\_

\_\_\_\_\_  
DATE

Commercial-Industrial  
Division

\_\_\_\_\_

Sales Associates Division

\_\_\_\_\_  
DATE

\_\_\_\_\_

Women's Council

\_\_\_\_\_  
DATE

\_\_\_\_\_

Investment Division

\_\_\_\_\_  
DATE

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Real Estate Construction  
Division

\_\_\_\_\_  
DATE

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DATE