

Real Estate and Data Security

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Note

While a great deal of care has been taken to provide current and accurate information, the ideas, suggestions, general principles and conclusions presented in this short course are subject to multiple additional factors. If faced with a situation relevant to the course content you are urged to consult an attorney regarding any points of law. This course should not be used as a substitute for competent legal advice.

Data Security

- **. Importance of data security and privacy**
- **1. Personal information collected during a real estate transaction**
- **B. What happens if this data is breached**
 - **Fraud**
 - **Identity theft**
- **C. Laws that govern**
 - **MN statutes §§ 325E.61 and 325E.64**
 - **Gramm Leach Bliley (federal)**
 - **Privacy rule**
 - **Safeguards Rule (a.k.a. The “Red Flag” Rule)**

Data Security

- **D. Brokers need to develop a company policy**
 - **Compliance required at the office and at home and/or off sites (agents)**
 - **Policy needs to include discipline for agents who do not comply**
- **E. Devices and documents**
 - **Cell phones**
 - **Computers, laptops, iPads**
 - **Photo copiers**
 - **Electronic and hard copy of files**
 - **Brief cases, purses, totes, etc.**

Data Security

- **Proper destruction required**
- **How data breaches can occur**
 - **Break-ins (Smash and grabs)**
 - **Unsecured cell phones, laptops, iPads**

Five key principals to a sound data security program (FTC)

- **1. Take stock**
- **a. Information inventory checklist**
- **aa. Who has access?**
- **bb. Who maintains?**
- **cc. Consumer opt-out policy**

Five key principals to a sound data security program (FTC)

- **2. Scale down**
 - **Assess the information you collect**
 - **Document retention policy**
 - **Tips for maintaining security**

Five key principals to a sound data security program (FTC)

- **3. Lock it**
- **a. Protect the information you collect**
- **aa. Checklist for protecting personal information**
- **i Physical security**
- **ii Electronic security**
- **iii Employee training**
- **iv Security practices of contractors and service providers**

Five key principals to a sound data security program (FTC)

- **4. Pitch it**
- **a. Proper disposal of personal information**
- **aa. Checklist for creating a Document Retention Policy**
- **i Accounting records**
- **ii Corporate records**
- **iii Employment records**
- **iv Legal documents**

Five key principals to a sound data security program (FTC)

- **v** MLS documents
- **vi** Property records
- **vii** Pension and profit sharing
- **bb.** Legal review of the company policy
- **cc.** Periodic reviews and updates to maintain relevancy

Five key principals to a sound data security program (FTC)

- **5. Plan ahead**
- **a. The need for a written Data Security Program**
- **aa. Checklist for implementing a Data Security Program**
- **bb. Checklist for drafting a Breach Notification Policy**
- **Collecting consumer information on line**
- **1. Website Privacy Policy**

Five key principals to a
sound data security
program (FTC)

