NAR Conference Committee Reports

1) Board of Directors Sue Cartun .................................................................2
2) Broker Engagement Council James “J.T.” Tsighis ......................................6
3) Charitable Foundation Idea Exchange Steve Redmond .........................7
4) Commercial Committee member Reports James P. Robertson, Jr. ..........8
5) Diversity Meeting Steve Redmond ..........................................................10
6) Federal Issues Update Steve Redmond .................................................11
8) Leading Edge Advisory Board Steve Redmond ......................................14
9) Multiple Listing Issues & Policies Committee Sue Cartun ......................16
10) NAR Talks to the C-Suite: Disputed! Is our industry on a path for significant change or is it business as usual? William Mordka .................................................................17
11) Participation Council Pam Ruggeroli ..................................................19
12) Research Committee Claire Jean Prager .............................................21
13) Risk Management Issues Committee Sharon Ellsworth .....................29
~Multiple Listing Issues and Policies Committee:
Please see attached report regarding Directors votes on two motions, both passed.

~The board also approved a change to NAR's Code of Ethics training requirement. The change extends the training requirement from every two years to every three years and extends the current Cycle 6 deadline from Dec. 31, 2020, to Dec. 31, 2021. The next cycle (cycle 7) will begin Jan. 1, 2022, and end Dec. 31, 2024.

~The Code of Ethics cycle change was one of several recommendations of a 2019 presidential advisory group established to study the Code training requirement. Prior to the board meeting, NAR's Leadership Team approved several recommendations of the PAG that didn't require a board vote:
- That the learning objectives for the existing-member Code of Ethics training be revised to include content on professional conduct, courtesies, business etiquette, and real-life scenarios.
- That NAR establish Code of Ethics training equivalency options that members can take to satisfy the Code of Ethics training requirement, and that the Commitment to Excellence (C2EX) endorsement be an equivalency option.
- That only courses and equivalencies provided by a local, state, or national REALTOR® association can satisfy the Code of Ethics training requirement.
- That an implementation team be appointed to develop a microsite that compiles all available options for fulfilling the Code of Ethics training requirement, including C2EX ethics modules, NAR-approved online courses, and links to association-approved courses.
- That the Core Standards requirements be amended to clarify an association’s duties regarding administration of the Code of Ethics training requirement.

~REALTORS® Kit Hale of Roanoke, Va., and Ken Libby of Stowe, Vt., honored as the 2019 recipients of the Distinguished Service Award.
~Miami Association of REALTORS® CEO Theresa King Kinney was honored as the winner of the William R. Magel Award of Excellence, given to an individual who has demonstrated excellence in REALTOR® association management. (Read REALTOR® AE Magazine’s profile in the fall 2019 issue.)

~REALTOR® Association Names
Referred back to the Membership Policy and Board Jurisdiction Committee a proposed policy that would have limited state and local REALTOR® associations to the use of only one alternative business name (“DBA”), with instructions to create a policy that allows multiple DBAs within an association’s jurisdiction boundaries.

~Core Standards
Approved a proposal that NAR adopt customized Core Standards for state associations, effective with the sixth Core Standards Compliance cycle, which begins Jan. 1, 2020.
~Legal Action
- Approved legal action funding in two cases: one challenging a real estate brokerage's classification of its agents as independent contractors and another supporting a lawsuit challenging New York City's rent control and rent stabilization laws as illegal takings in violation of due process.
- Voted to purchase a Master Policy for the Professional Liability Insurance Program for NAR, its affiliates, its member associations, and REALTOR® association-owned MLSs for the 2020 policy year.
- Voted to purchase a Patent Infringement Liability Policy for NAR, REALTOR® association-owned multiple listing services, and state and local associations for the 2020 policy year.

~Professional Standards
- Adopted a new Standard of Practice under Article 3 that REALTORS® may not refuse to cooperate on the basis of a broker's race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity.
- Deleted Standard of Practice 12-2 and amended Standard of Practice 12-1 as part of an ongoing efforts to review and update the Code of Ethics to ensure adequate protection of consumers, clarity in requirements, and legal defensibility.
- Extended the California Association of REALTORS® Lateral Discipline Pilot Program, except that the California Association will not be required to make further reports to NAR regarding the program. The scope of the pilot program remains the same as previously approved by the NAR Board of Directors.

~Federal Tax Policy
Approved three policy changes:
- Supported improved reporting and disclosure requirements regarding foreign ownership of U.S. real estate by eliminating the compliance burden on buyers and placing it on sellers and/or their agents.
- Advocated for a zero capital gains tax rate or a reduced capital gains tax rate for owners of rental single-family homes, townhomes, or condominiums that sell the property to an owner-occupant.
- Supported policies that provide tax incentives to encourage home buyers to save for the down payment for their first home.

~Federal Financing & Housing
Supported a policy that participation in a housing voucher program that receives congressional appropriation should remain voluntary.

~Global Business and Alliances
Amended NAR's policy position on the H-2B Temporary Worker Visa program to encourage all employers who participate in the H-2B Visa Program "to strive for the highest levels of responsibility and accountability to the H-2B visa holders who are in their employ, and comply with all appropriate laws, regulations and guidance associated with the program."

~NAR Financial Report
NAR Treasurer John Flor reported that the association is on track not only to meet its new minimum reserve requirement of 50% of operating budget but to hit an ambitious target, set in May, of reaching reserves of 75% of operating budget. Some of that surplus, he said, will be
used for important initiatives such as updates to the Chicago building and to the association's membership and ecommerce system.

~Bylaws Change
Directors voted to eliminate Article XI of the NAR bylaws concerning misconduct. The reason: NAR's updated Code of Conduct and Sexual Harrassment Policy, adopted by the board in 2018, sets forth a comprehensive way to ensure complaints of unacceptable behavior are received, investigated, and resolved and, thus, eliminates the usefulness of the bylaw.

~Bifurcated/Hybrid Appraisals
The board approved a policy, recommended by the Real Property Valuation Committee, to support regulation of bifurcated/hybrid appraisals. With so-called hybrid appraisals, state-credentialed appraisers are asked to produce appraisal reported based on property data collected by a third party data collector. Because credible valuations are critical to the health of real estate markets, the board voted to support the following guidelines:
- Selection of a third-party property data collector should be based on criteria and due diligence that will assure proper training, liability coverage, and access to necessary data. The individual must be able to provide unbiased information, and there should be enforcement to ensure proper performance.
- There must be transparent disclosure to consumers regarding the bifurcated/hybrid valuation process.
- Accurate data obtained through uniform collection methods must be provided to the appraiser to perform a credible appraisal. The appraiser should be able to communicate with the property data collector as necessary. The appraiser(s) must have geographic competency to complete the assignment.
- Uniform Standards of Professional Appraisal Practice (USPAP) requires the appraiser to determine the scope of work necessary for each appraisal. The appraiser must be allowed to provide supplemental information in the report to address aspects of the assignment necessary to comply with USPAP. All data provided to the appraiser, including the report, must be available for retention in the appraiser's workfile.

~Housing Finance Reform
The board amended NAR's Principles for Housing Finance Reform to reflect NAR's perspective on the role of the Government Sponsored Enterprises (Fannie Mae and Freddie Mac) in support of home ownership and the secondary mortgage market, as well as NAR's view on how the GSEs respond in addressing future liquidity issues in the secondary market.

~Land Use
- The board amended NAR's policy position on the environment to eliminate duplicative policy and replace it with an aspirational statement of NAR's goal for environmental stewardship, coupled with NAR's staunch protection of property rights. New policy language states, "NAR supports the protection of private property rights in balance with environmental laws, regulations and land management practices that preserve the environment and its natural resources."
- NAR's position on clean air was simplified with an emphasis on the association's support for innovative market incentives that protect and improve air quality while encouraging economic development. The new position states: "NAR promotes the continued pursuit of improving air quality in harmony with economic growth, environmental protection, and development of
communities. NAR endorses federal guidelines that improve air quality in balance with housing needs and property rights.

- "NAR supports:
  - The need to monitor and maintain minimum standards of air quality that are based on scientific evidence.
  - Ambient air quality standards for criteria pollutants as defined by the EPA.
  - Programs that balance air quality with economic development, diversity, and property rights.
  - A preference for innovative solutions and market incentives as opposed to government-imposed
  - Finally, the board simplified and modernized NAR’s policy on community development, again emphasizing support for innovative market incentives.
National Association of REALTORS®
2019 REALTORS® Conference and Expo
BROKER INVOLVEMENT COUNCIL
Friday, November 8, 2019, 8:00AM - 9:30AM
Park Central, Metropolitan I, Second Level
James “J.T.” Tsighis, Arizona Representative Broker Involvement Council
PURPOSE:
To promote and strengthen broker involvement in NAR advocacy by providing brokers the legislative and regulatory information, tools, and recognition that engages them and their agents in support of NAR’s legislative action.

Note: This was the last formal meeting of the BROKER INVOLVEMENT COUNCIL before the new name change to the BROKER ENGAGEMENT COUNCIL.

Meeting was called to order by Kim Dawson, Vice Chair

- Committee Liaison Update was given by Kevin Sears, 2019 REALTOR® Party Member Involvement Liaison.
  a) Reported we are currently 98% of our RPAC National Goal of $36,690,241
  b) Member Mobilization Update-no National CFA’s conducted this year “we are in the process of fine tuning things to get the job done;” shift made to State and Local Associations i.e. nationwide there were 81 State CFA’s and 50 Local CFA’s;
  c) Consumer Advocacy Programs had 34 CFA’s, reached 9 million consumers and delivered 8 grants;
- Recruitment Goals – Kim Dawson
  a) BIC has been in existence for 11 years; nine states reached their annual goal; there are over 15,000 Brokers and 508,000 agents involved in the program;
  b) Arizona was recognized for conducting a very successful telephone bank that resulted in adding over 115 brokers and approximately 674 agents at a single event;
  c) Broker Advocacy Grants – 28 Grants in 16 states were given totaling over $91,500;
- Broker Involvement Council becomes the Broker Engagement Council – a panel discussion with Tracy Kasper and Kim Dawson ensued:
  a) The outcome from Broker Involvement work group and explanation on how we got here and where we may be going was presented. Note: part of the reason for the change centered primarily around the fact that the BIC had reached a plateau of members and as a result it was time to address a perceived need to offer more than advocacy for legislative and regulatory information; in short the purpose was expanded to seek out areas where the Engagement Council can assist broker’s needs in their day to day operations
  b) Members participated in an interactive “brainstorming” session for the new Committee and Council; written ideas generated during the round table sessions were collected by leadership at the end of the meeting
  c) The composition and structure of the newly named Council was discussed and initially will be broken down as follows- 25 member Broker Engagement Committee headed by Tracy Kasper with the balance of the Council by Chairwoman Kim Dawson
  d) NAR members on a nationwide basis were encouraged to explore and implement the success achieved by “Broker Summits” and the development of a new “Tool Kit” to assist brokers in addition to their advocacy participation.

Meeting adjourned at 9:30AM
I saved the best for last. I saw that there was a meeting called Charitable Foundation Idea Exchange. Since I’m the 2020 President of the Tucson REALTORS® Charitable Foundation it seemed like a natural fit for my time and interest. For those who have not attended NAR Meetings sometimes they are by invitation only. I double checked to see that there was no such restriction on this meeting. Being the early bird that I am I was the first to arrive. This big narrow rectangular table was set up, but there were no markers waiting to show assigned seating. We quickly learned that all were welcome, there was no assigned seating and so we waited for whoever was coming to conduct the meeting. We waited, the room began to fill with more and more attendees, no moderator.

Finally, being the well traveled leadership that we were we elected a moderator and began the meeting ourselves. We went around the table and the room and everyone introduced themselves, who their Charitable Interest was and how many years they had been around. We had new folks who were trying to take their Charitable Committee to a 5013C Status, others to separate board (like ours is). All were looking for fund raising ideas. What works and what is just a big exercise in effort. It was, without a doubt, the BEST run NAR meeting I’ve attended and the most rewarding!

Then came my turn. I stood up and told everyone about our Charitable Foundation. How we were having a Golf Tournament that coming Monday and it was benefiting Honor Flight on Veteran’s Day. I then said, “You know, we really need to be on The Hub!” (The Hub is NAR’s private, secure location to network and collaborate with each other and is open to all those who serve on NAR Committee’s) That was greeted with enthusiasm and being the shy retiring resort that I am I texted Nobu Hata at that moment to see if we could get it done. Nobu thought it was a terrific idea and ran it up the chain of command. Long Story trying to get shorter, it’s underway. Of course, the hitch, and there always is one, is that NAR doesn’t have a list of Charitable Foundations across the country to invite. So guess who volunteered? I’m up to the F’s (Florida) so far and I can say it’s being warmly received. I hope to have a big list if not a final list within the next 2 weeks.

**Moral of the Story?** It’s up to US to make the most of the opportunities we’re presented with. Don’t wait for someone else to do it for you!
2019 FALL NAR Commercial Committee Member Reports

Commercial Committee
Commercial Leadership Committee
Commercial Economic Issues
Realtors Research Council
NAR Commercial Networking Event
Arizona and Region 11 Caucus

From: James P. Robertson, Jr.  MBA, CCIM
November 14, 2019

Commercial Research Advisory Board
Staff Executive Scholastica Cororaton updated the committee on NAR’s efforts to merge surveys with their affiliate partners. IREM, RLI, CCIM, and CRE all agreed to consolidate surveys, and the advisory board is still working with SIOR to bring them on board. Advisory Board leadership and NAR staff are meeting with SIOR’s CEO, President, and President-Elect to see how they can integrate surveys.

Commercial Leadership Forum
CCIM CEO, Gregory Fine, Did a presentation about the different generations. Learn about the rise of the Xer's, the size of millennial, power of the Z's and more

Commercial Economic Issues and Trends Forum
The Commercial Economic Issues and Trends Forum met in San Francisco on November 8, 2019 from 1:00pm-3:00pm. Chair Dan Sight would like to continue the theme from the forum’s previous meeting and host speakers from a large technology company.

Commercial Federal Policy Committee
Chair Jared Booth said the committee’s primary focus has been on Opportunity Zones and receiving further clarification on their rules. The Committee met in San Francisco on November 7, 2019 at 12:30pm.
Opportunity Zones Update
NAR Staff Megan Booth discussed a new toolkit that launched during the Commercial Leadership Development Day. The six-page resource includes different ways members can take advantage of the Opportunity Zone program. Booth also mentioned that RPR has integrated Opportunity Zones into their platform, where members can search for zones in every state and receive necessary information and links to relevant resources.

RPR Mapping
RPR’s Emily Line discussed the completed integration of Opportunity Zones into their platform. REALTORS® can analyze properties that fall into opportunity zones on maps, and can also view on and off market properties with data in those areas. More information including a step by step video on how to locate Opportunity Zones on RPR can be found here.

Listing Platform Progress
NAR reached agreements with two listing platforms, Brevitas and CREXi, during the Midyear meetings. Information can be found on NAR’s website, and is being communicated to members. Brevitas has been fully integrated with RPR, and CREXi should be complete within the next couple of weeks. Jean Maday reported that our Catalyst discussions continue, and that we are encouraged at the prospects of reaching an agreement with them.

RPAC Investments
Chair Milliken reported that all but 1 Committee member has to contribute to RPAC, but our goal again this year is 100% participation. He asked those who have not yet made their 2020 investment to go to the Realtor® party website and do so. Even a $15 contribution to RPAC counts.

General Conference “Take A ways”:

20% IRS Tax deduction for Brokerage Business’s

RPR Commercial: Expanded research links
Brian Green was announced as the head of the newly created NAR Fair Housing Committee

The Diversity Committee proposed a motion to be put in front of the Professional Standards Committee. An article 3 modification which added a standard of practice definition to protected classes. (it was approved during the Board of Directors Meeting)

Vice Chair Bikel Frenelle was part of the 2019 NAR Leadership Academy. Each year the Academy is assigned a project to present to the group. Bikel’s group took on creating more Diversity Groups at State Associations. Currently there are only 13 nationwide. To create excitement one of Bikel’s Leadership Academy Project members has a friend who is a jewelry designer. They used the designer to create a Diversity Pin that would be awarded to the State CEO and Association President whenever a new Diversity Group is created. This years Leadership Academy then had to present their project to a 5 judge panel for approval. Bikel’s group went last and was the only group to get a 5 member YES vote from the Judges!

Side note. Christina Smalls from AAR was in attendance and approached me afterward to begin the conversation to create a full fledged Diversity Committee at Arizona REALTORS®. Do you think it was the jewelry?
Shannon McGahn
Senior Vice President of Government Relations

Shannon began by reporting that there were 11,000 of us in D.C. this past May at the Legislative Meetings.

Look for a new NAR Ad directed at first time home owners - Realtors and Allies are fighting for 30 year fixed mortgages and low down payments.

In 2020 The White House, 1/3 of the Senate and All 435 House Seats are up for grabs.

3000 Contacts per member of congress including FPC’s (Federal Political Coordinators),
Sponsoring 70% more events in 2019 - 372 in-district meetings and events.

40% increase in State and Local CFA’s. (Consumer Federation of America- an association of non-profit consumer organizations that were established in 1968 to advance the consumer interest through research, advocacy, and education.)

81 State and 50 Local Calls for Action. A Big Increase

Issues moving through Congress for NAR

Legislative Success

VA Home Loan Cap Eliminated
Working with HUD & White House on Housing Affordability
Waters of the U.S. Rule Repealed
G-Fees Legislation introduced to the Senate
SALT Marriage Penalty Elimination
Federal Issues Update
Friday, Nov 8th, 2019, 7:30AM
Moscone West, Room 2001

20 Other Issues Being Monitored

**FHA Condo Rule** - in effect October 15

**GSE Reform** - Transitioning GSE’s out of Conservatorship
- Supporting a Public Mission
- Promoting Home Ownership
- Ensuring Consistent Rates and Access to Credit

**Infrastructure** - Investments in Surface Transportation

**Association Health Plans**
- Amicus Brief filed in Defense of AHP’s
- Joined by more than 200 State and Local Realtor Associations

**Flood Insurance**
- Advocating to the NFI (Reauthorization Act)
  - Extends Program for 5 years
  - Improving Mapping Processes
  - Remove Barriers to Private Flood Insurance

![David Maurstad](image)

**David Maurstad** FEMA Deputy Associate Admin for Insurance and Mitigation

The case for Risk Ration 2.0
- Only 4% who qualify carry flood insurance
- 30% are in high risk areas.
- Government doesn’t require you to carry.
- Affordability is the key.

The problem with FEMA Maps is the inability to judge whether or not a property was built on solid ground or fill.

Meeting concluded with several NAR Staff as panel for questions and answers.
11/23/19

Christine Sanchez
Tucson Association of REALTORS®
2445 N. Tucson Blvd.
Tucson, AZ 85716

RE: Meeting and Expense Report

Christine:

Per TAR Policies #21 and #22, I have enclosed my expense report and receipts. This communication is intended to represent my “Meeting Report” as is required. My activities in San Francisco included attending the Land Use, Property Rights and Environment Committee, the Public Policy Coordinating Committee, the Residential Economic and Trends Forum and the Commercial Economic Issues and Trends Forum. Items of interest are as follows:

Land Use Property Rights and Environment passed several substantial policy changes updating and cleaning up old language to bring NAR policy current.

Public Policy Coordinating Committee (amongst many things) considered the policy changes presented from Land Use Property Rights and Environment and passed them (with a minor change) on the Executive Committee.

Both the Residential and Commercial Economic Updates were relatively upbeat. I’ve included links here to the power point presentations made by Chief Economist Yun so that Board members can take advantage of this information. In short, Yun doesn’t expect either recession or inflation in the near term. One of the more interesting (to me anyway!) presentations was on “Micro Housing” in the Berkley area (175 sq. ft. Apartments with a 40 unit complex being “put together” onsite in 4 days - with NO parking). Another presentation of interest was on “Affordability Challenges” - I’ve included links to those presentations as well.

Residential Economic Issues and Trends

Commercial Economic Issues and Trends

Micro Housing presentation

Affordability Challenges

Thank you.

Sincerely,
Bill
William Arnold
**Purpose of Leading Edge Advisory Board:** To provide feedback to the Strategic Thinking Advisory Committee identifying, analyzing, and providing input on emerging issues and the competitive landscape regarding the industry and association.

Meeting was called to order by Terrie Suit - Chair.

Opening remarks by Otto Catrina - Vice Chair.

Dave Garland from Second Century Ventures/REACH kicked us off.

For those who aren’t familiar with REACH, Second Century created the REACH using companies that represent his years top technology and have been identified and selected to participate in the program because Second Century believes they have the potential to add tremendous value to you as members. You can find the current roster of companies here. [nar.realtor/reach/reach-class-of-2019](https://nar.realtor/reach/reach-class-of-2019)

REACH Commercial launched in July 2019.

REACH Global Announced. REACH Australia first of the Global Alliances. New Global Hubs to be announced Soon. Whole idea is to bring the very BEST that the Tech and Real Estate Industry Worldwide has to offer back to you in the U.S.

SCV (Second Century Ventures) has created a Charitable Fund created from the Profits created from Second Century.

Dave can be reached through dgarlandd@secondcityventures.com
Next Vanessa Murray - Program Director NAR IOI Summit

This program was created just two short years ago. The first Summit was held in San Francisco in Silicon Valley’s back door. This past year it was held in Seattle. The purpose of the IOI which stands for Innovation, Opportunity and Investment. Hear the latest from Top Tech Companies in Real Estate. Over 50 Technology Companies, Marketing Experts, and Brokers and Financial Services Executives who are making waves in the Real Estate Industry

Vanessa shared highlights of the Seattle meet up, including their most favorite event. The IOI Pitch Battle. 1 Emcee - 5 Judges - 14 Startups. This had over 3400 Online Views. nar.realtor/events/IOI/pitch-battle

And the statistic so many were excited about? 57.5% of the presenters were female!

And I’m excited because as Chairman of the Business Services & Technology Committee at AAR I’m being sent to their next Conference!

You can reach Vanessa @velmurray

Final presentation by Dr. Jessica Lautz, Vice President Demographis and Behavioral Insights - NAR

Dr. Lautz presented several NAR Surveys on I-Buyers, E-Closings and Consumer Confidence.

The uptake was that I-Buyers may be overpaying for services, but they may be willing to do so for the convenience factor. Many are simply unaware that there may be such a financial difference.

E-closings and Consumer Confidence show that most buyers once they overcome the lack of familiarity for the process do indeed feel confident with electronic signatures. As the consumer and industry together move forward E-closings are surely the wave of the future.

You can reach Dr. Lautz at jlautz@realtors.org
> **Policy 8.0:** Amended motion (amended to change implementation time from March 1 to May 1), passed by Multiple Listing Issues & Policies Committee. It subsequently also passed in the Executive Committee, and the Board of Directors on November 11, 2019:

> Within one business day of marketing a property to the public, the listing broker must submit the listing to the MLS for cooperation with other MLS participants. Public marketing includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public. Multiple Listing Services must implement this policy no later than May 1, 2020.

> **Policy 7.9: Standard of Practice 1-7,** also passed by Board of Directors November 11, 2019:

> Approved the recommendation to revise Policy 7.9's Standard of Practice 1-7 to include, **As Practical:**

> When acting as listing brokers, REALTORS® shall continue to submit to the seller/landlord all offers and counter-offers until closing or execution of a lease unless the seller/landlord has waived this obligation in writing. Upon the written request of a cooperating broker who submits an offer to the listing broker, the listing broker shall provide, as soon as practical, a written affirmation to the cooperating broker stating that the offer has been submitted to the seller/landlord, or a written notification that the seller/landlord has waived the obligation to have the offer presented. REALTORS® shall not be obligated to continue to market the property after an offer has been accepted by the seller/landlord. REALTORS® shall recommend that sellers/landlords obtain the advice of legal counsel prior to acceptance of a subsequent offer except where the acceptance is contingent on the termination of the pre-existing purchase contract or lease.

> **Additional Info:**

> - CMLS now has 2 seats on the MLS Technology and Emerging Issues Advisory Board
> - A work group is formed to explore MLS minimum service standards.

---

Sue Cartun, CRS, GRI  
Keller Williams Southern Arizona  
1849 N. Kolb Road . Tucson AZ . 85715  
sue.cartun@kw.com . 520-886-8282

National Association of REALTORS® Director  
NAR Multiple Listing Issues and Policies Committee  
Arizona Association of REALTORS® Director  
MLS of Southern Arizona President Elect
Mordka NAR 2019 report back to TAR:

The audio/visual during this presentation was atrocious so the presentation lost about 10-15 mins

- How does the industry/public view “Brand”
  - What the company stands for and more importantly the strength behind it.
  - Companies/Brand should stand @ the side of agents
  - Remax-Brand is more important now than ever-consumers want to know about your self brand, company brand and who you are.
  - Co-branding between your self brand & company brand is the future.

- Pocket Listings conversation:
  - Must be the benefit of Buyers & Sellers-Not solely the agent/broker
  - Consumer protection-as an industry we to pick a plan and stick with it
  - “When you confuse you lose.” Industry needs to pick a path then see what consumer thinks
  - We are building fences over pocket listings and that is a mistake
  - Policy 8.0 stifles against being creative
  - Anything that undermines MLS coop/comp is dangerous

- Opendoor
  - Purchased Cloud CMA, Title company...their goal is a super simple transaction, quick/ easy, consumers have more power when they have less contingencies
  - Who is their client? In their mind everyone is potential client

- Profitability
  - Opendoor has 150% year over year growth...not profitable yet
  - Zillow Offers not profitable yet but 55% growth
    - Zillow Advertising/Tech is profitable
  - Compass-not profitable-soley worried about growth, not profit (sustainable?)
Mordka NAR 2019 report back to TAR:

- **Disruptors**
  - Technology is an accelerator not a creator
  - How can we work together? Ways to co-exist
  - Consumers want stress free
  - Example of Opendoor teaming up with new home builders (Lennar heavy investor at Opendoor and sits on their board) Opendoor cures the problem of Buyer for new home needing to sell their home before purchase
  - Agents who can leverage technology will become a “bionic-agent”
  - Service sector will transfer to skill sector- agents must have specific skills
  - “Un-essential” parts of transaction need to go. Essential parts of the transaction that consumers see as “un-essential” need to be transformed
  - Agents/Brokers will become more like financial advisors in the future. Coming up with plans and guiding consumers through the many choices.
AGENDA

CHAIR Pam Ruggeroli (AZ)
VICE CHAIR J.D. McClintock (FL)
COMMITTEE LIAISON N/A
STAFF EXECUTIVE Liz Best-Bradford (DC)

PURPOSE
To increase overall REALTOR® participation at all levels of RPAC. The council members shall be tasked with the following responsibilities and activities in order to increase the overall RPAC Member participation in RPAC: 1. In conjunction with State and Local Associations organize and schedule RPAC fundraising events throughout the year for the purpose of engaging more REALTOR® members in RPAC. 2. Participate in regularly scheduled State RPAC meetings. 3. Responsible for conducting a state fundraising conference. 4. Responsible for RPAC Partnership Program promotion and grant follow-up. 5. Responsible for encouraging all national NAR Committee members to invest in RPAC per the 100% Committee Challenge. 6. Responsible for encouraging State and Local Associations to adopt the REALTOR® PAC Management System. 7. Responsible for working with the State and Local Associations to incorporate and develop an online fundraising plan.

9:00am – 9:05am  I. Call to Order: Pam Ruggeroli, Chair
9:05am – 9:20am  II. Fundraising Update: Pam Ruggeroli, Chair
  a) RPAC Participation
  b) Participation Council Group Performance
  c) States who have met/exceeded Participation Goal
  d) Committee Challenge Results
9:20am – 9:25am  III. Major Investor Council Report: David Alan Cox, Major Investor Council Vice Chair
9:25am – 9:35am  IV. Online Fundraising Update: Peter Kelly, RPAC Technology & Online Fundraising
9:35am – 9:45am  V. RPAC Fundraising Trustees Update: Sara Lipnitz, Fundraising Trustees Chair
  a) National Fundraising Update
  b) Fundraising Trustee Committee Action Item
9:45am – 10:05am  VI. RPAC On the Hill: Helen Devlin, Senior Legislative Representative
10:05 am – 10:25am VII. RPAC Event Fails
10:25am – 10:35am  
VIII. Year End Recognition: Pam Ruggeroli, Chair and JD McClintock, Vice Chair
  a) State Participation: Most Improved
  b) Highest Participation

10:35am - 10:50am  
IX. Most Improved Participation Panel

10:50am – 11:00am  
X. Open Discussion

11:00am  
XI. Adjournment

As of October 22, 2019 we have 32% participation. 
This is a 1% decrease from last year, because membership has grown to almost 1.4 million members. 
We have 6,556 new investors who have invested a minimum $15. 
Total investors is 442,881.

Participation Council hit 100% participation in May.
54 Major Investors.
31 President’s Circle Members.
11 Hall of Fame members.
$83,892 total investments.

We have 28 states that have met or exceeded goal.
Region 11
Arizona 25% goal 29%
Rest of states goal is 37%
Colorado 33%
Nevada 29%
New Mexico 36%
Utah 51%
Wyoming 51%

Committee Challenge
97% of committees members invested
Arizona committee members are 100% invested
72% are at 100%

Peter Kelly Director of RPAC Technology & Online Fundraising – Update
Phone banks
Email campaigns
Pkelly@nar.realtor

Helen Devlin Sr Legislative Representative
Federal legislative update
FHA condo rules - NAR has a video – encourage all local associations to get this out to their membership

Most Improved Small State
Guam 3% to 44%
Most Improved Medium State
Utah 46% to 51%
Most Improved Large State
Tennessee 43% to 50%

9 States met or exceeded 50% Participation
Maine, Vermont, Tennessee, Alabama, Mississippi, North Dakota, Utah, Wyoming

NAR Transmittal Deadline December 18, 2019 to be receive credit towards 2019 fundraising goals.

RPAC Fundraising Partnership Grant Reimbursement Deadline December 18th.
This is a change from previous years. Hard date!!!
430 North Michigan Avenue • Chicago, IL 60611-4087 • 800.874.6500 • www.NAR.realtor

Arizona deadline
NAR 2019 RESEARCH COMMITTEE REPORT COMMENTS:

1400 attended the Economic Forum with Lawrence Yun and others.

TALKING POINTS: Fewer kids; more dogs or other pets involved with home ownership decisions. Investment purchases are up. 10 years in home NOT the 5 or 6 of the past.

Vacation and Second Home Research showed Chinese investment down from 153 Billion in 2017 to 77.9 Billion in 2019. Arizona still the 4 or 5th state for purchases etc.

Of the Task Force on the Home Survey I chaired last year all the issues/comments we suggested we accepted and brought forward ...the shift for families without “kids”, do schools matter for empty nesters, autonomous vehicles, transportation (a location issue?), lack of inventory, multigenerational issues/growth.

The new real estate mantra might be: Locate near public transportation. Seven (7) cities studied: Boston, Los Angeles, Eugene, OR, Hartford, CN, Minneapolis/St Paul, MN, Seattle, WA, AND Phoenix, AZ. Study done with APTA (American Public Transportation Association). For Phoenix on light rail and streetcar in tiny area...when median prices and rentals went up in value. Can save about $3227 in transportation if do not own a car. Higher is some of the cities studied. I gathered it was not studied on the basis of age of light rail, streetcar, bus, rapid rail transport etc. or age of city or infrastructure.

Commercial seems to holding its own/and or growing in most markets.

NOTE: COMMUNICATIONS BACKLASH

What is out is websites and what is in is social media? How will agents think about how they will list and market homes? Keeping personal websites? Writing “thank you notes”? Since tenure in home much longer than before selling (10 years or +) how to keep relationship going over a decade or more? RRC Marketing expert says to look at and use Facebook Marketplace for real property...75% success rate.
AGENDA

CHAIR                                         Karen Crowson, CRS, GRI (AR)
VICE CHAIR                                    Joanne Zettl, CRS, GRI, SRES, AHWD, EPRO, PSA (OH)
COMMITTEE LIAISON                             Pete Kopf (OH)
STAFF EXECUTIVE                               Jessica Lautz (DC)

PURPOSE
To focus on market conditions in the real estate industry as well as developments in the general economy and to identify topics on which research and information is needed with an eye to improving the productivity and profitability of REALTOR® firms, state associations, and local boards and how that data can be utilized.

1:00pm    I.  Call to Order

1:00 pm to 1:05 pm   II.  Introductions

1:05 pm to 1:10pm   III.  Approval of Previous Meeting's Minutes

1:10pm to 1:25 pm   IV.  Reports on Forums and Advisory Board
   a) Residential Economic Issues and Trends Forum - Ryan Bokros (TX)
   b) Commercial Economic Issues and Trends Forum - Mike Vachani (CA)
   c) Commercial Real Estate Research Advisory Board - G.G. Galloway (FL)

1:25 pm to 2:00 pm   V.  Presentations
   a) Overview of Business Insights and Predictive Analytics - Lisa Hercceg and Karen Bellta
   b) Vacation Research - Scholastica (Gay) Cororaton
   c) Profile of Home Buyers and Sellers - Jessica Lautz
   d) Q/A With the Chief Economist - Lawrence Yun

2:00pm to 2:30 pm   VI.  Roundtable Discussions
   a) There is a drop in birth rates, a rise in unmarried couples, and non-romantic friends buying homes together, does the housing stock meet these needs?
Have you seen a shift for families without kids looking to different areas? Do schools matter for empty-nesters?

b) There are new business models entering the real estate market. Are they entering your area? Is there more concern over fellow agents/business models than buyers and sellers needs? iBuyers—a fad or a trend? NAR Research reports only 5% of households have heard of iBuyers, but it is widely talked about. Are you seeing it in your market? Are consumers asking about it?

c) Autonomous vehicles, public transportation, hot lanes, ride sharing, scooters, and the drop in car ownership. Are you seeing transit oriented development in your neighborhoods? Are communities building new transportation options? Or is it more discussion and less action?

d) Are you continuing to see a lack of inventory? If you have inventory, at what price points? Some builders are considering homes that are easier to assemble. Are there concerns from buyers on the quality of construction of these homes from buyers? Are younger buyers starting to want large homes available? Or will large homes (McMansions) need to be divided into smaller condos?

e) Communication backlash—what is out is websites and what is in social media? As agents think about how they will list and market homes, are they keeping websites? Keeping thank you notes? Tenure in home before selling is longer, how do you keep the relationship going over a decade, or even two decades?

f) Residential: open discussion on topics impacting your market that you would like research on.

g) Commercial: open discussion on topics impacting your market that you would like research on.

2:30 pm to 2:55 pm VII. Report Back on Roundtable Discussions

2:55 pm to 3:00 pm VIII. Questions and Issues Raised by Members

3:00 pm IX. Adjournment
AGENDA

CHAIR
Ellen Mitchel (FL)

VICE CHAIR
Devon Viehman, RSPS (WY)

COMMITTEE LIAISON
Bob Turner Jr., ALC (TN)

STAFF EXECUTIVE
Kasey Stewart (IL) / Penny Evans (IL)

PURPOSE
To monitor, review, analyze and recommend policies on issues and trends affecting resort and vacation markets; to sponsor education and networking opportunities at the national meetings which attract the participation of members engaged in buying, selling, managing and investing in land, second homes and luxury properties in resort and vacation markets; and to recommend services that enable resort specialists to be more successful in their unique business niche.

2:00pm - 2:03pm I. Welcome & Opening Remarks: Ellen Mitchel, Chair
2:03pm - 2:05pm II. Approval of May 2019 Meeting Minutes: Ellen Mitchel, Chair - EXHIBIT A
2:05pm - 2:15pm III. Update on RSPS Certification: Carol Kairis, AHWD, CIPS, e-PRO®, RCE, RSPS, SRES, Director, Designations and Certifications, CSRE®
2:15pm - 2:20pm IV. Commitment to Excellence Program Update: Hagan Stone
2:30pm - 2:45pm VI. Legislative and Regulatory Update: Russell Riggs, NAR Senior Policy Representative
  a) Discuss your local market issues/concerns
2:45pm - 3:25pm VII. Policy Challenges and Opportunities for Short Term Rentals: Tomas Martinelli, Public and Policy Relations, Airbnb
3:25pm - 3:25pm VIII. New Business:
  a) Review of 2019 Committee Goals: Devon Viehman, Vice Chair – EXHIBIT C
3:25pm - 3:30pm IX. Closing Remarks: Ellen Mitchel, Chair
  a) Next Meeting: REALTORS® Legislative Meetings in Washington, D.C. Wednesday, May 13, 2020
3:30pm X. Adjournment
CALL TO ORDER: Meeting called to order at 10:00am by Chair Ellen Mitchel

APPROVAL OF PREVIOUS MEETING MINUTES: Minutes from the November 2018 meeting were approved.

SUMMARY OF ACTIONS TAKEN:
1. The Committee received an update on the legislative and regulatory issues by Russell Riggs, NAR Senior Policy Representative.

Condo Financing Reform – In response to H.R. 3700, HUD released a proposed rule on condominiums that includes positive changes, like a return of spot loans and an extension of the certification period, but also includes a proposal to set owner-occupancy rate requirements within a range of 25 percent to 75 percent. NAR remains concerned about the possibility of an overly high owner-occupancy threshold and will work with the FHA to finalize this rulemaking.

H-2B Visa Program Reform - An additional 30,000 visas were recently authorized to seasonal workers for operations/maintenance of resort properties. It was noted this is not an immigration program, but is caught up in the broader debate occurring right now. The focus on immigration could result in reforms and additional scrutiny and restrictions.

Reform of the National Flood Insurance Program - NFIP is reauthorized through May 31, 2019 and is $20 billion + in debt. Discussions already underway for long-term reauthorization and reform with reasonable, common-sense solutions. Private flood insurance, revamped flood maps, and FEMA mitigation to create resilient homes is encouraged.

Waters of the U.S. - The Environmental Protection Agency is on-track to repeal and replace the WOTUS regulation and a proposed rule was issued that improves transparency. NAR is in support of the proposed and has submitted comments.

2. Cynthia DeLuca (FL) presented on guidance for addressing Service and Emotional Support Animals including the definitions and the differences between the two. Cynthia reviewed how the American with Disabilities Act and the Fair Housing Act address Service and Emotional Support...
Animals. Cynthia also provided the Committee with a free download of her eBook, *A Guide to Service Animals, Emotional Support Animals and More*.

3. Lynn Grosso, Director for Enforcement with US Department of HUD, provided future insight on Service and Emotional Support Animals and specifically addressed the 2013 HUD guidelines.

**Local Market Resort/Second Home Issues and The Hub Communication**

1. The Committee discussed the need of a central repository of bills/laws concerning vacation rentals including upcoming trials and precedents. It was noted that Russell Riggs serves as the Government Affairs liaison and can provide the Committee with any requested information.

2. Issues concerning Airbnbs and tax implications and fees to real estate agents were communicated. A representative from the Vacation Rental Management Association was present and offered his expertise to the Committee. Vacation rentals and the position of the RSHREC was noted as a potential topic for the November 2019 meeting.

3. The Committee was reminded that The Hub is the communication tool to be used.

**CLOSING REMARKS:**

1. Our meeting in San Francisco is Thursday, November 7, 2019.

**ADJOURNMENT:** With no further business, the meeting was adjourned at 12:10pm.

**Committee Members in Attendance**

<table>
<thead>
<tr>
<th>Name</th>
<th>Name</th>
<th>Name</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ellen Mitchel (Chair)</td>
<td>Grace Masten</td>
<td>Wendy Smith</td>
<td></td>
</tr>
<tr>
<td>Devon Viehman (Vice Chair)</td>
<td>Thomas McGroder</td>
<td>Cheri Sperling</td>
<td>Andrew Streett</td>
</tr>
<tr>
<td>Carlotta Ackley</td>
<td>Edward Murphy</td>
<td>Cindy Sweeney</td>
<td>Maggie Tomkiewicz</td>
</tr>
<tr>
<td>Michael Beckstrom</td>
<td>Judy Phebus</td>
<td>Kristin Triolo</td>
<td>Jim Vanas</td>
</tr>
<tr>
<td>Stephen Booth</td>
<td>Maria Pizza</td>
<td>Robert Wagner</td>
<td>Ursula Weinkauff</td>
</tr>
<tr>
<td>Lori Doerfler</td>
<td>Kim Price</td>
<td>Alison Wisnom</td>
<td>Gregory Wright</td>
</tr>
<tr>
<td>Mike Drutar</td>
<td>Lynnette Robinson</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Howard Elfman</td>
<td>Wilma Roman</td>
<td></td>
<td></td>
</tr>
<tr>
<td>David Freitag</td>
<td>Jennifer Shea</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Susan Nancy Giove</td>
<td>Reah Smith</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Julie Grady</td>
<td>Susan Smith</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donald Harris</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ronald Lennen</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Excused Absence</strong></td>
<td><strong>Excused Absence</strong></td>
<td><strong>Excused Absence</strong></td>
<td><strong>Excused Absence</strong></td>
</tr>
<tr>
<td>Sarah Bernard</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Molly Eldridge</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gregory Kiely</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lu Anne Wilson</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Exhibit B

NAR Policy Position
H-2B Guest Worker Visa Program

Issue: The H-2B Guest Worker Visa Program is a foreign worker program that permits employers to hire foreign workers to come to the U.S. to perform temporary non-agricultural services or labor on a one-time, seasonal, or intermittent basis. The H-2B program requires the Department of Homeland Security and the Department of Labor to consult and coordinate with other appropriate agencies before admitting H-2B non-immigrant visa holders. There is currently a visa cap on the number of foreign workers who may receive initial H-2B status during each fiscal year.

Impact on REALTORS®: Employees with H-2B worker visas are vital to the economies of resort communities across the country. Without these workers to serve as ski lift operators, waiters, life guards, etc, resort areas would be hard-pressed to maintain the quality of their resort experience. Small businesses depend on these temporary workers, in the country legally, to take jobs that employers are unable to fill with American workers.

Nationwide, labor shortages are adversely impacting markets in all sectors of the economy. When these jobs go unfilled, vital services and operations are diminished, making properties in these resort areas less attractive to potential buyers. In addition, these workers create demand for affordable workforce housing in resort areas, which will enhance the economic vitality of these communities and provide additional opportunities for REALTORS® who are active in resort and second-home markets.

NAR Position:

- NAR supports the H-2B Guest Worker Visa Program to ensure a steady supply of foreign workers to fill unfilled employment positions in the U.S.

- NAR also supports an increase in the number of H-2B worker visas that are issued annually that is adequate to meet the demand for unfilled jobs, but that does not overwhelm the federal agencies charged with implementing and administering the program.

- NAR supports a provision in the H-2B worker visa program that exempts from the H-2B annual cap workers who have already successfully participated in the H-2B Visa Program. These workers should be allowed to participate in the H-2B program, but not be counted under the annual cap.

- NAR supports an H-2B visa allocation system that is fair to all employers, and provides for an equitable distribution of H-2B visas for jobs that are available in all seasons and for all geographic areas of the U.S.
NAR encourages all employers who participate in the H-2B Visa Program to strive for the highest levels of responsibility and accountability to the H-2B visa holders who are in their employ, and comply with all appropriate laws, regulations and guidance associated with the program.
NAR Risk Management Issues Committee
November 8, 2019

Technology and Privacy in Real Estate

1. Presentation on Blockchain by Joshua Sharfman, Chief technology officer, California Association of Realtors. Interesting information on a new technology to purchase real estate that is more secure than the way it’s done currently.

2. Presentation on new technology by Michael Miedler, President and CEO, Century 21 talked about what Century 21 is doing by affiliating with third party product providers. Amazon being one that lets agents reward clients with Amazon gift cards.

3. Data Privacy laws presented by Jean-Paul Cart, partner, Schiff Hardin talked about the new data privacy laws in California being watched by other States on data being collected by companies and then being sold to others.

There was a legal update by Katie Johnson, General Counsel and Chief Member Experience Officer for NAR. Talked about the Lawsuit regarding a client alleging that Realtors charge too much and some copy-cat lawsuits. All petitioned for dismissal and the suit gets modified and re-filed for dismissal. NAR believes the claims are baseless and remains confident we will prevail.

There was a brief discussion regarding the member surveys regarding risk related issues. Across the country one of the major issues is cyber security / wire fraud and lack of professionalism being two of the top items. It was discussed that next year’s committee may break into different groups to study what can be done regarding the different issues.

Respectively submitted by
Sharon Ellsworth