



Stump Speech

Creating Housing Opportunities *It's the Right Thing To Do – It's the Smart Thing to Do*

Introduction

T.S. Elliot once wrote: *"Home is where one starts from."*

America's REALTORS® give people a place to start from. Today, there are more than one million of them helping families find a place to call "home" – a place that becomes a launching pad for so many other joys and dreams in life.

We've just experienced four years of record high home sales, and the nation's homeownership rate is now above 69 percent – the highest ever. This means that 74.4 million families and individuals now live in a home of their own.

REALTORS® have played a major role in making the dream of homeownership a reality for millions of families. It's what we do.

But it's not easy for everyone. While soaring prices have made housing the brightest spot in our economy, they have also put affordable housing beyond the reach of millions of Americans – and not just the indigent and working poor.

Today's face of affordable housing is your child's schoolteacher – your firefighter, nurse and police officer. Affordable housing isn't about "them." It's about "us." It's about where our parents, our children, our grandchildren and our local heroes can live.

What we have is a dire situation where young people can't live where they grew up. There are people who can't live where they work. Instead, they must



commute great distances simply because they're priced out of the market and there's a lack of decent affordable housing.

The Magnitude of the Problem

Nearly 13 million Americans – that's 5.4 million families—have critical housing needs.

Two out of three Americans are so concerned about the cost of housing in their communities that they would be more likely to vote for a candidate who works to make housing more affordable, according to the NATIONAL ASSOCIATION OF REALTORS® Housing Opportunity Pulse Survey.

Our latest survey found that, despite all of the other concerns America faces, affordable housing ranks as voters' third greatest concern, just behind health care and the economy. And the issue is growing in importance.

The survey found that 81 percent of voters would like to see government place a higher priority on making housing more affordable for renters and homeowners alike.

By a wide margin, Americans support the construction of more affordable housing, both rental and ownership, in their communities if the housing fits in with the area. Three out of four Americans are concerned about the impact the rising cost of housing has on teachers, firemen, police and others on whom communities depend, and 70 percent support the construction of affordable homes for these public employees.

Most Americans also worry that their children and grandchildren will not be able to afford to live close to them (53 percent) and that the cost of a home is getting so unaffordable that it is hurting their local economy (59 percent).



REALTORS® Can Help

Henry Kaiser, one of America's boldest entrepreneurs, once said: *"Problems are only opportunities in work clothes."*

And so it is with the problem of affordable housing. It's an opportunity for us to do our best. But, we all have to roll up our sleeves and get to work.

The responsibility for opening up housing opportunities begins with us. We can't just go along and wait for others to take the initiative to close the affordability gap for millions of families. We've got to be the catalysts for change. And I'm proud to say that we are.

REALTORS® are the first stop for consumers' housing needs. Therefore, we are in a unique position to be ideal advocates for effective solutions to today's critical housing needs.

REALTORS® recognize that the availability of affordable housing impacts all sectors of the real estate market including first-time purchasers, low-income buyers, minorities, seniors, disabled, renters and single-family buyers, as well as rental property owners and developers.

As this country's premier entrepreneurs, we understand that by creating more housing opportunities for those who need an extra boost, we are promoting a healthier real estate market – one that is good for our business and our bottom line.

In 2002, NAR took a bold step when we officially rolled out the Housing Opportunity Program. It is designed to do two things – help REALTORS® tap business opportunities in the affordable housing market and encourage us to



create successful, credible and viable housing opportunity programs in our own communities – for owners and renters.

More than 150 local and state Realtor boards and associations now have one or more programs in place. While many were identified early on, many more are being developed.

At the center of our program is a living web page at www.realtor.org/housingopportunity.

The site highlights affordable housing opportunity programs and allows for the sharing of resources that REALTORS® and others can use to help promote housing opportunities for all Americans.

Other components of the program include research and data gathering; training and business development; public policy advocacy; communication and coalition building.

Ambassadors to Cities

In 2004, we added to the Housing Opportunity Program with the Ambassadors to Cities initiative, which is a joint effort with the U.S. Conference of Mayors Council for the New American City. The program recognizes the importance of “home” to America’s families, communities and cities.

Through this program, mayors and REALTORS® work together on affordable housing initiatives that will raise city homeownership rates. The purpose of the program is to expand housing opportunities on a city-by-city basis.

The Ambassador to Cities program is not just another affordable housing program. It’s a working partnership between REALTORS® and mayors. It’s a



program that is helping to further expand the relationship between mayors and REALTORS®.

The initiative begins with NAR and the local REALTOR® association working with mayor of a city to identify affordable housing challenges and developing a joint strategy to achieve results. From there, key local players are identified to form the local partnership, including REALTORS®, lenders, local officials, developers, advocates, academics and others.

As REALTORS®, when we work with a mayor who is actually willing to do something to expand affordable housing, we're on the way to making a real difference. It's the mayor and the city government that pave the way for affordable housing by implementing zoning and development incentives. We can't expand housing opportunities without them.

So far, we've launched the program in Memphis, Ft. Collins, Washington, D.C., and Orlando. We plan to get it underway in dozens of other cities this year.

Habitat for Humanity

Our Housing Opportunity Program incorporates partnerships we've had for years – and that includes our ongoing relationship with Habitat for Humanity.

Each year, we work with Habitat to build an affordable house in our annual convention city. Additionally, NAR is a national underwriter of Habitat's "Congress Building America" program. We are working with legislators, government officials and private enterprises to build a Habitat home in every congressional district throughout the nation, as part of this initiative.



We also support a Habitat for Humanity project abroad each year. We've worked with Habitat to build homes in Australia, Brazil, Mexico and Poland over the last three years.

Finally, NAR has partnered with Habitat to build "REALTOR® Villages" to help people who lost their homes during the tsunami that devastated several South Asian countries on Dec. 26, 2004.

Smart Growth

As we all know, there is a direct link between growth, zoning issues and the availability of housing. Therefore, NAR's smart growth program is a critical part of our Housing Opportunity Initiative.

NAR provides local associations with expert analysis of the legal, planning, economic and environmental issues surrounding legislative and regulatory land use initiatives, so that you can win your land use battles in city hall.

Also, NAR will pay for 50 percent of the cost to conduct a survey in your area to track public opinion on growth issues

Diversity

Another program that helps to open doors to housing opportunities is NAR's cultural diversity program. The goal of this program is to help REALTORS® reach out to diverse homebuyers.

At Home with Diversity is a certification program developed nearly seven years ago in partnership with the US Department of Housing and Urban Development that uses exercises to raise awareness about diversity. Participants learn how to avoid misunderstandings that can result in strained relationships.



More than 14,000 real estate professionals, mortgage and title industry representatives and HUD representatives have taken the course, which is offered through a number of sponsors, including national franchises like Coldwell Banker and the Cendant Corporation companies as well as local associations. It gives REALTORS® a competitive edge in tapping into highly profitable and diverse housing markets.

Coalition Building

In addition to the Ambassadors to Cities program, NAR has created a number of other official partnerships with organizations that help us advance our mission.

Each of our national partners has state or local chapters that we encourage REALTORS® to reach out to – they will likely be able to work with you to advance housing opportunities in your area.

Some of our partners include the U.S. Conference of Mayors, the Neighborhood Reinvestment Corporation, the National Association of Counties, and the National Association of Housing and Redevelopment Officials.

Public Policy Efforts

Of course, our lobbying efforts in state houses and town halls across the country, are critical to creating communities that encourage and nurture affordable housing. But our work on federal legislation and regulations is important, as well.

In Congress last year, we achieved a big win for consumers with the passage of the American Dream Down Payment Act. The law provides downpayment grants of up to \$5,000 to qualifying low-income homebuyers. It also makes hybrid adjustable-rate mortgages more available to consumers.



In addition, the law increases the FHA multifamily loan limits in high-cost areas, encouraging production of much-needed affordable rental housing.

We're also working with Congress to enact tax incentives to increase the supply of affordable housing for lower income families.

NAR continues to push for a zero-downpayment FHA product that could provide homeownership opportunities for an additional 150,000 homebuyers per year.

Conclusion

The bottom line is that NAR's Housing Opportunity Program is a many-faceted initiative that relies on all levels of the association to achieve success. It includes partnerships, coalitions, grassroots efforts, public policy promotion, and in some cases, just plain old "elbow grease."

More than anything, it relies on the heartfelt commitment and dedication of each and every one of us.

If you haven't already, I'm asking you to get involved today – for your benefit and the community's. Partner with a non-profit; raise funds to support affordable housing programs, like Habitat for Humanity; sponsor a homebuyer fair; establish an affordable housing committee; launch an awareness campaign about housing affordable. Pick just one and get started.

Thanks to each and every one of you for all that you do to make the American Dream of homeownership a reality. And, a special thanks for all the extra things you do to help those who need a little boost to get onto the housing ladder.



As REALTORS®, you care about the community. And it shows. These words by the late Jim Henson, creator of the Muppets, are words that REALTORS live by:

“My hope still is to leave the world a bit better than when I got here.”

Your commitment to the Housing Opportunity Program is one way to make the world a little bit better. In fact, you may make someone’s world a whole LOT better.

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