

The National Association of Realtors®, “The Voice for Real Estate,” is America’s largest trade association, representing 1.2 million members involved in all aspects of the residential and commercial real estate industries.

Remarks by Charles McMillan
2009 NAR President
Alaska Association of Realtors
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Luncheon

Introduction

Good afternoon! It is truly a pleasure to be here with so many of you today.

I am excited that my first order of business is to recognize two of your members, Janice Strong and Lisa Conner, for their tremendous support of NAR’s advocacy efforts. Would you both please come up to the podium?

Janice has been a Sterling “R” for six years. This year, she contributed \$2,500 to RPAC to earn the Crystal “R”. Congratulations, Janice.

Lisa is Alaska’s first Golden “R”, and she also serves as our RPAC whip here in Alaska. Lisa – thank you and congratulations!

Together, your outstanding contributions have helped strengthen the Voice for Real Estate in Washington, D.C., and throughout the great state of Alaska.

On behalf of the entire Realtor organization, I thank you again for your leadership.

[Lead applause.]

Alaska: A Leader in Government

All together, Alaska has 22 major donors. That’s pretty impressive.

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But, it’s no surprise to me that Alaska Realtors are so active in politics. Based on what I have learned about your history, you certainly understand the connection between politics and business.

Your first legislature convened in Juneau in 1913, and of the 24 legislators, ten were involved in the mining industry. In fact, it was Alaskans who led the way for better mining and labor laws across the United States.

Today, we all know that the real estate industry is undergoing a fundamental change, and consequently, laws and policies need to change.

This was the main topic of discussion at the first-ever Real Estate Summit that NAR held during the recent Midyear Meetings in Washington, D.C.

We brought together an impressive list of notable national speakers, including Alan Greenspan, HUD Secretary Shaun Donovan, and a host of other industry and economic experts.

They all agreed on the need for change – no surprise. And, they also agreed that Realtors must play a leading role in crafting new laws and policies that protect consumers and our businesses in this brave new world of real estate.

Importance of RPAC

One of the best ways we can help shape laws and policies at all levels of government is by investing in RPAC.

Lawmakers know that Realtors are a powerful force in helping them get elected. And, let me tell you: they don’t forget it.

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As I said to some of your members earlier this morning, every time I visit Washington, D.C., your representatives in Congress and the Administration are eager to meet with me. Although I would like to think that’s because of my sparkling personality, the truth is that it is because of you. They want to know what they can do to help you in your communities.

That’s not a coincidence. It is a direct result of your strong support of RPAC.

Alaska raised an amazing 239 percent of its goal last year. Every penny of that money went toward electing candidates at the federal, state and local levels who support our positions and to help advocate on our top issues. The vast majority of the candidates we supported – more than 90 percent – won their races. Now, those friends are looking to help us.

That’s the power of NAR’s advocacy. And, we must keep working to ensure we remain just as strong in the years ahead.

We understand how tough the market is, but we can’t afford to slow. Quite the opposite – it’s more important than ever that we stay strong.

Here in Alaska, less than halfway through the year, you have already raised more than \$4,600 – 67 percent of your goal for 2009. And, your participation rate is at 19 percent.

You’re off to a great start, and I know that with your track record, these numbers will only keep going up.

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To those of you who have already given, I extend my thanks, and I ask that you consider joining your fellow major donors this year. We really need your help.

If you haven’t contributed to RPAC yet this year, I encourage you to do so. We want everyone to chip in – even the smallest amount makes a difference.

Grassroots Involvement

Of course, contributing to RPAC just part of the process. I am also very proud that Alaska continues to show strong participation in our grassroots advocacy.

Your response to NAR calls for action has risen from less than 10 percent in 2007 to more than 11.5 percent in 2008 and nearly 12 percent on the four-point stimulus plan at the beginning of this year.

I especially want to thank two large brokers who have helped us get more Realtors in Alaska to participate in our calls for action – David Somers and Jackie Rosenthal. Dave and Jackie, thank you so very much. Please keep up the great work!

Our CFA response goal for this year is 15 percent. I know many of us have personal political preferences, and that’s just fine. However, when it comes to Realtor issues, we must remove our party hats and support laws and policies that benefit our businesses and those we serve.

I ask you to keep that in mind when you receive the next call for action, and respond accordingly. With your help, I have no doubt that Alaska can reach that goal and might even be a leading state in CFA responses.

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Legislative Accomplishments

So, I am sure your wondering: “What have we gotten in return for all of this support?”

Normally, I would give you a brief summary, but the truth is we have accomplished so much that it is just not possible to keep it “brief”...Still, I will do my best to run through the major accomplishments as succinctly as I can.

For example, on the housing front, we had several major wins...

- We raised the loan limits for FHA and the GSEs back to 2008 levels (125% of 2008 median home price, capped at \$729,750);
- We provided HUD Secretary discretion to raise individual community limits above the county limit (capped at \$729,750);
- We provided \$2 billion in additional funds for the Neighborhood Stabilization Program;
- And, we pushed for another \$500 million in increased funding for the Rural Housing Service direct and guaranteed loan programs.

We also recorded several victories on the tax side to help bolster real estate investment...

- We pushed for the \$8,000 first time homebuyer tax credit that does not need to be repaid – and we are working with HUD to allow buyers to use the credit for downpayment on FHA-insured loans.

- We convinced Congress to allow states to trade in a portion of their 2009 low-income housing tax credits for Treasury grants to help finance the construction or rehabilitation of low-income housing;

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- **Congress also made it clear that tax-exempt interest earned on specified state and local bonds issued during 2009 and 2010 will not be subject to the Alternative Minimum Tax.**

In addition to our many efforts to boost real estate investment, we also lead the charge to unclog the financial system...

- **We pushed Fannie Mae to clarify instruction to servicers not to negotiate real estate commissions on short sales below the amount in the listing agreement (if commission is 6 percent or less) and urged Freddie to follow suit;**
- **We also successfully urged Fannie Mae and Freddie Mac to raise the investor financed-loan limit from 4 units to 10 units;**
- **We have promoted more effective, uniform, and efficient short sales process in meetings with servicers, MBA, and Fannie Mae;**
- **And, we won agreement by the Federal Reserve Board to use the Term Asset-Backed Securities Loan Program (TALF) to accept commercial mortgage backed securities as collateral.**

Perhaps our most satisfying accomplishment came when we won our eight-year long battle to prevent national banking conglomerates from entering the real estate businesses.

And that’s not all...

Realtors also have been a leading voice on energy and environment policy, transportation, and critical business issues...

- **We worked with Congress to provide \$11 billion for state energy efficiency grants and weatherization assistance for low income and Section 8 housing;**

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- We helped to expand the residential tax credit for home energy improvements from 10 percent to 30 percent;
- We extended the National Flood Insurance Program through September 30, 2009, maintaining coverage for millions of homes and business owners against flood risk;
- We supported an additional \$46.7 billion in funding to states and localities for capital investment for surface transportation projects;
- We helped create a \$7.2 billion grant program to increase broadband availability;
- And, we worked with Congress to reintroduce an NAR-supported small business health bill, H.R. 859, the Small Business CHOICE Act.

These successes are nothing short of extraordinary.

The fact that they have all happened in a very difficult environment, with a new Administration and a new Congress, is a credit to you. As I said before, it is your participation in our advocacy efforts that ensures we maintain support on all issues, across party lines.

Again, on behalf of the entire organization, I thank you for helping revive the real estate market and our national economy. Please share these victories with your fellow Realtors and encourage them to get involved.

Just imagine how strong the Voice for Real Estate would be if all 1.1 million members joined the cause?

NAR Update

Of course advocacy is just one of the ways NAR is using our size and strength to help our members.

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Let me give you a brief new update on some of the great new resources NAR has launched to help you succeed in the current environment.

As you have heard, in March we launched Right Tools, Right Now. Through this program, we are providing more than 300 products and services at no additional costs to members.

Let me share a few of the most exciting new resources.

In March, we launched the NAR Foreclosure Prevention and Response program. Through this new initiative, NAR is providing \$3 million in grants and an information clearinghouse for state and local Realtor® associations to address the foreclosure crisis.

Even though you have not experienced the same rise in foreclosures here in Alaska that other states have, our efforts to address these problems benefit the entire housing market by helping to lower inventory and stabilize home prices.

In May, NAR also celebrated the official opening of the REALTORS Federal Credit Union. The credit union provides a wealth of financial tools and resources exclusively to NAR members. It takes just minutes to join.

For more information, visit RFCU.com.

In addition to these great resources, NAR continues to improve our communications – with consumers and with all of you.

In February, we launched a new consumer Talk Radio Show – Real Estate Today. The weekly show is broadcast on XM and Sirius Satellite Radio, as well as on local radio stations in dozens of markets across the country.

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And, consumers and Realtors everywhere can listen online at RETRadio.com.

I encourage all of you to listen, and please visit the web site to find out how you can bring the show here to Alaska.

We also are working hard to keep you up to speed on all of the changes in the market and the business. We’ve made a concerted effort to post updates quickly on the home page of Realtor.org.

Additionally, on the first and third Tuesday of each month, I record a podcast with the latest news from NAR. And your entire 2009 Leadership Team shares our thoughts and experiences regularly on the Voices of Real Estate blog.

You’ll find these great communications at Realtor.org/PresidentsReport.

Conclusion

Again, these are just some of the ways NAR is working to help you.

I hope you all will take advantage of all the great resources we offer. And I can’t thank you enough for helping us through your outstanding participation and support.

As REALTORS, we spend a lot of time reminding people that real estate is local, and that’s certainly true. But, there is one thing about real estate that is universal – the pride and joy that comes with homeownership.

I’m not saying that just to tow the association line. I say it because I know from personal experience how true it is.

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I just closed on a new home a couple of weeks ago.

After all of these years, I still get excited when got to the closing and get my keys. That feeling is what inspires me to serve our organization and help make homeownership more affordable and accessible for all people – no matter where they are from or where they live.

I am proud to serve as your 2009 NAR President, and I look forward to working with you throughout the year, as we move our industry and our nation forward, “United Toward Tomorrow.”