

2024 REALTORS® LEGISLATIVE MEETINGS



Mike Stott,
2024 CAOR President

Our CAOR President, Mike Stott, has provided notes on his recent trip to Washington, D.C. for the 2024 Realtors® Legislative Meetings.

Please note that there may be errors in the provided information.

Sunday

RECEPTION-

The week began with the Georgia Reception where we had an opportunity to chat with the two-hundred or so Georgia Realtors® who make things happen. I did meet with Barry Laudermilk and John Ossoff. We promoted changing VA rules, affordable housing credits, supporting raising the capitals gains threshold and preserving 1031 Exchanges.

Monday

MONDAY AM SESSIONS-

Election talk with Margaret Hoover and Eugene Daniels both super smart and Nate Johnson moderator.

We need to engage in non rage machine media because the stakes are so high. We need to pay for good journalism. We can't pull out and ignore.

#1 threat to journalism is apathy. We need to Explore the other viewpoint. News media needs to become credible. We need to agree on a set of facts. 80% of thirty under get their news from TikTok over65 from Facebook. Algorithms mess this up. Scrap current media laws and update them. Accountability is important we can't tackle disinformation with current laws. Then incentive structure is wrong. Incentivize helping the fire to be put out.

East coast doesn't think or poll like middle of the country people.

Affordable housing. Bidens secret obsession. Programs and tools can he make them work. Rent too high. No first homes. Inventory problem. Can't move up. People reminded every month that it costs more.

Interest rates and inflation. These are the stakes. There should be a debate.

MONDAY PM SESSION #1-

Strategies to move forward into new landscape - Compliance and ethical conversations. There's opportunity.

Use research. Profile of buyers and sellers.

Where did we get it wrong? We didn't but we could have been.

Transparency issues. How we do what we do.

End of the day. It's good for the consumer and the profession. Don't bury head in the sand. And we won't become extinct. But you have to believe in the value of what we do.

We have had fundamental changes many times (short sales for example).

We are going to learn new contracts and how to articulate them.

Must written agreement before touring properties.

Can put in other sites.

Agents cannot accept more compensation than what is any written agreement.

Unilateral offer of compensation going away. So need contract in offer.

How to explain to sellers - The listing appointment. Make sure sellers know all of their options. We explain using a flow chart. And tonight the buyer of your home is discussing the same compensation. The ability for the buyer to pay their agent without help from you will be slim.

You can expect to see offers from blank to blank \$.

Why sellers should help with the buyers commission – they don't have the extra cash.

Include an example of closing costs for buyers. Black out private information.

What do you say when you hear "I don't have to pay a buyers agent any more?" You never had to. I want my seller's to be willing and this is what typically happens. Sellers will say what do you suggest we do ? My suggestion is to allow me to say my seller is willing and open to look at all offers.

Reality of concessions in the MLS. A veteran cannot pay their agents fee.

Do not say, "If you don't offer Anything, your home will not be shown or offers made".

Same for buyers. Create a presentation. Then execute a contract. There's multiple ways for you to get paid.

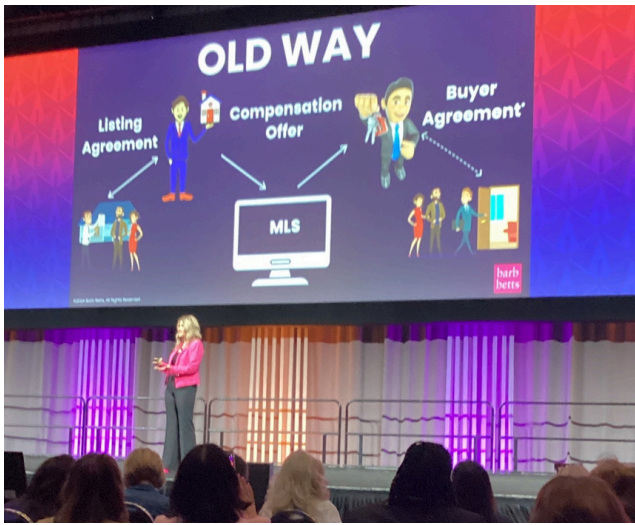
My job is to explain the seller will have to pay. What happens is a seller wont pay? Find another house.

Take top five clients and practice/hone presentations with them. New territory I may mess up, thanks.

Give same information to all parties. Remember Codes of Ethics.

MONDAY PM SESSION #2-

Regulatory Issues Forum (Notes provided by Donna Stott).



Practice changes due to settlement:

No offer of compensation in MLS - period.

Must have Buyer Broker agreement before showing a home.

Impact on 1st time buyers, minority, immigrant Buyers.

Unclear. If they have to pay a buyers agent- will be devastating. May be unrepresented. Taken advantage of by Sellers/Sellers Agents. This is the worst of the impact.

May create a greater divide between the ability of those buyers to buy - causing less of them to be able to buy. Lenders can help with a creative financing package.

MBA will look at what changes need to be made. Like if Seller pays buyer commission it doesn't count toward maximum. It has to be included in the sales price. (As it really always has.) It all adds up the same if lenders see it that way.

One guy said if you separate it out it's as much as \$200/month to buyers to finance commission. He said that prices aren't coming down 3% so it really will cost the buyers more. Hmm.

Investors may look at these loans differently that are financing commission- even if we can do it that way. It needs to be in the sales price.

Buyer brokerage needs to be a presentation so buyers understand what they are getting. On an offer that will be part of the negotiation.

Everyone will have the veto power in the offer time. This is dangerous to buyer agents who put so much in before the offer.

It's far more complicated than we may be seeing.

We must start showing Sellers what is likely to happen. Many sample net sheets.

Must show buyers the downside of not having an agent. Really sell your value.

Buyer Brokers are important. Not having one costs you more than having one. If you can't sell that don't be a buyer broker.

CFPB? What entity is that. May need better language. In lending and buyer brokerage paperwork.

Will lenders be "deputized" to be sure contracts written correctly? Costs will go up. Compliance costs are so high already.

Brochure for what Buyer Brokers should do for you /look for these things in a buyer broker. Lenders could give those out.

Market conditions will shift and that will shift things too. Buyers may be paying all commissions...to sweeten their offer.

You pay a buyers broker to know what and how to offer and ask for.

VA. Must change or can't buy in some scenarios. VA has to change that rule. MBA is pushing VA. VA must address it now. Letter sent to VA from MBA and a few other trades. Inaction will break the program.

Fannie and Freddie and FHA said it's ok to put in sales price.

This will affect homeownership in this country. Making it harder for buyers to buy. Period. Slippery slope is fearful. There are doomsday scenario.

LTV is not going to change. It will take an act of congress. 97 to 96.5. This will take it to 94.5. Good luck. Not happening. All 3 agreed. They have created chaos for no good reason. This panel is angry. Apparently Dodd exempted real estate for a reason but the DOJ ignored that. Fannie Freddie and FHA acted. VA still has to. And they need to fast. It's already

causing problems. Created problems that will drain resources and the ability for buyers to buy. Buyers are confused. Sellers are confused. Realtors are confused. Lenders are confused. Media has made it worse. We must address it with our clients. Down payment assistance programs could help.

Being the expert in your marketplace on these issues is going to give you an advantage.

Make a marketing case. Explain your value. Sell your value. Explain why they need you. Explain how you will be paid. Explain how you will deliver on your promises.

83% of home buyers said they were educated by their agent. Over 50% say agent got them a better price or terms.

Most sellers use an agent. The question is - will buyers?

Dual agency. Would you hire the attorney representing the other side? Attorneys can't do it. It may not be allowed down the road.

Good Fannie Mae Pamphlet. <https://www.fanniemae.com/media/51211/display>

MONDAY PM SESSION #3-

Messaging the Madness (Notes provided by Donna Stott).

How to spread good news on social media. What do you use? What do you post? How often?

Facebook - Motivational Quotes.

Goal is every day. Mostly I just maintain consistently with the groups I have. They provide referrals. Maintain positivity. Quality. Share info from others. Be intentional.

Instagram - reach is higher than FB she things. Posts Properties - often. Yes I get business from it. It's the consistency. Over time. Coming from a place of positivity. Mostly private messages from there. Don't start with I or me. Make it about them. The goal is to have conversations. KCM. Broker Agent Media? BAM? NAR and MLS. Read- Research - Respond.

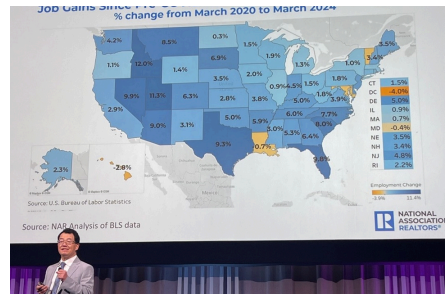
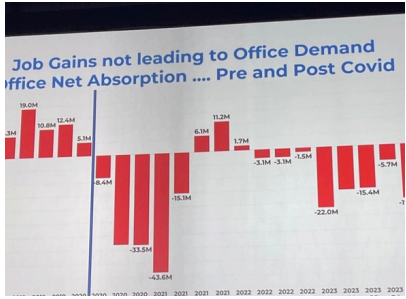
Instagram - post kids storytelling- does it before kids wake up. Staff does tik tok more education. Be thoughtful and intentional and show what properties I have and what I need for buyer clients. I also reach out to support my peers. Don't post mad. Context must be "what's in it for them." Read NAR content consistently. MLS. Put in your own voice. We are in the business of conversations. Ask yourself "Will this create a conversation?"

Instagram- because it's where I love to be. 10-15 hours a week. Highlight what I do, and who I am. Consistency doesn't mean every day. It could be every Monday morning. Connect. Mindset is a challenge. Gratitude has to be there. Record when you are "up" and save some for another day. Get data to support what your clients are asking. Use NAR and local MLS data. Try to impact the life of one person every day.

SESSION #4-

Dr. Yun

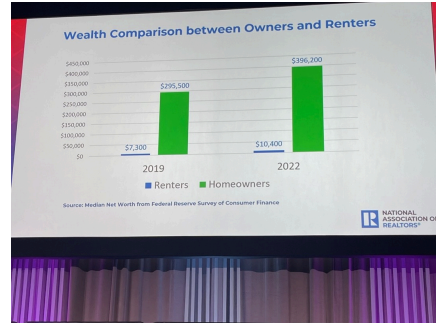
Realtors getting unfair deal in media. We are democracy.



Past clients are very happy.

Must buy a home to build wealth.

Owner class vs tenant class.



70M more people since 1995 - 40M more jobs in same time period.

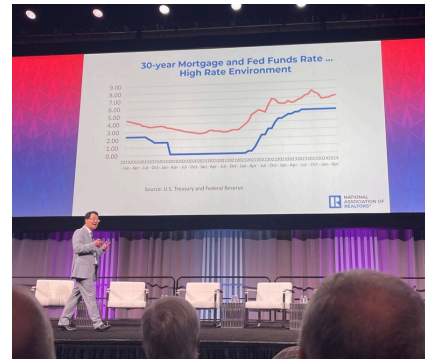
Home sales can't remain this low.

Multiple offers means multiple losers - people who wanted to buy but lost.

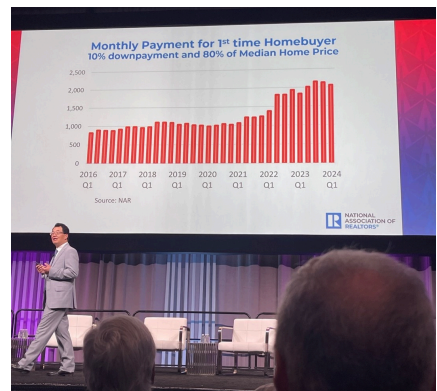
Inventory improved some this year.



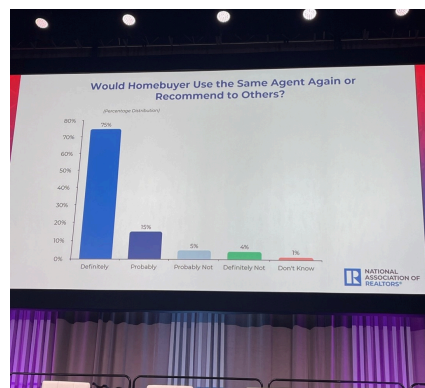
Rates should still come down. Wall Street says rate cut in September.



Double price per month on home payments.



NAR lost 26,000 members. 136K in. 163K out. Only similar industry is restaurants.



SESSION #5-

Dr Lautz.

3 offers for every house.

28% of home sales are cash.

Short sales are 2%. 50% were short in 2008.

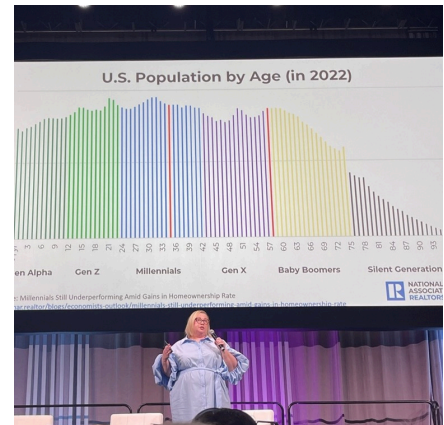
Short 5.5M units of inventory. May take 10 to 12 years to catch up.



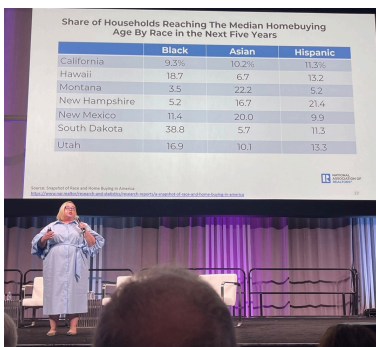
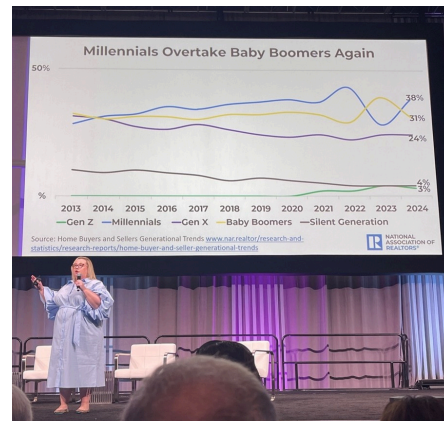
35 is median 1st time homebuyer.

It was as low as 28 in the past.

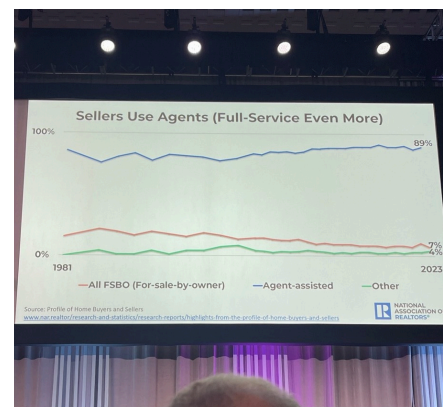
58 average for 2nd+ home.



We have a drop in marriages. 30% of home buyers are single.



Historic lows of FSBOs.



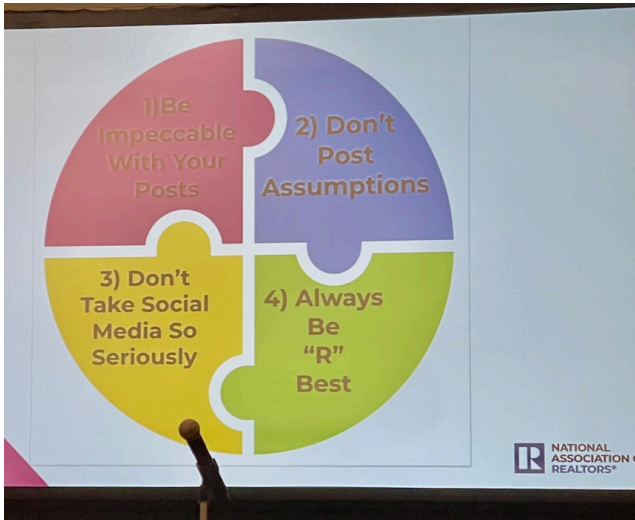
SESSION #6-

Social Media Etiquette

Don't put in % of commission as typical. We can't make sure they get best deal or price. REALTOR and trademark is missing.

Don't share stuff you don't read 100%. Better not to share but re-write. Shares go down in algorithm.

179 ways we serve our clients. Break that into 179 posts. Why is that one thing valuable to your client?



Four Realtor agreements

Are we getting the proper education?

Dogma - believing it from someone else. Dogma means the doctrine of belief in a religion or a political system. The literal meaning of dogma in ancient Greek was "something that seems true." These days, in English, dogma is more absolute. If you believe in a certain religion or philosophy, you believe in its dogma, or core assumptions.

Be careful where you get your news.

You should never have to justify your value when you are valuable.
