

## NAR & Global Overviews

December 2012 – January 2013

### NAR Update

#### U.S. Market Update:

- The U.S. housing industry continues to rebound.
- Data released by NAR at the end of November reveals that pending home sales rose strongly in October with mixed regional results.
- The Pending Home Sales Index (a forward-looking indicator based on contract signings) increased 5.2 percent to 104.8 in October from 99.6 in September. This is 13.2 percent above October 2011
- NAR Chief Economist, Lawrence Yun explains that buyers are responding to favorable market conditions. "We've had very good housing affordability conditions for quite some time, but we're seeing more impact now from steady job creation, and rising consumer confidence about home buying now that home prices have clearly turned positive."
- Outside of a few spikes during the tax credit period, pending home sales are at the highest level since March 2007
- On a year-over-year basis, pending home sales have risen for 18 consecutive months.
- There are clear regional patterns: Contract activity surged in the Midwest and is showing very healthy gains in the South, but was down slightly in both the Northeast and West.
  - The Northeast saw some impact from Hurricane Sandy, but limited inventory in the West is keeping a lid on the market.
- All regions are up from a year ago, with double-digit gains in every region but the West.

#### Washington Update: MID & Call For Action

- Now that the elections are over, Congress has returned to work for a lame-duck session.
- The media has been rampant with speculation on many issues. One of the items being discussed is whether the mortgage interest deduction will be touched.

- Err on the side of caution when reading these media stories.
  - Until there is a concrete proposal, it is in our best interest to not overreact to what the media is saying.
- As Congress moves forward with their deliberations, though, it is important for us to let them know where we stand on the mortgage interest deduction.
- NAR launched a Call for Action in early December asking our U.S. members to remind Congress to not do any harm to real estate during the lame-duck session.
  - As part of the request, we reiterate our position that the MID is vital to the stability of the American housing market and economy.
- NAR remains vigilant in opposing any future plan that modifies or excludes the deductibility of mortgage interest.
- U.S. REALTORS, if you have not yet answered this Call for Action it would definitely help let Congress know where we stand on this key issue.
  - Go to [RealtorActionCenter.com](http://RealtorActionCenter.com) to respond.

### **Hurricane Sandy/Realtor Relief Fund**

- We've all seen the stories, photos and videos of devastation in the East Coast, especially New York and New Jersey, from Hurricane Sandy.
- Sandy left up to 40,000 people homeless – They need help – our help.
- Please consider donating to the REALTORS Relief Foundation.
- For more than 11 years, the REALTORS Relief Foundation has been dedicated to providing housing-related assistance to victims of disasters.
- The foundation will work with state associations in affected areas to distribute funds as quickly as possible to those in need -- within the REALTOR family and within the community at large.
- 100 percent of the money you give to the foundation directly benefits disaster victims; NAR covers all the administrative costs of the fund.
  - So every single penny you give goes to those in need.
- If you can spare even a small amount, now is the time to make that commitment.
  - Let's show families affected by Hurricane Sandy that REALTORS are there to lend a helping hand.
  - Go to [REALTOR.org](http://REALTOR.org) to make a donation today.

### **Committee Restructure**

- Competition, turmoil, demographic shifts, and economic uncertainty are the realities of a global market. Our organization, the industry and the world have changed.
- To keep pace with all these changes, we took a look at how we structure NAR's committees—an issue that hasn't been looked at in over 20 years.
- At our annual conference in Orlando last month, the Board of Directors approved recommendations to the committee structures that allow NAR to operate more effectively and efficiently.
- 16 new groups have been created while approximately 10 forums were sunset. Additionally, the committees overseeing RPAC were realigned.
- **Forums that will sunset:**  
Auction Forum, Business Technology and Information Systems Forum, Diversity Forum, Global Forum, Housing Opportunity Forum, Land Use Property Rights and Environment Forum, Marketing Forum, Member Information Services Forum, Professional Development Forum, Real Estate Services Forum, Regulatory Issues Forum, Resort & Second Home Real Estate Forum
- If you're currently in leadership or serving on a committee, rest assured there will still be a place for you in the new committee structure.
  - The Association doesn't want to lose any talented leaders who are willing to serve our industry by giving so selflessly of their time.
  - Because we have so many talented leaders in our organization, we created an additional 250 more opportunities for our members to serve under the new restructure.

### **RPR Launch**

- REALTORS, your work just got easier.
  - On November 1, REALTORS Property Resource – or RPR – launched its nationwide database to all one million plus members of the National Association of REALTORS.
  - It doesn't matter whether your MLS has signed up for RPR or not – YOU can still benefit from it!
- RPR provides data on nearly 150 million properties across the United States.
- It enables you to search for perfect U.S. properties for your clients as well as conduct in-depth market analysis – all in one spot.
  - No more going from place to place to find the information you need.

- Use RPR's wide range of data and analysis to help your clients make better informed decisions about buying and selling.
  - tax assessment and public records information,
  - stand-alone mortgages and liens,
  - foreclosure data and even pre-foreclosure data
  - demographics and census information
- Remember, only REALTORS have access to RPR, making it another outstanding benefit of your membership in NAR.
- U.S. Members: All you need to get going on RPR is your NRDS ID. Go to NARRPR.com to login and begin your search
- International REALTOR Members- your NRDS ID will begin to work with RPR in early 2013. In the meanwhile, you can set up an RPR account by e-mailing: Donna Rausch at donna@narrpr.com

## Global Update

### **The Kiplinger Letter reports: Foreign Investment in U.S. Real Estate Market will Continue to Grow**

- The 7 September 2012 edition of the Kiplinger Letter (volume89/# 36), reports that the opportunity to build or buy factories, firms and U.S. real estate, will continue to entice foreign investors. Kiplinger reports "look for a surge in foreign direct investment over the next 5 to 6 years pushing annual in flow to \$320 billion by 2018, nearly 50% higher than now."
- Kiplinger predicts "through at least 2018, foreign investment in residential properties will climb by 20% a year, with about half the buying in California, Florida, Texas and Arizona. Commercial property, especially apartment buildings will see foreign buying rise by about 10% a year."
- Why? According to Kiplinger, this growth will result from:
  - The "fading allure of emerging markets" such as China and India.
  - Projected pay raise of 15% per year for Chinese workers. Production costs in China will be on par with the U.S. which has higher productivity rates.
  - The Euro Crisis: even with a weakened Euro, "high labor costs and overburdened national budgets will slow growth"

### **Global Recognition at International Night Out**

- The International Night Out Dinner & Awards ceremony held annually at the REALTOR Conference & Expo is the global real estate community's chance to honor and recognize those individuals and organizations that have worked so hard during the past year to keep our international real estate world turning.

- **2012 Honorees include:**

- Global Achievement Award - Gail Lyons
- Global Achievement Award - Ruth Krinke
- CIPS Instructor of the Year - David Wyant
- CIPS Course Sponsor of the Year - Chamber of Real Estate and Builders' Association (CREBA), Philippines
- Outstanding Ambassador Association - Texas Association of REALTORS®
- International REALTOR® of the Year - John Glaab and Linda Neil of Mexico  
*This is a new award category for 2012. The award is designed to recognize and honor international members who embody REALTOR® spirit. Recipients of this award go above and beyond; they volunteer their time to the Association and help to build REALTOR® brand awareness. They are educating and promoting REALTOR® professionalism to both agents and consumers, while also providing an example for all REALTORS® to follow.*

- **2012 Global Business Council- Achievement Award Winners:**

- Platinum**

- REALTOR® Association of St. Lucie/Treasure Coast Global Business Council
- West San Gabriel Valley Association of REALTORS®
- Greater Fort Lauderdale REALTORS®
- Miami Association of REALTORS®/International Council of the Miami Association of REALTORS®

- Gold**

- Texas Association of REALTORS®
- Pinellas International Council of REALTORS®
- Greater Las Vegas Association of REALTORS®
- Sarasota Association of REALTORS®
- South Bay (CA) Association of REALTORS®
- Houston Association of REALTORS®
- Denver Metro Association of REALTORS®
- Orlando Regional REALTOR® Association
- Arcadia (CA) Association of REALTORS®
- Naples Area Board of REALTORS®
- Hawaii International Real Estate Council

- Silver**

- Marco Island Association of REALTORS®
- Northeast Florida Association of REALTORS®
- Washington (State) REALTORS®
- Raleigh Regional REALTOR® Association/Triangle International Council of REALTORS®
- Jupiter-Tequesta-Hobe Sound Association of REALTORS®
- REALTOR® Association of Greater Fort Myers and the Beach

- Georgia Association of REALTORS®
- Main Street Organization of REALTORS®

### **IRPF celebrates 20 Years of Success in Establishing International Real Estate Prosperity**

- October 2012 marked the 20th anniversary of the International Real Property Foundation's (IRPF) efforts developing real estate markets in emerging economies.
- Established in 1992 as an independent, non-profit organization, IRPF was designed to help in the transition from centrally planned to market driven economies in Central and Eastern Europe and the Newly Independent States of the former Soviet Union.
- Over the past 20 years, IRPF's influence has affected real estate markets globally.
  - An outcome of IRPF's strategy is the presence of 180,000 practitioners in developing markets served by 78 self-sustaining associations
- The Foundation was set up with the active support and assistance of the National Association of REALTORS. NAR continues to provide support and services and NAR members serve on the IRPF board of directors.
- IRPF's Recent Programming:
  - **Emerging markets in Sub-Saharan Africa:** Established the East Africa Regional Real Estate Training Center (EARRETC) serving real estate professionals in Kenya, Uganda and Rwanda. The EARRETC is a mechanism to deliver technical assistance at an affordable price for real estate associations in the region. Additional training on property rights, focusing on women in the industry, is requested from the field.
  - **National Association of Realtors-India:** IRPF's current efforts in India are aimed at improving the professionalism of brokers and agents while working with developer associations. IRPF is focused on bringing International Valuation Standards to India, working through the National Housing Bank, and assisting NAR-India to become a more democratic organization by bringing leadership and ethics training to the association's local chapters.
  - **Central and Eastern European markets:** Development of data aggregation systems that provide access to reliable and timely information on properties to provide transparency in these markets. IRPF is assisting the Central European Real Estate Associations

Network (CEREAN) and local service provider FlexMLS implement an MLS throughout Romanian.

- Help IRPF Succeed for 20 More Years:
  - After twenty years, the funding that IRPF has received from USAID and other sources is now beginning to dwindle. In order for the Foundation to continue its valuable work and deliver much-needed programming in host countries throughout the world, the IRPF needs assistance.
  - To learn more or make a contribution, please visit [www.IRPF.org](http://www.IRPF.org)

### **NAR Research releases the 2012 State by State International Business Reports**

- Last month, NAR Research released updated State by State International Business Reports.
- There are 51 reports — one per state and for the District of Columbia
- The purpose of the reports is to present recent economic and demographic data related to international business activity directly associated with each of the states.
- Topics addressed in each report include:
  - Population demographics: U.S. born, foreign born, naturalized, and non-U.S. citizen residents
  - Main languages spoken in households
  - Immigration and naturalization trends
  - Non-immigrant visitors to the state
  - Foreign direct investment in the U.S. and the specific state
  - Value of state exports by type of product
  - State exports to specific trading partner countries
- In conjunction with the International Business Reports, there is an interactive map of the United States, housed on Realtor.org that highlights key points from the report's data.
- Both the map and the reports are housed on <http://www.realtor.org/reports/state-by-state-international-business-reports>

**Join us in Vegas: Destination Vegas: Your Passport to Resort & Global Success**

- The Greater Las Vegas Association of Realtors®, Nevada Association of Realtors®, and National Association of Realtors® are hosting a two-day event that combines a resort and second-home destination with global networking opportunities.
- Day one will focus on Resort & Second Markets: Attendees can take NAR's Resort and Second-Home Markets Course, the core course needed to earn the Resort and Second-Home Property Specialist Certification (RSPS).
- Day 2 is focused on Global Buyers: Learn how to connect with investment and foreign home buyers and learn about Las Vegas as a resort and second-home destination market
- For more information please call 312-329-8246 or e-mail [resort@realtors.org](mailto:resort@realtors.org)

### **NAR Global Education Update**

#### ***Certified International Property Specialist (CIPS) designation***

- It's dues renewal time and CIPS Designees can save 10% if they renew online before 31 December 2012. (Discount available for online payments only)
- Visit <http://www.realtor.org/cipsdues>

#### ***Resort & Second Home Property Specialist (RSPS)***

- The RSPS Certification program completed the first international Resort and Second-Home Markets Course. The class was held in Greece in conjunction with the 2012 CERAN Conference in Heraklion, Crete, Greece.
- The Resort & Second-Home Markets Course is the core course for the RSPS certification and is offered both in the classroom and online. For more information, visit [www.realtor.org/resort](http://www.realtor.org/resort)

#### ***At Home with Diversity (AHWD)***

- The core course for the At Home With Diversity (AHWD) certification has been updated and will be rolled out at NAR's REALTORS® Conference and Expo in Orlando. Following convention, a complimentary webinar will be offered to AHWD Instructors (date TBD) to review the course updates.
- The AHWD Online course has been approved for CE in 40 states! To see if your state has been approved, or to register for an online class, visit [www.realtor.org/ahwd](http://www.realtor.org/ahwd)