**Janelle Brevard:** You're listening to Drive With NAR powered by REALTOR® magazine. Listen in as two real estate pros talk must-have tools of the trade and share stories of inspiration. Get ready to step up your business.

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**JB: Hello**, hello, everyone and happy day. I'm Janelle Brevard, NAR’s chief storyteller. Welcome to another episode of Drive With NAR. The entire country was shaken to its core in 2020 when George Floyd was killed in Minneapolis. In fact, it refocused the country to take a closer look at diversity, equity and inclusion efforts. The real estate industry is no different. And today we're going to hear from two brokers who are going to tell us about things underway in their businesses, both prior to 2020 and afterwards. Paul Ekstrom is a broker owner of Realty ONE Group Choice. He's joining us from Minneapolis. Hi, Paul.

**Paul Ekstrom:** Hi, Janelle. How are you?

**JB:** I'm great. And Natalie Davis is broker owner of The Evolution Group. She's joining us from Greenwood Village, Colorado. Hi, Natalie.

**Natalie Davis:** Hello, Janelle.

**JB:** Paul, Natalie, I really appreciate you both for joining us today. I want to start things off with something just the little light. I would love to hear from you about a song or a movie that motivates or drives you to do your job.

**PE:** I start our broker-wide sales meetings with Kenny Chesney's ‘Everything's Going to be Alright.’ After everything we've gone through the last couple years in Minneapolis and throughout the United States—and in our real estate industry—we kind of become a cheerleader to our agents, talking them off the cliff and letting them know that, yes, what we're seeing right now is not the normal. We're seeing some shifts in the market, the frustrations that agents are having with, you know, no inventory, selling from an empty store shelf. We just kind of put our arms around our agents and just let them know that we're here.

**JB:** So you know I have to ask, Paul: Do you sing a little bit of that ‘Everything's Going to be Alright’?

**PE:** Oh, I sing it to everybody. And I can't sing.

**JB:** I can’t either, and I just joined in.

**PE:** It seems like it gets everybody talking. And so it's a good way to start.

**ND:** You know, what's so funny is, Paul, I knew that yours was Kenny Chesney. I don't think I dove into the fact that you selected the song, but mine’s actually Bob Marley's rendition of ‘Everything’s Gonna Be Alright.’

**JB:** What are the odds? That's awesome.

**PE:** Cool.

**ND:** Yes, absolutely. And I think, I mean, you know, it's not like the most fast-paced song when you're thinking about tempo, but the lyrics just really drive home, right? It's that reality of, you know, here we are, things are fine, we're going to be OK. Just maintain your focus and keep moving forward

**PE:** In our roles—we have to do that in our roles. I think it’s really important for us. We signed up for this job, it was one of the things. We’ve got to put everybody in front of, ahead of ourselves, don't you think?

**ND:** Exactly. I agree 100 percent.

**JB:** Well, I love the song, you guys, and I'm probably going to be humming it for the rest of the day. Alright, let's just get right into it. I want to hear what's going on in your market. So Natalie, why don't you start and then I'd like to hear from you, Paul.

**ND:** For Colorado, we're facing a couple of things right now. Obviously, low inventory. That's something that a lot of REALTORS® across the nation are talking about. We had a quick update this morning. We're still below 1,500 homes total in the entire Denver Metro area, which encompasses about six counties. The most recent thing that we are also going through and currently working through navigating are the fires that we experienced in Boulder County. So our community is doing an amazing job of banding together, coming together to help the families that have been displaced, helping our REALTOR® family members that have been displaced, raising funds, resources and just really putting together efforts to get boots on the ground to support our REALTOR® family.

**PE:** Yeah, I've wondered about that with 1,000 houses that were burned. There's 1,000 more families that are entering the market now that’s already with inventory that, you know, is not going to support 1,000 client buyers out there before this fire.

**ND:** Exactly. So we're preparing ourselves—this is not something that we can, you know, place a quick fix to. Unfortunately this is something that we're probably going to continue to address 18/24 months from now, as, you know, families try to rebuild, reestablish themselves and work through it. But yes, it definitely does not help with the current low inventory levels that we have. But it does give us an opportunity to band together as a REALTOR® family.

Absolutely.

**PE:** We're kind of seeing the same thing in Minneapolis. I don't have the latest count of exactly how many homes are for sale. We're running at a 20-day inventory. So I think we're probably sitting in a similar total inventory count that you are. I'm expecting the same things this spring as we were last spring with our holidays. And we started off the first of the year with a huge cold front that moved in and subzero temperatures, so that does slow things down a little bit for us. So we're starting off a little bit slow in January and February over what we were a year ago, but I think we'll be fine. And we'll pull out of it, you know. Within the first quarter, we should be fine. But low inventory—I've got one property that's going on the market on Thursday night, and we are already sitting with about 27 showings in the first two days on it. So that one will definitely be in multiple offers. And we're pretty much seeing that anything in that, you know, $300,000 to $450,000 inventory, which is kind of our sweet spot.

**JB:** Wow, interesting take on your two locations. So let's dig into DEI a bit. I mentioned in our opening about the shift in the national conversation regarding diversity, equity and inclusion. And I want to hear from you two. How do you think the industry has shifted? Paul?

**PE:** Being in Minneapolis in the heart of, you know, the big changes that happened in 2020, we were really taken aside by what had happened when George Floyd was killed. We really had taken a step back just to process and try to understand. But there definitely was a lot of division that happened in our city. And as we saw later, it happened in the country, too. We had a situation at our office where we felt the division happening on our private Facebook page. And so I reached out to our corporate partner, Realty ONE Group, and got some direction from them on how to handle addressing the division. And the good part about it was that we came out of the situation as a better, stronger company. First thing that we did is call a happy hour together at one of our offices and just told the agents, ‘Tell me what I need to know, what I don't know, you know, maybe as a white male in the real estate industry.’ And I've got 16 Black agents, and I sat down and we all sat down and listened to them. We have about 45/50 total people, agents and staff that showed up for this happy hour. And we listened to them. We heard story after story about the racial profiling and discrimination that they experience on a daily basis and how it relates to the real estate industry. And it was alarming and shocking and very, very emotional. Well, I basically challenged everybody at that time. I said, ‘You know, I don't know what we can do to change it. I don't know what I can do to change it. But I'll back it financially, I'll back it with my commitment. I'll back with my labor hours that I can give. Let's figure out what we can do to try to make a change in this. We can't change what happened. But we could change how we address it and how we handle it.’ And then we formed a foundation shortly thereafter called ONE Voice Initiative to end racial disparity of homeownership between Black homeowners and white homeowners in the Twin Cities market. We happen to have the highest disparity in the United States. 77 percent of white families live in a home that's own, where only 23 percent of Black families live in home that's owned. So we made a decision then to address that as being our cause for the ONE Voice Initiative.

**ND:** Paul, I want to commend you for, you know, taking the steps in creating that ONE Voice Initiative. I think, Janelle, to answer your question, I have seen similar actions taken across the board here in Colorado, as well. Obviously, the dialogue and the activities in Colorado differs from what you guys experienced in Minneapolis over the last couple of years. I have to say that it's been a beautiful thing to witness in terms of the brokers that are taking those initiatives and maintaining that focus on DEI, from a company standpoint. And also from an association standpoint, we've actually had a statewide diversity committee that's been in place for quite some time. I believe we're going on our seventh year that the committee has been in place. So it has been an important topic for the state association. And we've, since then, seen a couple of local associations roll out diversity, equity and inclusion initiatives from the Colorado standpoint, at least how we're looking at it, and looking at diversity and making sure that we're staying ahead of the curve when we are making sure that we have equitable opportunities for REALTORS®, equitable opportunities for the consumer—really, that's really what we're focused on. So having that forethought has really played in our favor. Over the last two years, though, the collaboration piece has been huge. I've seen other associations come together and have conversations—sit down at the table to discuss what's their focus for the year? And how can we all work together to support that? Because ultimately, our goal is the same when we're looking at diversity, equity and inclusion. And it's creating that equitable opportunity where everyone has that sense of belonging. Paul, thank you for, you know, giving your agents and agents within your community a platform to, you know, come together and talk. Because I think that's really vital right now. It's just having an opportunity to speak and feel that they're being heard.

**PE:** Yeah, we talked a lot about that the other day—the awareness factor. And I challenged our agents and everybody that is part of ONE Voice Initiative that, you know, there's so many people out there that are really, really good people, and they want to help and they want to give back, but they don't know how. So the best thing we can do is just make them aware of situations. I mean, when I started telling the stories that I had heard from Black agents on the challenges that they face on a daily basis, just going to show a house. And it just blew agents away that, you know, especially the white agents that ‘Really, they don't just walk into the house after they unlock the door?’ Absolutely not. They stop and announce. They're prepared to because they don't want to surprise anybody. But the Black man walking into a house and, you know, there's somebody on the other side of the door that is not expecting a showing to happen. So yeah, the awareness was really, really important.

**JB:** Listening to both of you, one thing that comes to mind—and I'd like to pose this question to you, Natalie, first—is what's the difference between DEI and fair housing? Because we hear a lot about both, particularly, you know, right now in the industry. What's the difference?

**ND:** Oh, great question, Janelle. You know, it's interesting. The more I have this conversation or conversations around DEI, how frequently DEI and fair housing are used interchangeably. So specifically with DEI, I like to think about that in itself just to tear it apart. Because diversity, equity and inclusion are all so often used interchangeably. So I think about diversity the easiest way, and I like to keep things simple. It's kind of my motto, let's just keep it simple and, you know, make progress. So when we're talking about diversity, it's who we are. It's how we're showing up. It's the things that we can't change. And not just those external, easily identified, easily identifiable pieces, right? It's truly who we are when we're coming together to help one another, to serve our clients and to give our clients opportunity. Equity is that opportunity piece, right? It's creating a space where everyone has equal opportunity where they can continue to have the opportunity for homeownership or even education about homeownership, or for REALTOR® practitioners to practice real estate. Similarly, in a fashion where, as Paul mentioned, we have agents in this country that are not showing homes the exact same way, right? So how can we start to level the playing field so that it is equitable for all of our REALTOR® members and for our clients? And then when we talk about inclusion, I like to think about inclusion as creating that space for us to allow everyone to come in and feel that they have this sense of belonging, right? So not just simply creating a space and saying, ‘Yes, I welcome everyone, and everyone is included in my office, in our association, fill in the blank with the area.’ But that there's also a sense of belonging when the individuals are included. So DEI on that side. When I think about fair housing, I think about fair housing as the law, right? That's what we have to uphold. It is our obligation to uphold the fair housing laws and make sure that our clients are educated, and make sure that the REALTORS® are equipped and have a better understanding of what fair housing truly means and how to incorporate that in their business.

**PE:** Yeah, I totally agree with that. I really think that fair housing is really the end-all goal that we're trying to achieve. DEI is how do we get there? You know, we think about diversity, and it's not just a black-and-white situation. With diversity, as we know, I mean, there's a lot of different racial diversity, LGBTQ diversity, it's diversity in a lot of different ways. And equity—I totally agree with you on the equitable side of it—is that we all should have a fair shot at it, you know. And then the inclusion is just make everybody out there that is a minority—I don't know what it feels like to walk a day in their shoes. So what can I do to make sure that they're included in everything? What can I do to make sure that their voice is heard and that we're supportive of them and, again, wrapping our arms around them to let them know everything's going to be alright.

**JB:** Stay right there, everybody. We'll be right back after a word about our sponsor.

**JB:** Every agent wants more leads. But what you need is more deals. Chime takes your new leads and old leads, and turns them into new business faster than any other CRM solution on the market. See how it works at <Chime.ME/NAR>.

**JB:** You know, Paul, I was really struck by the story you told it in the beginning in terms of how you pulled all your agents together just to have a conversation when things got a little dicey in 2020. I'm curious, what grade would you give the industry on DEI? And what more could the industry be doing?

**PE:** You know, I definitely give it a higher grade today than I did a year ago. I mean, it's definitely coming along; it's got a long, long ways to go. So an actual grade, I'd probably say a D+/C- plus—somewhere in that range. We had our required module on DEI, and it was really cool to have that. And to sit in there—our speaker was a fantastic lady that is a Black agent in our market, and she experiences the racial profiling and discrimination every single day. But she had such a positive outlook on it. And she came from that education and awareness backing. And I just watched the body language and the facial expressions of our agents, and how they just had no clue, again, like what we learned with our ONE Voice Initiative meeting.

**ND:** Looking at our industry as it pertains to DEI, I'd probably put us at about a C+. And I want to say this not from a negative standpoint; I want to say that it's a C+ because we still have opportunities ahead of us. And I definitely don't want to dismiss the progress that we've made as an association. The efforts of President Vince Malta and President Charlie Oppler have been phenomenal, and making sure that diversity, equity inclusion are at the forefront of their initiatives. Also President Leslie Rouda Smith has DEI as a focus. And so I'm not dismissing that piece of it. But when we still have agents that are practicing that don't know the stories of people of color, or fill in the social group that an individual REALTOR® may fall within, then that tells me that we still have an opportunity to learn from one another, and also to continue to share our story. I think that there's tremendous power in sharing our story and giving people the opportunity to enter into conversations from a place of curiosity and wanting to learn, you know. In me practicing real estate, you know, that was never something that was really intentional in showing property. Or maybe it was just subconscious that I knew, from a safety standpoint, either as a person of color or female, I took similar steps in identifying myself when entering a home with carrying a business card when I was showing property or whenever I was in my car, driving into a new neighborhood, making sure that I had a business card available and always ready. So for me, you know, there are still REALTORS® that are practicing real estate a little bit differently and have stories that we can learn from that will help us to continue to move forward in how we are addressing diversity, equity and inclusion within our industry.

**JB:** What's available for REALTORS® who want to learn more and want to get educated on diversity and inclusion issues?

**ND:** We have so many. I think probably the most powerful spot to learn is from your fellow REALTORS®, connecting with your fellow REALTOR® members, listening to their stories, hearing what their journey is like. I am actually an immigrant to this country. I was born in Jamaica. I don't openly share that I'm an immigrant too often or on too many platforms. So you know, when people learn that I'm from a different country, they want to learn more, like ‘What are the things that you had to shut away? What did you have to leave at the door in order to become the person that you are today?’ NAR has tremendous resources that are available and that they've already rolled out and they're continuing to roll out. So if you're looking for formal education, you can always explore the At Home With Diversity® course. There's the implicit bias education video that is on the NAR site. There's the Fairhaven simulation that has recently been updated that you can participate in. So even if you've taken the Fairhaven simulation previously, I would recommend everyone to go through and take it again. But there are so many resources that are available here in 2022. NAR will roll out the implicit bias override training—and so another opportunity for REALTORS® to continue to learn and grow so that they can better serve their clients. I think there are tremendous opportunities available if someone's looking for more education.

PE: Natalie, I totally agree with you there. NAR and our state association and in our local associations have definitely adopted a lot of DEI subcommittees and are making great strides. So, you know, I look back at where we're at, you know, a year and a half ago. We're a long, long ways ahead of where we were then. A question I have is, how do you address that? How do you handle it with new agents coming on board with you that don't have the experience that you have in making sure that they're protected when they're maybe going out showing houses or going on listing appointments and things like that? How do you educate them and address that with them?

**ND:** Yeah, that's a great question. So you know, it's something that I really keep at the forefront. On our website, we have an inclusion and diversity statement that's incorporated just, you know. Before you dive into the brokerage or even any of the agents, you're met with that statement and have an understanding of where we stand. And I felt that was important to have on external-facing pieces, so that everyone has an understanding of how we operate. Currently, we have an all-female brokerage, which makes us unique, and the majority of the brokerage is also people of color. So when we're looking at equitable treatment of our clients, and equitable services that we offer, really, it comes down to having systems in place. And so, as much as I am, you know, the extroverted relationship person, I'm still pretty linear when it comes to running a business. So I think it's important to have systems in place. And repeatable systems is what I should say, repeatable systems that you can equip all of your agents with. And in having those repeatable systems—we learn this in the At Home With Diversity® course—it pretty much helps in keeping you out of hot water, so that you make sure that everyone is getting the exact same treatment and experience with you. I like to call it client experience. Everyone's having the opportunity to have the exact same client experience.

**JB:** Paul, I want to ask you, from a different perspective, for brokers starting out on the journey that you're on, where do you suggest they start?

**PE:** The best advice that I could give them would be is to surround yourself with a very diverse group of people that are committed to change. You know, we aren't as organized as I'd like to be right now. I'm not as linear as Natalie is—saying that here's the platform, here's the footprint, here’s, you know, the business plan that we did. We're still evolving and a work in progress and everything. But the best advice I could give is just sit down and ask that question that I asked: tell me what I don't know. And when I heard the stories—a great agent named Tiffany told a story about how she was out showing houses, and she was followed for about 12 miles by a county sheriff that was parking a couple blocks behind every house she pulled up in front of. She was waiting for her buyer to show up. And then she'd go inside and show the homes and everything. And she was quite rattled by the sheriff that followed her from home to home. And the reason she was mostly rattled was because she forgot that business card, and she goes, ‘I never leave my house without my business cards.’ And she goes, ‘If I get pulled over, he's not going to believe me. There's no way he's going to believe me.’ And all you do need to do is just sit down and just ask the question to get them started and facilitate the discussion. And the awareness and education that everybody in attendance gets from that will point you in the right direction, you know. And then doing what I said, ‘What can I do to help?’ You know, we're stronger in numbers, and as the broker, you know, we could put our financial backing behind it. And, you know, and it is expensive to get started with a new foundation. But, you know, we broke it down into quadrants. We had an operations quadrant, we had a marketing quadrant, and we had a partnership quadrant, and we each one of us in our quadrants would figure out what is our ultimate goal, what's our big why that we're trying to achieve? And all together, it helps us reach our goal of ending the disparity of homeownership between Black and white homeowners in the Twin Cities.

**ND:** What I want to challenge you with, you know, if you are a broker looking to jumpstart a DEI focus or even a committee or task force or just simply have conversations in the office, when you're exploring opportunities or looking for conversations around diversity, look beyond the exterior, easily identifiable pieces when we think about diversity—so beyond gender, beyond race, beyond sexual orientation. Something that I always like to bring it back to is even looking at individuals with disabilities. A specific experience that I was able to live through and learn from was that I participated in an event where we had multicultural associations come together to share their initiatives and focus a few years back. And we had a panel discussion on a stage where we had five presenters. One of those presenters was a person that used a wheelchair. And through our planning process as the diversity and inclusion committee, we failed to realize that there was never a ramp installed to access the stage. These are the things that you want to make sure that, as we make the statements that yes, we're an inclusive company, or yes, we're an inclusive organization, do we truly have the systems and processes in place that create that inclusive environment? Another thing that you can look at is, as you're planning events throughout the year, make sure that you're taking a look at not just your traditional recognized U.S. holidays, or as I like to call them ‘bank holidays,’ but look beyond that to some of the multicultural or even religious calendars, and do an overlay to make sure that you're not continuously planning events that may fall on a holiday or a date that is sacred or special to members of your company or members of your association. That's another great tip and takeaway that you can utilize.

**JB:** I'd like to know, is diversity good for business?

**PE:** In addressing the agents’ concerns and diversity, equity and inclusion of my agents, I felt that it wasn't going to hurt business in terms of recruiting—if other agents were out there in our market saw what we were doing and said, ‘I want to be part of that.’ You know, obviously that's a positive that comes out of it. We certainly didn't look at this as a financial gain, because anything that we brought in on the financial side was going to go back into the cause. So we didn't look at it on that side of it. But yeah, to be honest with you, it wasn't our driving force. But it was something that we were hoping that would result from it. And it did result from that, being the fact that we got ourselves uncomfortable and addressed some issues that needed to be addressed. And instead of sitting back and waiting, we were kind of the driving force with it. So yeah, it actually was good for business for us.

**ND:** I'd have to agree with you, Paul, 100 percent. If you have the focus of creating a DEI initiative within your company or even within your association with the intent for profitability, I would recommend that you stay away from that. Is it a result? Absolutely. 100 percent. Here in Colorado, I had an agent, a REALTOR® that shared their story with me that they were actually interviewing companies and a company that they interviewed with, they posed the question of the company's focus on DEI and what initiatives they were currently taking. And the response that they received from the person—I don't know if it was a manager, broker owner, but we'll just say the person that was conducting the interview—was that ‘we don't get involved in politics here.’ And so immediately, that REALTOR® did not have a sense of belonging or even feel that there was a space to have a conversation around DEI, because it was viewed as being political in nature. So did it cost that brokerage dollars? Absolutely. That impacts the bottom line, right? I believe that REALTORS® want to make sure that the companies that they are affiliated with, they are compassionate and they care and that, you know, we're heading in a direction where we can all be better humans together. So it will absolutely have an impact on profitability, but for profitability to be the why behind DEI, my vote’s against that.

**JB:** One thing we like to do in every podcast is something we call “In the Trenches.” And I want to go to that now with both of you. You know, it's that one story that you'll always remember where you were really in the trenches to complete a transaction or manage your business. Natalie, do you have anything you'd like to share in the trenches?

**ND:** You know, Janelle, I feel like I'm in the trenches right now. Thank you so much for that question. You know, I say it jokingly, but I truly do. When I think about—or actually the experience that I think about when I think about being in the trenches relating specifically to DEI—I truly am in the trenches right now. I am fortunate to facilitate the At Home With Diversity® course. And I have to say, when Colorado took the steps to offer the At Home With Diversity® course, we were looking for an instructor. We didn't have a certified instructor in the state of Colorado. So I gladly raised my hand and said I would absolutely go through that process to offer the course. With that, we know that REALTORS® love to have CE credits that are connected to any type of education. And so we put together a proposal for the division to approve, you know, CE credits for the REALTOR®, and it was denied. And we thought, oh, OK, well, maybe we're asking for too many hours. And so we resubmitted, and we said, ‘Let's scale back the hours. We'll make it the six-hour continuing ed.’ And so we submitted the request to division, and it was denied. We then brought the request to the state association, and the request was submitted a third time, denied a fourth time denied. And it was not until the division was able to see the intentional focus that NAR had on DEI, that they approved it. So five times before it was approved that I was involved in. The rationale behind denying the four prior request was that diversity wasn't an issue in Colorado. I hear it from agents, you know, that are the REALTORS® that are practicing. I hear it from associations, staff people, you know, that diversity is not necessarily an issue within our community or within our association, within our brokerage. And that's when I feel like yes, I'm still in the trenches. Because, again, it's when we're talking about diversity, It's not the easily identified external identifiers that, you know, justify and quantify diversity. If you just want to simply outline the protected classes and look at diversity that way. But there's so many elements of diversity. And I think even beyond that, when we're able to continue to grow and learn and create that culture and environment across the board, across the nation, where everyone feels like they have a sense of belonging, then I feel like we have succeeded. So that's kind of my in the trenches. I'm sorry, I'm still in the trenches. I'm here. I'm here, but I love it. I should say that I'm here and I love it.

**PE:** I'm in the trenches with you, Natalie. Yeah, I think it's every day. I mean, in our roles as brokers, I mean, and what is the trenches? It's different for each one of our agents. It’s different for each one of our staffs. You know, I’ve got some agents that are really struggling financially and “in the trenches” is ‘How am I going to make my mortgage payment? I'm behind on my car payment, and I don't have any money.’ You know, so that's an “in the trench” for them. And the DEI side of it is the agents—African American agents—that I have, you know, maybe something happened where they were discriminated upon in the trenches. Agents that are going through emotional issues and things like that. So, you know, as a broker, yes, I'm with Natalie, I'm in the trenches every single day, and you just really have to stop back and take a deep breath, and just listen and ask, ‘How can I help?’

**JB:** I feel like we've come full circle, you guys. You know, I feel like everything's going to be alright.

**PE:** Right? It is. Yeah.

**JB:** So I want to thank you so much. Thank you, Paul. Thank you, Natalie.

**ND:** Thanks, you guys have a good one.

**JB:** Thanks for joining us on this episode of Drive With NAR. Tune in every month on [magazine.realtor/drive](https://magazine.realtor/drive) or subscribe wherever you get your podcasts. Get more tips to boost your business at [magazine.realtor](https://magazine.realtor/).