

Analysis to Aid Public Comment
In the Matter of National Association of Residential Property Managers, Inc.
File No. 141 0031

The Federal Trade Commission (“Commission”) has accepted, subject to final approval, an Agreement Containing Consent Order (“Consent Agreement”) from the National Association of Residential Property Managers, Inc. (hereinafter “NARPM”). The Commission’s complaint (“Complaint”) alleges that NARPM, acting as a combination of its members and in agreement with at least some of its members, restrained competition among its members and others in violation of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45. NARPM restrained competition by adopting and maintaining provisions in its Code of Ethics that restrain its members from (1) soliciting the customers of competing property managers, and (2) making statements

short-term rentals. Some members also manage commercial and industrial properties and homeowners associations.

B. The Anticompetitive Conduct

NARPM maintains a Code of Ethics applicable to the commercial activities of its members. NARPM's members agree to abide by the Code of Ethics as a condition of membership. NARPM maintains the following provisions in its Code of Ethics:

- “The Property Manager shall not knowingly solicit competitor’s clients.”
- “NARPM Professional Members shall refrain from criticizing other property managers or their business practices.”

NARPM also established a process for receiving complaints about and resolving alleged violations of the Code of Ethics. NARPM may sanction members found to violate the Code of a mMcasd0.44tb

restrictions on solicitation or advertising no longer apply. Paragraph III also requires NARPM to provide all new members and all members who receive a membership renewal notice with a copy of the Settlement Statement.

Paragraph IV of the Proposed Order requires NARPM to design, maintain, and operate an antitrust compliance program. NARPM will have to appoint an Antitrust Compliance Officer for the duration of the Proposed Order. For a period of five years, NARPM will have to provide in-person annual training to its board of directors, officers, and employees, and conduct a presentation at its annual convention, regional conferences, and each code of ethics training session, that summarizes NARPM's obligations under the Proposed Order and provides context-appropriate guidance on compliance with the antitrust laws. NARPM must also implement policies and procedures to enable persons to ask questions about, and report violations of, the Proposed Order and the antitrust laws confidentially and without fear of retaliation, and to discipline its board of directors, officers, employees, members, and agents for failure to comply with the Proposed Order.

Paragraphs V-VII of the Proposed Order impose certain standard reporting and compliance requirements on NARPM.

The Proposed Order will expire in 20 years.

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