

Bullhead City / Mohave Valley Association of REALTORS®

LOCKBOX POLICY

Definitions

The Bullhead City / Mohave Valley Association of REALTORS® shall be henceforth referred to as the "Association."

A lockbox is a container affixed to a property containing a device to gain access to the property being marketed by a REALTOR®.

Purpose

Other REALTORS® are authorized under certain conditions to open lockboxes under terms specified by the Listing Agent/Company.

Cooperating brokers and sales licensees, functioning in any type of legal brokerage relationship with potential purchasers, must contact the listing broker to disclose their brokerage relationship status and to arrange appointments to show the listed property even if the property has a lockbox affixed to it, unless the listing broker has given specific permission (through information published in a multiple listing service or otherwise) to show the property without first contacting the Listing Agent/Company.

Policy 1 – Use of the System

- (A)** Lockboxes are not security devices but are a convenience by which to expedite the showing of property.
- (B)** Nothing shall prevent the seller/owner's right to refuse to have a lockbox on his/her property.
- (C)** The key system provided by the Association is a member service offered to REALTOR® Members and to certain Affiliate Members who are actively engaged in a recognized field of real estate practice or in related fields.
- (D)** If the seller permits the use of a lockbox on the property for sale, the listing agent/office must place the current Association lockbox on the property. Lockboxes in addition to the current Association lockbox are at the discretion of the seller.
 - (a)** Failure to comply with this requirement will result in \$250.00 fine per property which does not have a current Association lockbox in place. The first two violations reported to the Association will result in warning to comply and the listing agent/office has 24 hours to comply or be fined, and the third violation and all subsequent violations will result in an automatic \$250.00 fine. Only if the listing agent/office

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places a current Association lockbox on the property within two business days of the issuance date of the fine will the fine be waived.

- (b)** The only exception may be for government or lender owned property, and only if said seller specifically requests the sole use of their own lockbox. Such request must be in writing from the property owner and on file with the Association Office, specifically denoting which property or properties are affected by the request.
- (E)** Association Members must agree to comply with all the provisions of keyholder and lockbox contractual vendor agreements and leases and with the rules, policies and security requirements for lockbox use. Violation of these rules, policies or security requirements shall result in fines or in loss of the privilege of using a lockbox key or the lockbox system.

Policy 2 – System Equipment

- (A)** The Association has an exclusive contract with SUPRA, a division of GE Security, a National Association of REALTORS® (NAR) approved vendor as the lockbox vendor. The system includes:
 - (a)** SUPRA Electronic Keys: ActiveKEYs
 - (b)** iBox (SUPRA lockbox), AEII (SUPRA lockbox)
- (B)** This system meets the minimum security measures adopted by NAR and by the Association.
- (C)** The lockbox key records entry into properties and transmits the entry information to the system.

Policy 3 – Equipment Issuance

- (A)** Lockbox keys are issued by the Association to an individual under a lease with SUPRA. Under no circumstances shall anyone other than the keyholder have use of the key. Keys shall not be shared, loaned, or given to any other person to use to enter a property.
- (B)** To be issued a key, Members must be in good standing with the Association, read and execute a lease agreement, pay the required fees, and attend training on the use of the key.
- (C)** The Association will refuse to lease lockbox keys, may terminate existing key lease agreements, and will refuse to activate or reactivate any key held by an individual convicted of a felony or misdemeanor if the crime, in the

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determination of the Association relates to the real estate business or puts clients, customers, or other real estate professionals at risk.

- (D)** No member shall be required to lease a lockbox key from the Association. Leasing a lockbox key is on a voluntary basis.
- (E)** Keys shall be deactivated by the Association for non-payment of Key fees or membership dues or termination of membership. Keys may be deactivated for noncompliance with Code of Ethics sanctions or sanctions for violations of membership duties. Lost, stolen or missing keys will be deactivated when reported to the Association.

Policy 4 – Returning Equipment

- (A)** Leased ActiveKEYs must be returned to the Association when a member no longer desires to use the system or has failed to pay the Key fees or membership dues, has terminated membership or is not in compliance with a Code of Ethics sanction or a sanction for violation of a membership duty.
- (B)** The lease can only be cancelled upon the return of the leased equipment. If the leased equipment is not returned, the member or former member shall be subject to legal action to secure the equipment and/or unpaid debt.

Policy 5 – Lockbox Procedure to Enter a Property

- (A)** The fact that a property has a lockbox available for use does not authorize any keyholder to enter or show the property without first contacting the listing broker.
- (B)** The following are the procedures for using the lockbox system:
 - (a) Access to Property**

All members who use a lockbox key must:

 1. Contact the listing broker unless given other specific instructions whether in a multiple listing service or otherwise.
 2. Disclose their brokerage relationship or other status to the listing broker.
 3. Arrange an appointment to show or enter the property.
 - (b) Leaving the Property**
 1. All property keys or other entry devices must be returned to the lockbox container. Under no circumstances are property

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keys or entry devices to be given to anyone at any time. They are available to enter the property as specified in these rules only.

(c) Lost/Missing Property Keys

1. In the event that a key to a property is lost or taken by a Member, the Member must immediately notify the Listing Agent and/or Company and return the key within 24 hours or reimburse the Listing Agent/Company for rekeying the property. Responsibility for the lost key is assumed to rest with the last entry into the lockbox prior to notification until determined otherwise. Failure to comply with the notification requirement of this section will subject the Member to disciplinary action by the Association.
2. In the event that a Member opens a lockbox and discovers that a key to the property is missing, s/he must immediately notify the Listing Office. Failure to comply with the notification requirement of this section will subject the Member to disciplinary action by the Association. The Listing Agent/Company is encouraged for their protection to also report the loss of the property key to the Association.

Policy 6 – Lockbox Breach of Security

The lockbox security requirements of the National Association of REALTORS®, as from time to time amended, are hereby adopted and made a part of this Lockbox Policy.

- (A)** A \$5,000 fine and suspension of lockbox key privileges until the fine is paid will be assessed for:
- Giving the property keys or access devices obtained from the lockbox container to any individual whatsoever.
 - Placing the PIN on the key.
 - Leaving the PIN in the key pouch.
 - Writing the PIN on the instruction card.
 - Writing the PIN where it is accessible if lost or stolen.
 - Allowing anyone (spouse, significant other, partner, team member, personal assistant, etc.) other than keyholder to use the PIN or key.

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(B) A \$2,500 fine and suspension of lockbox key privileges until the fine is paid will be assessed for:

- Accessing a property without the consent of the Listing Agent/Company as defined in Policy 5 of this Policy Statement.

(C) A \$100 fine will be assessed for:

- Failure to replace the property key or other access device back in the lockbox.
- Displaying the lockbox shackle code in any manner on the lockbox; association maintains the right to change the shackle code for any lockbox compromised by public shackle code display. (Added 11/22/10)

Policy 7 – Suspensions & Fines

(A) A keyholder who receives a suspension or fine may request a hearing before the Association’s Board of Directors by filing a written request for such a hearing.

Policy 8 – Lost or Stolen SUPRA Keys

These procedures are adopted from the National Association of REALTORS®.

1. Keyholders must report to the Association immediately a potential breach of the system and lost or stolen SUPRA keys.
2. Keyholders must report stolen SUPRA keys to the police department prior to being issued a replacement key. Keyholders must provide the Association with a copy of the police report as soon as possible.
3. The Association will issue replacement ActiveKEYs under the terms of the SUPRA ActiveKEY agreement.

Policy 9 – Lockbox Codes

(A) Shackle Codes

(a) Member Agent-Owned Lockboxes
Shackle Codes shall only be released by Association Staff to the registered owner of the Lockbox or the owner’s Broker.

(b) Member Office-Owned Lockboxes

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Shackle Codes shall only be released by Association Staff to the Member Agents licensed with the Member Office which is the registered owner of the lockbox.

(B) Call Before Showing (CBS) Codes

- (a)** The CBS code may be provided by the Listing Agent/Office to keyholders who require access to the property for services other than real estate sales (e.g. appraisal, inspection, pest control, etc.)
- (b)** Keyholders who attain a CBS code from a Listing Agent/Office are required to confirm access to the property with the Listing Agent/Office prior to any use of the code.

Policy 10 – Lockbox Removal by Association Staff

- (A)** If the Association Staff must remove a SUPRA lockbox for any reason, the registered owner will be assessed a Lockbox Removal Fee equal to \$25.00 PLUS round-trip mileage at the current IRS rate from the Association Office to the lockbox location. The registered owner may retrieve the lockbox from the Association Office only upon full payment of the Lockbox Removal Fee.