

To Whom it May Concern,

Opening Session:

Former Congress members Joe Cunningham and Trey Gowdy participated in the 2024 Realtors® Legislative Meetings, focusing on bipartisan solutions and policy discussions. Key points from their conversations include:

Importance of Bipartisanship: Gowdy emphasized building relationships across the political divide to foster understanding and cooperation.

Addressing Housing Shortages: Both speakers highlighted the need for tax code adjustments to increase housing inventory, acknowledging the challenges younger generations face in achieving homeownership.

Veteran Homebuyers' Challenges: They discussed the disadvantages veterans face under current VA loan conditions and stressed the need for advocacy to facilitate their access to housing.

Real Estate Advocacy: NAR officials discussed ongoing efforts with the 118th Congress to protect and enhance homeownership through legislative measures like the More Homes on the Market Act and tax incentives for converting commercial properties to residential use.

Tax Policy and Homeownership: With the looming expiration of the Tax Cuts and Jobs Act, they outlined necessary actions to prevent a resulting tax increase and proposed new measures to assist first-time homebuyers and promote homeownership.

These discussions highlight the role of Realtors® in legislative advocacy and the importance of governmental action to address current and future housing market challenges.

Take Aways: Trey Gowdy – Seek unlikely friendships. Learn through the eyes of others

If you want more of something, incentivize it, if you want less you tax it.

National Cemetery: Tragically beautiful and people you do not know that shaped our country

Attorneys take 40% of Veteran benefits but we can not ask for 3% to guide a Veteran through a complex issue.

Capital Gains and Salt Tax are the most important to Realtors right now.

Economic Forecast:

Lawrence Yun, Chief Economist at the National Association of Realtors® (NAR), made several forecasts and comments during the 2024 REALTORS® Legislative Meetings. Here are the key highlights:

Home Sales and Interest Rates: Yun predicts a rise in existing-home sales from 4.09 million in 2023 to 4.46 million in 2024, and then to 5.05 million in 2025. He anticipates that long-term interest rates will decrease, which will contribute to this growth in home sales

Economic Indicators: Employment gains (six million jobs above pre-COVID levels) are pushing up home prices. Yun believes a strong local economy is crucial for a robust housing market. Moreover, falling rents are expected to help lower the consumer price index (CPI) and prompt the Federal Reserve to reduce interest rates

Wealth Comparison: Homeowners' median net worth in 2022 stood at \$396,200 compared to \$10,400 for renters. This disparity underscores the importance of homeownership for wealth accumulation.

Housing Inventory and Market Dynamics: High mortgage rates and a shortage of inventory have been major challenges. Yun expects improvements in home sales over the next decade, with gains in eight out of the next ten years.

Government Policy and Economic Management: Yun criticized the large government deficit and ongoing high spending levels reminiscent of the peak COVID-19 period. He suggested that this fiscal approach might be contributing to pressures for higher inflation, for which real estate remains a reliable hedge.

Jessica Lutz – Deputy Chief economist and VP of Research gave a great presentation. I am attaching for anyone who would like it.

Some key takeaways:

27% of NAR members started since 2020*

Typical REALTOR® years of experience=11*

81% of real estate firms are 1 office firms**

Typical firm has 3 full time licensees**

Real Estate Market Dynamics:

On average, homes received 3.1 offers in the most recent sale.

Cash purchases in real estate are trending upwards, currently at 28%.

Distressed sales (foreclosures and short sales) have dramatically decreased to 2% from higher levels in the past.

Demographic Trends:

Millennial homeownership is seeing gains despite previous underperformance.

The share of multi-generational home buyers remains high, reflecting changing family dynamics.

Changes in Home Buying Patterns:

The composition of first-time buyers has evolved from 1985 to 2023, with a significant increase in unmarried couples and single women purchasing homes.

Among home buyers, 19% consider pet-friendly environments a crucial factor in their neighborhood choice.

Racial and Ethnic Homeownership:

Significant homeownership gains were noted among Hispanic/Latino (+3.2 million) and Asian/Pacific Islander communities (+1.5 million).

The data also highlight the predominant use of conventional loans among White/Caucasian (70%) and Asian/Pacific Islander (78%) home buyers compared to higher use of FHA loans among Black/African-American (33%) and Hispanic/Latino (24%) buyers.

Use of Real Estate Agents:

A high reliance on real estate agents persists, with 89% of buyers using agents in 2023, which is consistent with trends since 1981.

These insights highlight the evolving dynamics in the real estate market, reflecting changes in demographics, buyer preferences, and financing methods.

Speaker Barbara Betts:

Barbara Betts had a session on adapting to the changing real estate landscape & how to navigate the compensation conversation with the sellers :

Emphasis on Professional Value: The speaker stresses the enduring need for professional realtors in navigating real estate transactions, highlighting the use of realtors in over 84% of transactions, indicating a high trust and dependency on professional guidance

Current Market Opportunities: There is a strong belief that current changes in the industry present opportunities rather than threats. Real estate professionals are encouraged to adapt and seize new opportunities for growth and service enhancement

Importance of Transparency: A significant theme is the call for increased transparency in dealings with clients. This includes clearer communication of processes and compensation, which the speaker believes will ultimately benefit both consumers and agents.

Shift in Compensation Structure: The narrative acknowledges changes in the compensation model, notably the removal of compensation details from MLS and the need for direct agreements on fees between agents and their clients. These changes require agents to be more explicit in their value proposition to clients.

Adaptation to Change: Real estate professionals are urged to adapt to regulatory changes and market dynamics, including new contract forms and definitions of property touring. Embracing these changes is portrayed as a path to remaining competitive and successful in the industry.

Variability in Commission Structures: The flexibility in commission structures is highlighted as a positive aspect, allowing agents to tailor their services to the needs of different markets and client scenarios.

Future Preparedness: The presentation underscores the importance of being prepared for future industry shifts, likening current changes to past significant market shifts like those experienced during the financial crisis. Learning and adapting to new regulations and market conditions are seen as crucial for long-term success.

Skills and Training Emphasis: The need for ongoing training and skill development, particularly in how compensation and services are articulated during buyer and seller interactions, is emphasized as essential for real estate agents to maintain relevance and effectiveness.

Hall of Fame

Mary Inducted as the 75K HOF, the highest investment by any CEO in RPAC history.

JC Posey & David Long also inducted!

Land Use Committee:

I am on the Foreign Buyers Discussion Group

NAR is Engaging with Regulators and policy makers to prevent bad actors acquiring real estate and educating them on concerns. NAR supports property ownership for all qualified buyers regardless of origin with adequate security safeguards

Restrictions on Foreign Property Ownership

Recent uptick in efforts to restrict foreign ownership of property. Some states have introduced and or passed laws that prohibit individuals from purchasing property. Most notable is Florida's law applied to individuals who live in certain foreign countries but specifically exempts us citizens or legal perm residents.

Some restrict on foreign businesses, foreign governments and agents, trustees or fiduciaries of such entities. Some restrict only ag land and close to a military base

These bills potentially violate fair housing and civil rights act and may raise concerns about discrimination

Laws are new and difficult to predict how and against whom they will likely be enforced

Restricting who can purchase property puts billions of at risk, 59B in 2023

WOTUS: Filed lawsuits in Texas to stop implementation within their borders

Crossing state lines to get water

Legislative Acts:

Whole Home Repairs Act: To improve and stabilize property values

Board of Directors:

Approved amendments:

Recommendations: Recommendations #1 through #3 are related and it is recommended they be taken together.

1. To amend Article 4 of the Code of Ethics as follows, (underscoring indicates additions, strikeouts indicate deletions): REALTORS® shall not acquire an interest in or buy or present offers from themselves, any member of their immediate families, their firms or any member thereof, or any entities in which they have any ownership interest, any real property without making their true position known to the owner or the owner's agent or broker. In selling property they own, or in which they have any interest, REALTORS® shall reveal their ownership or interest in writing to the purchaser or the purchaser's representative. (Amended 1/00) REALTORS® who have a present ownership interest in property for sale or lease, or contemplated interest to purchase or lease property, must disclose in writing the existence of such interest to all parties to the transaction prior to a party signing any agreement.

2. To amend Standard of Practice 4-1 as follows, (underscoring indicates additions, strikeouts indicate deletions): For the protection of all parties, the disclosures required by Article 4 shall be in writing and provided by REALTORS® prior to the signing of any contract. (Adopted 2/86) The present ownership interest in property for sale or lease, or contemplated interest to purchase or lease property, includes transactions in which REALTORS®: 1. represent themselves 2. represent a member of their immediate family 3. represent their firm or any broker or agent thereof 4. represent an entity in which the REALTOR(R) or member of their immediate family has a legal interest. 114

3. To add a new Standard of Practice 4-2 that reads as follows, (underscoring indicates additions, strikeouts indicate deletions): REALTORS(R) are not required to disclose the identity of the client or customer, nor the specific nature of the interest referred to in Article 4, but must disclose that an interest exists. Rationale: Given that the potential for conflicts of interest exists on both the buy side and the listing side when a REALTOR® has a personal, familial, professional, or legal relationship to a party in any transaction, or has a present or contemplated interest in the property involved in a transaction, a REALTOR®'s obligations under Article 4 should protect buyers, sellers, lessors, and lessees alike. The proposed amendment to Article 4 incorporates the obligations currently outlined in Standard of Practice 4-1, so a new Standard of Practice 4-1 and Standard of Practice 4-2 have been added to give further clarity about said conflicts of interest and the information that Article 4 requires to be disclosed.

Via consent decree, directors elected the 2025 Regional Vice Presidents and the following 2025 Leadership Team members:

- **Kevin Brown, Oakland, Calif., President-elect**
- **Christine Hansen, Fort Lauderdale, Fla., First Vice President**
- **Craig Sanford, Phoenix, Treasurer (2025-26)**

NAR President Kevin Sears remains President in 2025.

The tri-chairs of the [Culture Transformation Commission](#) (Christina Pappas, Michelle Mills Clement and Gayle Bobo) reported on the progress of the commission in recommending organizational changes that will ensure NAR can maintain a welcoming and positive work environment while focusing on its mission. Mills Clement said that among real estate associations, “We’re the largest in the world. We want to be the model for not only the real estate industry but also the association world.”

As a result of changes adopted by the Board of Directors in 2021, the NAR Executive Committee now has authority to approve committee recommendations and policy positions. For example, earlier in the week, the Executive Committee approved the establishment of a [Member Accountability Committee](#), as well as a Federal Technology Policy Committee motion about the use of artificial intelligence in real estate. In some circumstances, committee recommendations and policy positions will continue to go to the NAR Board of Directors.

Throughout 2024, NAR is making the popular Accredited Buyer's Representative (ABR®) designation course, typically \$295, available to REALTORS® at no cost. Take the first step toward earning your ABR® designation at [become.abr.realtor](#).

NAR members can continue to access the latest information about the settlement on [facts.realtor](#).

NAR will also continue to provide updates about the settlement process for non-members – such as clients and consumers – on [competition.realtor](#).

Visit [ThatsWhoWeR.realtor](#) to view the consumer campaign ads, and to leverage turnkey advertising and social assets to share. The campaign demonstrates the expertise of REALTORS® helping their clients navigate the risks, pitfalls, and complexities of buying or selling a home or property, reinforcing their expertise, commitment and consumer-first approach.

Thank you for allowing me the opportunity to serve the BEST association in TEXAS!

Shana Acquisto