

SEIZE


THE

2011 Annual Report

DAY



NATIONAL
ASSOCIATION *of*
REALTORS®



"We must seize the day for the nation's 75 million homeowners and many others who aspire to one day own a home and invest in real estate because it is about the future of our families, communities and nation."

– Ron Phipps,
2011 NAR
President

LETTER FROM 2011 NAR PRESIDENT RONALD PHIPPS & NAR CEO DALE STINTON

In 2011, the National Association of REALTORS® worked to **Seize the Day** on behalf of REALTORS®, home ownership and commercial real estate. That meant confronting head on the many issues impacting the housing industry.

Over the past several years, homeownership has faced many challenges. To better address today's issues regarding the value of home ownership, NAR broadened the successful Public Awareness Campaign into the Public Advocacy Campaign.

NAR's national advertising efforts are now focused on the issues that affect Americans ability to buy, sell and own real estate. Throughout the year, NAR reached out to consumers in radio, TV and print to remind America about the importance of home ownership.

To **Seize the Spotlight** and push back on the negative media stories, NAR hit the road with a National Bus Tour on behalf of the Home Ownership Matters Campaign. The bus traveled more than 12,000 miles through 33 states, visiting 50 different REALTOR® Associations. The end of the line came at the Expo floor of the REALTORS® Conference & Expo in Anaheim, California, in November.

Throughout the year, REALTORS® continued to demonstrate their compassion. 2011 marked the 10th anniversary of the REALTORS® Relief Foundation, launched after the Sept. 11th attacks. Since then, more than \$22 million has been raised to help victims of disasters. This year, RRF provided assistance to victims of Hurricane Irene, Tropical Storm Lee and tornadoes in Alabama.

NAR worked to **Seize the Opportunity** by strengthening our advocacy efforts. In May, NAR's Board of Directors approved the REALTOR® Party Initiative, which leverages the power of our grassroots on behalf of the industry and America's property owners. It has made it possible for NAR to work successfully on many issues, including banning private transfer fees at the local, state and federal level.

NAR continued working to elect candidates who support the real estate industry, pursuing the REALTOR® Party goals: **Vote, Act, Invest.**

NAR pursued the goals of raising professionalism and providing REALTORS® with outstanding benefits. We're proud that in 2011, REALTOR® University began delivering courses that will lead to a Master's in Real Estate (MRE) degree. We joined with several new partners to provide insurance, technology and other benefits, including help purchasing a new car.

We were also willing to shine a light on ourselves. To continue providing accurate and reliable data, NAR conducted a re-benchmarking of existing-home sales as part of its periodic review process. Meanwhile, NAR also continued to provide compelling data and statistics on the real estate industry.

We made it a priority to protect the REALTOR® Brand and our trademark, even as we expanded our global reach by launching REALTOR.com International.

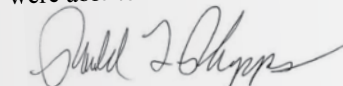
Advancing the cause of home ownership and private property rights is closely tied to public policies decided in Washington D.C. In 2011, NAR was able to **Seize the Agenda** in protecting the interests of REALTORS® and homeowners; and the value of home ownership, commercial real estate and private property rights.

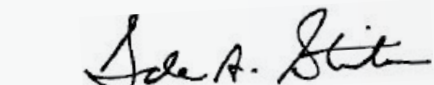
This means keeping homeownership affordable, stopping excessive down payments, strengthening the mortgage finance system and improving the liquidity of commercial real estate.

To protect the value of property, NAR worked to keep flood insurance available and affordable, protect tax benefits for homeowners and reign in heavy-handed government policies.

On behalf of the entire 2011 NAR Leadership Team, we are proud to present you with this year's Annual Report, "Seize the Day." We've simplified it, added graphics and tried to present the information in a more compelling way. We hope you enjoy the new look.

Thank you for everything you do on behalf of NAR and the real estate industry. It's because of you that REALTORS® were able to Seize the Day in 2011!


Ronald Phipps, 2011 NAR President


Dale Stinton, NAR Chief Executive Officer



seize the spotlight

With the housing market facing unprecedented challenges, the National Association of REALTORS® seized the spotlight in 2011 to illuminate what was at risk if home ownership and real estate itself did not remain central to the fabric of America. 2011 was also a year of unforeseen natural disturbances that brought out the very best of compassion from REALTORS® and NAR.

“USING THE HOME OWNERSHIP MATTERS BUS AS A CONVERSATION STARTER, REALTORS® SHONE A SPOTLIGHT ON WHAT’S AT STAKE FOR MILLIONS OF HOME OWNERS AND HOME BUYERS, AND DEMONSTRATED REALTORS®’ COMMITMENT TO ENSURING THAT PEOPLE IN THIS COUNTRY WILL CONTINUE TO HAVE ACCESS TO THE AMERICAN DREAM OF HOMEOWNERSHIP WELL INTO THE FUTURE.”

Moe Veissi, 2011 NAR President-Elect



enlighten housing and real estate policy

Special Mortgage Symposium at the Midyear Meetings

At the 2011 Midyear Legislative Meetings & Expo, NAR hosted a special symposium, Ensuring Mortgage Availability for Creditworthy Homebuyers, with a wide array of experts including David Stevens, incoming president and chief executive officer for the Mortgage Bankers Association of America; Martin Eakes, chief executive officer, Center for Responsible Lending; Michael Williams, chief executive officer, Fannie Mae; Marc Morial, president and chief executive officer, National Urban League; and NAR President Ron Phipps. CNBC Real Estate Reporter Diana Olick moderated the panel that focused on government involvement in the secondary mortgage market and FHA's role in helping working class families build wealth through homeownership.

New Solutions for America's Housing Crisis

NAR worked with two well-respected policy think tanks from opposite sides of the political spectrum – the Progressive Policy Institute (PPI) and Economic Policies for the 21st Century (e21) – to plan a forum that focused on developing proposals to address the challenges facing the housing market.

NAR sent a letter to Congress and President Obama outlining and urging support for the recommendations in a five-point housing solutions plan that came out of the forum. Those solutions will enable the White House and Congress to develop strong policies to stabilize the nation's housing market and lead the country out of today's economic struggles.

"This housing crisis meeting called by the private sector is the kind of meeting that ought to be taking place on Pennsylvania Avenue and in the Capitol of the United States of America."

*Senator Johnny Isakson
(R-GA)*

THE **5** RECOMMENDATIONS, WHICH NAR SUPPORTS, ARE THE FOLLOWING:

CREATE OPPORTUNITIES

for Private Capital to Return to the Mortgage Marketplace to Foster New Demand among Responsible Homebuyers.

RESTORE VITALITY

to Our Communities and Neighborhoods by Reducing the Foreclosure Inventory.

DO NO HARM.

Do Not Risk Weakening Our Nation's Housing Markets Any Further.

SUPPORT a SECONDARY MORTGAGE MARKET MODEL that Includes Some Level of GOVERNMENT PARTICIPATION.

We Call on the White House to Hold a **NATIONAL HOUSING SUMMIT** to Articulate a New National Housing Policy and Move the Provision of Housing to the Front of the Nation's Domestic Agenda.



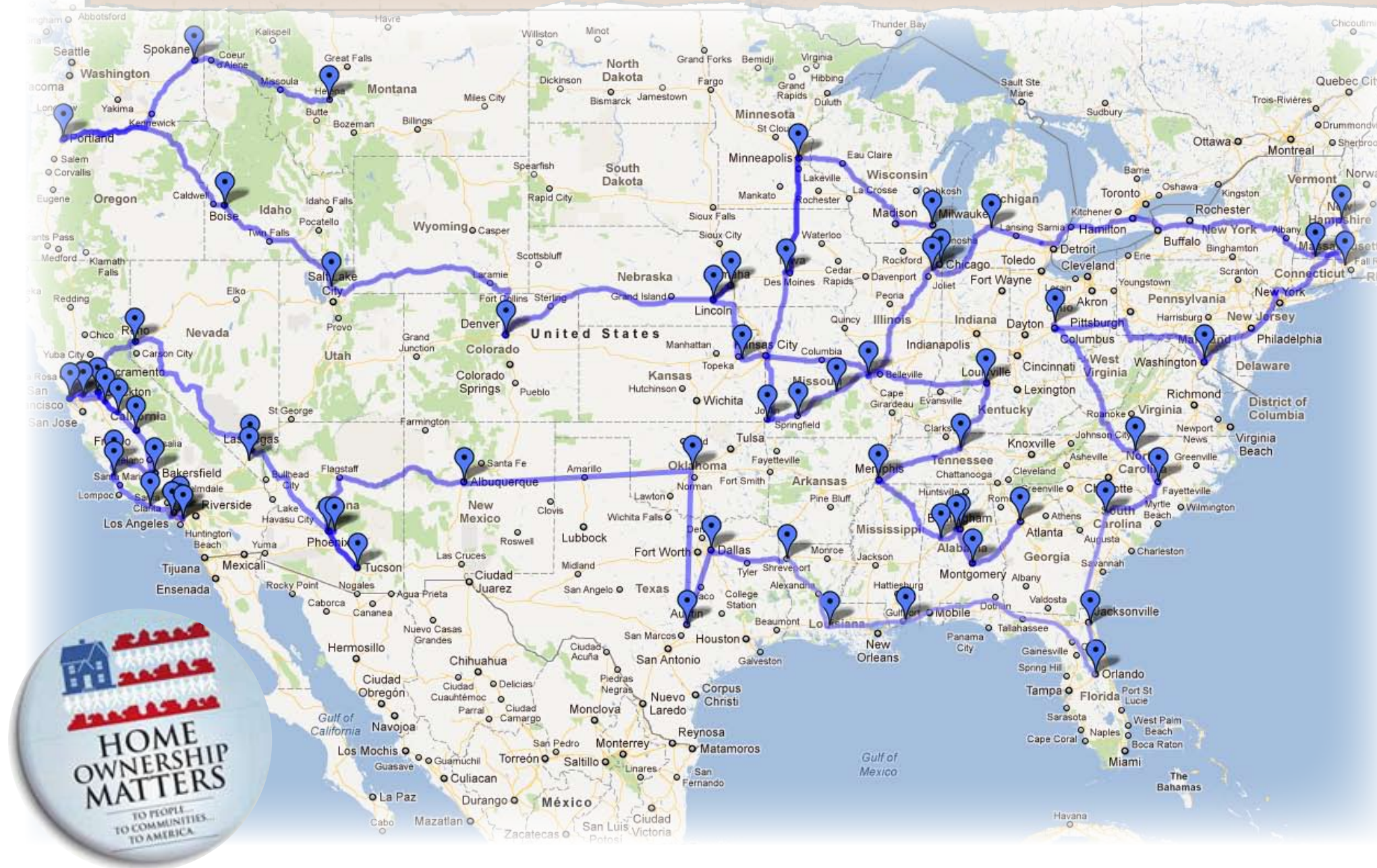
illuminate the value of home ownership and real estate

Home Ownership Matters Campaign

Over the past several years, home ownership has faced unprecedented challenges. This has caused some people in Washington and in the media to question whether home ownership is still integral to the dream that has made America so great.

NAR responded to those who think that America might be better off as a nation of renters with one clear and unmistakable answer:

Home Ownership Matters... to people, to communities, to America.



NAR Hits the Road with National Bus Tour

In March 2011, NAR launched a multi-city national bus tour that took this positive message about home ownership directly to consumers in communities, both large and small, as part of the Home Ownership Matters campaign.

Over the next **9** months, the bus traveled more than **12,000 miles**, through **33 states**, and visited **50 state and local REALTOR® Associations in 50 cities** across the country before wrapping up at the REALTORS® Conference & Expo in Anaheim, Calif., in November. In a fitting conclusion, the bus was displayed on the floor of the Expo at the Anaheim Convention Center throughout the conference.

The message delivered throughout the tour reached a wide audience and generated an impressive array of media coverage that included news articles, broadcast segments and print and online that resulted in **55.1 million media impressions**, with an estimated value of **\$8.1 million**.

Not only did consumers learn about the central role that home ownership continues to play in building America's communities, but REALTORS® were invigorated to see their national association come directly to their home town to promote the American Dream of home ownership to their clients and consumers.

While the Home Ownership Matters message reached unprecedented numbers of consumers and REALTORS®, the challenge remains to remind consumers of the values offered by home ownership. So the Home Ownership Matters campaign will continue in 2012 with plans to take it to the next level already underway.

public awareness campaign is now public advocacy campaign

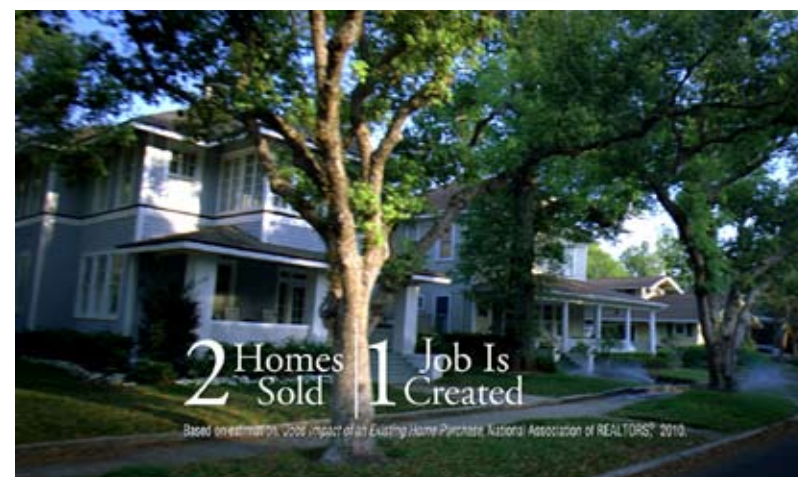
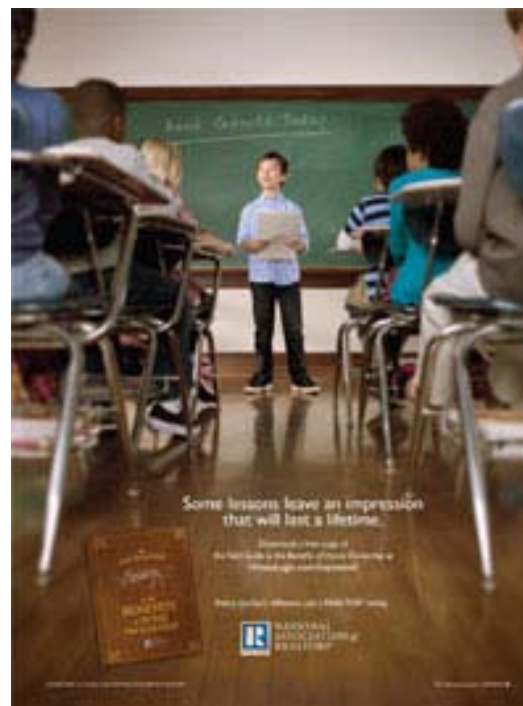


To better address today's issues regarding the value of home ownership, NAR broadened the most successful consumer outreach initiative in NAR's history, the Public Awareness Campaign, by turning it into the Public Advocacy Campaign in 2011.

NAR's national advertising efforts are now focused on the advocacy issues that affect REALTORS® and their clients' ability to buy, sell and own real estate.

The campaign began airing new TV and radio ads in September. In 2011, the campaign generated approximately **3.7 billion media impressions**. And over the course of 2012, NAR will run more than **16,000 television and radio spots** throughout the country.

The first ad created under the new Public Advocacy Campaign entitled, "Future Generations," demonstrates that for the first time in generations the American Dream of home ownership is being threatened. It emphasizes NAR's commitment to protecting home ownership for our country's families and future generations.



reach consumers with a variety of platforms



"Real Estate Today" Radio Show

"Real Estate Today," NAR's weekly radio program, has taken off since it was created as part of the Second Century Initiatives in 2008.



In 2011, "Real Estate Today" broke through to **a national audience** by being broadcast on at least one station in all **50 states**.

The show is broadcast in **every top-25 media market**, with an estimated audience listener base of **3.2 million every month**.

What's also very important to emphasize is the value of radio itself. In a world of new age media vehicles like iPods and iPads, Americans still turn to radio to get the latest information. In fact, **242 million Americans listen to radio each week**. More importantly, **90 percent of home buyers listen to radio**.



HouseLogic

Since its launch, HouseLogic has generated **86 million consumer and member impressions**. In social media, HouseLogic experienced triple digit growth on Facebook and Twitter from 2010 to 2011. In 2011, HouseLogic reached out to consumers with its first Call for Action asking them to contact the federal government to oppose a proposed 20 percent down payment rule, called the Qualified Residential Mortgage.

Satellite Media Tour

On October 25, NAR President Ron Phipps embarked on a **31-stop satellite media tour** – blanketing television news programs across the country with the message that home ownership matters to people, to communities, and to the country. Combined, the interviews resulted in more than **2.9 million media impressions**.



NAR reaches out to members

Tradeshows

NAR attended **16 state and local REALTOR® conventions**, as well as franchise shows and NAR events throughout 2011. The net effect is direct contact and communication with over **70,000 REALTORS®** promoting all areas of NAR. To create better efficiencies as well as establish a unified NAR brand, individual NAR programs were consolidated into a comprehensive NAR booth for the largest tradeshows and the greatest impact. We took our outreach globally by exhibiting in India, Malaysia and Canada.



NAR Commercial enhanced its presence at the REALTORS® Conference & Expo. A new exhibit booth, designed specifically to incorporate NAR's commercial affiliates—Counselors of Real Estate, CCIM Institute, Institute of Real Estate Management, REALTORS® Land Institute, and Society of Office and Industrial REALTORS®—offered attendees the ability to see and explore all commercial options and opportunities in one place. “Meet and greet” sessions with NAR and Affiliate Leaders were well received. Vendor space within the *Commercial Block*—a pavilion dedicated to commercial service and product providers—was sold out in 2011, giving commercial attendees the experience of a commercial trade show within the NAR trade show.

Leadership Podcasts

Twice each month, 2011 NAR President Ron Phipps shared updates from the entire Leadership Team and the association in the President's Podcast. In video and audio format, President Phipps connected with members on the issues that matter most to them, from strides NAR made on legislative and regulatory fronts in Washington, housing market reports, short sales and foreclosures, to name a few. Podcasts are available for downloading anytime on REALTOR.org.



NAR continued to highlight commercial real estate issues in 11 commercial podcasts on issues ranging from NFIP to lease accounting to refinancing to the economic forecast. Podcasts continue to be an effective platform from which NAR leadership can communicate with REALTORS® on issues of the day.

shine a light on our compassion

10th Anniversary of REALTORS® Relief Foundation



Out of grief comes hope. Within hours of the devastating Sept. 11, 2001, terrorist attacks NAR first launched the REALTORS® Relief Foundation (RRF) as the REALTORS® Relief Fund—raising several million to provide assistance so that surviving family members could stay in their homes. Since then, more than **\$22 million** has been raised for victims of disasters, such as wildfires, tornadoes, floods, and hurricanes.

In 2011, RRF marked its 10th anniversary. While probably no one in the beginning could anticipate the fund would still be helping those in need 10 years later, it's clear that through the continued generosity of REALTORS®, RRF is here to stay, supporting communities where disasters happen.

Most recently, RRF partnered with four state associations—New Jersey, New York, North Carolina, and Vermont—to collect and distribute funds for assistance after Hurricane Irene and Tropical Storm Lee wreaked havoc on the East Coast.

And as part of the Home Ownership Matters bus stop in Tuscaloosa, Ala., in July, RRF and the Alabama REALTOR® Disaster Relief Fund gave several families checks to help them rebuild after they were impacted by tornadoes.



In Joplin, Mo., RRF was at it again, where they and Missouri Association of REALTORS® presented a **\$73,000** check for local relief efforts after tornadoes struck there earlier in the year.

"When we see others lose their quality of life through tragedy, we take action. The work of the Foundation is an extension of who REALTORS® are. It cannot be measured except by the heart."

*Richard Mendenhall,
2001 NAR President*

DARKNESS CANNOT DRIVE OUT DARKNESS, ONLY LIGHT CAN DO THAT.
HATE CANNOT DRIVE OUT HATE, ONLY LOVE CAN DO THAT.



Martin Luther King, Jr. Memorial

In February 2007, the National Association of REALTORS® became a \$1 million sponsor of the Washington, D.C., Martin Luther King, Jr. Memorial, demonstrating NAR's commitment to civil rights and making homeownership viable for all Americans.

“Looking up at the statue of MLK, called the ‘Stone of Hope,’ I was so proud and grateful for NAR’s contribution towards the formation of this powerful memorial to Martin Luther King, Jr., and his courageous and intentional acts of leadership.”

Elizabeth Mendenhall, 2011 NAR Vice President & Liaison to Committees

In October 2011, NAR had the privilege of being a witness to history when the Memorial was dedicated. NAR was recognized by the Memorial Foundation for its major contribution and NAR’s commitment to the principles of fair housing and equality for which Dr. King stood.

NAR, along with other major contributors such as General Motors, Boeing, Disney, and FedEx, shares the dream of MLK and continues to make it a reality every day through the work of REALTORS®.

Good Neighbor Awards

REALTOR® Magazine’s Good Neighbor Awards recognize REALTORS® who have made an extraordinary impact on their community, or on the national or world stage, through volunteer work. Since the inception of REALTOR® Magazine’s Good Neighbor Awards, nearly 120 REALTORS® have been honored by the program. In 2011, REALTOR® Magazine was pleased to announce the year’s five remarkable winners, who together volunteered a combined total of nearly 10,000 hours in 2010 : **LeRoy Bendickson, Marta Karpel, Vito Pampalona, Judy Pitt, and Wayne J. Shaffer.**



Volunteering Works

The Volunteering Works grant and mentoring program matches REALTORS® who would like to expand their community service outreach with mentors who are already successful volunteer leaders.

Five Volunteering Works applicants are selected to receive a year of one-on-one mentoring from a member of the Good Neighbor Society (the more than 100 past recipients of REALTOR® Magazine’s Good Neighbor Award or Good Neighbor Award honorable mention) and a \$1,000 grant as seed money to enhance their community program. Recipients are selected based on their dedication to the community through volunteer work and the potential for their charitable work to be expanded or improved with the help of an expert mentor.

“REALTORS® value community and service,” says NAR 2011 President **Ron Phipps**. “The Volunteering Works program is just another example of how REALTORS® strive to strengthen and support their communities.”

Housing Opportunity and Smart Growth

In 2011, NAR awarded a total of **82 grants** to state and local REALTOR® associations, totaling **\$388,000**, to support association efforts in Housing Opportunity, Diversity and Smart Growth.

NAR continued its efforts to combat the lack of affordable housing for working families, completing its third annual series of regional forums on workforce housing. The forums—held in Boston, Washington, D.C., and Portland, Ore.,—brought REALTORS® together with state and local housing leaders, local government officials, non-profits and business professionals to examine workforce housing issues.

NAR continued its popular service of providing state and local associations with expert analysis of proposed land use measures by the firm of Robinson & Cole. In 2011, this program assisted 40 associations in 22 states.



seize the opportunity

Over the past several years the real estate industry encountered some of its rockiest terrain ever. In 2011, the National Association of REALTORS® seized every opportunity, no matter how big or small, to ensure that home ownership and private property rights remain at the heart of the American Dream for the coming generation.

“FOR THE FIRST TIME IN GENERATIONS, THE AMERICAN DREAM OF HOME OWNERSHIP IS BEING THREATENED,” WE NEED TO KEEP HOUSING FIRST ON THE NATION’S PUBLIC POLICY AGENDA BECAUSE HOUSING AND HOME OWNERSHIP ISSUES AFFECT ALL AMERICANS.”

Ron Phipps, 2011 NAR President



taking REALTORS®' advocacy to the next level

REALTOR® Party Initiative

In 2010, a Supreme Court decision dramatically changed the field on which politics is played. It left the REALTORS® and the issues we advocate for at a severe disadvantage. Instead of being left behind the NAR seized the opportunity to push home ownership and private property rights to the forefront. In May 2011, NAR's Board of Directors approved one of the widest-reaching programs in the Association's history, the *REALTOR® Party Initiative*. It combines the full force of our national association with our grassroots power to work for the good of the industry and America's property owners. The multimillion dollar initiative enables NAR to bring powerful advocacy and community programs directly to state and local levels, where many real estate battles are being fought.

How Louisiana and NAR rocked the vote to win a major real estate transfer tax battle

by Lani Rosales on November 28, 2011 · 8 Comments · in News

Amendment #1 PASSES!

NO NEW TRANSFER TAXES IN LOUISIANA!

Thanks to the voters and all who supported the effort!

Political Advocacy: Louisiana Win About More Than Transfer Taxes

Louisiana bans transfer taxes in a victory fueled by the My REALTOR® Party initiative.
JANUARY 2012 | BY ROBERT FREEDMAN

Issues Mobilization

NAR awarded grants to **9 associations**. NAR partnered with Louisiana REALTORS® Association to persuade voters to amend the state constitution to prohibit all real estate transfer taxes in the state. The constitutional ballot initiative won with **81** percent of the vote, the **second highest** voter approval in state history for a constitutional amendment.

13 states adopted laws in 2011 to ban private transfer fees. NAR assisted **11** of these states with writing the legislation. Over the past two years, **30 states** have adopted laws to ban transfer fees, and NAR assisted **27 state associations** on this issue.

NAR funded New York State Association of REALTORS® successful legislative campaign to enact a 2 percent cap on annual property tax increases.

Candidate Independent Expenditures Campaigns

NAR worked with **9 state associations** and their local associations on **29 state and local independent expenditures races** throughout the country in 2011. NAR expended **\$430,193** for direct voter communications. A **majority** of NAR-supported candidates won in their **30 races**.

Calls For Action

Calls for Action average response rate **nearly doubled** to **12 percent** in 2011 over

the response rate in 2010. **Alaska, Arkansas, Delaware, Iowa, Kansas, Kentucky, Mississippi, Missouri, Montana, Nebraska, North Dakota, Pennsylvania, South Dakota and Utah** all broke **15** percent average response rates.

NAR also began to see the advent of large-to-medium size states starting to break their REALTOR® Political Involvement Committee goal for the first time. The introduction of local association Call for Action reports has generated more active engagement to help drive up member political participation in many areas.



Broker Involvement Program

In 2011, more than 3,300 brokers joined the program—a 43 percent increase over the same period the previous year. More than 10,000 brokers are now participating in the program involving over 380,000 agents.



REALTORS® Political Involvement Committee (RPIC)

RPIC experienced a complete resurgence through new accountability and performance measures of our key contacts on Capitol Hill and the volunteers appointed as Federal Political Coordinators. **99 percent** of all FPCs responded to Calls for Action on all occasions – the highest performance ever. FPCs filed more than **3,000** field reports, an **all-time high** for NAR.

The REALTOR® Party Platform

222 state and local associations now use NAR's software to advance the REALTOR® Party goals of Vote, Act and Invest.

REALTORS® Political Action Committee (RPAC)

RPAC raised \$5,240,730 plus \$934,000 in President's Circle investments for a total of \$6,174,730. Despite these challenging fundraising times, 41 state and territory Associations achieved their 2011 Fair Share Goal with RPAC funds alone. Counting President's Circle credit, 10 additional states also met their 2011 Fair Share Goal. This means a grand total of 51 associations met their Fair Share Goal in 2011. The RPAC participation rate was 27 percent. 462 members invested in the President's Circle for a 12 percent increase over 2010. 3,487 REALTORS® were Major Investors (\$1,000 or more annually) in 2011 for a 9 percent increase over 2010. These funds will be used for direct contributions, opportunity races, and independent expenditures to support federal candidates in the 2012 election.



raise the professionalism of REALTORS®

REALTOR® University

REALTOR® University received operating authority from the Illinois Board of Higher Education in December 2011 to begin delivering courses that will lead to a **Master's in Real Estate (MRE)** degree.

More than **\$500,000** has been raised in scholarship funds. NAR created the REALTOR® University Library, the largest real estate library in the world.



Broker Price Opinion Resource (BPOR) Certification

In May 2011, the Broker Price Opinion Resource (BPOR) Certification launched, providing education to arm members with the knowledge and skills to reduce risk and increase opportunities by creating professional and accurate Broker Price Opinions.



Existing-Home Sales Re-benchmarking

NAR is committed to providing accurate, reliable data, which is why NAR re-benchmarked its existing-home sales series in 2011. All major statistical data series go through periodic reviews and revisions to ensure that sampling and methodology keep up with changes in the market, to ensure accuracy.

Over time, NAR's EHS series had drifted upward because of changes in the actual marketplace that were not reflected by the original model for calculating sales rates. These changes include population shifts in sampled areas, larger areas of MLS coverage, fewer for-sale-by-owner transactions, and individual sales sometimes being recorded in more than one MLS.

Local MLS data was not affected by this re-benchmarking, which reflected changes in national aggregate data and not information as reported by individual MLSs.



provide REALTORS®
with a business advantage

COMPELLING DATA AND STATISTICS

Commercial Information Exchange (CIE)
ePropertyData (ePD), NAR's technology partner, expanded its market share by adding three new CIE clients, broadening services for an additional 16,100 members. ePD serves a total of 15 clients, representing more than 127,000 members across the country, offering more cost-efficient access to commercial listing and property searches than other providers.

Profile of Home Buyers and Sellers
NAR's 2011 Profile of Home Buyers and Sellers showed trends that have not been seen in the last 10 years as tighter credit standards are changing who purchases homes, who sells homes and how homes are financed. **37 percent** of recent home buyers were first-time buyers, down from **50 percent** in 2010.

REALTORS® Property Resource (RPR)
REALTORS® Property Resource is live with more than **406,000** REALTORS® who have access to the system. RPR is contracted with **345** partnering MLSS.

The RPR Commercial Initiative
RPR Commercial Initiative was created in 2011 to extend RPR's core commitment to leverage a parcel-centric database to create business value, particularly for NAR's commercial practitioners.

Member Profile
NAR's **2011 Member Profile** found that the median age of REALTORS® has steadily increased in recent years, from **51** in 2007 to **56** in 2011. Sadly, the median gross income of REALTORS® continued to decline to \$34,100. This is probably due to the fact that all markets have been stalled by the tightening of the mortgage market, which has limited potential home buyers.

Vacation and Investment Home Buyers Survey
Key findings in the **2011 Investment and Vacation Home Buyers Survey** indicated that vacation- and investment-home sales held steady, although the sales volume declined with the overall market. Furthermore, **59 percent** of investment buyers **paid cash**, as did **36 percent** of vacation-home buyers in the most recent survey.



protecting the REALTOR® brand

CIVIX

NAR negotiated with Civix for a license to permit unlimited use of their patents by virtually all entities in the industry, including MLSSs, brokerage firms and vendors of Internet-based search tools used by either of them. The cost was far less than demanded by Civix or the costs that would have been incurred to litigate whether the various MLSSs or other industry participants actually infringed the patents.

Protecting Our Trademark

When a large Northwest real estate firm continued to use and to encourage its agents to use the registered trademark "REALTOR®" after the firm was no longer a REALTOR® firm, NAR successfully sued the former member firm for trademark infringement, including collecting a substantial payment of nearly \$200,000 from the firm.



extending our global reach

NAR launched REALTOR.com International at the REALTORS® Conference & Expo in November 2011. It features listings from Brazil, Bulgaria, Croatia, France, Italy, Portugal, Romania, Serbia, Slovakia and Spain. Realtor.com International also features easy-to-use currency and dimension converters as well as listing translation options for **11 different languages**.

Strengthened relationships in the Middle East by signing a Cooperating Association agreement with the **Dubai Real Estate Institute**.

NAR hosted the **first CIPS Institute in the Middle East**.

Added **4** new **global partners** in 2011: **Chinese Association of Real Estate Brokers of Taiwan, the Chamber of Real Estate and Builders Association of the Philippines, IVD Germany**, and the **Dubai Real Estate Institute**.

NAR launched the Global Business Councils Achievement Program. Out of the nearly 90 Global Business Councils nationwide, 21 Councils were recognized for their exceptional commitment to building members' awareness of the global and multicultural business opportunities in their local markets



provide REALTORS® with unparalleled benefits

The REALTOR Benefits® Program provided members with an array of value-added offers and savings from nearly **30 industry-leading companies** in 2011. **More than 500,000** members took advantage of the program.



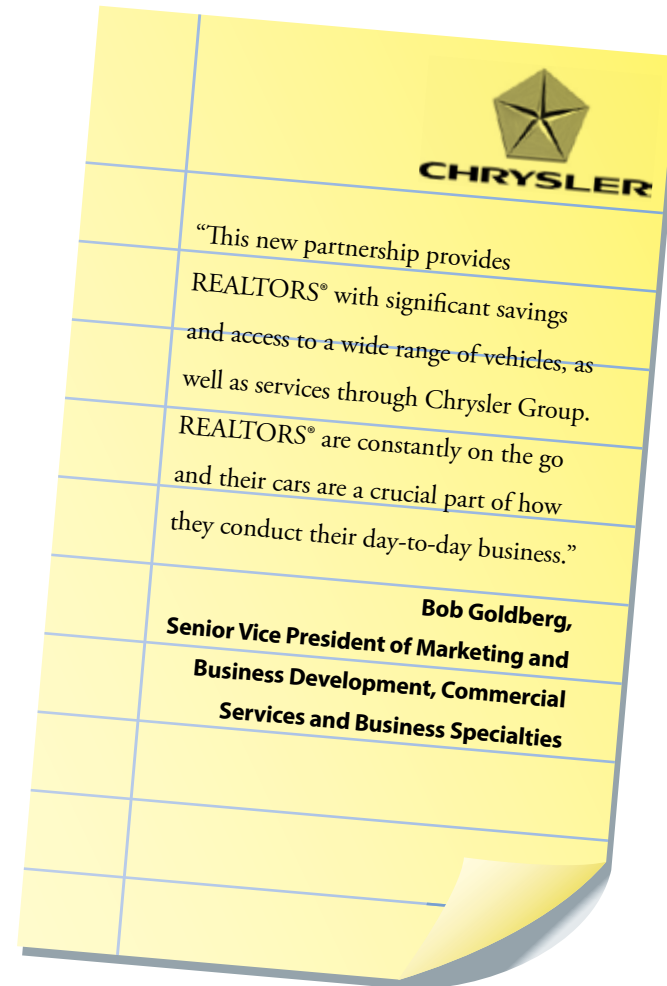
New partners in 2011 include:

OfficeMax; **Victor O. Schinnerer**, who provides errors and omissions insurance in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands; **lfbyphone**, which enables REALTORS® to track and respond to ads that generate phone leads; and **Chrysler Group LLC**—the Official Automobile Manufacturer of the National



Association of REALTORS®—which now offers members \$800 in benefits which includes a \$500 cash allowance on the purchase or lease of select 2012 Chrysler, Dodge, Jeep and Ram models. ZipLogix, the exclusive and official forms software for NAR, recently celebrated **20 years** of innovation in real estate technology.

For a number of years NAR held a majority position in Sentrilock, a premier lockbox system technology company, and in 2011 they became full owners. Sentrilock will continue to deliver better products that will save members' time and increase their efficiency. The SentiLock System currently has nearly **600,000 lockboxes** in use by **195,000 members** from over **240** different boards, associations and MLSs in the United States and Canada.



Second Century Ventures, NAR's strategic investment arm, helped its portfolio companies—DocuSign, eProperty Data and lfbyphone—expand into the real estate industry and bring value to NAR members. Together these companies provided members more than \$10 million in savings and value through discounts and additional benefits provided to REALTORS® by these companies.



1,144 members were awarded the **REALTOR® Emeritus** designation in 2011.

NAR's Member Guide debuted in May in a new online-only format. The new platform allows state and local associations to upload their own custom messages and events to create a personalized experience for each member of their REALTOR® family. An iPhone/ iPad app debuted in September, and an Android app debuted in November.

offer REALTOR® associations tools to benefit their members

Commercial Services Accreditation

Outreach efforts culminated in **13 additional associations** earning **Commercial Services Accreditation**. The result is specific and expanded commercial services for more than **36,000 members**. There are now **98 Accredited Associations** across the country, representing more than **272,500 members**. Accreditation has strengthened communications with REALTOR® boards and structures offering commercial services to members.

RAMCO

In 2011, REALTOR® Association Management Cooperative (RAMCO) worked with all participating REALTOR® Associations and REALTOR® Multiple Listing Services that chose to create, provide support for and manage a comprehensive membership data solution that fulfills the changing needs of the REALTOR® organization, allows flexibility for the diverse management requirements of its members, and reduces ongoing membership system and development costs. As of November, there were **93 Subscriber Associations**.



seize the agenda

Advancing the cause of home ownership and private property rights is inextricably linked with the public policies emanating from Washington, D.C. In 2011, The National Association of REALTORS® seized the agenda to ensure that the interests of REALTORS® are protected, and the value of home ownership, commercial real estate and private property rights were key priorities for all policymakers.

“REALTORS® AND THE FAMILIES WE WORK WITH, DAY IN AND DAY OUT, KNOW THAT HOME OWNERSHIP MATTERS, AND NOW, WITH OUR COMBINED AND CONTINUED EFFORTS, WE’RE GOING TO MAKE SURE THAT POLICYMAKERS UNDERSTAND THAT, TOO.”

Ron Phipps, 2011 NAR President



ensuring the flow of capital into the real estate market

Keeping Home Ownership Affordable

REALTORS® understand that keeping housing affordable is essential to a strong economic recovery. So, when the loan limits for the Federal Housing Administration (FHA) were set to automatically decrease if Congress didn't extend them on September 30, the National Association of REALTORS® made the convincing argument that this would hurt consumers and stall our economic progress. NAR successfully obtained a two-year extension for the FHA limits, through December 31, 2013. This restores the previous FHA limit, which was at 125 percent of area median price up to \$729,750. NAR's work to reinstate the higher loan limits positively impacts consumers **in 669 counties in 42 states**.

Our efforts also prevented rolling Fannie Mae's and Freddie Mac's conforming loan limits into a single \$417,000 nationwide standard. If implemented, this **would have reduced loan limits in 124 counties in 21 states**.

NAR's also defeated a congressional proposal to eliminate the low cost limit for FHA-insured mortgages. The proposal would have **decreased limits in 257 counties and in 34 states**.

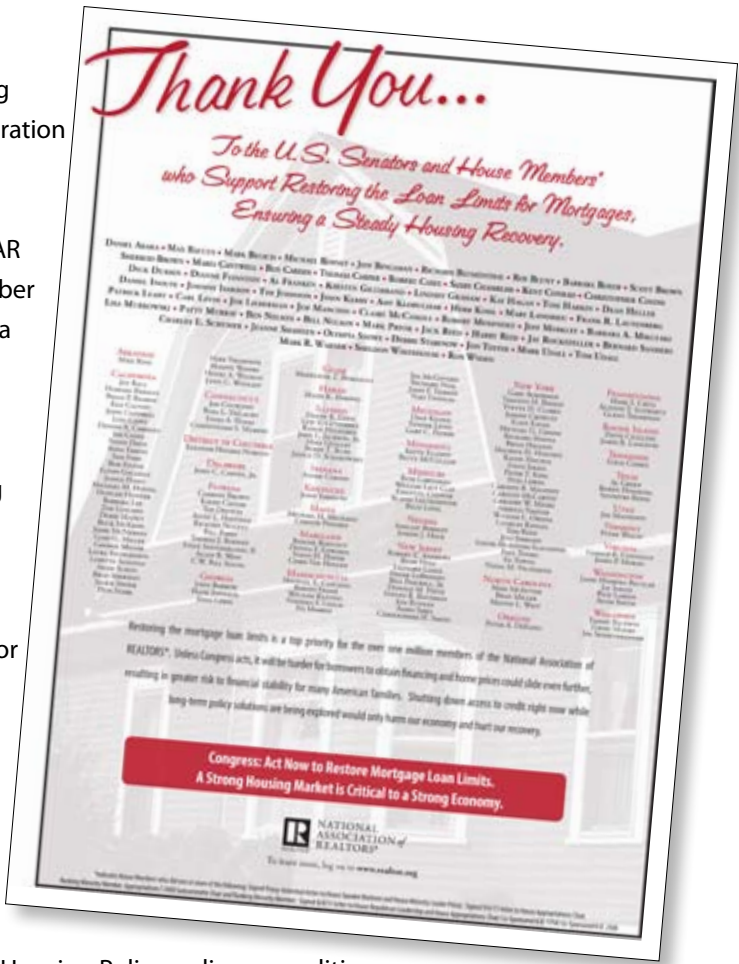
Working to Stop Onerous Down Payments

When REALTORS® first heard about a federal rule with the potential to paralyze the fragile housing market recovery by requiring onerous down payments for mortgages, NAR immediately jumped into action. NAR spearheaded efforts to oppose the rule by creating the Coalition for Sensible Housing Policy, a diverse coalition of 47 consumer organizations, civil rights groups, lenders, real estate professionals, insurers and local governments. REALTORS® believe that a minimum 20 percent down payment, stringent debt-to-income ratio requirements and rigid credit standards will deny millions of creditworthy Americans access to the lowest cost and safest mortgages. The consequences of this proposed rule being implemented are stark:

- **25 million** current homeowners would be denied the ability to refinance into a lower rate qualified residential mortgage (QRM) because they lack **20 percent equity**.
- The average American family would take **16.5 years** to fully save for a 20 percent down payment.
- Minority households would be particularly hard hit by the proposed narrow QRM standard.



The coalition raised awareness of the issue by issuing a white paper, and generating more than 10,000 consumer letters that were sent to federal regulators.



Protecting a Strong Mortgage Finance System for the Long Term

NAR has advocated strongly for ongoing government participation in any efforts to enact comprehensive secondary mortgage market reform, building upon recommendations developed by NAR's Government-Sponsored Enterprise (GSE) Presidential Advisory Group (PAG). In 2011, two comprehensive bills were introduced that include some level of government participation in the secondary mortgage market. With the introduction of these two measures, the debate over reform of the secondary market shifted away from one focused on rapid and total privatization of the GSEs to a more careful conversation about the need for continued government involvement.



Additionally, NAR protected the affordability and availability of FHA mortgage insurance when we successfully prevented increasing FHA's down payment requirement to 5 percent. Because of NAR's action, **345,000 borrowers** continued to be eligible for FHA loans in 2011.

NAR also assembled a coalition to recommend changes to the FHA's condominium rules to provide greater liquidity to this sector of the real estate market without causing additional risk to the FHA insurance fund.

We urged passage of legislation that would create a framework to establish a covered bond market in the United States as part of NAR's continuing efforts to loosen the housing credit market.

NAR sought relief for seller financing under the Secure and Fair Enforcement for Mortgage Licensing (SAFE) Act of 2008 and in the context of the "ability to repay" qualified mortgage (QM) proposed rule.

Improving Liquidity for Commercial Real Estate

To increase liquidity for both commercial real estate lessees and lessors, NAR urged the Financial Accounting Standards Board and the International Accounting Standards Board to not bring leased assets onto their books as liabilities. As a result, the boards announced they would invite additional public comments on the proposed lease accounting changes.

To provide credit relief for property owners and help stabilize the commercial real estate and small business sectors, NAR urged the Small Business Administration to accept refinancing applications for commercial real estate mortgages. After extensive lobbying by NAR, the SBA agreed, in February 2011, to do so for loans maturing by the end of 2012.



preserving the value of property ownership

Guaranteeing the Availability of Flood Insurance

The National Flood Insurance Program (NFIP) ensures that homeowners and renters in participating communities nationwide have access to affordable flood insurance. With NAR's support, the House passed a 5-year reauthorization of the NFIP. While the bill includes tough premium rate reforms, NAR successfully worked to minimize the negative impact of those reforms and defeated several privatization efforts, including one to terminate the NFIP. While the Senate continues to work on its version of the 5-year reauthorization bill, NAR secured a short-term extension until May 31, 2012, and is working to ensure that Congress finishes the 5-year bill in the interim. Because of NAR efforts, no lapse in coverage occurred since 2010, which **prevented 1,332 sales from being cancelled or delayed** for every day of lapsed coverage.



Protecting Tax Benefits that Support Home Ownership

Given the near certainty that an effort will be made to cut back on the mortgage interest deduction (MID), NAR ramped up meetings with members of Congress in preparation for future tax reform and deficit reduction debates. In addition, NAR evaluated and compared reform proposals and developed the extensive data needed on the impact of changes to the limits on home equity deductions, **reduced caps on mortgage deductions and limitations on second home deductions**. In anticipation of future advocacy efforts, NAR conducted voter focus groups and national polling on MID-related issues. NAR stands ready on the issue for when it next arises.

Ensuring Environmental Policies Compliment Home Ownership

NAR successfully persuaded the U.S. Department of Energy (DOE) to first conduct pilot studies and carefully consider any unintended real estate implications before expanding nationwide voluntary **home energy labeling program**, which could **disadvantage older homes** and emphasizes the fixed features of the home, rather than on how owners use the home. At NAR's request, DOE clarified the purely voluntary nature of the program for homeowners.

NAR successfully advocated for the addition of provisions to House Appropriations bills that would bar the Environmental Protection Agency from enforcing lead paint standards before accurate test kits are approved; regulating and permitting carbon dioxide emitted from office and apartment buildings; and issuing "voluntary" guidance that would **expand the number of waters and properties subject to Clean Water Act regulations**. While these bills did not ultimately become law, NAR will keep working against the unnecessary over regulation of real estate.

protecting REALTORS® business interests and activities

Providing Relief From Business Stifling Provisions

After continued efforts to urge reinterpretation or amendment of the Mortgage Assistant Relief Services (MARS) rule, including a July 7th meeting between NAR President Ron Phipps and Federal Trade Commission (FTC) Chairman Jon Leibowitz, the FTC announced on July 15th that it would refrain from enforcing the most burdensome provisions of its MARS rule against real estate professionals who assist consumers in obtaining short sale approval from their lenders or servicers.

NAR also won relief from an overly narrow interpretation of the Secure and Fair Enforcement Mortgage Licensing (SAFE) Act as it applies to real estate brokerage activities compensated by a lender, mortgage broker or other loan originator (or their agent).

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Consumer Financial Protection Bureau (CFPB) must unify the disclosures required under the Real Estate Settlement Services Procedures Act (RESPA) and the Truth in Lending Act (TILA). NAR has long supported simplification of mortgage disclosure forms and has met regularly with CFPB since the spring of 2011 to ensure useful disclosure and a proper and efficient regulatory framework that is in keeping with the letter of the law. NAR is also a major participant in an industry coalition working on this effort. The process for developing new forms has been refreshingly open and collaborative into the fall of 2011, but major work on the underlying framework lies ahead and will be a significant test for the CFPB.



Ensuring Online Business Remains Unfettered

On November 20, 2011, network neutrality rules established by the Federal Communications Commission went into effect. Net neutrality is the concept that all users, devices and websites should have equal access to the web. NAR supported the net neutrality rules recognizing that the business of real estate is increasingly conducted online. **Streaming video, virtual tours and voice-over-Internet-protocol are just some of the technologies** that are commonly used by REALTORS® today. In the future, new technologies will be adopted which will no doubt require unencumbered network access.

Improving Appraisal Independence and Integrity

Over the past several years, REALTORS® learned firsthand that interference in the appraisal process unnecessarily put a sustainable housing recovery at risk. Throughout the year, NAR worked to improve the independence and integrity of the appraisal process.

In April, NAR released a statement expressing concerns about recent attempts to interfere with the appraisal process and the independence of appraisers. Later in the year, NAR called for a ban on the use of indemnification clauses by appraisal management companies (AMCs). Indemnification clauses are becoming more common in service contracts used to engage AMC panel appraisers.

NAR continued to press the issue, submitting comments on a proposed U.S. Labor Department rule that would require appraisers to have a fiduciary responsibility to retirement plans in cases where the plan is involved in the purchase or investment of real property. NAR argued that appraisers are required to be independent and should not be considered a fiduciary. As a result, the Labor Department announced it will re-propose its rule on the definition of a fiduciary.

Correcting the REO and Short Sales Process

In June, members reported issues in several states with closings on real estate owned (REO) property owned by the U.S. Department of Housing and Urban Development (HUD). NAR sent a letter to HUD asking for a quick solution to this problem, which was delaying or denying the dream of home ownership to families across the country. HUD contracts with attorneys for closings in the disposition of their REO property, and there was an unexpected issue with these contracts. After NAR worked closely with senior staff and HUD’s REO Department, the issue was resolved and closings for HUD REO properties now occur on a normal schedule.

REALTORS® continue to inform NAR about issues that their clients have when trying to get an answer on the approval of a short sale. To bring relief to distressed homeowners that want to execute a short sale in lieu of a foreclosure, NAR supports legislation requiring that servicers decide whether to approve a short sale within **45 days** of completion of the file. This legislation, based on direct NAR input, was reintroduced in the House. NAR is pleased that there is an effort to have a companion bill introduced in the Senate, thus increasing the visibility of the issue and placing additional pressure on lenders to **streamline the short sales process**.





In an effort to increase participation in the Home Affordable Foreclosure Alternatives (HAFA) program to expedite short sales, NAR encouraged the Treasury Department to engage real estate professionals at Making Home Affordable community outreach events. On October 12, the Treasury Department, in collaboration with the Arizona Association of REALTORS® and NAR, held a “Help for Homeowners” outreach event in Phoenix, Ariz.

There was also a pilot session for REALTORS® wanting to learn more about the Treasury Department’s HAFA program. In addition to helping real estate professionals learn more about the program, agents and brokers had the opportunity to find solutions to difficult HAFA transactions, working with loan servicers face-to-face. NAR continues to collaborate with the Treasury Department on HAFA improvements and the development of a streamlined short sale process beyond the expiration of the program scheduled for the end of 2012.

In September after full consultation with appropriate NAR committees, NAR filed comments in response to the Obama Administration’s Request for Information (RFI) on the concept of selling REO properties of FHA and the GSE’s in bulk to investors who in turn would convert properties to rental use for a specified period of time. NAR comments urged caution in proceeding with bulk sales for fear that such sales would adversely impact neighboring property values. NAR also urged that such sales be small in number and limited in geographic scope to those areas only with excess of REO’s and increased rental demand. NAR also urged that local property managers, contractors and real estate professionals be involved in local REO sales and disposition. NAR continues dialog with the Federal Housing Finance Agency (FHFA), the lead federal agency, in 2012.



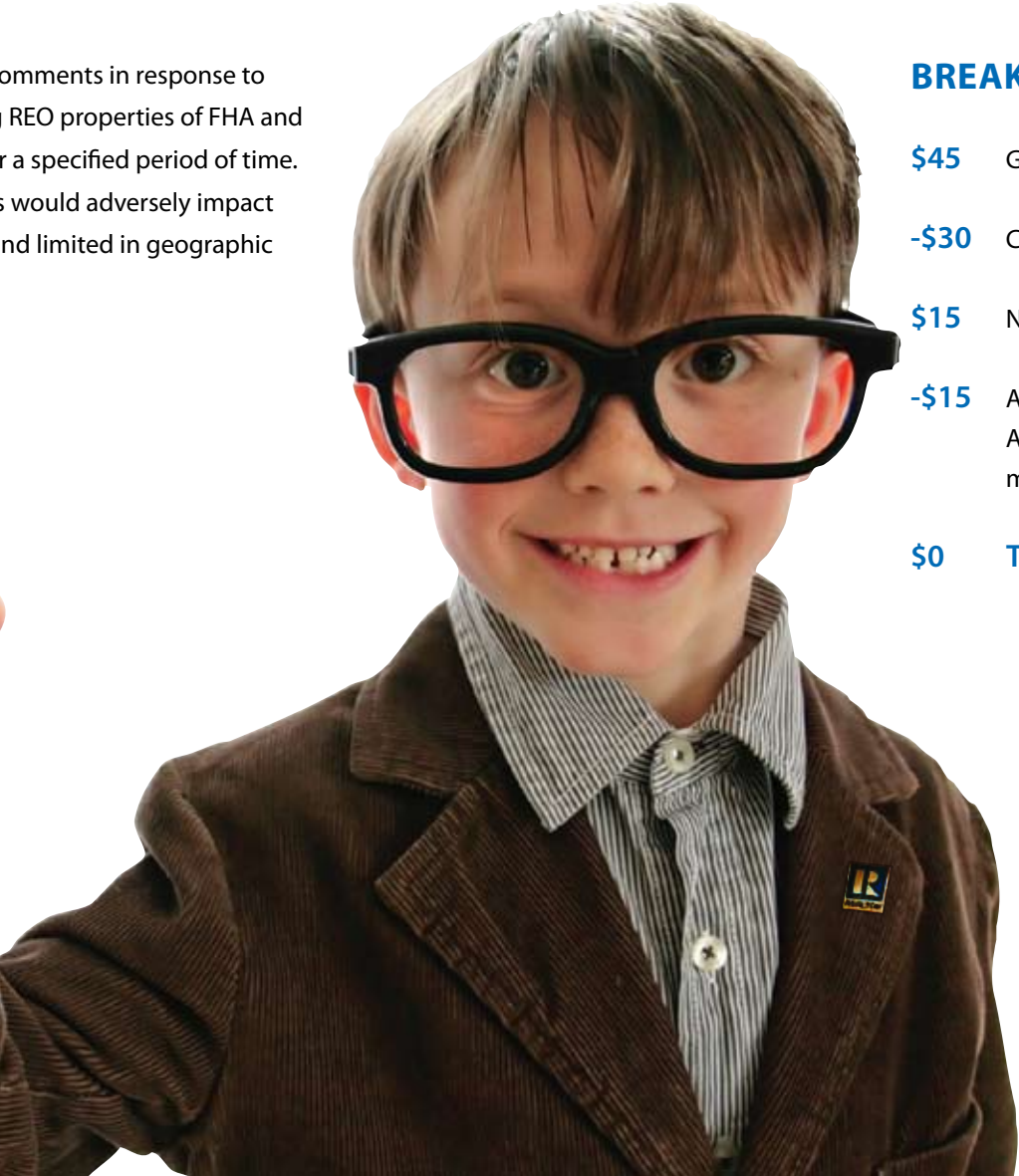
where do your dues dollars go?

BREAKDOWN OF MEMBERSHIP DUES AND ASSESSMENTS ARE USED

- \$35** Public Advocacy Campaign (2,000 television/5,000 radio spots annually, and advocating for REALTORS®, home ownership, and private property rights)
- \$28** Government Affairs, Political Affairs, Economics & Research, Regulatory Affairs, RPAC, Public Affairs
- \$18** Second Century Initiatives: Realtors Property Resource™, HouseLogic, “Real Estate Today” Radio, new real estate domain, Commercial (eProperty Data)
- \$34** All the rest of NAR’s Services (Legal, Communications, International Policy, Commercial, Education, Marketing, Affinity Partners, Business Specialties, Wholly Owned Subsidiaries, Center for REALTOR® Technology)
- \$115** **Total 2011 dues and assessments**

BREAKDOWN OF HOW NONDUES REVENUE IS USED

- \$45** Gross nondues revenue (rent, interest income, royalties, ad sales)
- \$30** Cost of producing revenue
- \$15** Net income from nondues revenue
- \$15** Association leadership and committee governance: Midyear Business Meetings, Annual Convention Business Meetings, Leadership Summit, officer costs, special meeting costs, audit and tax expenses
- \$0** **Total paid by members for leadership and governance**



member value calculator

	Retail Price	Member Price	Savings
Courses/Training/Webinars			
Online Code of Ethics training	\$30	Free ¹	\$30
Online NAR designation and certification courses	\$115- \$295	\$103- \$265 ²	\$20
Informational webinars	\$20	Free ³	\$20
Professional development webinars from REALTOR® University	\$20	\$15 ⁴	\$5

Listings			
Residential listings on REALTOR.com®	\$49	Free ⁵	\$49
International listings, translation services, & area/currency conversion	\$200	Free ⁶	\$200

News and Publications			
REALTOR® Magazine	\$56	Free ⁷	\$56
Free ready-to-share articles from REALTOR® Content Resource	\$500	Free ⁸	\$500
Books and brochures in the REALTOR.org Store (average price)	\$43	\$10 ⁹	\$33
E-books/e-products in the REALTOR.org Store (average price)	\$25	\$16 ¹⁰	\$9

Conferences and Networking			
REALTORS® Conference & Expo	\$760	\$380 ¹¹	\$380
Commercial Caffeinated networking breakfast	\$55	\$45 ¹²	\$10
RealShare Conferences for commercial practitioners	\$249	\$199 ¹³	\$50
Young Professionals Network	\$100	Free ¹⁴	\$100

Select Products and Services			
Car rental discounts	\$229	\$188 ¹⁵	\$41
Computer discounts	\$1,925	\$1,232 ¹⁶	\$693
Lead routing and ad measurement services	\$719	\$479 ¹⁷	\$240
REALTORS® Dental Insurance	\$456	\$350 ¹⁸	\$106
REALTORS® Core Health Insurance	\$2,531	\$2,082 ¹⁹	\$449
REALTORS® Federal Credit Union banking services	\$108	Free ²⁰	\$108

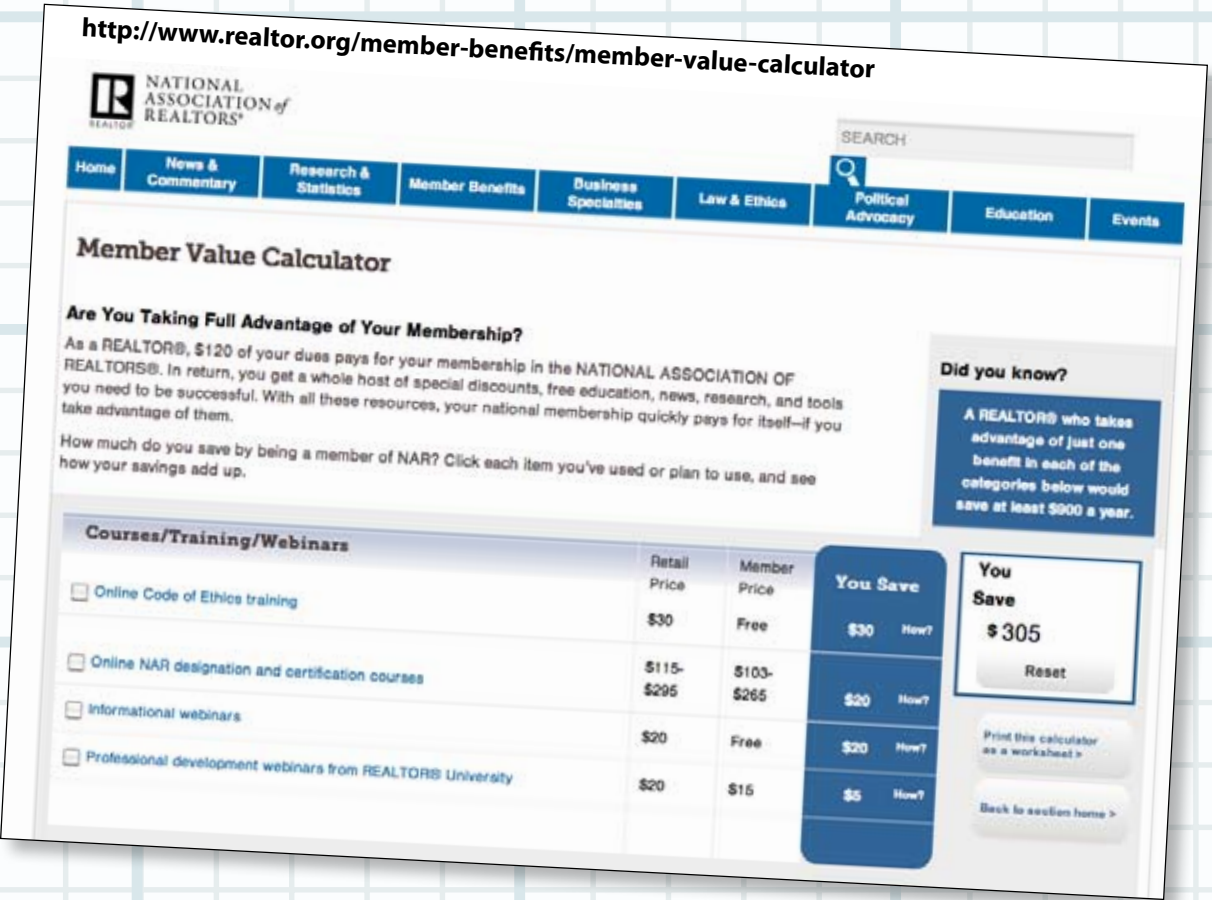
Research Reports			
NAR Member Profile	\$150	\$20 ²¹	\$130
Technology reports	\$300	Free ²²	\$300
Home Buyers and Sellers Profile	\$150	\$20 ²³	\$130
Commercial research reports	\$400	Free ²⁴	\$400
Local Market Reports	\$200	Free ²⁵	\$200

	Retail Price	Member Price	Savings
Consulting and Custom Research			
Library services (research services, access to online publications, etc.)	\$250	Free ²⁶	\$250
Historical data requests	\$300	Free ²⁷	\$300

Branding and Advertising			
Lowe's Program for REALTORS®	\$377	Free ²⁸	\$377
Agent profile Web page on REALTOR.com®	\$69	Free ²⁹	\$69
Find a REALTOR® Office profile page on REALTOR.com®	\$69	Free ³⁰	\$69

	Potential cost	Cost After	Savings
Advocacy Achievements			
NAR Action			
Flood Insurance	\$5,000	\$0 ³¹	\$5,000
	in lost commissions		
Deductibility of health insurance premiums	\$225 - \$450	\$0 ³²	\$337
Safe Act Licensing	\$1,460 - \$3,360	\$0 ³³	\$2,410
Prevention of 10% down payment on FHA loans	\$3,225	\$0 ³⁴	\$3,225
Repeal of 1099 reporting requirement	\$740	®\$0 ³⁵	\$740

TOTAL MEMBER SAVINGS: \$17,006



2011 NAR Leadership Team



Ron Phipps
GRI, CRS, ABR, GREEN,
e-PRO, SFR
President



Moe Veissi
President-Elect



Gary Thomas
First Vice President



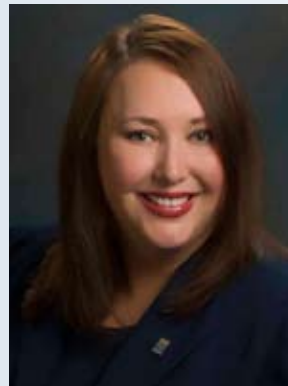
Bill Armstrong
GRI
Treasurer



Vicki Cox Golder
CRB
Immediate Past President



Vince Malta
Vice President & Liaison to
Government Affairs



Elizabeth Mendenhall
ABR, ABRM, CIPS, CRB,
PMN, e-PRO, LCI, GRI
Vice President & Liaison
to Committees



Dale Stinton
CAE, CPA, CMA, RCE
Chief Executive Officer

Regional Vice Presidents

Patti Lawton

CRS, e-PRO, GREEN, GRI
Region 1 (Connecticut, Maine,
Massachusetts, New Hampshire,
Rhode Island and Vermont)

Chris Clemans

CRS, GRI, ABR, RSPS
Region 2 (New Jersey, New York
and Pennsylvania)

Kit Hale

GRI
Region 3 (Delaware, District of
Columbia, Maryland, Virginia
and West Virginia)

Cindy Chandler

CCIM, CRE
Region 4 (Kentucky, North Carolina,
South Carolina and Tennessee)

Cynthia Shelton

CCIM, CIPS, CRE, GRI
Region 5 (Alabama, Florida,
Georgia, Mississippi, Puerto Rico
and the Virgin Islands)

Furhad Waquad

CRS, ABR, GRI, CIPS, SFR
Region 6 (Michigan and Ohio)

Kay Wirth

ABR, CRS, GRI, SFR
Region 7 (Illinois, Indiana and Wisconsin)

Lynn M. Leegard, Esq.

GRI
Region 8 (Iowa, Minnesota, Nebraska,
North Dakota and South Dakota)

Alan Huffman

Region 9 (Arkansas, Kansas, Missouri
and Oklahoma)

Andrea McKey

GRI
Region 10 (Louisiana and Texas)

Craig Sanford

CRS, GRI
Region 11 (Arizona, Colorado,
Nevada, New Mexico, Utah and
Wyoming)

Jan Ellingson

ABR, CRS, GRI, SFR, CIPS, GREEN,
SRES
Region 12 (Alaska, Idaho, Montana,
Oregon and Washington)

Jim Hamilton

CRS, GRI,
Region 13 (California, Guam
and Hawaii)

NAR Senior Staff

Dale Stinton

CAE, CPA, CMA, RCE
Chief Executive Officer

Janet Branton

CAE, CIPS
Senior Vice President, Global
Business & Alliances

Jerry Giovaniello

Senior Vice President, Government
Affairs & Chief Lobbyist

Bob Goldberg

Senior Vice President, Sales &
Marketing, Business Development
& Strategic Investments,
Commercial Services, Professional
Development, Conventions

Pamela Guerds Kabati

Senior Vice President,
Communications

Doug Hinderer

Senior Vice President, Human
Resources, AE & Leadership
Development

Laurie Janik

Senior Vice President, General
Counsel, Law & Policy

Mark Lesswing

Senior Vice President & Chief
Technology Officer

Frank Sibley

Senior Vice President,
Consumer Relations

Walt Witek

Senior Vice President,
Community & Political Affairs

Lawrence Yun

Senior Vice President,
Research
& Chief Economist

footnotes

¹ Mandatory ethics training enhances members’ professionalism and competency in their daily dealings with clients, consumers, and the public. NAR offers free online Code of Ethics training; members could pay \$30 or more for training from a third party.

² NAR is offering members 10% off designation and certification courses for specializing in short sales and foreclosures (SFR), 50+ market (SRES®), green (GREEN), and buyer representation (ABR®). The list prices for these courses range from \$115 to \$295. Calculation is average savings.

³ REALTOR® Magazine and other NAR departments offer free webinars-on buyer and seller trends, helpful tech tools for real estate professional, and much more-designed to help give members a business edge. Similar webinars can cost roughly \$20 from other sources.

⁴ REALTOR® University offers weekly webinars on topics such as branding, lead generation, and social media. NAR Members pay \$14.95 - a discount of \$5 per webinar.

⁵ If your MLS is a REALTOR.com® data content provider, you receive free basic listings on REALTOR.com®, real estate’s most-viewed Web site. REALTOR.com® attracts nearly 13 million visits from potential buyers and each listing is viewed on average 1,500 times per month. The estimated savings includes the operating, marketing, and SEO/SEM costs to aggregate, display, and host a web page for each listing.

⁶ Estimated savings is based on the cost a real estate professional would pay for similar services from a third-party vendor.

⁷ NAR members receive REALTOR® Magazine automatically as a member benefit. Cost to subscribe for non-members is \$56.

⁸ Most REALTORS® need content for their newsletters, blogs websites, and social media. NAR’s REALTOR® Content Resource tool makes content from HouseLogic about all aspects of homeownership, buying, and selling available to members at no charge, ready to use in consumer communications with the member’s brand. If REALTORS® purchased a similar tool, it would cost \$500 a year.

⁹ The REALTOR.org Store offers more than 300 bestselling books, business guides, and more on real estate topics at special member pricing-and even offers several free publications. Discounts vary; estimate is for average savings.

¹⁰ Among the REALTOR.org Store’s e-product offerings are many of our popular brochures on buying and selling and some free e-publications available for download. Discounts vary; estimate is average savings.

¹¹ NAR’s annual national conference offers 100+ hours of learning sessions from top speakers and the opportunity to network with members from around the globe. The conference features an accompanying expo featuring 400 valuable venders. Each full-conference attendee receives a complete set of session recordings (\$380 value).

¹² This networking breakfast takes place during the REALTORS® Conference & Expo in November and features a keynote speaker along with the unique opportunity to meet and share best practices with commercial colleagues from across the country. Ticket cost is \$45 for NAR members and \$55 for nonmembers.

¹³ These daylong conferences held throughout the year address key commercial-market segments such as student housing and medical offices or issues that have industry wide implications, such as finance and investment. NAR members can use the promo code and receive \$50 off the cost of registration.

¹⁴ Through networking events, a lively blog, and an engaged YPN Advisory Subcommittee, the Young Professionals Network gives its members-REALTORS® mostly under the age of 40 (though there are no formal age restrictions)-unique tools to advance their careers. Other specialty networks charge about \$100 for membership, while it’s free for NAR members to join the YPN.

¹⁵ Members receive discounts on car rentals from REALTOR Benefits® Partners. Estimated savings is based on one typical member rental experience.

¹⁶ Members receive discounts on the purchase of computers and peripherals. Estimated savings is based on one typical member purchase through the REALTOR Benefits® Program.

¹⁷ REALTOR Benefits® Partner 1byphone offers an exclusive suite of voice communications services for NAR members. Estimated annual savings is difference between member price and retail price of comparable nonmember product.

¹⁸ REALTORS® Dental Insurance, offered through the REALTOR Benefits® Program offers exclusive plans and rates for NAR members. Annual savings based on cost of comparable retail product and only represents premium savings (does not take into account PPO savings that may be realized or out-of-pocket costs that members may incur who have no insurance).

¹⁹ REALTORS® Core Health Insurance provides guaranteed-issue, affordable limited medical plans that are exclusively designed and priced specifically for NAR members through the REALTOR Benefits® Program. Annual savings is based on cost of comparable retail product and only represents premium savings (does not take into account PPO savings that may be realized or out-of-pocket costs that members may incur who have no insurance).

²⁰ REALTORS® Federal Credit Union is an independent, member-owned financial cooperative with services designed to meet the unique financial and cash-flow needs of real estate professionals. Estimated annual savings on banking services is based on REALTORS® FCU’s truly free checking compared with minimum requirements fees from select major banks.

²¹ Members pay \$20 for the downloadable NAR Member Profile, an annual report summarizing the business characteristics, activity, and demographic of NAR’s residential members; list price is \$150.

²² NAR’s Center for REALTOR® Technology issues reports on various topics, such as smartphone usage among REALTORS® and tech trends among MLSs. Other industry researchers charge for such reports; NAR offers them for free.

²³ Members pay \$20 for downloadable in-depth analysis answering who today’s home buyers and sellers are, how they work with real estate agents, and what role the Internet plays in the process; list price is \$150.

²⁴ NAR’s quarterly Commercial Real Estate Outlook is NAR’S flagship commercial research report, with commercial market data on five key sectors-industrial, office, multifamily, retail, and hospitality real estate. Other commercial trade organizations charge as much as \$400 for similar data, and banks and large firms produce their own, typically not for public sale.

²⁵ NAR produces reports on 150 local markets each quarter. These reports provide insights into the fundamentals and direction of the nation’s largest metropolitan housing markets. Each report evaluates a number of factors affecting home prices, including the local job market, foreclosure rates, housing inventory, and debt-to-income and mortgage-servicing-costs-to-income ratios. Similar reports from Moody’s or others sell for as much as \$200 per report.

²⁶ Savings is based on the cost of joining a specialty real estate library. NAR’s InfoCentral provides digital book loan, audio-video loan, newspapers and magazines, field guides, and individual search requests.

²⁷ NAR will do a custom pull of data, depending on availability, from the full history NAR’s existing-home sales, pending home sales, and housing affordability data at no cost to member. Estimated savings is what non-members pay NAR for such data on average.

²⁸ The Lowe’s program is free to NAR members, is entirely customized and branded, and unlike any other service available to nonmembers. These estimated savings are based on NAR’s calculation of what each component of the program (postcard direct mail campaign, e-mail campaign, and gift-card purchases) could cost real estate professionals annually for comparable services purchased independently of the program.

²⁹ Estimate considers cost of hosting a customizable Web page template for each office, value of REALTOR® branding, indexing for improved search-engine results, and links to REALTOR.com®, the No. 1 real estate site.

³⁰ Estimate considers cost of hosting a customizable Web page template for each agent, value of REALTOR® branding, indexing for improved search-engine results, and links to REALTOR.com®, the No. 1 real estate site.

³¹ Based on FEMA estimates, as many as 10 percent of homes are located in flood plains. At the current rate of home sales (roughly 5 million per year) about 500,000 sales per year are in areas affected if flood insurance is unavailable. That means that a year-long reauthorization of the National Flood Insurance Program saved the typical REALTOR® nearly \$5,000 by allowing sales in flood prone areas to be completed.

³² NAR supported provisions allowing self-employed individuals to fully deduct health insurance premiums when computing payroll taxes in 2010. According to a June 2010 Kaiser Family Foundation report, premiums for individual coverage averaged just over \$3,600 and for family coverage more than \$7,100 per year. Based on this average, deducting health insurance premiums for payroll tax purposes saves REALTORS® who purchase their own insurance between \$225 and \$450. Calculation is average savings.

³³ The cost of required education and licensing varies by state since some of the requirements differ, but based on the available information, the value of the licensing exemption won by NAR for its members ranges from \$1,460 to \$3,360 per person. Calculation is average savings.

³⁴ NAR analysis shows that if the FHA down payment was increased to 10 percent, that would disqualify 382,000 potential buyers. That translates to a per-member avoided income loss of about \$3,225.

³⁵ In a victory for REALTORS®, NAR fought for and won repeal of a 2010 provision that imposed burdensome 1099-reporting requirements on small landlords and the real estate practitioners who work with them. According to the National Federation of Independent Business, it costs the typical small business \$74 an hour to comply with tax paperwork. Assuming it would take roughly 10 hours per year to comply with the 1099 rule, the rule’s repeal saves REALTORS® approximately \$740 a year.





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