YOU asked – they answered!

NAR's Senior Staff answered questions submitted by AEI attendees via the "Q&A Feature" in the AEI Mobile App. To jump to a specific senior staff, click below:

aei 2019 Association Executives Institute Austin, TX

REALTOR® NATIONAL ASSOCIATION of REALTORS®

YOU asked – they answered!

MARK BIRSCHBACH, SENIOR VICE PRESIDENT - STRATEGIC BUSINESS, INNOVATION & TECHNOLOGY

Q: Will NAR ever be able to offer shares to members in their investing in technology so we can share in profits (i.e. DocuSign PO)?

A: Yes, each year the REach accelerator raises a small venture capital fund from accredited investors to invest into the new class of REach companies. Last year we opened up the fund to allow state and local associations to participate. We are currently raising the fund for the 2019 REach Class. If you would like to learn about the criteria to invest in this year's fund please contact Dave Garland at Second Century Ventures.

VICTORIA GILLESPIE, CHIEF MARKETING & COMMUNICATIONS OFFICER

Q: Would you be able to provide local associations with online access to lists of their members who have registered for NAR events, so we don't have to ask NAR to send them to us over and over again?

A: We will be working with our registration partner to build a download option at our site for the REALTORS® Legislative Meetings & Trade Expo in May and the REALTORS® Conference & Expo in November.

Q: Is NAR working on anything to streamline the hotel reservation system for conferences to ensure that association leadership can be in the same hotel with their staff in attendance (even if they don't win the Lottery)? It will improve the member / leadership experience.

A: We are investigating if there are possible options with our registration partner.

Q: Any plans for NAR to incorporate a "look for REALTORS® who have this designation" when advertising the value of a REALTOR® in their ad campaign?

A: The national ad campaign is focused on why consumers look for a REALTOR®; it's a REALTOR® brand campaign. At this time, there are no plans to create materials that say "look for REALTORS® who have [xx] designation." However, we're still in the early stages of the campaign. If the board of directors chooses to fund the campaign beyond 2019, we intend to build the campaign's message into other NAR communications. This is an interesting idea that we'll take into consideration.

YOU asked – they answered!

Victoria Gillespie – Continued

Q: Please explain the KNOCK KNOCK mnemonic?

A: When we set out to change NAR's advertising approach, one of our key requirements was to have an "ownable" campaign, one that's unique to NAR and not something you'd see or hear from anyone else in the real estate space. That requirement drove not only the look and messaging of the new "That's Who We R" campaign but also the sound. All the audio and video assets end with a distinctive sound: three knocks followed by a chime in the key of D. It's called a "sonic logo". A lot of top brands do this. Think of the "ding" at the end of Southwest Airlines

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Q: If we use the "That's Who We R®" shirts, are we allowed to put the association name on them as well?

A: Yes you are, but there are guidelines around how to do it. Only NAR can lock up its logo with the campaign logo, so your association name or logo would need to appear separately – for example, on the shirtsleeve or back of the shirt. At ThatsWhoWeR.realtor, click on "Campaign Materials" and then download the **Campaign Style Guide** for a complete set of guidelines for proper use of "That's Who We R®".

Q: Whom do we contact to get the shirts?

A: You can order "That's Who We R" campaign swag, including shirts, through the REALTOR® Team Store. If you want to customize shirts of have questions about anything you see there, contact the Team Store via email (CS@TeamStoreOnline.com) or phone (847) 991-4010

Q: I was reading through the "That's Who We R" campaign and saw the term "Raising the Bar". Whare we going to stop using this term when it comes to increasing professionalism among our members? It's so old, used up, and just falls short of what we really need to be expressing. We need to set the expectation and just do good work, every day, every client, every member, all the time. Let's be the high bar and expect our members to meet us there.

A: Thank you for this comment. It's an excellent point and one that we hope all Aes and members will bear in mind as they use the campaign materials and refer to the campaign. If you look at the way we talk about the campaign, you will see our focus is not on "raising the bar": *(continued on next page)*

YOU asked – they answered!

Victoria Gillespie – Continued

Continued from previous page / question

- The REALTOR® Code of Ethics isn't just words on a page but a pledge of honesty, integrity, professionalism, and community service.
- The Code of Ethics helped to inspire "That's Who We R". The campaign demonstrates the value of a REALTOR®, distinguishes REALTORS® from the rest, and delivers a sense of pride in being a REALTOR®.
- For consumers, partnering with a REALTOR® delivers the peace of mind that comes from working with a real person. A real advocate. A trusted professional who cares about their future and the future of their neighborhood.

Q: As a local CEO / AE, we struggle keeping our own associations relevant. What resources in communication/marketing/branding can be made?

A: The age-old challenge for associations, in every industry, is how to maintain our value in a rapidly changing business environment. It starts with keeping track of what our members need to be successful in their business and then delivering programs, products, and services that help fill the gaps. I don't know what specific resources you're looking for, but NAR provides a variety materials for you to use and share with your members.

- REALTOR® Association Executive Magazine is a great starting point. It's a treasure trove of information on not only resources available from NAR but also ideas from your peers on how to create and communicate value. Past issues of the magazine are available digitally. Perhaps start with the Fall 2018 issue: Why Should I Join?
- REALTOR® Magazine has many ready-to-use articles on basic real estate topics that members and associations can reuse, adapt and rebrand at no cost:.
- The consumer-focused website, HouseLogic,com, also has terrific homeownership, buying, and selling content that members can use, at no cost.
- And, of course, you can find guidelines on using the REALTOR® membership mark and the "That's Who We R" campaign materials at nar.realtor.
  - REALTOR® brand guidelines
  - That's Who We R campaign materials

If this doesn't answer your question, please reach out to our Content & Creative Team. Vice President Susan Welter, swelter@realtors.org, and her team will be happy to talk with you about how NAR can better serve the communications needs of associations.

YOU asked – they answered!

MARC GOULD, SENIOR VICE PRESIDENT - MEMBER DEVELOPMENT

Q: Is there a way that AEs can get notification when one of our members completed the C2EX?

A: Currently, AEs and other association staff can send an email on a monthly basis to C2EX@realtors.org to receive a report of the members from their association who have completed one competency or more in C2EX. In the future, this will be automated.

Q: What is the end game of having members complete the Commitment to Excellence? Will members who earn the endorsement be featured to the public?

A: Commitment to Excellence is designed to increase professionalism across the industry and encourage REALTOR® professional growth throughout their career. In the future, there will be a consumer facing campaign about the C2EX endorsed REALTORS® and what their expertise and professionalism means for their clients and colleagues. There needs to be a critical mass of members with the endorsement before creating a consumer-facing website.

Q: What do members receive when they complete each C2EX module? Once they complete all modules?

A: Once a member has completed the assessments, required learning, and required tasks, they are C2EX Endorsed by NAR. They will receive an endorsement kit that includes a personalized certificate, C2EX endorsement social media banners, badges, shareable images, messaging, a printable mini—poster, flyer, large poster, table tent, and press release templates.

Q: It was mentioned during AEI that C2EX would not have an AE track until next year. Can we go ahead and create a group including AEs to begin work on this track to get the ball rolling now?

A: We will put this on the C2EX committee agenda for May.

Q: At what point will a local/state association event be able to qualify their events or education offerings as a certified C2EX event?

A: With the program in its first full year, we have not yet created the infrastructure to support this request. Please be patient as we build this out. Thank you!

YOU asked – they answered!

Marc Gould - Continued

Q: Will NAR be educating consumers on the C2EX program, so they know what it means?

A: There are plans for a consumer-facing C2EX campaign; timing is based on reaching a critical mass of members with the endorsement.

Q: How many hours does it take to complete this course?

A: C2EX is NOT a course. It is a self-paced program with both learning and required tasks to accomplish. Some have worked on the program over the course of several weeks, others have completed their journey over a weekend.

Q: Can AEs take Commitment to Excellence?

A: Yes! AEs have already completed C2EX and earned their endorsement. While the program is geared towards REALTORS®, many AEs have found it helpful to learn about the business through the perspective of their members.

Q: Do you see the C2EX eventually replacing the Code of Ethics?

A: Neither staff nor the committee has considered this. There is an opportunity for the C2EX platform to host web-based Code of Ethics training.

YOU asked – they answered!

KATIE JOHNSON, GENERAL COUNSEL & CHIEF MEMBER EXPERIENCE OFFICER

Q: Commercial boards have some unique needs and NAR has come a long way in promoting commercial. How will this be a focus under the new structure?

A: In the new structure, Commercial will be more enhanced and integrated across NAR. There will be subject matter experts from all groups who will assemble to form the Commercial Matrix Team – in other words, NAR's new approach to Commercial is with horizontal integration and focus to ensure all areas are thinking about the commercial member audience and / or relevance to commercial real estate. This team will implement commercial strategy and initiatives, strengthening existing program and finding ways to better serve and engage members at both the national level and through local and state associations.

Q: Where can I find a calendar specifically for local and state associations that includes NAR events and deadlines??

A: The Association Planning Calendar provides information about NAR programs, meetings, initiatives, deadlines, and other dates of interest. The calendar is promoted quarterly in the AE INS.

Q: Someone in passing asked about a jeans day for AEI benefitting the REALTOR® Relief Fund and I thought it was a good suggestion. Has that ever been considered for AEI?

A: AE Institute attendees can currently make a contribution to the REALTORS® Relief Fund during the AEI registration process. A portion of the proceeds from the annual AEI Silent Auction is also donated to the REALTOR® Relief Fund. We haven't considered a "jeans day" in the past, but we can put that up for discussion with the AEI Advisory Board for the 2020 AE Institute.

Q: Where can we find the new anti-trust video?

A: The NAR Legal Affairs Team recently created an updated video to educate real estate professionals about antitrust laws. The "Anti-Trust 101 for Real Estate Professionals" video is available for $19.95 in the REALTOR® Store.

Q: Does the NAR Association Insurance Program provide access to non owned-hired auto coverage?

A: No. The NAR Association Insurance Program does not provide liability coverage for automobiles.

YOU asked – they answered!

Katie Johnson - Continued

Q: Are there upcoming changes to the Code of Ethics training requirements that relieve the burden placed on local associations?

A: NAR leadership formed the Code of Ethics PAG following the 2018 REALTORS® Conference & Expo to address the concerns expressed by many local associations who were faced with challenges in administering the two-year cycle of the Code of Ethics training requirement. The PAG is charged with examining the current mandatory Code of Ethics training requirement policy and identifying possible modifications that ensure greater member value and more efficient administrative procedures. The PAG met in March and is meeting again in July to explore new guidelines, course objectives, and delivery options that will lead to the development of more relevant training and equivalency options for members that can be efficiently administered by local associations.

Q: Where can we find information about the class action lawsuit Moerhl v. NAR et al.? If we are contacted by media about the lawsuit, how do we respond?

A: Updates about the lawsuit are being provided to members via the General Forum on The HUB. Be sure to subscribe to get updates from the General Forum so that you can keep up-to-date on the most recent information concerning the lawsuit. If you receive any media inquiries about the lawsuit, please direct those inquiries to Mantill Williams, NAR's Vice President, Public Relations & Communication Strategy.

Q: What is NAR's assessment of The HUB as a communication vehicle for members and leadership? Are there any safeguards about how it is used and monitored?

A: The Hub offers an invaluable opportunity for members and leaders involved in NAR business to connect, share ideas, learn more about breaking real estate news, and contribute to the association's governance. Since its launch, this communications platform has offered an unprecedented level of transparency surrounding decision-making by connecting members with their NAR Leadership Team, CEO, Staff, and other groups shaping the future of the industry.

Access to the Hub is currently limited to NAR committees, presidential advisory groups, advisory boards, councils, work groups, the board of directors, and select other association leadership groups, as well as the staff who support them. NAR's "single sign on" functionality ensures that only those members and staff with a NRDS number that has been registered to provide access to the Hub may sign on. In addition, NAR staff assigned to each community ensure use of the Hub is appropriate and doesn't violate its terms of use.

YOU asked – they answered!

KATIE JOHNSON - CONTINUED

Q: NAR Emeritus Rules state a requirement for National service but that rule has been abated for ten years. Is there any movement to extend the exemption to allow local or state service in place of national service or will future Emeritus now require national service in 2020?

A: At the 2013 REALTORS® Conference & Expo, the Delegate Body approved an amendment to Article III, Section 9 of the NAR Constitution, which outlines REALTOR® Emeritus eligibility.

Beginning with applications filed in 2015, in addition to the forty (40) years of membership, a REALTOR® Emeritus candidate member must also have completed at least one (1) year of service at the National Association level. However, for applications filed through 2019, the one (1) year service requirement may also be met through service at the state or local level.

The provision highlighted in bold is in effect only through the end of 2019; therefore, beginning in 2020, REALTOR® Emeritus candidates will need to have completed one year of service at the National Association level. The Delegate Body has not been presented with an amendment to extend the National Association service exemption beyond 2019.

Q: When will NAR have a summit / conference for MLS AE / CEOs?

A: NAR participates in various MLSs meetings throughout the year. While some, such as the MLS Forum at the mid-year and annual meetings are not exclusively geared towards MLS AE/CEO's, others are specifically tailored for an AE/CEO audience. For example, through our partnership with the Council of Multiple Listing Services, NAR hosts an all-day "MLS Best Practices" day at the Association Executives Institute. The Council of Multiple Listing Services (CMLS) also holds a yearly multi-day MLS Conference for MLS AE/CEO's and staff.

In addition, NAR hosts the MLS Executives Forum at our mid-year and annual meetings. NAR is committed to further engaging and participating in educational opportunities for MLS AE/CEO's. As part of those efforts, NAR will be hosting a monthly webinar for MLS AE/CEO's where timely and relevant topics will be discussed including MLS Policy, Technology, Data Standards, and other areas of interest. We will also occasionally host industry guests on the webinar. NAR Staff and CEO Bob Goldberg also regularly meet with the Cove group as another source of input.

NAR encourages and welcomes additional feedback and suggestions. If you have an idea for other training or meetings NAR can facilitate, please feel free to reach us at mls@realtors.org

YOU asked – they answered!

BILL MALKASIAN, CHIEF ADVOCACY OFFICER

SHANNON MCGAHN, SENIOR VICE PRESIDENT – GOVERNMENT AFFAIRS

Q: Please explain the assignment of Democrat and Republican reps in advocacy and how this helps REALTOR® Party that was always non-partisan?

A: Our legislative advocacy has been modernized to better match our operations with how Congress is structured, allowing lobbyists to focus on House or Senate and the political parties. This structure means each state gains a team of lobbyists with their fingers on the pulse of Congressional activity, and allows our staff to develop stronger, more trusted relationships by working with each Member of a Party Leadership, or every Member on the same aisle of a Committee. While the reporting assignments have changed, our advocacy efforts continue to focus on REALTOR® Party initiatives and NAR's approved policy.

Q: When will NAR help associations of all sizes with healthcare? One would assume that NAR employees have health insurance, and so should our members. Why not appoint a regional committee for everyone to help the associations offer this? Why don't you offer it?

A: NAR sponsors employer provided coverage, just like other employers, that is regulated differently than coverage offered to self-employed individuals in the individual and small group insurance market and cannot be accessed by independent contractors like REALTOR® members.

- Thus, NAR has been advocating for better health insurance options for members and their families for over a decade and has finally found progress at the state/local level with new association health plans that NAR helped push through the Department of Labor last year.
- While any national or regional plans remain a challenge for now (federal litigation; unwillingness of insurers to provide coverage; demographic health risk; etc.), know that NAR is working hard to seek more affordable health insurance options at every level for membership.
- NAR also offers a roster of health and wellness insurance plans and products, via the REALTORS® Insurance Marketplace, a 'one-stop' insurance shopping site.
- Read more about NAR Health Insurance Advocacy on LinkedIn.

YOU asked – they answered!

JOHN PIERPOINT, CHIEF FINANCIAL & INTERNAL OPERATIONS OFFICER

Q: Will you speak to the future of RAMCO – are you planning to make improvements or do a study on how it might work better?

A: We constantly improve RAMCO as new releases add features and improve on existing ones. We are currently working toward improvements in training, on-site support, and informal meet-ups to promote collaboration among customers.

Q: Will you also study RAMCO?

A: RAMCO has a direct relationship with NRDS. We are studying how all AMS's work with NRDS as we plan for change.

Q: What is the real timeline for substantive adjustment to the NRDS structure? Can we anticipate a member data API standard?

A: We have yet to develop a timeline for a substantive adjustment to the NRDS structure; this effort is in the preliminary planning phase. As part of this initiative, we're evaluating options for comprehensive enhancements to the way we share and integrate with other systems – including a robust API.

Q: What will our members be paying for 2020? Is there another $35 assessment?

A: The per member dues for 2020 remain $150 and the Board of Directors will determine in May whether the $35 per member assessment for the Consumer Advertising Campaign will continue for 2020. The recommendation of the Budget Review Team and the Finance Committee is that the assessment be renewed for the three year period of 2020 - 2022.

Q: Wouldn't it be more effective use of member dues if NAR went from having two locations to one headquarters location in Washington, D.C.?

A: The locations of our two NAR offices have been studied many times in the past and the conclusion is consistently that having locations in both Chicago and Washington is the most effective and cost efficient approach to serve our members' needs. Washington, D.C., is a more expensive location than Chicago and to move all staff there would not be cost effective.

YOU asked – they answered!

JEFF YOUNG, CHIEF OPERATING OFFICER, GENERAL MANAGER – RPR®

Q: Many MLSs have said that the stats and accuracy of the data in RPR® are way off. Is RPR doing anything to solve this?

A: RPR's team is positioned to look into any and all specific issues related to data accuracy. Currently, we have not been notified of any issues related to data accuracy in the RPR® system, outside the course of normal quality control across our platform, which contains robust parcel-centric information on over 160 million properties in the U.S. From the question, it references both data and stats. RPR® considers the term data to be associated with properties while stats are associated with market data, usage, etc. If any specific issues arise or to help improve RPR's service to you and your members, contact RPR®.

LAWRENCE YUN, CHIEF ECONOMIST & SENIOR VICE PRESIDENT - RESEARCH

Q: What variables or changes could occur that would change your future forecast?

A: The risks to the forecast is trade war, which will shave or even tip the economy into a recession. The other risk is simply that other countries are not doing so well and cutting global growth rate, which will reduce U.S. exports and raise trade deficit.

Q: Have you seen an increase in the rental eviction rate nationally? And what effect will that have on the real estate market as a whole?

A: There is no definitive trend of a rising eviction rate. The unemployment rate is low, though rents have been rising above wage growth. Also eviction data is tricky with lag time and inconsistent reporting from localities.

Q: Do deed restrictions for buyers have the same negative impact as rent control?

A: Rent control raises demand for housing as it is cheaper than the market rate. Unfortunately, the supply is not there so the demand will be left frustrated.

Q: Can you speak to the impact of student loan debt?

A: The student debt has tripled in the past 10 years. An attitudinal survey says the entry into homeownership is delayed by 7 years among those carrying student debt compared to what they would have done in the absence of student debt.

YOU asked – they answered!

Lawrence Yun - Continued

Q: Can you explain the difference between affordable housing and work force housing? Should we be saying attainable housing instead of affordable?

A: Narrative matters as some in the community will misinterpret the meaning of affordable housing. Today, we have a hollowing out of the middle class because many moderate income households – nurse assistants, police officers, elementary school teachers – do not have sufficient income to buy a home. I do not know which wording will have a better impact to assure more supply of moderately priced homes.

Q: News reports say we have a historic number of jobs available. Why aren't the job vacancies filling faster?

A: There are two frictions: geography and skill mismatch. Someone who loses a job in West Virginia may not want to move to Nashville where jobs are plentiful. Second, there are high job openings for truck drivers, welders, construction workers, and computer coders, but there is an insufficient number with the willingness or the skill set.

Q: Is the red line for employment rate, showing there is an underemployment going on?

A: The still-below-peak in the employment rate is due to above average number of people not even searching for jobs. To be counted as employed or unemployed, the person must be searching for a job. So the labor force participation rate is still below the historical normal.

Q: What effect do you think the Brexit issue will have on the economy?

A: Hard Brexit will likely tip the British economy into a recession and hold down European Union (EU) growth rate. This will also shave a few decimal points of U.S. GDP growth rate.

Thank you for submitting your questions!