

NAR 2022 Convention & Expo Orlando

RPAC Participation Council

November 9 – November 14, 2022

Karin Haskell, Committee Member, RPAC Participation Council

I'm happy to have taken part in the RPAC Participation Council this year. We met via zoom 2-3 times through 2021-2022. Our meeting was held on Thursday, November 10th with Pat Ohmberger as Chair and Jonathan Dolphus as Vice Chair. Unfortunately I was unable to attend the meeting with the cancellation of flights into Orlando due to the hurricane so my notes below are taken from the meeting slides. The committee's purpose is to increase overall REALTOR® participation at all levels of RPAC. The council members shall be tasked with the following responsibilities and activities in order to increase the overall RPAC Member participation in RPAC: 1. In conjunction with State and Local Associations organize and schedule RPAC fundraising events throughout the year for the purpose of engaging more REALTOR® members in RPAC 2. Participate in regularly scheduled State RPAC meetings. 3. Responsible for conducting a state fundraising conference. 4. Responsible for RPAC Partnership Program promotion and grant follow-up. 5. Responsible for encouraging all national NAR Committee members to invest in RPAC per the 100% Committee Challenge. 6. Responsible for encouraging State and Local Associations to adopt the REALTOR® PAC Management System. 7. Responsible for working with the State and Local Associations to incorporate and develop an online fundraising plan. This committee has achieved the 100% RPAC participation!

- Currently we have 37% participation with 575,912 investors.
- Of our RPAC Council members we have 100% participation, 59 major investors, 21 Hall of Fame members, 42 President's Circle members totaling \$123,351.
- 36 States have met or exceeded the participation goal. Within Region 8 North Dakota has the highest participation rate of 54%!
- 96% of goal for major investors. 177% of President's Circle members with 1,928 members.
- 51 NAR Committees are at 100% participation, that representing 94% overall participation.
- David Alan Cox gave the RPAC Trustees Fundraising Committee update with Federal RPAC disbursement allocation at 130% totaling \$8,944,946. Our National RPAC Fundraising goal is at 101% totaling \$45,968,000!
- Peter Kelly gave the online fundraising and participation project update. There are 220 active local associations and 822 active users in the system in utilizing the investment forms, campaigns and newsletters. The program is growing, in 2021 we had \$7,069,410 in dollars raised online compared to \$7,198,347 in 2022 YTD. There were 3,000,000 total number of transactions from individual members YTD including PAC and NAR splits. The online fundraising program ROI is at \$16.03 YTD, which is an increase over previous years.
- Montana had the most improved participation for small states, Oregon for medium state and Washington for large state.

- States with 50% or higher participation include Maine, Vermont, DC, Tennessee, Alabama, Mississippi, Virgin Islands, Illinois, North Dakota, Missouri, Nevada, Utah and Idaho. Good job ND!
- RPAC events through the Convention included the Thank you reception November 10 and the RPAC Major Investor evening event at SeaWorld on November 12.
- The President's Circle Conference will be held in Cancun March 1-4, 2023.

I attended the general session on Friday, November 11 with President Leslie Rouda Smith and a Fireside Chat with the founders of theSkimm. The Skimm is a media company, founded in 2012, by Danielle Weisberg and Carly Zakin, providing a subscription-only newsletter. The newsletter is a digest of news stories intended to be simple and easy to read. The company is worth over \$55M. Very impressive business that these young ladies have built.

I attended the Economic Trends with Lawrence Yun on Friday, November 11. He thinks perhaps that interest rates have topped out and that we may have been in a mild recession during the first half of 2022. Pending sales are similar to the lockdown in 2020. Although we still have low inventory, it's not sufficient for the current demand. Distressed properties are non-existent. New listings aren't plentiful, since November they are 19.4% down. He explained that we will have a potential housing shortage once interest rates come down. Interest rates were 10% in 1990. Inflation got out of control is why we have high mortgage interest rates today. The median income is higher today to buy a home. The first time home buyer share is at its lowest in 40+ years. The 10 year treasury and 30 year mortgage rate graph is similar. Nationally there is record high steady income for workers. North Dakota is still trying to recover job growth. National stats show that people are willing to buy a home further away from where they currently reside. Homeowners still have substantial wealth over renters. If inflation continues then there will be less heavy debt. Assuming that we will have 7% interest rates then the forecast for 2023 will experience 7% less sales. The median age of the first time home buyer is now 36. Buyers shouldn't feel rushed to purchase now...there will be more opportunity for buyers in the coming months.

I attended "Making NAR Data Work for You" on Friday, November 11. 1/3 of buyers are asking for work at home features in their homes. People now average a move every 10-18 years, used to be every 5-7 years. 27% of repeat buyers purchase their 2nd home with cash. 86% of buyers are using an agent, 87% of sellers are using an agent. We need to engage with our clients more now with post transactions. 12% of purchasers used crypto last year. See Trends.google.com.

I also attended "How to Leverage RPR and Analytics to Prosper in A Competitive Landscape" on Friday, November 11. They stressed use RPR more for branding yourself. Also attended "Use Volunteerism to Lead Change in Your Community & Increase Sales".

We had an enjoyable Friday evening at the Welcome Event at Universal's Islands of Adventure.

On Saturday, November 12 I attended the Commercial Economic Issues & Trends Forum. There is a decline in appraisal values. 35% price appreciation in the past 10 years. We are experiencing a rise in office vacancy rates, therefore a decline in prices. Office building sales decreasing but multi-family building sales are increasing. Land prices are projected to decrease. Warehouse construction will increase but mall and retail construction will be stagnant. We are on the edge of a recession. There is a worker shortage but that is recovering slowly. 15% decrease in office space is needed for employees since some are working from home. 5 year returns were reviewed. The industrial sector had the best growth followed by multi family. Most investments were in multi-family sales. Future industrial and multi-family outlook crossed for investors favoring. Since we have increasing aging population our need for medical office space is increasing.

On Saturday, November 12 I attended "Is Your Brand The Superpower". They reviewed agents utilizing creative marketing techniques. Lauren Matera is with the Revel Home Team Of Coldwell Banker Realty and she utilizes TikTok with humor and knowledge. Since starting her social branding in 2021 she has closed over \$10M in volume from organic, non promoted short form video content. She has 370k+ followers. Look her up on FB, her posts are hilarious! I also attended the "Team Safety Practices: Reduce Risk and Build Business". Nothing real new with safety, it was the same instructor we had in Bismarck a few years ago.

Saturday evening we attended the Major Investor Event at Sea World Antarctica.

I attended "The Game has Changed - Tax Strategies for Real Estate Professionals" on Sunday, November 13. Make sure to deduct your home office space. New in 2022 is the benefit of deducting 100% of your meals for business but you need to make sure to keep your receipt and indicate the client and nature of the meal. Charities through "GoFundMe" are not charitable.

On Sunday I attended the general session: A Fireside Chat with Venus Williams and President Leslie Rouda Smith... which was somewhat boring. I finished the day by attending the Regional Caucus, Region 8.

Thanks for giving me the opportunity to again take part in this committee! I had a wonderful time in Orlando after all the initial cancelled flights!