

**RVP Talking Points – September 2018**  
*National Preparedness Month, National Voter Registration Day*

National Preparedness Month

- September is National Preparedness Month, an opportunity to remind us and our clients that while disasters are never planned, we can still be prepared when they do occur.
- This year’s celebration will focus on planning, with an overarching theme: **Disasters Happen. Prepare Now. Learn How.**
- The devastating hurricanes and wildfires of 2018 and 2017 reminded the nation of the importance of preparing for disasters and, as we know first hand, the National Flood Insurance Program.
- That’s why NAR and FEMA, the Federal Emergency Management Agency, are partnering to raise awareness about disaster risks and the simple, proactive steps everyone can take to be better prepared. Together, we can build a culture of preparedness and ready the nation for catastrophic disasters.
- Throughout the month, stay tuned to the REALTOR®-Party-dot-REALTOR® website for content to share with your members and clients that cover:
  - Making and Practicing Your Preparedness Plan;
  - Learning Life Saving Skills;
  - Checking Your Coverage; and
  - Saving For an Emergency

National Voter Registration Day

- While 2018 is not a presidential election year, there are many other races coming up at the federal, state, and local level, including:
  - All 435 seats in the U.S. House of Representatives;
  - One-third of all U.S. Senators;
  - Thirty-six state governors and three U.S. territory governors; and
  - Nearly 400 cities will be electing mayors.
- With all this activity, there is no time like the present for REALTORS® around the country to get involved.
- Nearly 84 percent of REALTORS® are registered to vote, but we can do better.
- National Voter Registration Day is a national holiday celebrating our democracy on September 25. This is a great time to use the REALTOR® Party’s Voter Registration Program, which provides REALTOR® Associations tools and services that help increase the number of its members who are registered to vote.
- As REALTOR® Association leaders, you play a crucial role in helping to protect the interests of the real estate industry.

- By making sure that your members are registered to vote on key issues and races, we help to ensure that *The Voice for Real Estate*<sup>®</sup> is heard by legislators at the local, state and national levels.
- NAR Staff is on hand to help you with your voter registration efforts. Visit [www.realtorparty.realtor/vri](http://www.realtorparty.realtor/vri) for more information.
- And don't forget that the new REALTOR<sup>®</sup> Voter Registration & Participation Map allows you to see the number of REALTORS<sup>®</sup> in each state that are registered to vote. The map also shows the number of REALTORS<sup>®</sup> that actually voted in the November 2016 Presidential Elections.

## **Big Win for REALTORS on IRS Guidance for 20% Income Deduction**

*September 2018*

*Key Message: NAR won an important victory for our members when the IRS announced a proposal that said individual owners of sole proprietorships, including independent contractors, and owners of S corporations, LLCs, or partnerships can take the 20 percent deduction on their net qualified (that is, ordinary, non-investment) business income.*

- In early August, the IRS released proposed regulations on the new 20 percent business income deduction for pass through businesses.
- The deduction was part of the big tax reform law Congress passed at the end of last year and it was a huge win for REALTORS.
  - But it was unclear who would be eligible for the deduction.
  - Now that proposed regulations are out, it's clear the new deduction will be available to a wide range of real estate professionals.
- Under the new law, individual owners of sole proprietorships, including independent contractors, and owners of S corporations, LLCs, or partnerships can take the 20 percent deduction on their net qualified (that is, ordinary, non-investment) business income.
  - The calculation will depend on income thresholds, what type of business you own, and how you meet certain wage and qualified property tests.
  - But the basic structure is very favorable to you as a small business or independent contractor.
- NAR was integral to the favorable interpretation in the proposed rules.
- Your association made a forceful case that certain limitations on specified service businesses were not intended by Congress to apply to real estate professionals.
- And that's the interpretation the IRS has ended up taking.
- As an Aug. 7 Bloomberg News article says, the National Association of REALTORS "met with OMB (Office of Management and Budget) and Treasury Department officials to discuss proposed rules outlining computation of the new write-off for pass-throughs."
- The new deduction is available for tax years beginning after Dec. 31, 2017. You'll be able to claim it for the first time on the 2018 federal income tax return you file next year.

- Look for detailed NAR guidance by mid-September. It's a complicated provision and how it works for you will depend on many factors unique to your business structure and your income.
- As always, consult with your accountant or tax attorney on how this deduction should be applied in your situation.

## Fair Housing

September 2018

*Key Message: REALTORS and local associations have a role to play to help ensure that all families have access to stable and affordable housing in neighborhoods with good schools.*

- Housing is a critical platform for educational success.
- As the REALTOR community continues to advocate and support fair housing and housing opportunity for all, individual REALTORS and local associations can be part of the effort to help ensure that all families have access to stable and affordable housing in neighborhoods with good schools.
- First, REALTORS should take steps to avoid racial steering.
- Second, REALTORS and local associations can support local policies that promote affordable housing options in neighborhoods with good schools.
- Third, REALTOR associations can support and advocate for policies that improve all schools, especially those in communities with concentrations of low- and moderate-income families.
- Access to quality education is critically important for the success of children from all backgrounds.
- Issues related to school access and school quality are fair housing issues since where a family lives is a significant determinant of the quality of school children will attend.
- Being aware of how school quality affects neighborhood choice will help REALTORS avoid actions and words that steer buyers illegally.
- Fair housing training programs can be customized to reference the fair housing impact of local market issues related to schools.
- Local associations can also engage in their communities to address school issues that impact REALTORS and the customers they serve.
- I encourage you to spend time talking with your leaders and members about what role your association can play in addressing these issues in your communities.
- If you are not sure where to begin, reach out to local fair housing centers and chapters of the multicultural real estate organizations to identify ways to work together to develop solutions to local challenges.
- Use the resources provided by NAR at [FairHousing.realtor](http://FairHousing.realtor) as inspiration for your own initiatives.

- And as always, we want to hear from you.
- Tell us how your association is commemorating the 50<sup>th</sup> anniversary of the Fair Housing Act.
- Share your story for a chance to be featured on FairHousing.realtor
- Remember, fair housing makes us stronger.

## **iOi Summit** *September 2018*

*Key Message: The iOi Summit is integral to NAR CEO Bob Goldberg's vision to position NAR at the forefront of advocating for technologies that ensure Realtors are essential to consumers throughout the real estate transaction.*

- Advocacy isn't just practiced inside the Beltway of Washington, DC.
- We know that Silicon Valley has its own ideas about how real estate should operate. This is why we must be our own advocates for technology in the real estate industry.
- No longer will NAR be an island unto ourselves inventing technology, which is outside our core competency. NAR's CEO Bob Goldberg calls this the NIH approach—Not Invented Here.
- He created the Strategic Business, Innovation and Technology group to partner with major technology companies.
- He promised last year that NAR would gather thought leaders from Silicon Valley, the real estate industry and the business community to advocate for REALTORS' interests.
- NAR did just that, when it hosted the first ever Innovation, Opportunity and Investment Summit in San Francisco.
- We tackled key technology developments such as artificial intelligence, virtual reality, augmented reality and how to best incorporate them for the benefit of REALTORS.
- During the iOi Summit, Second Century Ventures, NAR's wholly-owned strategic investment arm, hosted a pitch battle where founders competed in front of...
  - venture capitalists,
  - CTOs,
  - CIOs,
  - innovators,
  - brokers, and;
  - real estate pros...to establish their companies as the most innovative startups in real estate. It was REALTORS' own version of Shark Tank!
- BoxBrownie, an on-demand photo editing service for real estate won the pitch battle.
- In addition, the iOi Summit featured a hackathon to bring developers from established and startup tech companies to the table.
  - KW Labs, the winner of the hackathon, built an app that allows an agent to make a video of a property on a walkthrough.

- The app automatically identifies the type of room and features in the room, then converts to text, and creates an accompanying web page for the property.
- The hackathon is a piece of Bob's larger strategy as CEO to bring tech firms that many consider to be disruptors under the tent as innovators and turn them into REALTOR advocates.
- Bloggers were enthusiastic about the Summit. Greg Robertson, of Vendor Alley said:
  - "Color me impressed. Not only was the event very well produced, but I enjoyed meeting and seeing other vendors, some old (like me) and some new in the space. I loved vendors pitching agent safety apps, new CRMs, new front end of choice apps, 360 photo apps to help with disaster recovery efforts, real estate photo augmentation, using lockboxes help with in-home medical care, and a way to level up agent performance."
- This is just the start of NAR owning the technology for the benefit of REALTORS.



## UPSTREAM TALKING POINTS SEPTEMBER 1, 2018

### Upstream Project Overview:

- The Upstream project was conceived and launched by a coalition of brokerages, networks and national franchises representing real estate companies of all sizes and business models. Upstream was formed to develop a comprehensive data technology platform that will:
  - Create a data entry point and storage platform for real estate-related data.
  - Standardize data formats between systems.
  - Manage the distribution of real estate information with a rules-based engine that supports the individual requirements of each participating brokerage.
- UpstreamRE, LLC was formed in 2014 and is governed by a Board of Managers who is elected by UpstreamRE participants. The Board is represented by small, medium and large firms as well as networks/franchises to ensure every size company has a voice in managing the project.
- In 2017, following a series of meetings between UpstreamRE and its MLS Advisory Council, composed of 30 leading MLSs, UpstreamRE announced a recommendation to begin the process of supporting an additional listing input option via **Broker Direct Feed (BDF)**.
- The BDF would allow Upstream to receive a direct feed of listings for participating Brokers from their MLS, instead of entering listings into Upstream. This is in addition to the original **Direct Input (DI) model**, where listings are input directly into the Upstream system, at broker/agent level. Upstream would then become a single source of distribution for its participating Brokers, regardless of whether listings had been received by Upstream by BDF or DI, creating a benefit for both the Brokers and their vendors.
- At the NAR Board of Directors meeting in May 2017, at the NAR REALTOR® Party Convention, the Board approved a motion which would extend NAR funding for Upstream RE's administrative and operational expenses through 2018.

### 2018-Upstream Pilot Market Testing and Implementation Update:

- RPR's Product team successfully released the Upstream Platform into production on May 14, 2018 in the Portland, OR Pilot market
- The first listings were entered into Upstream production environment through Direct Input with RMLS-Portland and Keller Williams-Eugene and Springfield on May 23, 2018
- Three Pilot MLSs have completed integration with the Upstream system and are staged for launch. Additional Pilot markets are currently in the process of mapping data to the Upstream platform.
- RPR and UpstreamRE are actively supporting the process of integration with individual brokers and vendors in multiple markets. As these integrations are completed, individual Pilot launches will be scheduled.

## The Most Successful Real Estate Professionals Attend REALTORS® Conference & Expo

August 2018

**Key Message:** *The REALTORS Conference & Expo is the largest annual event for the most successful real estate professionals. This year it's taking place in Boston, November 2-5.*

- The REALTORS Conference & Expo is the largest annual event for the most successful real estate professionals.
- This year it's taking place in Boston, November 2-5
- Boston forever changed the course of American history, and that past is all around you as you experience the city.
- Today, Boston is still a hub of commerce, creativity, education, sports and more, making it a perfect destination for 20,000 REALTORS and guests.
- Registration is now open at [conference-dot-realtor](http://conference-dot-realtor)
- Choose from 100 education sessions to learn about strategies and solutions that meet your clients' needs.
- A sampling of educational sessions:
  - MLS Leadership and best practices
  - Competing and winning in a changing real estate world
  - Strategies for growth and profit in today's environment
  - Managing risk in communication and advertising
  - Top Ten Impacts on Real Estate in 2018-2019
  - Find out about many more sessions at [conference-dot-realtor](http://conference-dot-realtor)
- Browse the industry's largest trade show, with over 400 exhibitors.
- Musical guest is GRAMMY-nominated Fall Out Boy, one of rock music's biggest-selling bands.
- Oscar-nominee and committed philanthropist Mark Wahlberg joins the NAR stage for a Q&A session.
- Join us for a "Wicked Awesome" time in Boston!