

AGENDA



THURSDAY, NOVEMBER 10, 2022

CALIFORNIA NAR DIRECTORS BRIEFING
NATIONAL ASSOCIATION OF REALTORS®
2022 NAR NXT, THE REALTOR EXPERIENCE
REGENCY BALLROOM O, CONVENTION LEVEL
HYATT REGENCY ORLANDO
9:30 AM TO 11:30 AM (EST)

PRESIDING:

Otto Catrina, C.A.R. President
Jennifer Branchini, C.A.R. President Elect

Staff:

Matt Roberts, Local and Federal Governmental Affairs Director

I. WELCOME

II. KEY CALIFORNIA EVENTS AT THE 2021 CONFERENCE & EXPO MEETINGS

1. *MLS/Professional Standards Pre-Briefing.* Friday, November 11, 2022, from 5:00 p.m. to 6:00 p.m., Celebration 11, Convention Level, Hyatt Regency Orlando.

2. *NAR Eligible Candidates Forum: 2024 First Vice President.* Saturday, November 12, 2022, from 2:00 p.m. to 3:00 p.m., Hyatt Regency Orlando, Regency Ballroom U, Convention Level. Eligible Candidates for the position of NAR 2024 First Vice President will answer position-defining questions from members of the Board of Directors and the Credentials and Campaign Rules Committee.

3. *Breakfast with Eligible Candidate Kevin Brown,* Saturday, November 12, 7:30 a.m., Hyatt Regency Orlando, Orlando Ballroom L-M (Convention Level)

4. *Region 13 Caucus.* Sunday, November 13, 2022, from 4:30 p.m. to 6:00 p.m., Hyatt Regency Orlando, Plaza International Ballroom G, Convention Level. **All Californians serving as NAR directors are expected to attend.**

5. *California Club.* Sunday November 13, 2022, from 5:30 p.m. to 7:00 p.m., Plaza International Ballroom D-F, Convention Level, Hyatt Regency Orlando. **All Californians are invited.**

6. *Pre-Delegate Body Meeting.* Monday, November 14, 2022, from 11:30 a.m. to 1:00 p.m. Orlando Ballroom N, Convention Level, Hyatt Regency Orlando. **California Directors are strongly encouraged to attend!**

7. *Delegate Body Meeting*. Monday, November 14, 2022, from 1:00 p.m. to 2:30 p.m., Regency Ballroom O-S, Convention Level, Hyatt Regency Orlando.

III. PROPOSED AMENDMENTS TO THE CONSTITUTION AND THE CODE OF ETHICS

1. The Delegate Body will be asked to consider whether Article VIII, Section 1 of the NAR Constitution should be amended to change the YPN representative's term on the Finance Committee from three years to two years. The proposed amendment is detailed in [Exhibit A](#) to this notice. The Board of Directors will make a recommendation to the Delegate Body on whether to approve this change, but the ultimate authority to amend the Constitution rests with the Delegate Body only.

2. The Delegate Body may be asked to consider whether Article 10 of NAR's Code of Ethics should be amended to replace the word "handicap" with "disability" as detailed in [Exhibit B](#) (second page) to this notice. This change must first be approved by the Professional Standards Committee at their November 12, 2022 meeting in order for it to be presented to the Board of Directors and the Delegate Body for their consideration. The Board of Directors will make a recommendation to the Delegate Body on whether to approve this change, but the ultimate authority to amend the Articles of the Code of Ethics rests with the Delegate Body only.

IV. NAR POLICY COMMITTEE ACTION ITEMS AND HOT ISSUES

A. Down Payment Assistance (Conventional Financing, State and Local Issues, Fair Housing, Federal Financing and Housing)

Proposed Motion:

REALTORS® recognize that the down payment is one of the largest hurdles faced by prospective buyers and that a significant share of Americans from all walks of life need financial assistance to overcome this initial barrier

The National Association of REALTORS® (NAR) urges:

- Private entities, including employers, to fund down payment assistance (DPA) programs generally or as an employee retention benefit,
- State and local associations to promote local legislation and regulation that would support, fund, and establish DPA programs, and
- Lenders, federal guarantee programs, the government sponsored enterprises, and private lenders to accept and engage both public and privately funded DPA programs

Regulators should:

- Monitor both publicly and privately funded DPA programs for transparency and their ability to provide a bona fide benefit to consumers,
- Provide adequate disclosures to ensure consumers understand their financial obligations, and
- Ensure consumer protections address unique product features and financial structures but allow for innovation that generates a credible benefit for consumers and preserves market safety and soundness.

DPA programs should:

- Raise the financial acumen of their clients through purchase and property-owner education (e.g. maintenance, community engagement, etc.), and

- Be available and accessible by a wide range of qualified buyers

B. Special Purpose Credit Programs (Fair Housing, Conventional Financing, and Federal Finance and Lending)

Proposed Motion

That the National Association of REALTORS® (NAR) support section 701(c) of the Equal Credit Opportunity Act (ECOA), enacted in 1976, which permits the creation of Special Purpose Credit Programs (SPCPs) to meet the credit needs of underserved borrowers and communities, and that NAR support SPCPs that meet all of the following criteria:

- The program extends credit to an economically disadvantaged class of persons, or meets special social needs, as defined by the Equal Credit Opportunity Act and Regulation B;
- The program is established and administered pursuant to a written plan that identifies the need for the program, the class of persons that the program is designed to benefit, and creates procedures and standards for extending credit pursuant to the program;
- The program does not lead to a degradation in loan quality or performance, and complies with all existing mortgage financing rules, including the Qualified Mortgage exemption to the Ability to Repay and the TILA-RESPA Integrated Disclosure; and
- The program complies with NAR's [Responsible Lending Policy](#), and that borrowers are offered the financial products that best fit their needs and qualifications regardless of whether they qualify for an SPCP.

C. Institutional Investors (Federal Taxation)

Proposed Motion

1. To support policies designed to discourage very large investors in single-family residential rental property (defined as owning more than 10,000 houses) from acquiring more units through the enactment of impactful changes to the tax law that would provide a strong disincentive to such growth, while enabling greater access to homeownership and more housing stock for first-generation and first-time homebuyers.

- or -

2. To support impactful changes to the tax law that would disincentivize very large investors in single-family residential rental property (defined as owning more than 10,000 houses) from acquiring more units, while enabling greater access to homeownership and more housing stock for first-generation and first-time homebuyers.

D. Housing Supply and Affordability PAG ([Full Report](#))

Members of several different PPCC committees have expressed an interest in working collaboratively on pressing housing supply and affordability issues. NAR hosted a roundtable with the leaders of several committees in San Diego in 2021, to start brainstorming ways for our committees to enhance NAR advocacy strategies that will result in viable solutions to our housing supply crisis. The participants agreed that we should form a PPCC workgroup to continue the conversations into 2022, specifically to tackle issues related to: large investors buying or building single family home communities for rentals, zoning/land use issues, and, building supply/labor shortage issues.

E. Climate Financial Risk Work Group (Insurance, Conventional Financing) ([Full Report](#))

Recommendations: NAR should:

- Continue to closely monitor efforts by federal regulators and agencies as well as the government sponsored enterprises to understand and address climate financial risk;
- Conduct outreach and build relationships with federal entities charged with addressing this risk; and
- Consider continuing a work group to investigate the impacts on real estate markets.

F. Federal Disaster Policy Work Group (Insurance) ([Full Report](#))

Recommendations: NAR should:

- Collaborate with insurance experts to develop an "insurance handbook" to help consumers understand their coverage and if they have full replacement property insurance for natural disasters;
- Partner with the REALTOR® Relief Fund as well as other national, state and local charitable organizations to promote and educate consumers about natural disaster relief efforts;
- Support research to estimate the share of property owners who are self- or under-insured for various natural disaster risks, including wildfires; and
- Educate NAR members and provide talking points that will help them respond to client questions about property risk assessment tools offered by CoreLogic, the First Street Foundation and others.

G. Proposed Changes to NAR's Water Resources Policy (Land Use, Property Rights and Environment)

The Land Use, Property Rights and Environment Committee is looking at proposed changes to NAR's Water Resources Policy. All the proposed changes may be found here [Full Report](#)

H. PAVE Response Working Group (Real Property Valuation, Fair Housing)

Recommendations:

1. Reconsideration of Value Process

The topic of Reconsideration of Value was important to the PAVE Task Force, NAR, and the Work Group. The fact that NAR supports a more standardized process to request a reconsideration of value was part of the Work Group discussion. Better communication could help a real estate broker, salesperson, buyer, seller, or borrower understand if an appraisal is credible. [See Here](#)

The PAVE Response Work Group has developed the attached "Policy to Recommend Action on Reconsideration of Value." This will be presented to the Real Property Valuation Committee at their next virtual meeting.

2. To Promote Diversity in the Real Property Appraisal Profession, and to address the PAVE Action Plan Commitment to build a well-trained, accessible, and diverse appraiser workforce, the PAVE Response Work Group closely examined the Real Property Appraiser Qualification Criteria. The existing criteria, developed by the AQB recognizes only education specified in the

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Required Core Curriculum (page 25 of the Criteria). College level education completed at a college or university approved under the college degree approval program is also recognized.

The PAVE Response Work Group has developed the attached “Policy to Recommend Expanded Experience and Education for Appraiser Qualifications.” This will be presented to the Real Property Valuation Committee at their next virtual meeting.

I. Diversity Equity and Inclusion Strategic Plan (Diversity, Fair Housing)

NAR’s DEI Implementation Planning Workgroup has put forward its DEI Strategic Plan for consideration in Orlando.

[The NAR Diversity, Equity & Inclusion Strategic Plan](#)

V. OTHER BUSINESS

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