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IT
PROS

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BRIDGING REAL ESTATE AND TECHNOLOGY

Without secure data, the digital future of the real estate industry is at risk. Companies and consumers must be confident that your systems keep their critical information safe from electronic compromise, scrapping, or misuse. REALTOR® Secure, developed by NAR's Center for REALTOR® Technology, allows you to demonstrate just how safe your company's data is.

Using standards from the International Standards Organization and the International Information Systems Security Certification

Consortium, this landmark program gives you a convenient, cost-effective way to assess the security of your MLS's, association's, or company's technology. CRT-approved evaluators also offer consultation on the best way to bring your current IT procedures in line with security-industry best practices. Keep your company in the technology vanguard with a certification from REALTOR® Secure. See the story below for more details or go to www.REALTOR.org/secure.

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Future Innovation

New Model for Profitability

The Challenge: Controlling costs within a brokerage and improving the profitability of the operation.

The CRT Solution: Allocating costs on an inventory (listing) basis, using an activity-based costing (ABC) model. Although brokerage companies traditionally allocate costs at the agent level, ABC models, which are widely used in manufacturing and consumer-goods operations, potentially offer a way to more accurately assess the impact of direct and indirect costs on a per-listing basis. These models could be used to analyze inventory aging and its impact on the profitability of different property types. ABC models may also be valuable in determining a listing portfolio's value as a means of assessing a company's worth.

Allocating real estate business costs with an ABC model is challenging because it requires companies to look at existing data from a new perspective. Although brokerages keep track of overhead costs such as advertising, office salaries, and rents, few companies have broken down these costs and allocated them on a per-listing basis.

Once CRT has developed a working ABC model in mid-2004, it will work with a select number of larger brokerage companies on reference implementation of the process. While ABC techniques would never replace traditional methods of allocating costs on a per-agent basis, they could provide useful supplemental information for budgeting and strategic planning.

Learn More: To participate in the development of the REALTOR® ABC models, contact CRT at info@crt.realtors.org. To learn more about ABC models, go to www.REALTOR.org/crtweb.nsf/pages/CRTabc?OpenDocument.

Future Innovation

Seamless Data Sharing

The Challenge: Lack of a standard data format creates excessive reprogramming and data entry in order to transfer listings among multiple applications.

The CRT Solution: Implementing the Real Estate Transaction Standard, or RETS, (www.rets-wg.org/) makes sharing property data through Internet Data Exchanges (IDX) and Virtual Office Web Sites (VOWS) much less difficult and expensive. The RETS standard allows vendors to write software applications faster and more cheaply. Vendors can also redirect their R&D expenditures from data exchange products toward workflow initiatives such as transaction management or CRM applications.

With this aim in mind, CRT has just completed two new beta implementations of RETS. CART is a new graphical desktop RETS client, which replaces the earlier PHP Web-based client. It is certified compliant with RETS versions 1.0 and 1.5, operates cross platform, and runs on Windows or Linux. (A Mac OS X version will be available soon.) CART is available for download using Java Web Start technology at <http://cart.sourceforge.net/>.

The REX server is a continuation of the CRT Reference Implementation of RETS. This open-source program is a complete rewrite designed to make code maintenance and deployment easier. It runs cross platform on Windows, Linux, and Mac OS X. PostgreSQL is supported with Microsoft; SQLServer support is coming soon.

Although full-scale implementation of RETS may take several years, a wave of innovative RETS-based products have already been released. And as the RETS standard matures, it can be expanded to address financial and other aspects of the real estate transaction.

Also keep in mind that vendors and MLS operators need to exercise



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caution when implementing the standard. They must address any deficiencies and ambiguities to minimize a negative impact. Too often, products that claim RETS compliance have limited interoperability because they use only the RETS message format. True RETS-compliant products also include RETS for application conversation.

Learn More: Examples of open-source code is available from a variety of locations, including www.rets.org and www.crt.REALTORS.org/projects/rets/index.html.

CRT also provides both client and server implementations of the RETS standard at www.crt.REALTORS.org/projects/rets/rets_reference/index.html.

Current Solution

Are Your Systems in Danger?

The Challenge: Ensuring that IT procedures and systems provide adequate protection for sensitive company and client data.

The CRT Solution: Demonstrate your organization's commitment to technology security with a REALTOR® Secure certification.

Security management is more than just spam and virus control. It requires the company-wide adoption of policies, procedures, and tools that protect data from both internal and external threats. Physical security requires asset inventories and usage logs as well as locks and keys. User access management is critical to ensure that unauthorized users don't compromise data. Intrusion detection and virus controls identify hackers and repel attacks on critical systems. Disaster recovery plans limit business interruption and get your company back to work quickly.

Developed and administered by the CRT, the landmark REALTOR® Secure program provides you with guidelines to improve your group's technology security through a practical, three-step process. Step one is a self-review that enables you to assess the strengths and weaknesses of your organization's processes. Next, you can engage a CRT-approved evaluator to analyze your operation and to make recommendations for security improvements. Finally, CRT will review the security report and—after you've made any needed remediation—issue a REALTOR® Secure certification, which is valid for one year. Security requirements and prices vary based on the size and complexity of your organization.

Learn More: Visit the REALTOR® Secure homepage at www.REALTOR.org/crtsecure.nsf/pages/home?OpenDocument for more details

on the program. Or take the first step to more secure data by using the handy downloadable guidelines (www.REALTOR.org/crtsecure.nsf/pages/selfreview?OpenDocument) to conduct your own self-review.

Current Solution

Secure WiFi at Low Cost

The Challenge: Agents clamoring for online access when attending association conferences and company meetings.

The CRT Solution: A cost-effective, easy-to-install and -operate WiFi network that helps you give attendees wireless connectivity during your next event. CRT provided wireless hot spot service at the 2003 NAR Annual Conference using an open-source, server-based system called NoCat (<http://nocat.net/>). Inexpensive (under \$100) routers from vendors like LinkSys and Belkin will give you affordable WiFi connectivity in a small space. But they don't have the level of security or control capabilities of server-based systems. Server-based approaches such as NoCat use the same broadcast devices but insert a computer between the single Internet connection and the transmitter, beefing up security. Server-based systems also give you more capture and control mechanisms.

Learn More: If you'd like to provide WiFi at your next convention or company meeting, download the CRT guide at www.REALTOR.org/CRT.

SOLICITATIONS

Educate Real Estate Execs and AEs. Do you need help explaining the business benefits of emerging technologies to your organization's leadership? The Center for REALTOR® Technology can help. Suggest that your company's or association's top executives sign up for a free CRT e-mail newsletter describing the value of new technologies in straightforward business language. Encourage them to subscribe at www.crt.REALTORS.org/newsletter-broker.

Make CRT Your Tech Resource. Take advantage of personalized technology consulting, courtesy of CRT. Let CRT help you find the best solution to your toughest tech challenge. If there are technology issues or products you'd like the CRT to investigate or just a tough question you'd like answered, please e-mail your suggestions to info@crt.realtors.org.

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