

Honing a Competitive Edge: State Leadership Provides the Tools

Summary

The largest state real estate association in United States, the California Association of REALTORS® has developed diversity-related initiatives that now serve as models for associations across the country. In 2000, the Association inaugurated a leadership summit for the state's ethnic real estate associations, which now meets biannually and has been instrumental in the development of the HOPE Awards program and in the creation of this Diversity Toolkit. The Association also provides multilingual resources on its Web site and partners with other organizations to promote homeownership in California.

190,000
MEMBERS

Background

The California Association of REALTORS® (C.A.R.) has 117 local associations of REALTORS® within California and nearly 195,000 members. The associations vary widely in demographic composition and other respects. "Northern and Southern California could be two different states," notes 2003 C.A.R. president Toby Bradley. C.A.R.'s challenge has been to offer programs and services that could be helpful to, or serve as a model for, local associations of REALTORS®.

What the Association Did

Carmen Petrinca, C.A.R.'s membership development manager, estimates that she devotes about one-quarter of her time to diversity-related programs. C.A.R. assists projects on a case-by-case basis and has supported local projects by providing funds for catering, bringing in a speaker, or developing marketing materials. "C.A.R. doesn't insist that local associations implement our programs," Bradley notes. "We do make programs available and the associations can choose to adopt them or not."

Diversity Web site: As part of its membership development program, C.A.R. launched a cultural diversity section on its Web site in January 2004 (at www.car.org, choose "About C.A.R.," then choose "Cultural Diversity.") The Web site highlights the diversity activities of local associations, provides a calendar of events, and links to other diversity initiatives, ethnic real estate organizations, and other resources.



Leadership Summit: In 2000, C.A.R. initiated a summit for leaders of California's ethnic real estate associations. The summit also provided an informal forum for participants to voice concerns and discuss issues of common interest.

The Leadership Summit now meets about twice yearly, with different organizations hosting the meetings. Attendees now include leaders from the following organizations:

- African American Economic Development Association of REALTORS® and Affiliates
- Asian Real Estate Association of America
- California Association of REALTORS®
- California Association of Real Estate Brokers, Inc.
- Chinese-American Real Estate Association
- Chinese-American Real Estate Professionals Association
- Chinese Real Estate Association of America
- Council of Indian American REALTORS®
- Filipino American Real Estate Professionals Association
- Korean Association of REALTORS® and Lenders
- Korean Real Estate Brokers Association of Southern California
- Hispanic Association of REALTORS® and Affiliates
- Hispanic Association of Real Estate Professionals of Silicon Valley
- National Association of Hispanic Real Estate Professionals
- South Asian Real Estate Association of America
- Vietnamese American Real Estate Professionals Association

At the summits, participants have discussed their current programs and activities, pending legislation, housing affordability, private transfer tax, FHA reform, GSE reform, subprime loans, and predatory lending.

Korean "Dream to Reality" Initiative: C.A.R. works with other organizations to promote homeownership. One such project, announced in September 2003, is a \$20 million Korean homeownership initiative targeting Korean-speaking families in Orange County and Los Angeles. Together with C.A.R., leaders of the initiative are Korean Churches for Community Development, Wells Fargo Home Mortgage, and Freddie Mac.

According to the initiative organizers, Korean homeownership in the Los Angeles area is about 43 percent, compared to 62 percent for white households and 68 percent for Chinese households. Challenges include a lack of bilingual information about homebuying and mortgage finance, language and cultural barriers, and a lack of a credit history. The initiative will open the homebuying process to more Korean families by providing homebuyer education in Korean, coordination with Korean-speaking REALTORS®, and flexible mortgage products.

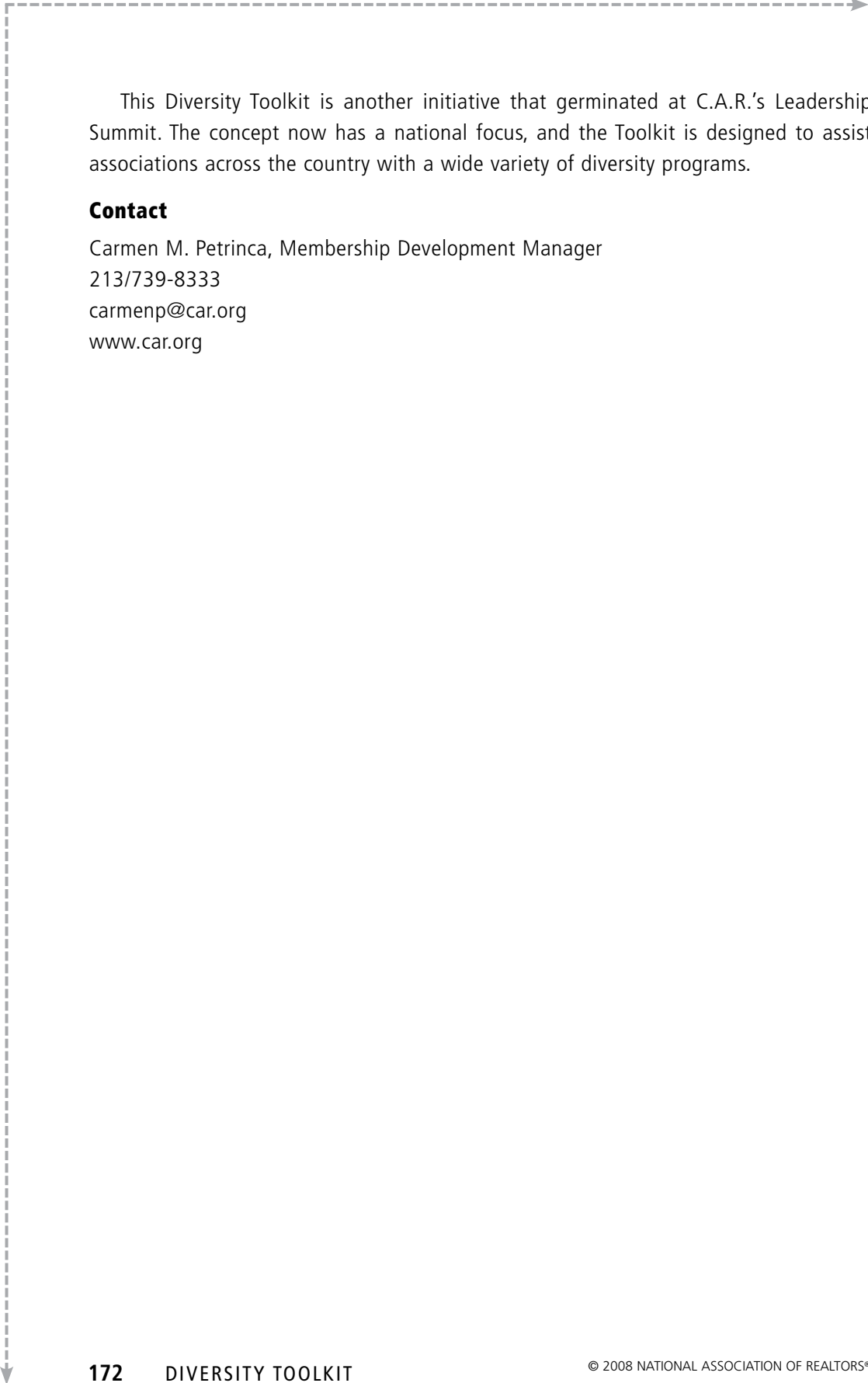
Toby Bradley notes: "C.A.R.'s commitment to the Korean 'Dream to Reality' Initiative underscores our conviction that expanding homeownership makes a real and lasting difference for California's families. We look forward to helping more families through the homebuying process of finding a house, obtaining a mortgage, and moving into a new home." C.A.R. will extend the reach of the new initiative even further through their network of REALTORS® who are fluent in Korean.

Multilingual Resources: C.A.R. offers a variety of multilingual resources to REALTORS® over C.A.R.'s Web site (www.car.org). These resources, which are available in Chinese, Korean, and Spanish, include:

- Buyer's and Seller's Guide to California's Residential Purchase Agreement
- Arbitration for the Consumer
- Mediation for the Consumer
- Liquidated Damages and Deposit Forfeitures
- Legal Q & As

Outcomes

The Leadership Summit has been instrumental in developing the HOPE (Home Ownership Participation for Everyone) Awards program, which honors individuals and organizations for success in promoting minority homeownership. The program was created by a partnership of real estate associations: the California Association of Real Estate Brokers, the Chinese American Real Estate Professionals Association, the Chinese Real Estate Association of America, the National Association of Hispanic Real Estate Professionals, the National Association of Real Estate Brokers, and the NATIONAL ASSOCIATION OF REALTORS®. Selection criteria include impact, innovation, minority focus, and contributions to affordable housing. The awards are given out every other year, starting in 2001, and winners receive a \$10,000 honorarium.



This Diversity Toolkit is another initiative that germinated at C.A.R.'s Leadership Summit. The concept now has a national focus, and the Toolkit is designed to assist associations across the country with a wide variety of diversity programs.

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